

Next Steps

Cumbria Rural Action Zone

Strategy



June 2002

Cumbria Rural Action Zone

‘Next Steps’ Strategy

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The production of the Cumbria Rural Action Zone ‘Next Steps’ Strategy has been overseen by the Cumbria Rural Action Zone Steering Group, which comprises of the following organisations:

Allerdale Borough Council

Barrow Borough Council

Carlisle City Council

Cumbria Chamber of Commerce

Cumbria County Council

Cumbria Learning and Skills Council

Cumbria Tourist Board

DEFRA Rural Development Service

Eden District Council

English Nature

Forestry Authority

Government Office for the North West

Lake District National Park Authority

National Farmers Union

National Trust

North West Development Agency

Small Business Service

South Lakeland District Council

Voluntary Action Cumbria

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1 Executive Summary

1.1 Introduction

This document outlines the 'Next Steps' Strategy towards the implementation of the Cumbria Rural Action Zone (RAZ) proposals that emerged from the considered response to the economic recovery of rural Cumbria, following the devastation caused by the Foot and Mouth disease (FMD) epidemic during 2001.

The Cumbria FMD Taskforce was established at an early point in the crisis in March 2001, and brought together all the key stakeholders in the County. It developed a medium to long-term strategy for recovery by seeking to generate new and sustainable relationships between the local economy and communities. The vision was:

To enable the rebuilding and development of a dynamic rural economy for Cumbria, which is financially, socially and environmentally sustainable.

'First Steps' was published in October 2001 and the concept of a Cumbria Rural Action Zone met with a favourable response from both Lord Haskins and Government Ministers. This encouraged the Taskforce to undertake more detailed work in early 2002, to develop a more coherent and ration strategy for rural recovery in Cumbria, based on the framework provided through the emergence of 'Rural Renaissance' the Regional Rural Recovery Plan for the North West promoted by the North West Development Agency. The outcome has been this 'Next Steps' Strategy, which has been subject to a major consultation exercise involving nearly 100 organisations and in excess of 250 individuals.

1.2 Needs and Opportunities

The impact of FMD on the rural economy has been evaluated in a series of studies undertaken through the Cumbria Economic Intelligence Partnership, which take account of the likely loss of farming, agriculture and tourism expenditure and subsequent multiplier effects on the local economy. This shows that Cumbria lost approximately £260m or 4% of the county's GDP in 2001, putting over 13,000 jobs at risk and 3,000 seasonal jobs were not created. These current impacts come on top of and exacerbate a number of longer-term trends, which have seriously undermined the economy of many rural areas. These trends reflect economic, social and environmental drivers as well as institutional changes. Some of these, such as the decline in agricultural income and employment are well documented. Others, including concealed unemployment and deprivation, are less obvious.

The creation of the Rural Action Zone has created a once in a lifetime opportunity to address the real needs of rural Cumbria by:

- ensuring that communities are better able to respond to and participate in regeneration opportunities;
- maximising existing resource use to develop a high quality environment stimulating biodiversity, woodland and forest resources;
- contributing to the national recovery of a farming industry, which provides a decent standard of living, good quality and affordable food and an improved environment;
- enabling an agricultural support industry, which retains wealth locally, promotes bio-security and leads to high quality Cumbrian produce;
- facilitating stronger branding for Cumbria, the place and its produce;
- regenerating a robust high quality tourism sector which helps to sustain the link between tourism and the landscape;
- developing infrastructure which meets the needs of today's businesses, visitors and residents; and
- developing skills through learning opportunities, which meet the needs of future generations.

1.3 Policy Context

The context of rural development has been subject to significant recent policy interventions. The current rural policy framework at national level is enshrined within the 2000-2006 England Rural Development Plan (ERDP), supplemented by the proposals contained within the 2000 Rural White Paper (RWP). Other structures of relevance include the UK Biodiversity Action Plan and Sustainability Plan, the England Forestry Strategy, the English Tourism Council Recovery Plan for Rural Tourism along with recent reports/strategies from the Countryside Agency, the Hills Task Force, the Better Regulation Task Force, the Association of National Park Authorities, and recent finding from the National Task Force and the Policy Commission on Farming and Food.

At a regional level, the relevant policy context includes the 'Rural Renaissance' the North West's Regional Rural Recovery Plan alongside the Regional Economic Strategy, the Regional Food Strategy, Regional Renewable Energy Strategy and Regional Planning Guidance. More locally the Cumbria Rural Development Programme (RDP), a variety of SRB programmes, the Market Towns initiative and the Rural Cumbria Economic Development Zone (EDZ) all provide the developing policy context for rural recovery in the county.

1.4 Aims and Objectives

In order to achieve the vision, a number of strategic aims were identified. These also remain loyal to the initial ambition of the 'First Steps' proposals and include:

- developing a diverse, dynamic, competitive rural economy for Cumbria, which is financially, socially and environmentally sustainable;
- improving the environmental quality of Cumbrian land and waters and for such quality be recognised both nationally and internationally;
- increasing opportunities for all who visit Cumbria to get enjoyment from the countryside, together with its related towns and villages, through improved access and facilities;
- creating integrated, responsive and appropriate services for the communities of rural Cumbria through working together; and
- sustaining the cultural landscapes of Cumbria, which are already, recognised both nationally and internationally for their visual and spiritual qualities.

To secure the set of specified aims, the 'Next Steps' Strategy promotes the development of an integrated package of initiatives tailored to the needs of Cumbria. In the first instance, all of the proposed interventions developed by the thematic groups have been mapped across to the set of eight strategic objectives (SO1-SO8) used in 'Rural Renaissance' the Regional Rural Recovery Plan for the North West. These are:

- SO1: Broadening the Economic Base of Rural Areas
- SO2: Renew and Strengthen Sustainable Recreation and Tourism
- SO3: Assisting in the restructuring of Agriculture
- SO4: Enhancing the Competitiveness of Primary Agriculture
- SO5: Rural Skills Development
- SO6: Development and Promotion of Countryside Products
- SO7: Sustaining the Rural Environment
- SO8: Delivering Social and Community Regeneration

1.5 Costs, Funding and Impacts

Overall it is estimated that the implementation of the 'Next Steps' Strategy over the five years 2002-2007 will cost in the region of £274 million, of which £245 million is anticipated as being made available through existing and emerging funding streams including £67 million from the NWDA. This means that at present there is a small funding gap of £29 million, which it is hoped, will be found once the programme starts to be implemented.

The projected economic impact of the Strategy has been formally examined using benchmark data where available and an economic model which takes account of additionally, displacement, supply chain and income multiplier effects. This indicates that in total over the five years 5,180 new jobs will be created as well as approximately 6,270 jobs safeguarded, many in the agricultural and tourism sectors. This will create an additional (GVA) income into rural Cumbria of £151million as well as safeguarding existing income of £180 million.

1.6 Delivery Arrangements

The Cumbrian partners believe that the tasks required to address the emerging rural development issues that have been identified through the Strategy and the implementation of those ideas through the Rural Action Zone are beyond the delivery capacity of the current policy infrastructure. It has been agreed that a separate Cumbria Rural Regeneration Company (RRC) be established, which will be an independent, not for profit regeneration company, limited by guarantee. The RRC will be a small, efficient and focussed delivery vehicle operating at arms length and will not be generally involved in the delivery of projects. This was endorsed by the Cumbria Strategic Partnership on 23 April, as was the establishment of a Rural Strategy sub group to oversee the work of the company. The Company will initially have a five-year lifespan through until 31 March 2007, but is more likely to remain in existence for up to ten years depending on the continuation of existing funding streams. The Company will be headed by a high profile Chief Executive experienced in 'getting things done' and supported by a dedicated team of new appointments and secondees. The Company will act as a 'one stop shop' for potential project delivery organisations and the Company will take primary responsibility for project development and implementation. Cumbria County Council has agreed to act as Accountable Body in overseeing the financial delivery of the Strategy. To do this the County Council is in the process of establishing a Regeneration Support Team, which in terms of the Rural Action Zone, will be responsible for developing quality assurance and compliance criteria, the issuing of grant offer letters on behalf of the RRC, the payment of grant and the financial monitoring of the programme. This will free up the Rural Regeneration Company to concentrate on implementing the Programme. A timetable for establishing the Company has been prepared and the intention is for the company to become operational on 1 October 2002.

2 Introduction

2.1 Overview

This document outlines the ‘Next Steps’ towards the implementation of the Cumbria Rural Action Zone (RAZ) proposals that emerged from the considered response of local stakeholders to the devastation caused by the Foot and Mouth Disease (FMD) epidemic during 2001.

Established at an early point in the crisis, the Cumbria FMD Task Force brought together all the key stakeholders in the county and set about (through the Regeneration Sub-Group) developing a collective voice and coordinated response to the crisis. This took the form of a medium to long-term strategy for recovery seeking to generate new sustainable relationships between the local economy, environment and community. The result of this activity was a set of proposals to establish the RAZ.

Outlined in October 2001 publication of ‘First Steps: A proposal for a Cumbria Rural Action Zone’, the proposals contained a series of objectives designed to guide development of the RAZ, namely that actions to be pursued should:

- ensure that communities are better able to respond to and participate in regeneration opportunities;
- maximise existing resource use to develop a high quality environment stimulating biodiversity, woodland and forest resources;
- contribute to the national recovery of a farming industry which provides a decent standard of living, good quality and affordable food and an improved environment;
- enable an agricultural support industry which retains wealth locally, promotes bio-security and leads to high quality Cumbrian produce;
- facilitate stronger branding for Cumbria, the place and its produce;
- regenerate a robust high quality tourism sector which helps to sustain the link between tourism and the landscape;
- develop infrastructure which meets the needs of today’s businesses, visitors and residents; and
- develop skills through learning opportunities which meet the needs of future generations.

These principles remain central to the development of this ‘Next Steps’ document which is designed to harness the vision of the ‘whole-system’ thinking outlined in the original set of proposals and which received recognition and support in both the Haskins report and subsequent Government response.

The fact that the FMD epidemic has finally subsided does not detract, in any way, from the original ambition of the RAZ or the need to address some of the fundamental weaknesses that combine to constrain the renewal and regeneration capacity of rural Cumbria. Since the onset of FMD, however, rural development issues have been accorded significant attention as well as increased scrutiny.

One notable outcome of this process has been the emergence of ‘Rural Renaissance’¹ the Action Plan sponsored by the North West Development Agency (NWD) on behalf of all rural partners in the Region. The Plan provides a framework within which coherent and integrated sub-regional activity can contribute to rural recovery in the wider region. Due attention is paid in the ‘Next Steps’ proposals to ensure that progression of the RAZ is consistent with the structures outlined in the regional plan and to demonstrate the intent and capacity of local partners to contribute to the spirit of communal and community renewal that has been engendered throughout the rural economy in the wake of FMD.

2.2 Objectives and Approach

The primary objective of the strategy document is to act as a platform from which partners can operate to attain the ambition of the original set of proposals within the context of a robust delivery structure that is not only consistent with the wider rural regeneration framework but which promotes enhanced integration and coordination with existing regeneration programmes in the county.

¹ Previously known as the ‘Regional Rural Recovery Plan’ (RRRP).

Like the 'First-Steps' document, 'Next Steps' is the outcome of a detailed consultation process consisting of consultation meetings, written submissions and an open all-day event². Development of the Plan has also been guided through a steering group tasked to oversee the evolution of proposals on behalf of the wider community of interest.

In much the same way as the RAZ concept was the product of partner and community cooperation, every element of the implementation proposals have been debated within the consultation process. This has not only included actions and activities but has also included detailed discussion on the nature of the delivery vehicle that is most likely to secure the ambition of the RAZ. The resulting plan is a true reflection of partner and community perspectives.

2.3 Rural Policy Context

The context of rural development has been subject to significant recent policy interventions. The current rural policy framework at national level is enshrined within the 2000-2006 England Rural Development Plan (ERDP), supplemented by the proposals contained within the 2000 Rural White Paper (RWP). Other structures of relevance include the UK Biodiversity Action Plan and Sustainability Plan³, the England Forestry Strategy, the English Tourism Council Recovery Plan for Rural Tourism along with recent reports/strategies from the Countryside Agency⁴, the Hills Task Force⁵, the Better Regulation Task Force⁶, the Association of National Park Authorities⁷, and recent finding from the National Task Force and the Policy Commission on Farming and Food.

At regional level, the relevant policy context includes the Rural Renaissance action plan alongside the Regional Economic Strategy, Regional Food Strategy, Regional Renewable Energy Strategy and Regional Planning Guidance. More locally the Cumbria RDP, a variety of SRB programmes, the Market Towns initiative and the EDZ all provide the developing policy context for rural recovery in the county.

2.4 Structure of the Strategy Document

The remainder of the strategy continues as follows:

- section 3 provides an overview of the Cumbria economy and sets the context for the strategy;
- section 4 reviews the policy framework within which 'Next Steps' is to operate;
- section 5 outlines a vision, strategic objectives and a series of actions to support partner interventions;
- section 6 outlines envisaged costs, funding and impacts;
- section 7 outlines the envisaged implementation arrangements; and
- section 8 details the envisaged forward strategy;

2 Details of consultation activities and consultees is provided in Appendix 1.

3 The SSSI PSA target that 95% of SSSIs should be in a favourable condition by 2010 will be an additional important contributor to policy given the scale of environmental designations in the North West.

4 Strategy for Sustainable Land Management, June 2001

5 Report of the Task Force for the Hills, March 2001.

6 Environmental Regulations and Farmers, November 2000.

7 National Parks as Test-beds for Rural Revival, June 2001.

3 The Cumbria Development Context

3.1 Introduction

The 'first steps' document was based on an assessment of FMD related consequences on the rural economy in the county. The 'Next Steps' document recognizes the wider contextual and regeneration framework within which the RAZ concept will operate and re-examines the development requirements of the county to ensure that interventions are appropriate to needs. This section outlines the evidence upon which the proposed strategy actions will be constructed.

3.2 The Nature of the Cumbria Rural Economy

Rural areas play a major role in sustaining the economic, social and environmental fabric of large part of the Cumbria economy. They contain a large proportion of the county population, maintain a wide spectrum of communities where people live and work, provide a base for economic activity and contain landscapes and places of great beauty and environmental value.

The very nature of the qualities that do so much to endear rural Cumbria to so many also, on the other hand, bring with them a number of difficulties in promoting and enhancing the economic base, longer-term wealth generation capacity and sustainability of the rural economy. It is important that the 'Next Steps' process, as it transfers attention beyond immediate FMD related activity to wider rural regeneration matters, is founded on an understanding of the key barriers that conspire to limit and constrain rural development.

3.3 The Development Context⁸

The latest available information indicates that in 1998, Cumbria generated some £5.6bn of GDP⁹, some 8% of the North West total. Of this, 45% is attributed to West Cumbria and 55% to East Cumbria. Measured on a per-capita basis, GDP per head is 9% lower than that for the UK with values of 16% lower and 5% lower for West and East Cumbria respectively. Comparisons over time indicate that county GDP has declined by 10% from 1993 when it was marginally higher than the UK average. This summary of GDP performance shows that, over the course of the last decade, the economy of Cumbria has been losing relative ground. The reasons for this are complex but require acknowledgement in the development of 'Next Steps'.

3.3.1 Population and Demographics

There has been a major influx of wealthy retirees into Cumbria over recent decades, drawn by the County's lifestyle attractions, especially into the Lake District. This has been complemented by inflows of older working-age cohorts also attracted by lifestyle benefits and perhaps by (earlier) growth of relatively well-paid jobs in energy and defence-related industries.

The influx of older working-age and retired people, together with lower birth rates, has resulted in an ageing population in the County. This trend has been exacerbated by a net outflow of the young working-age population (especially males) an important aspect of which has been a loss of talent and higher skilled labour, especially in West Cumbria.

The generally ageing population inevitably means that Cumbria has a large and growing dependant population. This places significant strains upon social and health services, has implications for the nature/affordability of local housing and reinforces the limited appeal of the County to younger age groups. The recent Economic Assessment suggests Cumbria's limited pool of labour is likely to 'inhibit indigenous growth and the attraction of inward investment'.

8 This section draws together information from a variety of sources including the recent Economic Assessment of Cumbria undertaken by DTZ Pineda Consulting and the work underlying the Rural Renaissance resource allocation model undertaken by Pion Economics.

9 Valued in current prices.

In addition, a low overall population density with marked variations across districts gives rise to problems such as the travel/time costs of accessing employment and services; the cost of providing and maintaining infrastructure; the cost and profitability of providing public transport and a range of social problems related to isolation and social exclusion.

3.3.2 Business Base

Cumbria, like many other areas, supports many forms of economic activity. It has an internationally important specialisation in energy - largely due to the nuclear and gas industries and there is outstanding potential in the west of the county to develop new energy specialisms through further exploitation of oil and gas resources and renewable energy. Aside from energy, Cumbria also has clear regional specialisations in tourism and activities supported by visitors to the county - food and transport - as well as having an important agricultural sector.

High degrees of specialisation, however, also reflect the County’s dependence upon a small number of large multinational corporations. Whilst such firms bring significant advantages through new technologies and management practices, access to global markets, and above average wage rates, they also typically have decision-making functions located outside the County and are subject to significant external shocks outside Cumbria’s control.

More generally, the 2001 Economic Assessment suggests that the key weaknesses in the business base lie in the service sector - especially higher value, knowledge-intensive business services and the circulation services that enable goods to be produced, distributed and sold to other businesses or consumers.

In practice, comparison of business activity demonstrates that the business base within the county is significantly different from that of the North West as a whole. Figure 3.1 shows that agricultural businesses account for just under 30% of all VAT registered businesses. This is not only close to five times higher than that for the North West as a whole, but is also substantially greater than other parts of the rural North West.

Consistent with the dominance of agriculture comes the under-representation of activity in other sectors. The most evident form of this occurs in business services where ‘presence’ is very weak. Another area of relative weakness is in production. An area of strength, for obvious tourism related reasons, exists in hotels and catering.

Figure 3.1 Cumbria & North West Business Base. VAT-Based Enterprises

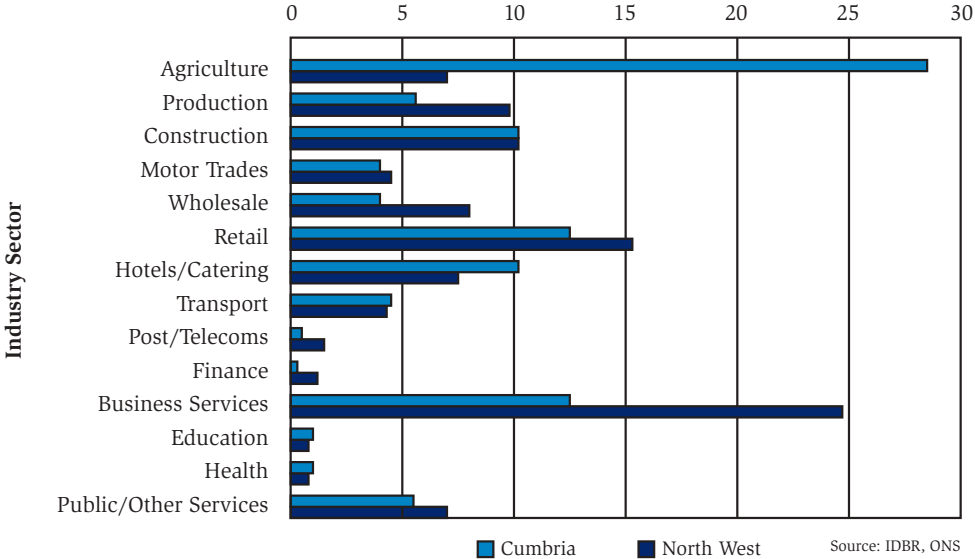


Figure 3.2 Rural Area Business Base. VAT-Based Enterprises

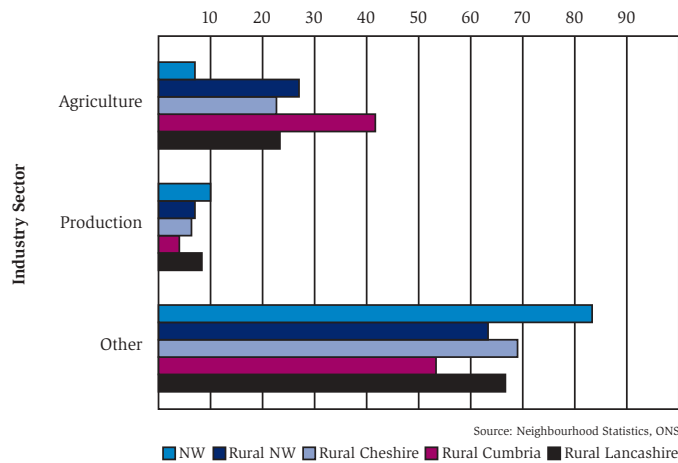
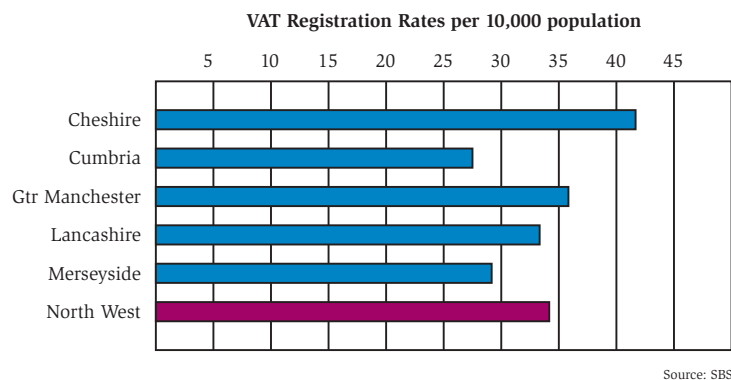


Figure 3.2 considers the distribution of activity across the rural parts of the county relative to both the region as a whole, the rural part of the North West and the rural areas within the other three rural counties of the region¹⁰. The dominance of Cumbria in agriculture and its weakness in other activities is evident.

The 2001 Economic Assessment also indicates that low business start-up rates and the resulting decline in the business base are undermining economic vitality in Cumbria. Relative to other parts of the region, Cumbria has lower levels of start-ups in terms of its underlying population base (Figure 3.3).

Figure 3.3: Business Start-Up Rates 2000



The added isolation and high transport costs of the county, especially in the west also constrain ability to attract new inward investors. While physical and ICT infrastructure improvements help to expand market opportunities, such improvements require large investment.

Taken together, the net outcome of these business trends has been a marked decline in Cumbria’s economic performance over the course of the 1990s. Cumbria has fallen from what was a previously strong position to below national average performance and risks dropping to or below North West levels. This fall has partly been due to wider factors such as the long-term decline of traditional manufacturing but it is also partly due to underlying weaknesses in, and the narrow nature of the rural economy.

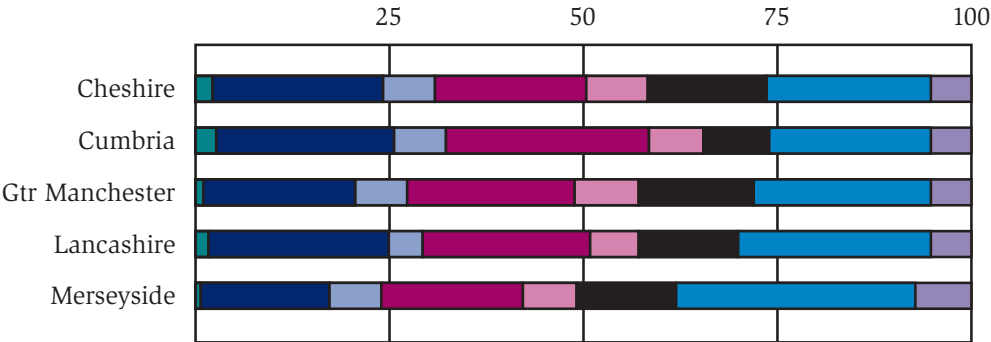
All of the evidence suggests that Cumbria, and rural Cumbria in particular, has the narrowest economic base within the region. This limits the capacity of the rural economy to take advantage of emerging opportunities as well as to achieve balanced growth through a diversified portfolio of activities and runs the risk of serious economic dislocation in the event that one or two larger integrated activities are affected simultaneously. The FMD experience demonstrates the vulnerability of economies that rely on a narrow range of business activities. Future development prospects require that serious attention is given to broadening the base of the rural economy in Cumbria and to securing higher levels of enterprise and dynamism.

¹⁰ The definition of rurality is based on the population density threshold employed within the NWDA Rural Renaissance allocation model.

3.3.3 Occupation & Employment Structure

Despite national de-industrialisation trends, Cumbria retains extensive manufacturing employment (Figure 3.4). The concentration of manufacturing is noticeably high in the west of the county with above average full-time male employment in craft and operative occupations and with many jobs returning relatively high wage rates.

