

WEST LAKES RENAISSANCE: BASELINE UPDATE

This Baseline Update is adapted from the Section 5 in West Lakes Renaissance Business Plan for 2007/08.

All of the indicators that WLR are monitoring following the baseline report by CRED (2005) "Framework for Baseline Development and Review – West Lakes Renaissance" are covered. First there is a list of the indicators and relevant measurements, followed by a brief discussion of each indicator, and finally a summary table of all the indicators.

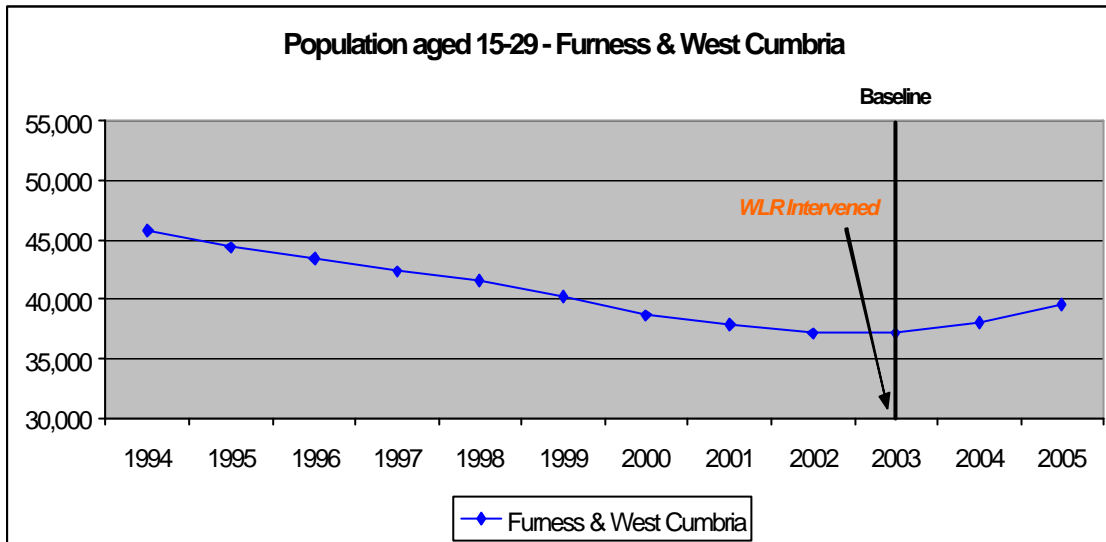
Indicators and Measurements

Indicator	Measurement
<i>Net migration</i>	measured by population level of young people (15-29)
<i>Employment</i>	measured by the employment rate
<i>Unemployment</i>	measured by the claimant count
<i>Unemployment inequalities</i>	measured by ID2004 and the claimant count
<i>Business start ups</i>	measured by number of new VAT registrations
<i>Skills and Qualifications</i>	measured by adults with NVQ Level 3 and above
<i>Innovation</i>	measured by labour productivity
<i>GDP gap</i>	measured by GVA per capita
<i>Residential property</i>	measured by relative property values
<i>Commercial property</i>	measured by relative changes in rent levels
<i>Urban quality</i>	measured using a local urban design panel [TBC]
<i>Investor confidence</i>	measured using a local survey of businesses
<i>Attractiveness to investors</i>	measured using a local survey of businesses
<i>Co-ordination</i>	measured using a survey of local partners

