CUMBRIA ECONOMIC STRATEGY 2008 – 2028

BUSINESS and ENTERPRISE

STRATEGY ACTION PLAN NO. 9

Purpose

The purpose of this Strategy Action Plan is to bridge the gap between the strategy as outlined in the Economic Plan and the delivery of the actions which will be outlined in the next Sub-regional Action Plan (due for release in December 2008). Each document accordingly takes a long term view when seeking to provide clarity and strategic prioritisation to an otherwise 'wish-list' of projects and programmes.

It should be noted that these Strategy Action Plans are progressive documents which look up to 20 years ahead; but which nonetheless focus on providing, where possible and evidenced, hard targets and economic impact over the next 10 years. The Strategy Action Plans thus begin to describe a future Cumbria and show, through aspiration, what the spatial impact of the Economic Plan could be across the four distinct delivery areas in the county: Barrow, Carlisle, West Coast, South Lakes & Eden.

Whilst these Strategy Action Plans acknowledge existing Cumbrian strategies, they try to reflect the impacts of an aspirational level of future economic growth. Each document is therefore deliberately challenging and ambitious, yet remains non-prescriptive in nature.

The plans attempt to identify the impacts and inter-relation between other closely linked priority industry sectors and assess the cumulative effects on cross-cutting themes highlighting, for example, how the spatial patterns of growth may necessitate the provision of appropriate housing, connectivity, employment land etc, and thereby examining whether current strategies could meet requirements in terms of employment, skills, infrastructure and the like, if we were to grow in accordance with our aspirations.

A significant amount of debate has already taken place to get to this point and we now open up the floor for full public discussion of the themes and actions highlighted by each Strategy Action Plan.

Whilst all comments are welcome, we would appreciate, in particular, comments which will aid in the prioritisation of the key actions. For example: "What do you think would or would not work?" "Where should we be focusing most of our attention?" "What key actions would achieve the greatest results or which would bring little benefit?"

Vision

"Our vision is that Cumbria will become one of the fastest growing economies in England through encouraging an enterprise culture, helping new businesses to start and prosper and provide an environment for existing businesses to grow and diversify".

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1 Executive Summary

Vision

"Our vision is that Cumbria will become one of the fastest growing economies in England through encouraging an enterprise culture, helping new businesses to start and prosper and provide an environment for existing businesses to grow and diversify".

The Current Situation

Across the County, the population of Cumbria has grown by 2.3% between 2000 and 2005 to 499,000, with strong growth in East Cumbria offset by losses in West Cumbria. Cumbria has a relatively high employment activity rate at 77.2% the highest in the North West. Employment rose in Cumbria by 9% between 2002 and 2006, and the overall employment growth rate in Cumbria has exceeded the national average in recent years. Economic activity in Cumbria was valued at £6.4 billion in 2004, with GVA per head at 76% of the UK average. Cumbria is an economy of two halves with East Cumbria performing well with GVA at 86% of UK average and West Cumbria not performing as well at 66% of UK average.

Barrow has a stronger than average representation in manufacturing as a result of the BAE Systems and a high representation in health with the presence of Furness General Hospital. However the area is under represented in hotels and catering as a result of the low level of tourism in Barrow.

Copeland and Allerdale has a very high proportion of employment in manufacturing. In Copeland this represents 36% of the workforce, of which 90% relates to employment at Sellafield. In Allerdale employment is much closer to the Cumbrian average although it is currently underrepresented in education as it doesn't have a significant higher education presence.

Carlisle is a sub regional centre and as such has a higher representation of retail, transport and wholesale sectors than the Cumbrian average.

Eden and South Lakeland not unexpectedly have a high level of jobs in the hotel and catering sectors as well as the retail and wholesale sectors.

The Goals – What will Cumbria look like in 10 – 20 years time

Cumbria will have developed a thriving "enterprise culture" with many new innovative entrepreneurs taking risks and developing new products.

Cumbria will have maximised the competitiveness of existing businesses and start up companies as well as maximising the number of high value businesses in Cumbria's business stock

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There is an adequate supply of developable employment land which includes (a) major regional employment sites at Kingmoor Park, Carlisle and Westlakes Science Park, Whitehaven, (b) sub regional employment sites such as The Waterfront at Barrow and (c) local employment sites.

'Britain's Energy Coast' will be a world leader in nuclear, environmental and energy technology.
There will have been a significant expansion of advanced manufacturing industry within Cumbria, built on existing strengths and with high levels of connectivity.

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A Cumbrian Food and Drink brand will have been created with a national reputation for quality, producing maximum added-value across the food, drink and agriculture and tourism sectors.

Cumbria will have a fully developed Creative and Cultural industry sector that fully exploits the obvious physical, environmental and cultural resources of the County.

Cumbria will have a thriving tourism economy, generating higher paying jobs and higher GVA through increased spend, in which all areas of Cumbria can share.

Cumbria is internationally recognised as the 'Adventure Capital' of the UK.

The Key Actions – What are we going to do to achieve it

1 **Develop an "Enterprise Culture" in Cumbria** by encouraging an enterprise culture in Cumbria which will allow existing businesses to expand and grow and encouraging new businesses to start and flourish.

2 **Maximise the competitiveness of existing businesses and start up companies in Cumbria**, by maximising the number of high value businesses in Cumbria's business stock, support growth in ambitious businesses and see a step change in the levels of innovation in business processes, using the Business Link advice service to maximum effect.

3 **Ensure adequate supply of Employment Land within all parts of Cumbria,** by ensuring that there is an adequate supply of employment land and premises to satisfy the development needs of businesses over the next five to ten years.

4 **Simplify Business Support** by delivering the Business Support Simplification Programme in Cumbria, improving delivery through existing networks such as the Cumbria Local Enterprise Agency Network (CLEAN) and reducing duplication of provision.

5 **Ensure Employment Growth in Key Business Sectors** by developing the six key growth sector – energy and environmental technologies, specialist manufacturing, tourism, food and drink, digital, cultural and creative industries and outdoor education and recreation as well as support growth in the financial services sector which will help support growth in other key sectors.

2 Overview

2.1 UK context

The UK economy has performed well over the last decade. Annual growth in Gross Domestic Product (GDP) averaged just over 2.8 per cent over the period between 1996 and 2006. In the G7 group of the world's leading economic nations, only the US and Canada grew more quickly. The past ten years have seen a significant decline in unemployment alongside a strong increase in employment. The percentage of the UK's working age population (i.e. those aged 15- 64) in employment increased from just over 69 per cent in 1996 to approximately 72 per cent in 2006. The UK ranks third in the G7 in terms of the share of its working age population in employment (behind Japan and Canada). The UK has also made progress in closing its long running productivity gap with major industrial economies; roughly halving the gap over the last 10 years with Germany in terms of productivity per hour worked and making significant progress in closing the gap with the US and France. The success of the UK reflects the enterprise and dynamism of British businesses and the global businesses that continue to invest strongly in the UK economy. It also reflects the fact that Britain is a good place to do business. The World Bank ranks the UK 6th in the world as a place to do business (see Table 1). In attracting inward investment, the UK is the number one location in Europe and second only to the US globally.

