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Cambridgeshire and Peterborough Revival Plan

A business manifesto for regional prosperity

February 2021:

Regional Growth

Foreword

The pandemic has demonstrated that empowering regions is critically important, especially for a sustainable recovery. There is an opportunity for the newly elected mayor to champion a strong economic vision for the region encompassing regional dynamism and global competitiveness, transforming infrastructure on the race to net zero and stimulating job creation whilst ensuring an inclusive workforce.

The pandemic has exacerbated many challenges that already existed. However, these challenges have fallen unequally across the Combined Authority and society, and therefore it is important that decision-making and action is both local and agile. The newly elected mayor must work collaboratively with business, neighbouring authorities, the Oxford-Cambridge Arc and all parts of government to ensure a sustainable recovery and long-term prosperity.

The mayoral election will decide who will serve as mayor during this pivotal period of change and renewal. With devolution in England still comparatively new, the impact and success of elected mayors is vital in the shaping and development of the future of local government in England. This future will hopefully be set out in more detail in 2021 in the long-awaited English Devolution and Recovery White Paper.

The mayor will have the opportunity to build upon the history and heritage of the area, including the strong manufacturing heritage of Greater Peterborough, the agricultural significance of the Fens, the universities and the associated knowledge intensive industries in addition to the life science, innovation and R&D ecosystem of Greater Cambridge.

The CBI has already seen what mayors can do when acting as a force for good, using their powers to deliver shared prosperity and championing their region, both nationally and internationally. Cambridgeshire and Peterborough is already an internationally competitive region, with comparative advantages and dynamism in the industries located here and there is great potential for the future which the newly elected mayor must capitalise on.

The mayor must set not only a clear economic vision but also a bold vision of the green potential and future of the region, whether that is for infrastructure, employment, housing, education, technology or natural capital.



Richard Tunnicliffe,
CBI Regional Director, East



Introduction

The mayor of Cambridgeshire and Peterborough, once elected in May 2021, will oversee the area's regional recovery and should set a strong vision for long-term prosperity. Cambridgeshire and Peterborough is a region with a proven track record, but the three distinct economies of The Fens, Greater Peterborough and Greater Cambridge have faced diverse challenges during the COVID-19 pandemic and the mayor should promote an inclusive resilient recovery for the entire region.¹

A sustainable recovery will require the mayor to champion a strong economic vision for the area. Following the mayoral election, ensuring Cambridgeshire and Peterborough remains a first-choice place for business and investment is crucial. The mayor should continue to focus on the four priority sectors identified in the Local Industrial Strategy; Life Sciences, Digital and Information Technologies (including Artificial Intelligence), Agri-Tech and Advanced Manufacturing and Materials.² But they should also continue to support those sectors identified in the Local Economic Recovery Strategy as needing additional support.³

Cambridgeshire and Peterborough is an area with a north/south divide perhaps best illustrated by the gap in qualification levels and income. Although Cambridgeshire and Peterborough Combined Authority area has 41.9%⁴ of the population with National Vocational Qualification (NVQ) level 4 and above, above the UK average of 40.3%, Peterborough unitary authority area has only 29.5%⁵ and Fenland only 19.6%⁶. This is reflected in income inequality in the region, with on average full time workers resident in Cambridgeshire earning £620.00 per week compared to £543.60 per week for those in Peterborough. South Cambridgeshire and Fenland are at opposite ends of the income spectrum.⁷

The challenges faced by the region and existing inequalities that have been exacerbated by the pandemic are not insurmountable. This manifesto sets out a way, where business and government can work together and ensure that Cambridgeshire and Peterborough achieves its full potential during recovery and beyond. This is based upon three guiding principles:

- **Champion regional dynamism and global competitiveness to raise living standards**
- **Transform digital and physical infrastructure on the race to net zero**
- **Stimulate job creation and secure an inclusive workforce for the future**

Champion regional dynamism and global competitiveness to raise living standards

The mayor should have a strong economic vision and a pro-business agenda focused on promoting the region, bridging intra-regional divides and levelling up. A welcoming business environment is needed to attract and grow businesses that are dynamic and internationally competitive.

