CUMBRIA
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CONTENTS

INTRODUCTION

Welcome to the March 2011 edition of the *Cumbria Economic Bulletin*.

For the benefit of new users, the Bulletin is jointly produced by the Centre for Regional Economic Development (CRED), at the University of Cumbria in Carlisle, and the Cumbria Intelligence Observatory (CIO). The aim of the Cumbria Intelligence Observatory (CIO) is to bring together existing research and analysis resources throughout Cumbria, working jointly with partners to provide information and intelligence for Cumbria. The Bulletin is intended to contain data relevant to the County for the benefit of a broad readership, but especially for policy makers, industrialists and academics.

We would like to take the opportunity to point out that a monthly labour market briefing can be supplied via an *e-mail* distribution list. Names can be added to this list on request by e-mail to *ginnym@investincumbria.co.uk*. The monthly briefings are also posted on the Observatory website www.cumbriaobservatory.org.uk as are copies of this Bulletin.

Requests for additions or deletions to the mailing list for this Bulletin can be notified to any of the contacts listed below.

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We hope that you will find the Bulletin interesting and informative.

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SECTION 1
MACRO ECONOMIC OVERVIEW

The global context

The two speed global recovery appears to be continuing; in advanced economies activity has moderated whilst in many emerging economies, activity remains relatively buoyant. The IMF saw global activity expand by 3.5% in the third quarter of 2010 which was down from 5% growth rate in the second quarter. This is a combination of continuing strong growth in developing countries whilst the recovery in the Euro zone is still tempered by the earlier sovereign and financial troubles.[1]

The populations in the vulnerable euro area economies are now starting to feel the effects of their governments' corrective actions to the recent financial problems. These problems have been compounded by the growing tension in the Middle East region which is forcing up the price of oil and gold and pushing down the credit rating of some of the affected states.[2]

Until recently the IMF saw fiscal packages in both Japan and the USA set to give a moderate boost to their economies. The growth in the peripheral areas of the Euro zone were marked down for the coming year and this reduction was balanced by an upward revision of Germany's growth due to stronger domestic demand. However, such forecasts will need to be re evalued in the light of the impacts of the tragic events in Japan.

The Lex team at the Financial Times argues that because the current economic situation is causing a variety of impacts on sovereign states the G20 is finding it difficult to agree on uniform action and that national interests are being placed in front of the interests of the global economy.[3]

In compiling this Bulletin, attention has been drawn to the vulnerability of the global economy to unexpected events and changes. The impact of these events appears to spread rapidly from their source to the world economy. It may be that the recent events in North Africa, New Zealand and the Far East have demonstrated the global significance of modern social media and its ability to bring the impacts of local events to the global consciousness.

National Context in the UK

There are still signs of a weak national recovery in the UK; National Statistics have reported Gross Domestic Product (GDP) has decreased by 0.6% on Quarter 3 of 2010 (but was still up 1.7% on the previous year). This change in GDP is reflected in an annual increase in manufacturing output (5.0%) compared to a 0.7% decrease on the previous quarter in the service sector and only a 0.7% annual increase. Labour market conditions have worsened slightly. Using the ILO definition, the unemployment rate increased to 7.9% an increase of 0.1% on the previous year.

The CBI[4] and the Bank of England Monetary Committee[5] would appear to agree that the bad weather did play a part in the poor GDP performance in the last quarter of 2010 cancelling out the expected rise in consumer spending pre VAT rise. However the CBI sees the growth in manufacturing output as the main driver for UK exports.

[1] http://www.imf.org/external/pubs/ft/weo/2011/update/01/index.htm
[2] http://www.ft.com/cms/s/d51c280e-3d27-11e0-bbff-00144feabdc0.html
[3] http://www.ft.com/cms/s/3/d51c280e-3d27-11e0-bbff-00144feabdc0.html#axzz1EaPKFu4B
[4] CBI (2011, Feb) 'Economic & Business Outlook Quarterly'
[5] Bank of England (2011 23 Feb) "MINUTES OF THE MONETARY POLICY COMMITTEE MEETING 9 AND 10 FEBRUARY 2011"

The post global recession has created sluggish demand for the UK's financial services, weakening our service sector growth.

The future rate of national recovery is still unpredictable with the Bank of England's Monetary Committee having a "*wider than usual range of views among Committee members about the outlook for growth*"[6]. At its meeting in February the committee observed that the spare capacity in the economy continued to dampen inflationary pressures arising from demand for commodities from the emerging countries. In these circumstances, they agreed to maintain the Bank Rate set in March 2009 at 0.5% and the size of the Asset Purchase Programme (Quantitative Easing) remained at £200 Billion, the figure set in November 2009.

Regional and local context

Recent media reports have contained very varied views on the government's big society and localism policies. The Telegraph[7] describes the Prime Minister's dilemma in developing his big society agenda at a time of treasury cuts. The Guardian's editorial [8] argues that the UK Government's localism policy driven by fiscal necessity is systematically removing the support offered to society by the public sector. The Times[9] argues that big society will need the support and financial backing of the country's large corporations if it is to fund the projects no longer supported by the public sector.

Global and national events clearly have an influence on the regional and local economy. Cumbria's unique geography and history in turn determines how these events affect the various parts of our County; the Cumbria Economic Assessment in section 7 highlights how each part of the County is performing in the current economic climate.

At County level the most recent figures available (Jan 2011) would suggest that unemployment has continued to fall with those claiming Job Seeker's Allowance (JSA) down by 4.8% on last year. This is however a smaller percentage than the national fall of 9.0% and the regional fall of 10.9%. Perhaps a more accurate measure of the shift in unemployment would be the number of people claiming Out of Work Benefits. The County has seen a 2.8% fall in this group which is close to the national average fall of 2.6% (see section 4 for more analysis). Section 6 looks at the effect this unemployment and poverty has on various sectors of our society and in particular the impact on children. The Northwest Regional Intelligence Unit (NWRIU) points to the growing need for the private sector in the region to create jobs to replace those lost in the public sector. Section 3 highlights that this does not appear to have happened in the last six months in Cumbria. The NWRIU also raises the concern of the number of part time or temporary jobs that are being created to replace the full time jobs that are being lost[10].

National government policies have an impact on local businesses. The effect of one such policy, the Small Business Rates Relief is discussed in section 5. In a move away from regional governance to local empowerment the government has created the Local Economic Partnerships (LEP) and since the last bulletin Cumbria's LEP has been approved and we include the press release from the LEP as section 8.

[6] Bank of England (2011 23 Feb Section 26) "MINUTES OF THE MONETARY POLICY COMMITTEE MEETING 9 AND 10 FEBRUARY 2011**"**
[7] Daily Telegraph (2011, Feb 5) "BIG SOCIETY NOT BIG GOVERNMENT; The much-vaunted Big Society agenda is losing momentum And if it collapses, David Cameron does too"
[8] http://www.guardian.co.uk/commentisfree/2011/feb/26/editorial-david-cameron-big-society
[9] Times (2011 Feb 14) "Save the Big Society, send for big business; David Cameron's flagship policy will sink if it doesn't get capitalist talent on board"
[10] http://nwdainteractive.com/1G3-CJPI-26LEMI7A8/cr.aspx

SECTION 2
SELECTED NATIONAL ECONOMIC INDICATORS

Table 2.1: Economic Indicators

Economic Indicator	Level	Change on		
		previous month	previous quarter	year earlier
Gross Domestic Product (Q4 2010)	n/a		-0.6%	1.5%
Manufacturing output (Dec.2010)	n/a		1.1%	5.0%
Service sector output (Dec.2010)	n/a		-0.7%	0.7%
Headline annual inflation (RPI) (Jan,2011)		0.3%		5.1%
Underlying annual inflation (RPIX[11]) (Jan,2011)		0.3%		5.1%
Base (Repo) interest rate (end Feb 2011)	0.5%			
UK claimant count (Jan 2011)	1,459.7m		-4,200	-157,100
UK ILO unemployment rate (3 months to Dec.10)	7.9%		0.1%	0.1%
Whole economy productivity (Q3 2010)	n/a		0.1%	1.7%
Manufacturing productivity (Q3 2010)	n/a		0.8%	8.0%
Halifax house prices (Jan.2011)	n/a	0.8%	-0.7%	-2.4%
Sterling effective Exchange Rate Index (Jan. 2005=100) (28.02.11)	81.48	0.01%	0%	3.96%

Sources: National Statistics; Bank of England Online statistics;
www.lloydsbankinggroup.com/media1/research/halifax_hpi.asp?WT.ac=MHPER [Accessed 01.03.11]
http://www.bankofengland.co.uk/mfsd/iadb/Index.asp?first=yes&SectionRequired=I&HideNums=-1&ExtraInfo=true&Travel=NIx. [Accessed 01.03.2011]

[11] RPIX = Retail Price Index excluding mortgage interest payments

SECTION 3
CORPORATE CHANGE IN CUMBRIA

Signs of fragility in the Cumbrian economy and the effect of the Coalition policy of reducing the deficit are shown up in the reported job gains and losses for the County. In the past six months, reported job losses (2,242) exceeded the reported job gains (1,282) by nearly double, reversing the position that was recorded in the September 2010 issue of the Bulletin. The reported job losses are dominated by those in the public sector where the result of the Government's Public Spending Review of October 2010 has caused all publicly-funded bodies to look for savings and hence we have seen announcements of redundancies in the Public Administration and Health sectors in particular. On the other hand, there are positive signs in the private sector as there are reported net job gains in the manufacturing, retail, hotel/restaurants and construction sectors.

Details of the sectoral distribution of reported job gains and losses can be seen in Table 3.1. In this issue of the Bulletin, we have compiled a new table, Table 3.3, which reports jobs at threat. This has been necessitated by the fact that there have recently been an increasing number of proposed job losses announced to the press which have yet to be fully consulted upon between the respective employer and the trade union(s) and hence the number of job losses that eventuates is subject to more uncertainty than is usually the case. We have therefore not included these numbers in compiling Table 3.1.

There were a relatively high number of firms in the Manufacturing sector reported to be taking on employees with resulting net job gains amounting to 207 in that sector. However, it should be noted that up to 51 of the job gains may only be temporary as they comprise food processing Christmas jobs at Grants Smokehouse in Maryport.

The reported job gains in the Retail sector came from seven new shops opening in the County and only one company reported job losses. Similarly, the reported job gains in the Hotels and Restaurants sector were accounted for by seven firms while there was only one firm, namely the Youth Hostels Association, reporting job losses. Job losses in the Transport, Storage and Communication sector are dominated by those at Agilisys in Barrow who are laying off 90 workers as a result of the loss of a contract.

As mentioned above, reported job losses in the County are dominated by those in the public sector. Those in Public Administration are occurring at Cumbria County Council (611), Cumbria Police (335), the Nuclear Decommissioning Authority (61), Copeland Council (42), Cumbria Tourism (26), the Lake District National Park Authority (12), Barrow Regeneration (11), Connexions Cumbria (10), British Cattle Movement Service (9) and Carlisle Tourism Partnership (7). The job losses at Cumbria Tourism, Barrow Regeneration and Carlisle Tourism Partnership are a result of the winding up of the NWDA and subsequent cuts in these organisations' sources of funding.

Other job losses in the public sector affect the Health sector and will be occurring at University Hospitals of Morecambe Bay NHS Foundation Trust (which includes Furness general Hospital) (705), the Cumbria Partnership NHS Foundation Trust (80) and the North Cumbria University Hospitals Trust (40). From Table 3.3, we can see that there are also likely to be further forthcoming job losses in the public sector.

There are the following reported planning proposals which will bring job gains should planning approval be granted:

- A plan to build a £3M residential and dementia care home by Manor Care Home Group would create about 50 jobs in Keswick.
- The RSK Group plc of Cheshire, acting as an agent for the oil firm ConocoPhillips, is seeking planning permission to demolish the sulphuric acid

plant at the Rivers gas terminal at Rampside and replace it with a new plant. It is thought that this would create at least 50 jobs.

- The owners of Coopers Yard, in Park Rd., in Barrow have submitted plans to demolish two main buildings and replace them with a new large sorting and recycling shed and a separate motor vehicle decontamination unit. A weighbridge, a baling plant and new site office would also be added to the site. The creation of the resultant "state-of-the–art" recycling yard would generate up to 43 jobs (NW Evening Mail 7/2/11).
- English Lakes – the hotel, resort and venue company – wants to build a large convention centre at its Low Wood Bay hotel on the shore of Windermere. This would create 35 jobs.

Table 3.1: Reported Jobs Gained and Lost by Standard Industrial Classification (SIC)

	Jobs	
	To be / gained	**To be / lost**
Mining and Quarrying	-	-
Manufacturing	280	73
Electricity, Gas and Water Supply	151	-
Construction	100	15
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	112	7
Hotels and Restaurants	131	16
Transport, Storage and Communication	15	150
Financial Intermediation	-	-
Real Estate, Renting and Business Activities	122	30
Public Administration and Defence; Compulsory Social Security	250	1,124
Education	-	-
Health and Social Work	119	827
Other Community, Social and Personal Service Activities	2	-
Totals	**1,282**	**2,242**

The data in this table is based on the author's allocations of reported jobs gains and losses to SIC codes and has not been verified by separate enquiry. Consequently, it should not be viewed as necessarily comprehensive or wholly accurate. Press reports generally do not identify how many jobs are full or part time, hence it is not possible to provide job numbers as Full Time Equivalents.

Table 3.2: Reported Jobs Gained and Lost – Breakdown

	Firm Name	Location	Standard Industrial Classification	Jobs: To be / Gained	Jobs: To be / lost	Reason Quoted
02-Sep-10	The Royal Oak	Workington	Hotels and Restaurants	8		Take-over of the pub has meant the creation of new jobs.
08-Sep-10	REPower	Barrow	Manufacturing	24		Recruitment for 24 service engineers and 4 management roles for the wind turbine manufacturer in the Barrow area, "to support the installation and operation of its offshore wind farm" (Cumberland News 8/9/11).
13-Sep-10	Castellum Ltd.	Dalston	Construction		15	The building contractor went into liquidation.
22-Sep-10	North Cumbria University Hospitals Trust	Carlisle and Whitehaven	Health and Social work		40	Carlisle's Cumberland Infirmary and the West Cumberland Hospital, Whitehaven, need to find £21M of savings demanded by the health service in the current financial year. They are therefore "looking at outsourcing some finance work – such as accounts, payroll, pensions and procurement to Bristol-based NHS Shared Business Services (NHS SBS). This would affect about 40 jobs." (Cumberland News 22/9/11).
22-Sep-10	Westlakes Engineering	Westlakes Science Park	Real Estate, Renting and Business Activities	7		A new department of the environmental services firm, known as Westlakes Environmental, is taking on some of the former employees of Westlakes Scientic Consulting that went into administration in July 2010.
24-Sep-10	Cumbria Tourism	Cumbria	Public Administration		26	Cumbria Tourism had a budget of £1.3M from the NWDA but as this has been cut by 30% this year and will end completely in the next financial year, Cumbria Tourism will have to become self-funding. This will result in 26 job losses by the end of this financial year.

