

Cumbria Local Enterprise Partnership

Skills Investment Plan 2016-2020



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EXECUTIVE SUMMARY

Our Vision for Skills

The Cumbria Local Enterprise Partnership (LEP) is committed to ensuring that Cumbria has a vibrant skills system that offers excellent learning environments and opportunities and is able to respond to the current and future needs of our economy. Our businesses will be able to recruit and develop the skilled workforce they need and our residents will be supported to access good quality employment opportunities and to progress in work.

This Skills Investment Plan for 2016-2020 has a key role to play in the achievement of our vision for skills. It identifies capital and revenue priorities that will inform how the LEP deploys and influences funding for skills in Cumbria and sets targets against which we will measure our progress.

We must also recognise that the plan cannot make the vision a reality on its own. There are other important issues, highlighted in this document, that go beyond skills and skills investments but which will be nonetheless be integral to our success. Included amongst them is the declining number of people of working age that live in the county and the need to upgrade elements of our infrastructure. If the county is to take full advantage of the opportunities that lay ahead, it is essential that the delivery of this plan takes place alongside and in close partnership with other programmes of work that are designed to address these wider issues.

The Skills and Employment Challenge in Numbers

An estimated 66,500 jobs will need to be filled in Cumbria between 2016 and 2021 inclusive as a result of replacement demand, i.e. retirements, occupational mobility and outward migration. On top of this, the number of new jobs in the nuclear sector – driven by the proposed new build programme at Moorside – is likely to be around 7,300 over the same period, whilst a further 6,500 new jobs could be created through general economic growth and other (non-nuclear) programmes of investment. In total therefore, an estimated 80,300 jobs will need to be filled in Cumbria between the start of 2016 and the end of 2021.

As things stand, Cumbria is not well placed to meet this challenge. By way of illustration, if the county achieved an employment rate of 78% (making it one of the highest performing LEP areas in the country) and if we maximised the employment potential of the young people that we expect to enter the working age population over the next five years, we would be able to fill an estimated 24,000 jobs. That is just 30% of the total challenge.

Fundamentally, Cumbria needs more residents of working age to sustain current levels of economic performance and to provide the foundation for growth.

MEETING THE CHALLENGE

6,000 

2% increase in the employment rate = 6,000 more people in work by 2021

18,000 

Estimated no. indigenous young people entering the workforce 2016-2021

24,000 

No. jobs that can be filled from within Cumbria (6,000 + 18,000)

56,300 

The employment gap, i.e. no. jobs that can't be filled from within Cumbria

Source: Working Futures, YCL and CoNE

The employment challenge is not just one of volume, it is also one of skills. An estimated 41% of the replacement demand jobs in Cumbria between 2016 and 2021 (c. 27,500 jobs) are expected to be at Level 4 or above. Currently the county only has 28% of its working age population qualified to this level. Developing the skills of our workforce will therefore be critical. Notable progress has made in this regard but more needs to be done: 69% of employers in the county acknowledge the need to upskill their staff, but only 60% do so. Skills gaps are also slightly more prevalent here than they are nationally.

Approximately 29,000 people currently claim working age benefits in Cumbria and in some wards the rates of entrenched worklessness are amongst the highest in the country. The good work already being done by skilled professionals to tackle this can be further enhanced by activities, proposed in this plan, to help more people that are out of work to access employment opportunities.

Small and medium sized enterprises are the lifeblood of our economy: 99.7% of business in the county employ fewer than 250 people and 89% employ fewer than 10. Inevitably, some small businesses will lose staff to new infrastructure projects and we have included proposals in this plan to help them backfill and retrain.

Many businesses also say that they struggle to recruit because they don't have enough applicants and because of issues relating to public transport. The message is therefore once again that skills is a major issue in Cumbria and that through this plan we can make demonstrable improvements, but steps must also be taken to address other, wider issues if we are to maximise the opportunities that lay ahead.

Revenue Investment Priorities

The LEP's priorities for revenue investments in the skills system between 2016 and 2020 are structured into four themes. These themes, and the actions contained within each, have been informed by labour market information and by direct input from employers and skills providers:

1. Future Skills, Careers and Enterprise
2. Developing the Skills of the Existing Workforce
3. Addressing Unemployment and Underemployment
4. Advanced and Higher Level Skills for the Local Economy

A summary of the actions proposed under each theme is provided below. Further detail on the rationale for the actions, and on the actions themselves, is provided in the main document.

FUTURE SKILLS, CAREERS AND ENTERPRISE: SUMMARY OF ACTIONS
Develop a '16-19 entitlement' stipulating the range of post-16 choices to which young people in the county will have access.
Support for small businesses to take on and retain apprentices.
An agreement with the lead developer at Moorside stipulating the number of apprenticeship and work experience places that will be available to local residents.
A communications and marketing effort to address outdated and inaccurate perceptions of apprenticeships.
Accelerate Higher and Degree Apprenticeship take-up.
County-wide careers and enterprise co-ordination to build on good practice and strengthen links between industry and the skills system.

DEVELOPING THE SKILLS OF THE EXISTING WORKFORCE: SUMMARY OF ACTIONS
Targeted training activity focused on sector specific and cross-sectoral skills gaps.
Build on research to date to develop a fine-grained view of the employment and skills pinch points associated with major programmes of investment.
Workforce development support aimed at SMEs affected by staff attrition to major infrastructure schemes.

ADDRESSING UNEMPLOYMENT AND UNDEREMPLOYMENT: SUMMARY OF ACTIONS

Employer-led work academies with guaranteed job interviews for all participants who complete the scheme.

An agreement with the lead developer at Moorside stipulating the number of unemployed residents that will be recruited through work academies.

A literacy, numeracy and IT skills improvement programme to develop the core skills needed for sustained employment and progression.

A Level 2 qualification programme for those that are unemployed or underemployed and claiming state benefits.

Re-skilling support to help people secure employment in different roles, occupations or sectors.

Community learning provision that is aligned with local employment opportunity.

ADVANCED AND HIGHER LEVEL SKILLS FOR THE LOCAL ECONOMY: SUMMARY OF ACTIONS

Collaborative working to ensure a curriculum offer that supports individuals' learning choices at Levels 3, 4 and above.

Raise awareness of the opportunities in Cumbria for ambitious and aspirational graduates, especially those with the skills needed to develop STEM related careers.

Establish a consortium to lead a science and innovation audit across Cumbria, identifying strengths and opportunities in the research and innovation skills system.

Accelerate the take-up of Higher and Degree Apprenticeship and other employer-led higher level provision.

Employer Panels will be established to identify and articulate the skills and workforce development needs of key sectors on a rolling basis. The panels will be a vehicle for regular and structured dialogue between the employer base, skills providers and the Employment and Skills Commission and will help to ensure that provision effectively meets emerging skills needs.

A Collaborative Provider Partnership will work together to respond to employer need. The Partnership will recognise and exploit provider-level specialisms to ensure the most appropriate solutions to skills challenges across the county.

Capital Investment Priorities

In recent years, strategic investments have been made in the estates and facilities of Cumbria's skills system, making provision more industry relevant and enhancing the learner experience.

Research undertaken for this plan has identified emerging priorities for further capital investments. These respond to recognised capacity issues and skills shortages and will help local residents to take advantage of new employment opportunities. They are summarised below.

Note that prior to approval, all proposed capital investments will be subject to a detailed business case and appraisal process. The inclusion of outline schemes in this plan does not imply that any or all will receive funding.

CONSTRUCTION FOR MAJOR INFRASTRUCTURE PROJECTS

Issue:

The construction phase at Moorside, and on other major infrastructure projects, will generate a significant increase in demand for engineering construction trades. Current facilities in the county offering provision relevant to these trades are largely full and only limited capacity would exist to expand delivery for local residents.

Response:

Expand civil engineering construction training capacity to respond to the forthcoming demands of major infrastructure projects. Consider investing at more than one site due to the scale of the requirement and travel to learn limitations.

Estimated Cost: £6m

Expected LEP Contribution: 35%

NUCLEAR OPERATIONS

Issue:

The Moorside new build programme and other ongoing operations in the nuclear sector will generate a significant increase in demand nuclear operations training activity. The current training infrastructure lacks the capacity to respond to this increase and is not equipped with up-to-date facilities that mimic operations at a new build plant.

Response:

Invest in indoor flexible training facilities to enable the delivery of up-to-date nuclear operations training for the wider industry on the scale required by the new build programme and other nuclear operators.

Estimated Cost: £2m

Expected LEP Contribution: 35%

VISITOR ECONOMY

Issue:

Visitor economy employers across the county report significant challenges in recruiting and retaining chefs, other kitchen staff and various hospitality related roles. Business growth and the customer experience is being affected by this and current facilities in Cumbria do not currently provide a best-in-class hospitality training experience.

Response:

Invest in a commercially 'green focussed' single high technology hospitality and catering offer which can help inform business on energy saving equipment and demonstrate how the sector can respond to increasing demands and expectations. The facility would also allow food manufacturers the opportunity to 'live test' their products and act as a regional exemplar and centre for head chefs and their staff to access.

Estimated Cost: £850k to £1m

Expected LEP Contribution: 50%

PIPELINE CAPITAL FUND

Issue:

The research has also identified a pipeline of potential capital investments that require further specification but which may prove to have a very strong case. They include:

- Expanding the Higher Education STEM offer;
- Facilities to enable the production of final components in advanced manufacturing;
- Investments to improve provision in bio-pharmaceutical production and bio processing;
- The expansion and improvement of warehouse management and logistics training facilities.

Response:

To help skills providers support the ongoing development of key sectors within Cumbria, the LEP will establish a Pipeline Capital Fund to unlock investment in the development of new/upgraded facilities and equipment that can demonstrate a strong alignment with industry developments and employer need.

Cost and LEP Contribution: determined on a case-by-case basis.

Targets

The LEP's Employment and Skills Commission has set the following six targets, each of which is to be achieved by 2020. The targets have been informed by assessments of need (in the context of Cumbria's future employment and skills challenge) and achievability. Progress against each of the targets can be measured through publicly available data sources. The targets are:

1. 76% of the working age population will be qualified to Level 2 or above.
2. 57% of 19-year-olds will be qualified to Level 3 or above.
3. 32% of the working age population will be qualified to Level 4 or above.
4. The number of apprentices in Cumbria will have increased by 20% from 2015.
5. The proportion of businesses in Cumbria reporting skills gaps will be below the national average.
6. The county-wide employment rate will be at least 78% (with a focus placed on improving the employment rate in those wards and districts where it is currently lowest).

1 INTRODUCTION TO THE SKILLS PLAN

The Vision for 2020

By 2020, Cumbria will have a vibrant skills system that offers excellent learning environments and opportunities and is able to respond effectively to the current and future needs of our economy. Businesses will be able to access and develop the skilled workforce they need and residents will be supported to access good quality employment opportunities and to progress in work.

Achieving the Vision

- 1.1 This Skills Investment Plan identifies capital and revenue priorities that will inform how the Cumbria Local Enterprise Partnership (LEP) deploys and influences funding for skills in Cumbria. Capital investments will result in new, improved or expanded teaching and learning facilities and equipment to meet employer need. Revenue investments will help to upskill the existing and future workforce, will support those that are out of work to gain employment and will strengthen the relationships between skills providers and employers.
- 1.2 The plan will therefore make an important contribution to the achievement of the Vision for 2020, but it cannot make the vision a reality on its own. There are other important issues, highlighted in this plan, including migration patterns, infrastructure and affordable housing, that go beyond skills and skills investments but which will be integral to the achievement of the vision. It is essential that the delivery of this plan takes place alongside and in close partnership with programmes of work designed to address these wider issues if the county is to take full advantage of the opportunities that lay ahead.
- 1.3 The Skills Investment Plan has been informed by a comprehensive assessment of the current and future labour market in Cumbria, by input from employers across a broad range of industry sectors (including those identified as priorities in the Strategic Economic Plan) and by feedback from Cumbria's Employment and Skills Commission.

