

Cumberland Economic Overview

October 2023 V2



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1. Overview

- Cumberland's geography is a key driver of its economic structure and performance.
- The £6.1 billion economy has particular strengths in:
 - manufacturing (including food) and nuclear decommissioning on the one hand and in
 - agriculture/land-based industries and tourism on the other.
- There are also strengths in logistics, construction, visitor economy and in public services
- There are 11,100 registered enterprises which provide 134,000 jobs and generate £6.1bn in gross value added
- There are variations across the area in economic success and performance, in large part because of the location and concentration of different industrial sectors. However, at Cumberland level, growth in jobs and economic output has lagged behind the UK over the past decade.
- At a local level some areas have a high degree of dependence on certain sectors and businesses – for example the west of the area (especially Copeland) is heavily reliant on manufacturing, particularly the nuclear sector and allied industries whereas Carlisle has significant food manufacturing and logistics sectors as well as a concentration of business services.
- Relative productivity performance is poor to middle ranking in a UK context and productivity performance is patchy across sectors (and within the area).
- Some of the relative productivity difference is caused by the industrial structure, but there is evidence of below national productivity rates in some sectors, especially in private sector services and digital/creative.
- Cumberland performs better on other economic measures such as employment rate, relatively high average wages and household incomes and affordable housing (although there are exceptions to the latter).
- However, there are pockets of deprivation particularly in the more urban areas and education performance various within the area.



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2. Key challenges & opportunities

Challenges

- Patchy and underperforming levels of productivity with significant productivity gaps on all measures caused by the sectoral mix and often lower than average rates of productivity within sectors.
- Declining working age population which is predicted to continue and is counter to national trends presenting a major labour supply challenge.
- Thin pool of higher level skills spread across a large geographical area.
- Tight labour market exacerbated by the pandemic.
- An innovation 'gap' and weak ecosystem
- Low rate of business start-ups and enterprise.
- Few faster growing firms in both absolute and relative terms.
- Serious cold spots of worklessness and deprivation.
- Over-dependence on one or two sectors, and in some instances one major employer eg Sellafield.
- Accessibility varies; while the east of the area benefits from the M6 and West Coast Mainline, east-west and coastal connectivity faces significant reliability and resilience challenges.
- Dispersed settlements and relatively low population density in some areas creates viability challenges for public transport and its ability to link communities with employment opportunities and services.

Opportunities

- Particular sectoral strengths in nuclear, advanced manufacturing, food manufacturing, agriculture/ land based industries and tourism.
- Strategic location in the centre of northern Britain, with the Carlisle area well serviced by north-south road (M6) and rail links and east road links (A66/A69).
- Accessible location to major cities of Glasgow, Edinburgh, Newcastle, Leeds, Manchester and Liverpool, although this is more true of the Carlisle area than the west.
- Outstanding natural environment landscape providing key current and future resources for the UK in recreation, green energy and food production
- Potential site for major investment in clean energy.
- Environment which offers an outstanding quality of life.
- Strong performing vocational education and training sector.
- Strong and resilient communities.



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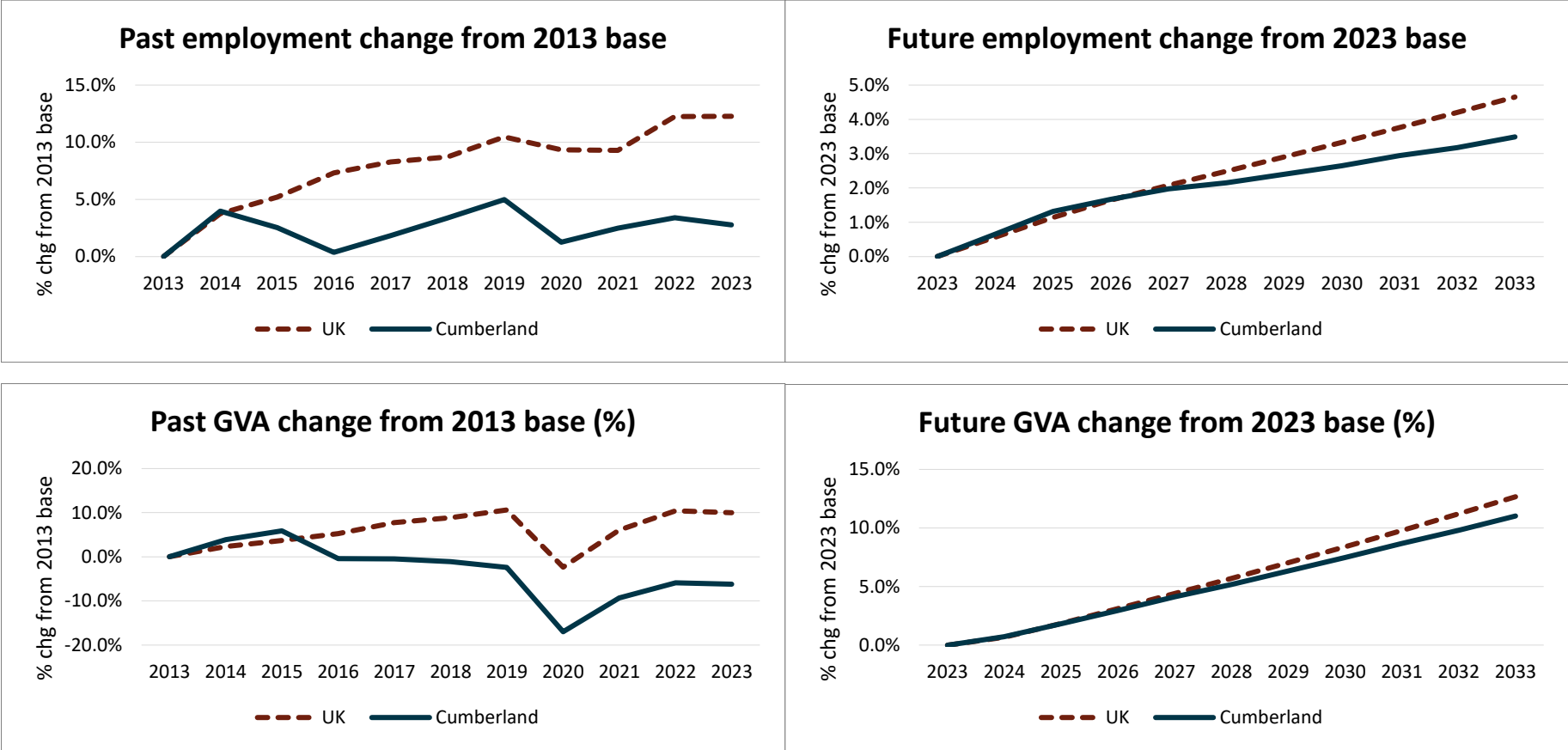


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2.1. Economic scenario



- Cambridge Econometrics estimates show that Cumberland has been lagging behind the UK on employment and Gross Value Added (GVA) growth for the past decade with the gap widening in recent years.
- UK growth on both measures is expected to slow considerably and if past performance relative to the UK continues, this would see Cumberland slip further behind on both measures over the next decade.

NB: this is a “business as usual” scenario for illustration purposes and is not a forecast of what will happen. It is based on a series of assumptions about sector level performance and labour supply and about Cumberland’s performance relative to the UK.

Source: Cambridge Econometrics LEFM Model for Cumbria, April 2023



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3. Businesses, productivity & employment

- Cumberland has 11,100 registered enterprises which employ 134,000 and generate £6,132m in gross value added.
- The majority of businesses are small with 90% of registered enterprises employing fewer than 10 people (plus many more micro businesses that are unregistered).
- There is an over reliance on a small number of major businesses/organisations - 10 of which employ a quarter of employees.
- Major employers include Sellafield/NDA, 2 Sisters, Pirelli, Nestle, Carr's Group, Crown Packaging, Story Group, Iggesund, James Walker, M-Sport, Futamura, Innovia, TSP Engineering, national retailers, local government and the NHS.
- The business 'birth' rate is only 70% of UK average and is particularly low in Copeland (half the national average).
- Business 3-year survival is above the UK (62% v 58%).
- Productivity is well below the national average in all areas.
- The area derives proportionately more of its GVA from manufacturing and accommodation & food services than the national average and proportionately less from high value sectors such as finance and IT & communications.
- Economic output has been falling in real terms since 2015, largely linked to the shift in activity at Sellafield from nuclear reprocessing to decommissioning.



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3.1 Key sectors (employment & output)

Cumberland			
Employment (2022)		Economic output (2021)	
Sector	No	Sector	£m
Manufacturing	21,000	Manufacturing	£1,075m
Retail & wholesale	19,000	Retail & wholesale	£726m
Health	17,000	Health	£610m
Accommodation & food	12,000	Agriculture, mining, utilities	£532m
Construction	9,000	Construction	£448m

Carlisle			
Employment (2022)		Economic output (2021)	
Sector	No	Sector	£m
Retail & wholesale	10,000	Retail & wholesale	£450m
Health	10,000	Health	£375m
Manufacturing	6,000	Manufacturing	£364m
Transport	4,500	Construction	£204m
Professional services	4,000	Transport & storage	£194m

Allerdale			
Employment (2022)		Economic output (2021)	
Sector	No	Sector	£m
Retail & wholesale	6,000	Manufacturing	£339m
Accommodation & food	5,000	Agriculture, utilities, waste	£289m
Manufacturing	5,000	Retail & wholesale	£200m
Health	3,500	Health	£111m
Construction/Agric/Education (each)	3,000	Education	£108m

Copeland			
Employment (2022)		Economic output (2021)	
Sector	No	Sector	£m
Manufacturing	11,000	Manufacturing	£372m
Health	3,500	Construction	£138m
Retail & wholesale	2,250	Professional services	£128m
Construction	2,500	Health	£124m
Accommodation & food	2,250	Public administration	£112m

Sources: ONS Business Register Employment Survey 2022 & Regional Economic Activity 2021 (excluding real estate)



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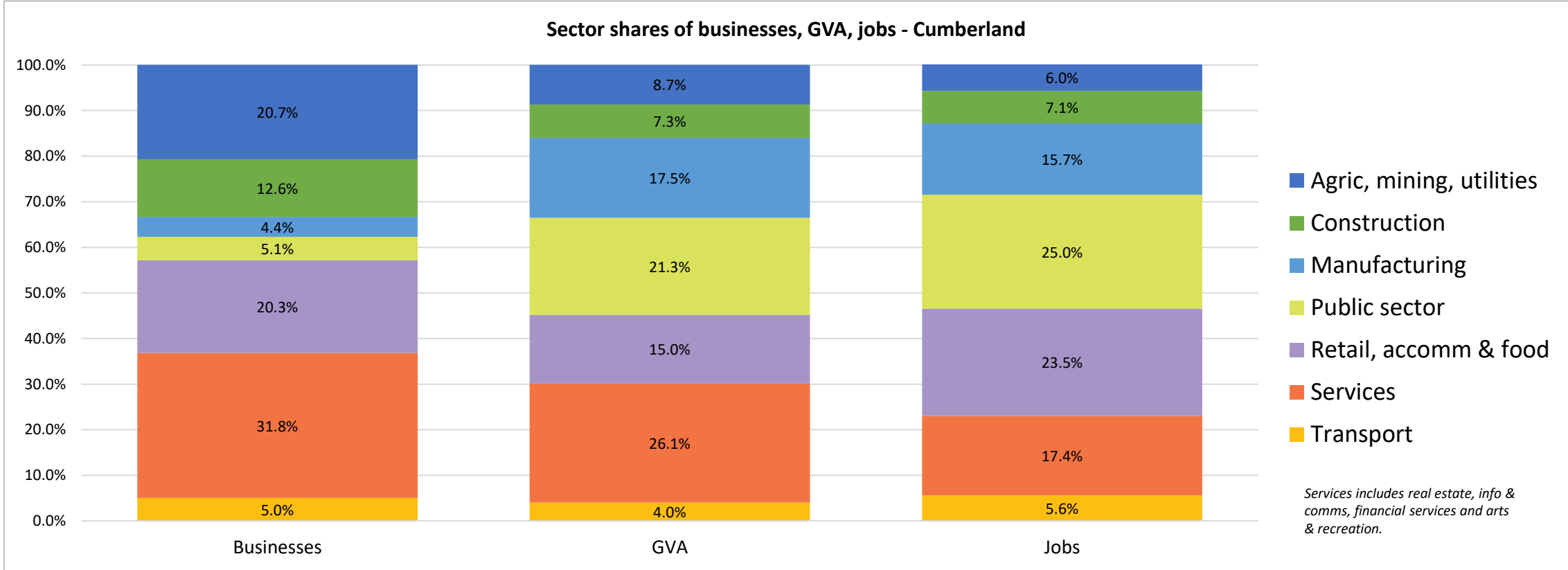


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3.2 Sector shares (businesses, GVA, jobs)



Sources: ONS Business Register Employment Survey 2021, ONS UK Business: Size, Activity & Location 2023, ONS Regional Economic Activity 2021



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3.3 Sector shares (businesses, GVA, jobs)

	Businesses		Gross Value Added		Jobs	
	No	%	No	%	No	%
Agriculture, mining, utilities & waste	2,300	20.7%	532	8.7%	8,000	6.0%
Manufacturing	490	4.4%	1,075	17.5%	21,000	15.7%
Construction	1,400	12.6%	448	7.3%	9,500	7.1%
Retail & wholesale	1,260	11.4%	726	11.8%	19,000	14.2%
Transport & storage	560	5.0%	247	4.0%	7,500	5.6%
Accommodation & food services	995	9.0%	196	3.2%	12,500	9.3%
Information & communication	225	2.0%	69	1.1%	1,375	1.0%
Finance & insurance	710	6.4%	111	1.8%	1,750	1.3%
Real estate	360	3.2%	727	11.9%	2,000	1.5%
Professional, scientific & technical	900	8.1%	341	5.6%	8,000	6.0%
Administrative & support services	645	5.8%	199	3.2%	6,000	4.5%
Public administration	90	0.8%	405	6.6%	6,500	4.9%
Education	165	1.5%	292	4.8%	8,000	6.0%
Health	315	2.8%	610	9.9%	19,000	14.2%
Arts, entertainment & recreation	220	2.0%	56	0.9%	2,375	1.8%
Other services	470	4.2%	99	1.6%	1,875	1.4%
All sectors	11,100	100.0%	6,132	100.0%	134,000	100.0%

Sources: ONS Business Register Employment Survey 2021, ONS UK Business: Size, Activity & Location 2023, ONS Regional Economic Activity 2021

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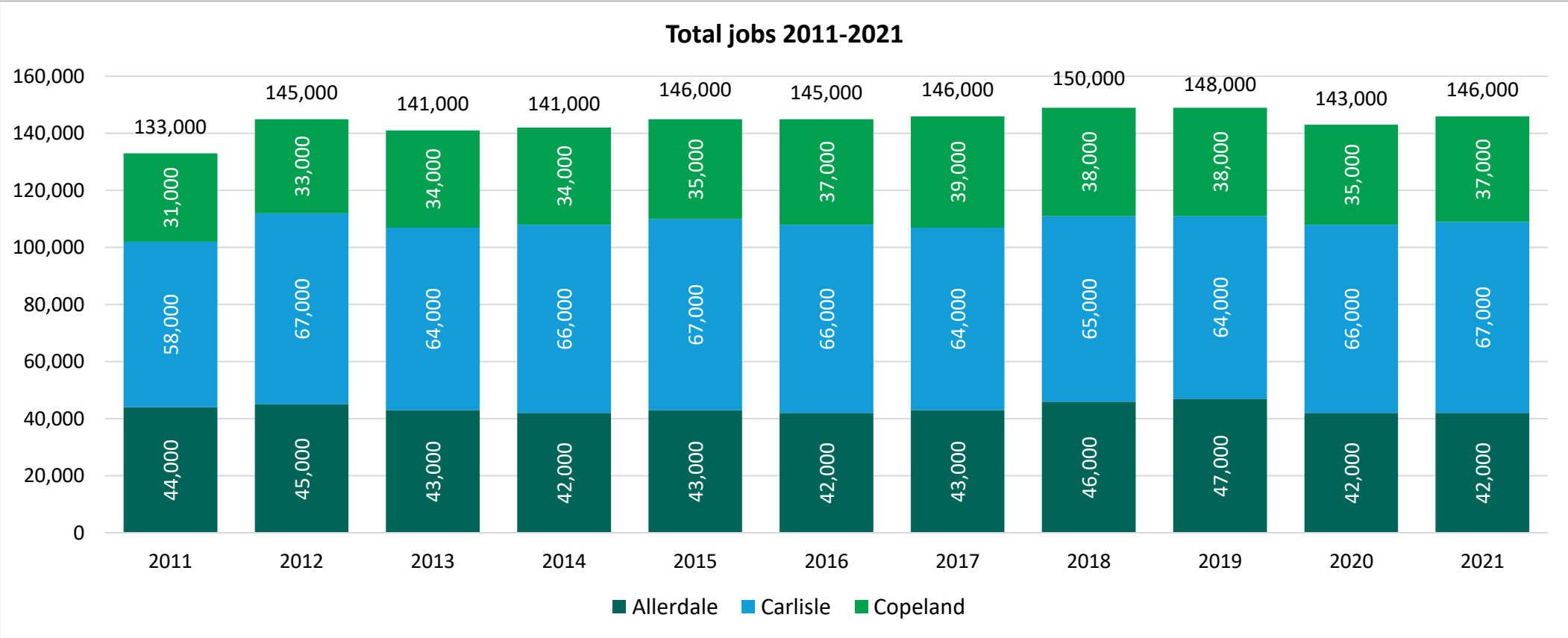


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3.4 Total jobs over time



Source: ONS Job Density 2021 (employee jobs, self-employed, government-supported trainees, HM Forces)