Figure 3.4: Distribution of Broad Industry Employment (2000/01)



Source: LFS (LADB)

■ Agriculture/Energy
 ■ Manufacturing
 ■ Construction
 ■ Distribution/Hotels
■ Transport/Communication
 ■ Banking/Finance
 ■ Public Services
 ■ Other Services

However, Cumbria is also heavily reliant upon a small number of very large employers. These firms are mainly in sectors - the nuclear industry, aerospace, and pharmaceuticals - that are particularly subject to external economic forces beyond the control of the County. The loss of any one of Cumbria’s multinational employers would represent a major shock for the County’s economy.

East Cumbria has high economic activity rates and very low levels of unemployment. This is particularly due to the prevalence of female, part-time employment, mainly in tourism, retail, hotels and restaurants, and in personal and protective occupations, such as health and care work. Many of these sectors/occupations tend to experience high rates of labour turnover, with some employers finding vacancies hard-to-fill.

The rural areas of the county, in line with business activity profiles’ are largely dependent upon agriculture and activities related to tourism and supporting visitors to Cumbria. These occupations have tended to generate relatively low earnings, especially in East Cumbria.

Low earnings, insecurity, and potential underemployment may also imply a tendency for ‘double-jobbing’ amongst part-time workers in order to generate adequate incomes. Part-time employment is also generally characterised by lower incidences of training and other forms of employee development, undermining the development of a higher skill workforce for knowledge-based economic development within the county. The 2001 Assessment suggests that ‘Cumbria has lagged in the development of knowledge-based employment, such as in higher value service activities, which are necessary for the longer-term economic dynamism and vitality of the county’.

Overall employment is dominated by micro-businesses, especially in the Lake District, and concentrated in agricultural and tourist-related industries. Self-employment in the County is also high, though only amongst males and again is largely accounted for by the agricultural sector. Whilst small and sole businesses can be dynamic and entrepreneurial, they are also amongst the least advanced firms and are particularly vulnerable to external economic shocks, such as FMD.

3.3.4 Skills & Qualifications

Cumbria has strong compulsory schooling, returning high Key Stage 2 and GCSE results, and with above average progression onto further education, especially in East Cumbria. The county has a strong intermediate skills base, high attainment of further education qualifications and fewer people with no qualifications than regional and national averages. In spite of this profile, evidence gathered for the 2001 Economic Assessment indicates a number of important skills related issues.

Despite strong further education performance, there is below average progression into higher education and a high dropout rates among students. The lack of comprehensive HEI provision in the county may be operating as a major development constraint in this regard.

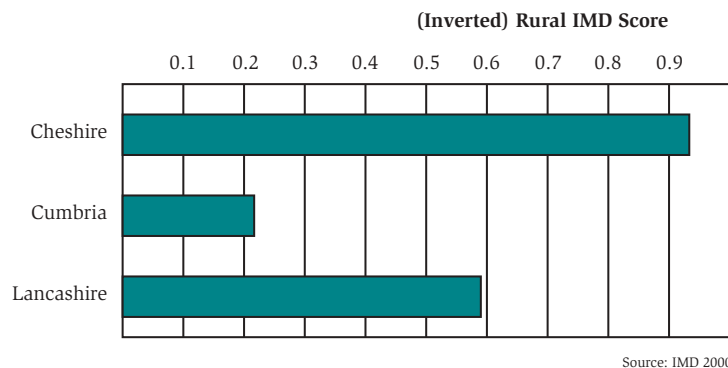
Other skills issues identified include a lack of core skills - especially those needed by customer services sectors such as tourism - and poor ICT skills. The latter are particularly important if the county is to overcome physical isolation and develop higher value activities through greater exploitation of ICTs.

It appears that businesses have been negatively affected by skills gaps and shortages but have generally failed to adopt coherent approaches to training. Evidence suggests that recognition of the need to increase skills is low, resulting in inadequate provision of and funding for training, especially away from larger employers in the main urban centres, such as in the Lake District.

Overall, the assessment suggests that Cumbria's economy appears to have settled into a relatively low skill equilibrium, where incentives for learning are diminished and reducing the ability of indigenous companies or inward investors to develop higher value activities. There appear to be particular problems in rural areas and within sectors such as tourism, where wages are relatively low.

The relative position of Cumbria, in a rural context can be gathered from work undertaken as part of the Rural Renaissance allocation study. This takes data from the IMD 2000 'domain' for education and skills deprivation at ward level and reconfigures the information into 'rural hinterlands'. The indicator includes statistics on numbers of working age adults with no qualifications, children aged 16+ not in full-time education, proportions of the 17-19 year old population who have not successfully applied for HE, Key Stage 2 primary school performance data, primary school children with English as an additional language and absenteeism at primary level. Figure 3.5 demonstrates that rural Cumbria has the lowest rural area score, by some distance, within the North West¹¹ and indicating that substantial progress is required for performance to match that of rural areas in other parts of the region.

Figure 3.5: Rural North West IMD 2000. Education Skills Performance



It is clear that there is an urgent need for Cumbria to break out of its current relatively low skill equilibrium by encouraging and supporting education and training initiatives amongst both individuals and employers. In particular, there is a need to improve higher-level skills and to encourage the uptake of these by businesses in the county. Nevertheless, the key gaps in basic and core skills should not be overlooked, since these are closely linked to wider deprivation, underpin all further learning, and are in great demand from major sectors, such as tourism.

3.3.5 Earnings, Unemployment, & Exclusion

Unemployment in Cumbria is generally lower than that of the region as a whole. East Cumbria, in particular, has very low unemployment rates but is also characterised by low earnings, especially in Eden. This is largely due to the importance of agriculture and tourism to East Cumbria, with the latter having a predominantly part-time, female-dominated workforce, whilst the former has suffered from long-term income decline and crises such as BSE and FMD. Therefore, while East Cumbria has very low levels of absolute unemployment, there are fears that the area may be characterised by relative underemployment and/or the need for 'double jobbing' to ensure adequate income levels.

¹¹ The original indicator value is based on factor analysis and has been 'inverted' to provide ease of interpretation.

West Cumbria and Furness, by contrast, are characterised by higher unemployment rates, especially amongst males, largely due to the decline of traditional industries. This has resulted in many people leaving the labour market through long-term sickness and early retirement, 'hiding' the true level of unemployment. Another consequence has been high levels of youth unemployment, especially in the urban centres of Barrow-in-Furness and Carlisle.

This has been due to both diminished opportunities and a 'brain drain' of the most highly skilled young people, reducing the employability of the remaining youth cohort. West Cumbria and Carlisle, especially within Barrow-in-Furness and certain urban areas along the West Coast suffer high levels of multiple deprivation, including employment and income deprivation.

3.3.6 Economic Impact of FMD

The primary effect of FMD upon Cumbria has been to exacerbate the existing problems of the county and to accelerate pressures for restructuring. Agriculture and related industries suffered short-term reductions in part-time and seasonal employment, but relatively minor evident decline in full-time employment ('hidden' unemployment in the form of underemployment is difficult to evaluate). The longer-term trend in agriculture is expected to be consolidation of farm holdings, with some compensation payments being liquidated to provide income and/or to diversify away from farming.

Tourism experienced major impacts during the height of the outbreak but has subsequently been on a steady road to recovery. Evidence now suggests that employment effects were largely manifested in low uptake of seasonal staff and reduction of hours rather than redundancies. Nevertheless, diminished cash flow during peak season has resulted in some bankruptcies amongst weaker tourist businesses.

The impact of FMD on the rural economy of the region has been evaluated in a series of formal studies undertaken by Pion Economics¹² and the Cumbria Economic Intelligence Partnership (CEIP). The evaluations take account of the likely loss of farming, agricultural and tourist incomes, supply-chain expenditures and subsequent multiplier effects on local economies within the region. Both studies are broadly consistent in estimating GVA losses in Cumbria, for 2001, of the order of 4%. The 2001 Economic Assessment expresses concern that such losses might be sufficient to result in a longer-term loss of competitiveness and business dynamic in the county.

3.3.7 Future Prospects

Over the medium-term to 2006, and taking no account of the RAZ strategy, Cumbria is expected to experience the continuation of existing long-term economic trends. The shift in industrial structure from manufacturing to services is likely to continue with the labour market becoming more diverse, placing more emphasis on part-time employment and with increasing opportunities for female participation.

Despite these trends, wealth generation and employment is expected to remain dominated by manufacturing and tourism, with agriculture retaining a central (though marginally less prominent) place in the rural economy. As a result, craft and related occupations are projected to remain predominant with relatively little development of knowledge-based service sectors.

Prior to FMD, Gross Value Added (GVA) in Cumbria was forecast to grow above the regional average. The 2001 Economic Assessment suggests that the outbreak of FMD might be sufficient to 'propel Cumbria onto a lower growth trajectory unless action is taken to address the ... restructuring of the economy'. In the light of such comment it is evident that the RAZ process is not only necessary, but crucial, to the future development path of the rural economy in Cumbria.

12 Economic Impact of FMD in the North West of England, Pion Economics, May 2001; Economic Impact of FMD in the North West of England - Update, August 2001. Economic Impact of FMD in the North West of England - Update, February 2002.

4 The ‘Next Steps’ Policy Context

4.1 Introduction

‘Next Steps’ has been developed within the context of a set of existing and emerging policy initiatives and strategies. These provide an important backdrop to the Plan and the desire that it should maintain a high degree of consistency, coherence and integration with the wider policy framework.

4.2 The Common Agricultural Policy (CAP)

One of the most significant determinants of current rural policy in the county is the CAP. Proposals for EU enlargement and expectations of future reform have encouraged a series of reforms resulting in commodity price cuts across a wide range of agricultural sectors and introduction of the Rural Development Regulation (RDR), the second ‘pillar’ of CAP¹³. Further consideration of the CAP is due in the course of the next two years and can be expected to have a major influence on the delivery of the RAZ and its associated exit strategy once reforms have been defined and established.

4.3 National Policy Initiatives

4.3.1 Our Countryside: The Rural White Paper (RWP)

The RWP sets out a vision for rural areas which incorporates a *living* countryside with thriving rural communities and access to high quality public services; a *working* countryside with a diverse economy giving high and stable levels of employment; a *protected* countryside in which the environment is sustained and enhanced and which all can enjoy; and a *vibrant* countryside which can shape its own future. Although published in the relatively recent past, the RWP is already coming to play a major role in the way in which rural policy is designed and considered. Implementation of RAZ requires that due consideration be given to the principles that underlie the paper.

4.3.2 The England Rural Development Plan (ERDP)

The ERDP is designed to enable an integrated approach to support for rural development using both Community and national instruments. Within the context of the Programme, the Environmentally Sensitive Areas, Organic Farming, Hill Livestock Compensatory Allowance and Hill Farm Allowance Schemes are operated on a national basis only. The Countryside Stewardship, Farm Woodland Premium, Woodland Grant and Energy Crops schemes have some degree of regional discretion in targeting but operate within a national framework while Processing and Marketing Grants, the Rural Enterprise and the Vocational Training Schemes are directed through Regional Programming Committees. ERDP provides a significant resource to be drawn down to support delivery of the RAZ strategy. It is therefore imperative to ensure that implementation arrangements are such as to secure the maximum available level of support for the delivery process.

13 The first pillar broadly accounts for 90% of CAP budget costs (27% for market price support and 63% for direct payments to farmers) leaving the second pillar some 10% of the budget. The RDR introduced provisions for up to 20% of direct compensatory payments to fund agri-environment, afforestation of agricultural land, LFA support and early retirement schemes

4.3.3 Other Policy Initiatives

Other structures of relevance include the UK Biodiversity Action Plan and Sustainability Plan¹⁴ and the England Forestry Strategy along with recent reports/strategies from the Countryside Agency, the Hills Task Force, the Better Regulation Task Force and the Association of National Park Authorities. Each of these organisations and initiatives has a bearing on the RAZ strategy and play a role in shaping the policy proposals.

4.3.4 Policy Commission on Farming and Food

In the wake of FMD, the Government established a Policy Commission on Farming and Food to advise on the creation of a sustainable, competitive and diverse farming and food sector that contributes to a thriving and sustainable rural economy, advances environmental, economic, health and animal welfare goals, and is consistent with its aims for CAP reform, enlargement of the EU and increased trade liberalization. The commission reported in January 2002 and provided a series of recommendations based on themes relating to profit, the environment and people. The way in which the latter are taken forward may well help to determine or alter aspects of the delivery plan in due course.

4.4 Regional Initiatives

4.4.1 The North West Regional Economic Strategy

The regional economic strategy (RES) is based on a 20-year vision and contains a set of four related themes with associated objectives and priorities to guide policy action¹⁵, namely Investing in Business and Ideas; Investing in People and Communities; Investing in Infrastructure and Investing in Image and the Environment. As the overarching context for regional development activity within the region, the RES provides an umbrella within which integrated and coordinated regeneration activity can be pursued. Care and consideration has been taken to ensure that RAZ development will be fully consistent with the wider development and regeneration ambitions expressed in the RES.

4.4.2 Rural Renaissance - The Regional Rural Recovery Plan (RRRP)

Sponsored by NWDA, on behalf of all rural partners, Rural Renaissance is designed to provide the basis of sustained rural regeneration through eight strategic objectives designed to broaden the economic base of rural areas; renew and strengthen tourism; assist the restructuring of agriculture; enhance primary agriculture; develop skills; develop and promote countryside products; sustain the environmental inheritance and regenerate social and community infrastructure.

Delivery of the plan is to be supported through the agreement of partners to align their activities with the eight strategy objectives, the injection of a significant amount of new resource by NWDA and is to involve devolved resource allocation to county-based delivery bodies. Rural Renaissance provides a framework with which the RAZ strategy can nest and jointly secure both local and regional regeneration objectives.

4.4.3 The North West Food Strategy (RFS)

The RFS has been conceived with the express purpose of developing the agri-food sector within the region. It proposes nine strategic objectives designed to establish the North West Food Alliance at the heart of agri-food sector and activity within the region; create and reinforce a positive image of the region, its producers and processors and develop markets for the regions food. Development of capacity, capability and markets for the food industry within the county is of primary importance to the future of the agri-food sector as a whole. The RAZ strategy will seek to ensure that actions support both the RFS and the relevant strategy objective in Rural Renaissance.

14 All are referenced in notes 4-7 above.

15 The RES is supported by a regional HRD Strategy - The Right Angle on Skills - which contains a set of objectives and priorities to guide policy action in increasing employer demand; increasing individual demand; promoting equality of opportunity; and improving the functioning of the labour market.

4.4.4 Action for Sustainability

Northwest England's framework for sustainable development is enshrined in the Action for Sustainability Action Plan¹⁶. Objectives are defined in terms of Live, Protect, Save and Grow themes that underpin actions designed to secure a sustainable future for the region. The special nature of the Cumbrian landscape and the community identity that directly results emphasise that the RAZ strategy must place the pursuit of sustainability at the very heart of the action agenda.

4.4.5 Renewable Energy

The potential available from renewable energy has been defined via a detailed study funded by a wide range of regional and national partners and which identifies wind power, solar energy and biomass as capable of delivering new jobs, inward investment, rural diversification and fewer greenhouse emissions¹⁷. Where feasible, the RAZ process will seek to ensure that opportunities for renewable energy are identified and given due consideration.

4.4.6 Regional Planning Guidance (RPG)

The Draft RPG for the North West¹⁸ is structured around the delivery of sustainable development¹⁹ in terms of three principles - economy in the use of land, enhancing existing capital, quality in the use of land - and six objectives²⁰: RPG makes specific reference to support for agriculture (RU4) diversification of the rural economy, (RU5) and support for local services in rural areas (RU6). The 'initial steps' document placed emphasis on all of the aspects outlined within the RPG and development of the strategy will ensure equally robust consideration.

4.4.7 North West Cultural and Creative Industry Strategies

Cultural and creative industries are assuming increasing prominence as a source of economic activity. With the support of the Department of Culture, Media and Sport (DCMS), North West partners have assisted construction of a Cultural Strategy that has been adopted by NWDA as its Cultural Policy. A Creative Industries Strategy is also in the process of development. Both structures will provide a basis of support for cultural and creative industry development within RAZ.

4.5 Sub-Regional Initiatives

4.5.1 Cumbria Rural Development Programme (RDP)

NWDA assumed responsibility for the North West RDP Programme at the outset of its operations²¹. The current strategic framework for the Cumbria RDP was updated in 2000 to link in with changes that have impacted in the rural area since the onset of the scheme in 1995. Four aims and objectives resulted from the review, namely the delivery of:

- a prosperous, modern and diverse business base;
- a protected, valued and enhanced environment;
- learning, skills and knowledge; and
- functioning, well-serviced and balanced communities.

16 NWRA 2000

17 From Power to Prosperity, Sustainability North West, 2001

18 People, Places and Prosperity, NWRA, 2000

19 Defined as social progress which recognises the needs of everyone, effective protection of the environment, prudent use of natural resources and maintenance of high and stable levels of economic growth and employment.

20 Achieving greater economic competitiveness and growth; securing an urban renaissance in the cities and towns of the North West; sustaining the region's smaller rural and coastal communities; prudent management of the region's environmental and cultural assets; securing environmental quality; and creating an accessible region.

21 Such spending is concentrated in two designated Rural Priority Areas (RPAs), defined across Cumbria and Lancashire in 1994.

The RDP Programme will wind down in the course of the next 12 to 18 months as the resource made available from NWDA transfers across to the Rural Renaissance strategy process. The Programme will, however, provide a vital bridge for access to resources during the transition period. The RAZ proposals will ensure that lessons learned from the RDP experience, and any best practice thereof, will be accommodated in strategy design and delivery.

4.5.2 SRB Programmes

Also administered by NWDA, the SRB programmes address local issues of importance to rural areas or thematic issues on a strategic basis. These include the:

- Cleator Moor Regeneration scheme;
- Maryport Regeneration scheme;
- Sustainable Tourism scheme being run by Cumbria Tourist Board;
- CREDITS scheme which is establishing Community Development Centres in rural parts of Cumbria;
- New Frontiers scheme which offers careers information advice and guidance in rural Cumbria; and
- Distinctly Cumbrian scheme which is seeking to promote and enhance local food production in Cumbria.

4.5.3 Market Towns Initiative

The Market Towns Initiative (initiated in conjunction with the Countryside Agency) gives NWDA the ability to target resources on rural service centres and their hinterlands in order to increase the impact of regeneration activity where required. Nine priority towns in Cumbria have been identified and action plans are being developed to allow targeting of resources over the next 3 to 4 years. It is expected that the Agency will continue to work with local partnerships to identify new priority towns, or priorities within towns, in order to make use of proposed new resources and to expand the potential of the initiative.

4.5.4 Rural Cumbria Economic Development Zone (EDZ)

The structural economic imbalances in Cumbria have long been recognised by the European Commission and as a basis for Structural Funds investment in the county. This activity was directed through the West Cumbria and Furness Objective 2 Programme and (for rural areas) the Northern Uplands Objective 5b Programme for the 1994-1999 programming period²².

In the current programming round (to 2006) approval has recently been secured to progress the concept of the rural EDZ. The Zone will encompass some 44% of the population and 78% of the land area of Cumbria and cover all rural wards, except those outside the RPA area, eligible for Objective 2 assistance. The EDZ contains 4 Objectives:

- assisting the economic repositioning of rural businesses, including their diversification into other areas of economic activity, as well as addition of value to the products of traditional sectors;
- building on the interdependence of the rural economy by increasing the contribution of tourism in the rural economy whilst at the same time enhancing the area's natural heritage;
- stimulating the economy of market towns, develop their role as service centres and enhance their physical appearance; and
- enabling the engagement of rural communities with the regeneration process, stimulating economic transition and the uptake of opportunity for employment.

Table 4.1 summarises the sub-regional initiatives and programmes that are likely to provide the local context for RAZ activities and actions over the lifetime of the strategy.

²² Two LEADER II programmes also operate in the area - North Pennines and the Cumbria Fells and Yorkshire Dales - these aim at the development of innovative approaches to rural development. In January 2002, two new LEADER+ programmes were approved for the North Pennines and the Cumbria Fells and Dales and will operate until 2006.

Table 4.1: Complimentary Sub-Regional Initiatives

Cumbria Rural Regeneration Programmes	Sub Programme	Objectives	Area	Duration
England Rural Development Programme	Agri Environment Schemes	Provides targeted assistance through ESA's, Countryside Stewardship and Hill Farm Allowance Scheme to conserve & improve environment	All of Cumbria	2000 - 2006
	Rural Enterprise Scheme	Provides targeted assistance to projects which support the diversification of the rural economy	All of Cumbria	2000 - 2006
	Vocational Training Scheme	Provides assistance for improving occupational skills and competence of farmers	All of Cumbria	2000 - 2006
Forestry Commission	Woodland Grant Scheme	Provides funding for management and creation of woodlands	All of Cumbria	2000 - 2006
North West Objective 2 Programme	Priority 1: Business Support	Provides funding to stimulate creation of new business start ups and expansion of existing co	Most of Cumbria, but excludes Carlisle, Penrith and Kendal	2000 - 2006 but spend until 2008
	Priority 1: Rural Workspace	Provides funding for new build and conversions for rural workspace projects	Most of Cumbria, but excludes, Carlisle, Penrith and Kendal	2000 - 2006 but spend until 2008
	Priority 3: Rural Cumbria EDZ	Provides funding for capital projects which will help create new jobs in rural Cumbria	Most of Rural Cumbria, but excludes Lower Eden valley	2000 - 2006 but spend until 2008
	Priority 2: People & Communities	Provides funding to build the capacity of local communities to address issues of economic & social exclusion	Altson Moor ward (Eden) only	2000 - 2006 but spend until 2008
LEADER +	Cumbria Fells and Dales	Provides funding for small scale projects which address rural development issues	Central and Eastern Fells inc Keswick, Shap, Sedbergh	2000 - 2006 but spend until 2008
	North Pennines	Provides funding for small scale projects which address rural development issues	North Pennines including Alston, Brampton, Longtown	2000 - 2006 but spend until 2008
North West Development Agency	SRB: Distinctly Cumbrian	It aims to develop local supply chains and promote brands and direct sales opportunities	The whole of the Cumbria Rural Priority Area	2002 - 2007
	Market Towns Initiative	It aims to promote and develop the role of small market towns to inject vitality to rural areas	Selected Market towns such as Cockermouth, Keswick etc	2002 - 2007
	Cumbria Rural Development Programme	Annual Funding programme for small scale rural development projects	The whole of the Cumbria Rural Priority Area	2001 -2003
	Rural Workspace Strategy	Rural Workspace and Redundant Building Grants	The whole of the Cumbria Rural Priority Area	2001-2006
Health Authorities/Consignia	One Stop Health Care Centres& Rural Post offices	Proposed in the Rural White Paper	The whole of rural Cumbria	2002 - 2008
Countryside Agency	Rural Transport Projects	Proposed in the Rural White Paper	The whole of rural Cumbria	2002-2008
	Vital Villages	Proposed in the Rural White Paper	The whole of rural Cumbria	2002-2008
	Finest Countryside Programme	Aims to help local authorities improve management arrangements of AONBs	Solway Coast, North Pennines, Arnside & Silverdale	2002-2008 2002-2008
	Local Heritage & Doorstep Greens Initiatives	Aim to help understanding of local heritage & develop recreation spaces	The whole of rural Cumbria	2002-2008

5 The ‘Next Steps’ Strategy

5.1 Introduction

This section outlines the ‘Next Steps’ Rural Action Zone Strategy in the light of the preceding analysis, the assessment of the rural economy in the county, the existing/developing policy framework and the broad, ambitious framework established in the ‘Initial Steps’ document. The Strategy provides the proposed framework for promoting the sustainable regeneration of the rural economy in Cumbria and is designed in the form of a vision supported by agreed themes and objectives designed to direct the effort of delivery agents/partners through specific interventions/projects.

5.2 Vision

The vision set out as part of the ‘Next Steps’ process remains precisely the same as that established at the outset of RAZ deliberations, namely:

To enable the rebuilding and development of a dynamic rural economy for Cumbria, which is financially, socially and environmentally sustainable

5.3 Strategic Aims, ‘Next Steps’ and Rural Renaissance

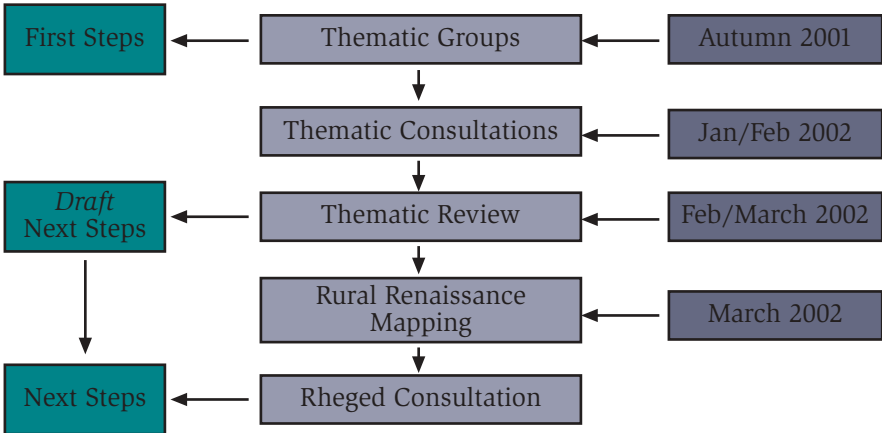
In order to achieve the vision, a number of strategic aims have been identified. These also remain loyal to the initial ambition of the ‘First Steps’ proposals and include:

- developing a diverse, dynamic, competitive rural economy for Cumbria, which is financially, socially and environmentally sustainable;
- improving the environmental quality of Cumbrian land and waters and for such quality to be recognised both nationally and internationally;
- increasing opportunities for all who visit Cumbria to get enjoyment from the countryside, together with its related towns and villages, through improved access and facilities;
- creating integrated, responsive and appropriate services for the communities of rural Cumbria through working together; and
- sustaining the cultural landscapes of Cumbria which are already recognised both nationally and internationally for their visual and spiritual qualities.