Measuring our Achievements

- 1.4 The Employment and Skills Commission has set the following six targets, each of which is to be achieved by 2020. The targets have been informed by assessments of need (in the context of Cumbria's future employment and skills challenge) and achievability. Progress against each of the targets can be measured through publicly available data sources. The targets are:

1. 76% of the working age population will be qualified to Level 2 or above.
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3. 32% of the working age population will be qualified to Level 4 or above.
4. The number of apprentices in Cumbria will have increased by 20% from 2015.
5. The proportion of businesses in Cumbria reporting skills gaps will be below the national average.
6. The county-wide employment rate¹ will be at least 78% (with a focus placed on improving the employment rate in those wards and districts where it is currently lowest).

Target	Current position	2020 Target	Change (No.)
1. Working age population qualified to Level 2 or above	74%	76%	+6,000 people qualified to Level 2
19-year-olds qualified to Level 3 or above	53%	57%	+200 19 year-olds per year qualified to Level 3
Working age population qualified to Level 4 or above	29%	32%	+9,000 people qualified to Level 4
20% increase in apprenticeships	5,000 starts p.a.	6,000 starts p.a.	+1,000 starts p.a.
Proportion of businesses in Cumbria reporting skills gaps	16%	Below national average (currently 15%)	400 fewer businesses reporting skills gaps
County-wide employment rate	76%	78%	+6,000 people in employment

1.5 Some of the actions in this plan have quantified outputs and/or financial estimates. Others cannot yet be quantified as they either require funding allocations to be confirmed or their scale and timing are difficult to predict, e.g. programmes to address large scale redundancies. The plan will therefore be updated as and when more quantification becomes possible.

¹ Defined as the number of people in employment divided by the number of people in the county aged 16-64.

Introduction to Cumbria

- 1.6 Cumbria is the second largest county in England and accounts for almost half of the land mass of the North West. Home to 500,000 residents and with an employed workforce of 229,000, Cumbria's economy is diverse and complex, encompassing world-class engineering, manufacturing and energy companies, high quality food and drink companies and a unique visitor offer. Cumbria is home to a number of large, multinational companies whose impact spreads much wider through their supply chains. Notwithstanding the significance of these employers, SMEs provide the backbone of the Cumbrian economy, with 99.7% of businesses employing fewer than 250 people and 89% employing fewer than 10.
- 1.7 Published in 2014, Cumbria's Strategic Economic Plan² (SEP) identifies four key economic drivers. Skills Development is one, alongside Business Support, Infrastructure Improvements and Environmental Sustainability. These economic drivers are essential to grow the whole economy and, in particular, to maximise the key economic assets for the county, defined in the SEP as:
- **Advanced Manufacturing Growth:** Cumbria has a rich industrial heritage and a highly regarded manufacturing sector. Two of the UK's largest industrial sites are located in the county, involving the nuclear industry at Sellafield in West Cumbria and the submarine shipyard operated by BAE Systems at Barrow-in-Furness, while food manufacture is very important to Carlisle. Production units operated by multinational companies can be found throughout the county.
 - **Nuclear and Energy Excellence:** The nuclear industry is one of Cumbria's key assets, with a hard-won global reputation for excellence and innovation. Sellafield is Europe's most complex nuclear site and employs around 10,000 people, with thousands more in the supply chain in market-leading local companies.
 - **Vibrant Rural and Visitor Economy:** The majority of Cumbria's businesses and its resident population are located in rural areas, and as such the county's rural economy is diverse and multi-sectoral. The rural nature of Cumbria is one of its defining features, boasting magnificent land and seascapes and tremendous resources. The Lake District National Park attracts millions of visitors each year and is widely recognised as one of the most scenic areas of England. The west of the county has a stunning coastline that presents opportunities for economic growth, while the north of the county hosts a significant part of Hadrian's Wall and the historic city of Carlisle.
 - **Strategic Connectivity of the M6 Corridor:** In the UK and Eire context, North Cumbria is at the geographical centre for distribution and redistribution. Logistics and agri-related businesses are thriving along the M6, with Carlisle hosting Eddie Stobart, an iconic brand and a leader in the logistics and distribution sector. Other leading businesses include the H&H Auction Mart at

² <http://www.cumbrialep.co.uk/wp-content/uploads/2014/03/Cumbria-LEP-final-report-1-April-2014.pdf>

Rosehill (the largest mart in England), AW Jenkinson in Penrith (a national distributor of timber products) and Houghton Parkhouse in South Lakeland (a leading agricultural haulage manufacturer).

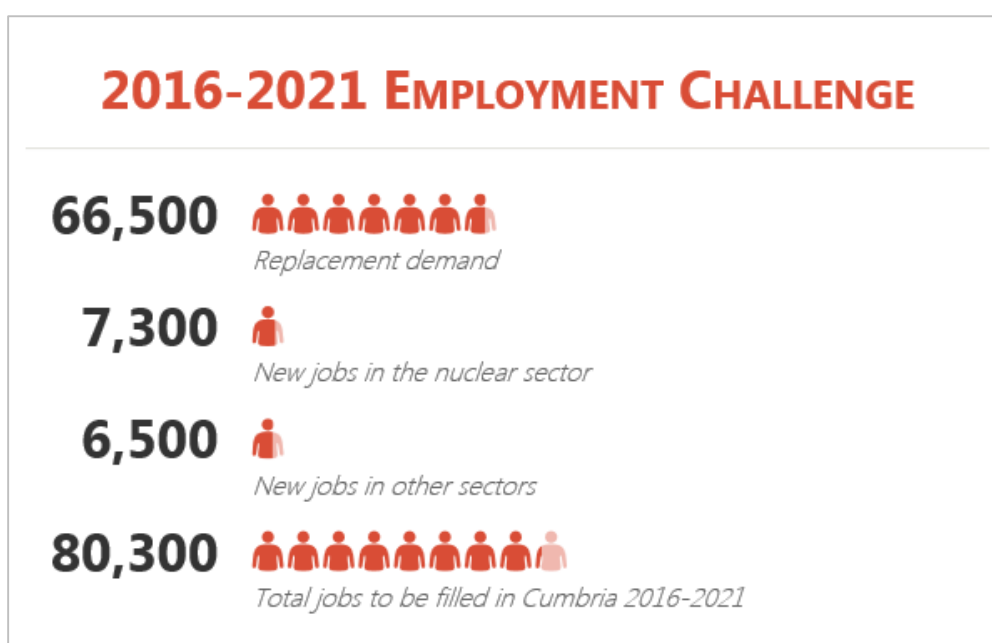
- 1.8 The LEP's vision for Cumbria is to have one of the fastest growing economies in the UK, in an energised and healthy environment. The SEP conveys the LEP's ambition for 2024, which includes creating 15,000 additional full-time equivalent jobs, boosting Cumbria's economy by £600m more than current predictions³, supporting local planning authorities to deliver 30,000 new homes, raising skills levels and reducing skills gaps.

³ At the time that the SEP was written in 2014.

2 A SUMMARY OF THE LABOUR MARKET AND SKILLS EVIDENCE BASE⁴

The Population Challenge

- 2.1 In direct contrast to what is happening regionally and nationally, the working age population in Cumbria, i.e. the number of people aged 16-64, is shrinking. In 2007 there were 318,000 people of working age in the county, but by 2014 this had fallen to 303,000. Current projections suggest that the working age population will continue to shrink by between 1,500 and 2,000 people per year to 2030 and beyond. At the same time, the older population in Cumbria (people aged 65+) is becoming larger and is forecast to reach 137,000 by 2025 – an increase of 23,500 (21%) from 2014.
- 2.2 Whilst the working age population continues to fall, it is estimated that some 66,500 jobs will need to be filled in Cumbria between 2016 and 2021 inclusive as a result of replacement demand, i.e. retirements, occupational mobility and outward migration. On top of this, the number of new jobs in the nuclear sector – driven by the proposed nuclear new build programme at Moorside – is likely to be around 7,300 over the same period, whilst a further 6,500 new jobs could be created through general economic growth and other (i.e. non-nuclear) programmes of investment. In total therefore, an estimated 80,300 jobs may need to be filled in Cumbria between the start of 2016 and the end of 2021.



Source: Working Futures, YCL and CoNE

Replacement demand breakdown by occupation: Managers and Directors: 3,700; Professional Occupations: 13,900; Associate Professional and Technical: 6,600; Administrative and Secretarial: 7,700; Skilled Trades: 8,300; Caring, Leisure and Other Service: 10,400; Sales and Customer Service: 4,900; Process, Plant and Machine Operatives: 5,100; Elementary Occupations: 5,900.

⁴ This chapter is based on information in 'Skills and Employment in Cumbria: Evidence Base' (January 2016) which provides a detailed assessment of labour market and skills information.

2.3 Cumbria is not currently well placed to meet this challenge:

- If the employment rate target set in this plan is achieved, the county will have around 6,000 more people in employment in 2021 than it does now (it will also have become one of the highest employment rates of LEPs across the country). This will address just 7% of the employment gap.
- Cumbria’s annual Year 11 outturn⁵, i.e. young people aged 16, is approximately 5,000 pupils, around 1,850 of which (based on recent participation rates) progress on to university. Historically, most of this cohort have not returned to the county on completion of their higher education studies. Were this to continue, it could be assumed that approximately 3,150 young people will enter Cumbria’s working age population each year. With NEET rates currently at around 4%, the best case scenario for the county is therefore that approximately 3,000 young people per year will be able to take up employment in Cumbria.

2.4 Across the six year period from 2016 to 2021 inclusive, and factoring in the 6,000 additional people in work through a county-wide employment rate increase, Cumbria’s response to the employment gap would be approximately 24,000 people. This is 30% of the estimated number of jobs that will need to be filled.



2.5 Fundamentally therefore, Cumbria needs more residents of working age to sustain current levels of economic performance and to provide the foundation for growth. Without the necessary supply of labour with the skills that employers need, there is a real risk that the county will become less appealing as a place for businesses to locate and invest.

⁵ Based on the Annual School Capacity Survey, which collects information about local authority maintained primary and secondary schools, academies and city technology colleges.

Replacement Demand by Sector

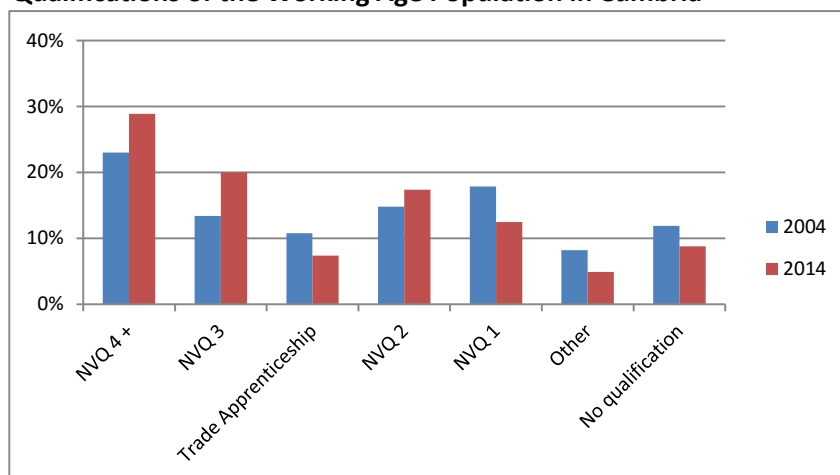
- 2.6 Agriculture, energy and water, and transport and communication are the sectors in Cumbria that have the highest proportions of workers aged 55+ and for whom the replacement demand challenge is arguably the most immediate. However, in terms of scale, the challenge appears to be far greater in distribution, hotels and restaurants and public administration, education and health (in health and care, in particular, anecdotal feedback provided by employers points towards a considerable challenge that is likely to be compounded by existing recruitment and retention issues).