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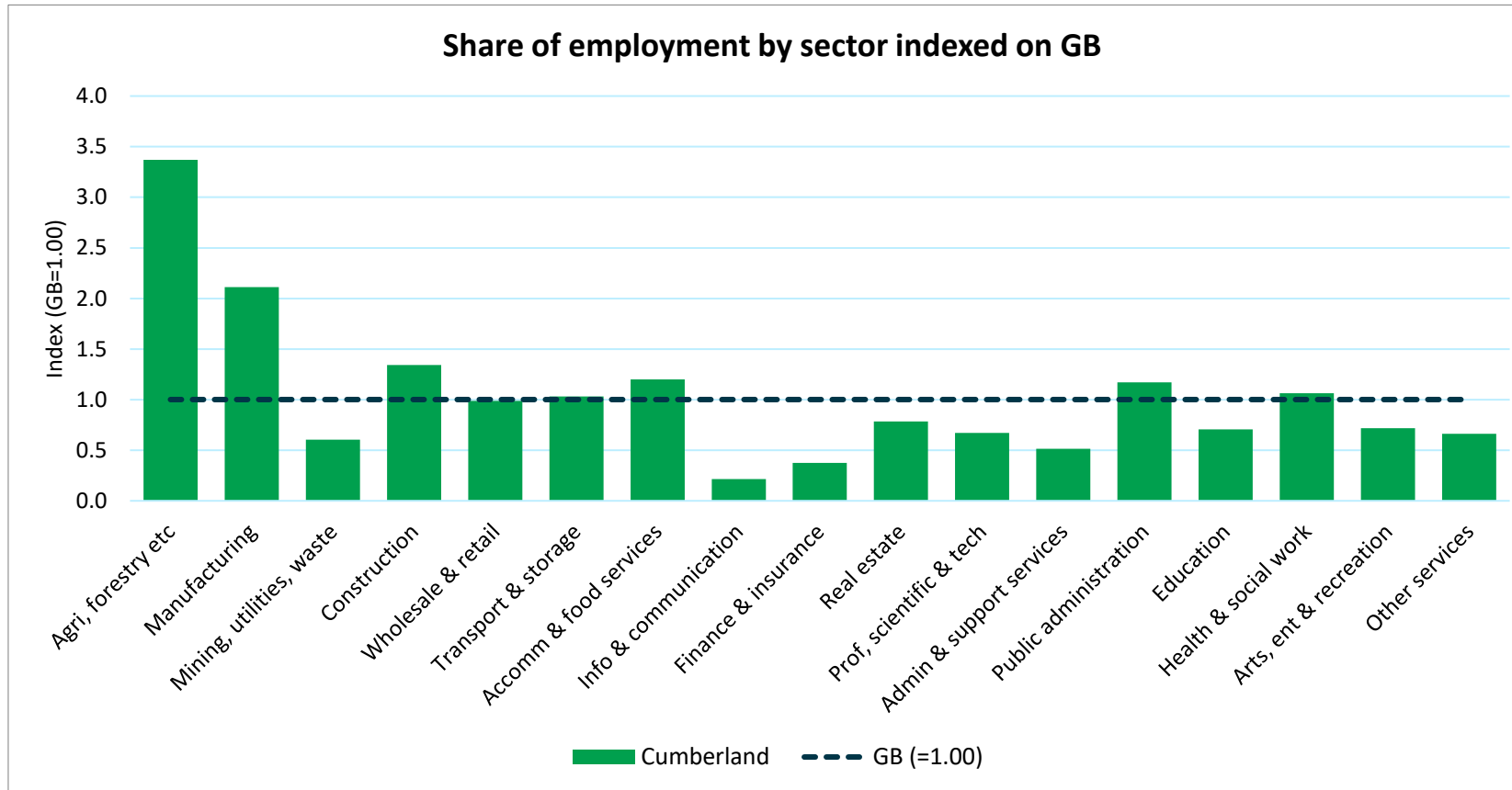


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3.5 Employment structure relative to GB



- Cumberland has particular concentrations of jobs in agriculture and manufacturing relative to the national average.
- The concentration of jobs in construction and in accommodation & food services is slightly above the national average while wholesale & retail, transport and health are broadly similar to the national average.
- The area is significantly under-represented in high value sectors such as information & communications, finance and professional services.

Source: ONS Business Register Employment Survey 2021



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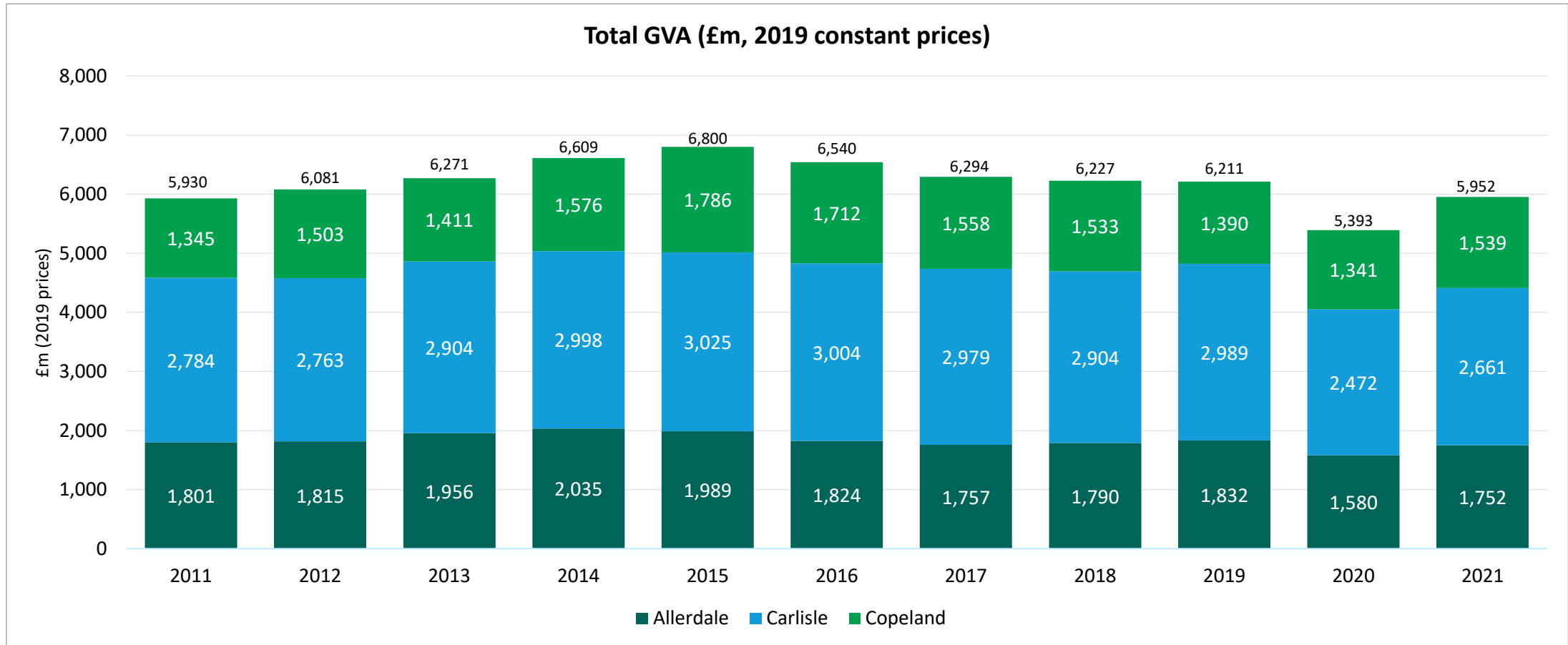


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3.5 Total gross value added over time



Source: ONS Regional Economic Activity 2021



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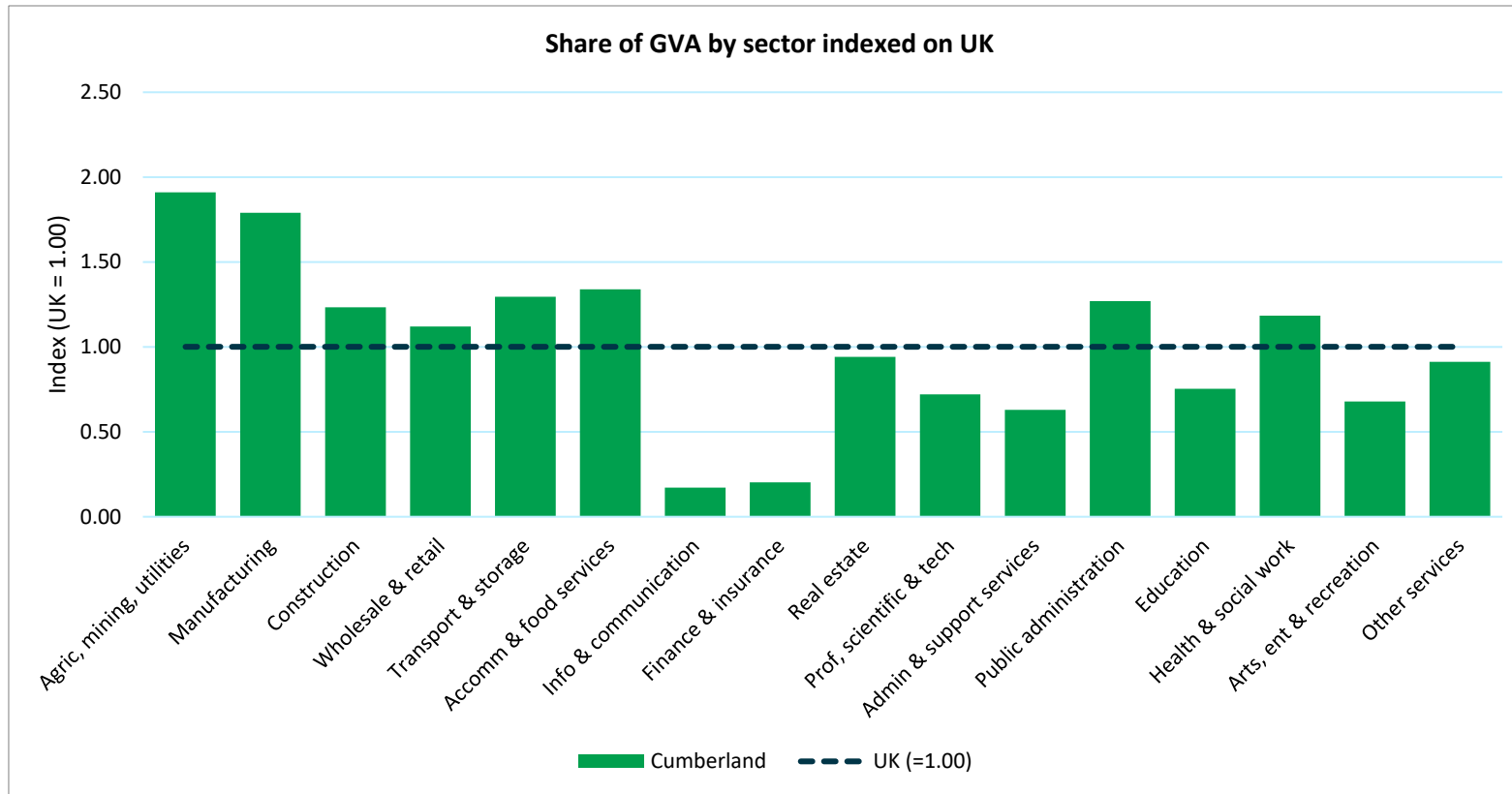


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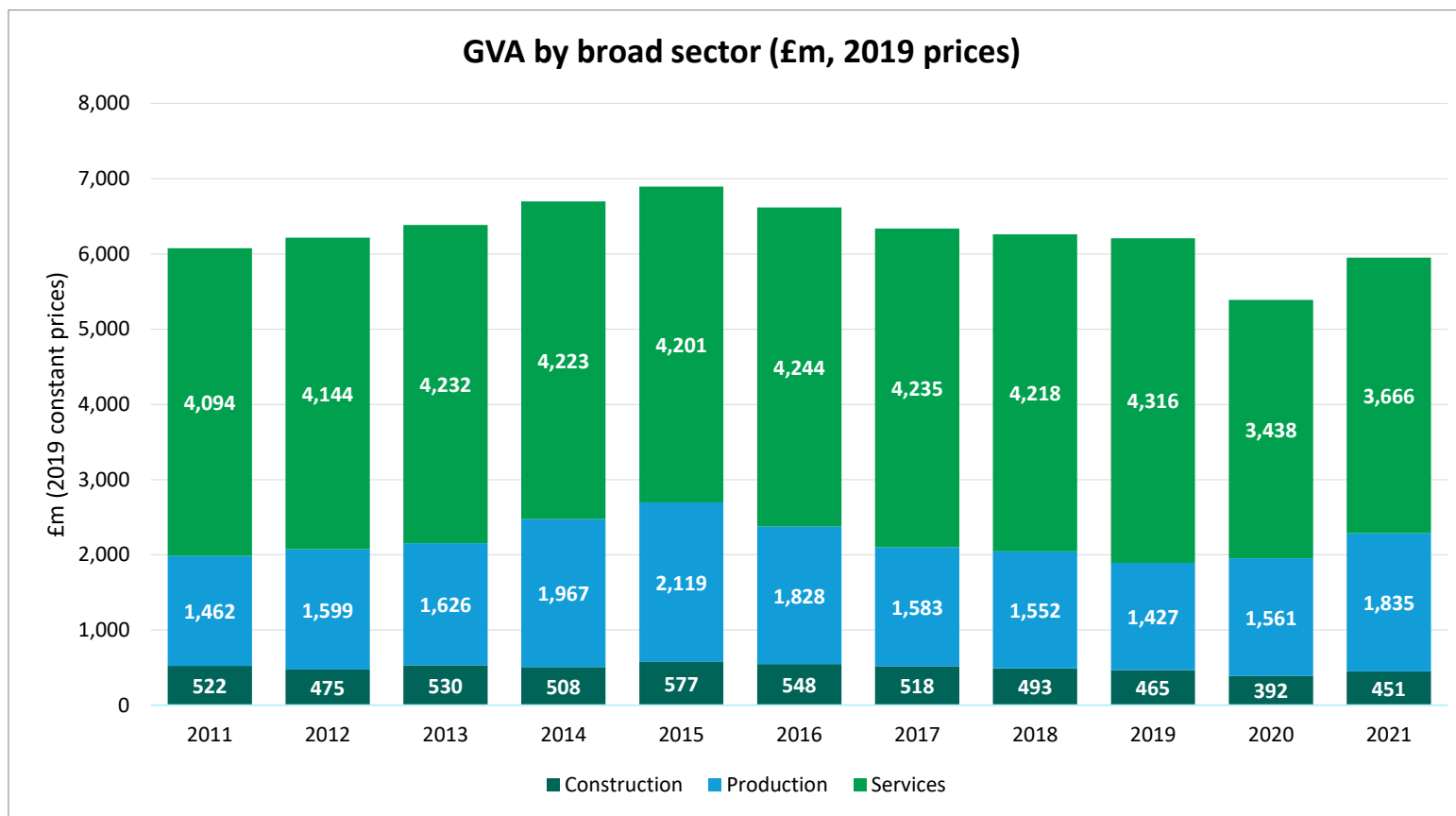
3.7 GVA structure relative to UK



- Cumberland derives proportionately more of its GVA from land-based sectors and manufacturing than nationally and slightly more in several other sectors, including accommodation & food services, transport & storage and public administration.
- However, the area derives considerably less economic value than nationally from high output value sectors such as information & communications and financial services.