The movement to ‘Next Steps’ has involved extensive consultation. The thematic groups originally established for ‘First Steps’ were reconvened for a series of consultation meetings and were requested to revise their initial proposals in the light of further consideration and outside events.

For purposes of consistency with the wider *Rural Renaissance* framework it was then necessary to convert the thematic proposals into the set of eight strategy objectives (SOs) contained in the latter. This has invariably resulted in potential for elements of the original themes to be mapped into a number of SOs and provided the basis for the draft strategy content discussed at the Rheged consultation event (Figure 5.1). Each of the SOs (SO1 to SO8) are outlined on the next page for convenience.

Figure 5.1: The Development Process



5.3.1 SO1: Broadening the Economic Base of Rural Areas

Rationale: While agriculture and the primary industries provide an important backbone of the rural economy, significantly greater value added and wealth is created by other sectors of the rural economy and it remains the case that rural areas are less diversified than their urban counterparts. In attempting to broaden the economic base of the rural economy, SO1 seeks to enhance inherent wealth generating capacity and employment opportunity, appropriate in scale and nature to local circumstances.

5.3.2 SO2: Renew & Strengthen Sustainable Recreation and Tourism

Rationale: It is imperative that the competitive position of regional tourism product be improved, enhanced and broadened to attract an increasing share of this growing market. SO2 is designed to provide a generic framework within which partners can seek to achieve these ambitions while recognizing the interdependence between tourism and landscape and ensuring adherence to sustainability principles.

5.3.3 SO3: Assisting the Restructuring of Agriculture

Rationale: With reducing income from traditional farming, many of those wishing to retain involvement in agriculture will find it necessary to generate income from a broader range of activities. SO3 is designed to assist an efficient and effective transition within agriculture, building upon existing structures, to enable improved efficiency, environmentally friendly diversification appropriate to local circumstances and multi-functionality through agricultural business reviews, planning, diversification and training.

5.3.4 SO4: Enhancing the Competitiveness of Primary Agriculture

Rationale: Despite the commercial pressures expected to bear on the agricultural sector over the next decade, large numbers of existing producers are likely to seek continued involvement in primary agriculture. Long-term survival will require a process of continuous efficiency improvement and enhanced competitiveness. SO4 is designed to assist primary producers within the region to adapt to changing circumstances and enhance their capability to compete.

5.3.5 SO5: Rural Skills Development

Rationale: Workforce skills are vital to the competitiveness of all businesses. SO5 is designed to ensure that the process of strengthening the primary agriculture base, restructuring and diversification within the rural economy, as well as the broadening of the economic base, is supported by commensurate development of human capital.

5.3.6 SO6: Development and Promotion of Countryside Products

Rationale: The development and promotion of local countryside products offers significant potential for producers to establish differentiated brands, develop new and alternative markets and generally add and retain value locally. SO6 is designed to renew and accelerate the potential benefits from such activities by assisting marketing and consumption of local products that sustain the environmental and cultural heritage of the region.

5.3.7 SO7: Sustaining the Rural Environment

Rationale: Rural communities are custodians of an environmental inheritance. Such has become the economic value of that inheritance that it is in the long-term interests of those communities to ensure environmental sustainability. SO7 seeks to promote a range of actions designed to ensure environmental sustainability remains a key feature of all forms of structural change and transition in rural economies.

5.3.8 SO8: Delivering Social and community Regeneration

Rationale: A growing volume of development research and practice emphasises the role of social capital, community relations and very local organisations²³ in sustaining rural regeneration policies and programmes. SO8 seeks to support the social infrastructure of rural areas through maintenance of service infrastructure, addressing particular forms of exclusion and invigorating support networks.

5.4 Strategic Objectives and Policy Actions²⁴

This section reviews the proposed intervention strategy developed in conjunction with partners and mapped into the series of eight *Rural Renaissance* Strategy Objective Areas. Figure 5.2 outlines the mapping process. Coloured ovals indicate where ‘Next Steps’ thematic activity is expected to play a significant role in contributing to the *Rural Renaissance* objectives. White ovals indicate where such activity is also expected to contribute, but indirectly.

Figure 5.1: The Development Process

	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8
A1 Empower Communities	○		○			○		●
B1 Environment & Access		○	○				●	
B2 Forestry Futures		○	●			●	●	
C1 Agri/Env ‘Fresh Start’				●		○	●	
C2 Farm Business Regeneration		○	●	●		●	●	
D1 Ag Support Industry			●	○			○	
D2 Other Rural Business Support	●							
E1 Food Brand Cumbria			○			●		
F1/F5 Tourism/Culture/Creative	●	●	○		○	○	○	○
G2 Enhanced Transport	○	●					○	●
H1 Learning for the Future	○	○	○	○	●	○	○	○

The resulting strategy objective content is outlined in Tables 5.1 to 5.8 over the following pages.

²³ EG voluntary sector organisations, churches and congregations

²⁴ Some proposals may require State Aids clearance by the European Commission.

Table 5.1: SO1 Broadening the Economic Base of Rural Areas

RAZ Thematic Categories	D2: Non Agricultural Business Support; F5: Cultural/Creative Industries
Proposed Interventions	<p>Small Business Development Programmes</p> <ul style="list-style-type: none"> • Enhancement and co ordination of rural business advice and support to SME’s especially to new starts and business expansion schemes • Research into product/service deficiencies and target local capacity development • Development of rural business support networks working with local associations, Chambers of Trade and Cumbria Chamber of Commerce • Attract inward investment compatible with rural environment • Establishment of specialist support network for cultural/creative industries <p>Small Business Funding Programmes</p> <p>The establishment of a small scale business development funding which would encourage SME’s business creation and growth through:</p> <ul style="list-style-type: none"> • Capital property and equipment grants • Assistance with loans • Equity investment • Research grants <p>Quality Assurance Programmes</p> <ul style="list-style-type: none"> • Development of quality products • Participation in quality assurance schemes • Develop local kite marking to relevant standards • Encourage businesses with waste minimisation and business environment networks <p>Infrastructure</p> <ul style="list-style-type: none"> • Provision of rural workspace (office, workshop, serviced, managed and incubators) • Re-use of redundant farm buildings • Promote adequate supply of development land for employment purposes in and around major market towns of rural Cumbria <p>Rural ICT for Small Businesses</p> <ul style="list-style-type: none"> • Encourage use of computers and support with appropriate IT training • Encourage e-commerce and use of market portals • Extend broadband technology to facilitate business in rural and remote areas
Innovations Required	<p>D2: Establishment of business start clubs facilitated and supported by mentoring. Sharing of best practises through closer integration of means of delivery.</p> <p>F5: closer/integrated working between funding agencies & flexibility within planning system</p>
Lead Organisation & Partners	<p>D2: Cumbria Local Enterprise Agency Network; Small Business Service; Learning and Skills Council; FE & HE Centres; Enterprising Communities/and CDC’s; Cumbria Chamber of Commerce; Chambers of Trade/Associations; Bank, Accountants and other professional; LSP’s/District Councils; Princes Trust, Cumbria Inward Investment Agency</p> <p>F5: CCC Regional Arts Board; NW Regional Cultural Consortium; NWDA; District Councils and private sector</p>
Links to other SOs	SO2, SO3, SO5, SO6

Table 5.2: SO2 Renew and Strengthen Sustainable Recreation and Tourism

RAZ Thematic Categories	F1: Diversification of the Tourism Product; F2: Tourist Product Enhancement F3: Lakes Plus; F4: Tourism ICT Strategy; F5: Cultural/Creative Industries; G2: Enhanced Transport
<p>Proposed Interventions</p>	<p>Improving Visitor Facilities</p> <ul style="list-style-type: none"> • Research/Feasibility Studies to guide new development/new market opportunities • Research to identifying emerging customer needs and preferences • Capitalise on Cumbria’s history, culture and environmental heritage • Development of complementary products to existing attractions • Development of environmentally based tourism attractions/visitor facilities • Develop projects to improve quality of Cumbria visitor accommodation base • Develop and expand existing hotel’s business/conferencing capacity • Improve the quality of visitor attractions in less developed & environmentally appropriate areas • Support and develop art events and cultural festivals to promote cultural tourism <p>Visitor Transport Infrastructure</p> <ul style="list-style-type: none"> • Integrated walking and cycling network • Product development linked to quality integrated transport network • Environmental visitor enhancement to conservation and development • Improve transport interchanges, including facilities for less able where appropriate • Coherent transport information package for visitors • Enhance visitor gateway/ route into Cumbria • Town and village environmental enhancement programmes <p>Marketing and Promotion Programmes</p> <ul style="list-style-type: none"> • Targeted promotional overseas and UK markets activity • Pilot promotions of underdeveloped tourism products/other thematic campaigns • Strategic planning/ promotion of threatened cultural and heritage activities • Alignment with/contribution to national/regional campaigns • e-marketing for tourism businesses & improve data collection/strategic planning • Examine rural tourism product ‘branding’ • Focusing on Cumbria as a festival County to promote cultural and create sectors • Corporate Business Venue Marketing <p>ICT</p> <ul style="list-style-type: none"> • Destination Management System - tourism information available from one interactive point on the Internet • Customer Relationship Management System- to collect and manage market research data. • Industry extranet - Internet based tool to improve communications and business information required by tourism businesses
<p>Innovations Required</p>	<p>F2: Comprehensive approach legitimising an integrated and joined up approach to approach to regulation that will also prevent oversupply of facilities in appropriate areas.</p> <p>F3: Joined up approach to marketing</p> <p>F4: Skilled and equipped tourism industry to undertake e-business</p> <p>F5: Closer/integrated working between funding agencies & flexibility within planning system</p>
<p>Lead Organisation & Partners</p>	<p>F1: Cumbria Tourist Board (CTB), NWDA, Local Authorities; Countryside Agency</p> <p>F2: CTB, NWDA, SBS, LSC, Local Authorities</p> <p>F3: CTB, Industry sector, Local Authorities, Area Based Partnerships, Countryside Agency, Made in Cumbria</p> <p>F4: CTB, Tourism Industry, Local/County Authorities, ETC, LDNP, SBS, CA</p> <p>F5: CCC Regional Arts Board; NW Regional Cultural Consortium; NWDA; District Councils and private sector, CA</p>
<p>Links to other SOs</p>	<p>SO3, SO4, SO5, SO6, SO7, SO8</p>

Table 5.3: SO3 Assisting the Restructuring of Agriculture

RAZ Thematic Categories	B2:Forestry Futures; C2: Farm Based Business Regeneration D1: Agricultural Support Industry Regeneration; B2 : Forestry Futures
Proposed Interventions	<p>Farm Business Development Programme - Farming Connect Cumbria</p> <ul style="list-style-type: none"> • Extension of existing Farm business advice, support and development (FBAS) to include whole farm plans • Farm Enterprise Grants for business diversification (farm tourism etc) • Farm Improvement Grants to enable improvements in farm business efficiency • Development of a Cumbria Beef and Sheep Strategy to assist in economic return involving cooperation between breeders <p>Woodland Diversification</p> <ul style="list-style-type: none"> • Diversification/exit route for reducing scale/intensity of agricultural operations • Identify constraints/opportunities for woodland-related recreation/access • Pilot demonstration for alternative woodland uses for tourism and recreation • Research feasibility of locating CHP power or wood energy plant • Identify existing and potential markets for woodland-related products/branding; <p>Agricultural Support Industry Regeneration</p> <ul style="list-style-type: none"> • Quality Assurance systems such as auction marts/abattoirs with code of animal welfare practice, trace ability, nutrient management planning, low nitrogen best fertiliser practices. • Infrastructure projects such as improved bio-security for auction marts/abattoirs, Improvements for re-cycling waste and rainwater, energy conservation at the marts etc <p>Upland Farming Support Programmes</p> <ul style="list-style-type: none"> • Sustainable Restocking Programme through advisory service for economic and environmentally sustainable restocking at whole farm/common scale with grant assistance for shepherding, stock handling infrastructure, fencing and cattle grids and stock accommodation to assist bio security and health/quality assurance <p>Lowland Farming Support Programmes</p> <ul style="list-style-type: none"> • Building on intensive lowland land management support provisions will be met under SO7
Innovations Required	D1: Establishment of formal body representative of all the agri services committed to quality products and services, innovation, sharing best practices and collaborative working.
Lead Organisation & Partners	B2: Forestry Commission, Cumbria Woodland Forum C2: FBAS, SBS, NFU, English Nature, RSPB D1: Chamber of Commerce and Industry (Agri-Service Sector Group) - SBS
Links to other SOs	SO1, SO2, SO5, SO7, SO8

Table 5.4: SO4 Primary Agriculture Support

RAZ Thematic Categories	C1 Agri-Environment Fresh Start; C2: Farm Based Business Regeneration
Proposed Interventions	<p>Establishment of Farm Practice Solutions/Best Practice</p> <ul style="list-style-type: none"> • Programmes that promote the provision of farming practices/solutions that demonstrate economically and environmentally sustainable systems of farming • Establishment of Demonstration Farms to display best practice • Schemes to be encouraged to develop more sustainable farm waste disposal options <p>Farm Collaboration and Marketing Groups</p> <ul style="list-style-type: none"> • Development of existing buying groups, labour/machinery rings and marketing groups • Encourage collaboration between farmers to add value to meat products • Development of processing and added value facilities • Establish Association of Cumbria sheep breeders to coordinate marketing and breed development. • Support for cooperatives/collaboration • Link agri-environment benefits to branding <p>Establishment of an Organics Farming Network</p> <ul style="list-style-type: none"> • Demonstration farms in both North and South Cumbria • Development of a Cumbrian Organic Farmers Network <p>Farm ICT Development</p> <ul style="list-style-type: none"> • IT training • ICT based infrastructures to assist purchasing and sales efficiency • Farm secretarial services and training
Innovations Required	
Lead Organisation & Partners	<p>C1: Cumbria Farm Link, English Nature, NFU, The Cumbria Campus (Newton Rigg) of the University of Central Lancashire, Countryside Agency C2: FBAS, SBS, Countryside Agency, Made in Cumbria</p>
Links to other SOs	SO6, SO7, SO5

Table 5.5: SO 5 Rural Skills Development

RAZ Thematic Categories	H1 Learning for the Future
Proposed Interventions	<p>Skills Development within Rural Businesses (SO1/SO6)</p> <ul style="list-style-type: none"> • Small Business Management Development Programmes to improve capabilities and capacities of management within SME's • Training programmes for multi-skilling workforce • Marketing training within the local food processing and craft producers • Target IT training relevant to the needs of businesses <p>Skills Development within Tourism (SO2)</p> <ul style="list-style-type: none"> • Accredited tourism training such as Welcome Host • Foreign Language Training for tourism operators • E Commerce/ web site design etc • Cultural and Creative Industries training programme <p>Farming Skills Development Programme (SO3/SO4)</p> <ul style="list-style-type: none"> • Young people skills support - work with Young Farmers Clubs, re-engage young people in learning and promote demand for learning, including for further and higher education. • Target training for farmers on diversification/off farm income • IT training for farmers • Farm Secretarial services training- data handling and electronic farm based return programmes • Skills Development for individuals in agri-support sector. <p>Developing Environment and Land Based Skills (SO7)</p> <ul style="list-style-type: none"> • Traditional skills training • Target training toward environmental land management <p>Developing the Skills in Rural Communities (SO8)</p> <ul style="list-style-type: none"> • Outreach Guidance for Adults - engaging guidance advisers to out reach rural communities to encourage demand for learning and skills development amongst adults who would not normally access provision. • Flexible learning and mobile learning - recognising the potential of distance learning, helping people overcome the barriers of rurality and remoteness to learning. • Developing capacity building and leadership facilitation within communities
Innovations Required	Improved short-term coordination of FE/HE in the county including strategic management, development and marketing of provision at all levels; New long-term vision for the future of HE in Cumbria including strategies for collaboration between providers, investment needs, funding sources, geographic spread and links with colleges and schools. Ensuring local research support
Lead Organisation & Partners	Cumbria Learning and Skills Council, working with the Cumbria Campus (Newton Rigg) of the University of Central Lancashire, other further education providers and Connexions Cumbria.
Links to other SOs	SO1-SO8

Table 5.6: SO6 Development and Promotion of Countryside Products

RAZ Thematic Categories	E1: Food Brand Cumbria; B2:Forestry Futures; C2: Farm Based Business Regeneration
Proposed Interventions	<p>Development of Cumbrian Products</p> <ul style="list-style-type: none"> • Research into current product availability; perceptions of Cumbria and its food niche market opportunities, bulk market opportunities, retail opportunity channels to market • Food producers capital grants programme enabling growth such as Cumbrian Fellbred activity, and investigation into organic markets • Craft Producers Capital Grants Scheme to develop such as wood-based craft sector • Investigate the feasibility of a Cumbrian Wood Fair • Development of processing and added value facilities for dairy and red meat products. <p>Promotion, Marketing and Sales of Cumbrian Products</p> <ul style="list-style-type: none"> • Development of farmers markets • Promotion of farm retail outlets • Reviewing all marketing and create scale economies • Courting local supermarkets • Centralised sales outlet for products • Build upon existing food and non-food marketing structures to promote produce both within and beyond the region • Development of co ordinated Cumbrian Marketing Campaign incorporating Red Meat Initiative, Cumbrian Fellbred etc. <p>Community Produce Support Programmes</p> <ul style="list-style-type: none"> • Support for healthy living programmes • Support for buy local and food for miles campaign <p>Collaborative Marketing</p> <ul style="list-style-type: none"> • Collaborative marketing within the local farming, food processing, craft and other product communities
Innovations Required	E1: Viability and credibility of brand requires unified Cumbria-wide approach though sub-brands will also be encouraged
Lead Organisation & Partners	<p>B2: Forestry Commission, Cumbria Woodland Forum C2: FBAS, SBS, Countryside Agency E1: Made in Cumbria, Cumbria Chamber of Commerce; Countryside Agency</p>
Links to other SOs	SO7

Table 5.7: SO7 Sustaining the Rural Environment

RAZ Thematic Categories	B1: Environment & Access; B2: Forestry Futures; C1: Agri-Environment Fresh Start; C2: Farm Based Business Regeneration
Proposed Interventions	<p>Landscape & Conservation Programmes</p> <ul style="list-style-type: none"> • Landscape restoration and conversation programmes • Sustain and restore Cumbria’s most valued wildlife habitats - a key element of the Biodiversity Action Plan • Bring neglected woodland back under sustainable management, • Facilitate applications for new woodland creation • New planting to safeguard landscape/water quality and soil protection <p>Integrated Land Management</p> <ul style="list-style-type: none"> • Intensive lowland land management support scheme which will help lowland farmers move to less intensive production in return for environmental payments • Trial alternative futures for pastoral areas • Whole farm planning to include audits of environmental and waste management issues • Land use demonstration projects • Lowland dairy stewardship - Development of arable pockets via whole crop silage and fodder crops - Grassland management through reduced cut silage options - Grassland management through extensive grazing of permanent pasture - Pilot native breed support for habitat improvements • Creation of nature reserves <p>Water/River/Lakes Quality</p> <ul style="list-style-type: none"> • Integrated activity for water quality, soil erosion, flood control, river habitat/ species enhancement • Restoration programmes and integrated lake catchment management • Integrated coastal management <p>Cumbrian Uplands Programmes</p> <ul style="list-style-type: none"> • Development of Centre of Excellence for Traditional Upland Skills • Development of an international research centre for Mountain Studies • Development of Cumbria Commons Associations <p>Access Enhancement and Maintenance Programmes</p> <ul style="list-style-type: none"> • Improvements to the Access and Rights Of Ways Network • Promotion of web-based Rights Of Way information • Development of sustainable tourism experiences
Innovations Required	B1: Working with farmers and local communities to ensure that environmental sustainability remains a key feature of all forms of change.
Lead Organisation & Partners	<p>B1: CBLA; Countryside Agency, English Nature, Environment Agency, LDNP, National Trust, Local Authorities, Forestry Commission; Farmers, CWT, ECCP</p> <p>B2: Forestry Commission, Cumbria Woodland Forum, Made in Cumbria, Yorkshire Dales National Trust</p> <p>C1: Cumbria Farm Link, English Nature, NFU, The Cumbria Campus (Newton Rigg)of the University of Central Lancashire.</p> <p>C2: FBAS, SBS, Made in Cumbria</p>
Links to other SOs	SO2, SO3, SO4, SO5, SO6

Table 5.8: SO8 Social & Community Regeneration

RAZ Thematic Categories	A1:Empowering Cumbrian Communities; G2:Enhanced Transport;
<p>Proposed Interventions</p>	<p>Social and Community Infrastructure</p> <ul style="list-style-type: none"> • Buildings/property for community social and economic development • Enable training and social enterprise centres at key locations • Providing focus for capacity building activities • Support development services and exchange of ‘enterprise’ ideas <p>Empowering Cumbrian Communities</p> <ul style="list-style-type: none"> • Community Regeneration Fund, building upon the success of the Community Recovery Fund • Support to enable community organisations to innovate, extend and co-ordinate work within communities • Promotion of ‘animateurs’ from within communities of interest and place, growing the impact of peer led capacity building. • Development of entrepreneurs within the farming community • Secure increased community participation of young people and women in the regeneration process • Increasing development of personal confidence and capacity skills • Support promotion of rural health services • Representation and enterprise through peer and network led approaches • Development work with Parish and Town Councils, second and third tier Local Authorities Local Strategic Partnerships and other groups • Participation strategies and enhanced co-ordination and co-operation between local decision making structures. • Leadership/facilitation skills <p>Community Finance</p> <ul style="list-style-type: none"> • Improved accessibility to financial resources for community organisations, micro businesses and individuals • Development of Community and Asset Reinvestment Trust (CART) • ‘Loan Circles’, ‘Community Chests and non sterling based trading.’ <p>Retention of Rural Services Infrastructure</p> <ul style="list-style-type: none"> • Village Shop Support Programme • Rural Post Office Development Programme • Community transport enhancement programme supporting the needs of the rural infrastructure <p>Community Regeneration ICT</p> <ul style="list-style-type: none"> • Embed ICT in community led regeneration • Transfer of experience from the Wired Up Communities project to other communities • Further development of the function of Community Development Centres, through the further development of the CREDITS programme.
<p>Innovations Required</p>	<p>A1: Integration of grant and finance structures; Development of animateurs from within communities; increased co-operation and co-ordination between Community Support organisations; Delegation of responsibility to Community Support Organisations for the development and co-ordination of programme areas.</p>
<p>Lead Organisation & Partners</p>	<p>A1: Voluntary Action Cumbria, Council for Voluntary Service, National Trust, LSPs, Local Authorities, Parish/Town Councils; Countryside Agency</p>
<p>Links to other SOs</p>	<p>SO2, SO3, SO5</p>

5.5 Areas of Activity and Project Support

The primary focus of 'Next Steps' is the regeneration of the rural economy in the county. To this end, it is anticipated that resource allocation will support project activity in:

- 'rural' wards with a population of less than 5 persons per hectare;²⁵
- market towns;²⁶ and
- urban areas where rural residents account for more than 70% of project beneficiaries.

This set of criteria is fully consistent with that outlined in Rural Renaissance and is designed to ensure that maximum benefit is secured to the rural economy.

5.6 Equality and Diversity Imperatives

In developing 'Next Steps' partners have been acutely aware of the need to ensure that all segments of the rural community share in the benefits of regeneration. It is therefore envisaged that the Strategy will seek to maximise opportunities for all rural residents regardless of gender, economic status or ethnicity. This will be pursued through promotion, provision of support and prioritisation of activities that address barriers to participation and encouraging the take-up of opportunities provided by 'Next Steps' activity²⁷.

5.7 State Aids

Regeneration assistance provided through the public sector may be subject to EU regulations regarding State Aids. Assistance to agriculture is one of the primary areas of State Aids regulation and, as such, elements of 'Next Steps' may require notification to pursue clearance by the appropriate authorities²⁸. Partners recognise that the issue of State Aids is, and will be, an on-going consideration over the Strategy period.