Indicators

Net Migration

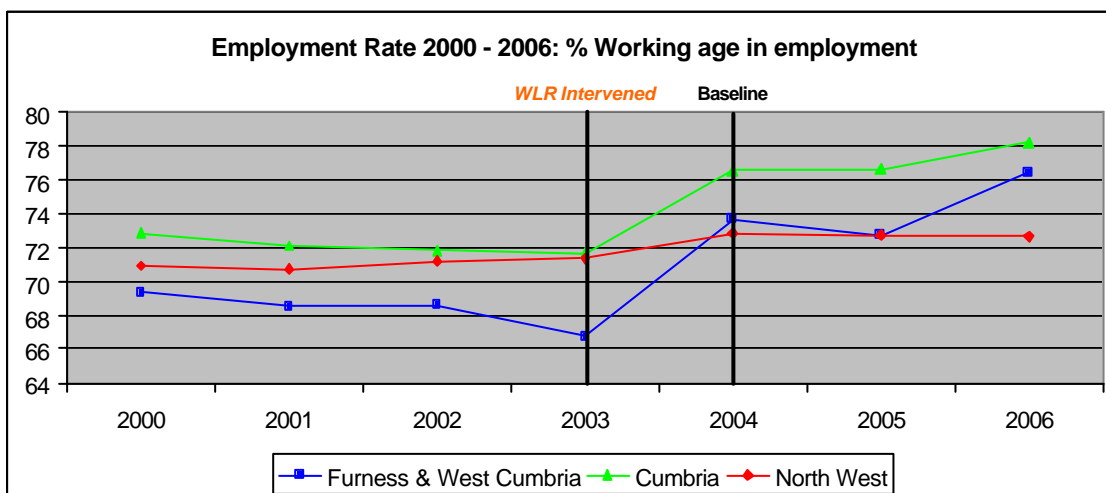
In the 10 year Business Plan, the target in terms of population was the reversal of out-migration, particularly of our young talent.



Before WLR, the Furness and West Cumbria (F&WC) area was hemorrhaging young people steadily year after year. Since WLR was set up in 2003, this negative trend seems to have ceased and for the first time since 1994, the data shows that young people are returning to and remaining in the area.

Employment

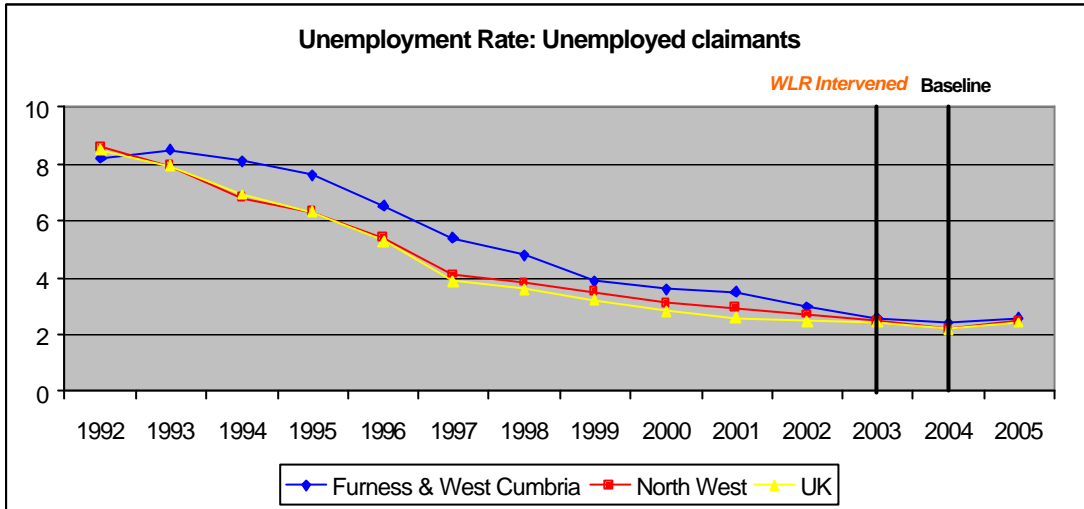
Our target in the 10 year Business Plan was to “Work with partners to increase the employment rate”.



Previously the F&WC employment rate was below Cumbria and North West. Latest figures show that F&WC has **EXCEEDED** the NW average for the first time since 2000 and is now **IMPROVING** at a greater rate than Cumbria.