	Firm Name	Location	Standard Industrial Classification	Jobs		Reason Quoted
				To be / Gained	To be / lost	
30-Oct-10	B & M bargains	Barrow	Retail	30		The retailer is continuing its nation-wide expansion by opening its second store in Barrow.
04-Oct-10	Bridge Catering	Newby Bridge	Hotels and Restaurants	5		Bridge Café and Bistro at Greenodd is doing outside catering and the owner is relocating the outside catering element of the business to new premises at Greenodd. The move will create 5 posts.
12-Oct-10	BAE	Barrow	Manufacturing	119		The company's apprenticeship scheme has admitted 73 apprentice engineers, 38 graduates onto its Graduate Development Framework programme and 8 A-level school leavers as business trainees.
13-Oct-10	Stainton Coaches	Kendal	Transport, Storage and Communication		35	The coach company has ceased trading.
14-Oct-10	Store Twenty One	Barrow	Retail	11		The clothing and homeware retailer is opening a new store.
27-Oct-10	Past Times	Workington	Retail	10		New shop opened in the Washington Square Shopping Centre.
27-Oct-10	KFC	Workington	Hotels and Restaurants	40		The fast food chain is to open a new branch in the town centre.
29-Oct-10	Grants Smokehouse	Maryport	Manufacturing	51*		These jobs in food processing are temporary Christmas jobs some of which may become permanent.
29-Oct-10	Marks & Spencer	Workington	Retail	15*		These jobs are temporary Christmas jobs.
29-Oct-10	Richard Woodall	Waberthwaite	Manufacturing		21	The sausage maker had a royal warrant to supply the royal household with its hams, bacons and sausages but is to close after 182 years in business.
29-Oct-10	Bright House	Carlisle	Retail	7		The rent-to-own weekly payment chain is opening a new shop in Scotch Street, selling electrical items.

	Firm Name	Location	Standard Industrial Classification	Jobs		Reason Quoted
				To be / Gained	To be / lost	
02-Nov-10	Maplin Electronics	Barrow	Retail	8		The national electronics retailer has opened a new store.
03-Nov-10	Office for National Statistics	Cumbria	Public Administration	250*		These are contracts for temporary workers on the 2011 Census.
05-Nov-10	Northern Security	Carlisle	Real Estate, Renting and Business Activities	20		The firm has won a new contract to provide security to the University of Cumbria's sites in Carlisle, Newton Rigg, Ambleside and Lancaster.
10-Nov-10	Corus Process Engineering	Workington	Manufacturing	35		Expansion of the engineering firm.
12-Nov-10	North Star Capital Projects	Silloth	Health and Social Work	50		A new 64-bed care home to be built on the site of the former Skinburness Hotel.
17-Nov-10	Capita	Carlisle	Real Estate, Renting and Business Activities		18	Capita administers the Cumbria Local Government pension scheme for Cumbria County Council. However, Cumbria County Council is going to contract the work now to Lancashire County Council and hence these people in Carlisle will lose their jobs unless they are prepared to work in Preston.
18-Nov-10	Lake District National Park Authority	Cumbria	Public Administration		12	Part of a proposed restructure in response to government cuts and a need to save £522,000.
27-Nov-10	Agilisys	Barrow	Transport, Storage and Communication		90	Workers were told that the firm had lost a valuable contract and that it was going abroad.
30-Nov-10	Reays coaches	Wigton	Transport, Storage and Communication	15		New bus services being provided.

	Firm Name	Location	Standard Industrial Classification	Jobs		Reason Quoted
				To be / Gained	To be / lost	
01-Dec-10	Dalton Nuclear Institute	Westlakes Science and Technology Park	Real Estate, Renting and Business Activities	45		A nuclear research facility that will hold seminar rooms, computer modelling stations and experimental facilities for radiation science is to be built.
02-Dec-10	All Car Salvage	Flimby	Wholesale and Retail Trade	8		A new scrap metal and car parts business is to open on the Risehow Industrial Estate.
08-Dec-10	United Utilities	Whitehaven	Electricity, Gas and Water Supply	63		The jobs will be a mixture of administrative and telephony roles covering billing and cash collection as it brings this activity that was previously outsourced to a firm in the Philippines to being in-house.
09-Dec-10	Pathfinding Commercial Ltd.	Whitehaven	Construction / Health and Social Work	100 / 60		A 58-bed care home for the elderly and a housing complex are to be built on the former Sekers factory site at Hensingham. It will create 100 construction jobs and 60 part-time jobs in the care home.
10-Dec-10	Barrow Regener-ation	Barrow	Public Administration		11	"The loss of the NWDA will see Barrow Regeneration, formerly West Lakes Renaissance and the body behind Barrow's marina and marina village plans, shut down by March with the loss of 11 jobs." (Cumberland News 10/12/10).
15-Dec-10	Nuclear Decommiss-ioning Authority	Copeland	Public Administration		61	"As part of restructuring, the NDA has shed 102 posts, 61 of them in Copeland. These have been lost across the three local sites – Westlakes Science Park, the NDA's national HQ; Pelham House, Calderbridge, and a small office at Sellafield" (Cumberland News 15/12/10).
16-Dec-10	Screwfix	Carlisle	Retail	21		The UK's largest direct and online supplier of trade tools, accessories and hardware products is opening a new branch on the Kingstown Industrial Estate.

	Firm Name	Location	Standard Industrial Classification	Jobs		Reason Quoted
				To be / Gained	To be / lost	
30-Dec-10	University Hospitals of Morecambe Bay NHS Foundation Trust	Barrow, Kendal, Lancaster	Health and Social Work		705	A possible minimum of 705 FTE posts may go between 2010-2015 as The University Hospitals of Morecambe Bay NHS Foundation Trust (UHMBT) seeks to save at least £15M in the year ahead and a total of £50M over the next four years.
30-Dec-10	The Broughton Hub	Broughton	Other Community, Social and Personal Service Activities	2		The Broughton Hub will consist of the Victory Hall, Broughton Information Centre and the Kepplewray Centre. Its aim is to create and promote events in the village.
31-Dec-10	Carlisle Window Systems	Carlisle	Manufacturing	6		Expansion to a new 24,000ft^2 factory on the Durranhill Industrial Estate for the firm that makes and installs windows, doors, conservatories and automated garage doors.
06-Jan-11	Alan Dawson Associates	Lillyhall	Manufacturing		12	The bespoke metal and architectural company has ceased trading.
07-Jan-11	Home Bargains	Barrow	Retail		7	Redundancies made for company "to remain competitive." (Cumberland News 7/1/11)
07-Jan-11	Premier Inn	Carlisle	Hotels and Restaurants	2		The Carlisle Central Premier Inn is building an extension of 21 new bedrooms which will cost £900,000. Jobs will be in the housekeeping and reception areas.
10-Jan-11	South Lakes Inns	Newby Bridge	Hotels and Restaurants	10		Revamp of the Newby Bridge Hotel which will double the hotel's capacity for holding weddings and take it from a 3* to a 4* hotel.
13-Jan-11	Connexions Cumbria	Cumbria	Public Administration		10	Restructuring needed as a result of Government cuts in grants to local authorities.
14-Jan-11	Then Hospitality	Moota	Hotels and Restaurants	42		A 44-bed hotel, 100-seat restaurant, two meeting rooms, a café and staff accommodation to be built.
14-Jan-11	Frank Bird Poultry	Langwathby	Manufacturing	25**		Demand is so high for chickens that the factory is to move to a 6-day week later this year and hence employ more workers.

	Firm Name	Location	Standard Industrial Classification	Jobs		Reason Quoted
				To be / Gained	To be / lost	
17-Jan-11	Driveline Engineering	Stainton	Manufacturing	5		The light engineering firm will create 5 jobs over three years as it expands to premises in Barrow. It makes precision components for various industries including the quarrying industry.
18-Jan-11	Carlisle Tourism Partnership	Carlisle	Public Administration		7	The Partnership was set up in 2009 to boost visitor numbers to Carlisle but these posts in the conference and tourism team were funded by the NWDA which is being abolished.
18-Jan-11	Oxley Develop-ments	Ulverston	Manufacturing		40	Oxley Developments, which employs 220 people across three sites, has announced it is to shed 40 jobs. A major customer has pulled out of a regular contract with the firm, which produces LED lighting and electronics.
19-Jan-11	DONG Energy	Barrow	Electricity, Gas and Water Supply	75		These jobs are being created for the operation and maintenance phase of the new £1bn Walney Offshore Windfarm.
19-Jan-11	Seawind	Barrow	Manufacturing	11		The firm supplies vessels to the wind industry and has started operating in Barrow.
19-Jan-11	CN Group	Cumbria	Transport, Storage and Communication		25**	The need to cut costs as advertising revenues fall and the price of paper rises means that there will be cuts in roles at Cumbrian Newspapers and Furness Newspapers.
25-Jan-11	Business Link Northwest	Cumbria	Real Estate, Renting and Business Activities		12	The Business Link service across Britain is closing in November and being replaced by a Business Link government website. Those advisers left in Cumbria will be made redundant.
26-Jan-11	Studsvik	Lillyhall	Manufacturing	4		The Metal Recycling Facility (MRF) at Lillyhall decontaminates a variety of metals contaminated with low-level radiation for future recycling.

	Firm Name	Location	Standard Industrial Classification	Jobs		Reason Quoted
				To be / Gained	To be / lost	
27-Jan-11	British Cattle Movement Service	Workington	Public Administration		9	"As farmers follow the regulations surrounding cattle identification more closely, fewer on-farm cattle inspections are needed" (Cumberland News 27/1/11)
31-Jan-11	Furness General Hospital	Barrow	Health and Social Work	9*		These are work placements between 5-8 weeks long for unemployed people seeking work which will give them experience of NHS work.
01-Feb-11	United Utilities	Cumbria	Electricity, Gas and Water Supply	13		The co. is aiming to recruit these apprentices – 8 for their customer service centre in Whitehaven and 5 for field operations in Cumbria, this year, with the expectation of the same number of apprenticeships being offered each year until 2015. Steve Fraser, their operations director said "United Utilities is delivering a huge investment programme for the North West's water infrastructure, and we need ambitious engineers and scientists to help us meet the challenges that lie ahead." (Cumberland News 1/2/11)
14-Feb-11	Youth Hostel Association	Lake District	Hotels and Restaurants		16	The Barrow House hostel at Derwentwater, the Helvellyn hostel at Glenridding and the hostel at Hawkshead are to be put on the open market.
17-Feb-11	Cumbria Police	Cumbria	Public Administration		335	By September, there will be 100 fewer officers than in 2009/10 and by March 2012, civilian support posts will have dropped by 235 as the Cumbria Police have to save £18.7M over 4 years due to budget cuts.
17-Feb-11	Copeland Council	Copeland	Public Administration		42	Around 20 staff will lose their jobs and 22 council vacancies will also not be filled as the Council needs to save £4.7M over the next 4 years.
18-Feb-11	Cumbria County Council	Cumbria	Public Administration		611	Cuts in spending will lead to an estimated 611 job losses due to making net savings of £33M in their budget for 2011/12.

	Firm Name	Location	Standard Industrial Classification	Jobs: To be / Gained	Jobs: To be / lost	Reason Quoted
19-Feb-11	Nando	Carlisle	Hotels and Restaurants	24		New restaurant. It is part of a chain of more than 200 in the UK specialising in spicy chicken dishes.
23-Feb-11	Cumbria Partnership NHS Foundation Trust	Cumbria	Health and Social Work		80	From April, the Cumbria Partnership will take over the running of all community health services from NHS Cumbria and this will mean that mental health practitioners are formally assigned to work with GP practices. The changes to the way that staff work mean that an estimated 80 posts will go over the next 3 years.
24-Feb-11	RD Shellfish and Donnan Quayside Fisheries	Whitehaven	Retail	2		A new wet fish shop is opening up at Whitehaven Harbour.
24-Feb-11	Capula	Westlakes Science Park	Real Estate, Renting and Business Activities	50		The advanced automation and real-time business intelligence company is recruiting staff to support its growth.

* According to the press reports, these jobs were classified as temporary.
** This figure is a mid-range figure taken from the range which the company quoted as the estimated job gains.

The information in this table has been obtained from local press reports and has not been verified by separate enquiry. Consequently, it should not be viewed as necessarily comprehensive or wholly accurate. Press reports generally do not identify how many jobs are full or part-time, hence it is not possible to provide job numbers as Full Time Equivalents.

Table 3.3: Jobs under threat

	Firm Name	Location	Standard Industrial Classification	Jobs under Threat	Reason Quoted
01-Sep-10	Capita	Cumbria	Real Estate, Renting and Business Activities	371	Negotiations are taking place to see if staff can be transferred to the new contract holders. "Staff at their headquarters at Kingmoor Park, Carlisle, are affected, as well as employees in Whitehaven, Penrith and Lillyhall. Their duties for the council include HR, personnel, payroll, pensions and IT" (Cumberland News 1/9/10).
13-Sep-10	St Mary's Hospice	Ulverston	Health and Social Work	24	Restructuring at the care home mean that 24 nursing and other jobs could go in an effort to save £235,000 p.a. following a fall in charitable donations. However, talks between the union and employer could instead result in a change in working patterns and no job losses.
14-Oct-10	Eden Housing Association	Penrith	Public Administration	5	The housing association is engaging in a redesign of its team structures.
10-Jan-11	Cumbria Safety Camera Partnership	Penrith	Transport, Storage and Communication	26	Nine people in the safety camera unit and 17 workers in the control ticket are told their jobs are at risk due to Government cuts of £38M in the national road safety budget, £255,000 of which fell on Cumbria.
26-Jan-11	Cumbria Fire Brigade	Cumbria	Public Administration	19	Fire chiefs are planning to cut 19 fire fighter posts across the County, due to funding cuts but the Fire Brigade Union are resisting.
11-Feb-11	Central and Morton Academies	Carlisle	Education	70	Savings of £2M over the next two years need to be made and a staff restructure is required given that three former establishments were merged to form just two schools.