25 Appendix 3 contains a full listing of the wards designated as rural. This list is taken from NWDA proposal guidance - references to wards in Market Towns are superseded by the general eligibility of Towns in their entirety.

26 Appendix 4 contains a list of designated Market Towns in Cumbria.

27 Mechanisms for ensuring this focus are discussed in section 7 of the document.

28 DEFRA are providing assistance with regard to the nature and scale of project activity likely to be subject to the relevant guidelines.

6 Costs, Funding, and Impact

6.1 Introduction

The interventions outlined in section 5 provide the basis upon which the 'Next Steps' strategy will be delivered. This section contains a preliminary and indicative funding and impact assessment of the 'Next Steps' proposals.

6.2 Cost Profile

One of the primary functions of the RAZ process is to secure synergy and coordination in the deployment of resources available to support rural regeneration. The range and types of actions identified by partners in the consultation process, and identified in section 5, have attached nominal costs equivalent to £274m, broadly in line with the Initial Steps proposals. Table 6.1 summarises the cost profile across each of the eight strategy objectives.

Table 6.1: Projected Costs

Strategic Objective	Projected Cost (£m)
SO1 Broadening the Economics Base	38.5
SO2 Renew and Strengthening Tourism	56.0
SO3 Assisting Restructuring of Agriculture	50.9
SO4 Enhancing Primary Agriculture	13.6
SO5 Skills Development	10.3
SO6 Countryside Products	22.1
SO7 Supporting Rural Environment	71.8
SO8 Social and Community Regeneration	11.0
Total	274.2

These costs have been identified by partners on the basis of their experience in delivering similar schemes over a number of years. Some of the proposals are based on a continuation/extension of existing activities while some seek to adopt a radical new approach to rural regeneration.

6.3 Funding Profile

Just as proposals represent a mix between existing and new activities, elements sit comfortably within existing funding programmes while others require 'new' funding mechanisms to progress. In developing 'Next Steps' partners have recognised that clear differentiation between funding regimes and associated outputs/impacts is required to assist transparency and understanding of the strategy. To assist this process, a review of available funding has been undertaken.

This has assessed the global regional resource identified in Rural Renaissance and attempted to evaluate the likely 'draw down' to Cumbria in discussion with funding partners. This process is complex, not least due to the fact that none of the partners can, at this stage, accurately identify their budget over the course of the five-year strategy period. The analysis will therefore require scrutiny and amendment in due course as future budget quantum are specified.

6.3.1 DEFRA/ERDP

The ERDP is designed to enable an integrated approach to support for rural development using both Community and national instruments. Funding is 'drawn-down' from a number of different funding streams:

- Environmentally Sensitive Areas (ESA), Organic Farming, Hill Livestock Compensatory Allowance (HLCA) and Hill Farm Allowance Schemes (HFA) are operated on a national basis only;
- Countryside Stewardship, Farm Woodland Premium, Woodland Grant and Energy Crops schemes have some degree of regional discretion in targeting but operate within a national framework;
- Processing and Marketing Grants, the Rural Enterprise and the Vocational Training Schemes are directed through Regional Programming Committees.

Discussions undertaken in preparation for Rural Renaissance indicated that, while many of the relevant schemes are demand driven and distributed nationally, the North West might expect to access something in the area of £123m from ERDP, over the course of the five-year strategy period. In preparing the 'Next Steps' proposals, it has been assumed that Cumbria will attract some 65% of this figure or £79.6m. It is also assumed that the distribution of resource across strategy objectives will be in line with that identified in *Rural Renaissance*.

6.3.2 Countryside Agency

The Countryside Agency is responsible for a number of activities and programmes that will contribute to the RAZ strategy. For the purposes of the 'Next Steps' Strategy it has been assumed that approximately 50% of the funds indicated likely to be available for Rural Renaissance will be drawn down in Cumbria. Resources are distributed across strategy objectives in line with *Rural Renaissance*.

6.3.3 Forestry Commission, LSC, English Nature, SBS

Information regarding the envisaged quantum and distribution of resource from these bodies has come direct from each of the organisations concerned.

6.3.4 Structural Funds (Objective 2, Objective 3, Leader Plus)

The level of resource available from Structural Funds is subject to continuous adjustment as differing project and scheme proposals are submitted and approved. Profiles are based on known approvals (eg the EDZ) along with a view on likely future access to resource.

6.3.5 Private Sector

The pattern of private sector contributions is based on the profiles and contribution rates contained in the Rural Renaissance strategy. In practice, the scale of private sector inputs will reflect the nature of the activities that are pursued on the ground.

6.3.6 NWDA

NWDA has committed £100m over the strategy period to rural regeneration within the North West. Of this total, some £67m is expected to be drawn-down in Cumbria though £10.1m which it is anticipated will come in Cumbria through the £15m allocated by the NWDA to 'regional' programmes²⁹ and £14.69m which is committed directly to Cumbria via existing NWDA schemes³⁰. On this basis, the balance of 'new' NWDA assistance available to the RAZ process is estimated to amount to £42.25m.

6.3.7 Funding Profile

On the basis of the funding assessment and associated analysis, Table 6.2 provides the indicative partner funding profile through which resource for the RAZ will be delivered. The total expected resource available over the strategy period amounts to some £245m.

²⁹ It is expected that the Cumbria 'share' of these programmes will broadly parallel the overall county allocation.

³⁰ This consists of £2.85m to support RDP commitments; £4.8m allocated to Distinctly Cumbria (SRB7); £1.8m for the Rural Small Buildings scheme; £2.45m for other rural workspace and £2.49m for the Market Towns Initiative.

Table 6.2: Indicative Partner Funding Profile (£m)

Partners	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
ERDP/DEFRA	3.3	2.8	4.6	1.6	0.7	3.4	62.4	1.0	79.6
Countryside Agency	2.8	4.0	0.0	0.1	0.0	0.1	1.4	2.5	10.8
Forestry Commission	3.9	0.0	2.0	0.7	0.0	0.0	2.0	0.0	8.5
LSCs	1.2	1.8	7.3	1.8	4.2	2.4	0.0	0.0	18.8
NWDA	24.8	7.5	13.2	2.1	1.6	11.0	6.3	0.6	67.0
English Nature	0.0	0.0	4.5	1.3	0.0	0.0	0.2	0.0	6.0
Objective 2	1.0	4.4	0.0	3.3	0.0	2.6	0.0	0.7	11.9
Objective 3	0.0	1.5	0.0	0.7	1.5	0.0	0.0	0.1	3.8
Leader +	0.3	0.3	0.0	0.0	0.1	1.3	0.0	0.0	2.0
Private Sector	2.1	6.4	19.8	0.1	0.8	1.2	0.0	0.0	30.3
SBS	1.5	0.0	0.0	1.0	0.0	0.0	0.0	0.0	2.5
Other	0.1	2.7	0.4	0.2	0.2	0.3	0.1	0.1	4.0
Total	40.9	31.3	51.7	12.8	9.0	22.3	72.4	5.0	245.3

6.4 Funding Gap

Given a projected cost of some £274m and a resource base of £245m, a funding gap exists within the strategy equivalent to some £29m. Table 6.3 details the nature of the cost, funding and gap profiles across each of the eight strategy objectives.

Table 6.3: Projected Costs and Funding Gap

Strategic Objective	Projected Cost (£m)	Available Resource (£m)	Funding Gap (£m)
SO1 Broadening the Economics Base	38.5	40.9	(2.4)
SO2 Renew and Strengthening Tourism	56.0	31.3	24.7
SO3 Assisting Restructuring of Agriculture	50.9	51.7	(0.8)
SO4 Enhancing Primary Agriculture	13.6	12.8	0.8
SO5 Skills Development	10.3	9	1.3
SO6 Countryside Products	22.1	22.3	(0.2)
SO7 Supporting Rural Environment	71.8	72.4	(0.6)
SO8 Social and Community Regeneration	11.0	5.0	6.0
Total	274.2	245.3	28.9

6.5 Impact Assessment

The preliminary economic impact of the strategy has been formally examined using an economic impact model that provides estimates of gross and, taking account of deadweight, displacement, supply chain and income multiplier effects, net impacts.

Two versions of the model are employed to address different impact effects of safeguarded and new economic activity across each of the eight strategy objectives providing a comprehensive assessment of potential impact outcomes. To ease interpretation, illustrative impacts are also modelled in relation to the wider integrated RAZ programme (both existing and 'new' resources) as well as the 'new' resources in isolation.

6.5.1 Gross Impacts

Gross impacts represent the ‘visible’ outcomes of project or programme interventions before any consideration of additionality effects. These are typically measured in terms of headline indicators such as Gross Value Added (GVA) created/safeguarded and jobs created/safeguarded though they can also include indicators such as numbers of businesses created/attracted, numbers of individuals receiving training/ numbers of training opportunities and area of land recycled/remediated.

For the purpose of the impact exercise, only the headline indicators are used in examining the integrated RAZ programme but the additional indicators are employed in relation to the ‘new’ resource since they also broadly correspond to the Tier 3 outputs adopted in the NWDA Corporate Plan process.

Gross employment effects are constructed on the basis of the profiles contained in the Rural Renaissance Plan. Adopting the assumptions for the eight strategy objectives in the latter produces an estimated gross employment impact for the integrated RAZ programme of some 11,455 jobs, at a cost of £23,937 per job. The corresponding figures for the new NWDA resource are 2,208 jobs at a cost of £19,254 per job. The difference in unit costs stems from the concentration of NWDA resource on economic development support rather than, for example, environmental schemes where the costs of job creation tend to be significantly higher.

Gross Value Added (GVA) effects are constructed on a similar basis to that for employment using the baseline *Rural Renaissance* platform across each of the eight strategy objectives. On this basis it is estimated that total GVA from the integrated programme will approximate £331m, or £28,973 per job. Figures for the NWDA resource are £72.2m and £32,706 per job respectively - the higher level again reflecting the emphasis of the NWDA support.

Table 6.4 details the distribution of indicative gross impacts across each of the strategy objective areas along with an estimated division between safeguarded and new job/GVA creation³¹. The distinction is based on information taken from the evaluation of other regeneration programmes along with consideration of the nature and area of proposed interventions. The table also provides indicative values for the wider Tier 3 targets required for the new resource stream.

Table 6.4: Indicative Gross Impact Effects

Integrated RAZ Programme									
Gross Job Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Total	2860	2954	2475	817	712	590	553	493	11455
Safeguarded	1403	1494	1273	436	565	438	367	296	6271
Created	1457	1460	1202	381	148	153	186	197	5184
Gross GVA Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Total (£m)	100.8	51.3	83.0	33.3	18.7	22.0	14.0	8.9	331.9
Safeguarded (£m)	49.2	25.6	42.8	17.9	15.1	16.3	9.5	5.1	181.5
Created (£m)	51.6	25.6	40.2	15.4	3.6	5.8	5.1	3.8	151.0
New Resource Element									
Gross Job Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Total	1167	251	406	80	69	187	31	18	2208
Safeguarded	572	127	209	43	55	138	20	11	1175
Created	595	124	197	37	14	48	10	7	1033
Gross GVA Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Total (£m)	41.1	4.4	13.6	3.3	1.8	7.0	0.8	0.3	72.2
Safeguarded (£m)	20.1	2.2	7.0	1.8	1.5	5.1	0.5	0.2	38.3
Created (£m)	21.1	2.2	6.6	1.5	0.3	1.8	0.3	0.1	33.9

31 Figures may not sum due to rounding.

(table continued over page)

Other Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Business Given Advice	3906	557	314	-	-	150	26	48	5000
Businesses Given Skills Advice	355	59	47	-	-	27	3	9	500
New Businesses	754	134	61	-	-	36	6	9	1000
Learning Opportunities	1,867	251	568	80	138	187	31	25	3147
New/Converted (ha) Floorspace	35000	-	5000	-	-	-	-	-	40000
Land Rem/Recycled (ha)	-	-	-	-	-	-	-	-	250
Woodland Created (ha)	-	-	2500	-	-	-	-	-	2500

6.5.2 Net Impacts³²

The assessment of net impacts attempts to account for the fact that very rarely can all of the activity supported through a programme of intervention be viewed as fully ‘additional’. Some of the activity supported is likely to have gone ahead even in the absence of intervention incurring what are known as deadweight losses. Likewise, elements of supported activity may ‘displace’ non-supported activity so that the ‘real’ effect of intervention is overstated in terms of the gross effects³³. To balance these adjustments, intervention is also likely to stimulate a series of multiplier effects through local income and supplier purchase impacts of supported activities.

Each of these adjustments is accounted for in the impact assessment process. However, the approach adopted results in reductions from the gross baselines that are generally more conservative than might be the case in other circumstances. This results from the fact that diversification and broadening of the economic base are important elements of the activity to be pursued via the strategy.

Successful promotion of such activity will result in ‘new’ market players that are more likely to displace imported goods/services to the county rather than locally produced goods/services. Likewise, the narrow base of the rural area means that the risk of such activities being pursued independently of the strategy is likely to be lower than elsewhere. Hence both deadweight and displacement losses are more restricted than in other modelling scenarios.

On this basis of the estimated net employment impact for the integrated RAZ programme is 8,259 jobs, at a cost of £33,195 per net job. The corresponding figures for the new NWDA resource are 1,678 jobs at a cost of £25,332 per net job. Likewise, it is estimated that total GVA from the integrated programme will approximate £245m, or £29,672 per net job. Figures for the NWDA resource are £55.6m and £33,124 per net job respectively.

Table 6.5 details the distribution of indicative net impacts across each of the strategy objective areas along with an estimated division between safeguarded and new job/GVA creation. The table also provides indicative values for the wider Tier 3 targets required for the new resource stream.

6.6 Impact Summary

It is anticipated that the total RAZ programme will create/sustain net additional GVA of £245m and net additional employment of 8,259 jobs over the course of the strategy period. Within this framework it is anticipated that the new NWDA resource will create/sustain net additional GVA of £56m and net additional employment of 1,678 jobs. Table 6.6 provides a summary of the net jobs projection.

³² Net impacts are assessed only in relation to the ‘outcome’ indicators - GVA and Employment.

³³ Displacement may occur in either/both factor and product markets.

Table 6.5: Indicative Net Impact Effects

Integrated RAZ Programme									
Net Job Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Total	2381	1678	2054	485	422	301	505	433	8259
Safeguarded	1084	866	984	221	334	222	319	257	4287
Created	1297	812	1070	264	88	79	186	176	3972
Net GVA Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Total (£m)	84.0	29.1	68.8	19.7	11.1	11.2	13.4	7.8	245.1
Safeguarded (£m)	38.0	14.9	33.0	9.1	8.9	8.2	8.3	4.4	124.9
Created (£m)	45.9	14.3	35.8	10.6	2.1	3.0	5.1	3.4	120.2

New Resource Element									
Net Job Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Total	971	143	337	48	41	95	28	16	1678
Safeguarded	442	74	161	22	32	70	18	9	828
Created	529	69	175	26	9	25	10	6	850
Net GVA Impacts	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8	Total
Total (£m)	34.3	2.5	11.3	1.9	1.1	3.6	0.7	0.3	55.6
Safeguarded (£m)	15.5	1.3	5.4	0.9	0.9	2.6	0.5	0.2	27.2
Created (£m)	18.7	1.2	5.9	1.0	0.2	0.9	0.3	0.1	28.4

Table 6.6: Projected Net Employment Effects

Integrated RAZ ProgrammeNew Resource						
Strategic Objective	Total Jobs	Safeguarded Jobs	New Jobs	Total Jobs	Safeguarded Jobs	New Jobs
(SO1) Broadening the Base	2381	1084	1297	971	442	529
(SO2) Renew and Strengthen Tourism	1678	866	812	143	74	69
(SO3) Assisting Restructuring of Agriculture	2054	984	1070	337	161	175
(SO4) Enhancing Primary Agriculture	485	221	264	48	22	26
(SO5) Skills Development	422	334	88	41	32	9
(SO6) Countryside Products	301	222	79	95	70	25
(SO7) Sustaining Rural Inheritance	505	319	186	28	18	10
(SO8) Social and Community Regeneration	433	257	176	16	9	6
Total	8259	4287	3972	1678	828	850

7 Delivery and Implementation Arrangements

7.1 Introduction

The strategy outlined in earlier sections represents the framework within which Cumbrian partners will seek to instigate recovery of the rural economy. This section focuses on envisaged arrangements for delivery and implementation of the 'Next Steps' Strategy over the course of the five-year period and covers organisation and delivery, project management, monitoring and evaluation and the setting of strategy targets.

7.2 Organisation and Delivery Arrangements

The premise that lies behind both the 'First Steps' and 'Next Steps' proposals is that, despite the recent prominence given to dealing with the impact of FMD, the rural economy of Cumbria is subject to a series of longer-term structural trends that are likely to bring impending change to all parts of that economy. Such change will not be confined to those areas that are the subject of particular forms of targeted policy and programme assistance, will impact on urban hinterlands as well as areas of remoteness, have implications for the environmental and ecology structures of rural landscapes and redefine the nature of many current socio-economic relationships.

It is the contention of partners that these challenges are unlikely to be addressed effectively without the encouragement and emergence of an overarching rural policy framework that:

- promotes enhanced cooperation, coordination and integration of agencies and activities 'on the ground';
- establishes mechanisms that permit a flexible response to changing circumstances as well as emerging opportunities and challenges;
- delivers innovative and timely solutions to both short-term and longer-term development barriers;
- engages the full range and mix of funding and non-funding partners, as appropriate, in addressing development and regeneration constraints; and
- pre-empts emerging issues and prepares the ground for concerted action in response to impending change rather than operating passively and reactively.

7.2.1 The Delivery Vehicle

The tasks required both in terms of addressing the emerging rural development context and the delivery of RAZ require a degree of strategic impetus that partners believe lies beyond the delivery capacity of the current policy infrastructure.

The 'mix' of delivery mechanisms and spatial targeting serves to generate overlap, limit effectiveness and coordination and inhibit innovation. Multiple bidding criteria, regulations, reporting, audit and accountability regimes likewise compromise effectiveness and efficiency. Structures are viewed as too disparate, fragmented and constrained to secure the step-change necessary to secure the degree of coordination and coherence necessary to achieve successful implementation of the RAZ.

The RAZ programme provides an opportunity to pursue coherence, coordination and integration in the delivery of rural policy. Partners are determined to seize this opportunity through development of a delivery infrastructure that secures the ambitions of the RAZ concept.

In the light of extensive deliberation and consultation among a wide range of partners, it has been agreed that:

- delivery of the 'Next Steps' Strategy will be achieved via the constitution of an independent, not-for-profit, regeneration company, limited by guarantee³⁴;
- the Rural Regeneration Company will be a small, efficient and focussed delivery vehicle, will operate at arms-length; and
- the RRC will be involved in direct delivery only to 'plug' gaps in delivery infrastructure.

34 Hereafter referred to as the Rural Regeneration Company (RRC) for convenience.

7.2.1.1 Core Regeneration Company Activities

It is envisaged that the RRC will undertake a series of core activities designed to ensure both efficient and effective delivery of RAZ and integration of complementary regeneration activities. More particularly, the RRC will³⁵:

- assume responsibility for coordination, direction and funding of activity to secure overall delivery of the RAZ programme;
- establish and implement procedures to ensure the effective coordination of such activity with other rural initiatives and to ensure that Cumbrian partners play their full role in delivering the *Rural Renaissance*;
- influence and advise public and private sector agencies/organisations on policies and programmes in so far as they impact on rural regeneration;
- provide clear facilitation and signposting functions to ensure and secure access to resources available for rural regeneration;
- work within the overarching framework set by the Cumbria Strategic Partnership³⁶ and develop a close working relationship with the Furness West Cumbria Urban Regeneration Company
- provide innovation and leadership in the identification, design and development of projects and assist in project appraisal;
- consider the merits of establishing/delegating responsibility for a small project/community development fund/approval process for smaller scale activities and projects that support the wider objectives of 'Next Steps';
- implement effective and robust monitoring mechanisms that monitor and evaluate strategy progress and performance and/or comply with the M&E requirements of any body to which the duty of scrutiny is passed;
- assist development of delivery structures to address issues/areas of need/opportunity for which existing infrastructure is weak;
- act to ensure efficient and effective regeneration activity through:
 - 1Yr/3Yr delivery plans;
 - rolling forward delivery plans on an annual basis throughout the period of the Strategy;
 - preparation of an annual report setting out performance against targets, outputs and accounts; and
 - preparation of an annual business plan setting out priorities, expected commitments and outcomes.

The RRC will operate throughout the whole of Cumbria, but the selection criteria of various funding regimes may limit the eligibility of some locations for support. The Company will initially have a five-year lifespan (until 31 March 2007) but may continue to operate in some capacity within the context of the:

- forward strategy agreed by partners;
- availability of appropriate funding streams; and
- in the light of the credibility and reputation established through delivery of RAZ.

7.2.1.2 Regeneration Company Characteristics

The aim of partners is to constitute a small but dynamic company through which to drive forward regeneration of the rural economy in the county. To this end, it is conceived that the RRC will:

- operate in accordance with a constitution and responsibilities consistent with prevailing legislative requirements;
- be accorded appropriate powers to pursue a set of specified objectives/aims consistent with the delivery of the RAZ programme;
- embrace an inclusive membership through annual subscription;
- engage a Chief Executive of national standing and experience;

35 These duties are in line with those envisaged and outlined in the NWDA sponsored Rural Renaissance Plan.

36 See section 7.2.2.1 below.

- operate via a senior and proactive Board of Directors that will:
 - establish and pursue both short and long-term objectives consistent with the ambitions of the RAZ;
 - take responsibility for ensuring compliance with legal and financial duties;
 - undertake to plan and coordinate company development through a robust business planning regime;
 - ensure proper, efficient and appropriate management of an approved work programme;
 - ensure the design and introduction of mechanisms to monitor and evaluate strategy progress and performance; and
 - balance thematic experience/skills alongside spatial representation.
- be led by a private sector Chair independent of founding and funding partners;
- be supported by a dedicated but small executive team; and
- encourage partner secondment where feasible to promote and secure integration of activities and funding streams.

7.2.1.3 Regeneration Company Structure

Operating Team

The desire to instil the RRC with dynamism will be balanced by the necessity to provide sufficient capacity to address the demands of a challenging work programme and to integrate/coordinate rural regeneration activities across the county.

The RRC will be headed by a high-profile Chief Executive experienced in ‘getting things done’ and supported by a dedicated team comprised of new appointments and secondees. In addition, public bodies operating separate funding mechanisms will be encouraged to collocate programme officers with the company to help assist coordination and move towards a more one stop funding shop approach.

Senior Appointments

The process of appointing the Chairman, Chief Executive and Directors to the Company will be carried out within the 2001 Code of Conduct for Public Appointments. Appointments will, based on merit, be subject to independent scrutiny, endorse equal opportunities, probity and be open and transparent to the public.

It is envisaged that the Chair will be of ‘recognised’ standing, be able to commit time and be an effective ambassador for the Company. It is expected that the Chair should be able to represent the Company at all levels, network widely and be able to balance and bring together diverse interest groups.

Directors will be recruited on the basis of the expertise and experience they can bring to addressing the strategic objectives contained in the ‘Next Steps’ Strategy. Representation will mirror the thematic structures that provide the base of the regeneration strategy.

7.2.2 The Delivery Framework

In developing the Strategy and associated delivery arrangements, partners have recognised the need to due regard to the wider institutional framework within which the RRC might be incorporated.

7.2.2.1 The Cumbria Strategic Partnership (CSP)

The Cumbria Strategic Partnership represents an important development in the context of development policy in the county. As a strategic body, the CSP provides an overarching framework for economic regeneration across the whole of the county, not just in rural areas, and is in a prime position to secure partnership working and development. The CSP has an important scrutiny role to play in any delivery framework and is likely to play a key role in coordinating with agencies within and outwith the county.

In addition, *Rural Renaissance* envisages that the sub-regional delivery of the wider regional action plan will be coordinated through a county level-body that will:

- provide an overarching framework for economic regeneration of rural areas;
- pursue ‘on-the-ground’ integration of all rural regeneration activities consistent with and complementary to *Rural Renaissance*;

- take strategic responsibility for the activities and actions that will deliver the ambitions of *Rural Renaissance*;
- introduce structures to ensure that community representatives have agreed consultative mechanisms for advocacy and policy direction;
- perform a scrutiny role through assessment and monitoring of sub-regional delivery plan activities, progress and outcomes;
- act to ensure that delivery vehicle structures:
 - assume objectives/aims & powers consistent with the delivery of the Rural Renaissance programme;
 - adopt constitutions and responsibilities in line with the nature of proposed actions and consistent with any relevant and prevailing legislative requirements;
 - implement operating standards that are efficient, transparent and secure probity in the progression of project activity;
- act to ensure efficient and effective regeneration activity through development of a 5Yr overarching plan detailing proposed delivery structures, actions and their fit with Rural Renaissance, other initiatives, funding partners priorities, outputs and M&E arrangements;
- provide progress/M&E reports along with an annual report to the SB³⁷; and
- review the relevance, enhance actions and/or modify the ambitions and direction of the sub-regional strategy in the light of changing circumstances.