Source: ONS Regional Economic Activity 2021

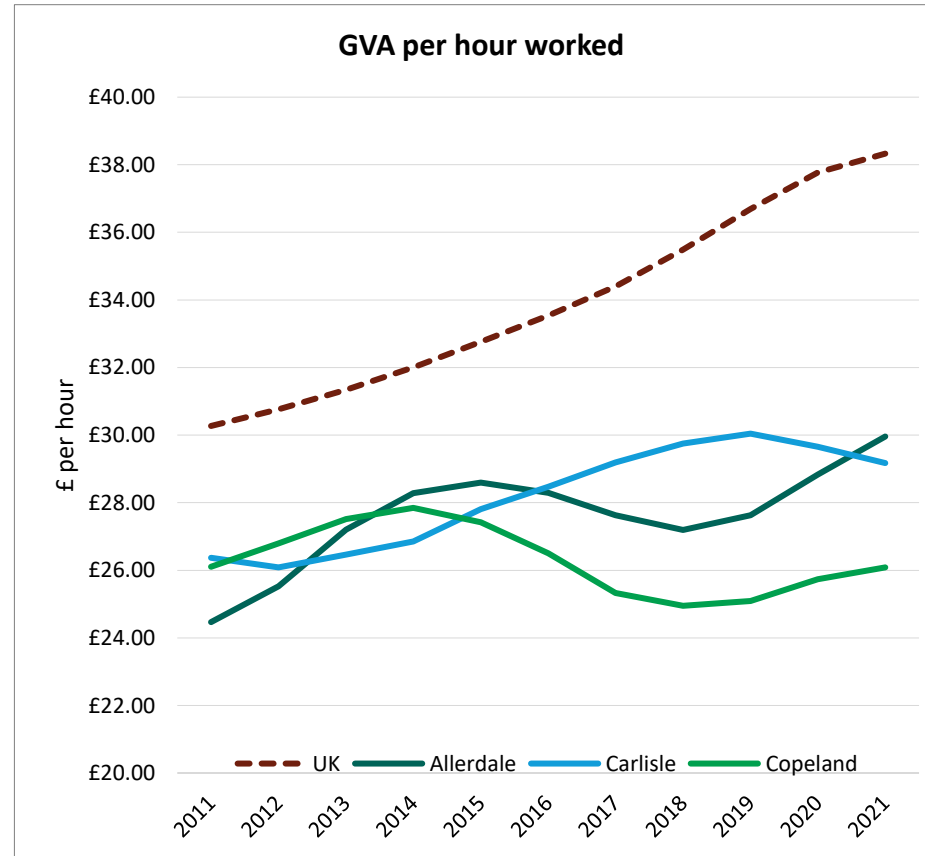
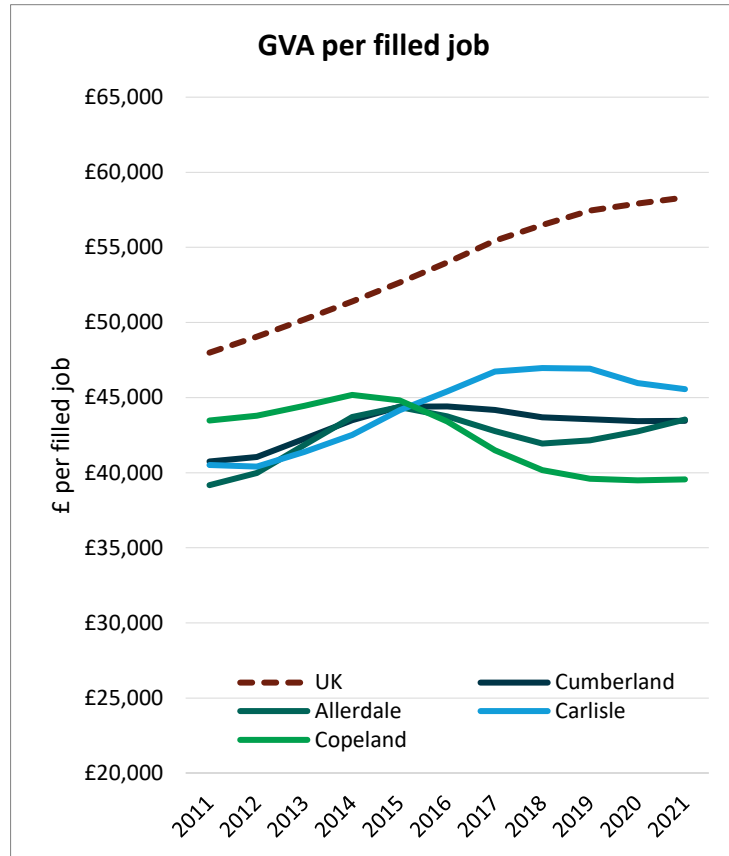
3.8 change in GVA by broad sector (£m)



- Total economic output has been falling year on year in Cumberland since 2015.
- This trend is driven mostly by declining output from the production sector, much of which is linked to the shift of operations at Sellafield from reprocessing activity to less productive decommissioning activity.
- In 2020, economic output fell in construction and services as a result of the pandemic. However, the production sector was relatively unscathed, largely as a result of continued activity in the nuclear sector.
- By 2021, both construction and services remained below their pre-pandemic levels but the production sector grew across all its sub-sectors. However, this was not enough to bring overall GVA back to its pre-pandemic level and the economy remained 4% smaller than in 2019.

Source: ONS Regional Economic Activity 2021

3.9 Productivity



- Productivity per hour worked in 2021 in all parts of Cumberland was significantly below the UK
 - 32% below in Copeland
 - 22% below in Allerdale
 - 24% below in Carlisle
- The gap has widened since 2015, particularly in Copeland.
- Overall sector mix is a part of the reason for the productivity gap as is the shift from reprocessing to decommissioning at Sellafield.
- In some sectors there is both less economic activity relative to the national average and less productive activity.

Notes: Care should be taken interpreting productivity data for 2020 as this is particularly impacted by the pandemic and the job protections in place at the time. It is not currently possible to construct a per hour figure for the whole of Cumberland.

Source: ONS Regional Economic Activity 2021



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3.10 Ideas & innovation

- Assets to build upon:
 - There is a reasonable level of business R&D (although it is likely to be concentrated in a few firms).
 - There is a world-class concentration of innovation assets related to the nuclear sector, particularly linked to decommissioning, safety and environmental clean-up.
 - The University of Manchester Dalton Cumbria facility is the largest single nuclear research institution in the UK.
 - There is a wide range of activity and some excellent assets linked to green energy, environmental sustainability and land management.
- Challenges to address:
 - There is relatively limited Higher Education based R&D, although the expansion of the University of Cumbria into new facilities provides a major opportunity to develop this further and Lancaster University works in partnership in the county.
 - On average it appears that many firms are less likely than average to be engaged in innovation activity and to engage with national R&D programmes and opportunities – although much innovation activity goes unrecorded by standard metrics.
 - Outside the nuclear sector there are many firms carrying out excellent innovation but overall there is a lack of a well-functioning innovation ecosystem.



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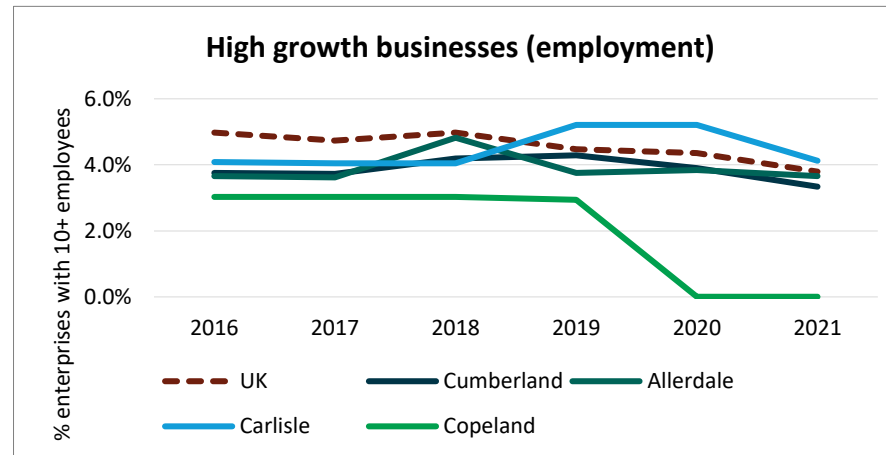
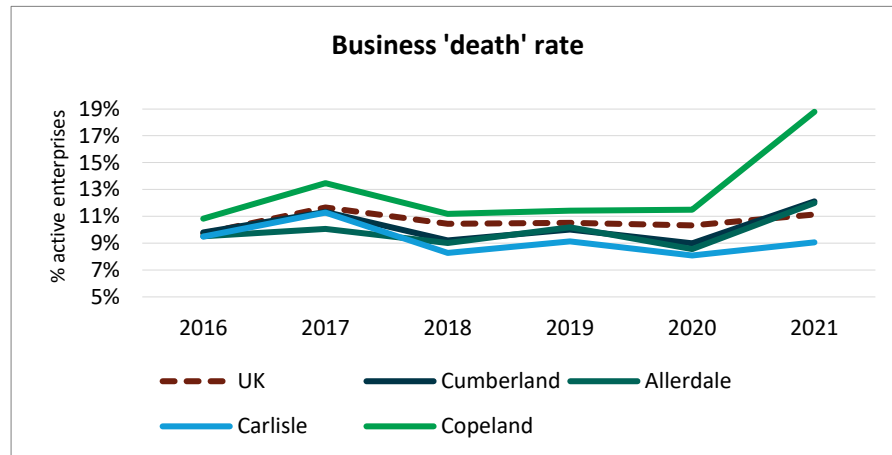
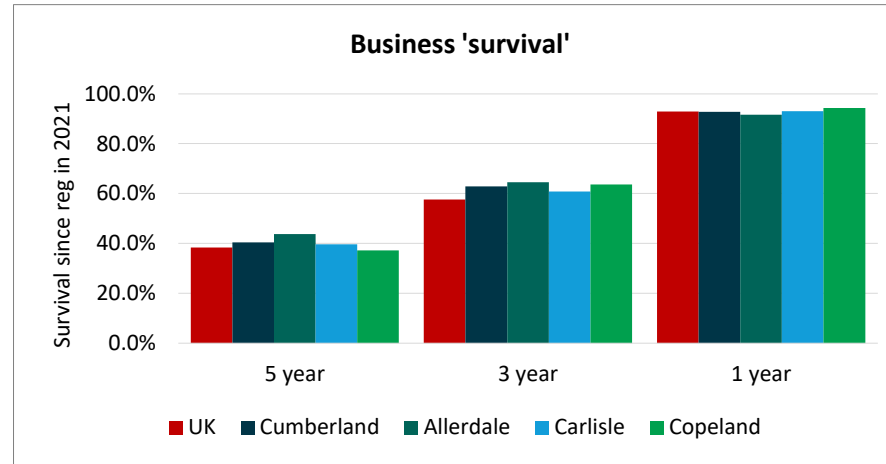
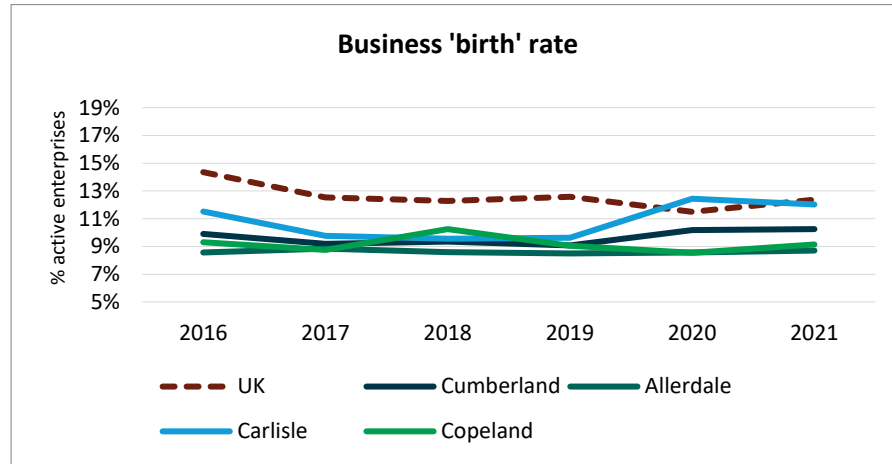


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3.11 Business demography



- Business 'birth' rates are lower than the national average and have been so for each of the past 6 years. Carlisle has the highest 'birth' rate although this is influenced by the number of legal firms in the area who act as the registered office.
- The Business 'death' rate was higher than nationally in 2021 for the first time in recent years and was particularly high in Copeland.
- Once established, businesses in Cumberland have 'survival' rates above or close to the national average in the first 1-5 years of operation.
- Cumberland has a lower proportion of high growth businesses (employment) than nationally. Carlisle is the exception with a slightly higher rate. In the past 2 years, Copeland has recorded no high growth businesses.

Source: ONS Business Demography 2021

4. People & skills

- Assets to build upon:
 - There is a strong and well-functioning vocational educational system, particularly through the Apprenticeship programme.
 - Good overall alignment of learning provision with the needs of the economy.
 - The workforce is well-endowed with technical and vocational qualifications.
 - Niche skills expertise in advanced manufacturing, nuclear and engineering.
 - University of Cumbria plans for a new Campus and broadening of HE offer.
- Challenges to address:
 - Declining workforce as the rate of in-migration of people of working age is not matching retirement rates.
 - Large replacement demand as the current workforce retires.
 - Particular labour supply gaps in hospitality, adult social care, health, logistics and manufacturing.
 - Increased disengagement from the labour market following the pandemic.
 - Challenges matching the need for jobs with where extra labour supply exists, exacerbated by transport and housing affordability issues in parts of the area.
 - Broad future skills requirements are for a higher proportion of workers with high level skills and qualifications than currently exist in the labour force but there is a relatively low rate of high level skills in Cumberland and it is a small pool.
 - There are stubborn pockets of worklessness and lower skills in some areas.



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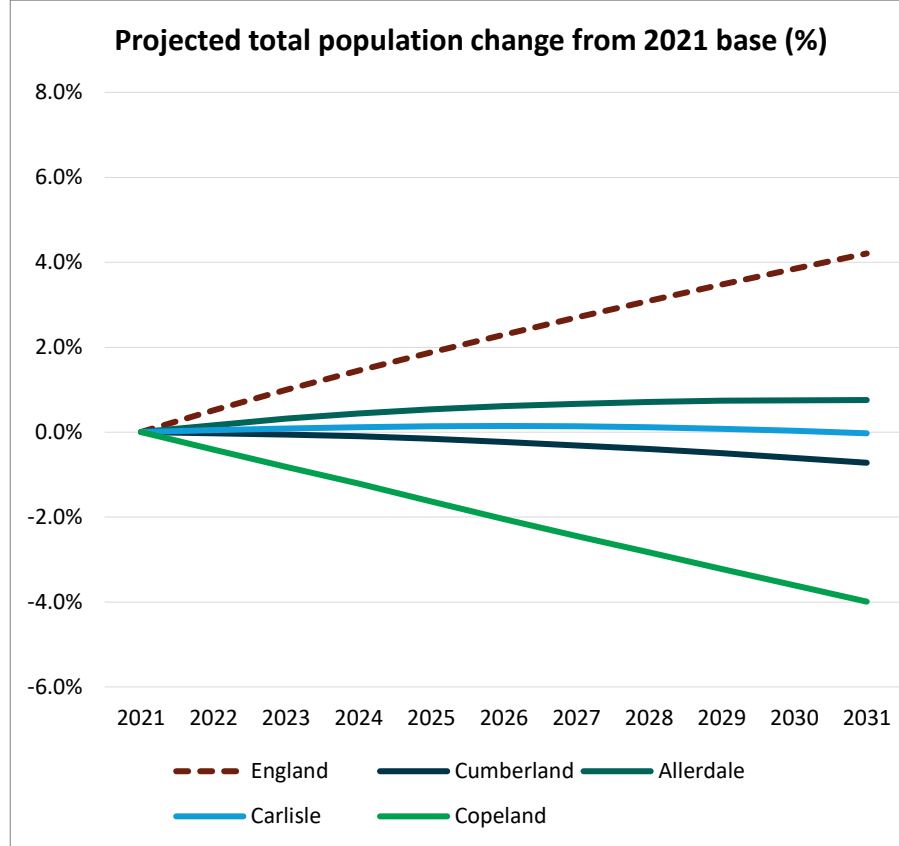
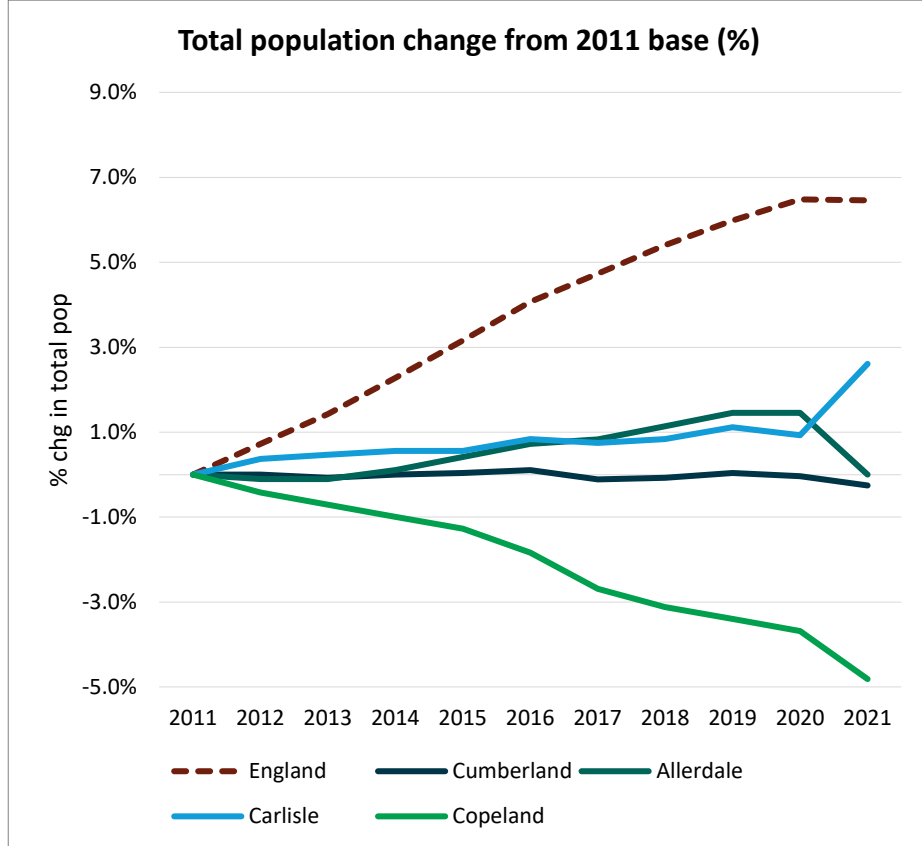


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4.1 Demographics

- Cumberland's population was 273,800 in 2021 which is virtually unchanged from 10 years ago, in contrast to 6.5% growth nationally. However, there has been variation within the area – Allerdale's population is similar to a decade ago, Carlisle's has grown modestly (+2.6%) but Copeland's has fallen sharply (-4.8%).
- Cumberland's population is projected to fall by -1% in the next decade in contrast to 4% growth nationally.
- The working age population (aged 16-65) was 164,700 in 2021 and has fallen by 9,600 (-5.5%) in past decade in contrast to growth of 3.6% nationally.
- The working age population has fallen in all parts of Cumberland with the largest fall in Copeland (-10.6%) compared to Allerdale (-5.7%) and Carlisle (-2.2%).
- This age group is projected to fall a further 9,200 in next decade (-6%) in contrast to national growth (+2%).
- The population aged 0-15 is projected to fall by 10% in the next decade (twice the national average) which will reduce the future supply of labour well beyond the following decade. In contrast, the population aged 65+ is projected to rise by 18%.
- In addition to natural demographic decline, a greater proportion of the working age population is unavailable for work since the pandemic due to health issues which is significantly impacting the already tight labour market.

4.2 Population



- Cumberland's population in 2021 was 273,800, a fall of -0.3% from 2011 in contrast to a rise of 6.5% nationally.
- Allerdale's population has remained static over the past decade, Carlisle's was also static for much of the period but grew slightly in 2021. Copeland's population has fallen steadily year on year ending -4.8% lower than in 2011.
- These trends are projected to continue over the next decade with falling populations of 0-15 year olds and 16-64 year olds but an increase in 65+ year olds..