	Estimated % of the workforce aged 55+	Estimated no. aged 55+
Agriculture, Energy and Water	28%	3,850
Manufacturing	19%	6,200
Construction	19%	4,000
Distribution, Hotels and Restaurants	18%	11,200
Transportation and Communication	24%	3,500
Finance, Real Estate and Professional	23%	6,000
Public Administration, Education and Health	20%	12,700

The Higher Level Skills Imperative

- 2.7 In 2014, 28% of Cumbria’s working age population was qualified to Level 4 or above – an increase of five percentage points from a decade earlier. Over the same period, the number of working age residents with no formal qualifications or qualified no higher than Level 1 fell by a combined total of approximately 34,500 residents.

Qualifications of the Working Age Population in Cumbria



Source: APS

- 2.8 Despite this improvement, Cumbria still has a higher level skills gap when compared with England as a whole, where 33% of the working age population is qualified to Level 4 or above.
- 2.9 It is also of some note that 41% of the replacement demand jobs in Cumbria between 2016 and 2021 (c. 27,500 jobs) are expected to be at Level 4 or above⁶. Currently the county only has 28% of its working age population qualified to this level. The indications are therefore that not only will it be difficult for Cumbria to meet the replacement demand challenge from a volume perspective, it will also be difficult from a skills perspective.
- 2.10 Ensuring that future workforce development interventions are appropriately geared to developing higher level skills, and that steps are taken to stimulate the take-up of Higher and Degree Level Apprenticeships, Foundation Degrees, Masters and other higher level provision will therefore be important. This will also help to address the county's productivity gap: GVA per full time equivalent in Cumbria is currently 82% of the national average.

Workforce Skills Development

- 2.11 Previous initiatives to increase the number of employers in Cumbria participating in training have enjoyed notable successes, but more needs to be done over the years ahead. Although 69% of employers in the county acknowledge the need to upskill their staff, only 60% do so. This compares with 66% nationally and means that Cumbria is currently ranked 39 out of 39 LEPs in terms of the proportion of employers providing training opportunities for their staff. Skills gaps are also slightly more prevalent in Cumbria than they are nationally. Given the population challenge, a high priority across the county should be attached to ensuring that the Cumbrian workforce has the skills needed by employers.

⁶ 28% (18,600) are expected to be at Level 6 or above.

Target	Cumbria	England
Proportion of employers providing training for their staff	60% ⁷	66%
Proportion of employers with upskilling needs	69%	71%
Proportion of employers with skills gaps	16%	15%

Source: UK Employer Skills Survey

Claimants

2.12 At the time of writing, approximately 29,000 people claim working age benefits in Cumbria. This is comprised of Jobseekers Allowance (JSA), Employment and Support Allowance (ESA), Income Support (IS) and Universal Credit (UC) claimants who are unemployed or underemployed. The following table provides a district level breakdown and shows that claimant rates are highest in Barrow-in-Furness (the location of BAE) and Copeland (the location of both Sellafield and the proposed nuclear new build at Moorside). The table intentionally excludes the ESA Support Group – currently estimated at 13,000 residents – as this group has been assessed as unfit for work and work related activity in the foreseeable future.

	JSA	ESA	IS	UC unemp.	Total unemp.	UC underemp.	All benefits	% WAP*
Barrow-in-Furness	933	1,240	925	97	3,195	54	3,249	7.8%
Copeland	531	1,060	660	421	2,672	262	2,934	6.7%
Carlisle	716	1,450	1,165	366	3,697	183	3,880	5.7%
Allerdale	810	1,200	865	413	3,288	315	3,603	6.2%
South Lakeland	107	630	305	168	1,210	107	1,317	2.2%
Eden	124	320	240	455	1,139	202	1,341	4.2%
Totals	3,221	5,900	4,160	1,920	15,201	1,123	16,324	5.4%

*Working Age Population. Source: DWP

⁷ The equivalent figure from the Cumbria Business Survey 2013 is 53%.

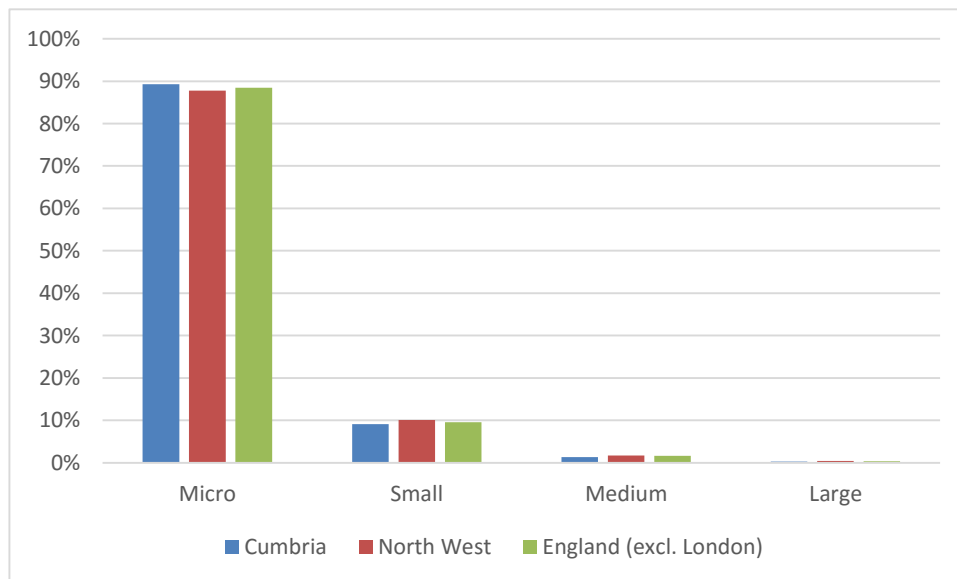
2.13 DWP evidence shows that an estimated 40% of customers claiming JSA/UC will move into work within the first 13 weeks of their claim through the support of their DWP Work Coach and will not require any further intervention. Industry focussed unemployment initiatives and employer led work academies could fill a worthwhile purpose in helping the other 60% to find work (there will also be a cohort of individuals in the county who are not claiming benefits but who are looking/eligible for work; they too may be suitable for this kind of support). A drive to involve more employers and younger people in work experience and traineeship programmes could also help to provide pathways into employment in those areas where new vacancies are expected.

The Significance of Micro Businesses

2.14 Cumbria has around 20,000 active businesses, nearly half of which are located in Carlisle and South Lakeland. The gap between the county’s start-up rate and the start-up rate nationally is closing and Cumbria’s business survival rate, from one to five years inclusive, exceeds that of the North West region and the country as a whole.

2.15 As is the case nationally, the business base in Cumbria is dominated by micro businesses (i.e. those that employ fewer than 10 people). Cumbria does, however, have a slightly above average proportion of micros and it is these businesses that can face the most significant challenges in releasing staff for training and which may find it more difficult to successfully backfill if they lose employees to major infrastructure schemes.

Business base by size (2015)

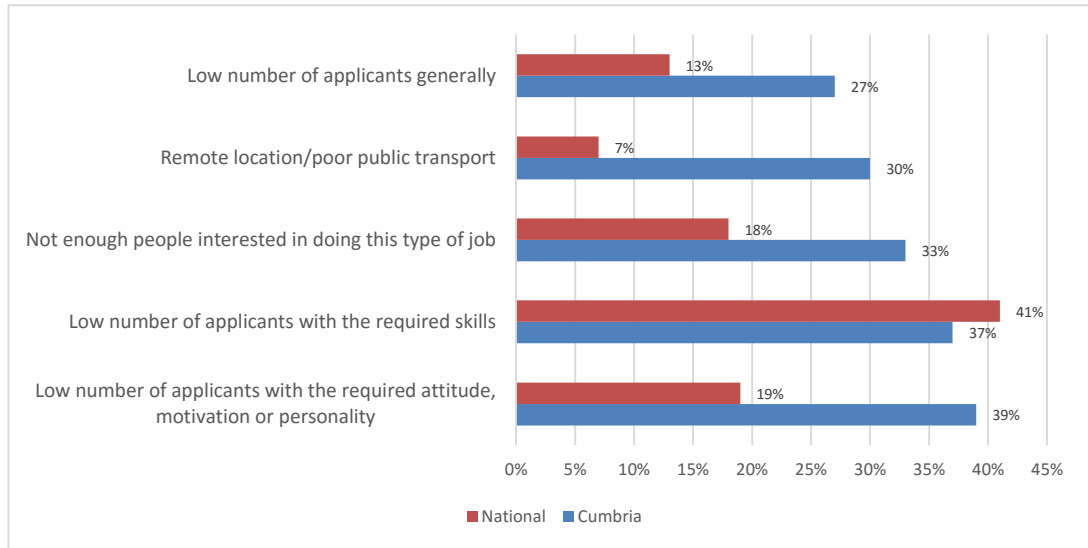


Source: UK Business: Activity, Size and Location, 2015

Hard to Fill Vacancies

2.16 The main reasons why hard-to-fill vacancies exist in Cumbria tend to be different to why they exist nationally. Whilst a low number of applicants with the required skills is a major issue both locally and across England, Cumbrian employers are much more likely to say that their vacancies are difficult to fill because of location and public transport issues, because not enough people are interested in doing the job and because applicants lack the required attitude, motivation or personality.

Top 5 Reasons why Hard-to-Fill Vacancies Exist in Cumbria



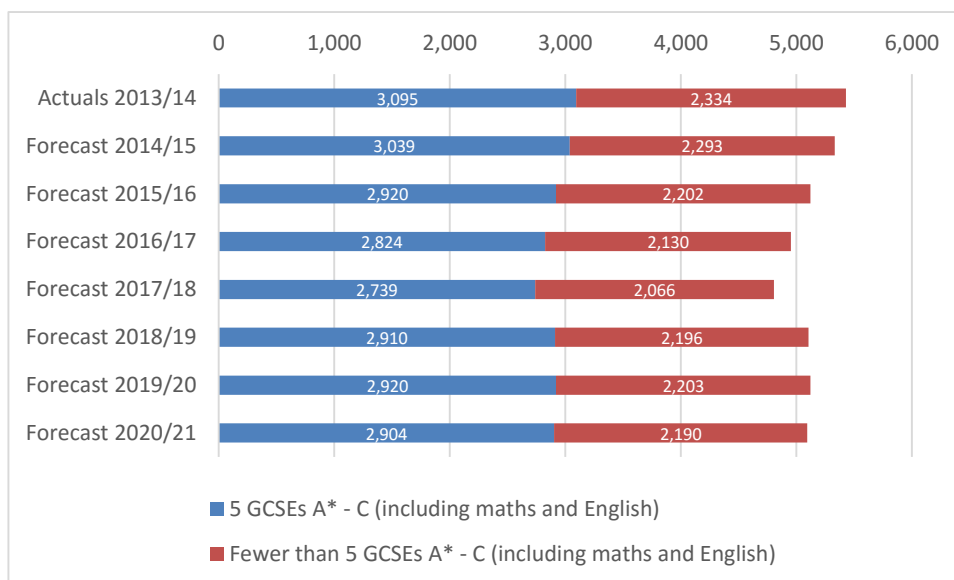
Source: UK Employer Skills Survey

2.17 The message from employers is therefore that skills is a major issue in them being able to recruit successfully, but it is by no means the only issue. There are other factors, again highlighting the population challenge, that prevent them from having the workforce they would like.