Local partners have agreed that the CSP will operate to fulfil this remit for the purposes of sub-regional Rural Renaissance delivery and will also serve to oversee rural regeneration activity on behalf of all stakeholders in the rural regeneration process.

7.2.2.2 Rural Strategy Sub-Group

It is recognised that there is need to ensure focus and coherence in rural policy issues and RAZ development/progression below the level of the CSP with its wider remit. It is therefore intended to establish a rural sub-group to which the CSP will delegate responsibility for oversight and monitoring of the 'Next Steps' strategy. The sub-group will not, however, have any executive powers over the RRC.

7.2.2.3 The Furness West Cumbria URC

The RRC will be established within the same broad time-horizon as the Furness West Cumbria Urban Regeneration Company (URC). Establishing a clear working relationship with the URC will be crucial not only to avoid overlap but to ensure that the two organisations add value and provide complementary activities. While the URC will operate throughout Allerdale, Copeland and Barrow, it will focus primarily on the development of key, physical regeneration projects within the context set by the New Vision Strategy. The RRC will have a more holistic remit aiming to secure measurable improvements towards the eight strategic objectives contained in the RAZ, and operating within the funding mechanisms set up to deliver the Next Steps Strategy.

7.2.2.4 Accountable Body Role

Cumbria County Council has agreed to act as the accountable body in overseeing the financial delivery of the Strategy. As such it will be accountable for any risks associated with ineligible expenditure or the failure to achieve outputs in projects funded by additional resource streams secured by RAZ (in particular NWDA Rural Renaissance funds

The accountable body function will be carried out by a Regeneration Support Team incorporating the European Liaison Unit within Cumbria County Council. The Regeneration Support Team will serve a range of partnerships in a variety of ways but, as far as the RRC is concerned it will develop quality assurance criteria and ensure its compliance with them, issue offer letters on behalf of the RRC, undertake financial monitoring and make grant payments.

37 SB - The Strategy Body through which overall progress of Rural Renaissance will be reviewed.

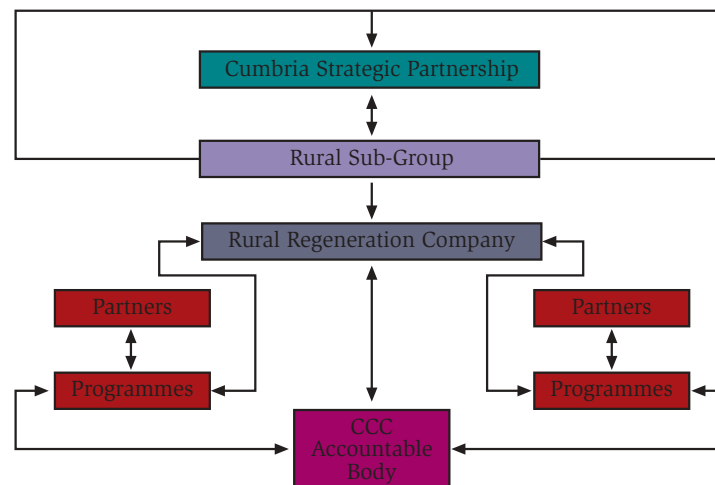
7.2.2.5 Partner and Community Groups Roles

The on-going and continuing engagement of partners and the community are crucial to implementation and delivery of 'Next Steps'. Accordingly, the delivery framework will ensure that partners and community representatives have recognised mechanisms for influencing policy direction and development. Opportunities for the latter will occur through contributions at CSP level.

7.2.2.6 The Delivery Framework

On the basis of the considerations outlined above, a desire to develop an integrated but effective delivery infrastructure and an ambition to grant the RRC maximum flexibility to pursue the RAZ strategy, Figure 7.1 illustrates the framework within which 'Next Steps' will be delivered.

Figure 7.1: 'Next Steps' Delivery Framework



7.2.3 Transition to the RRC

Establishing the RRC will invariably take time as arrangements, preparation, recruitment and selection are pursued. Partners are aware that there is a need to progress elements of the strategy prior to the point at which the RRC can commence operations. At the same time, it is recognised that maximum flexibility must be accorded to the RRC at the outset and that any legacy of prior decisions/approvals should be limited. To this end, it is envisaged that:

- a 'shadow' entity will operate to manage the strategy process during the transition period;
- where feasible, the existing RDP Programme will provide a 'bridge' through which to generate early momentum though such resources will ultimately dovetail into the RAZ process;
- consideration will be given, on a case-by-case basis, to any projects of significance or where multi-annual approvals are required to enable progression.

7.3 Project Management

Delivery of 'Next Steps' is crucially dependent on the nature and quality of activity supported through the strategy process. A strong and robust project management regime will be fundamental to the attainment of strategy objectives. Development of 'Next Steps' has paid particular attention to project management, and in particular, the issues of project:

- development;
- appraisal;
- approval; and
- monitoring.

7.3.1 Project Development

The RRC will, upon commencement of operations and in conjunction with sponsors, assume responsibility for development and progression of all projects seeking resource support to deliver specified elements of the 'Next Steps' strategy. It is expected that the approach to project development will be flexible with some sponsors wishing to work-up projects to a particular stage prior to seeking the assistance of project and funding coordinators within the RRC. Alternatively, some sponsors may wish to develop projects in conjunction with the RRC from the outset. Finally, the regeneration company, itself, will be tasked to provide innovation and leadership in the identification, design and development of projects in its own right.

The RRC will ensure that all projects are developed in line with the equality and diversity imperatives outlined in section 5. This will require formal consideration of project proposals in terms of gender, exclusion and ethnic minority groups along with consideration/promotion of mechanisms designed to link areas of opportunity and need. Applicants will also be encouraged to include statements of intent with regard to equality and diversity in delivery.

Projects will not be progressed to the technical appraisal stage unless and until they have satisfied the RRC that they are of sufficient quality and robustness to contribute to strategy objectives. It is anticipated that many of the projects developed will, in practice, be in the nature of broad schemes/programmes delegated to partners for delivery.

7.3.2 Project Appraisal

It will be a requirement of the strategy process that a full appraisal of each project be undertaken before any recommendation for approval is given and any expenditure outlay incurred. The activity of appraisal will be carried out independently from the project development process and will be subject to any delegation limits attached to funding streams from which resource support is sought. Projects that require support above and beyond delegation limits, requiring third-party support, will be pursued on behalf of sponsors by the RRC.

Any significant change to project proposals in the light of an initial appraisal exercise will require a full and complete re-appraisal to be undertaken. It is expected that appraisal outcomes will be used as a management tool in terms of project implementation, forming the basis of any contract for delivery and serving as a point of reference for subsequent monitoring and management.

The appraisal of projects will be undertaken against a set of pre-established and agreed eligibility/project selection criteria. The latter will include attention to equality and diversity imperatives as well as consideration of links between areas of opportunity and need, and projects addressing these areas positively will be accorded additional appraisal marks.

7.3.3 Project Approval

Approval of projects will be undertaken by the Board of the RRC only upon the advice of a technical appraisal outcome/recommendation and subject to any authorised delegation limits. Approval will normally result in the issue of an grant offer letter to project sponsors detailing any conditions of support alongside specified targets/funding and delivery dates to be agreed by the sponsor. Projects with resource requirements beyond any delegated limit will receive an offer letter upon approval of project proposals from the relevant delegation authority.

Approval of a project will not act as a guarantee of funding but an indication of funding intent subject to evidence of satisfactory progression and performance. Any material alteration to initial project proposals - adjustment to outputs/costs, project ownership, financing - will require approval in advance by the RRC Board and may result in the withholding/repayment of resource already provided. Other potential reasons for withholding/repayment will include:

- unsatisfactory progress;
- use of substantially incorrect information to support project application, progress and/or monitoring statements;
- erroneous payment/overpayment of resource;
- non-disclosure of funding streams used in project delivery;

- evidence of irregularity, impropriety or negligence;
- insolvency or receivership of the recipient sponsor; and
- direction from a body with appropriate legal jurisdiction and authority.

7.3.4 Project Monitoring

All project sponsors will be required to monitor progress of projects in order to ensure that resources are used for purposes for which they have been made available and to inform on performance. Sponsors will be required to keep records of their activities, expenditure and outputs and provide evidence, upon request, that resources have been expended. In addition sponsors will also be required to maintain evidence on beneficiary profiles (where applicable) to permit assessment of progress in terms of equality and diversity. Performance, in regard of the latter, is likely to be a prime consideration on the on-going approval of resource distribution.

The protocol detailing precise processes and procedures for monitoring will be detailed in the offer letter upon approval of the project by the RRC and will require the agreement of sponsors. Monitoring will commence upon acceptance of the offer and will be subject to periodic validation and auditing.

7.4 Monitoring and Evaluation

7.4.1 M&E Procedures

On-going monitoring and interim/ex-post evaluations of the Strategy are essential to ensuring that the latter remains relevant, achieves its objectives and offers good value for money. Partners have agreed that a combination of both bottom-up/micro analysis of projects and top-down/macro analysis of secondary indicators will form the basis of the wider strategy M&E arrangements.

The bottom-up approach will involve reviewing inputs, outputs, results and impacts associated with individual projects and will be based on detailed project-level information and analyses. It is expected that the RRC will provide quarterly reports on project activity and progression and will, in turn, provide a six-monthly report to the rural strategy sub-group and CSP. The top-down analysis will consider changes in a limited number of strategic indicators and assess the extent to which changes in these indicators can be attributed to the strategy. This analysis will be carried out by the RRC and submitted to the strategy sub-group and CSP on the same six-monthly cycle as the bottom-up review³⁸.

Another important component of the evaluation process will consist of mid-term and ex-post evaluations to be undertaken by independent organisations. One of the key elements of this work will be to consider the additionality of the activities supported through assessment of deadweight, displacement, and substitution and multiplier effects.

7.4.2 Implementing the M&E Framework

The 'Next Steps' strategy is designed to be consistent with the wider Rural Renaissance framework sponsored by the NWDA. To this end, the 'Next Steps' M&E framework will report on the indicators proposed as part of Rural Renaissance (Tables 7.1 to 7.4).

38 The information base gathered via this process will provide the basis of the CSP annual summary to the Strategy Body overseeing the delivery of the Rural Renaissance RRRP.

Table 7.1: ‘Next Steps’ Monitoring Indicators - SO1 and SO2 (*Market Towns to be identified)

SO1 - Broadening the Economic Base of Rural Areas	SO2 - Renew and Strengthen Sustainable Recreation and Tourism
Number/proportion of VAT registered ag/non-agricultural business stock	Volume/growth of domestic/overseas visitors/spend to/in rural areas
VAT reg/deregistration rates for ag/non-agricultural businesses	Stock/growth of VAT registered tourism/leisure businesses
New agricultural/non-agricultural businesses starts*	VAT registration/deregistration rates for tourism/leisure businesses
Business survival rates for agricultural/non-agricultural businesses	New tourism/leisure business starts*
Employment base and employment growth in rural areas	Volume/growth of tourism/leisure related employment
Number of businesses advised on ICT	Membership of ICT linked farm-based tourism network
Number of businesses trading electronically	Volume/growth in farm based tourism visitors
Number/growth of ICT related business/employment	Number of farm business advised/assisted/started*
Number/growth of cultural/creative start ups	Volume/growth in farm based tourism beds/bednights
ICT training beneficiaries & Number/level pf NVQ qualifications	Ha of quality habitats
Volume & value of relocation/inward investment	Additional Ha of quality habitats
Volume & value of inward investment in env technology, remediation and related KBIs	Visitor numbers/Ha of quality habitats
Rural businesses accessing venture finance	Number of cultural/creative industry start-ups*
Accessibility levels of Rural Areas	Volume/growth in heritage attraction visitors/income
M ² of office/manufacturing/warehouse workspace available*	Number/Attendance of/at arts/events & venues
M ² of new/renovated office/manufacturing/warehouse workspace*	Size & membership of operator networks
Additional Ha of woodland/forestry	Number & proportion of quality assured provider network
Number of Market town health checks/Action Plans	No of tourism/leisure businesses assisted
Employment base and employment growth in market towns	No of tourism/leisure businesses assisted to use ICT in marketing/promotion
VAT registration/deregistration rates for ag/non-agricultural businesses in market towns	Proportion of tourism/leisure businesses linked to integrated database/network
New agricultural/non-agricultural businesses starts in market towns	GVA created/safeguarded*
GVA created/safeguarded*	Jobs created/safeguarded*
Jobs created/safeguarded*	

Table 7.2: ‘Next Steps’ Monitoring Indicators - SO3 and SO4 (*Market Towns to be identified)

SO3 - Assisting the Restructuring of Agriculture	SO4 - Enhancing the Competitiveness and Capability of Primary Agriculture
No of farm businesses assisted through diversification support	GVA contribution of primary agriculture
Number/proportion of farm businesses assisted pursuing diversification activities within agriculture	Net profitability of farming businesses
Number/proportion of farm businesses assisted pursuing diversification activities outside agriculture	No of farm operations assisted to develop primary agriculture business
Number of whole farm plans completed	Number/proportion of farm businesses assisted acting on advice
Number/value of renewable energy projects supported	% growth in supported farm turnover/incomes
Mw of renewable energy generated	Number and membership levels of best practice/benchmarking networks
Number/growth of organic farm registrations	Number/size of cooperatives/collaborations supported
Diversified income as a proportion of total farm household income	Volume/value of cooperative/ collaboration activity
% of income derived from non-farming sources	Number of applicants assisted/facilitated to secure funding support
% of income derived from off-farming sources	Establishment/participation levels of ICT purchasing/ sales infrastructure
% growth in supported farm turnover/ incomes	Number of applicants facilitated to secure funding support
Additional Ha of woodland/forestry through diversification support	Number of workers in primary agriculture undertaking IT training
Number of diversification needs assessments undertaken	% of workers using IT in farm operations
Number of farm workers undertaking training for alternative careers	Number of demonstration farms for economic/ environmentally sustainable farming
% of farm workers training for alternative careers gaining employment	Visitor levels at economic/environmentally sustainable farms
No of upland farm businesses assisted	Establishment/membership of best practice/ benchmarking networks for economic/ environmentally sustainable farming
Number/proportion of upland farm businesses assisted acting on advice	GVA created/safeguarded
Number of cases supported via the Planning Facilitation Service	Jobs created/safeguarded
% of positive outcomes delivered via the Planning Facilitation Service	
GVA created/safeguarded	
Jobs created/safeguarded	

Table 7.3: ‘Next Steps’ Monitoring Indicators - SO5 and SO6 (*Market Towns to be identified)

SO5 - Rural Skills Development	SO6 - Development and Promotion of Countryside Products
Skills/qualifications of rural area/market town residents	Volume/value of countryside product/produce
Qualification performance and achievements* FE/HE access rate*	% growth in volume/value of countryside product/produce
Working age persons receiving job-related training *	Membership levels of branding networks
Number of beneficiaries receiving reskilling/ upskilling support, & number of training weeks, to enhance sustainability of primary agriculture businesses	Number of local farmers markets supported
Number of beneficiaries receiving reskilling/ upskilling support & number of training weeks to enhance landscape/habitat management skills	Number/size of cooperatives/ collaborations supported (cross reference SO4)
Number of primary agriculture ‘new start’ entrants from the North West	Volume/value of cooperative/ collaboration activity (cross reference SO4)
Number of training beneficiaries from, & number of training weeks to, small rural businesses*	Number of new retail farm/non-farm produce/ product outlet supported/established
Number of SMEs supported through management development/ mentor schemes*	Number of craft businesses advised/ assisted/started
Numbers assisted to pursue self-employment*	Volume/value/growth of activity in supported retail outlets/food futures activities
Numbers accessing mobile-learning facilities*	Volume/value of new sales to public sector purchasers (eg NHS)
Heritage/arts/craft/culture beneficiaries/ training weeks*	Number of marketing/promoting beneficiaries trained (6.7)
ICT training beneficiaries/training weeks (cross-reference SO1) *	GVA created/safeguarded
Tourism/leisure training beneficiaries/ training weeks*	Jobs created/safeguarded
Woodland/habitat training beneficiaries/ training weeks*	
Number of farm workers training for alternative careers (cross reference SO3) *	
% of farm workers training for alternative careers gaining employment (cross reference SO3) *	
Number of workers in primary agriculture undertaking IT training (cross reference SO4) *	
GVA created/safeguarded*	
Jobs created/safeguarded*	

Table7.4: 'Next Steps' Monitoring Indicators - SO7 and SO8 (*Market Towns to be identified)

SO7 - Sustaining the Environmental Inheritance	SO8 - Delivering Social and Community Regeneration
Number of farms advised with regard to economically/sustainable farming options	Access to Post Offices/Food Shops/Banks/ Primary Schools
% of advised farms pursuing actions	Public transport coverage
Number of whole farm plans completed (cross reference SO3)	Establishment/Number of Rural CART schemes
Additional Ha of woodland/forestry (cross reference SO2)	Numbers of individuals/families supported through CART schemes
Additional Ha of broad habitats	Number of rural credit unions established
Km of new/restored hedgerows	Membership of rural credit unions
Km of new/restored dry-stone walls	Capacity building training beneficiaries
Km of rights of way made accessible	Leadership/facilitation skills training beneficiaries
Km rights of way improved	Number of social/community enterprises supported
Km of cycleway added/improved	% growth in employment/turnover for social/ community enterprises
% take-up of CS/ESA schemes	New social/community enterprises starts
Mw of renewable energy generated	Survival rates for social/community enterprises
Establishment/membership of best practice/ benchmarking networks for sustainable building practices	Access to GP/healthcare services
Number/% of planning applications supported by pre-submission advice on building	Number of 'New' services created/improved/ extended/relocated
GVA created/safeguarded	Number pf Parish Plans developed
Jobs created/safeguarded	Number of community heritage initiatives adopted
	Number of community green spaces created
	GVA created/safeguarded
	Jobs created/safeguarded

7.5 Setting Strategy Targets

To assist the strategy process, the NWDA commissioned an independent study entitled 'A Baseline Study of the Rural Economy of England's North West' by CLES Consulting, which was published in June 2002. The purpose of the study was to establish a baseline of up to date and accurate information on the economy of the rural areas of the North West of England, and in particular to assess the measurability of the Regional Rural Recovery Plan (RRRP) baseline indicators, and provide five year targets against appropriate indicators at both the North West regional level and at the individual county level. It is evident that the task has been far from easy in the absence of any primary research activity. Consequently many of the indicators have no recognised baseline. It is important, however, that some effort is made to provide a 'targeting framework' for the 'Next Steps' Strategy. Therefore Tables 7.5 to 7.12 take the baselines and targets reported by the consultants, but adds in a range of indicative targets for guidance under each of the eight Strategic Objectives. This approach whilst providing target output indicators for many of the outputs and impacts specified, does however invite caution and suggests that once the Rural Regeneration Company has become established it will be necessary to carry out further research work to update and clarify the five year strategy output and impact targets.

Table 7.5: 'Next Steps' 5 Year Targets- SO1 (Broadening the Economic Base)

Actions	Indicator Position	Baseline Position	Baseline Date	Tier	Target (5 years)
1.1-1.13	Business stock - all businesses	15,900	2001		16,200
1.1-1.13	Business stock - agriculture	4,490	2001		5,100
1.1-1.13	VAT registrations - all businesses	1,150	2000		1,300 pa
1.1-1.13	VAT registrations - agriculture	90	2000		110 pa
1.1-1.13	VAT derightistrations - all businesses	1,175	2000		1,000 pa
1.1-1.13	VAT derightistrations - agriculture	150	2000		130 pa
1.1-1.13*	Gross new business starts			1&2	1,000
1.1-1.13	Business survival rates, 24 months		1999	3	70%
1.1-1.13	Employment in rural areas	71,544	2000		76,500
1.3, 1.4	Number of businesses advised on ICT			3	1500
1.3, 1.4	Number of business trading electronically			3	2,500
1.3, 1.4	Number/growth of ICT related business	433	2000		550
1.3, 1.4	Number/growth of ICT related employment	1144	2000		1,450
1.5	Persons of working age 3&4 +	98,000	2000	1&2	105,000
1.5	ICT training beneficiaries			1&2	1,500
1.7	Volume & value of relocation/ inward investment			2	-
1.7	Volume & value of inward investment in env technology, remediation and related KBIs			2	-
1.8	Rural businesses accessing venture finance			3	150
1.9	Accessibility levels of rural areas, % parishes with bus service		2000		85%
1.10*	M≤ of office/manufacturing/ warehouse workspace available				-
1.10*	M≤ of new/renovated office/ manufacturing/warehouse workspace			3	40,000
1.11	Additional Ha of woodland/forestry	55,450			2,500
1.12	Number of Market town health checks/Action Plans	9		2&3	23

Table 7.6: 'Next Steps' 5 Year Targets - SO2 (Renewing & Strengthening the Tourist Offer)

Actions	Indicator Position	Baseline Position	Baseline Date	Tier	Target (5 years)
2.1, 2.2, 2.3	Volume of staying visitors	6,400,000	2000	3	7,000,000pa
2.1, 2.2, 2.3	Expenditure by staying visitors	£490.8m	2000		£537m pa
2.1, 2.2, 2.3	Business stock, tourism and leisure businesses	2082	2000		2,200
2.1, 2.2, 2.3	VAT registration for tourism/leisure businesses				-
2.1, 2.2, 2.3	VAT deregistration for tourism/leisure businesses				-
2.1, 2.2, 2.3	New tourism/leisure business starts*			1&2	160
2.1, 2.2, 2.3	Volume of tourism/leisure related employment	23,069	2000		25,250
2.4	Membership of ICT linked farm-based tourism network				2,500
2.1, 2.4	Volume/growth in farm based tourism visitors			3	+40,000 pa
2.1, 2.4	Number of farm business advised/assisted/started*			3	500
2.1, 2.4	Volume/growth in farm based tourism beds/bednights				+20,000 pa
2.5, 2.6, 2.7	Ha of quality habitats				-
2.5, 2.6, 2.7	Visitor numbers/Ha of quality habitats				-
2.8	Number of cultural/creative industry start-ups*			1&2	108
2.8	Volume/growth in heritage attraction visitors/income				15%
2.8	Number/Attendance of/at arts/events & venues				25%
2.11	Size & membership of operator networks				2,000
2.12	Number & proportion of quality assured provider network				1,500
2.11	No of tourism/leisure businesses assisted				1,000
2.9	No of tourism/leisure businesses assisted to use ICT in marketing/promotion				500
2.10	Proportion of tourism/leisure businesses linked to integrated database/network				40%

Table 7.7: 'Next Steps' 5 Year Targets - SO3 (Assisting the Restructuring of Agriculture)

Actions	Indicator Position	Baseline Position	Baseline Date	Tier	Target (5 years)
3.1	No of farm businesses assisted through diversification support			3	400
3.2	Number/proportion of farm businesses assisted pursuing diversification activities within agriculture				50%
3.3	Number/proportion of farm business assisted pursuing diversification activities outside agriculture				50%
3.1, 3.2, 3.3	Number of whole farm plans completed				600
3.2, 3.3	Number/value of renewable energy projects supported			3	25
3.2, 3.3	Mw of renewable energy generated				-
3.1, 3.2	Number/growth of organic farm registrations				+ 300
3.1, 3.2, 3.3	Diversified income as a proportion of total farm household income				-
3.1, 3.2, 3.3	% of income derived from non-farming sources				30%
3.1, 3.2, 3.3	% of income derived from off-farming sources				20%
3.1, 3.2, 3.3	% growth in supported farm turnover/incomes				10%
3.4	Additional Ha of woodland/forestry through diversification support			3	500
3.5	Number of diversification needs assessments undertaken				500
3.6	Number of farm workers undertaking training for alternative careers			1&2	10%
3.6	% of farm workers training for alternative careers gaining employment			2	80%
3.8	No of upland farm businesses assisted				100
3.8	Number/proportion of upland farm businesses assisted acting on advice				65%
3.9	Number of cases supported via the Planning Facilitation Service				-
3.9	% of positive outcomes delivered via the Planning Facilitation Service				80%

Table 7.8: 'Next Steps' 5 Year Targets - SO4 (Enhancing Primary Agriculture)

Actions	Indicator Position	Baseline Position	Baseline Date	Tier	Target (5 years)
4.1-4.7	GVA contribution of primary agriculture				-
4.1-4.7	Net Farm Income - upland diary				-
4.1-4.7	Net Farm Income - hill sheep				-
4.1-4.7	Net Farm Income - lowland livestock				-
4.1	No of farm operations assisted to develop primary agriculture business			3	500
4.1	Number/proportion of farm businesses assisted acting on advice				65%
4.1	% growth in supported farm turnover/incomes				+ 15%
4.2	Number and membership levels of best practice/benchmarking networks				-1,500
4.3	Number/size of cooperatives/ collaborations supported				50
4.3	Volume/value of cooperative/ collaborations activity				-
4.4	Number of applicants assisted/ facilitated to secure funding support				200
4.5	Establishment/participation levels of ICT purchasing/sales infrastructure				40%
4.6	Number of workers in primary agriculture undertaking IT training				400
4.6	% of workers using IT in farm operations				35%
4.7	Number of demonstration farms for economic/environmentally sustainable farming				3
4.7	Visitor levels at economic/ environmentally sustainable farms				30,000 per farm
4.7	Establishment/membership of best practice/benchmarking networks for economic/environmentally sustainable farming				1,500