NB: 2021 mid-year estimates have been adjusted by ONS to account for the Census but the historical timeseries and forward projections have not yet been fully rebased.

Source: ONS Mid Year Estimates 2021, ONS Population Projections 2018-based



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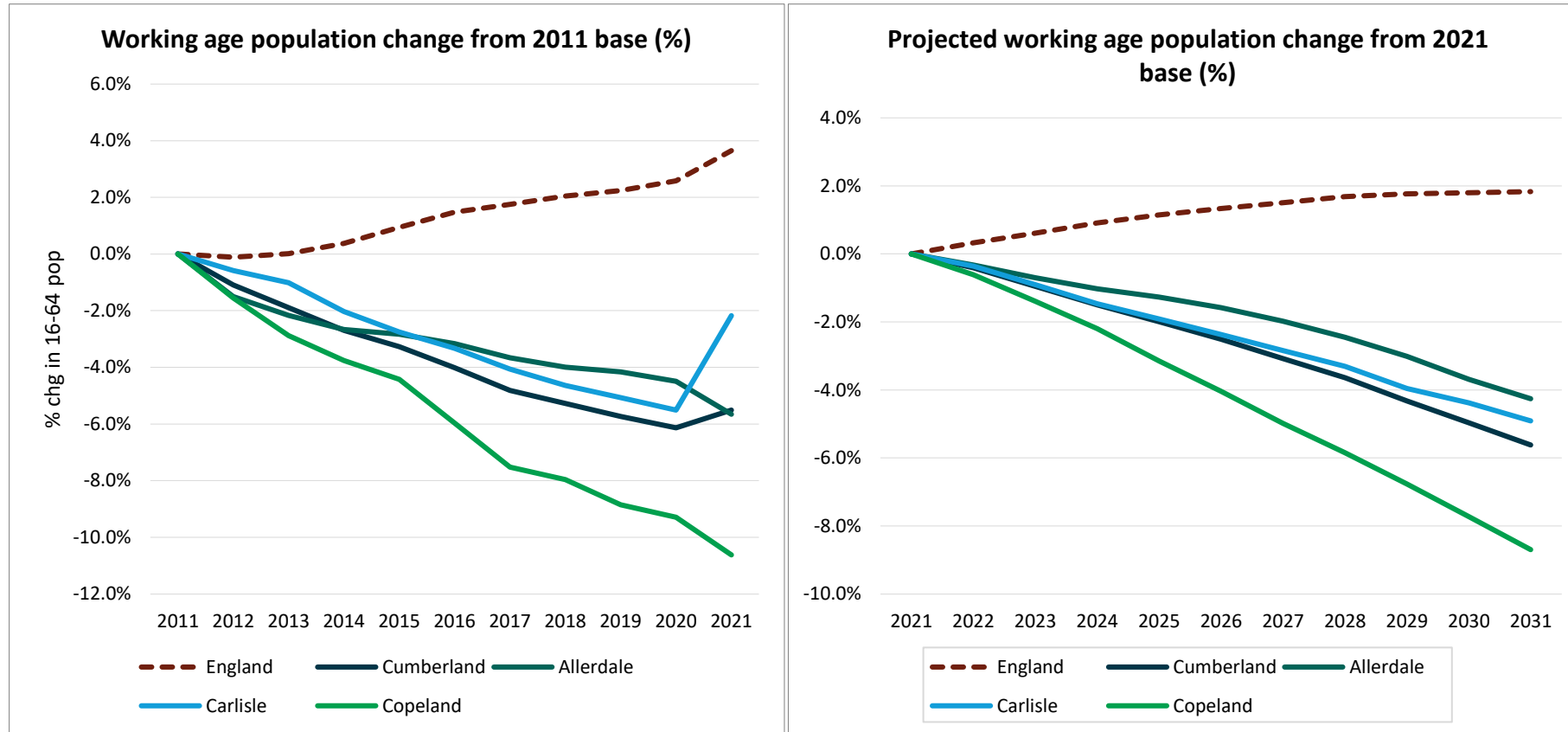


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4.3 Working age population



- Cumberland's working age (16-64) population in 2021 was 164,700, a fall of -5.5% from 2011 in contrast to a rise of 3.6% nationally.
- Carlisle's working age population fell by -2.2% over the decade, Allerdale's by 5.7% and Copeland's by -10.6%.
- These trends are projected to continue over the next decade which could result in 9,200 fewer working age adults (a fall of -6%).

NB: 2021 mid-year estimates have been adjusted by ONS to account for the Census but the historical timeseries and forward projections have not yet been fully rebased.

Source: ONS Mid Year Estimates 2021, ONS Population Projections 2018-based



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4.4 Employment

- The employment rate in Cumberland (proportion of working age people in employment) was estimated to be 77% in the year to March 2023, similar to the previous year but still above the national average (UK 75% in 2021).
- The employment rate was estimated to be lower in Copeland (68%) than in Allerdale (76%) or Carlisle (83%).
- The declining working age population means that the employment rate needs to increase simply to maintain a similar size pool of employed people.
- Nationally there was strong evidence that more people disengaged from the labour market after the pandemic but inactivity rates have now largely returned to their pre-pandemic level. The data for local areas is unreliable but suggests a similar trend in Cumberland.
- However, there is evidence that more of the inactive are experiencing health issues which prevent them from working with levels of sickness at a record high. Cumberland also has a particularly high proportion of inactive residents who have retired early.
- Cumberland's occupation structure shows a lower proportion of residents in high level occupations than nationally and more in skilled trades and in sales & customer service occupations.



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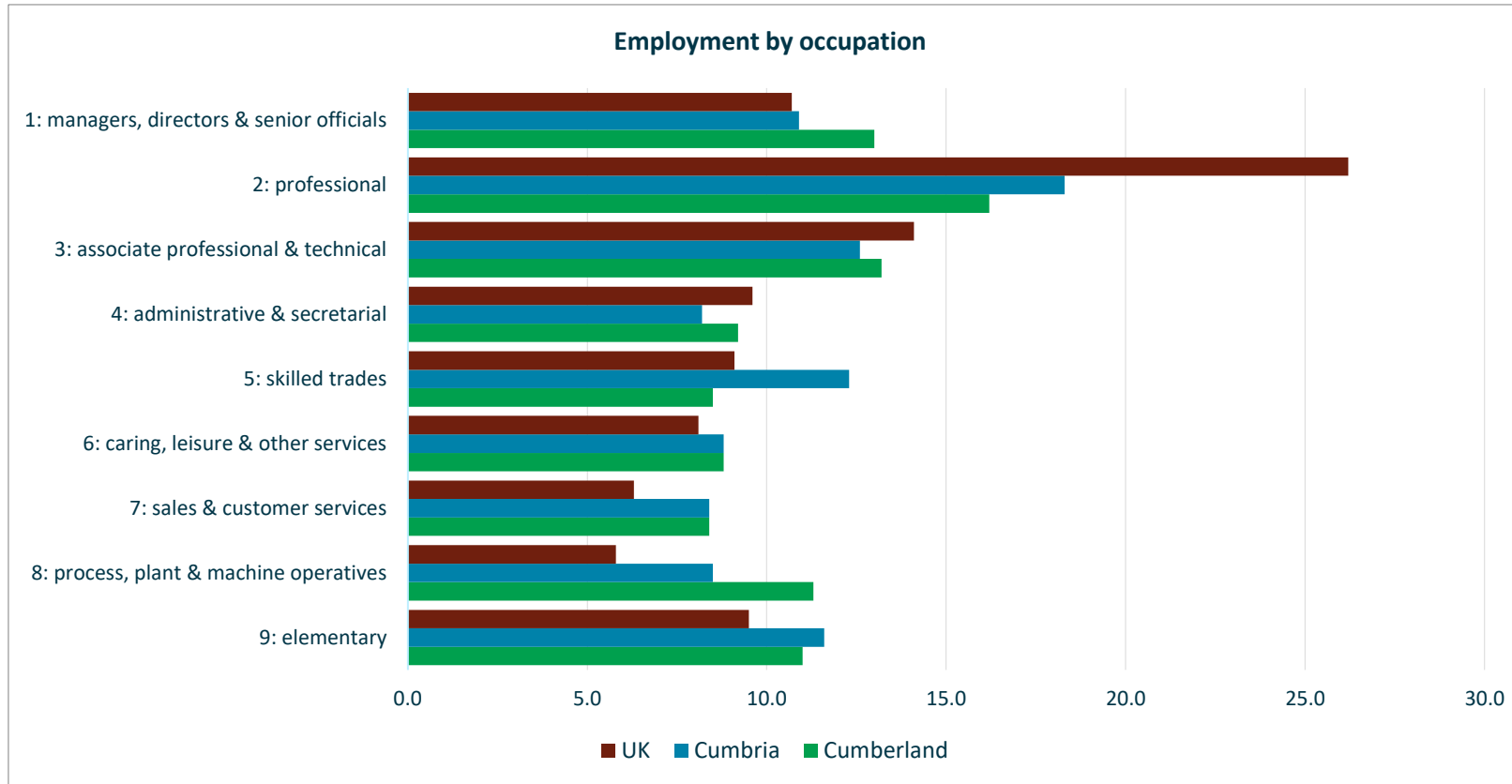


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4.5 Occupations



- Cumberland has proportionally fewer residents in high level occupations than the national average.
- In contrast, the area has proportionally more residents working in skilled trades, as process, plant & machine operatives and in elementary occupations.
- This occupation profile is reflective of the industrial structure of business activity in the area.

Source: ONS Annual Population Survey March 2023



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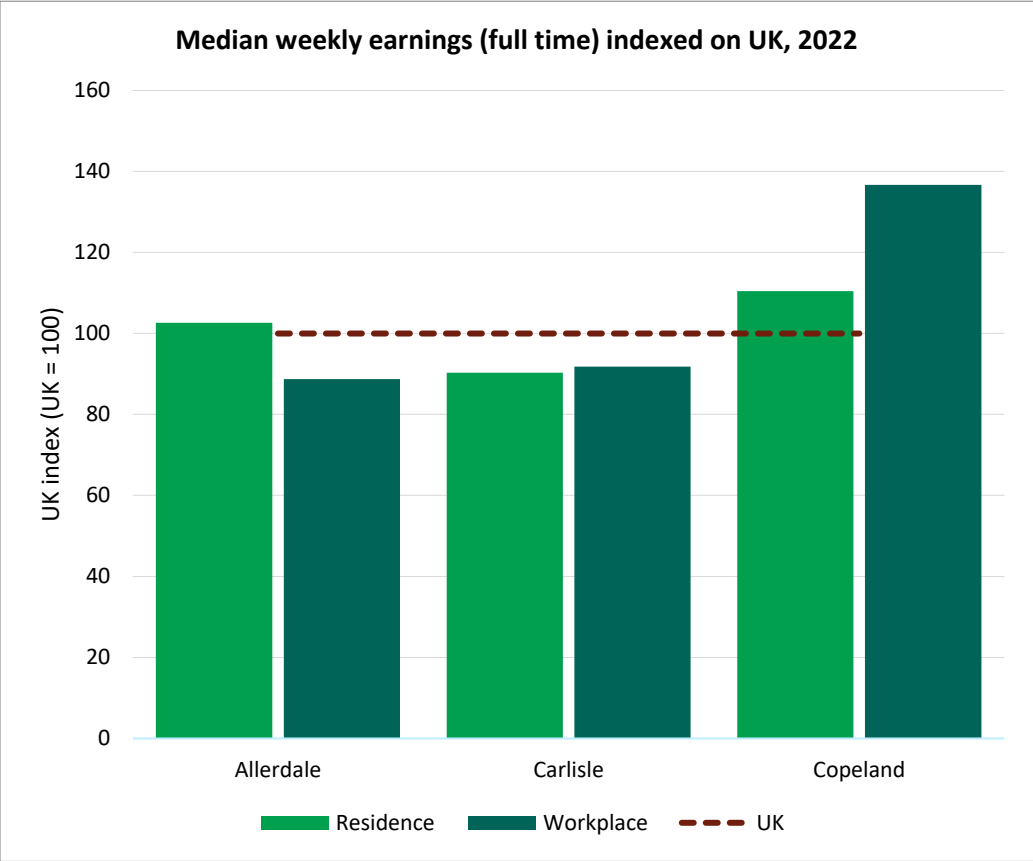


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4.6 Earnings



Source: ONS Annual Survey of Hours & Earnings, 2022

- Median full time weekly earnings for residents in Copeland are above the national average and are particularly high for workplaces in the area. This is due to the influence of the nuclear sector which skews the data somewhat.
- Earnings in Carlisle are broadly similar both for residents and workplaces but in both cases are only around 90% of the UK average.
- Allerdale in contrast has resident earnings similar to the national average but workplace earnings well below average. This is a reflection of the nature of many of the jobs in the area and the attractiveness of it as a place to live which drives house prices in some areas up beyond a level which local jobs can support.

Median hourly earnings (full time), 2022		
	Residence	Workplace
UK	£640.0	£640.0
Cumbria	£622.6	£616.1
Allerdale	£656.6	£567.8
Carlisle	£577.7	£587.7
Copeland	£706.8	£874.5

4.7 Unemployment

- In August 2023 there were 4,105 claimants actively seeking work giving a claimant rate of 2.5%. The rate was the same in all 3 former district areas and is well below the national rate of 3.7%.
- There were 700 young adults (aged 18-24) seeking work in August 2023 giving a claimant rate for this age group of 3.8% compared to the national rate of 4.9%. The young adult claimant rate was highest in Copeland (4.6%), followed by Allerdale (4.3%) and then Carlisle (3.1%).
- There has been an average of 214 young people aged 16-17 classed as Not in Employment Education or Training (NEET) over the past year. The NEET rate between December 2022 and February 2023 was 3.5% in Cumberland compared to 5.2% nationally (this period is considered the most representative). The NEET rate was highest in Allerdale (3.8%), followed by Carlisle (3.7%) and Copeland (2.7%).



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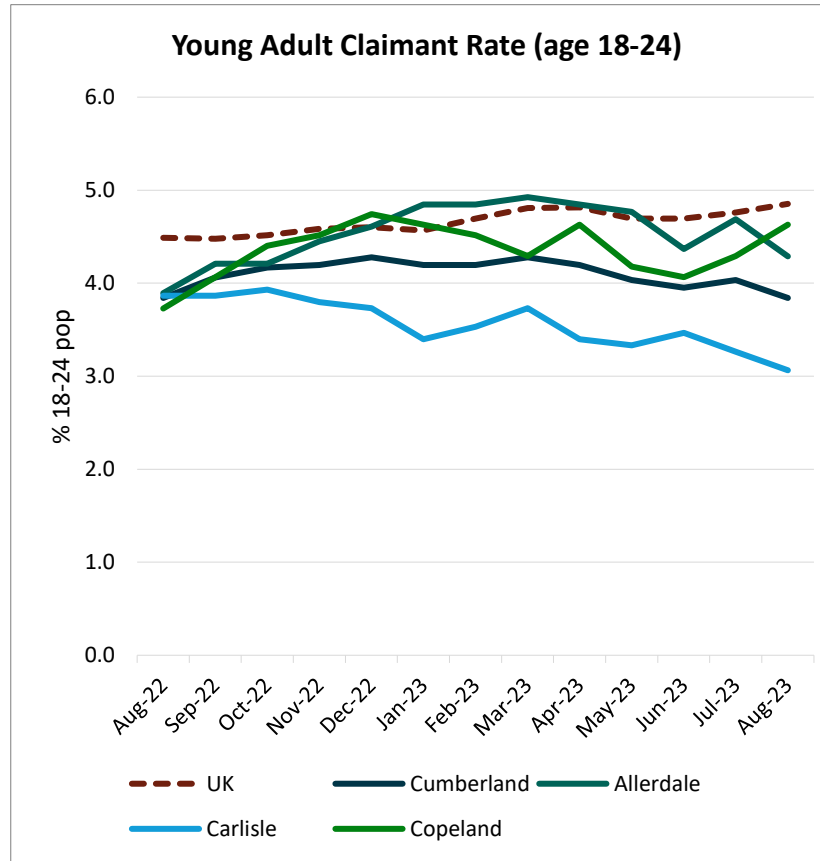
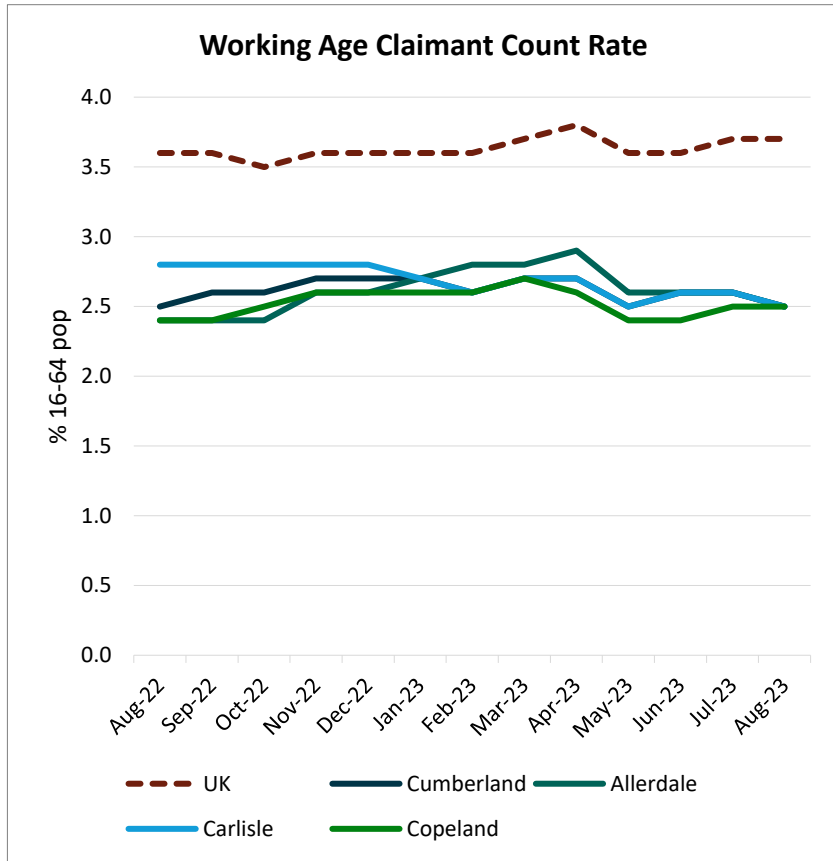


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4.8 Claimant unemployment rate



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- There were 700 young adults (aged 18-24) seeking work in August 2023 giving a claimant rate for this age group of 3.8% compared to the national rate of 4.9%. The young adult claimant rate was highest in Copeland (4.6%), followed by Allerdale (4.3%) and then Carlisle (3.1%).