Table 1: Ranking on the ease of doing business

2008 Rank	**Economy**
1	Singapore
2	New Zealand
3	United States
4	Hong Kong, China
5	Denmark
6	United Kingdom
7	Canada
8	Ireland
9	Australia
10	Iceland

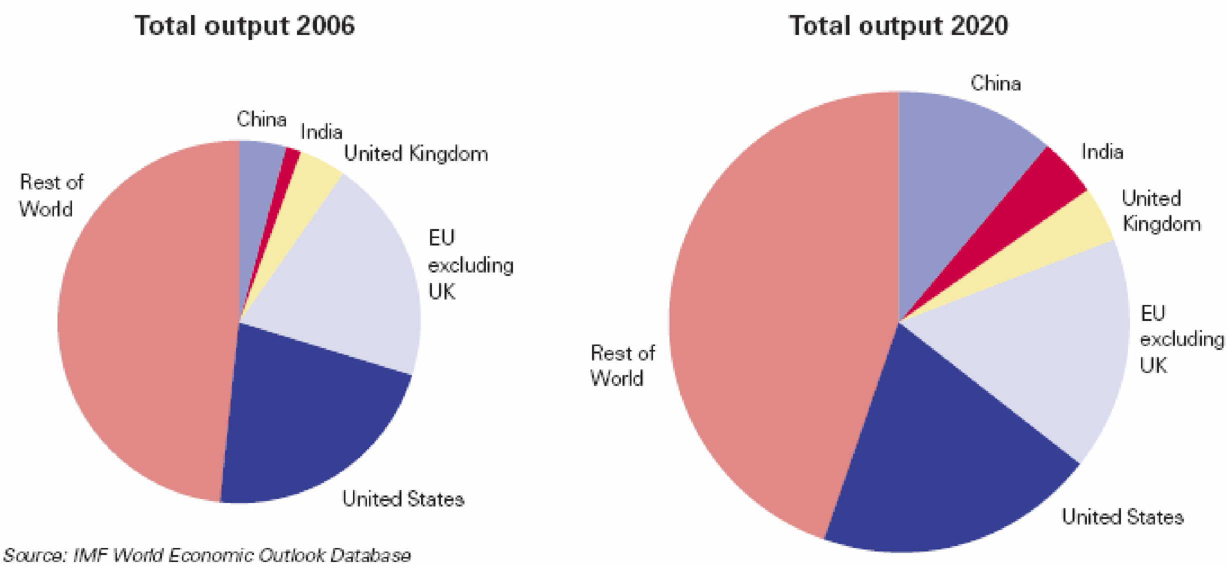
Source: World Bank: Doing business in 2008

The OECD regards the UK's regulatory environment as relatively unrestrictive. The UK scores well on both product market regulation and labour market regulation when compared to France and Germany, and similarly to the US. World Bank analysis suggests that the UK is in a relatively strong position when it comes to the overall costs of doing business. The UK's tax regime also plays an important role in attracting inward investment and supporting enterprise and innovation. The Government has made significant changes over the past decade to the tax regime for business – with corporation tax rates falling from 33 per cent to 28 per cent and more targeted measures such as the Research and Development (R&D) tax credit to support productive activity.

The Challenges and Opportunities ahead

Figure 1:

The shift in global economic power: regional output 2006 and 2020



Source: IMF World Economic Outlook Database

Reductions in tariffs and technological change have greatly increased international trade in goods and services, international capital flows, and cross-border foreign direct investment (FDI). The total value of world exports of goods nearly doubled between 1996 and 2004. There was a three-fold increase in the world's stock of inward investment and this is forecast to double again. Trade has also increased as a result of the changing global supply chain for business. Production increasingly takes place across the world as businesses seek to raise their competitiveness. These developments are changing the balance of economic power in the global economy, with primarily low wage economies, led by China and India, increasing their share of total global output as well as their share of trade and FDI in recent years. The diagram above (Figure 1) shows that these countries will continue to increase their share of world output in future years. But while world growth has been strong in recent years, this has also driven up prices for commodities and raw materials (notably oil), creating further challenges and opportunities for business.

The challenge for UK sectors

These forces are already having profound implications for the structure of the UK economy. This will continue to change dramatically, due to the increased importance of services and the development of dynamic sectors based on new technology. Business services increased its share of output by 5 percentage points over the past decade, from 9 per cent to 14 per cent (see Table 2).

Table 2.

The Growth in Business Services

		Output (GVA) share 2006	Output (GVA) share 1996	Change in share of of output 1996–2006
Business services		14.8	9.2	5.7
Of which:	Computer related	3.2	1.5	1.6
	Research & Development	0.5	0.3	0.2
	Other Business activities	11.1	7.3	3.8

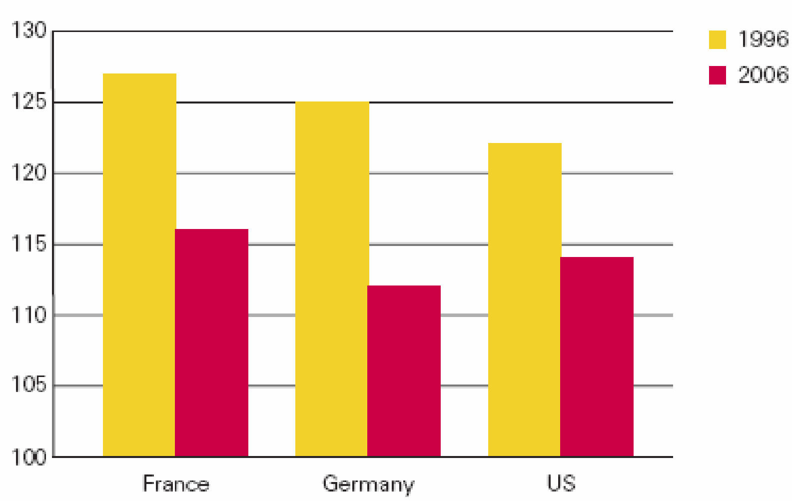
Source: ONS Blue Book (including experimental output statistics). GVA is Gross Vaue Added.

The challenge for productivity

The performance gap between the UK and its major competitors has narrowed (see Figure 2) but there is still scope for further improvement, particularly against the US. The UK has also improved its own performance in terms of the five key drivers of productivity – competition, investment, enterprise, innovation and skills – although there is still scope for further progress. The UK's competition regime continues to rank amongst the best in the world. A stable macroeconomic climate has provided investors with the certainty that they need to commit resources to projects. The US remains a clear leader on enterprise, but the UK has overtaken France on measures of entrepreneurship in recent years. On innovation the UK has more to do to translate world class science into successful business innovation.

Figure 2

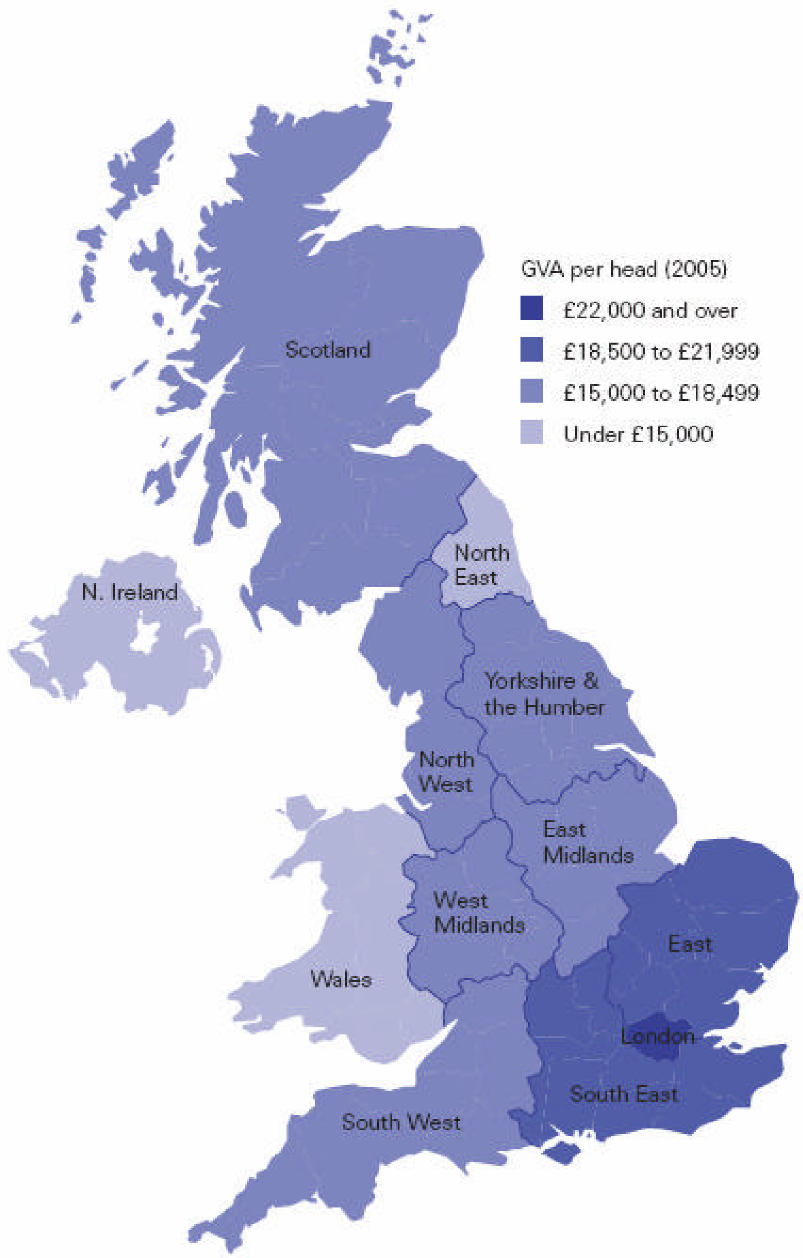
The falling productivity gap
GDP per hour worked, 1996 and 2005: UK=100