	Firm Name	**Location**	**Standard Industrial Classification**	**Jobs under Threat**	**Reason Quoted**
14-Feb-11	Amey		Real Estate, Renting and Business Activities	30	Around 30 workers employed by the infrastructure services company have been told that they may not have jobs at the end of March as the company's 6-year contract with Cumbria County Council to maintain school pitches comes to an end.

* The information in this table has been obtained from local press reports and has not been verified by separate enquiry. Consequently, it should not be viewed as necessarily comprehensive or wholly accurate. Press reports generally do not identify how many jobs are full or part-time, hence it is not possible to provide job numbers as Full Time Equivalents.

SECTION 4
THE LABOUR MARKET

JSA Claimant trends in Cumbria

The number of people claiming Job Seeker's Allowance (JSA) has fallen in Cumbria from a year ago. The figures reveal an annual fall of 4.8% for the county between Jan 2010 and Jan 2011 with 419 fewer claimants (down to 8,367 people); see Table 4.1. This is a smaller fall than in the UK (down 9.0%) and the North West (down 10.9%). The number of JSA claimants has fallen over the year in all districts except Copeland where it rose by 3.7% (59 people). The highest percentage falls were in Eden (25.3%) and Carlisle (down 8.1%) and the lowest percentage fall was in Allerdale (down 0.6).

Travel to Work Areas (TTWAs) are compiled by ONS using commuting data from the 2001 Census and, although they are not perfect geographies, they do provide useful information on conditions in local labour markets. Absolute claimant counts are relatively low in the Kendal and Penrith & Appleby areas, while the major industrial centres have counts ranging from 1,564 in Whitehaven to 2,337 in Carlisle. The Jan 2011 figures show an annual fall in all TTWAs except Whitehaven (up 53) and Workington & Keswick (up 19). Numerically, the biggest fall over 12 months was in Carlisle (down 213).

The picture is different when viewed over a 6-month period. Between Jul 2010 and Jan 2011, the number of JSA claimants in Cumbria rose by 9.5% (728) which is higher than the rise of 3.7% regionally and 4.4% nationally. However the 6 month figures for Cumbria are more affected by seasonal trends than elsewhere and so change over 12 months gives the best indication of trends in Cumbria.

Table 4.1: JSA Claimant counts

	Jan 10	Jul 10	Jan 11	6-Month Change Jul 10-Jan 11		Annual Change Jan 10-Jan 11	
				No	%	No	%
Allerdale	1,903	1,623	1,892	269	16.6	-11	-0.6
Barrow	1,684	1,570	1,596	26	1.7	-88	-5.2
Carlisle	2,113	1,934	1,941	7	0.4	-172	-8.1
Copeland	1,601	1,416	1,660	244	17.2	59	3.7
Eden	574	369	429	60	16.3	-145	-25.3
South Lakeland	911	727	849	122	16.8	-62	-6.8
Barrow TTWA	1,950	1,799	1,862	63	3.5	-88	-4.5
Carlisle TTWA	2,550	2,293	2,337	44	1.9	-213	-8.4
Kendal TTWA	645	498	583	85	17.1	-62	-9.6
Penrith& Appleby TTWA	513	332	383	51	15.4	-130	-25.3
Whitehaven TTWA	1,511	1,352	1,564	212	15.7	53	3.5
Workington & Keswick TTWA	1,761	1,499	1,780	281	18.7	19	1.1
Cumbria	8,786	7,639	8,367	728	9.5	-419	-4.8
North West	205,916	177,067	183,557	6,490	3.7	-22,359	-10.9
UK	1,654,025	1,441,035	1,505,068	64,033	4.4	-148,957	-9.0

Source: Office for National Statistics via NOMIS

The trends in numbers of claimants are also reflected in the JSA claimant rate for the districts (% of working age population) which are shown in Table 4.2. Across the

County as a whole, the JSA claimant rate was 2.7% in Jan 2011, down by 0.1 from the rate a year ago but up by 0.2 from 6 months ago. The rate in Cumbria remains below the UK rate of 3.7% despite a faster rate of decrease nationally over the year (down by 0.4). Rates in all Cumbria's districts are below the national figure except Copeland where it is the same. The rate fell in all districts over the year except Copeland where it rose by 0.1. In the past 6 months however, the rate of JSA claimants has gone up by 0.2 in Cumbria, the same as the national rate increase. Allerdale and Copeland have seen particularly sharp rises over the past 6 months, both up 0.5 while Carlisle's rate is unchanged. At TTWA level, rates fell or stayed the same compared to a year ago in all areas except Whitehaven but over the past 6 months rates have increased in all TTWAs, particularly in Whitehaven where the JSA claimant rate has gone up from 3.1% to 3.6%.

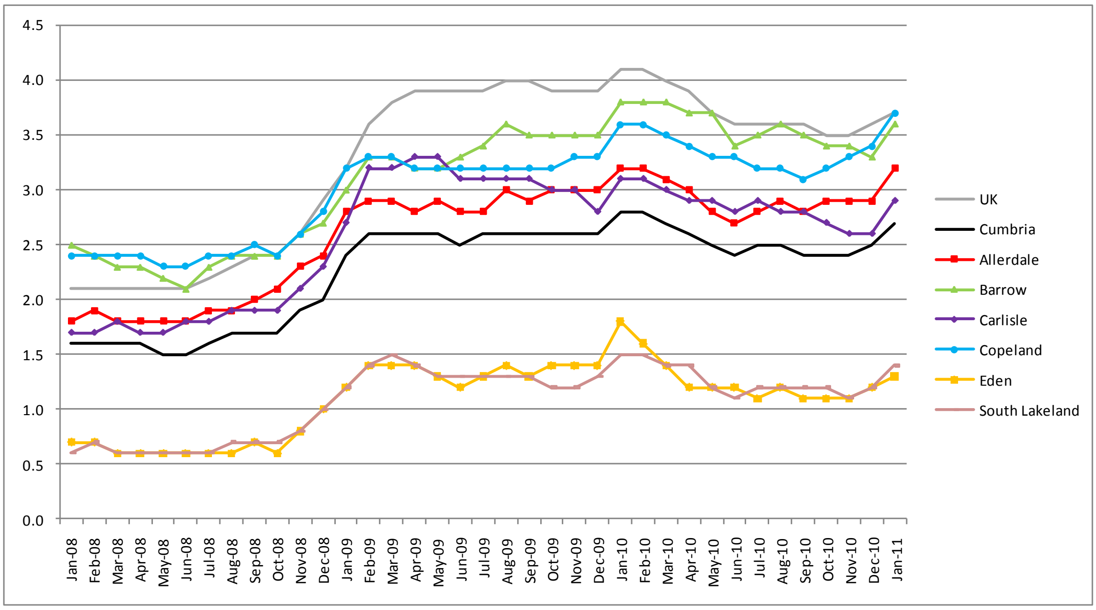
Table 4.2: JSA Claimant rates (resident based)

	Jan 10	Jul 10	Jan 11	6-Month Change Jul 10-Jan 11	Annual Change Jan 10-Jan11
Allerdale	3.2	2.8	3.2	0.5	0.0
Barrow	3.8	3.5	3.6	0.1	-0.2
Carlisle	3.1	2.9	2.9	0.0	-0.3
Copeland	3.6	3.2	3.7	0.5	0.1
Eden	1.8	1.1	1.3	0.2	-0.5
South Lakeland	1.5	1.2	1.4	0.2	-0.1
Barrow TTWA	3.4	3.1	3.2	0.1	-0.2
Carlisle TTWA	3.0	2.7	2.7	0.1	-0.3
Kendal TTWA	1.2	1.0	1.1	0.2	-0.1
Penrith & Appleby TTWA	1.7	1.1	1.3	0.2	-0.4
Whitehaven TTWA	3.5	3.1	3.6	0.5	0.1
Workington & Keswick TTWA	3.5	3.0	3.5	0.6	0.0
Cumbria	2.8	2.5	2.7	0.2	-0.1
North West	4.6	4.0	4.1	0.1	-0.5
United Kingdom	4.1	3.6	3.7	0.2	-0.4

Source: Office for National Statistics via NOMIS

Figure 4.1 charts the unemployment rate over three years from Jan 2008 through to Jan 2011. This shows that the rate in the UK rose more quickly than in Cumbria during the recession, starting below Copeland and Barrow in Jan 2008 but rising above all six districts by Jan 2009.

Figure 4.1: JSA Claimant rate trends Jan 2008-Jan 2011



Source: Office for National Statistics via NOMIS

Long Term Unemployment

The number of long-term unemployed (those claiming JSA for over one year) has fallen over the past 12 months and there are now 795 people in Cumbria who have been claiming for more than a year. The biggest fall over the year has been in Copeland (down by 45). The rate of decrease over the year has been faster in Cumbria (down 11.7%) than regionally (down 10.6%) or nationally (down 1.4%). Over the past 6 months the number of long term JSA claimants has also fallen more quickly than regionally and nationally.

Table 4.3: Number of Long Term Unemployed JSA Claimants (12 mths+)

	Jan 10	Jul 10	Jan 11	6-Month Change Jul 10-Jan 11		Annual Change Jan 10-Jan 11	
				No	%	No	%
Allerdale	240	220	210	-10	-4.5	-30	-12.5
Barrow	160	185	145	-40	-21.6	-15	-9.4
Carlisle	220	230	190	-40	-17.4	-30	-13.6
Copeland	195	175	150	-25	-14.3	-45	-23.1
Eden	35	55	30	-25	-45.5	-5	-14.3
South Lakeland	50	70	65	-5	-7.1	15	30.0
Barrow TTWA	180	210	170	-40	-19.0	-10	-5.6
Carlisle TTWA	265	285	250	-35	-12.3	-15	-5.7
Kendal TTWA	30	40	40	0	0.0	10	33.3
Penrith & Appleby TTWA	30	45	25	-20	-44.4	-5	-16.7
Whitehaven TTWA	180	165	145	-20	-12.1	-35	-19.4
Workington & Keswick TTWA	225	205	185	-20	-9.8	-40	-17.8
Cumbria	900	935	795	-140	-15.0	-105	-11.7
North West	30,055	31,580	26,870	-4,710	-14.9	-3,185	-10.6
United Kingdom	236,590	262,240	233,170	-29,070	-11.1	-3,420	-1.4

Source: Office for National Statistics via NOMIS (data rounded –values may not sum)

The proportion of JSA claimants who have been claiming for more than 12 months is perhaps a better indicator of labour market conditions than the actual number as it reflects the degree of churn. In January 2011 9.6% of claimants in Cumbria had been claiming for more than 12 months. This is well below the UK proportion of 15.6%. Over the past year, the proportion of long term claimants has risen in Eden and South Lakeland but fallen elsewhere. Over the past 6 months, the proportion has fallen everywhere.

Table 4.4: Proportion of JSA Claimants who have been claiming for over 12 mths

	Jan 10	Jul 10	Jan 11	6-Month Change Jul 10-Jan 11	Annual Change Jan 10-Jan11
Allerdale	12.9	13.6	11.3	-2.3	-1.6
Barrow	9.5	11.9	9.3	-2.6	-0.2
Carlisle	10.4	11.9	9.9	-2.0	-0.5
Copeland	12.2	12.6	9.2	-3.4	-3.0
Eden	6.2	15.5	6.8	-8.7	0.6
South Lakeland	5.6	9.4	7.8	-1.6	2.2
Barrow TTWA	9.2	11.8	9.3	-2.5	0.1
Carlisle TTWA	10.5	12.4	10.9	-1.5	0.4
Kendal TTWA	5.0	8.5	7.1	-1.4	2.1
Penrith & Appleby TTWA	6.1	13.9	6.3	-7.6	0.2
Whitehaven TTWA	12.2	12.2	9.3	-2.9	-2.9
Workington & Keswick TTWA	13.1	13.8	10.5	-3.3	-2.6
Cumbria	10.3	12.3	9.6	-2.7	-0.7
North West	14.7	17.9	14.7	-3.2	0.0
United Kingdom	14.4	18.3	15.6	-2.7	1.2

Source: Office for National Statistics via NOMIS

Claimant Destinations

The destination of those leaving the register can be analysed to give an indication of what is driving the change in the claimant count (Tables 4.5 and 4.6). In the last six months, 12,205 people left the register in Cumbria, the highest number (3,315) being in Carlisle and the lowest in Eden (680). The most common reason for leaving the register was because the individual had found work (4,990). A further 3,270 failed to sign and didn't give a reason and it is fair to assume that many of these had found employment. The number transferring onto Govt supporting training programmes was 1,185.

Table 4.5: Destination of Those Leaving the JSA Register (number) Jun 10-Jan 11

	Allerdale	Barrow	Carlisle	Copeland	Eden	South Lakeland	Cumbria
Found work	970	865	1,305	875	295	680	4,990
Increased work to 16+ hours/week	0	10	10	10	5	0	40
Gone abroad	75	90	125	100	35	75	500
Claimed Income Support	15	10	20	20	5	10	85
Claimed Incapacity Benefit	15	15	5	20	5	5	65
Claimed another benefit	25	40	70	15	5	10	165
Gone to full-time education	15	30	35	15	10	20	125
Gone onto approved training	0	5	0	0	0	0	5
Transfer to Govt-supported training	245	395	210	225	30	75	1,185
Retirement age reached	0	0	5	0	0	5	10
Automatic credits payable	0	0	0	0	0	0	5
Claims back-to-work bonus	0	0	0	0	0	0	0
Gone to prison	20	20	60	25	0	10	140
Attending court	0	0	0	0	0	0	0
New claim review	10	30	20	20	5	5	85
Defective claim	0	5	10	5	5	5	30
Ceased claiming	25	60	90	45	5	60	285
Deceased	0	0	0	0	0	0	0
Not known	285	240	265	245	70	115	1,225
Failed to sign	570	600	1,070	480	205	345	3,270
Column Total	2,285	2,415	3,315	2,105	680	1,415	12,205

Figures rounded to nearest 5. Source: Office for National Statistics via NOMIS

The proportion of those moving off the register into employment over the past 6 months was 64.7% which is slightly lower than the regional figure (68.1%) but higher than the national figures of 54.7% (Table 4.6). This proportion was particularly high in Eden (73.4%) and South Lakeland (71.1%). The proportion leaving to go onto Government supported training was high in Barrow (25.1%) but the area also recorded the lowest proportion finding work (54.7%).

