

## Economic Development and Infrastructure

**From:** [REDACTED]  
**Sent:** 14 June 2017 14:42  
**To:** [REDACTED]  
**Cc:** Jones, Angela  
**Subject:** OFFICIAL:FW: West Cumbria Mining  
**Classification:** OFFICIAL  
Dear **Stuart**

Thanks for sharing the socio-economic chapter of the WCM application. As set out in the ES chapter, there is a clear commitment from WCM to recruit people from the local area, with a target of 80% of the 500 direct jobs being created locally. This is to be supported, however, it does raise some challenges. There is the opportunity to try to mitigate some of the challenges through negotiations with West Cumbria Mining. Set out below are some thoughts on mitigation and rationale for why that might be appropriate. I understand it is not a land-use planning issue, however, it is an impact from the development. I will leave it to you to consider whether you want to explore this any further. From the pre-registration exercise that WCM have undertaken, there are 1,600 people who have expressed an interest in a job, with the vast majority living within 20 miles of the mine. This is a positive response, but of those interested 1350 are already in employment and 260 are unemployed. Given that the local labour market is already constrained, we can anticipate a high level of 'poaching' of staff from existing businesses which could have a detrimental impact on other businesses. Although, 260 unemployed people expressed interest, it does not mean they are employable or will be employed. Given the constrained labour market it would be a positive outcome from this development if WCM could commit to recruiting a target number of unemployed in the same way they are making a commitment to recruiting up to 50 apprentices in order to help mitigate the impact of 'poaching' from other businesses. For info, here are some of the key background stats:

- In April 2017 the claimant count in Copeland was 1,170 (2.7%) and in Allerdale it was 1,445 (2.5%), both higher than the UK (2.0%). In particular, claimant rates among young people in West Cumbria are nearly double the national average. Because of the introduction of Universal Credit it's difficult to be completely accurate on long term unemployment but analysis of underlying data suggests that over a quarter of claimants in West Cumbria have been out of work for more than 6 months (higher among males than females) indicating that they are not immediately job ready and increasing the risk that the development will source much of its labour from among the already employed population with the knock on effects that causes;
- Median earned incomes for workplaces in Copeland are among the highest in the country due to the Sellafield effect - £762 (141.4% of the UK average of £539), although earnings are lower in Allerdale at £470 (87.3% of the UK average). This already causes wage pressure on other businesses in the area competing for labour. These figures are referenced in the document but there is no acknowledgement of the pressure it creates on other businesses, particularly those operating in less high value sectors;
- ONS population projections suggest that Copeland's working age population will decline by -8.5% (-3,680 people) between 2015 and 2025, Allerdale's by -6.1% (-3,542 people) against a rise of 3.2% nationally;
- In the 2015/16 Cumbria Business Survey, 29% of businesses in Copeland and 30% in Allerdale had tried to recruit staff in the previous 12 months. Of these, over half had experienced difficulties in recruiting with particular difficulties in skilled trades (31% Copeland, 22% Allerdale). Main reasons given for this were a lack of applicants with the right skills (29% Copeland, 35% Allerdale) and transport/location (19%/29%). This and the decline

in working age population suggests that the 80% local recruitment may not be realistic and there could therefore be unintended impacts elsewhere.

If WCM could agree to a target of 10% (or even 5%), this could see up to 50 (or 25) unemployed people being brought back into work. To support this target, there would need to be a programme of support to help the individuals get to a place where they are employable. This could include WCM providing a financial contribution to a training programme to help people to become work-ready and by offering work placement experience. In order to get more details on how a programme might work, I suggest you liaise with Amanda Towers. For information, Amanda has already established a Traineeship programme supported with funding from Copeland Local Committee, working with DWP and Inspira. There are 20 trainees on the training programme and work experience placements are being offered with CCC and some of the trainees are going on to secure full time employment. If a similar programme was established for WCM, this could involve a financial contribution towards the training costs together with a commitment to the provision of work placement experience and a guaranteed interview for those who successfully complete their work experience.

For info, there are some inaccuracies in the documentation submitted. Further detail can be provided on this if it would be helpful.

I hope the above is helpful and I am sure Amanda would be more than willing to work with you to develop this further if appropriate.

Many thanks

**Alison Hatcher**

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