Unemployment

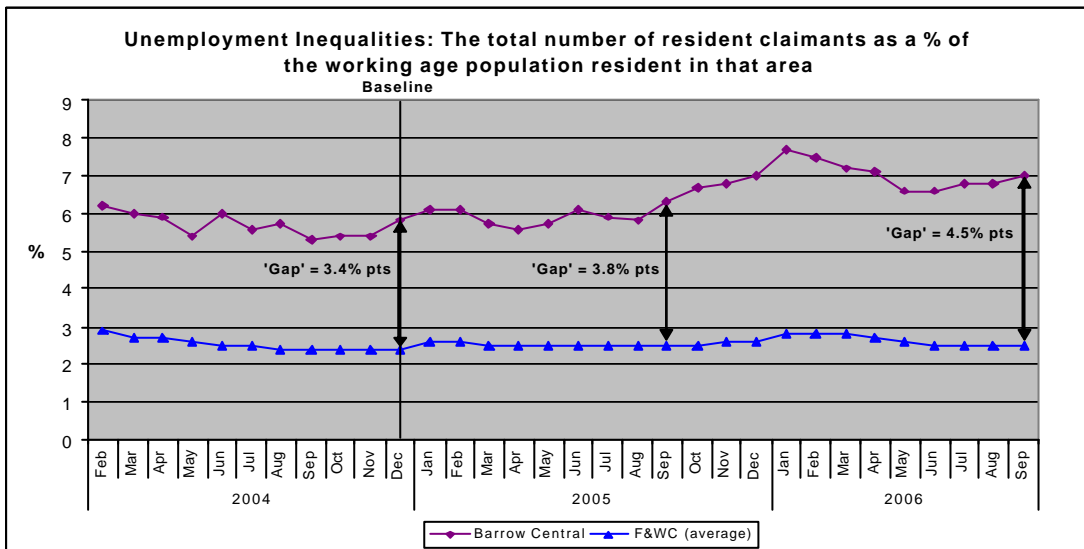
The target set out in the 10 year Business Plan was “to reduce unemployment, to bring this down to the UK average and to reduce inequalities”.



Latest figures suggest that F&WC is in now **IN LINE** with the North West and UK average.

Unemployment Inequalities

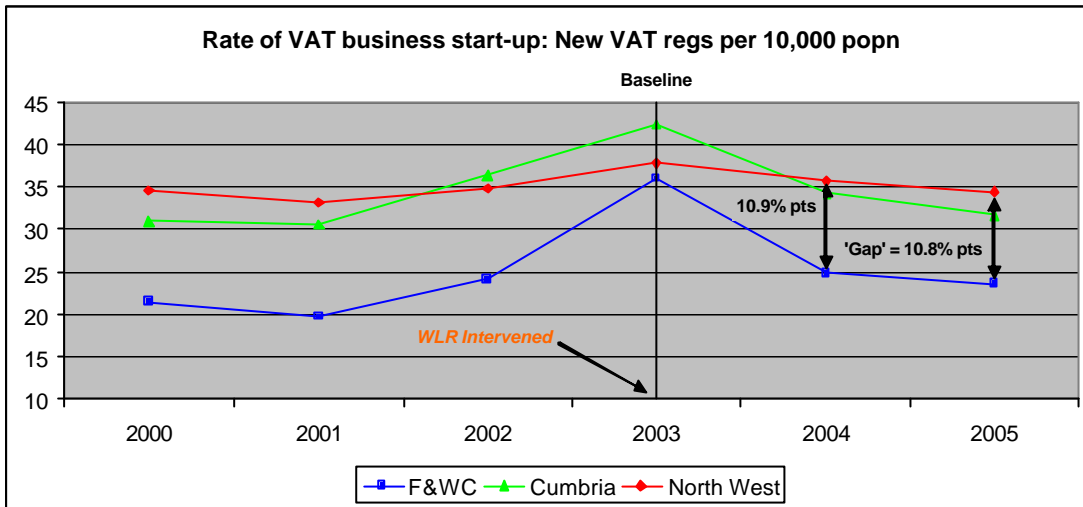
In the first Business Plan of West Lakes Renaissance, the target in terms of unemployment inequalities was to “reduce inequalities”.



According to the IMD2004, the most deprived ward in F&WC is Central Barrow. The data shows that the gap is actually **WIDENING**, which strengthens the case for WLR targeting the deprived wards in the F&WC area.