Table 4.6: Destination of Those Leaving the JSA Register (%) Jul 10-Jany 11

	Allerdale	Barrow	Carlisle	Copeland	Eden	South Lakeland	Cumbria	North West	United Kingdom
Found work	68.1	54.7	66.1	63.6	73.4	71.1	64.7	68.1	54.7
Increased work to 16+ hours/week	0.1	0.7	0.5	0.6	1.5	0.2	0.5	0.1	0.7
Gone abroad	5.2	5.8	6.4	7.2	8.4	7.7	6.5	5.2	5.8
Claimed Income Support	1.0	0.6	1.0	1.6	1.2	1.3	1.1	1.0	0.6
Claimed Incapacity Benefit	1.2	1.0	0.2	1.3	1.0	0.5	0.8	1.2	1.0
Claimed another benefit	1.8	2.5	3.6	1.2	0.7	1.0	2.2	1.8	2.5
Gone to full-time education	1.1	1.9	1.8	1.2	2.7	2.1	1.6	1.1	1.9
Gone onto approved training	0.0	0.3	0.0	0.0	0.0	0.0	0.1	0.0	0.3
Transfer to Govt-supported training	17.3	25.1	10.7	16.3	7.7	7.8	15.4	17.3	25.1
Retirement age reached	0.1	0.0	0.2	0.1	0.0	0.3	0.1	0.1	0.0
Automatic credits payable	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0
Claims back-to-work bonus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gone to prison	1.5	1.2	3.1	1.9	0.5	0.8	1.8	1.5	1.2
Attending court	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New claim review	0.7	1.8	1.1	1.3	0.7	0.5	1.1	0.7	1.8
Defective claim	0.1	0.4	0.6	0.4	0.7	0.3	0.4	0.1	0.4
Ceased claiming	1.7	3.9	4.7	3.3	1.2	6.2	3.7	1.7	3.9
Deceased	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Office for National Statistics via NOMIS *NB: Percentages are of those for whom a reason for leaving the register was given and therefore do not include the not known or failed to sign categories.*

Out of Work Benefit Claimants

JSA claimant data is very useful as a guide to worklessness and is the most up to date statistical information available as it is released monthly. However, by definition it only measures those eligible for, and claiming, Job Seekers' Allowance and therefore only tells part of the story. A wider view on worklessness can be taken by analysing DWP Benefits datasets as these include people claiming other out of work benefits. This dataset is only released quarterly by DWP and is at least 6 months in arrears, plus it is influenced by changes in benefit eligibility, but nevertheless it does provide an interesting insight into the levels of worklessness. The dataset groups claimants into Statistical Groups according to the main reason why they are claiming benefit (see explanation below).

Note: Benefits are arranged hierarchically and claimants are assigned to the top most benefit which they receive. Thus a person who is a lone parent and receives Incapacity Benefit would be classified as ESA/Incapacity and someone receiving both Bereavement and DLA Benefits would be classified as disabled. Therefore, the Lone Parent group for example may not contain all lone parents claiming Income Support as some will be in the ESA/Incapacity group instead if they also claim one of those benefits. The Out of Work Benefits Group comprises those on JSA/ESA/Incapacity/Lone Parents/Other Income Related and is usually used as the proxy for worklessness.

The May 2010 DWP Benefits Dataset reveals that 42,130 people in Cumbria were claiming some sort of DWP benefit which represents 13.6% of the working age population. Focussing just on those in the Out of Work Benefits Group reveals that 34,440 people in Cumbria were in this Group, 11.1% of the working age population. This rate is lower than both the regional (15.2%) and national (12.4%) rates.

Despite economic pressures facing the County, the number of people in the Out of Work Benefits Group has fallen by 1,000 from a year ago, a fall of 2.8% which is slightly higher than the fall nationally which was 2.6%. Over the shorter term, the number in the Out of Work Benefits Group has fallen by 770 in the 6 months from November 2009 to May 2010. This is a fall of 2.2% which is slightly slower than nationally (-2.7%). Table 4.7 shows the May 2010 data (counts) for the 6 local authority districts, Cumbria, the North West and Great Britain.

Table 4.7: DWP Benefits Claimants May 2010 (count)

Stat Group	Allerdale	Barrow	Carlisle	Copeland	Eden	South Lakeland	Cumbria	North West	Great Britain
Total	8,470	8,730	9,640	7,370	2,680	5,240	42,130	798,790	5,731,460
Out of Work Benefits	6,870	7,300	8,050	6,080	2,090	4,050	34,440	676,650	4,828,350
Job Seekers	*1,530*	*1,510*	*1,870*	*1,390*	*380*	*680*	*7,360*	*173,120*	*1,354,400*
ESA/Incapacity	*4,290*	*4,800*	*4,960*	*3,820*	*1,430*	*2,790*	*22,090*	*392,960*	*2,602,680*
Lone Parent	*800*	*770*	*940*	*680*	*190*	*390*	*3,770*	*86,870*	*679,110*
Other Income Related	*240*	*220*	*270*	*200*	*100*	*200*	*1,220*	*23,710*	*192,160*
Disabled	630	640	690	480	250	530	3,220	52,190	390,310
Bereaved	160	100	170	100	70	140	750	10,190	82,750
Carer	810	690	730	710	270	520	3,720	59,760	430,050

Source: DWP Benefits dataset via NOMIS

Although the County proportion of working age people in the Out of Work Benefits Group is slightly below the national average, this masks wide variations across Cumbria, with Barrow having a rate well in excess of the national average at 16.3%. Copeland's rate is also above the national average at 13.6% but both Eden and South Lakeland have a very low rate of 6.5%. Table 4.8 shows the rates for Cumbria's 6 districts compared with elsewhere.

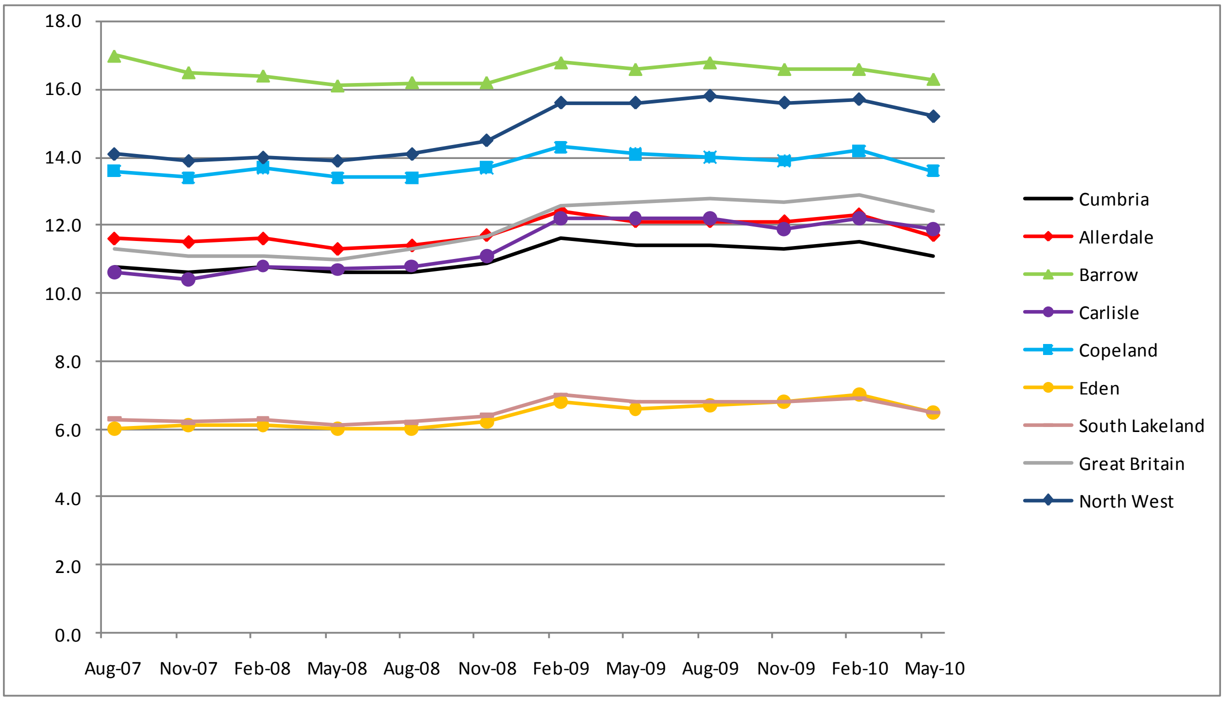
Table 4.8: DWP Benefits Claimants May 2010 (% of working age population)

Stat Group	Allerdale	Barrow	Carlisle	Copeland	Eden	South Lakeland	Cumbria	North West	Great Britain
Total	14.4	19.5	14.3	16.5	8.3	8.4	13.6	17.9	14.7
Out of Work Benefits	11.7	16.3	11.9	13.6	6.5	6.5	11.1	15.2	12.4
Job Seekers	2.6	3.4	2.8	3.1	1.2	1.1	2.4	3.9	3.5
ESA/Incapacity	7.3	10.7	7.3	8.5	4.4	4.5	7.1	8.8	6.7
Lone Parent	1.4	1.7	1.4	1.5	0.6	0.6	1.2	1.9	1.7
Other Income Related	0.4	0.5	0.4	0.4	0.3	0.3	0.4	0.5	0.5
Disabled	1.1	1.4	1.0	1.1	0.8	0.8	1.0	1.2	1.0
Bereaved	0.3	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Carer	1.4	1.5	1.1	1.6	0.8	0.8	1.2	1.3	1.1

Source: DWP Benefits dataset via NOMIS

Looking at trends for the % of the working age population in the Out of Work Benefits Group over the past 3 years, the effect of the recession is apparent with a jump in the figures towards the end of 2008 followed by a levelling off through 2009 and signs of a decline in the first part of 2010. Figure 4.2 shows the rate over the past 3 years. Changes to ESA eligibility and other impending benefit reforms will make it difficult to analyse these trends over similar timeframes in the future.

Figure 4.2: Out of Work Benefit rate trends Aug 2007-May 2010



Source: DWP Benefits dataset via NOMIS

At ward level, the ward with the highest number of people in the Out of Work Benefits Group is Central in Barrow with 1,180, followed by Hindpool with 910. Central ward also has the highest proportion of its working age population in the Out of Work Benefits Group at 33.9%, almost 3 times the national average. Moss Bay (30.7%), Barrow Island (27.8%), Hindpool (26.8%) and Sandwith (26.8%) all have more than a quarter of their working age population in this group. In contrast, Gosforth, Ullswater, Lakes Grasmere, Boltons, Levens and Derwent Valley have fewer than 3% of their working age population in the Out of Work Benefits Group.

Table 4.9: Out of Work Benefits Group by ward, May 2009-May 2010

	May 2009		May 2010		Annual Change		
ALLERDALE	**No**	**Rate**	**No**	**Rate**	**No**	**% chg**	**Rate**
All Saints	255	8.6	255	8.6	0	0.0	0.0
Aspatria	285	13.4	265	12.4	-20	-7.0	-1.0
Boltons	35	3.1	25	2.2	-10	-28.6	-0.9
Broughton St Bridget's	150	5.4	160	5.8	10	6.7	0.4
Christchurch	155	7.7	140	7.0	-15	-9.7	-0.7
Clifton	145	15.0	145	15.0	0	0.0	0.0
Crummock	35	3.5	30	3.0	-5	-14.3	-0.5
Dalton	55	5.4	45	4.4	-10	-18.2	-1.0
Derwent Valley	30	2.9	20	2.0	-10	-33.3	-0.9
Ellen	225	11.0	210	10.3	-15	-6.7	-0.7
Ellenborough	420	17.3	375	15.4	-45	-10.7	-1.9
Ewanrigg	495	23.5	470	22.3	-25	-5.1	-1.2
Flimby	205	19.4	190	18.0	-15	-7.3	-1.4
Harrington	150	7.7	135	6.9	-15	-10.0	-0.8
Holme	100	9.8	110	10.8	10	10.0	1.0
Keswick	175	5.4	165	5.1	-10	-5.7	-0.3
Marsh	80	7.6	80	7.6	0	0.0	0.0
Moorclose	670	22.7	655	22.2	-15	-2.2	-0.5
Moss Bay	860	31.7	835	30.7	-25	-2.9	-1.0
Netherhall	320	15.6	310	15.1	-10	-3.1	-0.5
Seaton	280	8.8	270	8.5	-10	-3.6	-0.3
Silloth	225	11.7	220	11.4	-5	-2.2	-0.3
Solway	95	9.1	85	8.1	-10	-10.5	-1.0
St John's	335	10.2	310	9.4	-25	-7.5	-0.8
St Michael's	670	20.0	685	20.5	15	2.2	0.5
Stainburn	75	6.5	75	6.5	0	0.0	0.0
Wampool	55	5.2	55	5.2	0	0.0	0.0
Warnell	35	3.1	50	4.4	15	42.9	1.3
Waver	70	6.1	65	5.6	-5	-7.1	-0.5
Wharrels	50	5.0	50	5.0	0	0.0	0.0
Wigton	420	11.9	400	11.4	-20	-4.8	-0.5
BARROW							
Barrow Island	465	26.4	490	27.8	25	5.4	1.4
Central	1,170	33.6	1,180	33.9	10	0.9	0.3
Dalton North	370	8.6	365	8.5	-5	-1.4	-0.1
Dalton South	420	10.4	410	10.1	-10	-2.4	-0.3
Hawcoat	240	8.2	240	8.2	0	0.0	0.0
Hindpool	950	27.9	910	26.8	-40	-4.2	-1.1
Newbarns	490	13.3	495	13.4	5	1.0	0.1
Ormsgill	875	22.3	855	21.8	-20	-2.3	-0.5
Parkside	350	9.7	335	9.3	-15	-4.3	-0.4
Risedale	700	19.5	690	19.3	-10	-1.4	-0.2
Roosecote	415	10.5	395	10.0	-20	-4.8	-0.5
Walney North	520	15.5	500	14.9	-20	-3.8	-0.6
Walney South	450	12.5	430	12.0	-20	-4.4	-0.5