Table 7.9: 'Next Steps' 5 Year Targets - SO5 (Skills Development)

Actions	Indicator Position	Baseline Position	Baseline Date	Tier	Target (5 years)
5. -5.5*	Skills/qualifications of rural area			1&2	105,000 NVQ 3&4
5.1-5.5*	Skills/qualifications of market town residents			1&2	-
5.1-5.5*	Qualification performance and achievements				-
5.1-5.5*	FE/HE access rates	1,660	1998		1,800 pa
5.1-5.5*	Working age persons receiving job-related training in last 4 weeks	12.24%	2000	2&3	15%
5.1*	Number of beneficiaries receiving reskilling/upskilling support, & number of training weeks, to enhance sustainability of primary agriculture businesses			1&2	400
5.1*	Number of beneficiaries receiving reskilling/upskilling support & number of training weeks to enhance landscape/habitat management skills			1&2	300
5.1	Number of primary agriculture 'new start' entrants from the North West				200
5.2*	Number of training beneficiaries from, & number of training weeks to, small rural businesses			1&2	600
5.2*	Number of SMEs supported through management development/mentor schemes			2	200
5.2*	Numbers assisted to pursue self-employment			2	1,400
5.4*	Numbers accessing mobile-learning facilities				400
5.5	Heritage/arts/craft/culture beneficiaries/training weeks			1&2	300
5.3, 5.5*	ICT training beneficiaries/training weeks				1,500
5.5*	Tourism/leisure training beneficiaries/training weeks				750
5.5*	Woodland/habitat training beneficiaries/training weeks				400
5.5*	Number of farm workers training for alternative careers			1&2	500
5.5*	% of farm workers training for alternative careers gaining employment			2	65%
5.3*	Number of workers in primary agriculture undertaking IT training			1&2	400

Table 7.10: 'Next Steps' 5 Year Targets - SO6 (Development of Countryside Products/Produce)

Actions	Indicator Position	Baseline Position	Baseline Date	Tier	Target (5 years)
6.1-6.8	Volume/value of countryside product/produce				-
6.1-6.8	% growth in volume/value of countryside product/produce				+ 15%
6.4, 6.8	Membership levels of branding networks countryside product/produce	420	2002		800
6.2	Number of local farmers markets supported	11			25
6.2	Number/size of cooperatives/ collaborations supported				50
6.2	Volume/value of cooperative/ collaboration activity				-
6.2	Number of new retail farm/ non-farm produce/product outlets supported/established				50
6.4	Number of craft businesses advised/ assisted/started			1&2	65
6.3	Volume/value/growth of activity in supported retail outlets/food futures activities				-
6.6	Volume/value of new sales to public sector purchasers (eg NHS)				-
6.7	Number of marketing/promoting beneficiaries trained			1&2	200

Table 7.11: 'Next Steps' 5 Year Targets - SO7 (Sustaining the Rural Environment)

Actions	Indicator Position	Baseline Position	Baseline Date	Tier	Target (5 years)
7.1	Number of farms advised with regard to economically sustainable farming options			3	400
7.1	% of advised farms pursuing actions				50%
7.2	Number of whole farm plans completed				600
7.3	Additional Ha of woodland/forestry			3	2,500
7.4, 7.7	Additional Ha of broad habitats				1,750
7.4, 7.5, 7.7	Km of new/restored hedgerows				150
7.4, 7.5, 7.7	Km of new/restored dry-stone walls				100
7.4, 7.5, 7.7	Km or rights of way made accessible				500
7.4, 7.5, 7.7	Km rights of way improved				1,000
7.4, 7.5, 7.7	Km of cycleway added/improved				500
7.8	% take-up of CS/ESA schemes		1999		75%
7.1	Mw of renewable energy generated			3	-
7.9	Establishment/membership of best practice/benchmarking networks for sustainable building practices				350
7.9	Number % of planning applications supported by pre-submission advice on building				40%

Table 7.12: 'Next Steps' 5 Year Targets - SO8 (Social & Community Regeneration)

Actions	Indicator Position	Baseline Position	Baseline Date	Tier	Target (5 years)
8.1	Access to Post Office, % of households within 2 km of Post Office	87%	2001		87%
8.1	Access to Banks and Building Societies, households within 2km	57.50%	2001		57.50%
8.1	Access to supermarket, % households within 2km	55.40%	2000		55.40%
8.1	Access to Primary Schools, 2km households within	86.40%	2000		86.40%
8.1	Public transport coverage, % of parishes with no bus service		2000		
8.2	Establishment/Number of Rural CART schemes				1
8.2	Numbers of individuals/families supported through CART schemes				100
8.2	Number of rural credit unions established				10
8.2	Membership of rural credit unions				1000
8.3	Capacity building training beneficiaries				300
8.3	Leadership/facilitation skills training beneficiaries			3	100
8.4	Number of social/community enterprises supported				100
8.4	Growth in employment/turnover for social/community enterprises				25%
8.4	New social/community enterprises starts				100
8.4	Survival rates for social/community enterprises			1&2	73% at Year2
8.5	Access to Doctors' surgeries and health centres, % households within 2km	56.60%	2001		56.60%

8 Forward Strategy

Development of 'Next Steps' has required that partners invest significant amounts of time to ensure that proposals are suited to the nature of the problem and that delivery mechanisms are deemed adequate and appropriate to the scale of intervention envisaged.

Implementation of the strategy still needs substantial partner commitment but it also requires that some attention is paid to longer-term issues and considerations. Over the course of the strategy period, agencies and organisations will come together in a way that has rarely been achieved in a rural regeneration context. It is likely that new ways and styles of working will emerge and that synergies not yet identified will be released.

There is, however, little sustainable gain to be made if such benefits become dissipated through the absence of any forward strategy through which benefits of coordination and integration can be prolonged and built upon.

Best practice in regeneration suggests that, from the mid-point of the programme period, the RRC, in conjunction with partners, should set in motion a process for developing the forward strategy. It is expected that this will be devised at both strategy and project level.

Strategy Considerations

At the strategy level, consideration will have to be given to sustaining the benefits of 'Next Steps'. This will need to address issues such as whether the RRC is sufficiently embedded and successful in the regeneration effort to extend its existence, in some form, beyond its initial period of reference. It will also need to consider mechanisms for retaining the knowledge and coordination gain from 'Next Steps' for future regeneration activity and whether the initial strategy should be extended to build on proven success.

Project Considerations

At the project level, there are likely to be a number of projects where ownership and management will need to be transferred to a 'successor' organisation to ensure continuity and completion.

Appendix 1: Consultees

Progression from 'First Steps' to 'Next Steps' has been accompanied by an extensive series of consultations either through participation at the four thematic consultation meetings held on 30/31 January 2002, and/or the twelve thematic sub groups that met during February and early March to refine content; and/or through participating in the consultation meeting on the draft 'Next Steps' Strategy which was held at Rheged Discovery Centre, Penrith on 27 March 2002.

Name	Organisation
Terry Abbot	National Farmers Union
Caroline Addison	Rural Womens Network, Voluntary Action Cumbria
George Ager	Environment Agency
Jean Airey	Keswick Tourism Association
A Alderson	Farmer
Peter Allen	Farmer NFU
Pat Allison	Rural Development Programme Officer
G Armstrong	Farmer
Dave Atkinson	Forestry Commission
Ruth Atkinson	Eden District Council
Bob Barnby	Youth Hostels Association
Kirstin Barton	University of Central Lancashire, Cumbria
Julie Barker	Yorkshire Dales National Park Authority
Kathryn Beardmore	Yorkshire Dales National Park Authority
Andy Beeforth	Cumbria Community Foundation
John Bell	Carlisle City Council
Michael Bell	Bells of Lazonby
Jenny Benson	Copeland Borough Council
Bruce Bennison	Cumbria County Council
Simon Berry	English Lakes Hotels
Carl Bendelow	Cumbria Farm Tourism Initiative
D Black	Paragon Vetinary Practice
P Blair	Farmer
Andrew Blake	A W Blake Agricultural Services
Ken Blenkharn	Cumbria County Council
Karen Bowen	Eden Council for Voluntary Service
Kate Braithwaite	Voluntary Action Cumbria
Jane Brampton	Hadrian's Wall Tourism Partnership
Bruce Blaxtor	Cumbria Youth Alliance
Ben Brinicombe	Allerdale Borough Council
Hazel Broatch	Cumbria County Council
G Brown	Farmer
Geoff Brown	Cumbria Fells and Dales LEADER + Programme
Peter Bullard	Cumbria Wildlife Trust
Norman Burrow	University of Central Lancashire, Newton Rigg Campus
Noel Butters	Maryport Development Ltd
James Carr	Cumberland Building Society
John Carr	North West Development Agency
Jeannie Carruthers	East Cumbria Countryside Project
Bob Cartwright	Lake District National Park Authority
Roger Cartwright	Landcape Consultant
D Chalmers	Farmer
Chris Collier	Cumbria Tourist Board
J R Collier	Cumbria County Council
Cathy Connolly	Carlisle & Eden Local Strategic Partnership
Barbara Coyles	Home Housing Association
Suzanne Caldwell	Business Link Cumbria

David Calway	Cumbria Tourist Board
Bob Clark	Cumbria Rural Enterprise Agency
W Cockbain	Farmer
Alison Coupe	Impact Housing Association
Julia Crouch Smith	South Lakeland Council for Voluntary Service
Faye Davis	Cumbria Business Education Consortium
Paul Davis	Eden Housing Association
Viv Dodd	Cumbria Chamber of Commerce
Jackie Dunne	Woodland Trust
Steve Dunning	NFU Cumbria Deputy Chairman
Catherine Elliot	Carlisle City Council
Mark Ellison	Cumbria Tourist Board
Becky Elton	Rural Womens Network, Voluntary Action Cumbria
David Emison	Churches Together in Cumbria
David Etherden	Keswick Town Council
Cath Fare	Cumbria Tourist Board
David Fisher	Home Housing Association
Allan Fishwick	Lake District National Park Authority
Mick Farley	Cumbria Learning & Skills Council
Charles Flanagan	National Trust
Lynne Fox	Countryside Agency
Geoff Garrett	Yorkshire Dales National Park Authority
Alison Gerke	Cumbria Waste Management Environment Trust
Robin Goddard	Kendal College
Julliet Grace	Countryside Agency
John Grainger	Cumbria Inward Investment Agency
Phil Gray	East Cumbria Countryside Project
Stephen Greenhalgh	Cumbria County Council
Richard Greenwood	South Lakeland District Council
Nick Hardy	Cumbria County Council
Lindsay Harford	Learning & Skills Council
Andy Harris	Cumbria Chamber of Commerce
John Harris	Forestry Authority
Mark Harris	South Lakeland District Council
Steve Heaton	NFU
Trevor Hebdon	Harrison & Hetherington plc
Daniel Heery	Alston Cybermoor Project
Bern Hellier	Copeland Borough Council
John Hetherington	Cumbria County Council
Ian Hill	West Cumbria Local Strategic Partnership
Nicola Hill	National Trust
Philip Holdsworth	Cumbria County Council
D Holden	West Cumbria Development Agency
Chris Holmes	Carrs Milling Ltd
E Holt	North West Water Limited
Ralph Howard	Cumbria County Council
Derek Houston	Cumbria County Council
Barrie Hudson	Forestry Contracting Association
Andrew Humphries	Voluntary Action Cumbria
Simon Humphries	DEFRA: Rural Development Service
Dan Hunt	English Nature
David Hunter	NWDA
Michael Hyatt	Cumbria County Council
Brian Irving	Solway Rural Initiative
Roland Johnson	Aspatria Farmers
Gordon Jones	Government Office for the North West
Keith Jones	Forestry Authority
Phillip Jobson	Jobsons Farm Health
Mary Kipling	Groundwork West Cumbria
Gail Knopfel	Cumbria Rural Forum Project Officer

Richard Knowles
J Knox
John Knox
Graham Lamont
Viv Lewis
Brian Lightowler
Barry Lloyd
Claire Logan
Colin Maddison
Alistair Maltby
Nick Manson
Freddie Markham
David Martin
R Mason
Oliver Maurice
Quentin Merritt
Paul Mitchell
Edward Mills
Alberica McBride
Fergus McMarrow
A MacIntosh
Fiona MacKenzie
Emma Moody
Daryl Morgan
Richard Morris
Teresa Morris
Paul Munch
John Nash
John Naylor
Des O'Halloran
R Park
Ian Payne
Frank Peck
Richard Pealing
John Pinder
Chris Piper
Terry Ponting
Keith Poole
Mike Postle
Jon Power
Anita Proctor
D Raine
J Raine
Rob Randell
R Read
Phil Reddy
Sally Renshaw
I Richards
Guy Richardson
Kirstine Riding
Roger Roberts
Charlotte Robinson
M Robison
David Rooke
Alan Russell
Anna Scamens
Charles Searle
Gavin Shelton
Alan Shepley
David Skyes

Made In Cumbria
Farmer
NWDA
Cumbria Strategic Partnership
Enterprising Communities
Small Business Service
Lloyd Ltd
Rheged
Countryside Agency
Eden Rivers Trust
RSPB
Travelling Light
Regeneration Maryport
Farmer
National Trust
Cumbria Voluntary Sector Training Project
North Pennines LEADER + Programme
Cumbria Broadleaves
Cumbria Learning Skills Council
Copeland Borough Council
Farmer
Solway Firth Partnership
Hadrian's Wall Tourism Partnership
Barrow Community Regeneration Company
Penrith Farmers & Kidd
DEFRA
Countryside Agency
Lake District National Park Authority
Groundwork Trust
English Nature
Farmer
Allerdale Borough Council
University of Northumbria
Cumbria County Council
Environmental Agency
CJ Piper & Co
Whitehaven Development Company
Carlisle City Council
Cumbria Credits
Cumbria Learning & Skills Council
Eden District Council
Farmer
Farmer
Westmorland Motorway Services Ltd
Westmorland County Agricultural Society Ltd
Cumbria Tourist Board
Made in Cumbria
Stramongate Veterinary Centre, Kendal
Cumbria Association of Local Councils
Cumbria Rural Housing Trust
Eden District Council
British Trust for Conservation Volunteers
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Cumbria Youth Alliance
Cumbria Broadleaves
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Jennifer Whyber
Graham Whitehead
Ian Wilson
Tony Wolfe
Andrew Wright

English Nature
National Sheep Association
Cumbria County Council
Cumbria County Council
Graywaite Estate
National Trust
North West Development Agency
Cumbria Tourist Board
Cumbria Inward Investment Agency
Muncaster Castle
South Lakeland District Council
Carlisle City Council
Penrith Farmers and Kidd (Cumbria Fellbred)
Cumbria County Council
North Cumbria Health Authority
Barrow Borough Council
Yorkshire Dales National Park Authority
Cumbria Farm Business Link
Pion Economics
Cumbria Crisis Alliance
South Lakeland District Council
NFU
NFU
W Armstrong (Longtown) Ltd
Activ8 Business Solutions
NWDA
Lake District National Park Authority
Hopes Action Company, Wigton

Appendix 2: Detailed RAZ Proposals

Progression from 'First Steps' to 'Next Steps' has been achieved through a series of thematic consultation groups. The requirement to map the resulting proposals into the Rural Renaissance strategy objectives has meant that elements of the original themes have been inserted under a variety of strategy headings. This Appendix provides details of the original set of thematic proposals for reference purposes.

A1 Empowering Cumbrian Communities

Rationale

Implementation of the RAZ will depend upon the engagement of people in the process of social, economic and environmental regeneration. Whilst there will be people and communities who are already engaged, it is important that the RAZ process is relevant and accessible to a far broader number of people and communities if discernable change is to occur in the Rural economy. Cumbria has a range of public and voluntary sector organisations already active in capacity building within both geographical and thematic communities. RAZ will offer a means of developing joint strategy and resource co-ordination to enable effective and cohesive projects to be further established. Drawing on the expertise of these organisations, a series of themes (or programmes) have been identified. Project activity will include:

- Capital projects, buildings and property for community social and economic development. Enabling the establishment of training and social enterprise centres at key locations within the rural area, providing focus for capacity building activities, development services and exchange of ‘enterprise’ ideas. Links could be created with the provision of affordable housing. Proposals include Crofton, Appleby Heritage and Training Centre and Lane Farm, Crooklands.
- Resourcing and co-ordinating community and group development work within communities. Enabling organisations with community empowerment remits to innovate, extend and co-ordinate their work within communities. This would include initiatives to develop ‘animateurs’ from within communities of interest and place, growing the impact of peer led capacity building. Proposals include, ‘Rural Futures’ a project to develop entrepreneurs within the farming community, the extension of services provided by VAC and the engagement of Housing Association expertise and capacity in community regeneration.
- Accessible and locally managed grant and finance structures. Enabling the establishment of co-ordinated community development finance initiatives and grant funds, increasing accessibility to financial resources for community organisations, micro businesses and individuals who otherwise face difficulty in accessing support. Proposals include a Community and Asset Reinvestment Trust (CART), A Community Regeneration Fund, building upon the success of the Community Recovery Fund and innovative ways of engaging communities through ‘Loan Circles’, ‘Community Chests and non sterling based trading.’
- Engaging communities in local decision making. Enabling significantly increased community participation within key local community plans such as Parish Plans, Market Town Plans and Community Strategies. Proposals include development work with Parish and Town Councils, second and third tier Local Authorities and Local Strategic Partnerships, developing participation strategies and enhanced co-ordination and co-operation between local decision making structures.
- Empowering rural young people and rural women. Enabling the potential of two key communities to be realised, who face particular barriers to participating in regeneration activity and are thus under represented. Proposals include innovative projects from the Cumbria Youth Alliance and the Cumbria Rural Women’s Network seeking to develop personal confidence and capacity, representation and enterprise through peer and network led approaches.
- Information and communications technology in community empowerment.. Enabling ICT to be embedded in community led regeneration. Proposals include the transfer of experience from the Alston Wired Up Communities project to other communities and further development of the function of CREDITS centres.

Investment in these themes will result in a series of community assets, (or ‘foundations’) upon and through which other projects for sustainable regeneration can be built and developed. They will enable significant uplift in grant take up from programmes such as Leader +, ERDP, Objective 2 etc.

Innovations required

Integration of grant and finance structures; Development of animateurs from within communities and accountable to those communities; Methods for increasing co-operation and co-ordination between Community Support organisations, securing funding for core activities which will reduce competitiveness between organisations; Delegation of responsibility to Community Support Organisations for the development and co-ordination of programme areas.

Lead organisation and partners

VAC CVSs + Newton Rigg, FBAS, Westmoreland County Agricultural Society, National Trust, Local Strategic Partnerships, Parish and Town Councils

Links with other proposals

Strong links with Objective 2 Rural EDZ proposal which includes local rural resource centres as venue for exchange of business ideas. These could provide a focus for animateurs as well as a longer-term investment in the process of developing peer group approaches to new rural businesses.

B1 Environment and Access

Rationale

The Cumbrian environment and landscapes are renowned for their high quality and international importance. Air Quality in general is high as might be expected of a rural county. Soil quality has been impaired by use of fertilisers and there is a need for improved husbandry with attention being paid to nitrate and other mineral balances. The most urgent need for action concerns the county's freshwaters. The rivers and lakes present many major, large-scale challenges in terms of water quality. It is for its varied landscapes that Cumbria finds a place in the public imagination. The varied attributes of these areas - their scenic character, the characteristic vegetation and wildlife, the distinctive local character of their buildings and other heritage elements, such as dry stone walls - account for much of their appeal and underpin the major tourist industry of the county. The wealth of wildlife is recognised by an array of national and international designations reflecting important habitats and species.

The value of the cultural heritage is reflected in Areas of Outstanding Beauty, the Lake District and Yorkshire Dales National Parks and the proposed nomination of the Lake District as a cultural landscape of World Heritage Status. Designations afford important protection for these environmental assets although over the years they have been in steady decline in response to sweeping agriculture changes, neglect and development pressures. Increasingly these assets are seen as providing opportunities for public investment to restore their quality. For instance, the government target to bring Sites of Special Scientific Interest to a good quality condition by 2010 is providing such an impetus. Likewise the World Heritage proposal is a mechanism to help focus action on longstanding problems such the declining quality of the lakes, overgrazing of the uplands and footpath maintenance on the fells. The move to open up land for public access, through the Countryside & Rights of Way Act 2000, is a key driver for the coming decade. Improved access to the countryside is of crucial importance to the tourism industry and needs to be integrated with management so that they compliment the wildlife habitats and landscape value that they exploit. The environmental challenge, post FMD, is to bring about rural recovery that identifies and addresses the key environmental issues facing the county and helps restore the high quality of our environmental assets. The solutions found need to be sustainable in terms of the local communities and economies that are involved. The public investment involved must yield public benefit in terms of quality food, environmental gain - restored heritage, more wildlife - and public access. The Rural Action Zone offers an opportunity for action around a number of key themes:

Restoring our Freshwaters

The river valleys and catchments of the county, and the necklace of lakes associated with them, provide a focus for 'rainbow' projects that bring together water quality and resources, soil erosion, flood control, river habitat and species enhancement, angling and access concerns, identify existing uses, problems and opportunities as a basis for conservation remediation and development works and deliver integrated solutions. This will be the lakes which, are arguably the most important resource in the county and where the Stillwaters Project has already made a start. The Restoring Eden project is the river-based frontrunner but others, such as the Derwent and the rivers of the south of the county, deserve to follow. There is scope for linkage and synergy with existing Market Town initiatives.

A fresh start for fell farming

the traditional way of life of fell farming communities, in decline for so long, has now reached a turning point. There is an opportunity to address issue of overgrazing through restocking at significantly lower stocking levels. English Nature has a number of proposals ready to run now. There is a need to rebuild hefted flocks and focus on higher quality food and more local marketing. New systems of funding and support are needed now to build upon existing ESA and CSS schemes, to deliver this. Fencing and other capital investment is needed and has to be done in ways that are sensitive to landscape concerns. Likewise farmers need help in providing the greater access to moorland that the Government is seeking.

Changing Lowland Grassland

The core FMD affected area of the North Cumbrian lowlands in Eden and Solway needs assistance to rebuild its farming with a greater incentive for environmentally-sensitive farming. A key focus will be a pilot agri-environment scheme offering opportunities to extensify lowland grassland and trial an alternative future for lowland pastoral areas. Other projects need to cluster around this to maximise the value of this holistic approach.

Wildlife & Tourism Experiences

There are opportunities to develop sustainable tourism experiences focussing on the wildlife assets of Cumbria. There is already strong support for a proposal to create, on a landscape scale, a major wildlife and tourism experience in the Solway area and link it to the heritage coast AONB. The aim is to create, around the internationally important peatlands, new marginal wetlands and reedbeds and create a tourist infrastructure of access roads, hotel accommodation, an interpretation centre and wetland access walks. Many other opportunities on a smaller scale exist.

A wealth of wildlife

The recently published Cumbria Biodiversity Action Plan (BAP) has been produced by a vibrant partnership of over 120 organisations and is Cumbria's commitment to the UK BAP. Using the Cumbria Biodiversity Action Plan as a focus, there is a need to direct resources towards gaps in funding delivery of parts of the BAP, especially as regards opportunities to bring wildlife closer to people and creating nature reserves. Applications for funding are encouraged to help implement the Plan.

Access for all

farmers and landowners need help in delivering the requirements of the the Countryside & Rights of Way Act 2000 over the coming decade and existing network of access routes, footpaths, and greenways needs to be developed to underpin a greener, more sustainable tourism. Cumbria's Rights of way network needs to be of the highest quality to encourage visitors to return to some of the best walking and riding in the country. A strategic and innovative approach is needed that integrates with other environmental and tourist initiatives, such as those listed above, and takes into account the carrying capacity of the environment. A number of high-profile projects are needed as beacons of what can be achieved. (crosslink with proposal)

Farming Advice & Facilitation

there is a need to offer a comprehensive best practise advice and facilitation service to underpin the countywide sustainable recovery of the industry. The idea is to build on the existing FBAS service and the pilot agency-funded regional facilitation project and offer these services more widely. Output will take the form of integrated Business Plans for farms that cover both farming and environmental aspects, advice on viable options and opportunities for funding and support over time in securing such support.

The RAZ should invite projects that contribute to the delivery of these themes. All projects should deliver quantifiable environmental, economic and social outputs and outcomes and should be subject to an environmental appraisal.