Source: ONS Labour Market in the Regions of the UK



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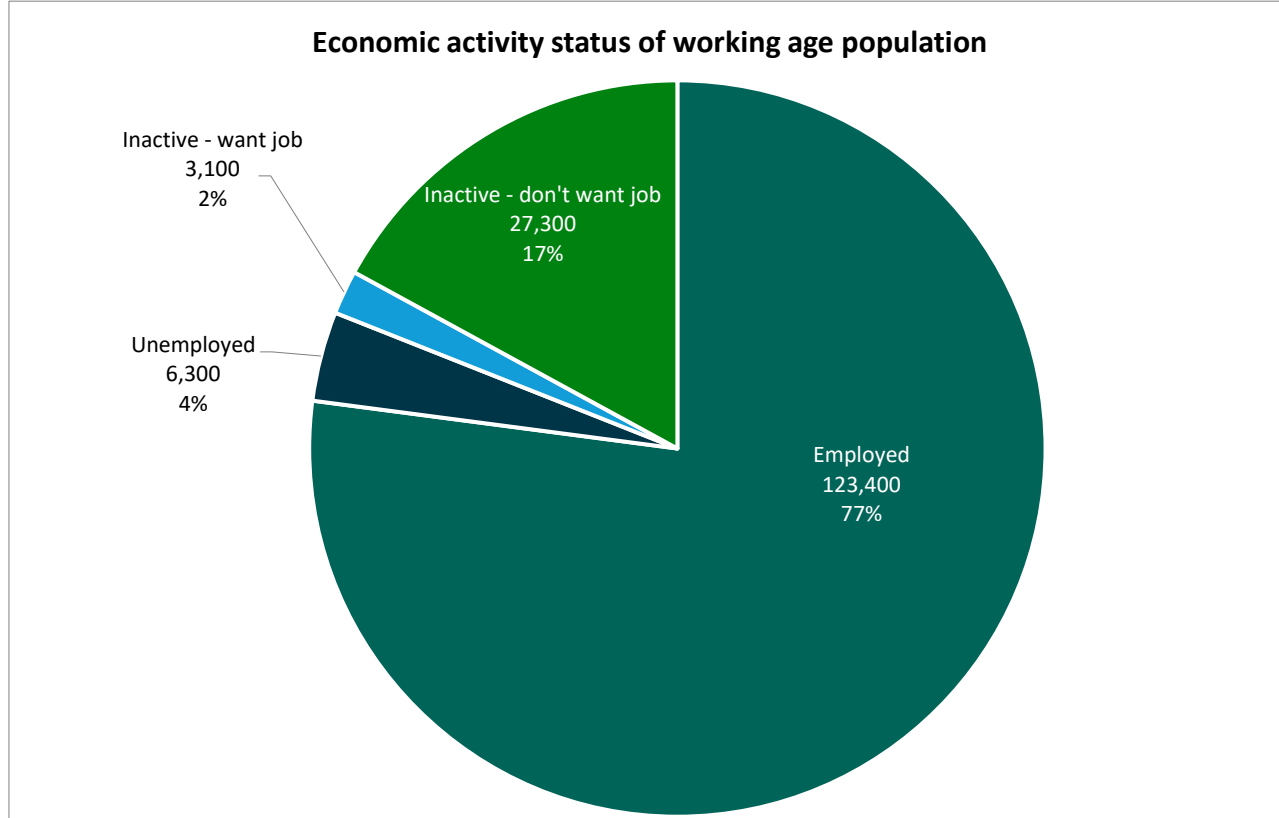


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4.9 Economic inactivity



- Individuals are deemed economically inactive if they are not working and are not available for work (usually for health reasons, caring responsibilities or early retirement).
- There were an estimated 30,000 inactive working age residents in Cumberland in the year to March 2023 which is almost 1 in 5 of the working age population. This is similar to the national average and is also similar to before the pandemic.
- Only 10% of inactive residents in Cumberland said they wanted a job (3,000) which is a significantly lower proportion than before the pandemic (23%) and also lower than the national average (18%).
- In Cumberland, 35% of the inactive are inactive because of health issues which is higher than the UK (27%) and a further 31% are inactive due to retirement which is also higher than the UK (13%). The number inactive due to retirement has almost doubled since the pandemic in Cumberland but is largely unchanged nationally.
- Conversely, in Cumberland only 13% are inactive because they are students compared to 26% of the UK.
- This suggests that for a variety of reasons, it will be a particular challenge to re-engage many of the inactive in Cumberland with the labour market.

Source: ONS Annual Population Survey Mar 2023

4.10 School performance

School performance 2022/23		
	England	Cumberland
% primary pupils with good level of development	67.2%	65.0%
% primary pupils at expected level across all early learning goals	65.6%	63.7%
% KS2 pupils achieving the expected level in reading, writing and maths	60%	54%
KS4 Progress 8 score	#	-0.28
KS4 Attainment 8 score	45%	43.20
16-18 Average A level result	35.29	31.84

Source: Department for Education 2023



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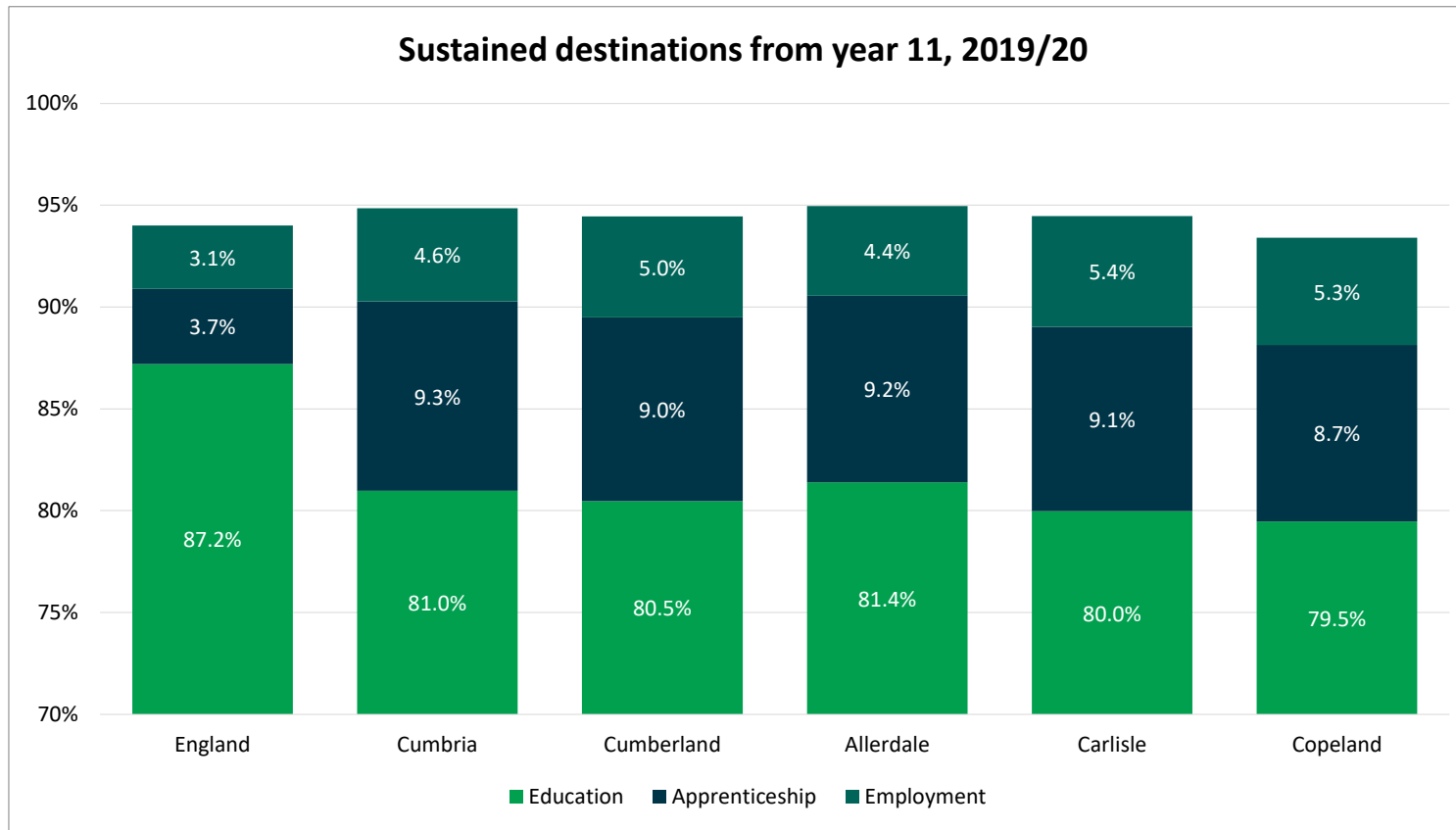


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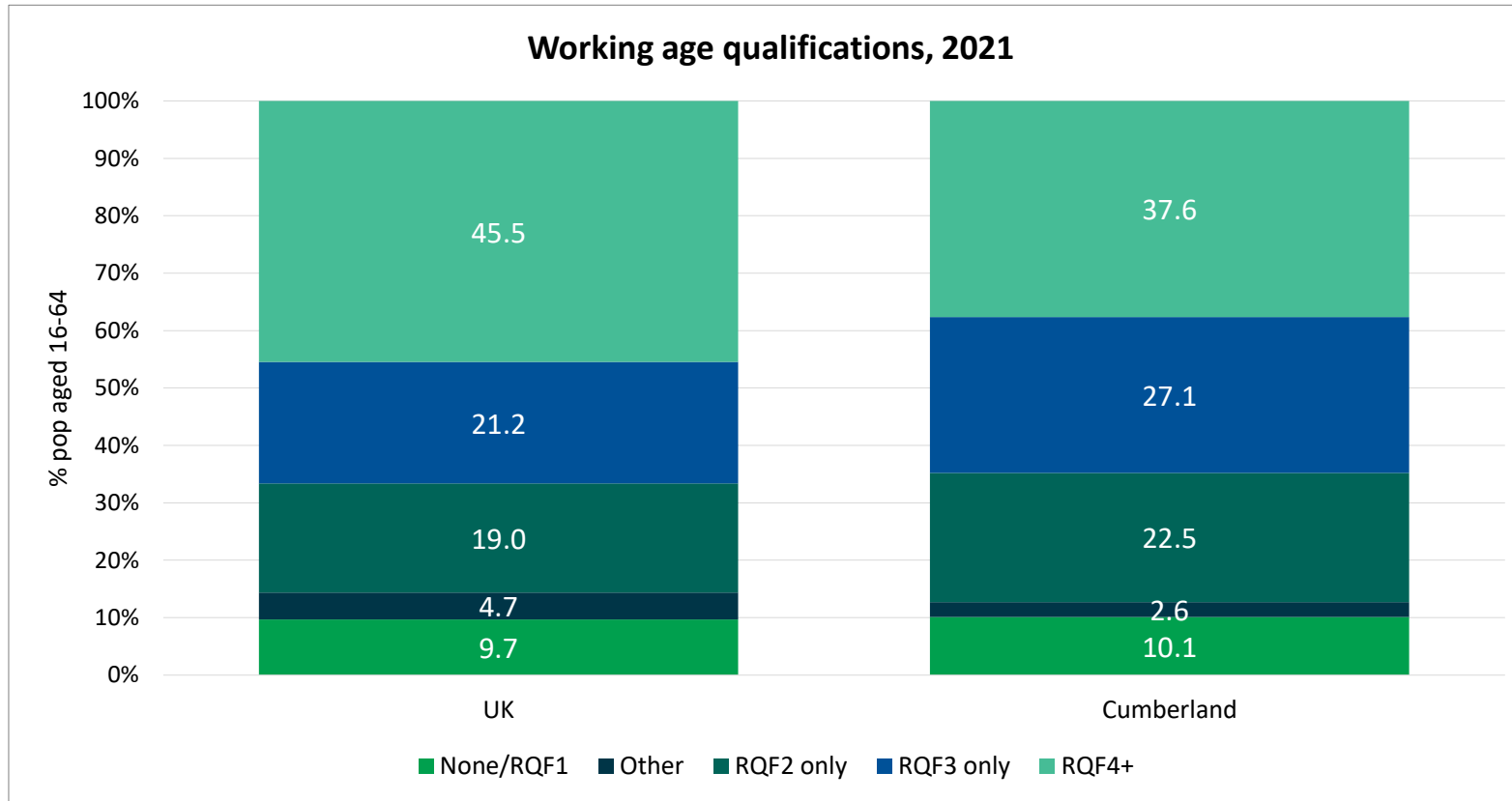
4.11 Destinations from year 11



- Young people are slightly more likely than the national average to go into a sustained destination after Year 11 (ie sustained for more than 6 months).
- They are more than twice as likely to go into an Apprenticeship than nationally (9.0% v 3.7%) and are also more likely to go into employment (5.0% v 3.1%).
- As a result of this, young people are less likely to remain in education after Year 11 than nationally.
- There is some variation within the area but all 3 districts have higher than average Apprenticeship and employment rates and lower than average sustained education rates.
- This is reflective of the employment structure in the area and the strong provision of quality work-based learning.

Source: Department for Education 2019

4.12 Working age qualifications



- Data on qualifications are very unreliable for local areas as the sample sizes for the survey used to collate it are small and response rates have fallen further since the pandemic.
- Despite the reliability issues, it is clear that Cumberland has a lower proportion of residents with high level (4+) qualifications than nationally but a corresponding higher proportion with level 2 and 3 qualifications.
- There is a slightly higher proportion with no or only level 1 qualifications but this is not significant given margins of survey error.
- Data at former district level are too unreliable to be of practical use.
- RQF = Regulated Qualifications Framework

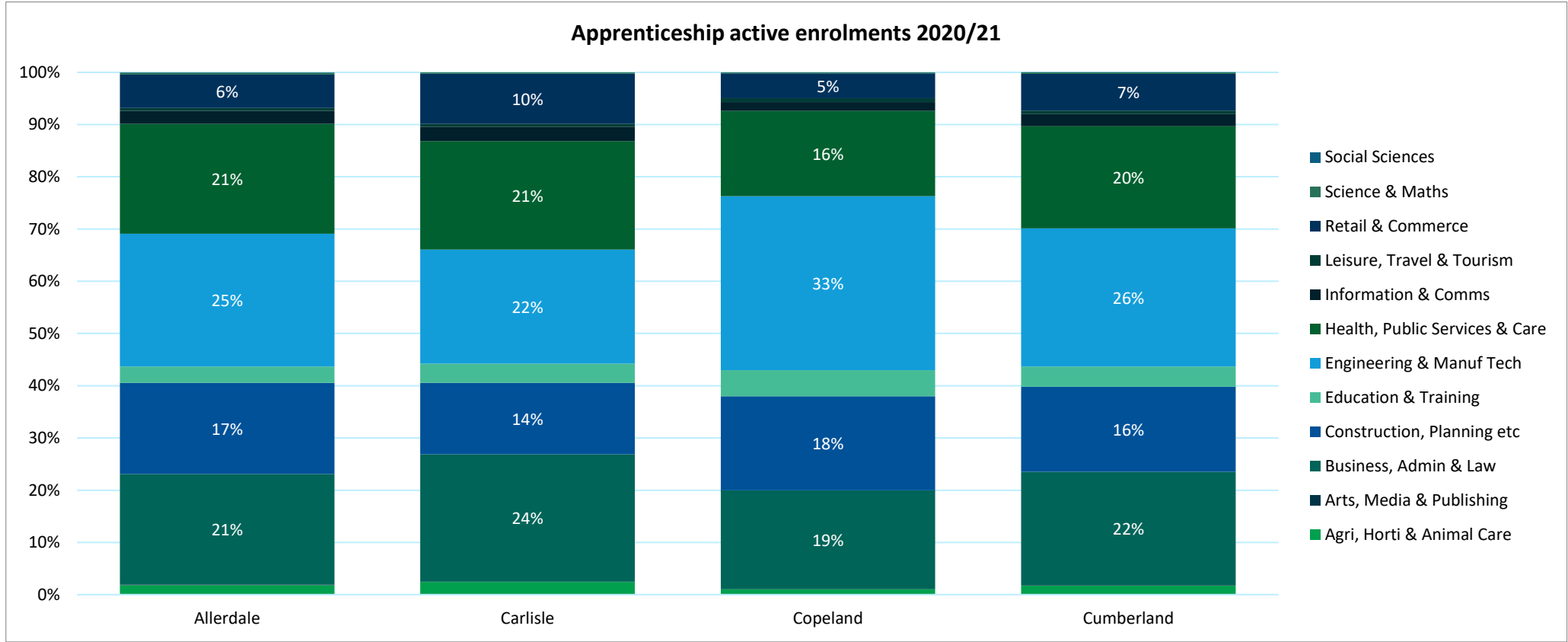
Source: ONS Annual Population Survey 2021

4.13 Apprenticeships

- Apprenticeship starts (all ages) have been falling year on year – down from 2,496 in 2018/19 to 2,005 in 2020/21 (when they were hit by the pandemic). In the first two quarters of 2021/22 the number of starts has recovered somewhat and if previous patterns of starts are repeated, the overall level for the year is projected to be similar to the volume in 2019/20.
- Four subject areas accounted for 84% of active enrolments in 2020/21 – engineering & manufacturing technologies; business, administration & law; health, public services and care; construction, planning & the built environment.
- In Allerdale, engineering & manufacturing technologies was the biggest subject area , accounting for 25% of apprentices resident in the area, followed by health, public services & care and business, administration & law (both with 21%) and construction, planning & the built environment (17%).
- In Carlisle, business, administration & law was the biggest subject area, accounting for 24% of apprentices resident in the area, followed by engineering & manufacturing technologies (22%), health, public services & care (21%) and construction & the built environment (14%).
- In Copeland, engineering & manufacturing technologies was the biggest subject area (33%), followed by business, administration & law (19%), construction & the built environment (18%) and health, public services & care (16%).
- Apprenticeships are a particularly important route for young people in Cumbria with on average 10% of 16/17 year olds engaged with an Apprenticeship, more than double the national average.



