

BECBC

Britain's Energy Coast Business Cluster

Cumbrian collaboration with global reach

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**Presentation to Fukushima Forum
Japan, August - 2019**

NORTHERN  HM Government
POWERHOUSE

What is a Business Cluster?

- A geographic concentration of interconnected businesses, suppliers, and associated institutions in a particular field.
- A concept introduced and popularised by an academic, Dr Michael Porter from Harvard University in the 1990's.
- Porter argued that economic activities are embedded in social activities; that 'social glue binds business clusters together'.
- The most famous example of business clustering would be Silicone Valley.



- Established in **2004** as West Cumbria Business Cluster, coinciding with the formation of the NDA.
- Motivated by the market wanting to protect its position and wanting to influence the future environment.
- Began with a small group of 4 companies represented by committed individuals.
- A first business opportunities conference (EBOC) was run by the Business Cluster in 2009.
- In 2012 changed the name to Britain's Energy Coast Business Cluster to align with the economic blue print of the same name.
- The Business Cluster represents businesses of all different sizes and places a particular focus on small businesses operating in the local area.
- Today we have over 300 companies in our membership.



Vision

To be recognised as the business organisation which represents the collective voice and aims of the supply chain within Cumbria and the surrounding area, with a specific focus on the energy sector.

To assist in the development of sustainable growth, long term prosperity and resilience for Cumbria.

Scope

Energy sector and the wider supply chain which supports this sector, including business and professional services, advanced manufacturing and engineering. We recognise the importance and significance the wider supply chain has in enabling growth.

Nuclear, Defence, Mining, Renewables, Energy Infrastructure.

Cumbrian Prosperity

We will play an active role in campaigning and influencing for regional developments, which will improve the competitiveness and growth potential of BECBC businesses and the UK Energy Sector.

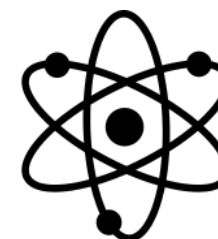
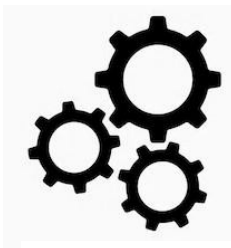
Strategy Elements

- Seek to identify and facilitate member engagement with more diverse markets within Cumbria
- Identify opportunities for members to export expertise to new markets nationally and internationally
- Create opportunities and an environment which encourages businesses to invest and locate in the county

- We hold monthly member meetings, typically attracting between 150 – 300 attendees.
- Deliver member led training for businesses and organisations on a wide variety of topics.
- Represent the voice of local business in engagement with regional development agencies; inward investment and local government.
- Deliver regional marketing and inward investment activities.
- Run innovator breakfasts, linking up 'problem holders' with technological innovators.
- Crowd fund and facilitate a programme of engagement between industry / business and high school students across all schools in our region.



Category	No.
Engineering, Construction, Science	139
Education	9
Local Government	3
Professional Services	164
3 rd Sector (Charitable)	11
Partner	6
National	183
Cumbria	125
International	24



- Based on 2018 figures – total 332 businesses
- Partners are 'similar' organisations, ie) Confederation of British Industry; Nuclear Industry Association
- International = overseas ownership

- The Business Cluster is funded independently through revenues raised by membership fees and events.
- Membership fees are structured to match the relative means of an organisation.
- The smallest businesses pay £120 membership per year and the largest pay £1,390.
- Paying a higher membership fee does not equate to additional value / services.
- A special membership fee has been agreed for charitable organisations with larger revenues.
- Partners do not pay as we receive membership to their organisations for free (reciprocal).

Membership Fee Band (Revenue)	Fee Cost
Under £100k	£120
£100k - £500k	£240
£500k - £1.5m	£425
£1.5m - £3m	£610
£3m - £46.8m	£915
Over £46.8m	£1,390
Specials	£345
Partners	Free of charge