Year 11 Outturn

2.18 In 2014, 57% of Year 11 pupils in Cumbria achieved five or more GCSEs at A*-C including English and maths. Were this average attainment level to be sustained in future years, Cumbria will have fewer than 3,000 pupils a year achieving what is commonly regarded as five 'good GCSEs' (see chart overleaf). This is a relatively small number, especially when it is considered that the majority of the young people in Cumbria that progress on to university – currently around 1,900 learners per year – will come from this group and most are unlikely to return.

Forecast Year 11 outturn achieving five GCSEs A*-C (including maths and English), 2014 – 2021 (based on 2014 achievement rate (57%))



Source: DfE

Information, Advice and Guidance

- 2.19 It is evident that significant enthusiasm exists amongst schools, other skills providers and employers to ensure that comprehensive and up to date information and guidance, work experience and taster opportunities are available across Cumbria. Pockets of effective practice exist now but the reality is that they are far from universal. Quality and scale vary significantly.
- 2.20 With significant volumes of new employment opportunities expected in the county, now is an ideal time to harness the enthusiasm and to put in place the appropriate structures and resources to identify and roll out good practice and to embed industry-education links in ways that are more mutually beneficial.

Employers’ Asks of the Skills System

- 2.21 Employers often find it time consuming and difficult to understand the support that is available for training, especially given the different eligibility criteria attached to different programmes and funding pots. They would welcome the introduction of a single point of access – perhaps via an online portal or gateway – that helps steer them towards the most appropriate avenues of support based on their needs.
- 2.22 Employers are generally complimentary about the training they access from providers in Cumbria. They nonetheless see a benefit in establishing a delivery model, especially for workforce development activity, whereby sector-based employer panels or forums engage with the provider network (including schools) and provide an up to date articulation of need. Collectively, they speak of a desire for public funding for skills to be needs driven and for it to respond to emerging issues as well as those that are already known.

Wider Issues

- 2.23 Employers and skills providers in Cumbria recognise that important work is needed to **strengthen the image and appeal of Cumbria** as a place to develop rewarding and exciting careers with progression opportunities. Employers, in particular, feel that this sits at the heart of their recruitment difficulties and have expressed considerable concern about the longer term economic prosperity of the county if it is not addressed. They would welcome some clarity on how a programme of effective destination marketing will be taken forward and by whom (recognising that the replacement demand projections stress the need to attract and retain individuals with higher level skills).
- 2.24 Employers have also voiced concern about the county's coldspots for **high quality broadband connectivity** and the effect that this can have on its image and appeal. There are similar concerns about **affordable housing** in some parts of the county (e.g. Eden) and how this impacts on the age demographics of local populations. They welcome the recently announced upgrades to railway stations in the county but point to **long journey times by road** as a further issue that inhibits Cumbria's appeal and growth.
- 2.25 Related to all of the above, and influenced by the salaries available in some of the west coast industries/employers, skills providers often find it challenging to recruit **good quality tutors and lecturers** with up to date industry/entrepreneurial experience, especially in STEM subjects. This has been an issue for a number of years. Going forwards, as the LEP invites proposals in response to its capital investment priorities, providers should make clear how they will resource new or upgraded teaching facilities with staff of the requisite calibre and experience.
- 2.26 The prevalence and breadth of these issues reiterates the point that this skills plan cannot be delivered in isolation and that it should form part of a wider, co-ordinated programme that also includes the LEP's Infrastructure Plan, local authority Local Development Frameworks, amongst others.

3 NUCLEAR AND ENERGY EXCELLENCE

“Government sees the domestic new build and wider nuclear market as an essential platform to further enhance the UK nuclear commercial presence and grow global market share.”

Nuclear Industry Strategy, 2015

Overview

3.1 Cumbria is a centre of nuclear excellence and has a unique concentration of nuclear facilities, capabilities and skills. Approximately 27,000 people are employed in the nuclear industry and the supporting supply chain in Cumbria, equal to over a third of nuclear employment nationally and around 12% of all employment in the county. Over the coming years, growth and evolution in the nuclear industry in Cumbria will be characterised by three main programmes of work, the peak demand for which will occur by 2021. This growth of the nuclear agenda is an important part of the growth agenda both locally and nationally as part of the Northern Powerhouse concept. The main programmes are:

- **Moorside:** Plans are being developed to build a new three reactor nuclear power station and associated ancillary buildings on land adjacent to Sellafield. With an estimated cost of £16bn over ten years, the new power station, when complete, will provide sustained employment opportunities for approximately 1,000 people and generate over 3GW of electricity. Associated with this new build, a high capacity grid connection will run from Harker in the north via a coastal route and under Morecambe Bay to the south.
- **Sellafield:** The Sellafield programme will continue for many decades to come and will evolve with the completion of long term reprocessing activities by 2020, and transition to a waste management, decommissioning and infrastructure project business. Further long-term opportunities exist to develop the site for new nuclear missions, including mixed oxide fuel manufacturing and additional reactor facilities. At present, Sellafield continues to provide employment for more than 10,000 people, plus supply chain expenditure of c. £1bn per year through major projects such as the new Box Encapsulation Plant, Silos Maintenance Facility, Box Encapsulation Plant Direct Import Export Facility and Evaporator D, coupled with the decommissioning of the Magnox Swarf Storage Silo and the First Generation Magnox Storage Pond, amongst others.
- **Defence:** Completion of the current seven boat £7-10bn Astute programme and the design, manufacture and commissioning of the estimated £31bn four boat Successor programme, plus a £300m major construction project for the redesign of the dockyard and dock hall to build the larger boats, providing secure employment for c. 8,000 people.

- 3.2 Combined with pioneering research and development activities delivered by the National Nuclear Laboratory, the recent government decision to establish a National College for Nuclear in the region and continued operations by the Low Level Waste Repository, these major programmes could see nuclear industry and supply chain employment in the county rise from its current level of 27,000 to an estimated peak of 34,150 by 2021: an increase of 26%. New Nuclear Power Stations will also be built at Hinkley Point, Sizewell, Oldbury, Wylfa and Bradwell, requiring the nuclear workforce nationally to grow from c. 75,000 to c. 111,000.
- 3.3 The skills and employment challenge in the sector is therefore not limited to Cumbria; significant demand for the same and similar skillsets will also occur elsewhere in the UK, causing considerable competition for labour. Currently the stated schedules for Moorside, Hinkley Point “C” and Wylfa are approximately concurrent, which along with other UK non-nuclear infrastructure projects, will place a huge demand on the UK’s engineering and construction capability. Within Cumbria, the organisations that will deliver the Moorside project will need locally trained people to succeed.
- 3.4 The recently established **Centre of Nuclear Excellence (CoNE)** aims to provide a coherent planning, organisation and communication effort to make the Cumbrian nuclear industry a UK centre of excellence and a world leader in nuclear services. The CoNE strives to maximise the benefits of nuclear and associated nuclear activities by embracing the renewed investment in new nuclear power, decommissioning and defence, and by attracting inward investment and leveraging export potential to drive further growth. This programme presents real opportunities for SMEs. Skills will play a key enabling role in supporting the growth of the initiative in ensuring that local businesses do not miss opportunities.

Skills and Employment Pinch Points

- 3.5 The CoNE Skills and Education sub-group formed a strong coalition of key employers, education and training providers and other organisations, out of which has grown the CoNE Skills and Education Task Force (SETF) which has conducted analysis and developed industry insights to assess growth and evolution of the total nuclear workforce for the region. From this, the CoNE SETF has identified eight pinch point groups, each satisfying at least two of the following three criteria:
- Significant volumetric growth;
 - Current industry shortage;
 - Limited local supply.
- 3.6 The pinch point groups are listed below and together represent c. 95% of the 2021 nuclear industry workforce requirement, demonstrating that employment and skills issues in the sector are not limited to a minority of occupational groups. Some of them, such as business functions and project management, will also be in demand on other infrastructure projects and in other sectors of the Cumbrian economy.

- Civil engineering, construction and construction management.
 - Project management and controls.
 - Operations and commissioning.
 - Nuclear safety case management and safety assessors.
 - Business functions.
 - Chemistry, chemical engineering and higher level skills.
 - Plant and design engineering.
 - Quality management.
- 3.7 The table overleaf provides a high level and early stage assessment of potential recruitment and training requirements to meet demand in the pinch point groups over the next five years (the period of most significant growth to the peak in 2021). Two scenarios have been used for migration: one where 34% of new and replacement demand jobs are sourced locally and one where 50% of replacement demand is sourced from within Cumbria.
- 3.8 The planning assumptions for Hinkley Point “C” adopted a goal of 34% of the project workforce being sourced from within the local area and this is a good planning assumption at this stage for the Moorside project.
- 3.9 The table shows that between 2016 and 2021, between 2,500 and 3,500 additional new recruits or trainees would be needed. This is over and above the 2,000 new trainees that the industry will develop arising from the existing nuclear skills programme. Given the high demand for those skills, they are likely to equate completely to new trainees either directly, or for backfilling of recruits into the industry.
- 3.10 Although some of the recruitment below is intended for the construction phase of the Moorside project, and are therefore not all permanent roles, the longer term mission of CoNE is that additional projects will follow Moorside. Although those new projects are subject to UK policy decisions, and as such are not included in the skills projections below, there is significant potential for those construction skills to have continued demand within the nuclear industry in Cumbria.

CoNE Programme Workforce	
Summary:	
Actual workforce size in 2015	26,875
Predicted workforce size in 2021	34,152
New jobs growth to 2021 (new jobs linked to Moorside construction phase)	7,277
Replacement demand to 2021 (retirements and labour market churn)	5,902
Total recruitment and training demand	13,179
5 Year Local Training Requirement: (assumes all local recruits need to be trained)	
Scenario 1: 34% of total demand from within Cumbria	
34% of 13,179	4,480
Minus existing nuclear skills programme (400 per year x5 years = 2,000)	2,480
Scenario 2: 34% of Moorside demand and 50% of replacement from within Cumbria	
34% of 7,277 plus 50% of 5,902	5,425
Minus existing nuclear skills programme (400 per year x5 years = 2,000)	3,425

Source: CoNE

- 3.11 The breakdown of the total additional workers to be trained over five years by pinch point group is shown in the table below. However, it is also important to note that recruitment and training requirements in the sector will be non-linear, i.e. there will be a need to front load in some occupations and disciplines to prepare for planned construction activities in 2018. The lead time for the development of higher skills, e.g. through Higher Apprenticeships, also needs to be considered.

5 Year Local Training Requirement by Pinch Point		
	% total training requirement	34% local workforce (no.)
Civil Engineering, Construction & Construction Management	29%	730
Project Management & Controls	5%	120
Operations & Commissioning	28%	710
Plant Design & Engineering	22%	544
Business Functions	6%	151
Quality Management	4%	102
Nuclear Safety Case & Safety Assessors	5%	124
Chemistry & Chemical Engineering & High Level Skills	2%	39

Source: CoNE

Adding Further Detail

3.12 Through a deep-dive exercise where initial options were considered by industry SMEs and the CoNE SETF, a number of areas for investment that will be required to deliver the programme are listed below. Although indicative at present and subject to further study and optioneering, these candidate projects align to the CoNE SETF vision and objectives.