4.14 Apprenticeships by sector



Source: Department for Education Localities Datacube 2020/21



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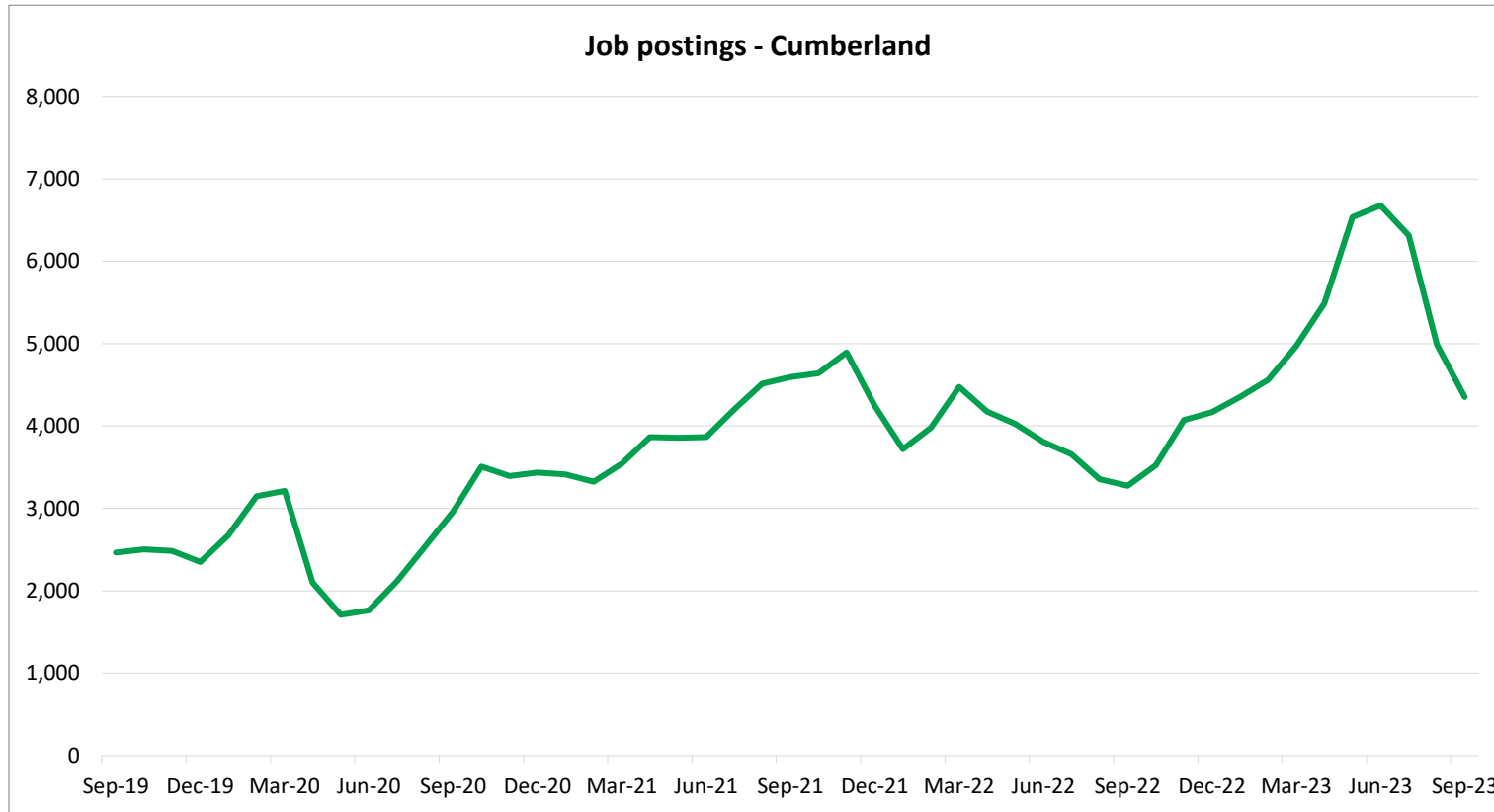
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4.15 Skills demand

- In the 2020 Cumbria Business Survey, conducted in Q4 2020, 44% of business said that the availability of people able to do the job was a significant barrier to business performance. The proportion was broadly similar across Cumberland – Allerdale (47%), Carlisle (44%), Copeland (42%) – and amounts to an estimated 3,250 registered businesses identifying a concern at that stage.
- In the same survey, 22% of businesses in Cumbria said they already had skills gaps among their current workforce. This was broadly similar across areas within Cumberland.
- Since the survey and the lifting of pandemic restrictions, businesses across the area have reported labour shortages, particularly those in public facing sectors such as the visitor economy, social care etc, although challenges are being experienced across all sectors and in all locations.
- Job postings continue to run at levels well above those seen pre-pandemic – the volume of postings in Cumberland in April 2022 was 105% higher than in April 2019.



4.16 Job postings



- Online job postings are one way of monitoring recruitment activity by local businesses although this doesn't capture the entire extent of recruitment, some of which takes place by other means.
- The fall in recruitment activity at the start of the pandemic is clearly seen in 2020 followed by some peaks and troughs as we went in and out of various restrictions.
- More recently there was a particular spike in the first half of this year.
- Despite some signs of recent easing, job posting levels are still well above those seen before the pandemic which reflects the increasing challenges businesses are having in attracting and retaining staff.

Source: Lightcast™ Analyst



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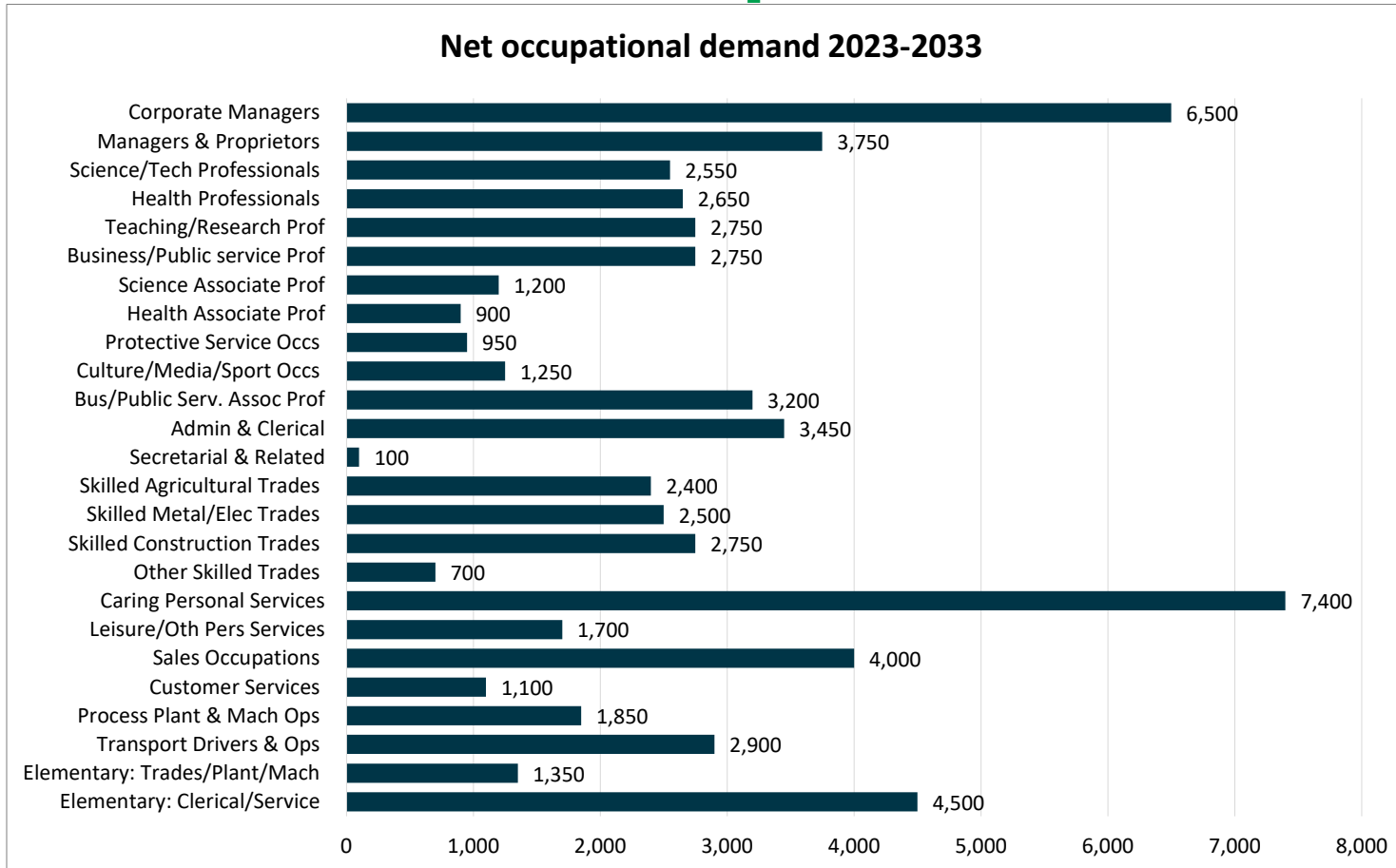


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4.17 Future occupation demand



Source: Cambridge Econometrics LEFM Model for Cumbria, April 2023

- Cambridge Econometrics estimates show that whilst Cumberland will see some job growth over the next decade (5,000), this is eclipsed by the replacement demand created by those who leave the workforce through retirement or for other reasons.
- The latter could be as much as 60,000 giving a net occupational requirement of 65,000 new entrants to the labour market over the next 10 years.
- The two occupations which are estimated to have the highest net demand are caring personal services (7,400) and corporate managers (6,500).
- On average, 25% of net demand will be for occupations requiring a degree or higher.

NB: this is based on a "business as usual" scenario for illustration purposes and is not a forecast of what will happen. It uses a series of assumptions about sector/occupation relationships and labour supply, including retirement rates and occupational mobility, as well as about Cumberland's performance relative to the UK.

5. Deprivation

- 8% of Cumberland's communities (LSOAs) are in the 10% most deprived areas in England. Allerdale has the highest proportion (12%) followed by Copeland and Carlisle both with 6%.
- Conversely, 6% of LSOAs are in the least deprived nationally (7% of areas in Carlisle, 5% of those in Allerdale and 4% of those in Copeland).
- 8% of LSOAs are in the worst 10% for income deprivation overall, 7% for income deprivation affecting children, 12% for employment deprivation and 18% for education & skills deprivation. These areas are mostly concentrated in Maryport and Workington in Allerdale, urban parts of Carlisle (plus Longtown for education & skills), Cleator Moor and Whitehaven in Copeland.
- Median gross household income (from all sources) in Cumberland is £28,794 which is 78% of the GB average and it is similar in all 3 districts within Cumberland.
- 11% of households have gross household income below £10,000 (similar in all 3 current district areas).
- 16% of children are estimated to live in low income families (7,506 children) compared to 19% nationally. Carlisle has a higher rate (19%) than Allerdale (17%) and Copeland (16%).
- 23% of adults aged 18-64 are in receipt of some form of DWP benefit (35,700 residents) with similar rates in all 3 districts.



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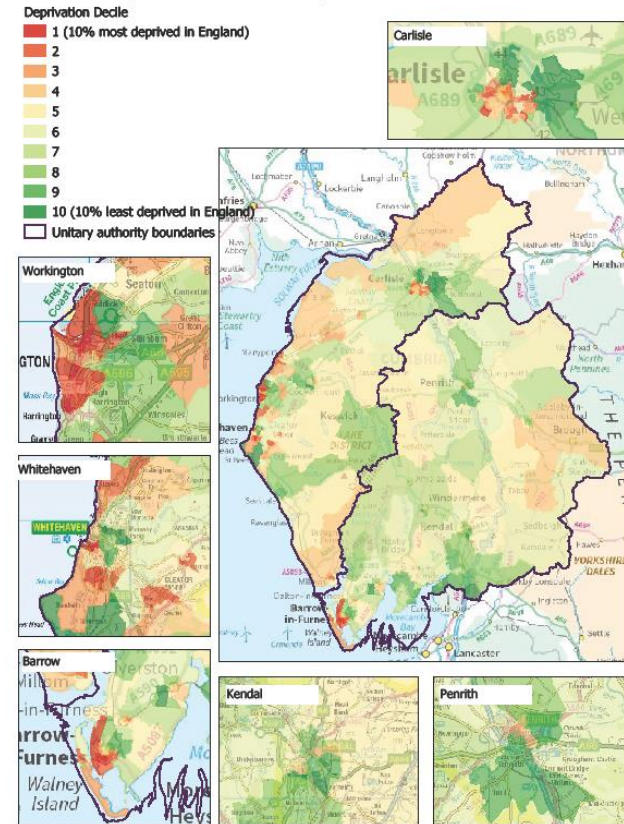
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5.1 Deprivation map

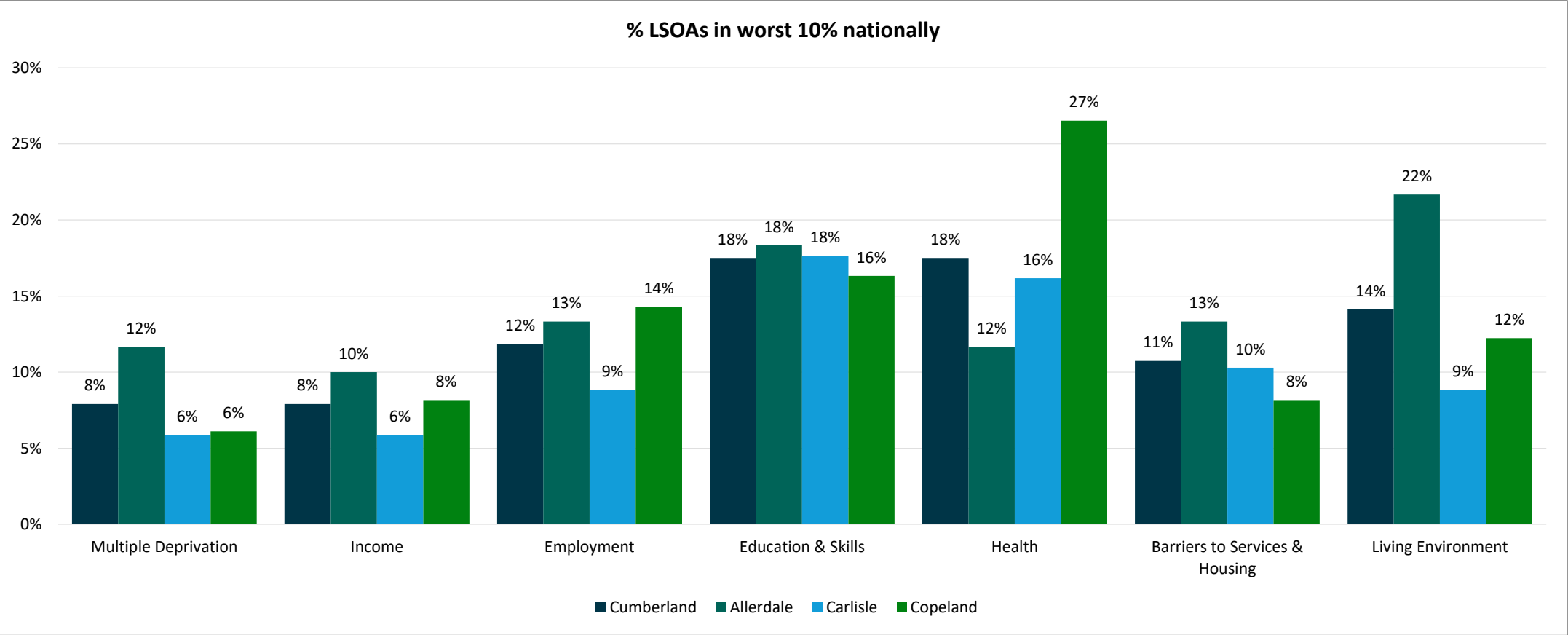
Overall Deprivation Decile by LSOA. Source: DCLG, 2019



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- Overall, Cumberland has 8% of Lower Super Output Areas (neighbourhoods) in the worst 10% nationally for overall deprivation.
- Allerdale ranks as the 104th most deprived out of 317 lower tier authorities, Carlisle ranks 117th and Copeland ranks 85th (where 1 is most deprived).
- This is driven by concentrations of overall deprivation in parts of Workington and Maryport.
- In contrast, although both Carlisle and Copeland also have deprived neighbourhoods they have fewer that are in the 10% worst nationally.
- Education & Skills and Health are the domains in which the highest proportion of neighbourhoods in Cumberland experience deprivation (in both cases 18% are in the worst 10% nationally), followed by employment.
- Copeland has particular deprivation in the health domain (27% of neighbourhoods in the worst 10% nationally) whilst Allerdale has for living environment (22%) which is heavily influenced by the number of properties without central heating.