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Our Members



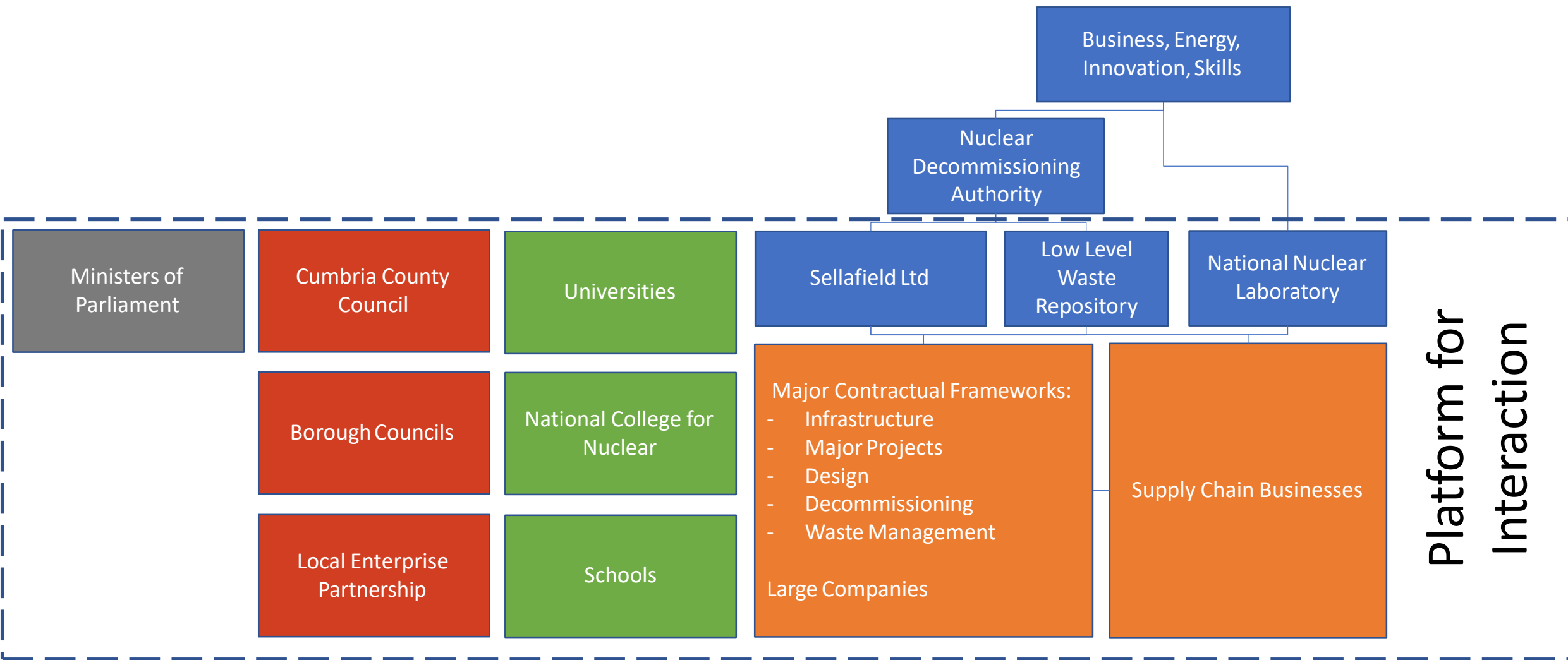
- Sellafield Ltd total goods and services spend is of £1.2B.
- Just over 50% spent in Cumbria.
- £1.4B of GVA generated in Cumbria.
- Sellafield sustains over 60% of the GVA in Copeland (closest district to the site).
- Direct employment is 11,000, of which 86% are resident in Cumbria.
- A total of 24,000 people from Cumbria are employed by Sellafield or its supply chain.

Note – these figures relate to all Sellafield site activities including reprocessing, waste management and site services and are from a 2016/17 report.





The Business Cluster in Context



- 8 Members, elected by the membership on a 3 yearly tenure.
- Unpaid volunteer positions
- Current board members are from the following companies:
 - National Nuclear Laboratory (Nuclear Science)
 - Balfour Beatty (Construction)
 - Business Doctors (Business Support)
 - Spencer Group (Engineering)
 - High Moorside (Nuclear Consultancy)
 - Dodd & Co (Accountant)
 - Baines Wilson (Lawyers)
 - Prima Uno (Project Management)



Main Board and Management Team

Shadow Board

- Launched in 2018
- 8 Members, competitive selection process
- Aimed at 18 – 30 year olds
- Unpaid volunteer positions
- A self-led board with direct engagement to main board
- Tasked with being 'disruptive' and representing the views of younger generations.
- Current members include: Lawyer; Marketeer; Engineer; Project Manager; Socio-Economic Coordinator; Business Development Manager; Small Business Owner.



**2019 – A Shadow Board Podcast
Interview with Dr Tim Stone, CBE**

Business & Schools Collaboration Programme

Cumbria has a low population, in addition to challenges with aspirations in our young people. Consequently it is becoming increasingly challenging to resource our programmes and therefore we have created this BSCP, highlights include..

- Businesses and Universities working together to engage with school children. In the first Year:
- Over 12000 students have been engaged
- Over 100 different companies have taken part
- Supporters include both large and small companies.
- The programme receives no government support and is entirely funded by industry and business in partnership.



The University of Manchester
Dalton Nuclear
Institute



- An SME (small medium entity) research and technology business founded in 2009
- Entrepreneurs that have developed a world leading technology and product suite for radiation imaging.
- A spin-out company from REACT Engineering that has also spun out other technology led businesses: HiDef and Sportlight.
- REACT Engineering has now created diverse businesses which employ close to 150 people, delivering work secured mainly outside of the region.
- Technologies developed through operational trials and utilization at the Sellafield site.
- Since 2012, Createc has been engaging with the Japanese nuclear industry, through their work with Atox at Tomioka they are actively trying to support job creation and innovation at Fukushima.



- Forth Engineering originated as a supplier/servicer of hydraulic and pneumatic (fluid power) equipment in 2000.
- Today the business is a highly regarded nuclear solutions provider.
- Specialists in rapid prototyping from design through to on site capability implementation.
- Technology development centre located close to Sellafield site which includes a large scale deep recovery test facility, containing over 2,000,000 litres of water!!
- Forth work with a range of partners and technology developers and represent a potential route to market for international businesses.



- NNL is the UK's National Nuclear Laboratory for Fission and is a member of the Business Cluster.
- Its main facilities and capability are based in and close to the Britain's Energy Coast region, employing over 500 people.
- NNL is owned by the UK Government (BEIS) and operates on a commercial basis.
- One of NNL's major roles is being a technical support organisation for Sellafield, tackling difficult waste and decommissioning challenges, NNL has been working with Japanese customers to apply this expertise to similar challenges at Fukushima Daiichi.
- NNL as a National Laboratory supports regional development, its CEO Paul Howarth spoke on this at the opening of CLADS Tomioka facility.



- We started from scratch and built a business cluster of 300 + members, over 15 years.
- It has not been an easy journey but I believe that this approach has added value to the decommissioning mission at Sellafield as well as supporting regional prosperity.
- I personally believe that a regional clustering approach for you would be of significant benefit and that you might consider setting up your own cluster to support the programme of 1F D&D.
- I don't believe that our model is the best and only way, it is the one that works for us and our circumstances. If you do think that a clustering model would be of benefit, then we would be very happy to talk to and work with you.



Thank you very much for listening.