	May 2009		**May 2010**		**Annual Change**		
CARLISLE	**No**	**Rate**	**No**	**Rate**	**No**	**% chg**	**Rate**
Belah	340	9.1	335	9.0	-5	-1.5	-0.1
Belle Vue	555	15.5	550	15.3	-5	-0.9	-0.2
Botcherby	850	22.3	800	21.0	-50	-5.9	-1.3
Brampton	290	10.8	310	11.6	20	6.9	0.8
Burgh	70	5.2	80	6.0	10	14.3	0.8
Castle	755	18.2	740	17.8	-15	-2.0	-0.4
Currock	570	14.1	595	14.8	25	4.4	0.7
Dalston	255	6.6	230	6.0	-25	-9.8	-0.6
Denton Holme	615	15.0	575	14.0	-40	-6.5	-1.0
Great Corby and Geltsdale	65	4.7	50	3.6	-15	-23.1	-1.1
Harraby	535	14.4	535	14.4	0	0.0	0.0
Hayton	85	6.7	90	7.0	5	5.9	0.3
Irthing	85	6.5	75	5.8	-10	-11.8	-0.7
Longtown & Rockcliffe	290	10.8	285	10.6	-5	-1.7	-0.2
Lyne	85	6.3	80	6.0	-5	-5.9	-0.3
Morton	560	17.2	570	17.5	10	1.8	0.3
St Aidans	620	15.1	620	15.1	0	0.0	0.0
Stanwix Rural	145	5.2	135	4.9	-10	-6.9	-0.3
Stanwix Urban	190	5.3	175	4.9	-15	-7.9	-0.4
Upperby	790	24.0	785	23.8	-5	-0.6	-0.2
Wetheral	120	4.3	105	3.8	-15	-12.5	-0.5
Yewdale	360	9.2	325	8.3	-35	-9.7	-0.9
COPELAND							
Arlecdon	95	8.8	75	6.9	-20	-21.1	-1.9
Beckermet	170	9.2	160	8.7	-10	-5.9	-0.5
Bootle	60	7.4	50	6.1	-10	-16.7	-1.3
Bransty	280	8.2	280	8.2	0	0.0	0.0
Cleator Moor North	495	18.0	475	17.3	-20	-4.0	-0.7
Cleator Moor South	355	20.8	330	19.3	-25	-7.0	-1.5
Distington	455	17.4	445	17.0	-10	-2.2	-0.4
Egremont North	450	16.1	445	15.9	-5	-1.1	-0.2
Egremont South	285	11.9	280	11.7	-5	-1.8	-0.2
Ennerdale	50	7.1	65	9.2	15	30.0	2.1
Frizington	310	18.4	285	16.9	-25	-8.1	-1.5
Gosforth	40	4.5	25	2.8	-15	-37.5	-1.7
Harbour	540	21.3	565	22.3	25	4.6	1.0
Haverigg	80	5.8	65	4.7	-15	-18.8	-1.1
Hensingham	395	14.7	400	14.9	5	1.3	0.2
Hillcrest	70	4.0	70	4.0	0	0.0	0.0
Holborn Hill	220	13.8	210	13.1	-10	-4.5	-0.7
Kells	215	14.3	205	13.6	-10	-4.7	-0.7
Millom Without	55	5.8	45	4.8	-10	-18.2	-1.0
Mirehouse	650	23.1	610	21.7	-40	-6.2	-1.4
Moresby	80	9.7	85	10.3	5	6.3	0.6
Newtown	310	14.2	300	13.8	-10	-3.2	-0.4
Sandwith	490	28.6	460	26.8	-30	-6.1	-1.8
Seascale	85	5.0	90	5.3	5	5.9	0.3
St Bees	55	5.0	50	4.5	-5	-9.1	-0.5

	May 2009		May 2010		Annual Change		
EDEN	**No**	**Rate**	**No**	**Rate**	**No**	**% chg**	**Rate**
Alston Moor	150	11.1	160	11.9	10	6.7	0.8
Appleby (Appleby)	75	10.7	65	9.3	-10	-13.3	-1.4
Appleby (Bongate)	55	5.2	55	5.2	0	0.0	0.0
Askham	40	4.1	45	4.6	5	12.5	0.5
Brough	50	6.3	55	7.0	5	10.0	0.7
Crosby Ravensworth	30	3.1	35	3.6	5	16.7	0.5
Dacre	40	4.7	40	4.7	0	0.0	0.0
Eamont	35	4.3	25	3.1	-10	-28.6	-1.2
Greystoke	40	4.6	35	4.0	-5	-12.5	-0.6
Hartside	40	5.4	35	4.7	-5	-12.5	-0.7
Hesket	90	4.7	100	5.2	10	11.1	0.5
Kirkby Stephen	150	9.8	140	9.1	-10	-6.7	-0.7
Kirkby Thore	85	8.6	70	7.1	-15	-17.6	-1.5
Kirkoswald	50	5.2	40	4.2	-10	-20.0	-1.0
Langwathby	55	5.4	50	5.0	-5	-9.1	-0.4
Lazonby	25	2.8	30	3.3	5	20.0	0.5
Long Marton	35	4.6	25	3.3	-10	-28.6	-1.3
Morland	35	4.1	35	4.1	0	0.0	0.0
Orton with Tebay	80	8.2	75	7.6	-5	-6.3	-0.6
Penrith Carleton	55	5.7	35	3.7	-20	-36.4	-2.0
Penrith East	140	8.7	135	8.4	-5	-3.6	-0.3
Penrith North	180	7.0	170	6.7	-10	-5.6	-0.3
Penrith Pategill	110	14.5	125	16.4	15	13.6	1.9
Penrith South	110	8.1	95	7.0	-15	-13.6	-1.1
Penrith West	195	9.3	205	9.8	10	5.1	0.5
Ravenstonedale	30	5.2	25	4.3	-5	-16.7	-0.9
Shap	40	4.4	50	5.5	10	25.0	1.1
Skelton	30	3.1	40	4.1	10	33.3	1.0
Ullswater	35	3.8	25	2.7	-10	-28.6	-1.1
Warcop	45	5.3	40	4.8	-5	-11.1	-0.5

	May 2009		**May 2010**		**Annual Change**		
SOUTH LAKELAND	**No**	**Rate**	**No**	**Rate**	**No**	**% chg**	**Rate**
Arnside & Beetham	110	4.9	80	3.6	-30	-27.3	-1.3
Broughton	90	6.5	80	5.7	-10	-11.1	-0.8
Burneside	105	8.3	90	7.1	-15	-14.3	-1.2
Burton & Holme	65	3.5	60	3.2	-5	-7.7	-0.3
Cartmel	50	4.8	60	5.7	10	20.0	0.9
Coniston	50	4.2	40	3.3	-10	-20.0	-0.9
Crake Valley	45	3.8	40	3.4	-5	-11.1	-0.4
Crooklands	65	4.3	50	3.3	-15	-23.1	-1.0
Grange	145	7.1	140	6.9	-5	-3.4	-0.2
Hawkshead	40	3.9	40	3.9	0	0.0	0.0
Holker	75	7.1	70	6.6	-5	-6.7	-0.5
Kendal Castle	65	5.8	65	5.8	0	0.0	0.0
Kendal Far Cross	155	11.3	145	10.6	-10	-6.5	-0.7
Kendal Fell	145	12.2	125	10.5	-20	-13.8	-1.7
Kendal Glebelands	55	4.7	50	4.3	-5	-9.1	-0.4
Kendal Heron Hill	50	4.0	60	4.8	10	20.0	0.8
Kendal Highgate	110	10.0	125	11.4	15	13.6	1.4
Kendal Kirkland	170	13.6	200	16.1	30	17.6	2.5
Kendal Mintsfeet	85	5.9	90	6.3	5	5.9	0.4
Kendal Nether	60	5.9	70	6.8	10	16.7	0.9
Kendal Oxenholme	120	7.8	115	7.5	-5	-4.2	-0.3
Kendal Parks	50	3.3	55	3.7	5	10.0	0.4
Kendal Stonecross	80	7.5	70	6.5	-10	-12.5	-1.0
Kendal Strickland	95	7.7	80	6.5	-15	-15.8	-1.2
Kendal Underley	195	14.8	170	12.9	-25	-12.8	-1.9
Kirkby Lonsdale	50	3.6	50	3.6	0	0.0	0.0
Lakes Ambleside	80	3.3	75	3.1	-5	-6.3	-0.2
Lakes Grasmere	15	1.4	25	2.3	10	66.7	0.9
Levens	30	3.1	20	2.1	-10	-33.3	-1.0
Low Furness & Swarthmoor	175	6.7	170	6.5	-5	-2.9	-0.2
Lyth Valley	80	6.1	55	4.2	-25	-31.3	-1.9
Milnthorpe	120	9.7	110	8.9	-10	-8.3	-0.8
Natland	50	4.2	55	4.6	5	10.0	0.4
Sedbergh	100	4.4	105	4.6	5	5.0	0.2
Staveley-in-Cartmel	50	4.5	45	4.0	-5	-10.0	-0.5
Staveley-in-Westmorland	60	4.7	50	3.9	-10	-16.7	-0.8
Ulverston Central	145	12.9	145	12.9	0	0.0	0.0
Ulverston East	225	15.5	235	16.2	10	4.4	0.7
Ulverston North	95	7.9	105	8.7	10	10.5	0.8
Ulverston South	85	7.7	90	8.2	5	5.9	0.5
Ulverston Town	150	13.6	140	12.7	-10	-6.7	-0.9
Ulverston West	75	6.7	65	5.8	-10	-13.3	-0.9
Whinfell	55	3.7	55	3.7	0	0.0	0.0
Windermere Applethwaite	85	6.1	75	5.4	-10	-11.8	-0.7
Windermere Bowness North	60	4.8	60	4.8	0	0.0	0.0
Windermere Bowness South	65	5.5	65	5.5	0	0.0	0.0
Windermere Town	110	7.3	100	6.7	-10	-9.1	-0.6

Source: DWP Benefits dataset via NOMIS

Vacancy Trends in Cumbria

The statistics given in this section comprise only job vacancies that have been notified to Jobcentre Plus and it should be noted that not all job opportunities are publicised in this way. (Please note that data are standardised into equal periods.)

Table 4.10 shows the trend in total notified vacancies. It can be seen that the number of vacancies notified in Cumbria was fairly consistent through to November, falling sharply thereafter as seasonal recruitment finished. Over the full 6 months, Carlisle (4,289) and South Lakeland (3,069) accounted for the highest number of vacancies. Copeland recorded the lowest number vacancies (1,069).

Table 4.10: Total notified vacancy numbers

	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	6 mth Total
Allerdale	406	296	443	395	219	179	1,938
Barrow	197	274	259	250	267	91	1,338
Carlisle	790	659	1,078	729	716	317	4,289
Copeland	232	258	195	207	93	84	1,069
Eden	300	272	283	233	185	103	1,376
South Lakeland	710	575	521	521	426	316	3,069
Barrow TTWA	251	337	295	302	284	128	1,597
Carlisle TTWA	868	718	1,149	816	738	363	4,652
Kendal TTWA	655	511	485	469	408	279	2,807
Penrith & Appleby TTWA	297	262	258	226	179	101	1,323
Whitehaven TTWA	231	258	188	191	93	84	1,045
Workington & Keswick TTWA	388	283	428	376	208	152	1,835
Cumbria	**2,636**	**2,337**	**2,779**	**2,336**	**1,906**	**1,090**	**13,084**

Source: Office for National Statistics via NOMIS (monthly data standardised onto a $4^1/_3$ week basis)

Table 4.11. shows the trend in notified vacancy numbers for Cumbria by sector and shows that the finance/business services and retail/hospitality sectors typically account for the highest number of vacancies, almost three quarters of the total for the period.

Table 4.11: Trends in notified vacancy numbers by Broad Industrial Group

Broad Industrial Group	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	6 mth Total
Agriculture & fishing	7	3	4	7	0	#	21
Energy & water	28	3	22	62	9	6	130
Manufacturing	103	87	114	70	33	29	436
Construction	97	83	63	40	49	16	348
Retail, hotels & restaurants, etc	712	843	647	471	363	251	3,287
Transport & communications	57	67	296	62	39	26	547
Banking, finance, business services	1,186	935	1,268	986	1,115	541	6,031
Public admin, education & health, etc	359	253	306	594	192	178	1,882
Other services	86	63	60	44	107	41	401
TOTALS	**2,636**	**2,338**	**2,779**	**2,336**	**1,906**	**1,090**	**13,085**

Source: Office for National Statistics via NOMIS (monthly data standardised onto a $4^1/_3$ week basis)

Vacancies can also be analysed by occupation to give a useful general indicator of the current skills demands, although it must be noted that some occupational vacancies are more likely to be notified to Jobcentres than others. Trends over the past 6 months are shown in Table 4.12. The clearest pattern is that elementary occupations consistently form the largest portion of notified vacancies across the county. Sales and customer service occupations and skilled trades also account for a sizeable proportion of vacancies.

Table 4.12: Trends in notified vacancy numbers by Occupation

Occupation classification	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	6 mth Total
Managers & Senior Officials	151	151	108	120	81	59	670
Professional	26	35	44	27	104	9	245
Associate Professional & Technical	400	260	303	237	120	159	1,479
Administrative & Secretarial	127	127	206	147	106	68	781
Skilled Trades	351	306	345	230	353	158	1,743
Personal Service	326	221	231	216	199	140	1,333
Sales & Customer Service	335	352	339	596	178	101	1,901
Process, Plant & Machine Operatives	363	223	286	255	268	115	1,510
Elementary Occupations	557	664	916	508	496	283	3,424
TOTALS	**2,636**	**2,338**	**2,779**	**2,336**	**1,906**	**1,090**	**13,085**

Source: Office for National Statistics via NOMIS (monthly data standardised onto a $4^1/_3$ week basis)

Vacancy data may also be examined in conjunction with data on JSA claimant counts to calculate a 'claimant to vacancy ratio' (Table 4.13). Although this has limitations, it does highlight areas that appear to have tighter labour markets than others. In Jan 2011 Barrow and Copeland both had a ratio of more than 14 which is twice the average for Cumbria and also well in excess of the national (GB) figure of 6.38.