5.2 Indices of deprivation



Source: MHCLG Indices of Deprivation 2019



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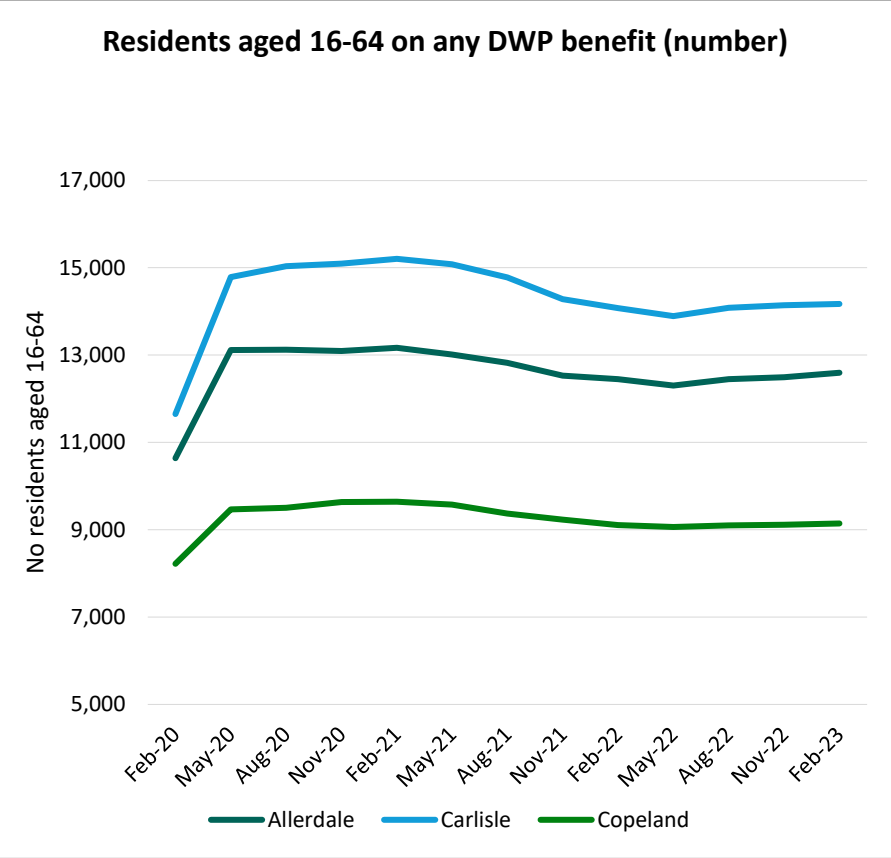
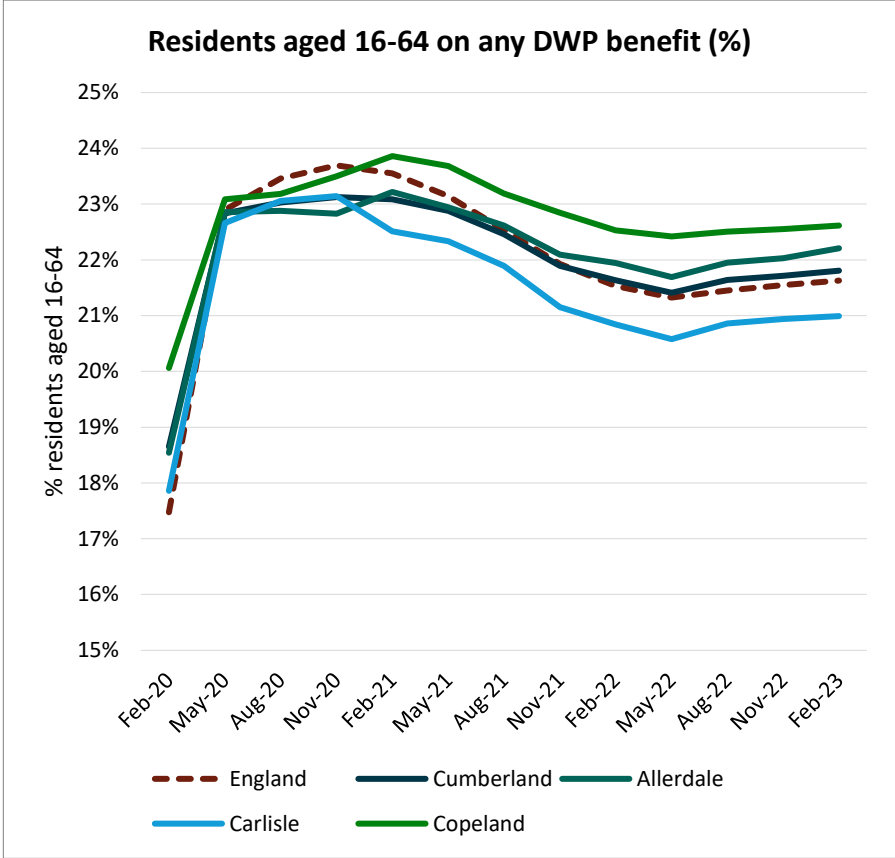


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5.3 DWP benefits



- In February 2023, a total of 35,910 working age residents in Cumberland (aged 16-64) were in receipt of one or more DWP benefit.
- This represents 22% of the working age population which is the same as the national average.
- The proportion of working age residents in receipt of DWP benefits is broadly similar in all three former district areas, although the volume is highest in Carlisle and lowest in Copeland.

Source: Department of Work & Pensions via Stat-Xplore



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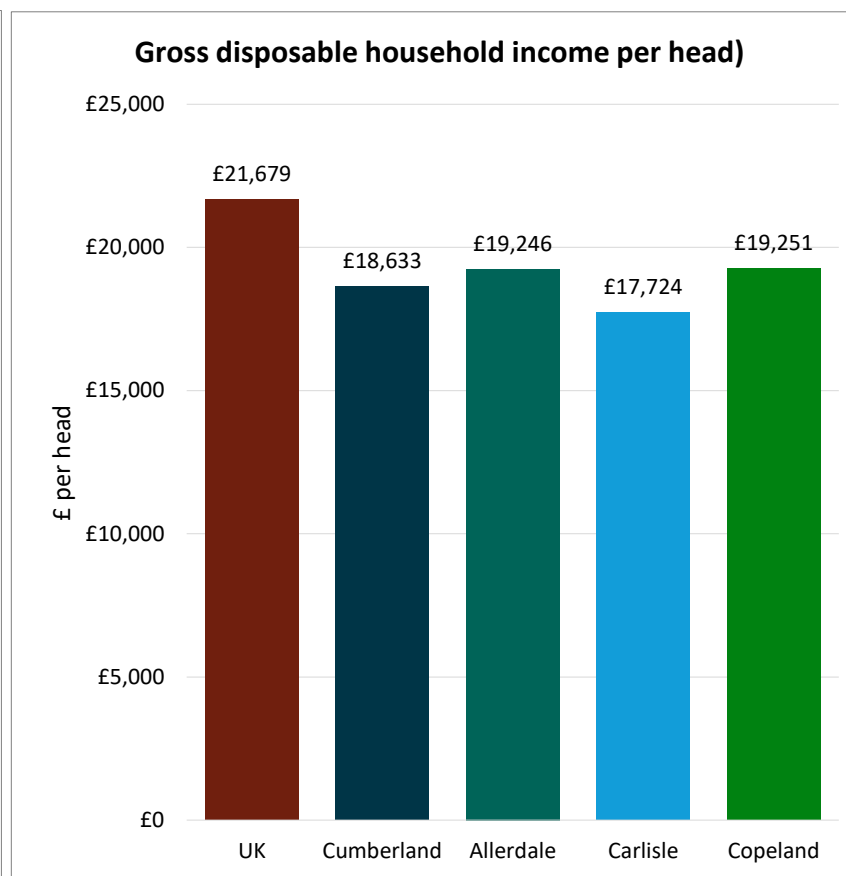
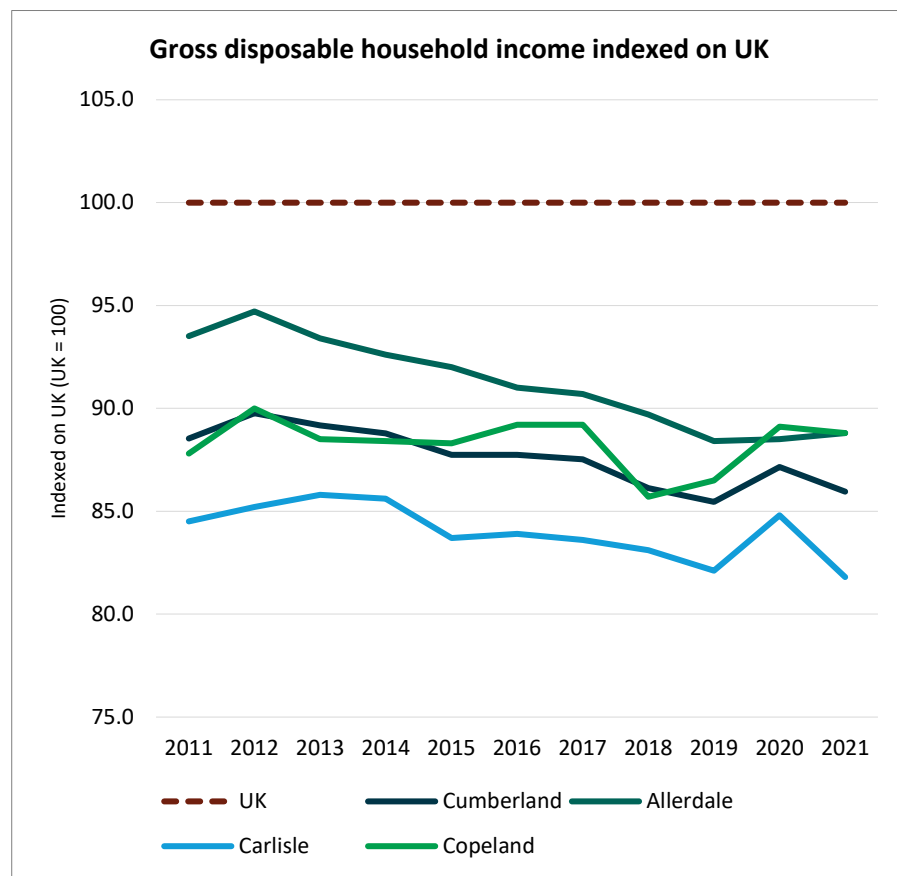


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5.4 disposable household income

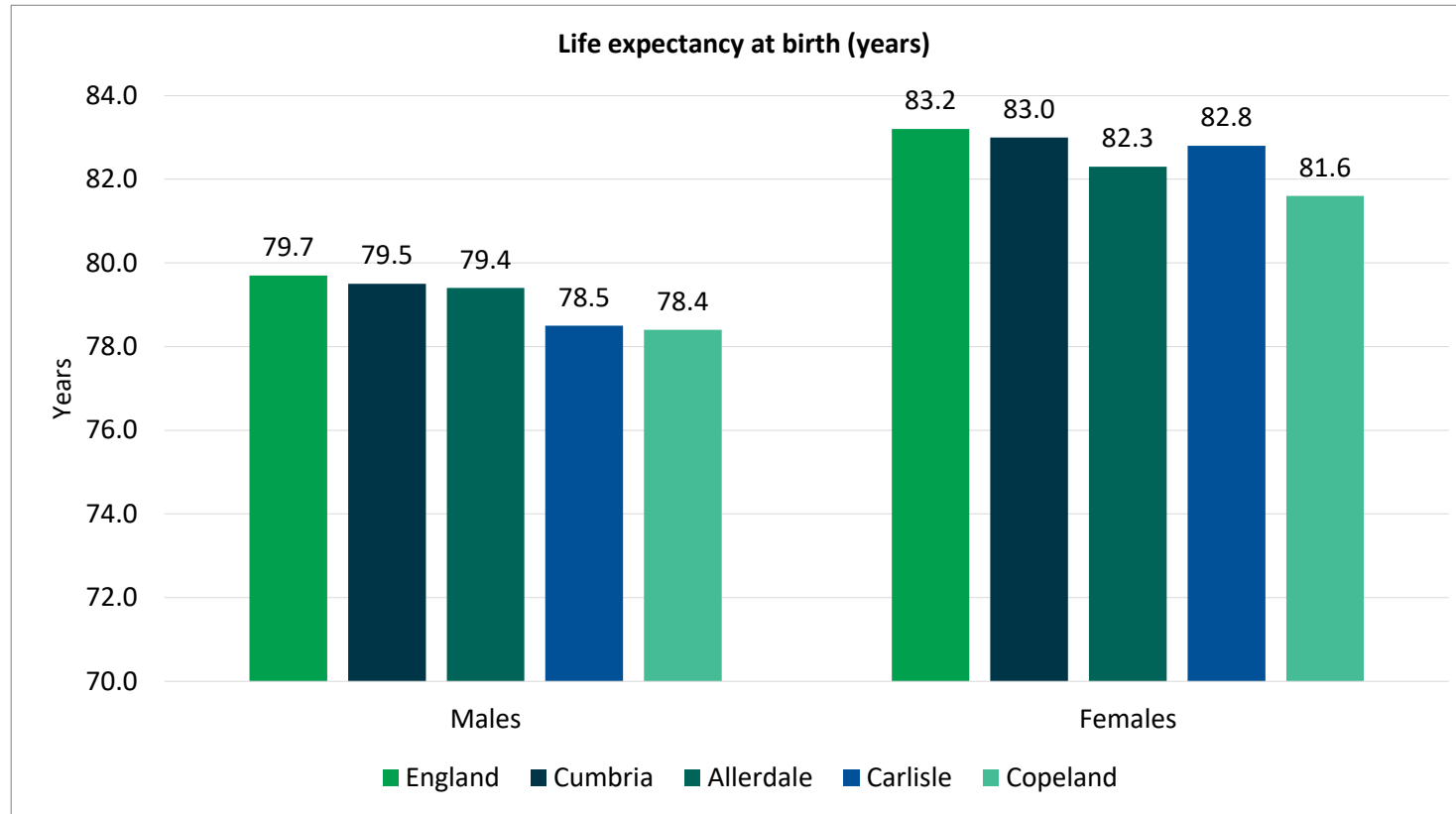


- Gross Disposable Household Income (GDHI) has been below the national average for the past decade and the gap has been widening since 2012.
- In 2021 the average level of disposable income per head was £18,633 in Cumberland, compared to £21,679 for the UK as a whole.
- Levels in 2021 were lowest relative to the UK in Carlisle (82% of the UK average) whilst Allerdale and Copeland were both similar (88% of the UK).

Gross disposable household income (GDHI) is the amount of money that individuals in the household sector have available for spending or saving after income distribution measures have taken effect.

Source: ONS Regional Gross Disposable Household Income 2021

5.5 health



- Life expectancy at birth is lower than the national average in all parts of Cumberland for males, more so in Carlisle and Copeland than in Allerdale.
- Life expectancy at birth for females is higher than for males in all areas but is lower than the national average. Female life expectancy is lowest in Copeland and highest in Carlisle.

Source: Local Health Office for Health Improvement & Disparities



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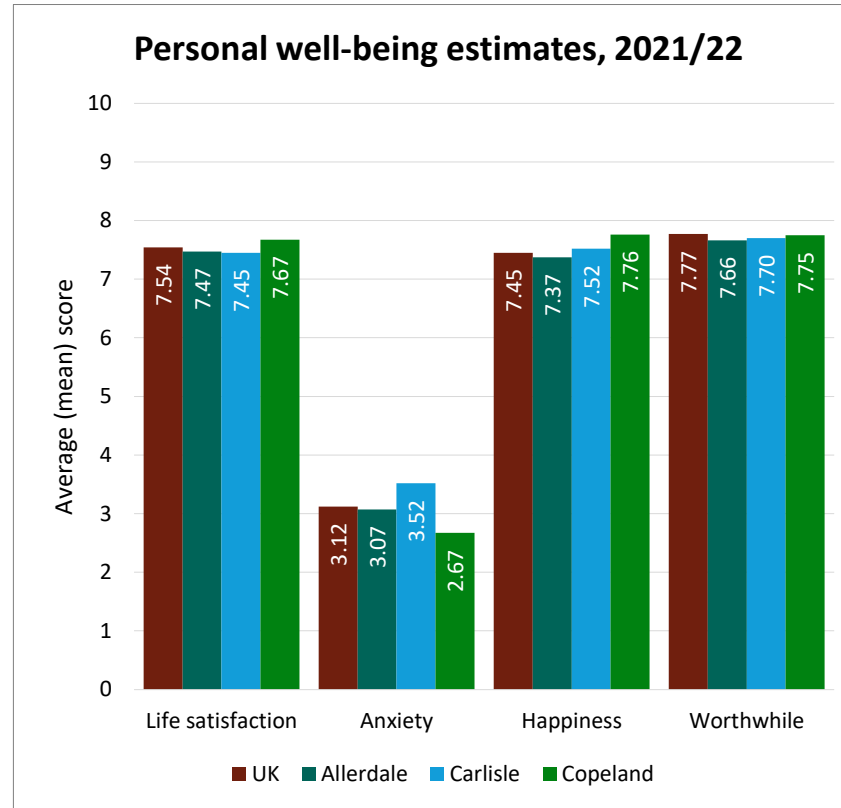
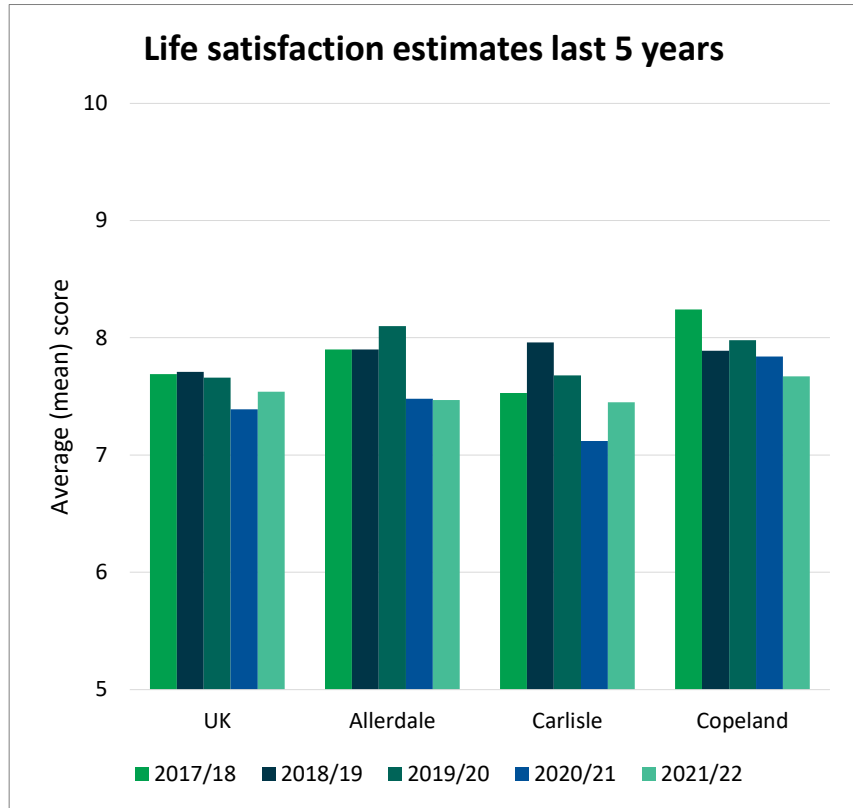