Business Start-ups

The target set out in the 10 year Business Plan was “to help new businesses to start up”

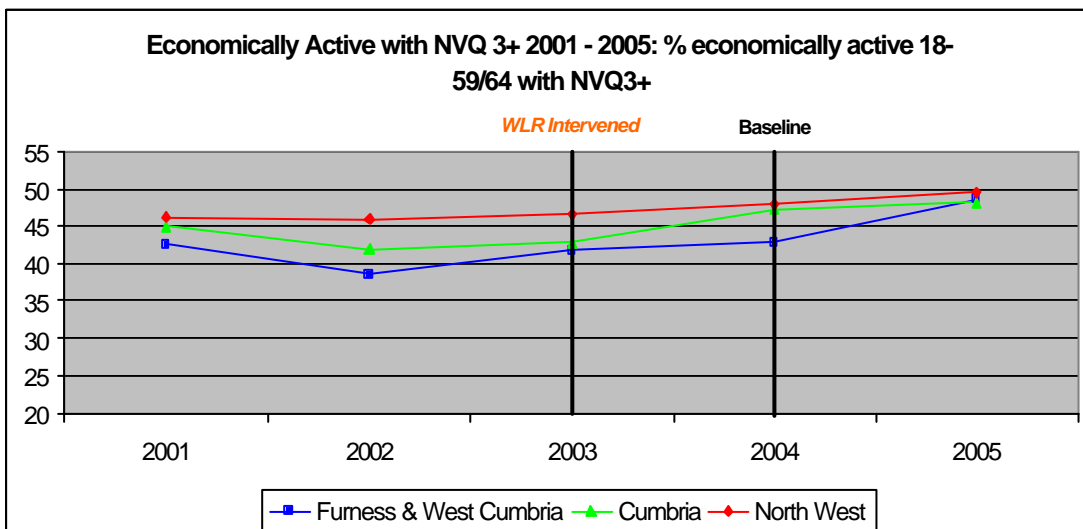


Generally the trend indicates that Furness and West Cumbria have relatively low levels of new business formation in relation to the size of the population. The baseline study demonstrated that there was a significant improvement in the 2003 figures. This increase was also demonstrated regionally. However, as the graph above demonstrates, the latest figures show that F&WC experienced a decline in the rate beyond 2003. This fall was also demonstrated regionally and has resulted in the gap widening between F&WC and the northwest.

To capture the broader picture of change in micro-businesses (those below the VAT threshold, and not captured within the data above) we will also review information on the numbers of new businesses in receipt of various forms of assistance through local enterprise agencies, and potentially via Inland Revenue registrations.

Skills and qualifications

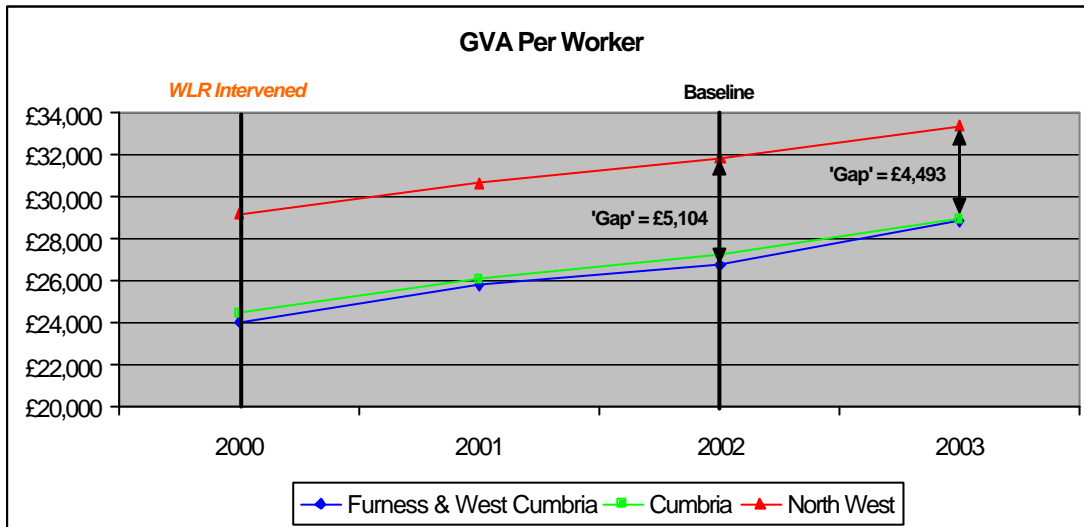
The target set out in the 10 year Business Plan was “to Improve skill levels by helping to create new learning opportunities”



Previous data for F&WC shows underperformance in comparison with both Cumbria as a whole and the northwest. Since 2002, however, those achieving NVQ3+ has **INCREASED**, and has equalled that of Cumbria and the North West.