Table 4.13: JSA Claimant Count / Vacancy ratio Jan 2011

	Live vacancies	JSA Claimant Count	Claimant/ vacancy ratio
Allerdale	202	1,892	9.37
Barrow	110	1,596	14.51
Carlisle	246	1,941	7.89
Copeland	115	1,660	14.43
Eden	123	429	3.49
South Lakeland	314	849	2.70
Barrow TTWA	163	1,862	11.42
Carlisle TTWA	309	2,337	7.56
Kendal TTWA	261	583	2.23
Penrith & Appleby TTWA	121	383	3.17
Whitehaven TTWA	100	1,564	15.64
Workington & Keswick TTWA	171	1,780	10.41
Cumbria	1,110	8,367	7.54
North West	26,909	183,557	6.82
Great Britain	226,388	1,445,379	6.38

Source: Office for National Statistics via NOMIS

SECTION 5
SMALL BUSINESS RATES RELIEF: LESSONS FROM THE WELSH SCHEME

5.1 Background

This section reports the findings of a study conducted by CRED (Centre for Regional Economic Development) at the University of Cumbria on the impacts of the Welsh Non Domestic Rates Relief (NDRR) scheme on SMEs in Wales. The research was commissioned by the Welsh Assembly Government. The study conducted by CRED considered the 45,000 Welsh SMEs in receipt of NDRR. Interviews were conducted with 20 key national stakeholders, a sample postal survey of 3,151 SME operators and telephone interviews with 16 Welsh SME owners. The data collection from businesses was carried out between June and August 2010.

The results are based on the Welsh experience but the Cumbrian economy like that of Wales relies heavily on its small business sector and the perceptions identified may have resonance with Cumbrian businesses. In this context, it is noted that from October 2010 Small Businesses in England have been eligible for increased property rates relief:

"Eligible ratepayers will receive relief at 100 per cent on properties with rateable values up to £6,000 with a tapered relief of between 100 per cent and 0 per cent for properties with rateable values between £6,001 and £12,000. The new levels of relief will be available for 12 months from 1 October 2010 to 30 September 2011"[12]

5.2 Financial effect of rates and rates relief

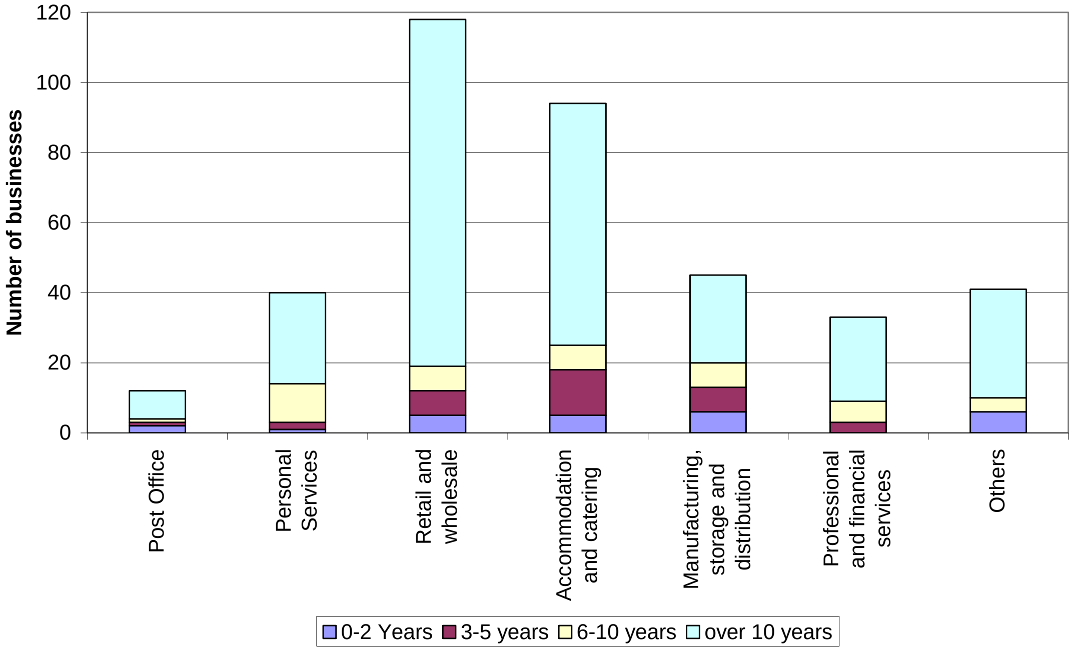
The research indicates that the financial support associated with rates relief is particularly significant for smaller businesses. Responses from the postal survey highlighted that the smaller the business by number of employees the more likely the business would know the financial level of rates relief support they were receiving. This was demonstrated by the responses to the question on rates as a percentage of business costs with 46.6% of businesses with 0-1 employees calculating that rates accounted for over 10% of their total business costs against only 13.3% of business employing 11-20 employees seeing the same effect. This was also reflected in the fact that 21.3% of businesses employing 0-1 employees seeing rates relief as a 'very significant' factor in them staying in business whilst only 9.1% of businesses employing over 21 saw rates relief as a 'very significant' factor.

The burden of rates also varied across business sectors; the biggest impact was on the personal services sector (hairdressing etc.) and accommodation and catering (including self catering accommodation) with 35.5% and 34.2% respectively of these sectors seeing rates as greater than 10 % of their business costs. The sectors where rates were the smallest percentage of business costs were the professional and financial services with only 10.7% of this sector seeing rates account for more than 10% of their business costs.

Impacts of rates relief also appear to vary by age of business. The survey covered a range of sectors and there was a significant response from established businesses (see Chart 5.1). This allowed the researchers to explore the effect of the age of the business on their attitude to rates relief. When asked if rates relief had affected any of their business decisions; over half of businesses created in the last 2 years or between 3-5 years claimed that they had (65.2% and 60.0% respectively). In contrast just over half of the more established businesses claimed they hadn't (6-10 years (53.7%) and over 10 years (52.3%)).

[12] http://www.communities.gov.uk/documents/localgovernment/pdf/1627919.pdf

Chart 5.1 Age of business by sector

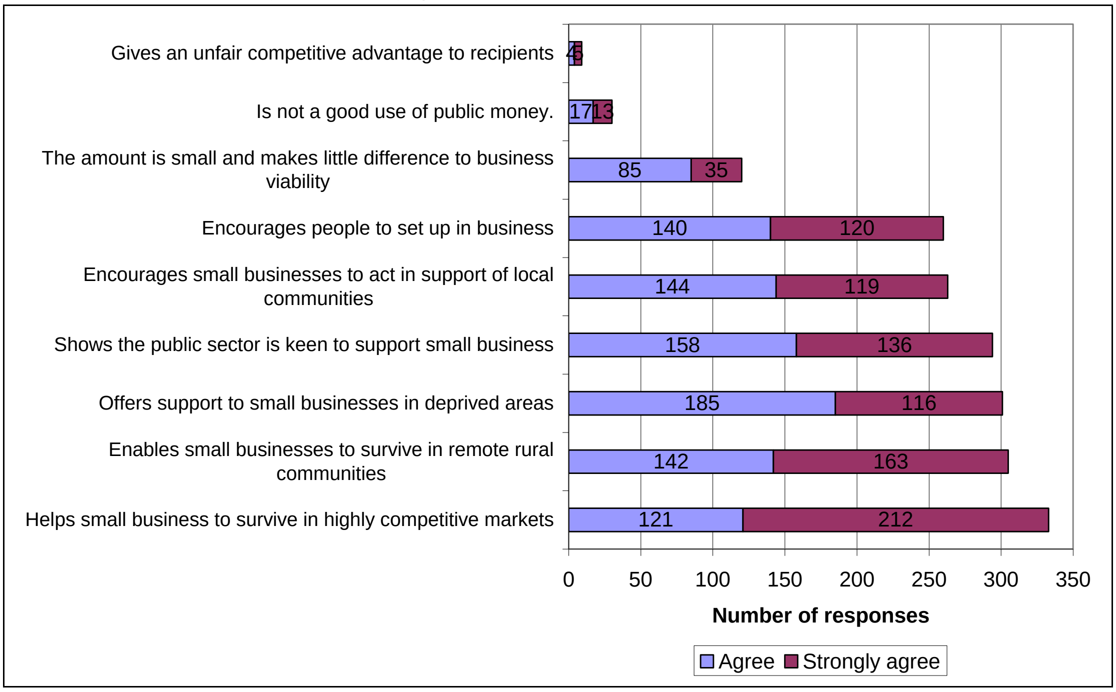


Businesses claimed to allocate the financial support derived from rates relief to a broad range of business needs from supporting employment to investing in fixed assets. This attitude to rates relief as both a monthly cash support tool and an annual grant could be explained in the way the SME owner personally acknowledges the receipt of the relief. If they see it as a monthly reduction in costs then it can have a high impact on monthly outgoings such as staff costs (depending on level of rates relief). If they see it as an annual grant then it can have a relatively low impact on investment in the businesses assets (depending on level of rates relief).

5.3 Other perceived benefits of rates relief

Apart from the financial support from rates relief it became clear from the responses of the questionnaire and the follow up interviews that the businesses also gained political benefits from the scheme. These included satisfaction from the fact that the public authorities are positively supporting local SMEs in the face of a perceived encroachment of larger firms into their market places. This support was also regarded as helping to redress the perceived advantage larger firms have in dealing with modern day bureaucracy and was considered a redress for the work created by the weight of modern legislation (see chart 5.2)

Chart 5.2 Perceived benefits of rates relief



5.4 Conclusions to be drawn that may reflect the Cumbrian situation

The research highlighted that businesses are relatively uninformed of the exact mechanisms of rates relief. A business is more likely to appreciate the financial support of rates relief if rates are a significant part of their business costs. This does not mean that businesses where rates are a small percentage of their costs fail to derive any support from the scheme. Small businesses appeared to genuinely believe that they were offering unique values to their local area and that they were at a disadvantage to their larger competitors due to the weight of legislation. They felt that the rates relief scheme acted as a public acknowledgement of support for their contribution to their area and as a recompense for their continued commitment to legislative compliance.

Many of the businesses contacted also highlighted the difficult market conditions they were trading in and that the support both financial and political offered by the rates relief which was more significant in the current economic downturn than in normal trading conditions.

It was concluded that the public sector, faced with reductions in budgets must find ways to communicate clearly any changes in costs or support mechanisms that affect the fragile market place of the SMEs.

The benefits claimed by the Welsh businesses may reflect those felt by Cumbrian businesses in receipt of the rates relief. What is important in these hard economic times is to ensure all eligible businesses in the county are in receipt of the support to which they are entitled.

SECTION 6
CHILD POVERTY IN CUMBRIA

6.1 Background

Child poverty is a problem in the UK today. Children and young people living in poverty face a greater risk of poor health, more accidents, exposure to crime and failing to reach their full potential. With the associated costs of tackling these issues, child poverty can impact significantly on public finances as well as having a negative effect on individuals and communities.

In 1999 the Labour Government pledged to eradicate child poverty and reduce the number of children living in workless households by 2020. The Child Poverty Bill became an Act of Parliament in March 2010 after support from all the major parties. The aim of the Act is to lift as many children out of poverty as possible by getting more families into work and alleviating the impact that growing up in poverty can have on children and young people's outcomes. Statutory guidance associated with the Act was published during summer 2010 following a formal consultation that closed in June.

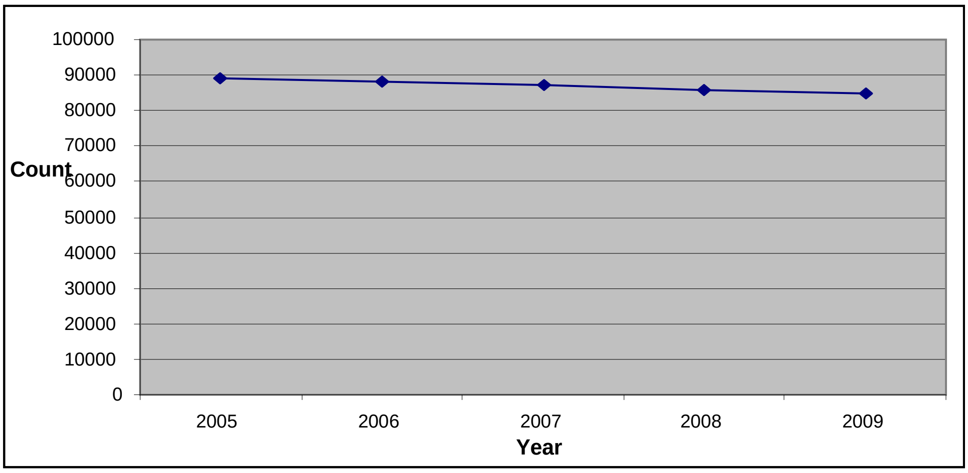
The coalition agreement between the Conservatives and Liberal Democrats pledged to continue to eradicate child poverty, referring to the issue in the initial Programme for Government agreement

The Act placed a duty on Cumbria County Council to carry out a Child Poverty Needs Assessment by the end of 2010 and undertake a review at least annually. The aim of the Needs Assessment is to enable the County to understand the characteristics of poor families in Cumbria and to identify the key drivers of poverty that must be addressed. This chapter reviews the numbers of children and extent of child poverty in Cumbria. More details and the full needs assessment can be found here:
http://www.cumbriaobservatory.org.uk/antipoverty/childpoverty.asp

6.2 Children in Cumbria

Currently in Cumbria there are 84,800 children aged under 16[13] and, as shown in Figure 1 below, this figure is gradually declining.

Figure 1: Cumbrian 0-15 population between 2005 and 2009[14]



[13] Office of National Statistics (2010) Mid Year Population Estimates 2009.
[14] Office of National Statistics (2010) Mid Year Population Estimates 2005-2009

Over the past 5 years the 0-15 population has reduced by 5%, from just over 89,000 in 2005 to just under 85,000 in 2009 (Figure 1). This pattern is also replicated in the North West region, falling by 37,900 children (2.8%) in the same time period, and also in England (falling by 4,300 children, 0.05%). As demonstrated by Table 1 below, however, while the number of young people in England has been growing since 2007, figures for Cumbria show a continued fall.

Table 1: 0-15 year old population in Cumbria, North West and England 2005 – 2009 (thousands)[3]

	Cumbria		North West		England	
	Count (thousands)	Percentage Change Since 2005	Count (thousands)	Percentage Change Since 2005	Count (thousands)	Percentage Change Since 2005
2005	89.3	NA	1,335.0	NA	9,708.7	NA
2006	88.2	-1.2	1,321.7	-1.0	9,670.1	-0.4
2007	87.0	-2.6	1,308.5	-2.0	9,654.0	-0.6
2008	85.7	-4.0	1,299.7	-2.6	9,6663	-0.4
2009	84.8	-5.0	1,297.1	-2.8	9,704.4	0.0

Within the county all districts have experienced a fall in the number of young people, ranging from a drop of 3.4% in Eden between 2005 and 2009, to a drop of 6.1% in Barrow.