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5.6 Well-being



- Overall life satisfaction has generally been similar to the UK in Allerdale and Copeland over the past 5 years and followed a similar trend with a dip in 2020/21 (probably pandemic related). Carlisle has been more variable with a bigger dip in 2020/21. All three former district areas were close to the UK average in 2021/22.
- In the UK and all three former district areas, the overall level of life satisfaction in 2021/22 was lower than before the pandemic (2019/20) with the gap most pronounced in Allerdale.
- Across all the measures, residents in Copeland had the best well-being scores in 2021/22

Source: ONS Personal Well-being estimates by local authority 2022

6. Infrastructure & transport

- Assets to build upon:
 - Excellent strategic transport connectivity from the north of the area down the M6 spine and across the A69 to the east of Britain.
 - Good train service from the north of the area to south and north down West Coast Mainline.
 - Majority of area covered by superfast broadband.
 - Major energy opportunities (tidal, further wind, nuclear).
 - Excellent natural assets (air quality, water, natural beauty).
 - Capacity in some key employment locations (eg Enterprise Zone in Carlisle).
- Challenges to address:
 - Poor connectivity across to the west and south of the area by rail and also within the area.
 - Pinch points and lack of resilience in road network outside M6 corridor.
 - Lack of 4G and mobile coverage to premises and across the land area.
 - Availability and affordability of housing in some areas

6.1 Housing stock & building

5-year average Average (2017-2021)				
	Housing stock		Affordable housing	
	Total stock	Net additional	Completed	Started
England	24,413,302	228,139	51,586	58,098
Cumbria	250,921	1,665	320	295
Cumberland	134,782	1,014	205	176
Allerdale	47,690	325	68	60
Carlisle	53,646	554	131	107
Copeland	33,447	135	6	9

- Over the past 5 years, Cumberland has on average added 1,014 dwellings per year to its overall housing stock, Carlisle having the highest number and Copeland the lowest.
- On average over the past 5 years, Cumberland has completed 205 affordable dwellings per year and started 295 per year.

Source: MHCLG Live Tables on Dwelling Stock



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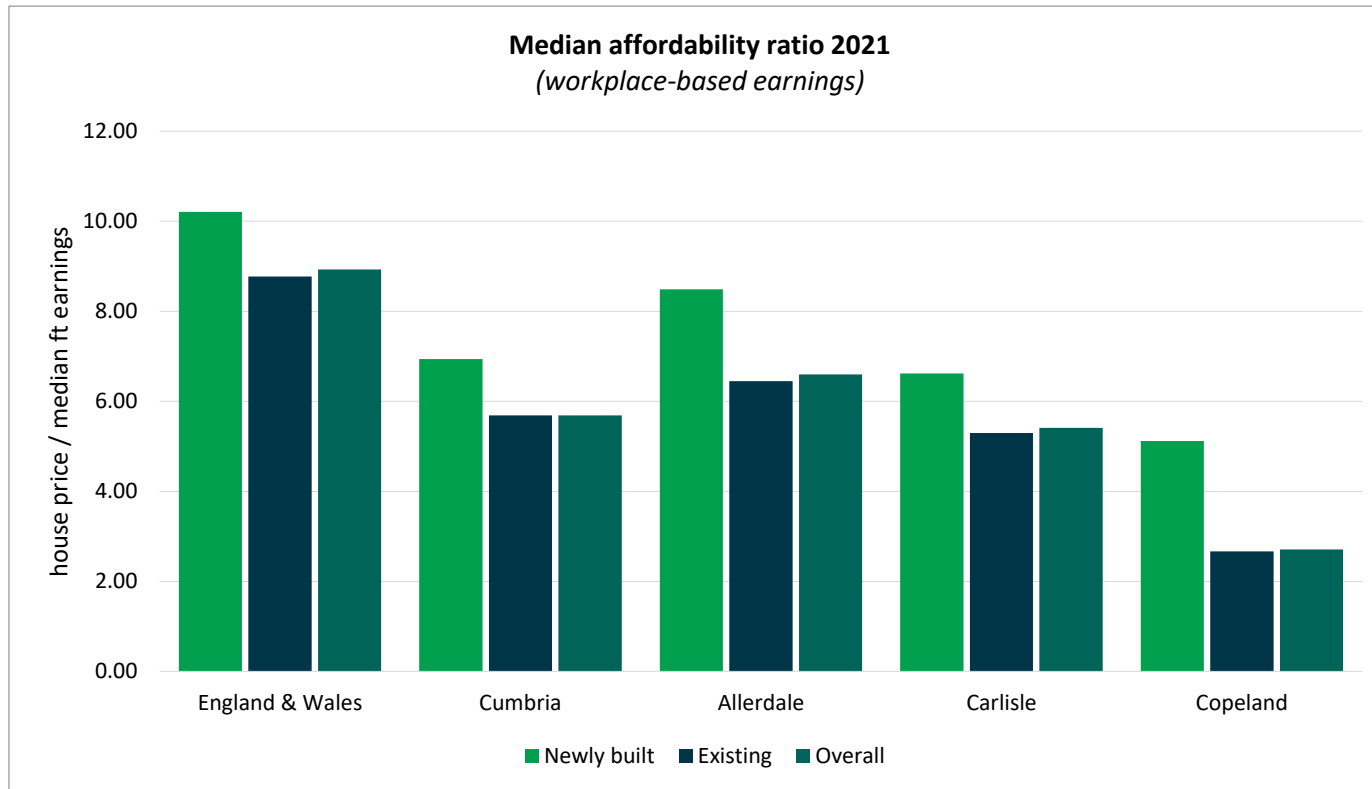


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6.2 Housing affordability



- Housing affordability is better than the national average in all parts of Cumberland and particularly so in Copeland which has some of the best housing affordability in the country (although this is linked to high earnings in the nuclear sector and affordability will be more challenging for those who work in other sectors).
- Newly built dwellings are less affordable than existing dwelling in all parts of Cumberland and particularly so in Allerdale.

Source: ONS Housing Affordability in England & Wales

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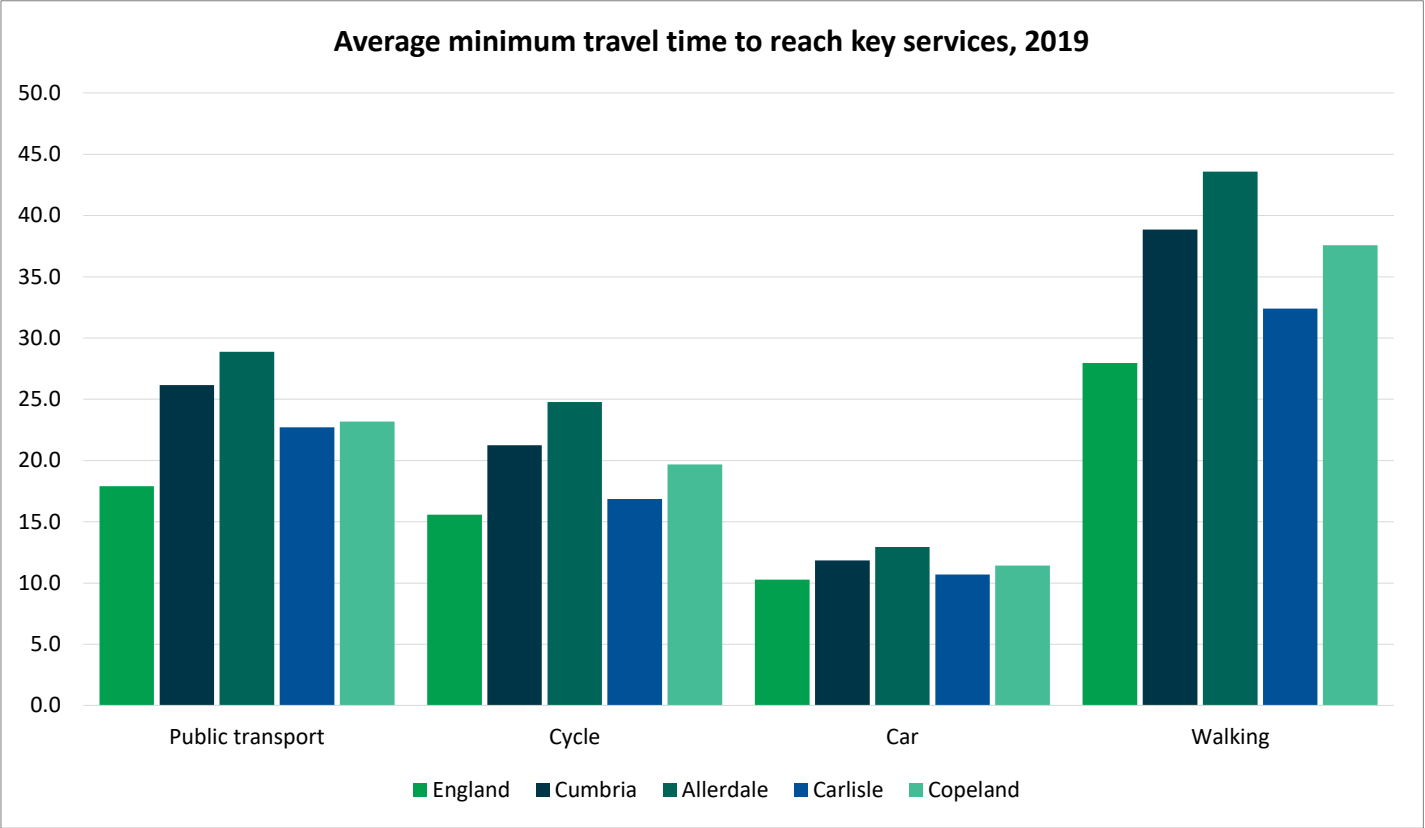


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6.3 Access to services



- Average minimum travel time to reach 8 key services is longer by all forms of transport in all three areas within Copeland than nationally.
- Allerdale has the longest average minimum travel time for all forms of transport followed by Copeland and then Carlisle.

The average of minimum journey times to medium sized centres of employment (500-4999 jobs), primary schools, secondary schools, further education, GPs, hospitals, food stores and town centres.

Source: DfT Journey Time Statistics 2019



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6.4 Transport project pipeline

- **Funding secured and projects in delivery**

- Carlisle Southern Link Road
- Carlisle Station
- Port of Workington
- Rural Mobility Pilot (Wigton / Egremont)
- Carlisle Southern Gateway (Town Deal)
- Workington Townscape and Connectivity (Town Deal)

- **Infrastructure Planning on Major Projects**

- Sellafield
- St Cuthbert's Garden Village
- HS2

- **Business cases submitted and pending approval**

- A595 Bothel
- Cumbrian Coast Line
- Workington Gateway (Levelling Up Fund)
- Connecting Millom and Haverigg (Town Deal)
- Cleator Moor Connected Town (Town Deal)

- **Business cases in development**

- Hadrian's Wall Walking and Cycling corridor
- Levelling Up Fund proposal – Energy Coast Resilient Routes
- Access for All (Millom / Workington)



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6.5 Broadband coverage

Broadband coverage January 2023 (% premises)						
	England	Cumbria	Cumberland	Allerdale	Carlisle	Copeland
Superfast Fixed Broadband availability	97.3	94.9	95.0	94.0	95.5	95.8
Ultrafast Fixed Broadband (100Mbit/s) availability	76.8	35.1	26.9	6.0	60.4	2.8
Ultrafast Fixed Broadband (300Mbit/s) availability	75.4	33.7	24.4	6.0	54.1	2.8
Full Fibre availability	46.7	25.1	8.5	6.0	14.3	2.8
Gigabit availability	74.5	32.8	22.8	6.0	50.2	2.8
Below the Universal Service Obligation (10Mbit/s download)	0.1	0.6	0.6	0.4	0.6	0.8
Able to receive decent broadband from Fixed Wireless Access	6.5	9.5	1.8	3.5	1.5	0.0

Source: Ofcom Connected Nations Jan 2023



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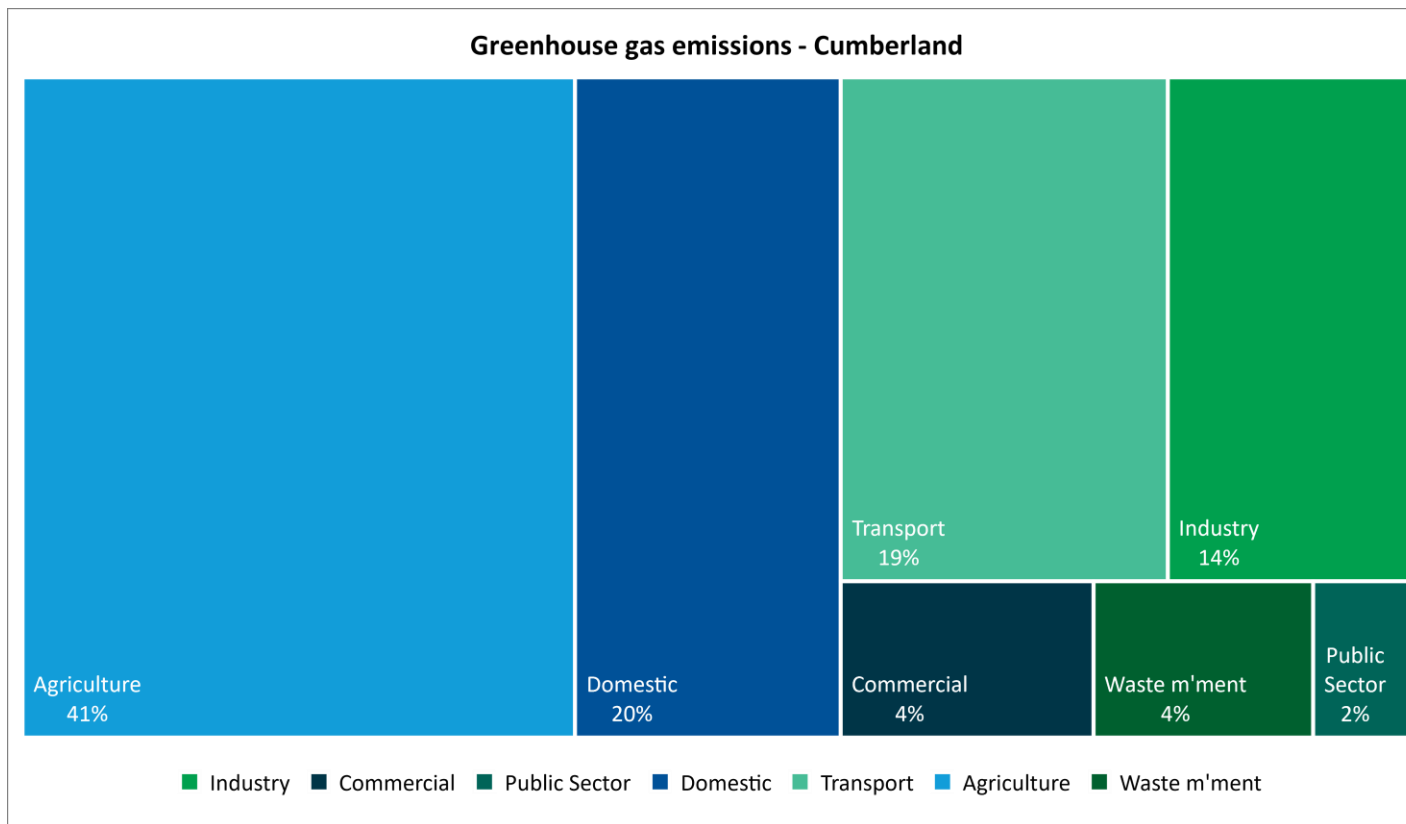


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6.6 Greenhouse gas emissions



- In 2020, total greenhouse gas emissions in Cumberland were 2,358.5 ktCO₂e.
- Almost half occurred in Allerdale (46%) followed by Carlisle (38%) and Copeland (16%).
- Emissions per capita in 2020 were 8.6 tCO₂e, one and a half times the national average and were 0.7 ktCO₂e per km², half the national average.
- The biggest contributor to emissions was agriculture which generated 41% of emissions.
- Emissions have fallen by 9% since 2018 in comparison to a fall of 12% for the UK.

Note: Emissions related to energy supply are based on the point of consumption, emissions not energy related are based on the point of emission other than waste management emissions which are based on where the waste was produced.

Source: BEIS UK Local Authority GHG Emissions 2020 Gasses covered are carbon dioxide, methane and nitrous oxide

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