- A civil engineering and construction outdoor training facility.
- A nuclear operations training facility.
- Expansion of mechanical, electrical and instrumentation facilities for construction and maintenance engineering.
- Flexible multi-use learning space.
- A CoNE Campus employer collaboration model.
- A collaborative provider partnership model so that providers work together to deliver the programme.
- A full time education co-ordination programme.
- Curriculum development programme.
- An attraction and recruitment campaign.
- A teacher and trainer development programme.

3.13 Early estimates put the cost of the above at £19m, with a split of £11m capital and £8m revenue.

4 ADVANCED MANUFACTURING GROWTH

“Over a quarter of Cumbria’s GVA is derived from the manufacturing sector, almost two and half times the national average.”

Cumbria Strategic Economic Plan

Overview

- 4.1 Cumbria has a rich industrial heritage and manufacturing companies remain significant employers in the county. Manufacturing contributes more than £2 billion of GVA, accounts for approximately 20,000 jobs and offers significant potential for growth. Due not least to its excellent workforce and products, the sector has enabled Cumbria to maintain its manufacturing base through difficult times.
- 4.2 Although manufacturing is important across the whole of Cumbria, the sector has a significant concentration in the Furness peninsula where 100+ manufacturing businesses employ some 9,000 people. Around two thirds of these are at BAE Systems Maritime – Submarines, where employment has more than doubled since 2004.
- 4.3 Investment proposals from major international companies are set to create 3,000 jobs in the Barrow and Ulverston area. These include a £350m investment by GSK in a new biopharm plant at Ulverston, creating 300 new jobs by 2021, and the investment of more than £300m at Barrow Shipyard in the Successor Deterrent Programme, which is expected to create approximately 1,000 new jobs by 2020.
- 4.4 Other production units operated by multinational companies can be found throughout the county, including Pirelli Tyres, Nestlé, United Biscuits, Iggesund Paperboard, Kimberley-Clark, Heinz, Sealy Beds, GSK bio-pharmaceuticals, Innovia Films and Siemens sub-sea technologies. Many Cumbrian sites engaged in specialist manufacturing are significant exporters and some are brand leaders in their specific markets.
- 4.5 Alongside these larger businesses, Cumbria is home to a vibrant community of SME specialist manufacturers, spread throughout the county and offering significant growth potential.
- 4.6 Over the coming decade there are a number of nationally strategic investment projects in the pipeline for Furness and West Cumbria, including the construction of the Walney offshore windfarm and new nuclear power station at Moorside with its associated National Grid, North West Connections project. These will create a foundation for Cumbria to develop its role as a hub for national and international supply chains, stimulate growth in local companies and attract and retain skills.

Skills

- 4.7 Advanced manufacturing employers in Cumbria report difficulties recruiting into the following roles:
- Electrical trades;
 - High level technical positions;
 - Control system engineers and technicians;
 - Graduate engineers (businesses report that attracting graduates is vital, especially with the national shortage of graduates with appropriate science/engineering degrees);
 - Associate professionals.
- 4.8 Employers also cite a series of skills gaps/issues within their existing workforce. Note that based on data from the 2013 UK Employer Skills Survey, a slightly above average proportion of employers in the sector in Cumbria provide formal training opportunities for their staff than is the case nationally:
- Process skills;
 - Quality and safety management;
 - Business improvement techniques and lean manufacturing;
 - Occupational health;
 - Procurement and supply chain skills.
- 4.9 In terms of capital investment, work has begun on a new multi-million-pound Advanced Manufacturing Technology Centre at Furness College in Barrow. Supported by a £1.2m Local Growth Fund grant and funding from the HEFCE Catalyst Fund, the centre will host engineering and advanced manufacturing research, rapid prototyping and high voltage test laboratories. It will also provide a realistic scenario-based learning environment for those completing science, technology and engineering-related apprenticeships at some of the area's biggest employers.
- 4.10 A £1m investment is being made in an Advanced Manufacturing Centre at Carlisle College to upgrade engineering facilities and create a full scale food production line. The investment, supported by the Local Growth Fund, is a key part of plans to deliver the apprenticeship trailblazer in food and drink manufacturing and should be completed by late 2017.

5 VIBRANT RURAL AND VISITOR ECONOMY

“In 2012, Cumbria had over 5m overnight visitors and as many as 33m day trippers.” Cumbria Strategic Economic Plan

Overview

- 5.1 Cumbria is a predominantly rural county and has some of the most sparsely populated areas in the country. The Office for National Statistics classifies four of its districts – Allerdale, Copeland, Eden and South Lakeland – as ‘predominantly rural’ while Barrow-in-Furness and Carlisle are classified as ‘urban with significant rural areas’. So whilst Cumbria’s rural economy may be most readily associated with the tourism and land based industries, in reality it is far broader and encapsulates all industry sectors and the majority of the working age population.
- 5.2 Cumbria is nonetheless renowned for its world class landscape and environment. The Lake District National Park attracts millions of visitors each year and is widely recognised as one of the most scenic areas of England. The west of the county has a stunning coastline that presents opportunities for economic growth. The north of the county hosts a significant part of Hadrian’s Wall and the historic city of Carlisle. With forecasts for the tourism sector to grow nationally by 4% p.a. through to 2025, Cumbria’s rural economy needs to be promoted as an asset for growth.
- 5.3 The quality of the landscape is also a key driver behind people choosing to live and work in Cumbria and a key selling point for many of the products and services it supplies. Protecting the quality of the environment is therefore vital to the success of many local businesses.
- 5.4 Land-based activities, including agriculture, forestry, horticulture and recreational activities, are very important to the Cumbrian economy, although over the past ten years the numbers involved in farming have steadily declined. There are marked variations in average incomes across different types of farming, with the livestock farming that typifies much of Cumbria (particular in upland areas) noted for its relatively low incomes. As a consequence, many Cumbrian farms have relied on direct payments from the Common Agricultural Policy to sustain their businesses.
- 5.5 Encouragingly, rural businesses and organisations in Cumbria are set to benefit from over £5 million LEADER funding over the next five years. The funding is expected to create up to 200 jobs in rural areas of the county and will be available to support the rural economy with a particular focus on increasing farm productivity, developing micro and small enterprises and farm diversification, rural tourism, rural services, cultural and heritage activity and increasing forestry productivity.

Skills

- 5.6 The multi-sectoral nature of Cumbria's rural economy means that a significant proportion of the replacement demand that is forecast for the next five years and beyond will exist in a rural context. In addition to the county-wide volume issue that surrounds replacement demand, the geographic dispersal of the business base also introduces further challenges around travel to work and travel to learn, for example.
- 5.7 In terms of sectors that are distinctly or traditionally rural, agricultural employers cite the challenge of an ageing workforce and the difficulties they face in attracting young people to work in their industry (although they also note the quality of the provision being delivered at Newton Rigg College). They feel that information, advice and guidance in many skills providers does not accurately convey the full range of opportunities in the sector, although the barriers of pay, working hours and a lack of affordable housing in some rural areas also play a significant part in the shortage of new entrants.
- 5.8 Turning to how training is delivered and the unit cost of delivery, agricultural businesses are keen to stress that traditional delivery models for workforce training tend to result in low levels of take-up. For employers in the agricultural sector to participate, training typically needs to take place very near to their farms/places of work, be structured around short sessions that minimise time away from the workplace and be readily affordable. Agricultural employers are more likely to participate if the training focuses initially on practical/technical disciplines rather than management or business skills. Once they have engaged with the technical/practical training they are more likely to consider other topics such as those related to management.
- 5.9 In the visitor economy, business of all sizes find it very difficult to recruit and retain good quality kitchen staff, front-of-house staff and, in particular, chefs (the UKCES estimates that more than 40% of all vacancies for skilled posts in the hotels and restaurants sector are for chefs). Influencing this, and affecting recruitment and retention in the sector more widely, are the following issues:
- Wages in the visitor economy are below average. Weekend and evening work is common to many roles and whilst there are evidently numerous career paths that can lead to considerable financial rewards, the entry level salaries are, in many cases, at the minimum wage.
 - Employers (especially smaller employers) can find it difficult and time consuming to recruit staff through formal channels in sufficient volume for their peak season, turning instead to informal networks and cash-in-hand offers.
 - Young people are reported to lack meaningful information about the many and varied career opportunities in the sector and it is said to have little credibility with schools and parents.
 - Difficulties in finding suitable candidates for apprenticeship vacancies. While many visitor economy employers need apprentices to help address the issue of

an ageing workforce, few receive enough applications from young people with the skills and attributes they require.

- 5.10 Employers in the visitor economy also highlight the need for an effective public transport network which enables the hospitality workforce, in particular, to travel to and from work affordably and at the right times. The rising cost of public transport and the withdrawal of services are felt by many to be having an adverse impact.

6 STRATEGIC CONNECTIVITY

“GVA in logistics is forecast to grow by 16% over the next 10 years.”
Cumbria Strategic Economic Plan

Overview

- 6.1 In the UK and Eire context, North Cumbria is at the geographical centre for distribution and redistribution and has ample land in key locations to increase storage and warehousing facilities. Logistics and agri-related businesses are thriving along the M6, with Carlisle hosting Eddie Stobart, an iconic brand and a leader in the logistics and distribution sector. Other leading businesses include the H&H Auction Mart at Rosehill (the largest mart in England), AW Jenkinson in Penrith (a national distributor of timber products) and Houghton Parkhouse in South Lakeland (a leading agricultural haulage manufacturer).
- 6.2 The M6 provides the strategic route through the county with the connections via the A66 and A590 to the industrial areas in West Cumbria and the Furness peninsula. The recently completed Carlisle Northern Development Route improves the road connectivity to West Cumbria from the north. Although there is good rail connectivity within the county, more needs to be done to improve our infrastructure assets to ensure access to global markets.
- 6.3 At Carlisle Airport, a £12 million, 26 acre air freight distribution centre was completed in September 2015 having been purpose-built to house key customers of the Stobart Group. The company hopes to complete a second phase of development – the construction of a £1.5 million anaerobic digester renewable energy plant on a piece of woodland to the west of the site – by 2018.
- 6.4 The proposed new nuclear power station at Moorside provides the opportunity to make better use of the Cumbria coastal railway for both transportation of goods and people, along with using Workington’s port facilities for the import of raw materials for the construction process.

Skills

- 6.5 Employers in the sector point to the following skills challenges:
- A shortage of qualified applicants for vacancies, especially HGV drivers, mechanics and warehouse staff. Of these, a lack of HGV drivers presents the most significant issue and has led some employers to downsize, despite ongoing customer demand.
 - The sector being ineffective at promoting itself and creating a positive and attractive profile for young people. This is compounded by an ageing population and an ageing workforce in the county.

- Skills gaps amongst the current workforce in warehouse management and distribution.
- 6.6 A number of factors affect the current skills levels of the logistics workforce which, overall, is less well qualified than the all-sector average for the county. These include a large number of the roles being at a Level 2 grade, yet key qualifications, such as vocational licences, considered to be Level 2, are not included in formal accreditation frameworks. Furthermore, the ageing profile of employees, especially those that have worked in the sector all their working lives, can mean they see little tangible benefit from gaining higher qualifications.

7 PRIORITIES FOR REVENUE INVESTMENT

Overview

7.1 The LEP's priorities for revenue investments in the skills system between 2016 and 2020 are structured under four thematic headings:

1. Future Skills, Careers and Enterprise.
2. Developing the Skills of the Existing Workforce.
3. Addressing Unemployment and Underemployment.
4. Advanced and Higher Level Skills for the Local Economy.