Source: ONS

The challenge for the UK regions

Regional Gross Value Added (GVA) per head 2005



Source: ONS

There are considerable and persistent differences in the relative economic performance between and within the UK's regions. Recent data shows that most of the English regions have grown more quickly than during the 1990s and that the gap in growth rates between the English regions has reduced compared with the 1990s average. This is underpinned by stronger employment performance in the North, Midlands and South West regions. However, there remains a significant challenge to address productivity differentials between the regions and it is too early to say whether this recent progress reflects a narrowing in underlying trend growth. Seven of the eight major regional cities in England grew faster than the national average between 1995 and 2004, but performance overall is mixed, with London and the smaller cities in the South and East generally performing better than those in the North and West. This is likely to be caused by stronger performance in the Greater South East in knowledge intensive sectors, particularly business and financial services.

The challenge from business

Surveys of UK business reveal a continuing concern about regulation generally. A survey of 2,000 businesses in 2007 undertaken by MORI on behalf of the National Audit Office found that although businesses generally understand why Government regulates, the biggest challenges facing business are keeping up to date with regulatory changes, finding out what regulations they need to comply with and the amount of time and paperwork it takes. The Confederation of British Industry (CBI) in its submission to the Government's recent Comprehensive Spending Review identified the following issues for Government attention - reshaping incentives to help the private sector achieve environment and natural resource goals; acting on skills to improve the basics, employability skills and the number of science, technology, engineering and mathematics (STEM) graduates; harnessing innovation and science; supporting inward migration as our population ages. The British Chamber of Commerce (BCC) has highlighted the need to balance employment rights and business interests as a top priority. UK Trade & Investment (UKTI) also captures and analyses the views of inward investors and UK companies doing business internationally. These companies say the UK is doing many things right – hence our record levels of inward investment – but that the UK has to work even harder to stay ahead of the international competition. Their concerns include skills availability; planning; business costs (e.g. energy costs), transport infrastructure; UK and EU regulation (e.g. healthcare, employment law, environmental regulation, immigration) and taxation. Of these, skills are the most frequently raised issue. Regulation was another key issue, with businesses arguing that it is essential that the UK retains a light touch on business regulation, ensuring fairness and best practice but avoiding undue burdens.

2.2 The North West Regional Context

The North West regional economy has improved markedly in relative and absolute terms in the period since 2000, in common with other northern regional economies. Over the period 2000 to 2003 150,000 extra jobs were created in the region and the rate of growth of GVA at 18.1% exceeded that of England by around 0.5% per annum. The rate of growth of regional GDP per capita also exceeded that of all the region's comparator regions in continental Europe. However, the North West's total Gross Value Added (GVA) of £98bn in 2003 was still 12% below the England average per capita, this represents a £13.6bn output gap or £2,000 per head of population.

The current output gap stems from two main sources:

- Around a quarter is from the fact that the North West has a lower proportion of population in work (equating to 80,000 people below what it would be if at the England average), this element is caused in small part by a slightly lower working age compared to total population, but mostly to a lower employment rate of those of working age;

- Around three quarters is due to the below average rates of productivity of those in work.

The low rates of productivity are particularly pronounced in the service sector, especially the business services sector. However, productivity rates overall are above average in the manufacturing sector – largely due to high rates of productivity and a relative specialisation in the chemicals/pharmaceuticals, aerospace and nuclear reprocessing sectors. The relative productivity of the North West has dropped back as employment has grown rapidly and more people, often with lower skills, have been drawn into work. The labour market in the region has performed particularly strongly and the North West is the only region to see a reduction in Incapacity Benefit claimants 2001-2003.

Sub-regional performance has varied with key differences being:

- First, the remarkable turn-around in the recent performance of Greater Merseyside which has become one of the fastest growing parts of the North West (and indeed England) after decades of stagnation. Liverpool has been one of the fastest growing cities in England. However, population has continued to decline although at a much slower rate than historically and with signs that the decline may have stabilised and in parts of the areas started growing.

- Second, the continued poor economic performance of Cumbria in GVA terms, where it has been hard hit by contractions in its large manufacturing sectors (shipbuilding and nuclear) and in agriculture. It also suffered especially heavily in 2001/2 from the impact of Foot and Mouth. If Cumbria's GVA had grown at the average rate of the North West 1999- 2002 total GVA would have been some £450m higher in 2002 (8% higher in Cumbria and 0.5% higher in the whole region). However, Cumbria's performance in job creation terms has been stronger.

- Third, continued growth in Cheshire and Warrington, but at a slower rate than in the recent past and no longer substantially faster than the rest of the region.

- Fourth, Greater Manchester has performed at a rate similar to the regional average since 1999. However, this rate of growth marks a significant improvement relative to the England average on the previous period. It is worth bearing in mind that Greater

Manchester is by far the largest economy in the region, accounting for 40% of all GVA generated in 2002. Its performance has, as the largest part of the region's economy, a major bearing on overall regional economic performance.

- Fifth, Lancashire has seen steady economic growth however, employment growth has been faster than GVA growth indicating a reduction in productivity (output per worker).

Regional Economic Strengths and Weaknesses

There are strengths and weaknesses in the performance of the region:

- **Skills**: there is a significant skills gap at higher skills levels (80,000 fewer people of working age with graduate level qualifications than if at the England average) and the North West has too many people with low or no qualifications (120,000 "extra" people of working age with no qualifications compared to the England average). North West employers are less likely to train than average. There are signs however that the skills gaps are getting better at the higher skills level. The region does of course have the potential advantage as one of the largest producers of graduates in the UK. In 2003-4 the 240,000 higher education students studying in the region was the second highest in England (after London) and has been growing at a faster rate than any other region.

- **Enterprise**: there is a substantial enterprise gap of around 20% fewer businesses per head and new start-ups compared to the England average. The North West would need around another 40,000 businesses if it were to mirror national levels. There is a complex set of factors explaining the gap: demand; skills; and cultural factors (which are especially important). The region has been catching up in recent years, although at current rates this will take many decades. Enterprise rates appear slightly higher in relative terms amongst younger people and attitudes to enterprise have improved over the last couple of years.

- **Innovation**: the region performs well on several measures of innovation and R&D. The total levels of business R&D (£1.5bn in 2001) per head of population as a % of GVA are above average driven by a few peaks of world class performance and our important chemicals, pharmaceuticals, aerospace and nuclear sectors. We have a number of world class centres of excellence in our Universities, with 87 departments receiving 5 or 5* ratings in the last Research Assessment Exercise in 2001 (10.6% of the total for all English Universities). The recently created new University of Manchester has the 5th largest research budget provided by Higher Education Funding Council ("HEFCE2") of any English University and indeed the scale of HEI research activity in Manchester is larger than in any single city in the Midlands or North of England. However, in spite of these positives, there appears to be a worrying general poor performance in a large 'tail' of firms - an innovation gap reflected in below average rates of patenting and in firms being "innovation active". The region also fares very poorly in terms of its share of "other" government R&D spend (in the NHS and other research establishments which are heavily concentrated in the South of England). Recent DTI national benchmarking data on adoption of ICT suggests that the North West overall, although lagging behind London and the South East, is ahead of many other regions.