Lead organisation and partners

CBLA; Countryside Agency; Countryside Management Bodies (eg Eden Rivers Trust, East Cumbria Countryside Project); Cumbria Wildlife Trust; English Nature; Environment Agency; Forestry Commission; Lake District National Park Authority; National Trust; National Farmers Union; RSPB

Links with other proposals

Agri-environment Fresh Start programme - C1; Forestry futures - B2; Diversification of tourism product - F1; Farm based business Regeneration Package - C2

B2 Forest Futures

Rationale

The Forest Futures sustainable woodland development programme is a key mechanism in taking forward the 'Cumbria Woodland Vision'. Prepared on behalf of the Cumbria Woodlands Management Committee, this Plan is part of an evolutionary process for a new phase of the former Cumbria Broadleaves Project and is designed to add further value to Cumbria's woodland resource by expanding its delivery of practical sustainable development outputs under a single umbrella. Objectives of both the Forest Futures and

Woodlands Vision are to:

- Develop and manage woodland in a sustainable way for the benefit of communities, the economy, nature conservation and landscape.
- Conserve and enhance Cumbria's existing woodland resource.
- Significantly increase woodland cover, small copses and individual trees.

Forest Futures will focus activity on three core priority areas - Woodland Creation, Woodland Management and Business Development Support serving to provide:

- Diversification/ exit routes for reducing scale and intensity of agricultural operations
- Non-market benefits to existing livestock businesses through increased local supply of timber, materials for shelter, fencing and renewable energy
- Enhanced income through recreation and tourism opportunities where public access is encouraged
- Where marginal farms are disposed of, an opportunity exists for purchase as community forests, held in a land-bank for planting.
- Enhancing and protecting the environment - woodlands can contribute to biodiversity and help to sustain the landscape, protect water quality and soils. They can also be used as carbon sinks - reducing the impact of climate change.

These measures will overcome the low economic return of woodland in short-term and will reinforce other emerging projects such as The Carlisle-Eden Partnership Eden Safaris Concept. In addition there is an opportunity to develop an extensive community forest on areas most affected by FMD, particularly on areas in the north and west of the county previously afforested. The proposals would develop those in the Cumbria Woodland Vision to reflect changed circumstances but would operate largely outside the National Parks. They are based on the realisation that the current intensive grazing regimes may no longer be viable and there's a need to create attractive but radically new landscapes and economies in the long term. Within the Cumbria High Fells, further proposals to revert some of the valley sides to native woodland would be implemented. Where marginal farms are disposed of, an opportunity exists for their purchase as part of the community forest project, and then held in a land bank for planting.

Innovations required

Working with local communities to develop woodland plans. Retraining for farmers and land managers in techniques of forest management. A single rate of planting grant per hectare, with no differentiation between broadleaves and conifers, regardless of planting area.

Lead organisation and partners

Forestry Commission. Cumbria Broadleaves in association with Cumbria Woodland Forum

Links with other proposals

Farm Business Regeneration Package (C2) - will identify potential beneficiaries through diversification consultancy advice service. The Cumbria Forest could complement proposals to develop other alternative land-uses in these areas such as wildlife refuges, energy crops and tourism developments.

C1 Agri-Environmental ‘Fresh-start’ Programme

Rationale

The extent of the foot and mouth outbreak in Cumbria gives a unique opportunity for a ‘fresh start’ for agri-environmental schemes. With agri-environment payments forming a key part of the recommendations of the Future of Food and Farming Commission report Cumbria is in a unique position to pilot schemes that may be operated more widely in future.

Lowland Land Management Scheme - intensive pasture

Lowland grassland areas have become increasingly specialised for livestock and milk production with loss of mixed farming systems and intensification of grass use. Despite this, both lowland livestock and dairy farmers have shown little return for their investment and the sectors have continued to contract in numbers and increase in size and intensity. Foot and mouth has given many farmers in Cumbria the chance to reassess their businesses but so far no agri-environmental scheme has specifically targeted the intensive livestock and dairy sector to provide them with a choice of less intensive production in return for environmental payments.

Countryside Stewardship Scheme special project

A Countryside Stewardship Scheme Special Project is currently being developed by the DEFRA Rural Development Service at Penrith in conjunction with the national DEFRA Countryside Management Division. Funding will be provided through existing DEFRA Countryside Stewardship regional budgets and it is expected that this will provide additional options to lowland producers for reversion of intensive pasture. This, however, will be a specialist option which is likely to have take up amongst a limited number of producers.

RSPB/English Nature Proposals

RSPB and English Nature have put together a more wide-ranging scheme covering a menu of payments on intensive pasture land. This is intended to give commercial dairy farmers a more economically attractive environmental scheme than the current Countryside Stewardship scheme and the proposal is for this to be piloted in both Cumbria and Devon. The additional options would be combined with some existing Countryside Stewardship prescriptions to deliver a package of measures which could offer opportunities to extensify lowland grassland, defragment remnant habitats, and trial an alternative future for lowland pastoral areas. RSPB/English Nature with the support of the National Farmers Union are seeking national DEFRA funding and support for this project in addition to existing Countryside Stewardship budgets.

Sustainable Restocking for the Fells

This proposal has arisen from discussions about how best to help hill farmers recover from foot and mouth particularly those on common land. The project is proposed to be led by English Nature in conjunction with Cumbria Farm Link and the aim of the project will be to stock upland farmland and common land in Cumbria at environmentally and economically viable levels and to rebuild hefted and traditional breed sheep flocks. The project will operate within the Lake District High Fells, the upland parts of the Penrith Spur and the Cumbrian North Pennines with targeting towards, but not exclusively, within common land. It is proposed that the scheme will be available to those directly affected by stock losses as a result of foot and mouth disease and also to all farmers affected by FMD by disruption to markets, stock movements and traditional stock management. Activities would include:

- An advisory service to develop economically and environmentally sustainable restocking proposals at the whole farm, or whole common scale.
- Support for the re-hefting of flocks through grant assistance for shepherding, stock handling infrastructure, fencing if considered appropriate and infrastructure such as cattle grids.
- The provision of environmental payments for farmers through existing English Nature Wildlife Enhancement Schemes, Countryside Stewardship and Environmentally Sensitive Areas.
- Stock accommodation to assist biosecurity & health/product assurance

This scheme, particularly the grant assistance will be delivered alongside the farm business regeneration package described in C2 and may also consider payments for local or traditional breeds of livestock which are part of the agri-environment provisions of the EU Rural Development Regulation but not currently made use of within existing UK agri-environment schemes.

Demonstration Projects

The Curry Report on the Future of Food and Farming is likely to influence future Government strategy for agriculture. The Cumbria Rural Action Zone will seek to promote a range of demonstration farms linked in with the Curry Report recommendations.

Linking agri-environment benefits with the branding of Cumbrian produce and livestock

The Cumbria RAZ will seek to use the benefits of existing and new agri-environmental schemes within Cumbria coupled with Farm Business Regeneration schemes to improve the animal health profile of the County, to better market and brand Cumbrian produce and livestock. This to include help for the development of the organic sector.

Farm Waste Disposal

Schemes will be encouraged to help farmers develop more sustainable farm waste disposal options including synthetic waste and carcass disposal.

Innovations required:

Lead organisation

Cumbria Farm Link, English Nature, Royal Society of Protection of Birds, National Farmers Union, Newton Rigg College.

Links with other proposals

Food Brand Cumbria E1 proposal. Farm based business regeneration package C2. The CART initiative, a component of Empowering Cumbrian Communities A1 could provide a source of funding for purchase of key farm holdings as demonstration projects (eg hefted flock preservation)

C2 Farm Based Business Regeneration Package

Rationale

The foot and mouth crisis has resulted in a devastating loss of income to farmers, particularly those that were not culled out and had to survive through over ten months of stringent movement restrictions a number of which are still in place. Farmers that were culled out are having to rebuild their businesses and have also had a period without income during the restocking period. Reports such as the Curry report on the Future of Food and Farming stress the need for farmers to increase their efficiency but the industry has suffered from falling incomes since 1995. This, and the cash flow crisis created by foot and mouth, has put the industry in a poor position to make the necessary reinvestment for the future.

Farming Connect Cumbria

One of the key proposals for farm business regeneration within Cumbria is a proposal for a five year programme of integrated farm business and environmental advice coupled with a programme of grants for improving farm infrastructure and viability with benefits to the environment, animal health and welfare, and biosecurity.

Advice Programme

The advice programme will enhance and if necessary replace the current national Farm Business Advisory Service and make it more suitable for the requirements of Cumbrian farmers post foot and mouth. The scheme would therefore require funding to 'top up' existing FBAS monies and to link it with environmental advice to maximise the potential benefits to the farm business. It is proposed that the scheme would be accessed through Cumbria Farm Link who would operate an integrated farm advice service working closely with English Nature, the Environment Agency, DEFRA (through the Cumbria Rural Development Service), the Forestry Commission and other agencies. This would facilitate the entry of the farm into existing environmental schemes where appropriate and facilitate access to existing England Rural Development Plan schemes. It would also crucially allow the farmer to access a menu of new Cumbria RAZ funded farm improvement grants tailored to the needs of Cumbrian farmers, a sample list of which follows:

Grants to improve farm infrastructure

These would include investment in infrastructure to meet farm assurance criteria thus improving the marketing ability of the farmer and reducing environmental impact. This would include grants for livestock housing, waste management including carcass disposal, nutrient budgeting schemes, animal health schemes, stock traceability, animal welfare, flock re-hefting (linked in with C1 proposal) and small scale habitat improvement schemes not able to be funded from other packages. The farmer would be facilitated through the grant application process and also be signposted to other services such as training, marketing cooperatives and buying groups and to the England Rural Development Programme grants where appropriate. Cumbria Farm Link would also act as the gateway to planning advice services.

Improving Collaboration in the supply chain and the Marketing of Cumbrian Livestock and Cumbrian produce

Cutting costs and improving returns from the market are key to the future profitability of farming in the County. The Cumbria RAZ would therefore seek to:

- Develop existing buying groups, labour/machinery rings and marketing groups and promote new groups where these are not in existence.
- Encourage developments in the red meat marketing structure in Cumbria particularly collaboration between farmers and adding value to meat products
- Encourage the development of processing and added value facilities within the County particularly for dairy and red meat products.
- Promoting schemes which improve the health status of Cumbrian livestock which could be used as a marketing tool as well as the direct benefits to animal welfare and biosecurity.

Cumbria Sheep Strategy

Cumbria is a major producer of sheep, both finished for the slaughter market and for sale of store and breeding sheep. As well as marketing, farmers might also be assisted in improving their economic returns by a range of activities involving cooperation between sheep breeders. As an example, the strategy could include group breeding schemes and performance testing of hill rams linked in with improvements to carcass quality and disease resistance. The Strategy could also incorporate a more formalised association of Cumbria sheep breeders to coordinate both marketing and breed development.

Farm Business Diversification

With little funds for investment, farmers may need additional help over and above the existing England Rural Development Plan schemes to develop alternative business enterprises on their farms.

Skills Development

Farmers may need new skills to develop their businesses, for example, by using computers to improve record keeping. A central signposting service to all relevant training that might be available within the County would help reduce confusion about the various courses that are currently available and the Cumbria RAZ should seek to identify areas where training is not currently available and facilitate training providers to fill any gaps.

Innovations required:

Ability of planning system to reflect community well-being issues in drafting development plans and making planning control decisions

Lead organisation and partners:

Small Business Service, Farm Business Advice Service - who already deliver one-to-one business advice

Links with other proposals:

Food Brand Cumbria E1 - will develop market penetration of products arising through diversification, quality assurance Empowering Cumbrian Communities A1 - strong links with Rural Futures element - which will develop entrepreneurship skills in farming community by developing self-awareness

D1 Agricultural Support Industry Regeneration Package

Rationale:

The agri-services sector is an extremely diverse group. Industries within the sector include Animal Pharmacists, Animal Feed Manufacturers, Hauliers - Livestock, Hauliers - Feed, Hauliers - Foodstuffs (eg Milk), Hauliers - Fuel, Vets, Abattoirs, Animal Marts., Equipment Manufacturers, Equipment Suppliers, Fertiliser Blender and Distributors., Agricultural Co-operatives, Agricultural Contractors.

At the start of the FMD crisis the agricultural support industry had nobody to represent them unlike the farming and tourism industries. This gap was filled by the new Chamber of Commerce supported by the SBS during the crisis. It is now ready to be formalised through the Chamber with an Affinity Group comprising businesses in all the sub sectors identified above, a Steering Group with a representative of each of the sub sectors plus arrange of specific working groups covering Animal Feed Manufacturers, Animal Pharmacist and Vets, Animal Marts and Abattoirs, Hauliers, Agricultural Contractors, Equipment Manufacturers and Suppliers, Fertiliser Blenders and Distributor, Agricultural co-operatives. This structure will be formalised and project managed by the Chamber, who will oversee the research, implementation and monitoring of the programme necessary to re-engineer the agricultural services sector and help to instil confidence in Cumbria.

Response to the crisis by this sector has shown that there is an acceptance and willingness by many businesses that practice must change in many areas. The sector is now committed to quality products and services, innovation, sharing best practices and collaborative working. If successful this will result in a stronger business base and a sector less dependant on agriculture, a more effective and skilled workforce, model and modern business practices with high quality infrastructure, and attractive to well educated and qualified people.

The initial priorities for Agri Support Sector are as follows:

- Project Management (as described above)
- Quality Assurance systems -
 - Auction marts and abattoirs with a code of animal welfare practice, traceability, extend membership of FABBL.
 - Farm health plans to be endorsed by veterinary pharmacists enhancing livestock value whilst ensuring the highest environmental protection.
 - The introduction of nutrient management planning (as highlighted in the Curry Report).
 - The introduction of low nitrogen best fertiliser practice.
- Infrastructure
 - Bio-security for auction marts and abattoirs including upgrade of lorry washes, modern disinfectant equipment.
 - Equipment Suppliers Gold Standard will ensure the equipment supplied will meet new standards throughout the agricultural industry. It will make the sector more technologically sound and able to take advantage of the great advances in new technology that have been missed to date.
 - re-cycling waste and rainwater, energy conservation at the marts.
 - EID and diversification into tourism.
- Skills Development
 - Improved management advice for auction marts and abattoirs covering diversification, business planning and marketing. - NVQ style training programmes for key staff - Skills development for auctions and abattoirs including IT development and links to DEFRA and BCMS, with an extension of Pentalk and an email network for farms and marts.
- Research and Development. This is a key element of many of the above projects.

Innovations required:

Establishment of formal body representative of all the agri services sector committed to quality products and services, innovation, sharing best practices and collaborative working.

Lead organisation and partners:

Chamber of Commerce and Industry (Agri-Service Sector Group) - SBS

Links with other proposals:

Agri-environment 'fresh-start' programme C1, Farm Based Business Regeneration C2, Food Brand Cumbria E1, Cumbria Learning for the Future H1

D2 Rural Business Regeneration Support

Rationale

Whilst Cumbria's Farmers (and their associated supply chains) suffered the brunt of foot and mouth disease, the economic consequences of the epidemic were felt throughout most sectors of the rural economy. It is imperative that measures are taken to broaden the economic base of the county in order to enable second and third tier businesses to survive any future shock and to promote/extend recovery from the FMD related downturn.

Individual measures might include:

- Business Development
 - Encourage entrepreneurship and business birth rate
 - Provision of rural business advice and support
 - Research into product/service deficiencies and target local capacity development
 - Develop rural business support networks working with local associations, Chambers of Trade and Cumbria Chamber of Commerce
 - Attract inward investment with rural potential
- Business Funding
 - Property and equipment grants to encourage business creation and growth
 - Assistance with loans
 - Equity investment
- Quality Assurance
 - Encourage business participation in quality assurance scheme
 - Develop local kitemarking to relevant standards
 - Encourage businesses with waste minimisation and business environment networks
- Infrastructure
 - Provision of rural workspace (office, workshop, serviced, managed and incubators)
 - Encourage re-use of redundant farm buildings
 - Ensure adequate supply of development land for employment purposes
- Skill Development
 - Training programmes designed to multi-skill the workforce
 - Provision of business management training and up-skilling
 - Local training centre delivering relevant and flexible training courses
 - Target IT training relevant to the needs of businesses
- IT
 - Target IT training relevant to the needs of businesses
 - Encourage use of computers and support with appropriate IT training
 - Encourage e-commerce and use of market portals
 - Extend broadband technology to facilitate business in rural and remote areas

Innovations required

Establishment of business start clubs facilitated and supported by mentoring. Sharing of best practises through closer integration of means of delivery.

Lead organisation and partners

C.L.E.A.N (Cumbria Local Enterprise Agency Network); SBS; Learning and Skills Council; FE & HE Centres; Enterprising Communities/and CDC's; Cumbria Chamber of Commerce; Chambers of Trade/Associations; Bank, Accountants and other professional LSP's/District Councils; Princes Trust

Links with other proposals

Farm Based Business Regeneration C2, Agricultural Support Industry Regeneration; D1, Food Brand Cumbria E1, Cultural and Creative Industries Expansion F5, Cumbria ICT Broadband Initiative G3 and Cumbria Learning for the Future H1.

E1 Food Brand Cumbria

Rationale

While existing branding schemes have shown substantial success, there remains a post FMD need to re-establish credibility of brand to overcome negative imagery viewed nationally and internationally. Farm Health Plans with annual audits linked to controlled restocking of 'disease free' animals can establish a Cumbrian 'disease free' zone and the 'Fresh Start' and Farm Based Business Regeneration Packages will result in high quality livestock production, improved animal management practices, enhanced equipment and buildings. Through such mechanisms Cumbria should become synonymous with quality.

A programme of further work needs to be implemented beginning with research of consumer attitudes to Cumbria. When the branding has been decided a major generic marketing campaign will need to be established. This will establish an integrated network of marketing centres, abattoirs, processing facilities etc to give farmers maximum choice as regards route for sale of product and which can bring back to Cumbria, the processing where possible. Early action is planned relating to merchandising, PR and awareness of Cumbria as a centre for quality food productions. This will be supported by three main groups of activity:

- Research designed to inform the planned future programmes relating to a highly targeted marketing programme. The research will look into:
 - Current product availability
 - Perceptions of Cumbria and its food
 - Niche market opportunities
 - Bulk market opportunities
 - Local, regional and national markets
 - Retail opportunities
 - Channels to market
 - Link to other research that has been carried out
- Distinctly Cumbria support
 - Cumbria Rural Enterprise Agency has lead this SRB bid to gain funding in both capital and revenue terms to assist rural businesses. This work will continue through RAZ.
- Urgent Projects.
 - Farmers market development
 - Farm retail outlets
 - Growth of Cumbria Fellbred activity
 - Investigation into organic markets
 - Courting Supermarkets locallyAmongst others

Innovations required

Rolling out benefits of branding initiatives across all of Cumbria, not just in areas designated for these funding streams. Unified Cumbria wide approach (albeit sub-brands -Fellbred/ Made in Cumbria also be encouraged).

Establish Cumbria Food Marketing and Branding Steering Group - a small effective group of experts within the food industry tasked to manage and enable a project manager to deliver group objectives, plan, public relations and sales, implement market research and manage the future marketing plan. overview all marketing and create economies of scale, minimise duplication of activity through a joined up approach to marketing, form a section within any rural development company for Cumbrian Food Marketing.and monitor results.

Use RAZ status to make special case to overcome EU restrictions on locality marketing (eg woollen produce cannot be locally branded) - Exemptions have been achieved for Scottish island produce and similar freedoms should be achieved through RAZ.

Encourage easier direct sales from farms, the more proportionate applications of health and safety regulations should be experimented with in the RAZ.

Lead organisation and partners

Cumbria Food Marketing and Branding Steering Group - Cumbria Chamber of Commerce; a countywide organisation with no specific sectoral links to lead on Marketing and Branding Steering Group; Chairing group of Specialists.

Links with other proposals

Strong links with Distinctly Cumbrian Leader + bid designed to create accessible virtual market place for Cumbrian produce, local infrastructure to access this and increased capacity of local producers to capitalise on these improvements.

F1 Diversification of Tourism Product

Rationale

Tourism plays an essential role in rural Cumbria, contributing nearly £1bn each year to Cumbria's economy. Investment in competitive tourism product continues at a significant rate both overseas and within the UK at a time when Cumbria's tourism industry has been left weakened by the Foot and Mouth Crisis. To drive the industry forward and maintain Cumbria's position as a world class tourism destination, new products and marketing methods will need to be delivered through the Rural Action Zone. The success of Cumbria's tourism industry is inextricably linked to the county's unique natural and built heritage. The vision is to promote new, innovative and world class tourism attractions, accommodation and infrastructure which reinforce and complement the county's sustainable development of its historic, cultural and environmental assets. To capitalise on these opportunities, enhanced product, services and infrastructure will be required across the county. A step change is required to extend beyond current core markets, exploit new tourism market and development opportunities and drive rural and geographical diversification.

A targeted approach must be adopted, which satisfies market demand and meets Cumbria's economic, social and environmental needs, reflected in the Regional Tourism Strategy. Investment in new product development outside the Lake District National Park will be required, complemented by investment in improved facilities within the Park. Through targeted action and careful assessment of product and market needs, the process of renewal and regeneration will be accelerated, providing tangible benefits for the rural economy. To realise this potential, the economic benefits of tourism to the county will be increased through a range of new initiatives.

Feasibility Studies

New market opportunities will emerge during the life of the RAZ, and it is critically important that new products and markets are developed in a targeted way, to meet clear demand. As such, a range of feasibility studies will be required to guide new development and ensure that maximum economic, social and environmental benefit is secured for the county. These feasibility studies will enable the most appropriate and sustainable projects to be identified and brought forward for funding under other the elements of this proposal. Proposals include:

- Development of the cruise ship market in West Cumbria and Furness, underpinning rural and geographical diversification;
- Build on Cumbria's wildlife and habitat opportunities, to ensure effective visitor management and secure sustainable economic benefit;
- Use of a round Cumbria rail-trail, incorporating the Cumbria Coastal and Settle-Carlisle Railways, as a basis for product and market and infrastructure development around Cumbria;
- Development of the Solway Peatlands project as a major new eco-tourism attraction outside the Lake District National Park, to extend Cumbria's world-class environmental credentials.

Accommodation

New accommodation will be required to meet acknowledged market demands and strengthen the product offer in emerging tourism destinations. Such development will be viewed against a backdrop of quality enhancement and development measures for the accommodation sector, proposed under F2, and within the context of the overarching marketing and ICT strategy detailed in F3 and F4. Development priorities include:

- Expanding the visitor accommodation stock in developing tourism areas outside the Lake District National Park to capitalise on related infrastructural investment and to access priority UK and overseas visitor markets;
- Expansion of Cumbria's business and conferencing capacity, to include accessible high quality facilities in strategic locations.

Attractions

There remains clear potential to develop the network of visitor attractions and events within the County, particularly to provide an enhanced geographical and seasonal spread of tourism benefits. New development proposals will come forward across the county, generating tangible economic, social and environmental benefits. It is vital that such development is guided by market intelligence and is carried forward within the context of proposals F2, F3 and F4, to maximise their positive impact. Key priorities for development will include:

- Capitalising on the county's rich history, culture and environmental heritage to generate additional income and visitors, particularly in emerging tourism destinations, through projects which are tailored to meet the demands of the county's current and emerging visitor markets;
- Adding value to previous investment in tourism facilities and environmental enhancement, through development of complementary products eg The Tall Ships Project at Whitehaven, which will contribute further to the process of renewal and regeneration;
- Expanding the range of wildlife and countryside-based tourism attractions and visitor facilities, to provide increased access, understanding and awareness through visitor interaction. A thematic approach would enable grouping of sites / attractions at a scale which would create significant new attractions eg the Solway Peatlands project;
- Developing projects which capitalise on Cumbria's key target market segments and are able to meet the potential offered by tourism growth markets.

Infrastructure

To strengthen the performance of the accommodation and attractions sectors, and maximise the impact of new product development and marketing activity, it will be necessary to invest in tourism infrastructure. Projects will address both strategic weaknesses in current infrastructure provision and increase Cumbria's capacity to support new visitor markets and products. Projects might include:

- Coordinated development of the walking and cycling network within the County, building on key strategic routes and providing a framework for product development and marketing;
- Product development linked to a high quality integrated transport network, including implementation of a round Cumbria rail-trail and supporting sustainable travel within Cumbria;
- Focused environmental enhancement measures which directly benefit the visitor experience, and enhancing visitor contributions to practical conservation and development, through such initiatives as the Lake District Tourism and Conservation Partnership.

Innovations required

Lead organisation and partners

Cumbria Tourist Board, NWDA, Local Authorities

Links with other proposals

C2, B2, G1, G2, F2, F3, F4, F5

F2 Cumbrian Tourism Product Enhancement Programme

Rationale

Visitors are growing increasingly demanding in their expectations of the whole tourism experience, in particular the need for high quality accommodation, attractions, catering, customer service, tourism information and the ambience of the area. Furthermore, the National Trust and others have identified that people are more interested in the context of the place they are visiting than ever before.