Providing a strong economic vision for the region will assist with driving business recovery. With the mayor also raising the international profile of the region, leisure and business travel visits should increase leading to increased spending in the local area, supporting local supply chains and the local economy.

Exporting overseas and embracing trade, can help businesses future proof with those who export having higher growth, profitability and a diversified risk profile. Exposure to more competition also can lead to more innovation, benefiting not just the individual company but also those that operate in the same ecosystem.

The region's global footprint has benefits for the wider regional economy. The region has many businesses, including those in the north in logistics and distribution, who have great potential in our new trading environment. The mayor can drive the international profile of the Combined Authority to benefit not only Cambridgeshire and Peterborough but the wider Eastern region, the Oxford-Cambridge Arc and the UK.

Recommendation: Turbocharge recovery planning and champion a strong economic vision for the future.

- Set out plans to focus on key projects and outcomes including dynamic business support, skills, digital connectivity and physical infrastructure.
- Collaborate closely with business and other partners on refreshing the recovery plan to ensure wide buy in and support is secured, including success in securing public sector investment. The mayor should keep lines of communication and the groups set up during the pandemic open, including the Mayoral Forum. This should continue to be utilised and adapted according to need, to ensure businesses of all sizes and sectors are represented.
- Support and champion the role of social value in procurement, leading the way with how the Combined Authority procures goods and services. This includes providing support for businesses to engage with their corporate social responsibility and social value potential, going beyond the balance sheet to drive meaningful change within the region.

Recommendation: Raise the international profile of the region and be pro-active in attracting new investment.

- Develop and keep updated a comprehensive investment prospectus with key sectors and opportunities, support the promotion of this prospectus to those in post at embassies and consulates.
- Oversee the creation of incentives to make the region more attractive to investors. Facilitate the provision of a comprehensive landing package [non-financial] for inward investors, with continued support offered to those that have landed or expanded in recent years. The support should be extended to domestic companies planning new projects that create jobs. Despite strengths, inward investment should not be taken for granted as other regions both in the UK and abroad remain active in this sphere.
- Lead trade missions, both inward and outgoing by working with others. These should be tied to existing sectoral strengths and areas of international competitiveness and comparative advantage, including the R&D strength of the area.
- Drive effective marketing of Cambridgeshire and Peterborough to encourage people to visit from abroad and domestically to help maintain the UK's position as a leading global visitor destination. This should include encouraging students to return to learning in the region, building on the international profile which already exists.

Recommendation: Promote export as a driver of prosperity and recovery.

- Support export promotion in the region, with education around the benefits of trade as well as the creation and maintenance of closer links with the Department for International Trade.
- Encourage proactive identification of export potential as well as promote the benefits of export by working closely with the Growth Hub.
- Champion the benefits of new trade deals. The mayor should also promote the prospects offered by the new trade deals and advocate for companies within the local area that strengthen the global position.



Transform digital and physical infrastructure on the race to net zero

There is an opportunity to ensure the region plays its part in the race to net zero and is more resilient to future challenges. By focusing on a green recovery and the evolving nature of towns and cities there is an opportunity to improve equity within the Combined Authority. The mayor should utilise the opportunity presented by COP26 being hosted by the UK, to form the basis of an ongoing conversation and showcase the positives of a greener more sustainable future to the business community.

As a prominent regional figure the mayor should be a key voice in advocating for the transition to net zero. The region would benefit from the mayor setting out a bold green vision and identifying areas that Cambridgeshire and Peterborough can help on the race to net zero. This vision should also consider the significant natural capital and biodiversity which exists. The pandemic has meant people are evaluating their surroundings differently and the Combined Authority has the potential to shape the future relationship of towns, cities and rural areas.