- **Investment**: overall total levels of investment in our infrastructure, housing and business base are lower than many other regions (in part reflecting the past slow rate of growth and static population which tend to reduce rates of new investment as additional houses, schools etc are not needed as much). In 2000 the rate of overall investment per head of population was 19% below the national rate. The additional investment likely to go into the new growth areas in the South East is likely if anything to exacerbate the gap in the future.

The analysis of **sector strengths** at a region-wide level highlights chemicals (key in GVA and export terms), textiles, aerospace (key in GVA terms), pharmaceuticals (key in export terms and GVA), nuclear reprocessing and more modest specialisms in food & drink, paper/pulp and rubber/plastics. The North West has only a few strong specialisations in the service sector: these appear to be the travel industry, home shopping and to a lesser extent air travel and provision of tourism. Although the North West has large numbers of businesses and employment in business services, financial services and computing, in relative terms at a regional level these concentrations are modest.

The North West is an important **trading region**. In 2003 the region exported £17.0bn of goods abroad, this figure equates to 17% of total GVA, and this proportion was very similar to the England average. We imported £16.6bn in goods, making the North West only one of three English regions making a net contribution to the UK balance of trade. Our exports are highly concentrated a few categories account for a large share of exports. In particular organic chemicals (£1.9bn or 31% of the UK total) and pharmaceutical products (£3.4bn or 29% of the UK total) are key exports from the region.

The issues of social exclusion, worklessness and poor skills are highly linked together and mutually driven. They are also **highly concentrated in areas of deprivation**. Out of the gap of 80,000 fewer people not in employment compared to the England average around 70,000 is accounted for by just six local authority areas. Growing the economy in the future and expanding employment will mean that regeneration and economic development are much more closely linked than in the past.

An Internationalisation Strategy and Action Plan for England's North West

The Northwest Regional Development Agency has identified the need to raise company's awareness of global opportunities and risks to assist them in competing internationally. Internationalisation makes a major contribution to the region's GVA. International exports of goods alone from the North West amounted to £23.7 billion in 2006. There are 2,200 foreign direct investment businesses in the North West who employ 276,000 and account for 16.4% of the region's GVA.

The NWDA have prepared a detailed Action Plan that prioritises efforts on:

(a) developing the six Regional Economic Strategy's internationally competitive sectors
(b) maximising the international potential of the region's science, R&D and HEI assets and
(c) targeting strategically important countries for inward investment and trade

To achieve the region's international goals a series of actions have been developed around the following strategic objectives

1. ***Developing internationally competitive sectors*** through outward and inward investment, trade, international supply chains and by developing an internationally comparable skills base. This is focused on the six priority RES sectors

2 ***Maximising the international potential of the Science, R&D and HEI base*** by promoting research concentrations and knowledge capabilities internationally

3 ***Promoting the North West's assets internationally*** by developing clear regional and sub regional messages, identifying and targeting specific opportunities and contributing to the national drive to promote "Business UK"

4 ***Enhancing the region's international connections*** through transport links, networks, political relationships and by attracting international events, business visitors and tourists

5 ***Targeting strategically important countries*** to consolidate the North West's position in established markets and explore opportunities in important growth markets; these markets are - USA and Japan, India and China and Continental Europe

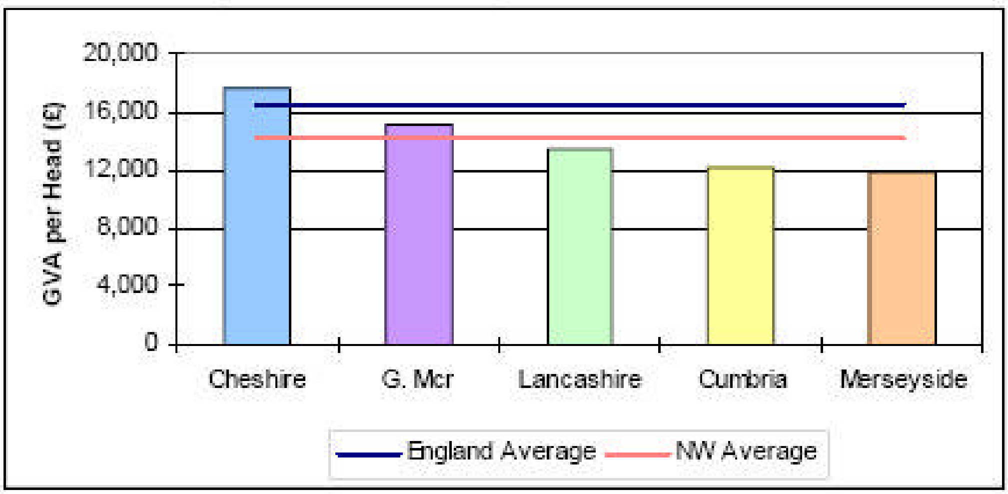
6 ***Influencing European and UK international policies and programme that have a direct impact on the North West*** including the new national UKTI five year strategy "Prosperity in a Changing World"

2.3 Cumbrian context

The economic performance of Cumbria is weak when compared to England average benchmarks and the other sub-regions in the North West.:

- GVA per capital, at £12,217 in 2004, is well below the England and regional averages (£16,521 and £14,269 respectively) and is the second lowest of the five North West sub regions.

Gross Value Added per Head in the North West, 2003



Source: ONS GVA

- New business starts, at 31 per 10,000 adult population, is the second lowest of the five sub-regions. However within Cumbria the rate of new business start up varies significantly between districts from 20 per 10,000 adult population in Barrow and Copeland to 45 per 10,000 adult population in Eden.

New Starts (VAT Business Registrations), 2004

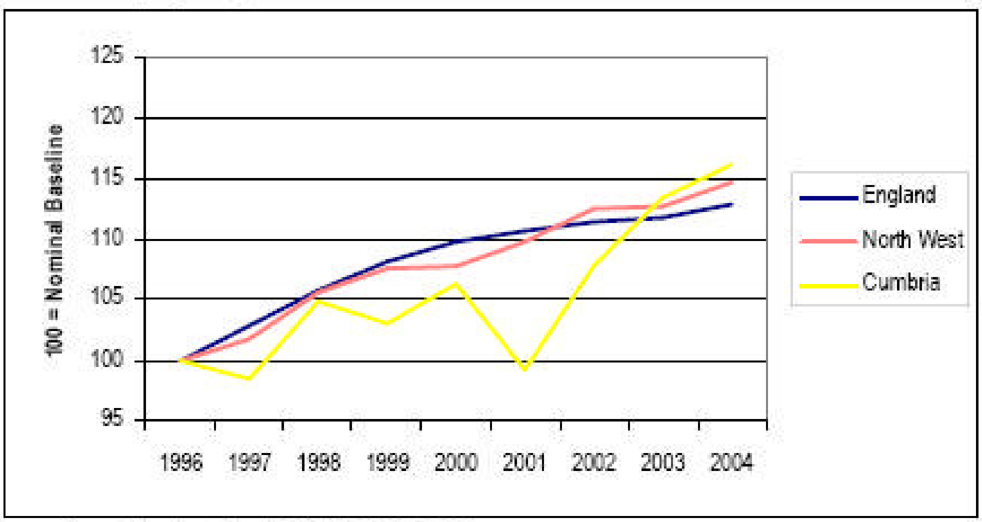
	New Starts		
2004	Total	Per 10,000 adult pop'	Per 10,000 working age pop'
England	158,535	41	52
North West	17,640	33	43
Cheshire	2,875	42	57
Cumbria	1,190	31	41
Lancashire	3,750	33	43
G. Manchester	6,990	36	46
G. Merseyside	2,830	25	31

Source: VAT Registrations; Small Business Service, 2004

District Council	New Starts (per 10,000 adult population)		
	2000	2004	2006
Allerdale	26	27	26
Barrow	12	20	22
Carlisle	27	33	33
Copeland	19	20	25
Eden	41	45	39
South Lakeland	42	41	40
TOTAL	**28**	**31**	**31**

Employment growth in Cumbria since 1996 has been at a rate slightly above the regional average. Employment levels have been more volatile than other sub-regions, since Cumbria is a relatively small economy and is more vulnerable to shocks, such as foot and mouth disease. The economy recovered quickly from foot and mouth, but there are some significant challenges for Cumbria going forward, including nuclear decommissioning.