7.2 Within each of the above are specific aims, informed by labour market information and direct input from employers and skills providers. Each aim has one or more proposed actions, presented on the following pages.

Principles of Delivery

7.3 **Employer Panels** will be established to identify and articulate the skills and workforce development needs affecting key sectors in Cumbria. Once in place, the panels will be a vehicle for regular and structured dialogue between the employer base, skills providers and the Employment and Skills Commission. Combined with existing economic intelligence, e.g. from the Cumbria Intelligence Observatory, they will help to ensure that provision effectively meets emerging skills needs and that the county has a responsive skills system. It is recommended that the panels be established for:

- Nuclear
- Advanced manufacturing
- Transport and logistics
- Visitor economy
- Land based and agri-services
- Construction⁸
- Health and social care⁹

7.4 **Embedding the Employer as Purchaser:** employers will be supported to accurately identify their skills needs and to access the most appropriate provision to meet those needs.

⁸ Construction is not identified as a priority sector in the SEP, but is included here due to the national labour shortage and because an adequate supply of construction labour will be integral to the delivery of Cumbria's major infrastructure projects.

⁹ Health and social care will become a more prominent sector in employment terms due to the county's ageing population. The sector already faces recruitment difficulties, suffers from a negative image and has very high levels of turnover.

- 7.5 **A Collaborative Provider Partnership** will work together to respond to employer need. The Partnership will recognise and exploit provider-level specialisms to ensure the most appropriate solutions to skills challenges across the county. There are numerous models by which this partnership could operate, including the creation of a formal entity. Consultation with employers and providers, and an assessment of national best practice, will help to identify and establish an effective model.
- 7.6 **The Employment and Skills Commission** will consider options for simplifying the interface between the skills system and employers (especially SMEs) who say they find it time consuming and complicated to identify and understand the support available for workforce development. The Employment and Skills Commission will also facilitate a discussion between the Employer Panels and the Collaborative Provider Partnership to explore options for a co-ordinated programme of industry placements for provider staff and provider placements for industry staff.

FUTURE SKILLS, CAREERS AND ENTERPRISE

Aim 1: Ensure that all young people aged 16-19 in Cumbria are entitled to an appropriate range of post-compulsory education choices.

Rationale: Through Area Reviews, the Government aims to have a sustainable, resilient FE sector and to ensure that the right balance of provision exists, including the capacity to deliver 3 million apprenticeships by 2020. The intention is that Area Reviews will support collaboration and strengthen local partnerships, including through the creation of local outcome agreements, and will encourage stronger local influence ahead of future devolution of adult skills provision. In advance of Cumbria’s Area Review beginning in April 2016, it is therefore appropriate for skills providers and stakeholders to work together to identify and agree an appropriate range of post-16 education options that should be available to young people in the county.

Action: To inform the Area Review process in Cumbria, develop a proposition for a ‘16-19 entitlement’ which stipulates the range of academic (i.e. A-level), vocational and apprenticeship options (employer demand permitting) to which young people in the county should have access.

Public Funding: Education Funding Agency.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	X
Working age population qualified to Level 4 or above	
20% increase in the number of apprenticeship starts	X
Proportion of businesses in Cumbria reporting skills gaps	
Employment rate	

FUTURE SKILLS, CAREERS AND ENTERPRISE

Aim 2: Increase the number of apprenticeships in Cumbria by 20% by 2020.

Rationale: Cumbria has one of the highest rates of apprenticeship participation in the country and above average success rates. The foundations on which to stimulate further apprenticeship activity are therefore strong, but intervention is needed to help more small businesses become involved, to address misconceptions about the value of apprenticeships and to remove the issue, evident in some parts of the county, of there being an insufficient supply of candidates with the skills and aptitudes that employers require.

Action: Engage large employers in driving growth in apprenticeships, e.g. by becoming advocates of apprenticeships, Apprenticeship Ambassadors, leading business events on apprenticeships and participating in local and national campaigns.

Action: Support smaller businesses not currently engaged in apprenticeships to become involved, e.g. through the introduction of Apprenticeship Training Agency and/or Apprenticeship Hub models where they do not currently exist.

Action: As an exemplar for similar activity elsewhere in the county, secure a contractual agreement with the lead developer on the Moorside development stipulating the number of apprenticeship places, including those at Higher and Degree level, which will be made available to local residents. Seek agreement to embed those expectations within the supply chain contracts for the Moorside development.

Action: Accelerate Higher and Degree Apprenticeship take-up through: a) promotional activity to increase employers' awareness; b) the aforementioned contractual agreement with the Moorside developer; and c) incorporating Higher and Degree Apprenticeship planning assumptions into Cumbria's Area Review.

Public Funding: Demand led and subject to further clarification of Government policy on the Apprenticeship Levy.

Contribution to Targets			
Working age population qualified to Level 2 or above		20% increase in the number of apprenticeship starts	X
19-year-olds qualified to Level 3 or above	X	Proportion of businesses in Cumbria reporting skills gaps	
Working age population qualified to Level 4 or above		Employment rate	

FUTURE SKILLS, CAREERS AND ENTERPRISE

Aim 3: A coherent and complementary careers advice and enterprise education offer in all areas of the county.

Rationale: A great deal of work is taking place in Cumbria with the aim of improving the careers guidance and embedding enterprise education within the curriculum. But this work is currently fragmented, varies in scale and quality and good practice has not yet been rolled out across the county. There is considerable enthusiasm from both employers and skills providers to strengthen links, to increase employers' involvement and influence in careers advice and to ensure that schools and other skills providers have access to accurate and up to date information about the scale, type and timing of job opportunities in different sectors.

Action: County-wide careers and enterprise co-ordination to align and synergise the work of Enterprise Advisors, the Careers and Enterprise Company, the Cumbria Careers and Enterprise Education Group, the National Careers Service and others active in the county.

Action: A co-ordinated communications and marketing effort aimed at addressing outdated and inaccurate perceptions of apprenticeships amongst parents, schools and businesses.

Action: As an exemplar for similar activity elsewhere in the county, secure a contractual agreement with the lead developer on the Moorside nuclear new build project stipulating the number of work experience placements that will be offered per year to local schools/skills providers.

Public Funding: To be confirmed.

Contribution to Targets	
Working age population qualified to Level 2 or above	
19-year-olds qualified to Level 3 or above	
Working age population qualified to Level 4 or above	
20% increase in the number of apprenticeship starts	X
Proportion of businesses in Cumbria reporting skills gaps	X
Employment rate	X

DEVELOPING THE SKILLS OF THE EXISTING WORKFORCE

Aim 1: Address sector specific skills gaps within the existing workforce in Cumbria.

Rationale: A below average proportion of employers in Cumbria provide formal training opportunities for their staff, yet the majority recognise the need to upskill to remain competitive. Alongside this, the current skills profile of the working age population suggests that the county is not well placed to respond to the replacement demand challenge (less than a third of Cumbria’s current working age population is qualified to Level 4, but more than 40% of vacancies expected through replacement demand over the next five years will be at Level 4 or above). Specific skills gaps affecting employers in Cumbria have also been identified in advanced manufacturing and engineering, transportation and logistics, construction, agriculture, and health and social care. These are summarised below¹⁰:

Skills Gaps and Issues by Sector	
Advanced Manufacturing	<ul style="list-style-type: none"> - Process skills - Quality and safety management - Business improvement techniques and lean manufacturing - Occupational health - Procurement and supply chain skills
Transportation and Logistics	<ul style="list-style-type: none"> - Warehousing - Distribution
Agriculture	<ul style="list-style-type: none"> - Various technical skills, e.g. spraying and chainsaw use - Adopting new business processes and approaches
Engineering	<ul style="list-style-type: none"> - Skills gaps/issues are reported across the majority of engineering roles, giving rise to concerns over progression and the ability to replace an ageing workforce.
Health and Social Care	<ul style="list-style-type: none"> - Skills gaps in this sector are twice the all-sector average and attrition is high. Employers say it is often difficult to provide structured training beyond induction, statutory and role-critical skills.
Construction	<ul style="list-style-type: none"> - A below average proportion of construction employers currently provide training yet the majority have identified the need to upskill.
Source: YCL	

¹⁰ Reflecting the priorities in the SEP and future workforce projections, these are the sectors on which the primary research with employers undertaken for the Skills Investment Plan was largely focused. Skills gaps will also be present in other sectors in the Cumbrian economy.

Action: A cross-county programme of targeted training activity, focusing on known skills gaps and others identified through the Employer Panels. Priority will be given to those sectors facing the highest levels of new and replacement demand over the next five years.

Public Funding: European Social Fund, Adult Education Budget, Education Funding Agency.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	
Working age population qualified to Level 4 or above	X
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	X
Employment rate	

DEVELOPING THE SKILLS OF THE EXISTING WORKFORCE

Aim 2: Address cross-sectoral skills needs within the existing workforce in Cumbria.

Rationale: Alongside sector specific skills gaps (Aim 1), employers have identified a series of more generic or ‘enabling skills’ where gaps exist and are limiting the performance and growth potential of their businesses. These include:

- **Leadership and management:** from team leading and line management skills for those new to the roles, through to strategic business management skills.
- **Project and programme management:** considerable competition exists in the labour market for skilled project and programme managers, with SMEs in particular often struggling to recruit. Structured training can help businesses to grow their own.
- **Customer service skills** are amongst the most frequently cited skills gaps by employers in Cumbria. They report that expectations of customer service across the economy as a whole have risen considerably in recent years and continue to do so.
- **English, maths and ICT skills for sustained employment:** employers report that staff progression is affected and attrition is higher where members of their workforce have low skills levels in English, maths and/or ICT.

Action: A cross-county programme of targeted training activities, focused on the above skills gaps and other cross-sectoral issues identified through the Employer Panels. Priority will be given to those sectors facing the highest levels of replacement demand over the next five years.

Public Funding: Public Funding: European Social Fund, Adult Education Budget, Education Funding Agency.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	
Working age population qualified to Level 4 or above	X
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	X
Employment rate	

DEVELOPING THE SKILLS OF THE EXISTING WORKFORCE

Aim 3: Develop a more detailed understanding of workforce needs within key sectors and individual employers to enable the design and delivery of tailored skills solutions.

Rationale: The effectiveness and impact of workforce development activities can be maximised by providing appropriate support to individual employers (where they need it) to accurately identify their skills needs. At more of a macro level, it is a complex exercise to accurately identify workforce requirements for transformational programmes of investment and to do so at occupation level, to quantify recruitment and training requirements and to design solutions that derive maximum employment benefits for local residents. Significant progress has been made in Cumbria over the past 12 months, but more work is needed to understand the requirements and to ensure the most appropriate and locally beneficial responses.

Action: A programme of more detailed scope confirmation activity, concentrating initially on major programmes of investment where concerns exist over labour supply. The work will result in the identification of single viable option solutions (revenue and capital) against specific employment pinch points.

Action: A programme of support to help employers accurately identify their skills needs and to access the most appropriate provision to meet those needs.

Public Funding: ESF (amount tbc)

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	X
Working age population qualified to Level 4 or above	X
20% increase in the number of apprenticeship starts	X
Proportion of businesses in Cumbria reporting skills gaps	X
Employment rate	X

The proposed work will not in itself make direct contributions to the targets, but the revenue and capital projects that are taken forward as a result could be relevant, and make a contribution, to all of them.

DEVELOPING THE SKILLS OF THE EXISTING WORKFORCE

Aim 4: Support SMEs who lose staff to major infrastructure schemes, e.g. the nuclear new build programme at Moorside, to access training to assist with back-filling.