This discernment, coupled with a growing experience of overseas and the development of competing UK destinations is putting more pressure on Cumbria to hold on to its market share. However, it also creates more opportunities for the local economy to benefit from tourists. Quality grading schemes reveal that Cumbria has, in the past, had some of the highest quality tourism product in the country. It is essential that this is maintained if we are to retain a competitive advantage. In order to drive up quality standards, at a time when the industry has few reserves to invest, it is important that a comprehensive support package, including financial aid, is available to improve the visitor's enjoyment of staying and experiencing the County. Support will be available to:

- Improve the standards of accommodation and visitor facilities offered in defined sectors for both the business and leisure tourist.
- Increase the quality of visitor attractions in certain target areas particularly where the industry is less well developed and the environment is appropriate.
- Improve the operation of attractions by providing better information, visitor interaction, identifying scope to increase opening hours and lengthening the season, where appropriate.
- Improve access for those less able, non-car users and coaches where appropriate, and provide advice to businesses on their responsibilities, capitalising on opportunities in information technology provision.
- Improve customer care and understanding of visitor needs by providing accredited training, as a precondition of receipt of support. Recipients will also be encouraged to work towards meeting the standards of a Responsible Tourism scheme thereby emphasising the industry's awareness of its environmental, social and economic responsibilities.
- Establish a 'Fit for Purpose' approach for the regulation and development of the tourism industry.
- Improve the availability of quality transport and accommodation for tourism employees.
- Enhance the provision of tourism specific business advice ensuring the advice given fits with the regional tourism strategy. Tourism benchmarking activity will be encouraged to highlight best practice and areas for development through dedicated business advice.

Innovations required

RAZ funding to deliver a comprehensive approach across the county, overcoming funding barriers; RAZ to legitimise agencies to operate an integrated and joined up approach to regulation that will also prevent oversupply of facilities in appropriate areas.

Lead organisation and partners

Cumbria Tourism Board, NWDA, SBS, LSC and Local Authority

Links with other proposals

Diversification of Tourism Product F1; ICT Strategy for tourism in Cumbria F4; Enhanced Transport Experience G2; Cumbria Broadband ICT Initiative G3; Cumbria Learning for the future H1; NWDA ICT Infrastructure Study

F3 Lakes Plus

Rationale

Already Government funding to support marketing activity post FMD is showing considerable success and return on investment. Marketing evaluation research carried out by Cumbria Tourist Board shows that in 2001 a £1 million marketing campaign generated £70 million of expenditure in Cumbria. Over the next five years a co-ordinated marketing campaign at international and national level is required to help rebuild and sustain recovery of Cumbria's tourism industry. This same five year period provides an opportunity to significantly enhance the marketing and promotion of the whole of Cumbria, not just the famous Lake District brand. A variety of action is required to address the specific needs and opportunities of Cumbria's geographical areas and of the various tourism industry sectors. Marketing activities require rigorous monitoring and evaluation in order to measure effectiveness and impact and to inform future strategies and plans. Longer-term branding issues need to be informed by demonstration and pilot marketing projects. It is essential to identify existing and potential, viable and sustainable brands in order to provide a framework for future marketing investment. Specific needs include:

- Attracting visitors back to Cumbria post FMD through a sustained programme of targeted promotional activity aimed at key overseas and UK markets via Cumbria Tourist Board, local authorities and local tourism partnerships.
- Strengthening the awareness of Cumbria's key brands and it's world class environmental credentials.
- Undertaking a series of pilot promotions of underdeveloped tourism products, including lesser-known areas of Cumbria, wildlife/conservation holidays and other thematic campaigns.
- Advance strategic planning and promotion of threatened cultural and heritage activities in order to derive greater benefits for the local economy and communities.
- Alignment with and contribution to national and regional campaigns addressing cross boundary thematic opportunities and supporting international marketing campaigns.
- Utilisation of up to date technology and e-marketing techniques to directly benefit tourism businesses and to improve data collection and strategic planning.

Innovations required

Lead organisation and partners

Cumbria Tourist Board, Area based tourism partnerships, Local Authority

Links with other proposals

All tourism 'F' projects, B1 Environment & Access Enhancement Programme; E1 Food Brand Cumbria
G2 Enhanced Transport Experience

F4 CT Strategy for tourism in Cumbria (Modernising Tourism)

Rationale

Cumbria is the best known tourism brand in the UK after London and yet the area is one of the worst served in terms of ICT infrastructure and uptake of applications in the whole country. This potentially puts Cumbria's tourism industry at a great disadvantage as it is estimated that by 2006 there will be 1.33 billion Internet users worldwide. People buying online is also forecast to increase from £143 million in 2001 to £446 million in 2005 and travel and tourism is expected to account for an increasing share of this rapidly growing market, rising from less than 10% in 1998 to 30% or more in 2003 (NUA research).

In the UK regions such as Scotland, Wales, Northumbria and Manchester have already developed world class Destination Management Systems with the input of public funding and they are therefore able to compete with destinations in USA, South Africa, Australia, Austria and Canada which already operate fully integrated online systems.

The management and dissemination of information for visitors is critical to the future of tourism and the FMD crisis highlighted serious shortcomings in Cumbria's visitor services infrastructure. To address these problems and provide a sound ICT framework on which to build sustained growth in Cumbria's tourism industry it is proposed that ICT networks (including broadband in due course) and applications are used to create a virtual Cumbrian Internet presence i.e. information on all tourism providers in the County is made available from one interactive point on the Internet. This project will closely liaise with the Cumbria ICT Broadband Initiative. This initiative, led by NWDA and Cumbria County Council will work to secure the rollout of broadband technology and the provision of affordable broadband services to communities in Cumbria.

The tool for delivering 'virtual Cumbria' is a fully integrated Destination Management System (DMS) the main features of which include:

- A central database of tourist accommodation and attractions with a seamless link into online booking facilities, event calendars, video clips etc.
- A contact centre to manage business-to-business and business to consumer communication.
- Tourist information kiosks at strategic points eg key railway stations, tourist attractions etc.
- Access to travel and event information with the facility to buy tickets online. There is also the opportunity to integrate the DMS with a smart card system to enable visitors and local residents to use one card to travel on all the various forms of public transport throughout Cumbria.
- Reservation software facilities to enable providers to provide real time availability.

In order to improve business-to-business communication and collaboration the following projects are required to support the DMS and to strengthen the overall tourism product:

- A Tourist Information Centre virtual private network - enabling seamless communication and exchange of data between centres.
- E-learning and e-skills campaigns to improve ICT knowledge and skills; such campaigns will be developed in conjunction the Learning and Skills Council.
- An Industry Extranet - enabling tourism businesses to access market research and intelligence data, training manuals, business and management information etc.
- A customer relationship management system - which will integrate with the DMS and record past/potential customers and profile geographic, demographic and psychographic trends including travel behaviour, activities, interests and transaction history. This information will be made available to SMEs to assist them in business planning processes.
- Online purchasing of supplies.

Access to the aforementioned ICT applications will raise industry standards and provide the mechanisms for businesses to make significant improvements in performance.

Innovations required

This project will ensure Cumbria's tourism industry is skilled and equipped to undertake e-business in the most efficient and effective way through the provision of ICT infrastructure, networking, equipment and skills training.

Lead organisation and partners

CTB in partnership with Cumbria County Council, Cumbria TB members, District Councils, English Tourism Council, Lancaster University, Lake District National Park Authority and SBS for Cumbria

Links with other proposals

F4 fits with the following elements of NWDA's Regional Economic Strategy:; B1 - Develop Growth Clusters
E1 - Image of the Region (Regional Tourism Destination Marketing).

F5 Cultural and Creative Industries Expansion Package

Rationale

To strengthen the contribution of the cultural and creative industries to the economic and social life of rural Cumbria a range of developmental and support measures are needed. The main growth areas are design and visual arts, crafts industries, museums and galleries, and tourism linked businesses. There is a need for better networks, business skills and support for new and existing creative businesses, there is also a problem of creative talent moving out of the county and region, particularly in the audio visual, music and new media sub sections. Activities, such as festivals and showcase events need to be developed and sustained to help raise the profile of the cultural and creative industries in Cumbria. Key Themes for the Proposals are:

Business Advice and Skills Development - to facilitate the development of a climate supportive of those working in the cultural sector. Advice and guidance targeted at cultural sector businesses located and operating in rural Cumbria, designed to support and develop clusters of cultural businesses active in the arts and heritage. Activities will concentrate on improving innovation, strengthening business skills, particularly in the area of e-commerce and ICT. The sector is marked by the spread of relatively dispersed and isolated micro businesses. Activities will be designed to co-ordinate training, access to facilities and resources, networking and business advice and mentoring

Product Development for the Creative Industries - schemes to assist in the establishment of new businesses for 'new start' creative industry proposals and support networks through the appointment of a network of advisers within existing organisations. Market development advice and co-ordination via regional, national and international contact. Enhancement of existing businesses through access to advice and creative opportunity via ICT and networking. Develop a strategy to capitalise on the contribution of digital technologies to the economic and social life of rural Cumbria.

Product Development for the Interpretative Sector - schemes to assist museums and galleries, heritage attractions and local community groups to develop their skills and quality of product in the conservation and interpretation of the cultural heritage of Cumbria. Work to promote the contribution of new technologies to the cultural life of Cumbria, seeking to provide a vehicle for the development of a countywide access gateway to the rich resource of data, objects and documentation relating to the cultural heritage of rural Cumbria.

Marketing and promotion - to build on the success of the Spirit of Cumbria 2001 programme by focussing on the development of Cumbria as a 'Festival County'. Providing support and coordination for those strategically important Festivals and events that can contribute to the issues surrounding seasonality and staying visitors. Schemes to market and promote both the products of Cumbria's cultural and creative industry sector and the content of its cultural resources. This to include the identification of clusters appropriate to specialised marketing, the development of loan and purchase schemes for creative industry products and close working with existing agencies on a co-ordinated approach to using the cultural sector as an additional tool to attract inward investment.

Innovations required

Closer and integrated working between funding agencies, clearly linked through to overall RAZ strategy and Cumbria Cultural Strategy priorities. Flexibility within planning system to take account of impacts to community well-being in encouraging cultural business development.

Lead organisation and partners

CCC (Lead), Regional Arts Board, NW Regional Cultural Consortium, NWDA, District Councils and private sector

Links with other proposals

F1 Diversification of the Tourism Product; F2 Cumbria Tourism Product Enhancement Scheme; F3 Lakes Plus

G2 Enhanced Transport Experience

Rationale

Transport is a key sector for the recovery of the rural economy following FMD. The aim is to enhance the visitor experience travelling in and around Cumbria. As part of the Local Transport Plan process the County Council submitted a supplementary bid relating to FMD for 2002/3. The supplementary allocation of £1m for 2002/3 recognised the importance of accessibility, improving the visitor infrastructure and developing alternative green tourism opportunities as part of FMD recovery. The G2 proposal develops the initial concept and is based on the total visitor experience of arriving in Cumbria and using the transport network to reach their destination be that a town centre or village, accommodation or a formal or informal recreation site or visitor attraction. G2 can be considered as providing the frontispiece to proposal B1 [Environmental and Access Enhancement programme] and as the transport infrastructure element of proposal F1 [the Diversification of the Tourism Product]. It is also the case that many of the economic initiatives require a modern transport network to sustain development. The specific schemes to be developed over the five-year period are likely to fall into one of the following categories.

The Cumbrian Gateways

A visitor's initial perception of the transport experience in Cumbria needs to be a positive one. The entrances to Cumbria, the key visitor routes and the transport nodes therefore require being of high quality, attractive and providing a sense of place. The location of car parks need to be well placed well signed, and of an appropriate size and design in keeping with the amenity of the area. They also need to be easy to use, attractive and give a feeling of safety and security. It is the intention that the visitor will sense a unity of purpose through design, signing and visitor information. In the first year consistent signs at the entrance of Cumbria and signing of river crossings and major towns and villages will be introduced. Route assessments will be undertaken looking at the whole route from a visitor's perspective to determine the attractiveness of the routes and the adequacy and appropriateness of signing and other information. Train and bus stations will be enhanced over the five-year period to engender a feeling of place and to make links with the cultural of the area. The development of gateways at Barrow, Whitehaven and Workington and the links with the strategic network will be investigated.

Interchanges

One major detrimental aspect of a visitor experience takes place when there is a need to change modes. Projects will be brought forward to enable all users including the elderly and disabled to access pedestrian routes easily and safely from the bus and train stations and car parks along with clear directional signing and where appropriate other information. The ability to leave cycles and baggage at key visitor 'nodes' [stations, car parks and attractions] will be facilitated.

The Networks

The aim of developing sustainable transport networks is key to the proposal. Projects will be brought forward to develop the strategic cycle network and related visitor circular routes linked to local business and tourist attractions. Improved pedestrian routes in key visitor villages and from car parks and other nodes with particular regard to those with mobility difficulties. The quality and frequency of the public transport service will play an important part in achieving the aim and projects, for example linking buses and the key access points for informal recreation, will be developed. The feasibility of buses carrying cycles will be piloted.

Information and Marketing

The enhancement of the transport experience as outlined above needs to be supported by an active information and marketing strategy. A coherent package of transport information needs to be developed with the information then being widely available. Accommodation providers will be encouraged to provide information on the use of public transport and provide advice on sustainable transport. Real time information services will be developed on the key visitor bus routes.

Innovations required

Use of telematics for real time transport information including GPS and other technologies.

Lead organisation and partners

Cumbria County Council; Cumbria Tourist Board; Countryside Agency; Lake District National Park Authority; North West Development Agency; Hadrian's Wall Heritage Partnership, Sustrans; Private sector transport providers

Links with other proposals

Local Transport Plan 2001/2 - 2005 Supplementary Bid 1 - 2002/3

H1 Cumbria learning for the future

Rationale

The Rural Action Zone Vision will require a step-change in the way people work and in their skills. Much of the rural economy especially tourism, draws on urban areas for its workforce and, conversely, many people who live in rural areas commute to urban areas for work. Thus, there is a strong inter-relationship, and hence inter-dependence, between economic activity, and hence learning and skills, across the County's rural and urban areas. The impact of the foot and mouth disease outbreak has resulted in an accelerated need to develop the skills and qualifications of both workforce entrants and of the workforce itself. Rural Cumbria, indeed the County as a whole, is characterised by worryingly low basic skills levels and a large lag in higher level qualifications. In part the reasons are attributable to the predominance in the rural economy of agriculture and tourism which have historically not perceived a need for high level skills and qualifications. Rurality and remoteness may also impose barriers to access to learning. These low levels of skills have inevitably had a deleterious impact on businesses in the County.

This accelerated need is made all the more urgent as before the foot and mouth outbreak a Performance and Innovation Unit Report on Rural Economies (December 1999) set out clearly that the farming industry needed to 'become more skilled at understanding and responding to the needs of customer segments, managing supply chains, innovating and adapting rapidly to changing conditions and watching and learning from competitors'. One of the objectives set out in the Government's Rural White Paper 'Our Countryside and the Future - a fair deal for rural England' is to facilitate the development of dynamic, competitive and sustainable economies in the countryside, tackling poverty in rural areas through: helping rural businesses to succeed through improved skills, business support and better infrastructure; helping farmers to restructure (this requires additional learning support - in IT for example); targeted support for deprived rural areas; better services which combat poverty and social exclusion.

The Government's Task Force for the Hills recognised the need to develop research and higher level education in the management of the uplands: 'That a continuing role and funding be given to a relevant institution to collate and disseminate in England, research and good practice in upland farming, learning from experience in Scotland and elsewhere in Europe' and 'That a higher and further education institute be designated as a centre for the study of agriculture and multi-functional land management in the English uplands.'

Cumbria also exhibits below the national average progression into higher education. This deficiency must be addressed for the benefit of both the County and population. There are a number of interrelated actions required:

- There is already significant HE provision in the County delivered through the four HE institutions and four FE colleges. However, since Cumbria does not have a single 'university' much of this is unknown to its population. Better communication is required through colleges and schools directly;
- More HE provision is needed, relevant to the requirements of the county, requiring investment by existing providers and support for capital projects and other start-up costs;
- The only practical approach to the development of HE in Cumbria is through existing providers. The population of Cumbria is too small to support a traditional single campus university so a different model is required, perhaps similar to that used in Cornwall.

Although there are nine campuses offering HE courses in Cumbria, reasonably distributed geographically, there are still significant transport and communication barriers for learners. These must be addressed in imaginative ways including better transport infrastructure, support for learners, better ICT facilities, innovative e-learning and other approaches to the delivery of learning.

Proposals

Learning and skills development is a element of key recovery and regeneration - this includes support for the training and retraining of individuals within the workforce, whether in employment or not, whether in rural areas or not, in order to help them overcome change and access new opportunities.

Major challenges include:

- creating demand for learning at all levels, but especially at higher levels, by both individuals and employers;
- making learning more accessible;
- improving the skills within businesses;
- developing the supply side by establishing new learning programmes and facilities which reflect the new imperatives;
- ensuring local research support for a range of disciplines associated with agriculture and multi-functional land management.
- Developing access to HE in the county

Innovations required

Improved short-term coordination of FE/HE in the county including strategic management, development and marketing of provision at all levels; New long-term vision for the future of HE in Cumbria including strategies for collaboration between providers, investment needs, funding sources, geographic spread and links with colleges and schools

Lead organisation and partners

Cumbria Learning and Skills Council, working with the University of Central Lancashire, other further education providers and Connexions Cumbria.

Links with other proposals

The achievement of this proposal is an essential underpinning to the remainder of the RAZ.

Appendix 3: Rural Area Wards

This appendix includes a full listing of Cumbria wards along with a 'rural ward' designation. All wards in Market Towns (see appendix 4) are automatically eligible for support regardless of their 'rural ward' designation.

Local Authority	Ward Name	Rural Ward	Local Authority	Ward Name	Rural Ward
Allerdale	Derwent Valley	Yes	Carlisle	Botcherby	No
Allerdale	Marsh	Yes	Carlisle	Harraby	No
Allerdale	Ellenborough	No	Carlisle	Lyne	Yes
Allerdale	Ellen	Yes	Carlisle	Currock	No
Allerdale	Clifton	Yes	Carlisle	Belah	No
Allerdale	Castle	No	Carlisle	Belle Vue	No
Allerdale	Crummock	Yes	Carlisle	Brampton	Yes
Allerdale	Netherhall	No	Carlisle	Arthuret	Yes
Allerdale	Broughton	Yes	Carlisle	Great Corby and Geltsdale	Yes
Allerdale	Boltons	Yes	Carlisle	Hayton	Yes
Allerdale	Binsey	Yes	Carlisle	Irthing	Yes
Allerdale	All Saints	No	Carlisle	Denton Holme	No
Allerdale	Dalton	Yes	Carlisle	Burgh	Yes
Allerdale	Dearham	Yes	Carlisle	Upperby	No
Allerdale	Ewanrigg	No	Carlisle	St. Aidans	No
Allerdale	Flimby	Yes	Carlisle	Trinity	No
Allerdale	Keswick	No	Carlisle	Stanwix Urban	No
Allerdale	Moorclose	No	Carlisle	Morton	No
Allerdale	St. Bridget's	Yes	Carlisle	Wetheral	Yes
Allerdale	St. John's	No	Carlisle	Dalston	Yes
Allerdale	Silloth	Yes	Carlisle	Yewdale	No
Allerdale	Northside	Yes	Carlisle	Stanwix Rural	Yes
Allerdale	Warnell	Yes	Carlisle	St. Cuthbert Without	Yes
Allerdale	Waver	Yes	Copeland	Distington	Yes
Allerdale	Tarns	Yes	Copeland	Harbour	No
Allerdale	Aspatria	Yes	Copeland	Gosforth	Yes
Allerdale	Stainburn	No	Copeland	Frizington	Yes
Allerdale	Seaton Moor	Yes	Copeland	Ennerdale	Yes
Allerdale	Salterbeck	No	Copeland	Bootle	Yes
Allerdale	Westfield	No	Copeland	Cleator Moor North	Yes
Allerdale	Harrington	No	Copeland	Egremont North	No
Allerdale	Wampool	Yes	Copeland	Howgate	Yes
Allerdale	Wigton	No	Copeland	Beckermet	Yes
Allerdale	St. Michael's	No	Copeland	Hensingham	No
Barrow-in-Furness	Central	No	Copeland	Cleator Moor South	Yes
Barrow-in-Furness	Newbarns	No	Copeland	Bransty	No
Barrow-in-Furness	Ormsgill	No	Copeland	Hillcrest	No
Barrow-in-Furness	Parkside	No	Copeland	Millom Without	Yes
Barrow-in-Furness	Hawcoat	No	Copeland	Mirehouse West	No
Barrow-in-Furness	Risedale	No	Copeland	Holborn Hill	No
Barrow-in-Furness	Dalton North	Yes	Copeland	Egremont South	No
Barrow-in-Furness	Walney South	Yes	Copeland	Melthwaite	Yes
Barrow-in-Furness	Barrow Island	No	Copeland	Haverigg	Yes
Barrow-in-Furness	Hindpool	No	Copeland	Sandwith	No
Barrow-in-Furness	Dalton South	No	Copeland	St. Bees	Yes
Barrow-in-Furness	Roosecote	Yes	Copeland	Mirehouse East	No
Barrow-in-Furness	Walney North	Yes	Copeland	Newtown	Yes

Local Authority	Ward Name	Rural Ward	Local Authority	Ward	Rural
Copeland	Kells	No	South Lakeland	Coniston	Yes
Copeland	Seascale	Yes	South Lakeland	Ulverston East	Yes
Eden	Hesket	Yes	South Lakeland	Kendal Heron Hill	No
Eden	Crosby Ravensworth	Yes	South Lakeland	Ulverston Central	No
Eden	Appleby	Yes	South Lakeland	Windermere Bowness North	No
Eden	Kirkby Thore	Yes	South Lakeland	Staveley-in-Westmorland	Yes
Eden	Hartside	Yes	South Lakeland	Kendal Glebelands	No
Eden	Warcop	Yes	South Lakeland	Cartmel	Yes
Eden	Greystoke	Yes	South Lakeland	Kirkby Lonsdale	Yes
Eden	Askham	Yes	South Lakeland	Low Furness	Yes
Eden	Ullswater	Yes	South Lakeland	Windermere Town	No
Eden	Skelton	Yes	South Lakeland	Lyth Valley	Yes
Eden	Brough	Yes	South Lakeland	Burneside	Yes
Eden	Kirkby Stephen	Yes	South Lakeland	Burton and Holme	Yes
Eden	Eamont	Yes	South Lakeland	Pennington	Yes
Eden	Appleby Bongate	Yes	South Lakeland	Colton and Haverthwaite	Yes
Eden	Alston Moor	Yes	South Lakeland	Sedburgh	Yes
Eden	Orton with Tebay	Yes	South Lakeland	Arnside	Yes
Eden	Ravenstonedale	Yes	South Lakeland	Beetham	Yes
Eden	Dacre	Yes	South Lakeland	Whinfell	Yes
Eden	Penrith South	No	South Lakeland	Broughton	Yes
Eden	Penrith East	No	South Lakeland	Levens	Yes
Eden	Kirkoswald	Yes			
Eden	Penrith West	No			
Eden	Long Marton	Yes			
Eden	Shap	Yes			
Eden	Penrith North	Yes			
Eden	Langwathby	Yes			
Eden	Lazonby	Yes			
Eden	Lowther	Yes			
South Lakeland	Kendal Oxenholme	No			
South Lakeland	Kendal Mintsfeet	No			
South Lakeland	Ulverston North	No			
South Lakeland	Kendal Castle	No			
South Lakeland	Kendal Far Cross	No			
South Lakeland	Kendal Nether	No			
South Lakeland	Kendal Strickland	No			
South Lakeland	Kendal Stonecross	No			
South Lakeland	Hutton	Yes			
South Lakeland	Kendal Fell	No			
South Lakeland	Hawkshead	Yes			
South Lakeland	Kendal Highgate	No			
South Lakeland	Cartmel Fell	Yes			
South Lakeland	Lakes Grasmere	Yes			
South Lakeland	Grange	Yes			
South Lakeland	Holker	Yes			
South Lakeland	Ulverston South	No			
South Lakeland	Endmoor	Yes			
South Lakeland	Lakes Ambleside	Yes			
South Lakeland	Crake Valley	Yes			
South Lakeland	Kendal Underley	No			
South Lakeland	Windermere Applethwaite	Yes			
South Lakeland	Ulverston West	No			
South Lakeland	Windermere Bowness	Yes			
South Lakeland	Milnthorpe	Yes			

Appendix 4: Market Towns

Market Towns
Ambleside
Appleby
Aspatia
Brampton
Cockermouth
Coniston
Dalton
Egremont
Grange-Over-Sands
Kendal
Keswick
Kirkby Lonsdale
Kirkby Stephen
Longtown
Maryport
Millom
Milnthorpe
Penrith
Sedburgh
Silloth
Ulverston
Whitehaven
Workington