Table 2: 0-15 year old population in Cumbria's districts 2005-2009

	ALLERDALE	BARROW	CARLISLE	COPELAND	EDEN	SOUTH LAKELAND
2005	17,200	13,920	18,517	12,868	9,010	17,780
2006	16,943	13,732	18,324	12,792	8,917	17,493
2007	16,760	13,517	17,941	12,582	8,853	17,300
2008	16,565	13,326	17,795	12,376	8,751	16,918
2009	16,409	13,077	17,721	12,093	8,705	16,818

Forecasts of the number of children in Cumbria suggest a continuation of the trend. The number of young people is projected to fall by 6.3% by 2033, the fastest rate of reduction for any county in England. The numbers of young people and working age people are projected to drop across all parts of the county with the exception of Carlisle. South Lakeland's projected fall in the number of young people (14.2%) is the highest for any district in England.

Table 3: Forecasted 0-15 year old population in Cumbria and its districts 2008-2033 (thousands)

	Cumbria	Allerdale	Barrow-in-Furness	Carlisle	Copeland	Eden	South Lakeland
2008	85.7	16.6	13.3	17.8	12.4	8.8	16.9
2013	82.6	15.9	12.8	17.8	12.1	8.4	15.7
2018	82.8	15.8	12.8	18.6	12.2	8.3	15.2
2023	82.9	15.7	12.9	19	12.2	8.2	15
2028	81.4	15.4	12.5	19	11.9	8.0	14.6
2033	80.3	15.1	12.2	18.9	11.6	8.0	14.5
% chg '08-'33	-6.3	-9.0	-8.3	6.2	-6.5	-9.1	-14.2

6.3 Overall Levels of Child Poverty in Cumbria

There are a number ways of measuring child poverty and the Child Poverty Act proposes assessing poverty in four different ways. These targets are:

- Relative low income target;
- Combined low income target and material deprivation target;
- Absolute low income target; and,
- Persistent poverty target

Currently data is only available for "persistent poverty target". This is the foundation of National Indicator 116 - Proportion of children living in families in receipt of out of work (means-tested) benefits or in receipt of tax credits where their reported income is less than 60% of median national income. By using this measure we can review the proportion of children, resident in a given area, who are living in poverty.

According to this definition 22.4% of under 16 year olds live in poverty in England, 16.4% in Cumbria; and 21.6% of all children in England compared to 15.6% in Cumbria. The table below gives the breakdown for Cumbria and its districts.

Table 4: Proportions of children living in poverty by district in Cumbria[15]

	% & Number Children in Poverty			
	Under 16 (%)	**Under 16 (Count)**	**All children (%)**	**All children (Count)**
England	22.4%	1,175,766	21.6%	1,449,607
Cumbria	16.4%	14,967	15.6%	17,102
Allerdale	17.4%	3,063	16.7%	3,512
Barrow	23.1%	3,256	22.1%	3,744
Carlisle	16.9%	3,211	16.1%	3,709
Copeland	20.1%	2,611	19.2%	2,983
Eden	9.9%	922	9.5%	1,054
South Lakeland	9.5%	1,735	9.1%	2,000

At a district level five of Cumbria's six districts have lower levels of child poverty than the England average. The only exception is Barrow where overall levels slightly exceed the national figures. While levels of child poverty are highest in the urban parts of Cumbria there are around 6,500 children living in rural Cumbria that live in poverty.

Key findings of the needs assessment are detailed below:

- Numbers of children in Cumbria have declined over recent years and are forecast to continue to fall in the future while numbers have increased in the UK overall.
- Children (aged 0-15years) currently make up 17% of Cumbria's total population, compared to 19% in the North West region and 19% in England.
- The overall level of Child Poverty in Cumbria is lower than the national average.
- 16.4% (c15,000, 22.5% in England) of 0-15 year olds live in poverty in Cumbria with 15.6% (c17,000, 21.6% in England) of 0-19 year olds in the same situation.
- Five out of the six districts in Cumbria have levels of child poverty below the national average with only Barrow exceeding the figures for England.
- Child Poverty is highest, in both number and concentration, in urban parts of the County, there are however significant numbers of children in poverty in rural Cumbria.
- A total of 28 wards (out of 168 in the county) have levels of child poverty above the national average.

[15] HMRC (2008) National Indicator 116: The Proportion of children in poverty

- There are pockets of high levels of child poverty spread across Cumbria. Sandwith has the highest proportion of children in poverty at 49.2%, followed by Central ward in Barrow at 46.9%.
- There is no one factor controlling child poverty and no one factor resulting from child poverty – the relationships are more complex.
- Different communities are likely to have different needs depending on extent and concentration of child poverty.
- Of all the indicators reviewed at a local level only one, proportion of children eligible for Free School Meals, shows a statistical correlation to the level of Child Poverty.
- There is a link between access to quality employment and child poverty whether this be through unemployment or low wages.
- Although not a statistical relationship there is a tendency for a growing attainment gap, from Early Years through to Key Stage 4, between areas of lower and higher levels of Child Poverty.

SECTION 7
CUMBRIA LOCAL ECONOMIC ASSESSMENT

Cumbria Intelligence Observatory aided by CRED produced a Cumbria Local Economic Assessment; the Cumbria summary is reproduced below. The key findings for Barrow, Carlisle, Eden & South Lakeland and Allerdale and Copeland can be found at http://www.cumbriaobservatory.org.uk/AboutCumbria/economy/cumbriaeconomicassessment.asp

7.1 OVERVIEW

Cumbria – a County Council with six districts and 2 national parks
Cumbria is located in North-West England adjacent to the Scottish Border. The County, which came into existence in 1974, is the second largest County Council area in England covering an area of 6,768 sq km. Public services are also delivered via six District Authorities; Allerdale and Copeland in West Cumbria, Barrow-in-Furness in the south west, the more rural districts of Eden and South Lakeland and the largest urban area, the City of Carlisle. Cumbria contains the Lake District National Park which covers large areas of four of the district authorities as well as parts of the Yorkshire Dales National Park to the south east.

The County is renowned for its mountains, lakes and rural landscapes
The Lake District National Park is widely recognised as one of the most scenic areas of England. The Park contains the highest mountain peak in England (Scafell Pike, 978m) as well as lakeland landscapes made more famous by their association with many artists and writers including William Wordsworth and Beatrix Potter. These landscapes and associations draw millions of visitors to Cumbria annually. There are also major tourism attractions outside the National Park, including prominently Hadrian's Wall to the north and more recent attractions including Centre Parcs in the Eden Valley.

.... but there are many major industrial employers operating in the County
The population density of Cumbria in 2001 was only 73 persons per sq km compared to the England average of 379 and Eden District has the lowest population density of any District in England (23). While large areas of Cumbria are rural in character, around half of the population is located within the principal urban areas of Carlisle (Circa 76,500), Barrow (59,100), Kendal (28,400), Whitehaven (23,800), Workington (23,700), Penrith (14,900) Maryport (12,000) and Ulverston (11,600). All of these towns have a long industrial history and there are major manufacturing companies currently in operation, including prominently Sellafield in West Cumbria and the BAe Systems submarine shipyard in Barrow.

PEOPLE AND COMMUNITIES

Trends in population vary across the County
Cumbria's population in mid 2009 was estimated at 495,000 and this total had expanded since 2001 by 1.5%. This broadly reflects trends in the NW Region as a whole (+1.8%) but varied, however across the County. In general terms, population growth has continued to be concentrated in the east of the County in Carlisle (+3.9%), Eden (+3.8%) and South Lakeland (+1.4%). In contrast, the population continued to decline in Barrow (-1.5%) but remained stable after a previous pattern of decline in Copeland and Allerdale.

.... and the population structure has aged, particularly in rural areas
Growth in population, however, has been accompanied by an ageing population structure caused by a combination of factors including net out-migration of young people, in-migration of older people and increased life expectancy. The number of people of working age has remained fairly constant between 2001 and 2009 (at

around 292,200), but the number of those above retirement age has increased from 103,800 to 118,000, an increase of 13.7%. The rapid ageing of the population has been a notable feature of rural communities within South Lakeland, Eden and Allerdale. Despite the overall number remaining stable, the proportion of the population which is of working age has fallen particularly sharply in South Lakeland (from 58.5% in 2001 to 56.1% in 2009).

Levels of earnings vary considerably across the County
In 2009, the average full time gross workplace earnings in Cumbria was £458 which was fairly close to the NW figure (£460) and around 94% of the national average (£489). This figure, however, masks considerable variation between districts that generally reflect variations in employment structure. Average earnings tend to be below average in districts with a high proportion of employment in the service sector and rural economy (Eden £351; South Lakeland £418). In contrast, full time earnings are above average in parts of the County dependent upon production industries (Barrow £479 and especially Copeland £675). These figures for districts, however, also mask considerable variation in access to paid employment within these areas (see below).

Levels of unemployment in Cumbria are relatively low
Following the steep rise in unemployment that occurred in the second half of 2008, levels of unemployment in Cumbria reached a plateau at just over 2.5%. Latest figures for October 2010 indicate that there are 7,525 claimants on Job Seeker Allowance which represents 2.4% of the total working age population. The national rate, however, climbed to a much higher rate (over 4%) before falling back to its present level of 3.5%. There are sharp contrasts within the County between Eden and South Lakeland where rates are extremely low and Copeland and Barrow where rates are over 3%. However, unemployment rates are currently below the UK average in all districts in Cumbria.

…. but these figures mask significant variations in worklessness across the County
Levels of worklessness in Cumbria are currently lower than the NW and UK average. In February 2010, there were 35,810 people claiming some form of out-of-work benefit which accounted for 11.5% of the working age population. This is lower than both the regional (15.7%) and national (12.9%) averages. However, these figures mask large variations across the County. The proportion of people claiming out of work benefits was well above the national average in Barrow (16.6%) and Copeland (14.2%) but very low in Eden (7.0%) and South Lakeland (6.9%).

Levels of educational achievement are below average at secondary level
Education standards in Cumbria are above average at primary level but compare less well for GCSE and A level. In 2009, 66.7% of pupils gained 5 grades A*-C at GCSE compared to 70.9% in the NW Region and 70% nationally. At A level, the proportion of pupils gaining 3 or more A grades in Cumbria was 9% which was lower than the regional (10.2%) and national (12.7%) figures. However, the proportion of 16-18 yr olds not in education, employment or training has fallen in recent years. In 2009, there were 750 in the NEET category which was 4.5% of the total in this age group. This was significantly lower than the regional average (7.3%).

…. and there are marked variations in the qualification levels of the working population
Cumbria also has a slightly lower proportion of working age population with high level qualifications (25.6% at NVQ4 and above) compared to the national average (29.8%). Again, there are significant variations across Cumbria in this regard ranging from just 15.2% in Copeland to 36.8% in South Lakeland.

7.2 BUSINESS AND ENTERPRISE

Employment in Cumbria is fairly diverse
In 2008, there were over 214,000 employees in employment in Cumbria as well as another 34,000 people in self employment. Of those in employment, the main categories involved public administration, health and education (around 25%), wholesaling and retailing (18%), manufacturing (17%) and hotels and restaurants (11%). In comparison with national averages, Cumbria has proportionally more people employed in agriculture, manufacturing, hotels and restaurants and construction and fewer in finance and business services.

.... but there are distinct differences between parts of the County
Cumbria is a large county and the economy does not function as one single labour market but rather as a set of overlapping local economies that have quite distinct characteristics. In Eden and South Lakeland, land-based activities and tourism play a very significant part in the local economy which contrasts markedly with Barrow where 23% of employment is in manufacturing and 5,200 people are employed at BAe Systems submarine shipyard. Manufacturing is even more dominant in West Cumbria where around a third of all employment is accounted for by manufacturing and construction industries including prominently the nuclear sector. Carlisle acts as an important centre for the provision of public and private sector services to its wider sub-region as well as the production and distribution of manufactured goods and agricultural products.

The tourism sector is undoubtedly significant for the economy
Latest data from Cumbria Tourism indicate that in 2009 there were 5 million overnight visitors to Cumbria as well as 36 million day trippers. It is estimated that these visitors generate a total of £2bn to the Cumbrian economy and support over 32,000 jobs. Their analyses also suggest that the economic significance of tourism has grown since 2000 and that visitor numbers and spend has remained surprisingly robust during the current economic downturn. Official data also confirms significant growth in employment in hotels and restaurants between 2003 and 2008 (+11.5%).

.... but there is also much diversified manufacturing across the County
As well as the two major industrial employers (Sellafield Ltd (9,800 employees) and BAe Systems at Barrow (5,200 employees), there are also many industrial employers operating in the County including production sites operated by multinational companies such as Pirelli, Nestle, United Biscuits and Crown Cork and Seal (formerly Carnaud Metal Box) in Carlisle as well as Iggesund Paperboard (Workington), Kimberley Clark (Barrow), Heinz (Kendal), Sealy Bed (Aspatria) and GlaxoSmithKline (Ulverston). Employment in the manufacturing sector in the County fell by 10% between 2003 and 2008 but this was less severe than the decline nationally (-16%).

In the early 2000s, Cumbria's economic performance lagged behind other areas
Economic performance as measured by gross value-added tended to lag behind other areas of the North West region in the 1990s and early 2000s. Over the long term (1995-2008) Cumbria was the second slowest growing of the 37 counties in the UK, with an overall growth rate of 59.9% compared to 78.0% in the Northwest region and 99.1% for the UK as a whole. This difference can partly be attributed to structural factors, including the reliance of the County on agriculture and services that tend to be associated with relatively low output per worker. The scarcity of corporate headquarters, which tend to generate higher paid employment, also has an influence.

.... but recent data suggests some improvement
Recent trends indicate that this gap may no longer be widening. Data shows that between 2007 and 2008, Cumbria's total GVA grew at 3.6% which is faster than the region (2.8%) and faster than the UK (3.5%). This placed it 4th out of the 37 NUTS2 areas and the fastest growing in the NW region for the 6th successive year. Despite

this, it is still the case that GVA per head of population in the county (£15,883) is still much lower than the NW region (£17,604) and UK averages (£21,103).