Growth in Employment, 1996-2004



Source: Annual Business Inquiry; NOMIS, 1996, 2004
Note: employment based on workplace location

There are some significant differences in the sector profile of employment when compared to England. In particular:

- the high proportion of people employed in manufacturing (17.2% compared to 12%);
- the high proportion of people employed in hotels and restaurants (9.7% compared to 6.8%);
- and the low proportion of people employed in real estate and business activities (10% compared to 16.6%).

Employment by Industrial Sector, 1996 & 2004

	Cumbria				England
	1996	%	2004	%	%
Agriculture, forestry & fishing*	795	0.4%	722	0.3%	0.2%
Mining and utilities	1,739	0.9%	1,409	0.7%	0.5%
Manufacturing	42,012	22.9%	36,755	17.2%	12.0%
Construction	7,457	4.1%	10,588	5.0%	4.5%
Wholesale and retail trade	32,573	17.8%	42,420	19.9%	18.2%
Hotels and restaurants	19,301	10.5%	20,600	9.7%	6.8%
Transport and communication	8,985	4.9%	10,094	4.7%	6.1%
Financial intermediation	4,830	2.6%	2,884	1.4%	4.1%
Real estate and business activities	13,364	7.3%	21,402	10.0%	16.6%
Public admin' and defence	8,931	4.9%	8,965	4.2%	5.4%
Education	11,182	6.1%	16,951	8.0%	9.2%
Health and social work	24,110	13.1%	25,717	12.1%	11.4%
Other community and personal services	8,151	4.4%	14,609	6.9%	5.1%
Total	**183,431**	**100**	**213,116**	**100**	**100**

Source: Annual Business Inquiry; NOMIS, 1996, 2004
*In-depth DEFRA Agriculture employment figures unavailable

The occupational structure is also quite different to the national average. There is a lower proportion of higher skilled jobs in Cumbria than nationally, and this is especially true for the Professional and Associate Professional categories –the share of employment accounted for by these occupational categories is 2% points and 3% points below the national average respectively.

Employment by Occupational Group in Cumbria, 2005

	Cumbria		England
(SOC 2000)	2005	%	% 2005
Managers & senior officials	33,000	14	15
Professional occupations	26,000	11	13
Associate prof & technical	26,000	11	14
Administrative & secretarial	25,000	10	13
Skilled trades	32,000	13	11
Personal services	17,000	7	8
Sales & customer services	21,000	9	8
Plant & machine operatives	26,000	11	7
Elementary occupations	36,000	15	12
		100	**100**

Source: Labour Force Survey, Quarterly Averages; NOMIS, 1996-2005

The Working Futures forecasts indicate employment growth in Cumbria of 1.7% between 2004 and 2014 (cumulative growth), which translates into 4,000 new jobs. This growth rate is the lowest of the North West sub-regions and well below the North West projection of 3% growth. The forecasts are for:

- Further employment decline in the manufacturing and primary and utilities sectors.
- A decline in employment in the construction sector and at a faster rate than regionally.
- Employment growth in the business and other services sector of 7.7%.

The employment rate in Cumbria is actually above national and regional averages (79.5% versus 75.1% and 73.5% respectively). Cumbria's problems are less about getting people into employment and more around the type of jobs available in the sub-region. To close the GVA gap with other sub regions, Cumbria needs to attract a greater number of high skilled jobs.

A significant supply-side constraint that Cumbria faces is the low proportion of its population with higher level qualifications, which makes it a less attractive location for higher value added businesses. Of the economically active population, 27% are qualified to Level 4 or above, compared to 29% in the North West and 31% in England.

A further challenge for the Cumbria economy is its ageing population. This is an issue nationally, but particularly in Cumbria. Of the five sub-regions, Cumbria currently has the highest proportion of over 65 year olds in its population (19%) and this is forecast to increase to 25% by 2020, well above the regional average forecast of 20%. Migration patterns are likely to reinforce these trends, with migrants more likely to be attracted to sub-regions with large urban centres, particularly Manchester and Liverpool.

3 Strategy

3.1 Vision

Cumbria will have an entrepreneurial economy that hosts a profitable mix of dynamic, expansive and forward looking young/new businesses, operating alongside world leading established prosperous companies that continue to successfully trade in more traditional static markets. Cumbria will have a business base that is equipped to capitalize on emerging opportunities at the local, national and international level.

Cumbria will have a business community driven by the quality of its leadership that rises to the challenge of delivering significant growth that will drive forward the county's prosperity and increase the quality of life for its employees, as well as Cumbria's communities and residents.

3.2 Priorities for next 10 to 20 years

The Priority objectives are:

- Encourage an enterprise culture in Cumbria which will allow existing businesses to expand and grow in particular into high value goods and services as well as encouraging new businesses to start and flourish.

- Maximise the competitiveness of existing businesses and start up companies.

- Ensure that there is an adequate supply of employment land and premises to satisfy the development needs of businesses over the next five to ten years. Work with Local Authorities to ensure that these land allocations are included in the Local Development Frameworks (LDF) to ensure that businesses are able to secure planning permission for their business expansion requirements.

- Support growth in the financial services sector which will help support growth in other key sectors.

- Raise awareness of the specific business support needs of Cumbrian businesses at a regional and national level and deliver the Business Support Simplification Programme in Cumbria, improving delivery through existing networks such as Business Link and reducing duplication of provision.

- Ensure that businesses have satisfactory access to finance to support their business development plans.

4 Priority Actions

BE1 Develop an "Enterprise Culture" in Cumbria

Being entrepreneurial is about risk taking. It is about being innovative and developing new products. It is about challenging existing practises and existing ways of doing things. Encouraging people to become more enterprising needs to start at an early age. Therefore we need to ensure that enterprise is at the heart of the education system, for all age groups, and it is fundamental for Cumbria to develop a more entrepreneurial culture.

One of the biggest barriers to starting up a business is "mentality" and risk aversion. Many people have a fear of failure. We must move away from a focus on perceived risks rather than on potential rewards. In many cases here in the UK we are unwilling to applaud success. Profit should not be seen as a dirty word. It is the reward for taking risks and is crucial to encouraging enterprise and paying for investments.

Many commentators claim that successful high growth enterprises tend to happen in clusters and need to be located in a University town where there is a significant business base associated with the University. These clusters will also only occur were there is a significant cultural sector which has developed a "high quality of life" – not just in Cambridge and Oxford but also at Universities such as York, Warwick and Exeter. The creation of the new University of Cumbria means that the time is right to ensure that through the School of Business and Enterprise the University helps the development of an entrepreneurial culture, the formation of new business clusters and contributes to the quality of life.

The main priority actions are:

- **Promoting "Enterprise"**. Work with the School of Business and Enterprise at the University of Cumbria to develop a programme of entrepreneurial courses which will deliver 50 new business start ups per annum.
- **Cluster Development**. Through the six sector strategies, develop a programme of activity to encourage business clusters in the six key growth sectors, leading to 50 new SME's established per annum as a result of this programme.
- **Young Entrepreneurial Development Programme**. Work with the 14-19 Partnership to develop entrepreneurship programmes in schools for 16-18 year olds, which will lead to 50 new business start ups per annum by 18-21 year olds.

BE2 Maximise the competitiveness of existing businesses and start up companies

Innovation – the successful exploitation and commercialisation of new ideas – is key in enabling enterprise activity; whether the driving force for a business being started up or a catalyst for rapid growth. Cumbria Vision's strategy for innovation articulates a vision of an environment in Cumbria in which innovation can flourish and where many more businesses identify and capture the benefits of their innovation. A key measure of success will be the extent to which there is an increase in the proportion of SME turnover due to new or significantly improved products and services. This will be tracked through the Annual Small Business Survey.