Innovation

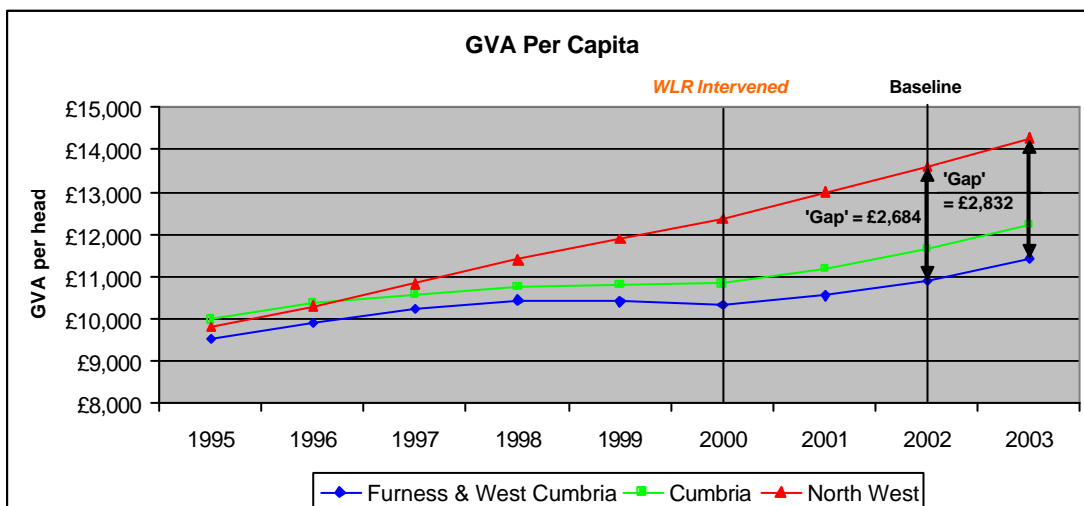
The target set out in the 10 year Business Plan was “Increase the level of exploitation of technical knowledge derived from the science and engineering base within Furness West Cumbria. This will be demonstrated by a significant increase in the number of innovating businesses overall, and the number of innovating businesses using the science base together with other sources of knowledge”.



Latest figures show that F&WC has matched that of Cumbria as a whole. The Gap between F&WC and the North West has actually **NARROWED**.

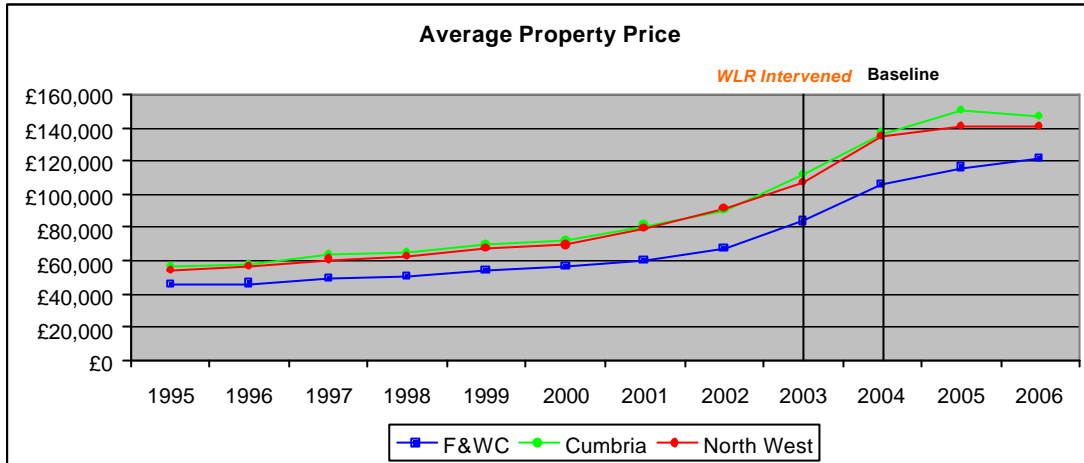
Income/GDP gap

Gross value added is the principal measure of income used at national and regional levels in the UK. GVA per capita is therefore a measure of the prosperity of an area and GVA per capita can be interpreted as the average prosperity of people living in an area.