.... which has been experienced in both east and west Cumbria
Both East and West Cumbria have contributed towards the improved GVA performance since 2002 when the annual growth rate first exceeded 2%. Rates then peaked at around 7.5% in 2004 and dropped subsequently to around 5% p.a. through to 2007 which was very close to regional and national averages. Latest data (2008) shows that East Cumbria (Carlisle, Eden, South Lakeland) contributed 57% of Cumbria's total GVA compared to West Cumbria (Allerdale, Barrow, Copeland) which produced 43% of the total. Production industries are particularly important for sustaining high GVA in West Cumbria (37% of total) and also East Cumbria (22%). In East Cumbria, the distribution sector is also significant (29%).

The number of business in Cumbria has increased significantly since the early 2000s
According to VAT and PAYE registrations data, there were 21,745 enterprises in Cumbria in 2010 and this total has increased since 2004 by around 40%. This was a faster rate of growth than experienced in the NW region (34%) and the UK (30%) as a whole. In the last 2 years, however, the number of VAT/PAYE enterprises in Cumbria has fallen by around 2.8% which mirrors national trends.

Rates of new firm formation are generally lower than the national average
The rate of new registrations for VAT or PAYE gives one indication of the level of new firm formation. Using latest data, there were 1,960 new registrations in Cumbria in 2008. Expressed as a ratio per 10,000 population, the "birth rate" in the County (47.7) was lower than the rate for the NW region as a whole (49.6) and much below the England average (57.2). In the same year, however, there were 1,900 de-registrations (interpreted as business "deaths"). The death rate in Cumbria (46.2) was higher than the NW region (41.5) and the same as the England average (46.2).

.... but medium term firm survival rates are relatively good
VAT/PAYE data can also be used to measure rates of business survival. The three year survival rate for Cumbria (businesses listed in 2005 that are still registered in 2008) was 71.8% which was significantly higher than the national average (64.5%).

.... and business appear to have withstood the recession relatively well
The Cumbria Business Survey, which took place in August 2010, found that domestic orders were more likely to be lower than higher and profit margins lower. Prices charged were higher though, suggesting that there have been increased cost pressures and that a bigger proportion of sale price is going towards overheads and costs of sales. Businesses were more positive about future orders than negative, although the positive balance was reduced slightly from 2009. This positive outlook was true of all sectors with the exception of construction where almost twice as many businesses expected a decline in orders as expected an increase.

.... but businesses are facing pressures in the immediate future
These findings suggest that most businesses have withstood the recession relatively well but more recently, the severe flooding that occurred in November 2009 presented another significant challenge to businesses, particularly in West Cumbria. The most significant costs were related to taking on temporary premises and structural repairs to properties. It was noted that insurance covered only part of the cost of damage to buildings and most received no compensation for interruption to normal trade. The mean total cost to the 324 business able to give an estimate was £34,337 per business but costs were much higher for the most severely impacted businesses.

It remains to be seen how the Coalition Government's restructuring of the public sector will impact on Cumbria. Based on organisation activity, 25% of jobs in Cumbria are in the public sector, marginally below the national average of 27%. However, alternative figures from ONS based on organisation structure, place Copeland as the most public sector dependent local authority in the UK at 50% due to Sellafield. Female employment in high level occupations is particularly dependent on the public sector in Cumbria and this group will be impacted especially hard by the cutbacks.

7.3 PHYSICAL INFRASTRUCTURE AND ENVIRONMENT

Cumbria contains some of the UK's finest natural environments
Cumbria is characterised by very varied natural and built environments. This varied character embodies both its major attractions as a place to visit and in which to live as well as its challenges in terms of the provision of physical infrastructure. The County contain some of the UK's finest natural environments. Besides the Lake District National Park, the area also includes attractive rural areas of the Eden Valley as well as the Pennines and Yorkshire Dales to the east.

.... as well as urban settlements with distinctive character
The largest urban area of Carlisle focuses on an historic core that displays prominently the Norman Castle and Cathedral as well as Tullie House Museum. The adjacent central retailing area focuses on the development of the Lanes Shopping Centre and the pedestrianised Market Place which retains many of its historic features including the old Town Hall. In Eden, the principal town of Penrith acts as the major service centre for a wide geographical area while Kendal is an attractive market town and is the largest settlement in South Lakeland.

.... and towns with a rich industrial heritage
In West Cumbria, most settlements are concentrated in a narrow coastal area stretching from Silloth in the North through Maryport, Workington, Whitehaven and Egremont to Millom in the south. The major challenges for physical development in West Cumbria largely relate to the geographical inaccessibility of the area and the historic legacy of past phases of industrialisation and urban growth and decline. The built environment of Barrow today is also the product of successive periods of industrialisation interspersed with phases of investment designed to modernise infrastructure, housing and public space.

Lack of affordable housing is a particular issue in the rural east of the County
The diverse nature of settlement across Cumbria is reflected in the varied character of housing needs and housing markets across the County. Some of these issues have a spatial dimension, for example, affordable housing is more of an issue in the rural east of the County. The popularity of many settlements for tourists combined with their residential desirability generates very high levels of demand for housing which distorts housing markets. The most pressurized housing markets are in the Central Lakes and rural Kendal is also a high priced area. Data for 2008 shows that the ratio of house prices to earnings (using lower quartiles) was extremely high in both South Lakeland (9.02) and Eden (8.09), well above the England average (6.98).

.... whilst housing and regeneration are issues on the West Coast and in Furness
Evidence suggests that housing markets on the West Coast experience varying degrees of imbalance which is being addressed in part through Housing Market Renewal. One measure of this concerns the level of house vacancy which was quite high 2008-9 in Copeland (4.8% of stock). Copeland also has a much higher proportion of sub-standard housing (9.3% classed in category 1 hazard). Approximately half of the housing stock in Barrow pre-dates 1919 and the quality of some of this is also low. The Decent Homes survey for 2008-9 shows that there were 3,800 dwellings in the private sector in Barrow classed as hazardous. This represented over 11% of the total stock which is the highest figure of all Districts in Cumbria.

The East of the County is comparatively well served by transport modes
The East of the County has good inter-regional road transport links via the M6 motorway which connects Cumbria to the Glasgow conurbation to the north and cities

of the North West and Midlands to the south. The M6 corridor is also served by the West Coast Main Line and there were over 1.4m passenger entries and exits in Carlisle in 2007-8.

.... but transport links to West Cumbria are less effective
Despite recent improvements, East-West transport links are much less effective. West Cumbrian towns experience disadvantage in attracting investment due to the remoteness of the area. In a recent survey, 45% of businesses in Copeland identified the road network as a particular concern for business. While there have been recent improvements to the A595, only parts of the A66 route to the M6 motorway consists of dual carriageway. The route to the M6 to the north via the A595 is poor but this may be improved by the construction of the Northern Bypass around Carlisle. As regards rail links, the coastal towns are on the Cumbrian Coast Line and many workers use the line to commute to Sellafield which was the third most used station in Cumbria during 2007-8.

.... and despite recent improvements, transport links to Barrow are disadvantageous
The location on a deep water estuary gives locational advantages for some key activities in Barrow, not least the shipyard itself and the development of the Marina Village. The docks are also ideally situated for servicing offshore windfarms and gas installations. However, the Furness Peninsula is in a peripheral location for road and rail links. While there have been recent improvements to the A590 (Low Newton by-pass), only parts of this route to the M6 motorway consists of dual carriageway. As regards rail links, Barrow is on the Cumbrian Coast Line which provides direct connections to Lancaster. There has been recent investment in improvements at Barrow station which is the second most used in Cumbria with over 538,000 passenger entries and exits in 2007-8.

The amount of employment land available varies considerably across the County
Latest data suggests that Cumbria has a significant amount of employment land available. In 2008-9, there were 398 hectares described as "land available" in the Regional Spatial Strategy. This employment land is not distributed evenly across the County. Over 60% is located in West Cumbria and Furness while in the East of the County, a high proportion is in Carlisle and Eden (32%) and only 6% is located in South Lakeland.

.... but there is a mismatch between supply and demand in many areas
Recent employment land studies suggest that while land available is plentiful, there is a mismatch between supply and current demand in many areas of the County. An employment land study in West Cumbria completed in 2008 identified an oversupply of poor quality older industrial units and a shortage of modern smaller scale workshop type accommodation, particularly suited to newer businesses. A lack of high quality office space for non-nuclear uses in Workington and Whitehaven Town Centres was also noted. Similarly, in Barrow the amount of land available is potentially quite high, but there remains a need for the public sector to invest in reclaiming sites to bring them to market for use.

.... and there are significant gaps in provision in the East of the County.
Recent research in Carlisle conducted by DTZ indicates that there are gaps in provision of land and premises which are heavily concentrated at Kingmoor Park to the north of the city. DTZ note that there are opportunities to create new employment sites associated with the construction of the Northern Development Route to the west of the City, new sites to the south and redevelopment of Carlisle Airport to the east of the motorway. In Eden, in excess of three-quarters of supply is accounted for by land in the Penrith area and development is constrained by the cost of essential transport infrastructure improvements. Shortage of employment land is even more marked in South Lakeland where there is a lack of a range of sufficient sites across market

sectors which can be readily developed and that are in locations where businesses require land and premises.

7.4 SUMMARY OF STRENGTHS AND WEAKNESSES

STRENGTHS	WEAKNESSES
People and communities	
Population has been growing recently	The structure of the population is ageing, particularly rapidly in East Cumbria
Earnings are relatively high in areas of the county that have production industries	Earnings are much lower in rural areas
Levels of unemployment are generally lower in Cumbria compared to national averages	Parts of the County experience very high levels of worklessness
Some parts of the County have very high levels of educational achievement	Areas with high worklessness also have very low educational attainment
A high proportion of workers have high level qualifications in South Lakeland	Rates of high level qualifications are low in some parts of the County
Business and Enterprise	
The tourism sector is significant for Cumbria and has grown continuously since 2001	Areas of the Lake District are highly dependent upon the visitor economy
Sellafield Ltd has continued to provide high paid employment in West Cumbria	West Cumbria is increasingly dependent upon decisions affecting the Sellafield site
BAe Systems has recently expanded employment in Barrow to 5,200	Barrow remains dependent upon decisions affecting the defence sector
Recent GVA data shows some improvement and the GVA gap is no longer widening	In the early 2000s, Cumbria's economic performance (GVA) lagged behind other areas
Firm survival rates are comparatively good in Cumbria	Rates of new firm formation are lower than average
Physical Infrastructure and environment	
Cumbria contains some of the UK's finest natural landscapes	
There are many urban settlements with historic interest and rural character	The popularity of these settlements puts pressure on housing markets
Many towns also have a rich industrial heritage	The quality of housing stock in some urban areas is very low
North-south communications in East Cumbria are good	Despite recent improvements, east–west road and rail links are relatively poor
There is a considerable amount of employment land available in the County	Much of the available employment land is of poor quality or poorly

SECTION 8
UPDATE ON LEP

In the September 2010 issue of the bulletin a case was outlined for a new Cumbrian Local Enterprise Partnership (LEP). The Cumbrian bid was successful and in a press release (28 Feb 2011) they outlined the structure and the future plans for the LEP as follows:

The LEP Board is made up of 12 people, six from the private and six from the public sector. In line with the bid approved by Government, the Board is private sector led through the Interim Chair.

Private sector members are:

- George Beveridge, Nuclear Management Partners (Sellafield) - Interim Chair
- Fred Story, Story Construction
- Jackie Arnold, BAE Systems Submarine Solutions
- Maria Whitehead, Hawkshead Relish
- Michael Cowen, M&J Cowen
- Stephen Broughton, Lindeth Howe/Mountain Goat

Public sector members are:

- Eddie Martin, Cumbria County Council
- Brendan Jameson, South Lakeland District Council, representing Furness & South Lakeland
- Elaine Woodburn, Copeland Borough Council representing Allerdale & Copeland
- Mike Mitchelson, Carlisle City Council, representing Carlisle and Eden
- Bill Jefferson, Lake District National Park Authority
- Moira Tattersall, Carlisle College, representing Skills & Education

Because of the number of local authorities in the county, the districts will rotate their membership, with each district Board member representing two districts.

There was strong interest from many of the county's business people and the Advisory Panel making the private sector appointments faced a challenging balancing act putting together a Board composed not only of business people with the requisite skills, experience and enthusiasm, but also representing the range of sectors, business sizes and geography – and with only six private sector places to keep the overall Board to a workable size. The Advisory Panel is made up of the county's key business representative organisations (Cumbria Chamber of Commerce, Cumbria Social Enterprise Partnership on behalf of the Third Sector Network, Cumbria Tourism, the Federation of Small Businesses and the National Farmers' Union).

Public sector appointments were agreed by the Cumbria Leaders' Board, made up of leaders of the county's key public sector organisations.

Initial appointments are for a period of one year, with the option to go for reselection. Moving forward it is expected that these will be three year appointments.
Rob Johnston, Chief Executive of Cumbria Chamber of Commerce is Chair of the Advisory Panel, and of the Steering Group responsible for setting up the LEP. Commenting on the Board appointments Rob says:

"I'm delighted that we've been able to pull together such tremendous private sector Board representation. A huge amount of work has gone into getting the LEP this far and it's gratifying that so many talented business people from around the county are keen to be involved. We faced really difficult choices in selecting the Board and we're hoping to harness the knowledge, experience and enthusiasm of more of the applicants – and indeed many more of the county's business people. Ongoing active engagement of private sector businesses of all sizes and sectors throughout the county will be fundamental to the success of the LEP."

Commenting as Chair of Cumbria Leaders' Board, Eddie Martin, Leader of Cumbria County Council, says:

"Having this balance and joint expertise between the public and private sectors will ensure we utilise those with the relevant skills and experience in Cumbria to fight the county's corner. This will show on a national scale that we mean business and are determined to get the best possible deal that we can for our local economy and the people of our county."

George Beveridge, Interim Chair of Cumbria LEP, adds:

"I'm looking forward immensely to working with the rest of the Board and I'm confident we'll all relish the challenge ahead of us. The first step is to get the Board together to thrash out ways of working and start to establish our culture, which we'll be doing in March. Starting in April we'll quickly be putting together a refreshed economic strategy and from this develop priorities, a work plan and engagement programme for the next 12 months. There'll be a number of opportunities within this for many more people, from both the private and public sectors, to get involved – for example through surveys and through Expert Groups. The new LEP website, which I'd encourage everyone to take a look at, sets out more information on how to do so and will be added to over the coming months".

Information on the Cumbria LEP is now available at the new LEP website at http://www.cumbrialep.co.uk . Between them LEP partners have email contacts for thousands of businesses across the county, which will be used for surveys and consultations on behalf of the LEP. If you're not sure you're on one of these lists already register your details via the website to make sure you have the opportunity to get involved.