The proportion of businesses which are 'innovation active' increased from 45 per cent in the 2001 survey to 57 per cent in the 2005 Annual Business Survey. While innovation activity levels increased substantially across all enterprises, the largest increase was reported by small and medium sized businesses (10-249 employees). Despite this improvement, the research clearly shows that larger businesses in the UK and other countries are significantly more likely to engage in innovation than smaller businesses. Alongside the challenges of global competition innovation, on a global scale, presents enormous opportunities. The international flow of ideas brings special advantages to countries – like the UK – that have strong capacity to absorb new ideas and talent from elsewhere and recombine them to create new knowledge and opportunities

Knowledge-intensive services – among them finance, business services and engineering – are an increasingly large part of the UK's ongoing economic success and UK innovation activity. In 2007, the UK exported approximately £75 billion of knowledge-based services, an increase of 170 per cent on the decade before. However, innovation in these sectors is not usually technology-based and is not always captured by the established R&D-based metrics. Supporting and encouraging innovation in these sectors is a key challenge.

Aside from innovating in what they produce, firms are increasingly innovating in the way in which they produce it. In many sectors, innovation comes directly from creative interactions between firms and their clients and suppliers. The recent DCMS strategy, "Creative Britain: New talents for the New Economy" has also highlighted the rising importance of innovation that takes place outside the 'traditional' high-technology and manufacturing sectors – for example, the contribution of design to innovative products and services.

Innovation is becoming a more distributed process, demanding a more specialised, responsive and fragmented approach. Some companies are moving away from traditional models of innovation, based in-house, towards more open and networked approaches, with partners outside the company. In this way the wider economic benefits of innovations made by small businesses are greatly amplified when larger businesses replicate or incorporate them into other processes, products and services.

Compared to traditional models of innovation, open innovation offers huge benefits to the business and wider society. Previously, good ideas that did not apply to the firm's core business model were often discarded and their benefit lost to other businesses. In some firms, the volume of unexploited patents has been found to be as high as 75-90 per cent. Large firms reaching out for ideas and offerings introduce great opportunities for innovative SMEs seeking growth.

At a simplistic level, a manufacturer will expect to benefit from an innovation by selling it; a user will expect to benefit from using it. This puts users – firms or individuals – in a privileged position to adapt and modify existing goods and services for innovative purposes. They have 'the need, the means and the opportunity'.

The main priority actions are:

- **Improve the business product range**. Ensure that a significant proportion of SME's improved turnover is due to a significant improvement to products and services.
- **Increase the number of Innovative Firms**. Increase the number of innovative firms especially an increase in the number of serviced based businesses.
- **Increase the number of Exporting Businesses**
- **Increase the growth of new technology firms**. New technological innovation in both existing SME's and new start ups.

BE3 Ensure adequate supply of Employment Land

Between 2002 and 2007 some 122 ha of land have been developed for employment purposes in Cumbria as listed in the Table 1 below. This equates to an average of 25 ha per annum however between April 2006 and March 2007 the amount of completed site development fell below this at only 18 ha in the twelve month period although these developments created over 10,000 sq metres of high quality office floorspace at Parkhouse in Carlisle, Westlakes Science Park and Junction 40 Business Park, Penrith. Over the past five years over half the developments were concentrated on the two regional employment sites at Kingmoor Park, Carlisle (51ha) and West Lakes Science Park, Whitehaven (15ha).

Table 1: Employment Land by District: Completed and Available Land (as at 31 March 2007)

District	Development Completed 2002 – 2007 (Ha)	Notes	Development Completed 2006 – 2007 (Ha)	
Allerdale	4.94	1.45 ha developed at Lillyhall	1.61	1.00 ha developed at Lakeland Business Park, Cockermouth
Barrow	9.41	4.26 ha developed at Furness Business Park, Barrow	0.00	
Carlisle	74.39	51.09 ha developed at Kingmoor Business Park	12.25	2.91 ha developed at Parkhouse Industrial Estate, Carlisle (7,000 sq mts of office development)
Copeland	15.72	15.38 ha developed at Westlakes Science Park, Whitehaven	0.00	
Eden	12.08	0.43 ha developed at Gillwilly Ind Estate, Penrith	4.05	0.87ha developed at Junction 40 Business Park, Penrith (9,140 sq mts of office development)
South Lakeland	6.40	1.50 ha developed at Sandside near Milnthorpe (2,150sq mts of office development)	0.66	
CUMBRIA	**122.94**		**18.57**	

The North West Regional Spatial Strategy (RSS) sets out the spatial and land use requirements for encouraging new and expanding employment. Cumbria as in the other sub regions requires a range of sites with influences at different spatial levels to support the different types of growth potential identified through the Cumbria Economic Plan. These are defined as:

Regional Sites – a limited number of sites which will have a significant role to play in the growth not just of the Cumbrian but also the regional economy, as a result of the type of development and location of the site. These are split into three different types of sites; (i) Regional Employment Sites which will be required to support the key growth sectors identified by the Regional Economic Strategy (ii) Knowledge Nuclei sites focusing on knowledge based sectors which require specific links to the regions Higher Education Institutions and research and development facilities and (iii) inter-modal freight terminals facilitating the transfer of freight from road to rail etc. Of the 25 regional sites listed in the RSS only two are located in Cumbria – Kingmoor Business Park in Carlisle is a Regional Employment Site and Westlakes Science Park at Whitehaven is a Knowledge Nuclei site.

Sub Regional Sites - These are sites which sit below and play a complementary role, to regionally significant economic development sites and have the potential to make a significant contribution to the growth of the sub regional economy. The RSS states that there are 568 hectares of land available in Cumbria for development between 2005 – 2021, which at current development levels equates to a 20 year supply of available land. However as Cumbria County Council argued at the RSS Examination in Public much of this land is not suitable for modern business use and through the current Local Development Framework (LDF) process, District Councils have been tasked to allocate relevant developable employment land which would be available for short term development and Cumbria Vision will be working with the District Council to ensure that this happens

Local Sites – provision of a wide range of sites for a variety of uses which will support a diversified local economy, ensuring that there is a range of job opportunities for the local population. These sites will also be defined by District Councils through the Local Development Frameworks (LDF).

There is a significant amount of employment land available in Cumbria. As Table 2 below demonstrates there is at least theoretically, approximately 560 ha of employment land available in Cumbria. Of this 131 ha is located on the two regional employment sites of Kingmoor Park (95ha) and Westlakes Science Park (35ha), a further 197 ha is located on sub regional employment sites including Waterfront Business Park, Barrow (58ha) and Lillyhall Industrial Estate, near Workington (40ha) and a further 233 ha on local employment sites. However not all of these sites are immediately available and in some areas, particularly South Lakeland there is an absolute shortage of available employment land. This is being looked at both the regional level where the NWDA have commissioned GVA Grimley to examine the development potential of additional Regional Employment Sites and at the sub regional level where Cumbria County Council have commissioned Faber Maunsell to examine the constraints to development on a number of significant sub regional employment sites.

Table 2: Employment Land Availability (as at 31 March 2007)

District	Regional Employment Sites	Sub Regional Sites	Local nt Sites	TOTAL
Allerdale	0.00	46.75	52.53	99.28
Barrow	0.00	80.89	11.14	92.03
Carlisle	95.33	35.77	18.75	149.85
Copeland	35.59	12.45	113.41	161.45
Eden	0.00	14.30	20.82	35.12
South Lakeland	0.00	7.27	16.54	23.79
CUMBRIA	**130.92**	**197.43**	**233.19**	**561.52**

Cumbria Vision have used the NWDA's Experian Economic Growth Forecasting Model to examine likely economic growth scenarios in Cumbria over the next eight years through to 2016. In total it is anticipated that up to 45,000 new jobs will be created as a result of the actions outlined in Strategy Action Plans 1 – 6. This high growth employment scenario can be converted into new employment land requirements through (10 the application of employment densities for different employment uses (m2 per worker) – split by use classes order (B1, B2 and B8), (b) plot ratios (assumes a building occupies 40% of the total plot size) and (c) a control factor to account for the proportion of new jobs which will be housed in existing employment premises and will not therefore require new employment premises.