Rationale: It is inevitable that some SMEs, and in particular those in the west of the county, will lose staff when employment opportunities become available on the Moorside development and other infrastructure schemes. This will exacerbate an existing problem that is particularly relevant to engineering and project management roles. Given the recruitment challenges already faced in the county and the high levels of replacement demand that are forecast, it is important that support exists such that those employers that are affected can train existing staff and/or new recruits to backfill positions that have been vacated.

Action: A programme of workforce development support aimed at SMEs affected by staff attrition to major infrastructure schemes.

Public Funding: Informed by demand.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	X
Working age population qualified to Level 4 or above	X
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	X
Employment rate	

ADDRESSING UNEMPLOYMENT AND UNDEREMPLOYMENT

Aim 1: Support employers to recruit from Cumbria’s cohort of unemployed residents.

Rationale: Unemployment and economic inactivity in Cumbria is above average in Barrow-in-Furness (the location of BAE) and Copeland (the location of both Sellafield and the proposed nuclear new build at Moorside) and there are also concentrations elsewhere in the county. Previous employer-led work academies have worked well and provide a blueprint to help those currently out of work to gain employment locally.

Action: A programme of employer-led work academies focused on replacement demand and building on established models of effective practice. The academies will guarantee a job interview for all participants who complete the scheme. They will be open to all claimants but experience shows they are primarily used by the JSA/UC client group as their barriers to moving into work are generally considered less complex.

Action: As an exemplar for similar activity elsewhere in the county, secure a contractual agreement with the lead developer on the Moorside nuclear new build project stipulating the number of previously unemployed residents that will be recruited through employer-led work academies.

Public Funding: Adult Education Budget, DWP, ESF.

Contribution to Targets	
Working age population qualified to Level 2 or above	
19-year-olds qualified to Level 3 or above	
Working age population qualified to Level 4 or above	
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	
Employment rate	X

ADDRESSING UNEMPLOYMENT AND UNDEREMPLOYMENT

Aim 2: Support those that are unemployed and underemployed in Cumbria to obtain skills in literacy, numeracy and ICT that enable them to progress, including to qualifications at Levels 2 and 3.

Rationale: a lack of core skills in literacy, numeracy and ICT can be a significant barrier preventing residents from securing employment (including in growth sectors such as nuclear), moving out of underemployment and off state benefits, and progressing once in work. DWP estimates that in Cumbria, 10% of all benefit claimants require support with basic skills to move them closer to the labour market.

Action: A literacy, numeracy and ICT improvement programme to develop the core skills needed for sustained employment and progression. Priorities for support will include unemployed residents and those in work but claiming state benefits with no formal qualifications in English, maths and/or ICT.

Public Funding: Adult Education Budget.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	
Working age population qualified to Level 4 or above	
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	
Employment rate	X

ADDRESSING UNEMPLOYMENT AND UNDEREMPLOYMENT

Aim 3: Support adults in Cumbria that are qualified below Level 2 to achieve a first full Level 2 qualification.

Rationale: An estimated 79,000 adults of working age in Cumbria are not qualified to Level 2, which in many industries and occupations is the benchmark for sustained employment. Supporting people to achieve qualifications at this level can not only improve the skills profile of Cumbria as a whole but can help those that are unemployed/underemployed to take advantage of emerging employment opportunities.

Action: A Level 2 qualification programme targeted at unemployed residents and those in work but claiming state benefits that are qualified to Level 1 and below. The qualifications supported will be aligned with those in demand from employers, including employers involved in the nuclear new build programme.

Public Funding: Adult Education Budget.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	
Working age population qualified to Level 4 or above	
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	
Employment rate	X

ADDRESSING UNEMPLOYMENT AND UNDEREMPLOYMENT

Aim 4: Ensure that appropriate, responsive support is available to residents in Cumbria affected by redundancy and economic restructuring, as well as those wishing to re-skill to gain employment.

Rationale: Redundancies and economic restructuring will inevitably occur in Cumbria over the next five years, alongside which there will be a cohort of people not currently in work (e.g. who are looking after family) who wish to re-enter the labour market but who need to refresh or update their skills in order to do so. Cumbria also has an above average proportion of ex-service personnel resettling and seeking employment. Given the population challenge facing the county, it is important that appropriate support is available to help as many of these people as possible to overcome barriers and develop the skills needed to secure employment in Cumbria.

Action: A subsidised programme of re-skilling support to help people secure employment in different occupations, roles or sectors within Cumbria, or to set up their own business, thus reducing skills leakage and outward migration.

Public Funding: ESF, Adult Education Budget.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	X
Working age population qualified to Level 4 or above	X
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	X
Employment rate	X

ADDRESSING UNEMPLOYMENT AND UNDEREMPLOYMENT

Aim 5: Promote and support learning as a pathway out of economic inactivity.

Rationale: Over 9,000 people in Cumbria who are claiming working age benefits have done so for at least three out of the past four years, with a particularly high concentration in Copeland. Some of these residents can lack the confidence to engage in formal programmes of learning. For these individuals, community learning provision can provide an extremely valuable route into education and skills development and, ultimately, into employment.

Action: Ensure that sufficient community learning provision, aligned with local employment opportunities and promoting digital literacy, is available in those wards in Cumbria that have the highest concentrations of residents that are furthest from the labour market.

Public Funding: Adult Education Budget.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	
Working age population qualified to Level 4 or above	
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	
Employment rate	X

ADVANCED AND HIGHER LEVEL SKILLS FOR THE LOCAL ECONOMY

Aim 1: Grow the advanced and higher level skills base through a combination of activities that will improve the county’s ability to respond to the significant forthcoming increase in demand for skills at these levels.

Rationale: Replacement demand projections and the transition nationally to a higher skilled economy both emphasise the need for higher proportions of the Cumbrian working age population to be qualified to Levels 3, 4 and above. Current projections show that the county has too few people with advanced and higher level skills compared with the proportion of employment opportunities that will exist at these levels.

Action: Collaborative working across the skills provider network to ensure a curriculum offer that supports individuals’ learning choices at Levels 3, 4 and above.

Action: Re-skilling support, specifically at Levels 3, 4 and above, to help people secure employment in different occupations, roles or sectors within Cumbria, or to set up their own business.

Action: Accelerate take-up of Higher and Degree Apprenticeship and other employer-led higher level provision through: a) promotional activity to increase employers’ awareness; b) the aforementioned contractual agreement with the Moorside developer; and c) incorporating Higher and Degree Apprenticeship planning assumptions into Cumbria’s Area Review.

Action: Within programmes of work to stimulate inward migration to the county, raise awareness of the opportunities that exist in Cumbria for ambitious and aspirational graduates, especially those with the skills needed to develop a STEM related career.

Action: A consortium-led science and innovation audit across Cumbria, identifying strengths and opportunities in the research and innovation skills system.

Public Funding: FE and HE loans (as influenced by demand) and ESF (amount tbc).

Contribution to Targets			
Working age population qualified to Level 2 or above		20% increase in the number of apprenticeship starts	X
19-year-olds qualified to Level 3 or above	X	Proportion of businesses in Cumbria reporting skills gaps	X
Working age population qualified to Level 4 or above	X	Employment rate	X

8 PRIORITIES FOR CAPITAL INVESTMENT

Overview

- 8.1 In recent years, a series of strategic investments have been made in the estates and facilities of Cumbria's skills system. These investments have enabled provision to become more industry relevant in sectors that are key to our economy and have greatly enhanced the learner experience. Examples include:
- Advanced Manufacturing and Technology Centre at Furness College in response to increased demand for higher level technical and professional skills.
 - Advanced Manufacturing Centre at Carlisle College to upgrade engineering facilities and create a full scale food production line.
 - Cumbria Skills Capital Programme, including smaller scale, important upgrades across the skills system.
- 8.2 Research undertaken for this plan has identified emerging priorities for further capital investments. These respond to recognised capacity issues and skills shortages and will help local residents to take advantage of new employment opportunities. There are three such priorities, each of which is outlined on the pages that follow.
- 8.3 The research has also identified a pipeline of other potential capital projects. These require further work around scale, scope and demand, but over time may become strong candidates for investment. In this plan they have been captured under the heading of 'Pipeline Capital Fund'.
- 8.4 Prior to approval, all potential capital investments will be subject to a detailed business case and appraisal process.

CONSTRUCTION FOR MAJOR INFRASTRUCTURE PROJECTS

Issue: The construction phase at Moorside, and on other major infrastructure projects, will generate a significant increase in demand for engineering construction trades. Current facilities in the county offering provision relevant to these trades are largely full and only limited capacity would exist to expand delivery for local residents. The construction sector is also facing a national shortage of skilled labour, with the Royal Institution of Chartered Surveyors suggesting that skills shortages are now more severe than at any point in the past 20 years. It may therefore be difficult to recruit all of the construction workforce from outside Cumbria, especially given the likelihood of the Moorside and Hinkley Point “C” construction phases overlapping.

Response: Expand civil engineering construction training capacity to respond to the forthcoming demands of major infrastructure projects. Consider investing at more than one site due to the volume of training requirements, the location of infrastructure projects and travel to learn limitations. Focus should be placed on apprenticeships, work with major contractors (ensuring that the benefits are realised down their supply chain) and on ensuring that new facilities are equipped for the delivery of higher level skills training.

New Facility or Upgrade: New

Estimated Cost: £6m

Expected LEP Contribution: 35%

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	X
Working age population qualified to Level 4 or above	X
20% increase in the number of apprenticeship starts	X
Proportion of businesses in Cumbria reporting skills gaps	
Employment rate	X

NUCLEAR OPERATIONS

Issue: The Moorside new build programme and other ongoing operations in the nuclear sector will generate a significant increase in demand for nuclear operations and commissioning staff and nuclear operations training activity. The current training infrastructure for nuclear operations lacks the capacity to respond to this increase and is not equipped with up-to-date facilities that mimic operations at a new build plant.

Response: Invest in indoor flexible training facilities to enable the delivery of up-to-date nuclear operations training for the wider industry on the scale required by the new build programme and other nuclear operators. The facilities will simulate human factors and process operations for nuclear process, decommissioning and reactor and power plant operations.

New Facility or Upgrade: Upgrade

Estimated Cost: £2m

Expected LEP Contribution: 35%

Contribution to Targets	
Working age population qualified to Level 2 or above	
19-year-olds qualified to Level 3 or above	
Working age population qualified to Level 4 or above	
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	
Employment rate	X

VISITOR ECONOMY

Issue: Visitor economy employers across the county consistently report significant challenges in recruiting and retaining chefs, other kitchen staff and various hospitality related roles. This mirrors a national issue, where it is estimated that 11,000 more chefs will be needed by 2020 and has seen the Recruitment and Employment Confederation reporting a “dire shortage of both temporary and permanent staff”. Business growth and the customer experience is being affected by this and current facilities in Cumbria do not currently provide a best-in-class hospitality training experience. It would help the evolution and success of the hospitality sector for the food experience in Cumbria to remain outstanding and for the sector to have access to the latest energy saving methods (which can reduce business running costs), techniques and equipment.

Response: Invest in a commercially focussed, single high technology hospitality and catering offer which can help inform business on energy saving equipment and demonstrate how the sector can provide excellent working conditions and respond to increasing demands and expectations from both the workforce and owner/managers. The facility would also allow food manufacturers the opportunity to ‘live test’ their products and could act as a regional exemplar and centre for head chefs and their staff to access.

New Facility or Upgrade: Upgrade.