The graph demonstrates widening of the Gap between F&WC and the North West average. This trend is similarly shown by Cumbria as a whole. The aim is to prevent further widening and even though there is a larger gap – it is **CONSTANT** and has not widened significantly compared with 2001.

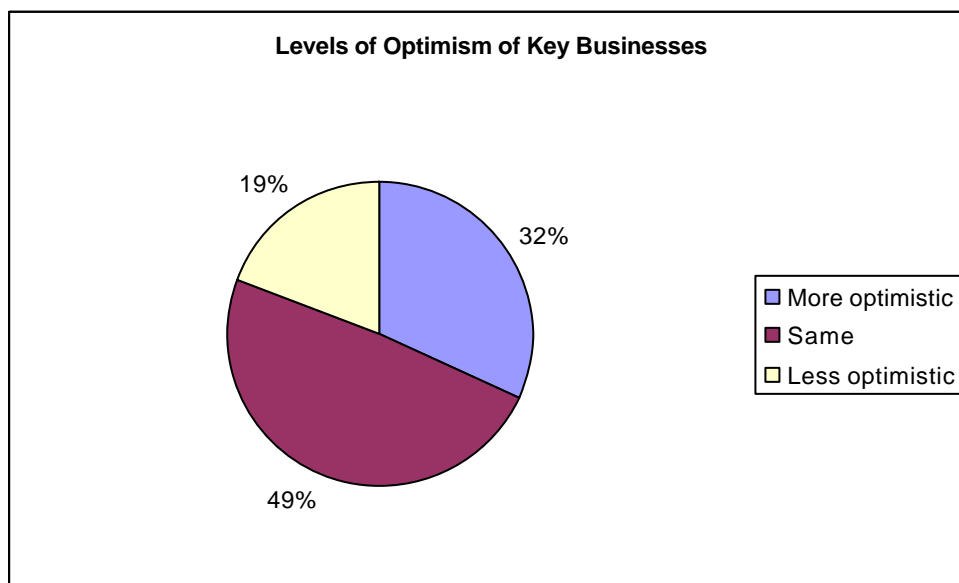
Residential Property Values



The graph demonstrates that F&WC’s average house prices have not just matched but have been **EXCEEDING** the NW rate of increase.

Investor confidence

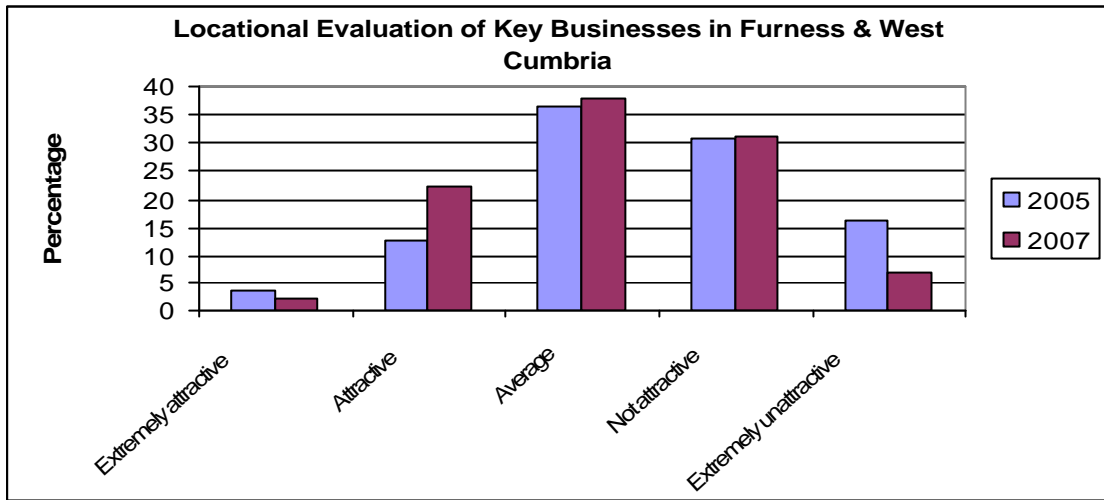
In general, Urban Regeneration Companies (URCs) are intended to increase the attractiveness of areas to private investment (CRED 2005). The recommended indicator to measure investor confidence is the proportion of key businesses that indicate they are more optimistic about the prospects for their business in Furness and West Cumbria. The baseline survey (CRED 2005) indicated that the majority of respondents (79%) were at least as optimistic as over the previous 12 months regarding the prospects for their business.