The methodology used is that recommended in Planning Policy Guidance Note 4: Employment Land Reviews and uses the following employment densities:B1 Office Accommodation - 19 m2 per worker, B2 Light Industrial/Manufacturing - 34 m2 per worker and B 8 Warehousing and Distribution - 50 m2 per worker. As a result it is possible to calculate the amount of employment land required by District as shown in Table 3 below:

Table 3: Employment Land Requirements by District 2008 -2016 (Hectares)

	Allerdale	Barrow	Carlisle	Copeland	Eden	South Lakeland	CUMBRIA
B1 Office Accommodation	4.2	2.2	8.3	2.5	1.7	3.3	21.5
B2 Light Industrial and Manufacturing	15.4	13.7	20.7	19.7	10.1	13.4	92.9
B8 Warehousing and Distribution	6.0	3.1	6.6	3.5	4.4	5.9	29.4
TOTAL Employment Land Required 2008 -2016	**25.6**	**18.9**	**35.6**	**25.7**	**16.1**	**22.5**	**143.8**

Table 4: Employment Land Requirements against supply 2008 -2016

District	Employment Land Required 2008 -16	Employment Land Available as at 1 April 2006	Surplus/Deficient
	(Ha)	(Ha)	(Ha)
Allerdale	25.6	107.89	**+82.29**
Barrow	18.9	102.65	**+83.75**
Carlisle	35.6	138.11	**+102.51**
Copeland	25.7	69.50	**+43.8**
Eden	16.1	30.71	**+14.61**
South Lakeland	22.5	22.65	**+0.15**
CUMBRIA	**143.8**	**471.51**	**+327.71**

This analysis shows that as has been said in the North West Regional Spatial Strategy then, there is broadly enough employment land in Cumbria to satisfy identified demand over the next ten years, however there is a imbalance between West Cumbria, Barrow and Carlisle which has an over-supply of employment land and Eden and South Lakeland which currently have a virtual under-supply. This analysis of course does not take into account the quality of the available land as it is well known that much of the employment land in West Cumbria and Barrow is “not fit for purpose”. Cumbria Vision in conjunction with Cumbria County Council are currently undertaking work which will help to clarify the quality, status and surplus and deficits in employment land.

BE4 Simplified Business Support

Cumbria needs a business base that recognises the importance of creating and building upon sources of sustainable competitive advantage. Businesses in Cumbria are those in need of the best available business support if they are to compete successfully within an increasingly global operating environment in which they face a number of inherent disadvantages; distance to market, access to resources, cost-bases, skills shortages, infrastructure etc. The creating, developing, communicating and uptake of needs-led focused business support services that are evidenced as best-in-class should be a priority within any economic development activity.

The Government wants business support, wherever it is carried out in the public sector, to be simple for business to access, have a real impact on economic or other public policy goals and represent value for tax payers. By providing support that better meets business need and making it simple to understand and access, the Government hopes to increase the take-up and impact of the support on offer. This will be achieved through Business Link, with its recognised national brand, managed in each region by the Regional Development Agency. To achieve a fully joined-up service for business, accessed through Business Link, all organisations responsible for publicly-funded business support will need to co-operate with each other at the national, regional and local level. Some organisations already do this, for example, a ‘mutual first referral’ arrangement exists between Business Link and UK Trade & Investment.

The new simplified system of business support is being developed under a shared policy framework agreed by Central Government Departments, Regional Development Agencies (RDAs) and Local Authorities. Key elements include:

- Designing a portfolio of no more than 100 shared products.
- Enhancing Business Link to take on its role as primary access channel – diagnosing need, advising on support and signposting/brokering.
- Developing a shared marketing and branding framework for the new Product Portfolio.
- Identifying balanced delivery arrangements, including the most appropriate spatial levels for procuring support.
- Putting in place strong governance arrangements and a robust evaluation framework based on shared success factors and consistent performance management.

Business Simplification Support Programme will help local authorities promote economic growth by ensuring that they have access to the most effective means of supporting business and enterprise in their areas – regardless of the spatial level delivery is managed.

The main priority actions are therefore as follows:

- **Provide impartial information on the full range of business support services** - Work with Business Link North West and the local development agencies through the CLEAN network to ensure simplified business support programme.
- **Conduct a diagnosis of a businesses needs** - Ensure that all businesses understand their needs and requirements to improve business efficiency. Undertake at least 500 business reviews per annum to ensure that Cumbrian businesses are improving efficiencies.
- **Signposting businesses to support needs** - Provide a quality services which signposts businesses to the appropriate support service.
- **Establish collaborative business networks** - Working with Cumbria Chamber of Commerce ensure that collaborative business networks are established.
- **Investigate new overseas markets** - Work with UK Trade and Investment and the Business Link Export Advisors to ensure that Cumbrian companies maximise overseas marketing and sales opportunities. 50 SME's to increase or expand overseas sales per annum through new collaborative Cumbrian Export Programme.

BE5 Employment Growth in Key Business Sectors

The Cumbria Economic Plan focused on six key business growth sectors:

(a) Nuclear, Energy and Environmental Technologies

The goal is to create 'Britain's Energy Coast' – a world leader in nuclear, environmental and energy technology, skills and delivery through the following priority actions:

- Maximise decommissioning benefit through the influencing of Nuclear Decommissioning Authority procurement where appropriate; strengthen and extend the existing local nuclear small and medium sized enterprise ("SME") supply chain through ongoing engagement with Tier 1 and 2 contractors.
- Develop global brand recognition as 'Britain's Energy Coast' and exploit the opportunities for an 'energy, environment and technology' business cluster.
- Develop the business case for nuclear new build in West Cumbria and identify opportunities arising from the area's potential for waste management/storage.
- Develop renewable energy generation, including offshore wind, tidal power and biomass.

- Instigate a programme of commercialisation support, encourage diversification of supply chain companies and maximise the spin out benefits from existing know-how, techniques and processes from within Sellafield.
- Develop the specialist research and skills base in the area through supporting the National Nuclear Laboratory and ensure a broad remit for the facility, including environmental research, defence and renewable energies.
- Develop the technology of low-carbon energy generation, working towards the target of a “Carbon-Neutral” county.

(b) Specialised Manufacturing

The goal is to create a significant expansion of advanced manufacturing industry, built on existing strengths and with high levels of connectivity through the following priority actions:

- Encourage the development of new products and processes to increase competitiveness of existing manufacturers and provide access to new markets.
- Develop existing manufacturing clusters to attract new, high-quality companies to Cumbria and develop a portfolio of actions addressing the specific needs of key manufacturing sectors such as sub-sea engineering and electronics.
- Ensure the continuation of naval shipbuilding in Furness, and exploit spin-off opportunities from the existing manufacturing base.
- To ensure that businesses are aware of and can access available sources of national capital grant funding to help attract capital investment to eligible areas in Cumbria.
- Encourage the use of lean manufacturing techniques and capitalise on the specialist help and advice of the Manufacturing Institute.

(c) Food and Drink

The goal is to create a Cumbrian brand with a national reputation for quality, producing maximum added-value across the food, drink and agriculture and tourism sectors through the following priority actions:

- Encourage innovation and efficiency improvements amongst producers, processors and distributors.
- Develop an international reputation for Cumbrian food and drink through the identification of the most appropriate Cumbrian branding, followed up with rigorous promotion.
- Provide support and infrastructure for cluster and integrated supply chain development and develop enhanced higher-value-added activities.
- Encourage public procurement of local produce.
- Support skills development of the food-based workforce and raise the profile of the sector as a career choice.

(d) Digital, Cultural and Creative Industries

The goal is to create a fully developed sector that fully exploits the obvious physical, environmental and cultural resources of the County through the following priority actions:

- Support growth in indigenous creative businesses and attract inward migration from businesses in the sector by capitalising on the quality of the County’s environment and the flexibility of location inherent in the sector.

- Encourage a co-ordinated approach to development of the cultural sector within Cumbria through partnership organisations such as Culture Cumbria.
- Support the development of the major Cumbrian towns, for example Carlisle, to develop physical centres for digital, cultural and creative industries.
- Maximise the benefits of the strong digital, cultural and creative sectors in other areas of the North West.