Estimated Cost: £850k to £1m

Expected LEP Contribution: 50%

Contribution to Targets	
Working age population qualified to Level 2 or above	
19-year-olds qualified to Level 3 or above	X
Working age population qualified to Level 4 or above	X
20% increase in the number of apprenticeship starts	
Proportion of businesses in Cumbria reporting skills gaps	X
Employment rate	

PIPELINE CAPITAL FUND

Issue: Whilst recent investments have strengthened the alignment between provision and employer need, current facilities do not enable industry relevant provision or offer expansion capacity in all areas. In response, this research has identified a pipeline of potential investments that require further specification but which may prove to have a very strong case. They include facilities to enable the production of final components in advanced manufacturing, investments to improve provision in bio-pharmaceutical production and bio processing, and the expansion and improvement of warehouse management and logistics training facilities. Additional apprenticeship training facilities may be necessary to support Moorside and the current Higher Education STEM offer also remains limited, despite the importance (current and future) of higher level STEM skills to the county’s prosperity.

Response: To help skills providers support the ongoing development of key sectors within Cumbria, the LEP will establish a Pipeline Capital Fund to unlock investment in the development of new/upgraded facilities and equipment that can demonstrate a strong alignment with industry developments and employer need.

New build or upgrade of existing facilities: Both

Estimated Cost: Subject to confirmation of capital funding.

Expected LEP Contribution: To be determined on a case by case basis.

Contribution to Targets	
Working age population qualified to Level 2 or above	X
19-year-olds qualified to Level 3 or above	X
Working age population qualified to Level 4 or above	X
20% increase in the number of apprenticeship starts	X
Proportion of businesses in Cumbria reporting skills gaps	X
Employment rate	X

APPENDIX A: SUMMARY OF PRIORITIES FOR REVENUE INVESTMENT

THEME: FUTURE SKILLS, CAREERS AND ENTERPRISE	Nuclear & Energy Excellence	Advanced Manufact. Growth	Vibrant Rural and Visitor Economy	Strategic Connectivity
Aim 1: Ensure that all young people aged 16-19 in Cumbria are entitled to an appropriate range of post-compulsory education choices				
Action: To inform the Area Review process in Cumbria, develop a proposition for a '16-19 entitlement' which stipulates the range of academic (i.e. A-level), vocational and apprenticeship options to which young people in the county should have access.	X	X	X	X
Aim 2: Increase the number of apprenticeships in Cumbria by 20% by 2020				
Action: Engage large employers in driving growth in apprenticeships, e.g. by becoming advocates of apprenticeships, Apprenticeship Ambassadors, leading business events on apprenticeships and participating in local and national campaigns.	X	X	X	X
Action: Support smaller businesses not currently engaged in apprenticeships to become involved, e.g. through the introduction of Apprenticeship Training Agency and/or Apprenticeship Hub models where they do not currently exist.	X	X	X	X
Action: As an exemplar for similar activity elsewhere in the county, secure a contractual agreement with the lead developer on the Moorside development stipulating the number of apprenticeship places, including those at Higher and Degree level, which will be made available to local residents.	X			
Action: Accelerate Higher and Degree Apprenticeship take-up through: a) promotional activity to increase employers' awareness; b) the aforementioned contractual agreement with the Moorside developer; and c) incorporating Higher and Degree Apprenticeship planning assumptions into Cumbria's Area Review.	X	X	X	X
Aim 3: A coherent and complementary careers advice and enterprise education offer in all areas of the county.				
Action: County-wide careers and enterprise co-ordination to align and synergise the work of Enterprise Advisors, the Careers and Enterprise Company, the Cumbria Careers and Enterprise Education Group, the National Careers Service and others active in the county.	X	X	X	X

Cumbria Local Enterprise Partnership Skills Investment Plan

THEME: FUTURE SKILLS, CAREERS AND ENTERPRISE	Nuclear & Energy Excellence	Advanced Manufact. Growth	Vibrant Rural and Visitor Economy	Strategic Connectivity
<p>Action: A co-ordinated communications and marketing effort aimed at addressing outdated or inaccurate perceptions about apprenticeships amongst parents, schools and businesses.</p>	X	X	X	X
<p>Action: As an exemplar for similar activity elsewhere in the county, secure a contractual agreement with the lead developer on the Moorside nuclear new build project stipulating the number of work experience placements that will be offered per year to local schools/skills providers.</p>	X			

Cumbria Local Enterprise Partnership Skills Investment Plan

THEME: DEVELOPING THE SKILLS OF THE EXISTING WORKFORCE	Nuclear & Energy Excellence	Advanced Manufact. Growth	Vibrant Rural and Visitor Economy	Strategic Connectivity
Aim 1: Address sector specific skills gaps within the existing workforce in Cumbria				
Action: A cross-county programme of targeted training activities, focusing on known skills gaps and others identified through the Employer Panels. Priority will be given to those sectors facing the highest levels of replacement demand over the next five years.	X	X	X	X
Aim 2: Address cross-sectoral skills needs within the existing workforce in Cumbria				
Action: A cross-county programme of targeted training activities, focused on cross-sector skills issues. Priority will be given to those sectors facing the highest levels of replacement demand over the next five years.	X	X	X	X
Aim 3: Develop a more detailed understanding of workforce needs within individual employers and key sectors, enabling the design and delivery of tailored skills solutions.				
Action: A programme of more detailed scope confirmation activity, concentrating initially on major programmes of investment where concerns exist over labour supply. The work will result in the identification of single viable option solutions (revenue and capital) against specific employment pinch points.	X			
Action: A programme of support to help employers accurately identify their skills needs and to access the most appropriate provision to meet those needs.	X	X	X	X
Aim 4: Support SMEs who lose staff to major infrastructure schemes, e.g. the nuclear new build programme at Moorside, to access training to assist with back-filling.				
Action: A programme of workforce development support aimed at SMEs affected by staff attrition to major infrastructure schemes.	X	X	X	X

Cumbria Local Enterprise Partnership Skills Investment Plan

THEME: ADDRESSING UNEMPLOYMENT AND UNDEREMPLOYMENT	Nuclear & Energy Excellence	Advanced Manufact. Growth	Vibrant Rural and Visitor Economy	Strategic Connectivity
Aim 1: Support employers to recruit from Cumbria’s cohort of unemployed residents.				
Action: A programme of employer-led work academies focused on replacement demand, building on established models of effective practice and guaranteeing a job interview for all participants who complete the scheme. Employer based work academies will be open to all claimants but experience shows they are primarily used by the JSA/UC client group as their barriers to moving into work are generally considered less complex.	X	X	X	X
Action: As an exemplar for similar activity elsewhere in the county, secure a contractual agreement with the lead developer on the Moorside nuclear new build project stipulating the number of previously unemployed residents that will be recruited through employer-led work academies.	X			
Aim 2: Support those that are unemployed and underemployed in Cumbria to obtain skills in literacy and numeracy and IT that enable them to progress, including to qualifications at Levels 2 and 3.				
Action: A literacy, numeracy and IT improvement programme to develop the core skills needed for sustained employment and progression. Priorities for support will include unemployed residents and those in work but claiming state benefits with no formal qualifications in English, maths and/or IT.	X	X	X	X
Aim 3: Support adults in Cumbria that are qualified below Level 2 to achieve a first full Level 2 qualification.				
Action: A Level 2 qualification programme targeted at unemployed residents and those in work but claiming state benefits that are qualified to Level 1 and below. The qualifications supported will be aligned with those in demand from employers, including employers involved in the nuclear new build programme.	X	X	X	X
Aim 4: Ensure that appropriate, responsive support is available to residents in Cumbria affected by redundancy and economic restructuring, as well as those wishing to re-skill to gain employment.				
Action: A subsidised programme of re-skilling support to help people secure employment in different occupations, roles or sectors within Cumbria, or to set up their own business, thus reducing skills leakage and outward migration.	X	X	X	X

Cumbria Local Enterprise Partnership Skills Investment Plan

THEME: ADDRESSING UNEMPLOYMENT AND UNDEREMPLOYMENT	Nuclear & Energy Excellence	Advanced Manufact. Growth	Vibrant Rural and Visitor Economy	Strategic Connectivity
Aim 5: Promote and support learning as a pathway out of economic inactivity.				
Action: Ensure that sufficient community learning provision, aligned with local employment opportunities and promoting digital literacy, is available in those wards in Cumbria that have the highest concentrations of residents that are furthest from the labour market.	X	X	X	X

Cumbria Local Enterprise Partnership Skills Investment Plan

THEME: ADVANCED AND HIGHER LEVEL SKILLS FOR THE LOCAL ECONOMY	Nuclear & Energy Excellence	Advanced Manufact. Growth	Vibrant Rural and Visitor Economy	Strategic Connectivity
Aim 1: Grow the advanced and higher level skills base through a combination of activities that will improve the county’s ability to respond to the significant forthcoming increase in demand for skills at these levels.				
Action: Collaborative working across the skills provider network to ensure a curriculum offer that supports individuals’ learning choices at Levels 3, 4 and above.	X	X	X	X
Action: Re-skilling support, specifically at Levels 3, 4 and above, to help people secure employment in different occupations, roles or sectors within Cumbria, or to set up their own business.	X	X	X	X
Action: Accelerate Higher and Degree Apprenticeship take-up through: a) promotional activity to increase employers’ awareness; b) the aforementioned contractual agreement with the Moorside developer; and c) incorporating Higher and Degree Apprenticeship planning assumptions into Cumbria’s Area Review ¹¹ .	X	X	X	X
Action: Within programmes of work to stimulate inward migration to the county, raise awareness of the opportunities that exist in Cumbria for ambitious and aspirational graduates, especially those with the skills needed to develop a STEM related career.	X	X	X	X
Action: Establish a consortium to take forward a science and innovation audit across Cumbria, identifying strengths and opportunities in the research and innovation skills system.	X	X		

¹¹ This action also features under Aim 2 of the Future Skills, Careers and Enterprise theme.

APPENDIX B: SUMMARY OF PRIORITIES FOR CAPITAL INVESTMENT

	Nuclear & Energy Excellence	Advanced Manufact. Growth	Vibrant Rural and Visitor Economy	Strategic Connectivity
CONSTRUCTION FOR MAJOR INFRASTRUCTURE PROJECTS				
Expand civil engineering construction training capacity to respond to the forthcoming demands of major infrastructure projects. Consider investing at more than one site due to the volume of training requirements, the location of infrastructure projects and travel to learn limitations. Focus should be placed on Apprenticeships, work with major contractors (ensuring that the benefits are realised down their supply chain) and on ensuring that new facilities are equipped for the delivery of higher level skills training.	X			
NUCLEAR OPERATIONS				
Invest in indoor flexible training facilities to enable the delivery of up-to-date nuclear operations training for the wider industry on the scale required by the new build programme and other nuclear operators. The facilities will simulate human factors and process operations for nuclear process, decommissioning and reactor and power plant operations.	X			
VISITOR ECONOMY				
Invest in a commercially 'green focussed' single high technology hospitality and catering offer which can help inform business on energy saving equipment and demonstrate how the sector can provide excellent working conditions and respond to increasing demands and expectations from both the workforce and owner/managers. The facility would also allow food manufacturers the opportunity to 'live test' their products and could act as a regional exemplar and centre for head chefs and their staff to access.			X	
PIPELINE CAPITAL FUND				
To help skills providers support the ongoing development of key sectors within Cumbria, the LEP will establish a Pipeline Capital Fund to unlock investment in the development of new/upgraded facilities and equipment that can demonstrate a strong alignment with industry developments and employer need.	X	X	X	X