The chart shows that the proportion of key business managers who are at least as optimistic about prospects for their business as 2 years previously has grown slightly to 81% since the baseline survey (CRED 2005), and therefore is currently **EXCEEDING** the mid term target to maintain at 80%.

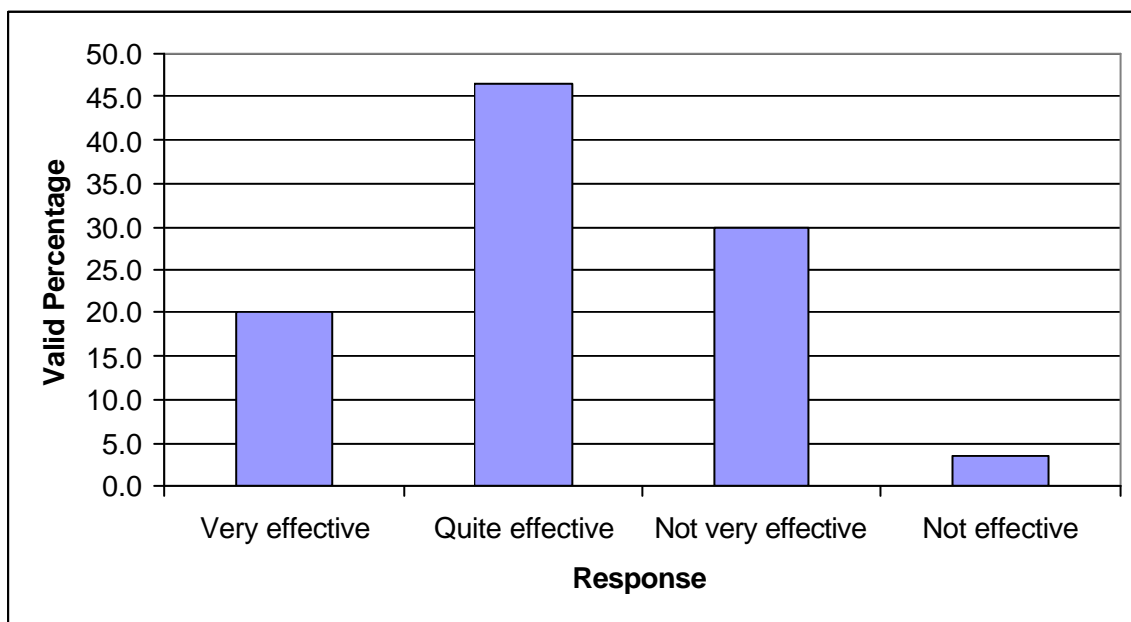
Attractiveness to investors

The proportion of key business managers who evaluate Furness and West Cumbria as at least as attractive to investment as other locations has increased from 53% to 62% and is consequently **EXCEEDING** the mid term target of 55%.



Coordination

URCs are also intended to increase the effectiveness of regeneration through co-ordination of funding and the activities of other delivery agencies and partners (CRED 2005). The proportion of partners who state that WLR is effective in coordinating regeneration has increased from 51% to 66.7% and is therefore **EXCEEDING** the mid-term target of 66%.