(e) Tourism

The goal is to create a thriving tourism economy, generating higher paying jobs and higher GVA through increased spend, in which all areas of Cumbria can share through the following priority actions:

- Improve the quality of accommodation and visitor facilities and the skill levels of the tourism workforce across the County, to ensure that the quality of their year-round offer matches that of the built and natural environment.
- Develop an internationally-recognised ‘Cumbrian’ brand that both refreshes the image of The Lake District and highlights the offer of other areas of the County.
- Encourage the growth of smaller tourism-based business to ensure they can re-invest in their businesses and secure self-sustaining futures.
- Maximise opportunities for tourism development offered by major infrastructure projects – Derwent Forest, Lowther Castle, West coast/Furness ports.
- Develop the potential of the Eden Valley, Hadrian’s Wall and Carlisle, the Cumbrian coast and Furness.
- Develop and support new diverse tourism activities that encourage longer stays and higher visitor spending.
- Explore opportunities for the development of business tourism in the County and the potential for new conference facilities, both within The Lake District and in other areas.
- Support the bid to attain World Heritage Status for The Lake District.
- Provide better skills and training opportunities for tourism-sector businesses and workforce.

(f) Outdoor Sport, Education and Recreation

The goal is to ensure that Cumbria is internationally recognised as the ‘Adventure Capital’ of the UK through the following priority actions:

- Develop and establish the ‘Adventure Capital UK’ brand in Cumbria
- Encourage a partnership approach to outdoor activity development at local, county and regional level
- Increase skills and qualification levels in the outdoor sector workforce, through ensuring that the National Academy for Outdoor Sport locates within Cumbria
- Support the development of new outdoor recreation facilities and infrastructure
- Develop innovative ways of increasing added value from outdoor activities and ensure that the whole of the County can share in the growth of the sector

5 Delivering the Strategy: The Action Plan

5.1 The following Action Plan is a comprehensive list of all identified programmes, projects and activities that have the potential to make a positive contribution towards achieving the vision for Business and Enterprise in Cumbria, as detailed in section 4 above. To successfully deliver this Action Plan will require a co-ordinated approach, and commitment and investment from Public, Private and voluntary sectors. The Action Plan does not therefore relate to particular funding bodies or programmes (for example the North-West Development Agency Single Programme, or the European Regional Development Fund) and is not a representation of any future Sub-Regional Action Plan.

5.2 The Red / Amber / Green classification in this Action Plan reflects priorities in terms of **timescales for delivery only**, in recognition that a number of actions (particularly major, transformational projects) will take substantial time to develop and deliver, whilst others can be delivered within a much shorter timescale. Please also note that the classification are based on timetable for final completion, so actions a mixture of short-term and long-term components will be listed by the targets for long-term completion.

5.3 Within each colour group, projects are listed in order of their reference number which relates to the key actions within section 4 of the Strategic Action Plan. Neither the colour-coding nor the numerical listing within each colour classification is an indication of the importance of actions relative to one another.

5.4 A key role of Cumbria Vision will be to monitor, evaluate and update the Action Plan on an ongoing basis. This process will be undertaken in close consultation with stakeholders from the county and region.

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Delivering the Strategy: The Action Plan for Business and Enterprise

Timeframe	Priority Ref	Activity	Detail	County Wide	Allerdale	Barrow	Carlisle	Copeland	Eden	South Lakeland
BE1. Develop an "Enterprise Culture" in Cumbria										
	BE1.1	Promoting "Enterprise"	Work with the School of Business and Enterprise at University of Cumbria to develop programme of entrepreneurial courses. 50 new business start ups per annum .	✓	✓	✓	✓	✓	✓	✓
	BE1.2	Cluster Development	Through the six sector strategies develop a programme of activity to encourage clusters of activity. 50 new SME's established per annum through cluster development.	✓	✓	✓	✓	✓	✓	✓
	BE1.3	Young Entrepreneurial Development Programme	Work with the 14-19 Partnership to develop an entrepreneurship programme in schools at 16-18. 50 new business start ups per annum being created by 18 – 21 year olds.	✓	✓	✓	✓	✓	✓	✓
BE2. **Maximise the competitiveness of existing businesses and start up companies**										
	BE2.1	Improve business product range	Increase the proportion of SME turnover which is due to a significant improved products and services .	✓	✓	✓	✓	✓	✓	✓
	BE2.2	Increase number of Innovative Firms	Increase the number of innovative firms especially an increase in the number of service based businesses.	✓	✓	✓	✓	✓	✓	✓
	BE2.3	Increase number of Exporting businesses	Increase number of SME's involved in exporting goods and services .	✓	✓	✓	✓	✓	✓	✓

2.4	Increase growth of new technology	Ensure that new forms of innovation accelerate the growth of new technology in both existing SME's and new start ups.	✓	✓	✓	✓	✓	✓	✓
BE3. Ensure Adequate Supply of Employment Land									
BE3.1	Agree a range of employment sites to be developed in Cumbria over the next 15-20 yrs	Cumbria Vision will work with the County Council and District Councils to agree a range of employment sites through the Regional Spatial Strategy and the Local Development Framework.	✓	✓	✓	✓	✓	✓	✓
BE3.2	Define Key Regional Employment Sites	Currently there are only two Regional Employment Sites listed in the Regional Economic Strategy (RES).- Westlakes and Kingmoor Park. Development of employment land framework will allow the NWDA to designate a further two key regional employment sites.	✓	✓		✓	✓		
BE3.3	Define Sub Regional Employment Sites	Work with Cumbria County Council and District Councils to define a range of available sub regional employment sites in each district .	✓	✓	✓	✓	✓	✓	✓
BE3.4	Define local employment sites	Work with Cumbria County Council and District Councils to define a range of available local employment sites in each district to enable business development and growth over next 20 years.	✓	✓	✓	✓	✓	✓	✓
BE4. Simplified Business Support									
BE4.1	Provide impartial information on the full range of business support services	Work with Business Link North West and the local development agencies through the CLEAN network to ensure simplified business support programme.	✓	✓	✓	✓	✓	✓	✓
BE4.2	Conduct a diagnosis of a businesses needs	Ensure that all businesses understand their needs and requirements to improve business efficiency. Undertake at least 500 business reviews per annum to ensure that Cumbrian businesses are improving efficiencies.	✓	✓	✓	✓	✓	✓	✓

BE4.3	Signposting businesses to support needs	Provide a quality services which signposts businesses to the appropriate support service.	✓	✓	✓	✓	✓	✓	✓
BE4.4	Establish collaborative business networks	Working with Cumbria Chamber of Commerce ensure that collaborative business networks are established.	✓	✓	✓	✓	✓	✓	✓
BE4.5	Investigate new overseas markets	Work with UK Trade and Investment and the Business Link Export Advisors to ensure that Cumbrian companies maximise overseas marketing and sales opportunities. 50 SME's to increase or expand overseas sales per annum through new collaborative Cumbrian Export Programme.	✓	✓	✓	✓	✓	✓	✓
BE5. Employment Growth in Key Business Sectors										
BE5.1	Develop Nuclear, Energy and Environmental Technologies	Create "Britain's Energy Coast" – a world leader in nuclear, environmental and energy technologies (see Strategy Action Plan No1).	✓	✓	✓	✓	✓	✓	✓
BE5.2	Develop Specialist Manufacturing	Create a significant expansion of advanced manufacturing industry built on existing strengths (see Strategy Action Plan No 2).	✓	✓	✓	✓	✓	✓	✓
BE5.3	Develop Tourism	Create a thriving tourism economy, generating higher paying jobs and higher GVA spend (see Strategy Action Plan No 3).	✓	✓	✓	✓	✓	✓	✓
BE5.4	Develop Food and Drink r	Create a Cumbrian Brand with a national reputation for quality, producing maximum added-value across the food, drink and agriculture and tourism sectors (see Strategy Action Plan No 4).	✓	✓	✓	✓	✓	✓	✓
BE5.5	Develop Digital, Cultural and Creative Industries	Create a fully developed sector that fully exploits the obvious physical, environmental and cultural resources of the County (see Strategy Action Plan No 5).	✓	✓	✓	✓	✓	✓	✓

	BE5.6	Develop Outdoor Sport, Education and Recreation	Ensure that Cumbria is internationally recognised as the “Adventure Capital of the UK. (see Strategy Action Plan No 6).	✓	✓	✓	✓	✓	✓	✓

Key

Immediate	3 – 5 years	5 -10 years