Strategic Outcome Indicators, Milestones for 2008 and Lifetime Targets

Indicator	Baseline	Progress to 2007	Milestone	Lifetime Target
<i>Net migration</i>	Baseline: 2003 Population 15-29 age group 37,100	39,500 (2005)	To stabilise population totals in the 15-29 age group at 2002 (37,100) levels by 2008	To increase population totals in the 15-29 age group above 2002 levels by 2013
<i>Employment</i>	Baseline: 2004 NW Average: 72.8% F&WC: 73.7%	NW Average: 72.6% F&WC: 76.4% (2006)	For the employment rate in Furness & West Cumbria to match the North West average by 2008	For the employment rate in Furness & West Cumbria to exceed the North West average by 2013
<i>Unemployment</i>	Baseline: December 2004 NW Average: 2.2% F&WC: 2.4%	December 2005 NW Average: 2.5% F&WC: 2.6%	To reduce the unemployment rate in Furness & West Cumbria to the NW average by 2008	To reduce the unemployment rate in Furness & West Cumbria to the UK average by 2013
<i>Unemployment inequalities</i>	Baseline: December 2004 Gap – 3.4% above F&WC average	September 2006 Gap – 4.5% above F&WC average	To reduce the differential between the unemployment rate in the most deprived ward and the average for Furness & West Cumbria to 3 percentage points by 2008	To reduce the differential between the unemployment rate in the most deprived ward and the average for Furness & West Cumbria to 2 percentage points by 2013
<i>Business start ups</i>	Baseline: 2003 Gap – 1.8% below NW average	Gap – 10.8% below NW average (2005)	To reduce the differential in VAT registration rates between Furness & West Cumbria and the North West average by at least 10 percent by 2008	To reduce the differential in VAT registration rates between Furness & West Cumbria and the North West average by 20 percent by 2013
<i>Skills and Qualifications</i>	Baseline: 2004 NW Average: 48% F&WC: 42.9%	NW Average: 49.5% F&WC: 48.5% (2005)	For the % of adults with NVQ level 3 and above in Furness & West Cumbria to match any increases in the North West average by 2008	To reduce the differential in the % of adults with NVQ level 3 and above between Furness & West Cumbria and the North West average by 2013
<i>Innovation</i>	Baseline: 2002 Gap - £5,104	Gap - £4,493 (2003) Narrowed by £611	To prevent further widening in GVA per worker between Furness & West Cumbria and the North West average by 2008	To prevent further widening in GVA per worker between Furness & West Cumbria and the North West average by 2013
<i>GDP gap</i>	Baseline: 2002 Gap - £2,684	Gap - £2,832 (2003) Widened by £148	To prevent further widening in GVA per head between Furness & West Cumbria and the North West average by 2008	To prevent further widening in GVA per head between Furness & West Cumbria and the North West average by 2013
<i>Residential property</i>	Baseline: 2004 NW £134,049 F&WC£105,578	NW £140,665 (increase 4.9%) F&WC £120,980	For average house price changes in urban areas of Furness & West Cumbria to match any increases in the North West average to	For average house price changes in urban areas of Furness & West Cumbria to match any increases in the North West average to

		(increase 14.6%)	2008	2013
<i>Commercial property</i>			For any increase in gross non-domestic rateable value in Furness and West Cumbria to match the rate of change in the North West to 2008	For any increase in gross non-domestic rateable value in Furness and West Cumbria to match the rate of change in the North West to 2013
<i>Urban quality</i>	[To be defined using WLR urban design panel and award scheme]			
<i>Investor confidence</i>	Baseline: 2005 79%	81%	To increase the proportion of key business managers who are <i>at least</i> as optimistic about the prospects for their business as the previous year to 80% by 2008	To increase the proportion of key business managers who are <i>at least</i> as optimistic about the prospects for their business as the previous year to 80% by 2013
<i>Attractiveness to investors</i>	Baseline: 2005 53%	62%	To increase the proportion of key business managers who evaluate Furness & West Cumbria as <i>at least</i> as attractive to investment as other locations to 55% by 2008	To increase the proportion of key business managers who evaluate Furness & West Cumbria as <i>at least</i> as attractive to investment as other locations to 60% by 2013
<i>Co-ordination</i>	Baseline: 2005 51%	66.7%	To increase the proportion of partners who state that WLR is effective in co-ordinating regeneration to 66% by 2008	To increase the proportion of partners who state that WLR is effective in co-ordinating regeneration to 75% by 2013