By taking action to ensure inclusive growth the mayor can ensure the future of the local area is more resilient, recognising the three distinct but interconnected sub-economies. Direct benefits would be felt in parts of the Combined Authority that provide the skills and research for the race to net zero. An increase in those wanting to live in the Combined Authority area would bring extra spending power to the region, as well as other cumulative benefits.

Recommendation: Back a green recovery by ensuring projects and funding promote a more sustainable future.

- Promote the opportunities that East Anglia has in energy generation and storage by attending COP26 and working collaboratively with local stakeholders including the Local Enterprise Partnerships. The mayor should formulate a position on how the region fits into the Ten Point Plan for a Green Industrial Revolution, ensuring the region does not get left behind.
- Deliver projects that consider the race to net zero, sustainability and promote a greener future by making use of future government funding. This could be through either selection criteria such as building and energy efficiency standards or the requirement for renewable energy generation to be built into new sites. This could include championing onsite energy generation to help to alleviate some of the issues within the area and the constraints of funding new energy infrastructure, which can provide a barrier to investment.
- Convene local council and industry leaders to be bold and innovative, promoting local projects and initiatives that are green and sustainable. For example, this could include advocating for and supporting funding bids which are in a similar vein to the Peterborough Integrated Renewables Infrastructure project.

Recommendation: Champion regeneration and investment opportunities ensuring that no part of the Combined Authority is left behind in the race to net zero.

- Encourage regeneration and investment opportunities, especially in the north of the Combined Authority area, where the mayor can make real headway in decreasing intra-regional divides. They should represent the entire Combined Authority area and see the potential of both rural and urban areas.
- Explore the development of a High Potential Opportunity recognised by the Department for International Trade. By championing the designation of a geographic area to build on local industrial strengths and clusters, with incentives for co-location and collaboration the mayor can help to drive business growth and the creation of good jobs. This would also strengthen the foreign direct investment offer, showing clear specialisation and reason for locating in the region.

Recommendation: Provide a clear direction and vision on the future of infrastructure and connectivity within the area, including digital connectivity and housing.

- Provide clear direction on the importance of digital infrastructure, and continued support for projects which deliver tangible outcomes, including gigabit provision and Connecting Cambridgeshire.
- Push for on time delivery of the Shared Rural Network and guaranteed delivery for the local Top 20 priority locations for mobile coverage improvements identified in December 2019.⁸ It is more important than ever the mayor advocates on behalf of the Combined Authority area to ensure none of Cambridgeshire and Peterborough falls into the 5% of the UK that will be left behind without access to 4G. As a commitment to extend 4G to 95% of the UK through the Shared Rural Network was confirmed in the National Infrastructure Strategy.
- Influence housing and infrastructure projects to reflect the net zero target, and the changing role of towns, cities and regional clusters. Transport plans should also reflect the need to provide access to jobs for those with the necessary skills, as well as active travel provision.
- Work in partnership with local stakeholders and companies, using the knowledge and experience of those already operating in this sphere, the mayor must ensure the creation of affordable housing in the right areas. This should involve exploring new methods of construction, including modular, engaging with those companies in the local area already making strides in the future of building and the built environment.



Stimulate job creation and secure an inclusive workforce for the future

The workforce of the future will need in many cases reskilling and retraining. The existing powers held by the mayor, including the devolved adult education budget puts them at an advantage to make sure Cambridgeshire and Peterborough is well equipped to revive and thrive.

The mayor must champion education and training to improve youth employment, qualification levels and aspirations. It is vital they create and support projects that will aid in this endeavour. They must also take action to champion a more inclusive environment, which will lead to better skills outcomes for those still in school or have recently left.

The mayor should support those industries which provide inclusive working patterns and champion inclusivity such as those employers that support youth employment, part-time and flexible employment which allow employees with other responsibilities to still participate in the labour market. Many of these industries have been severely impacted by the pandemic, most notably hospitality, retail and leisure.

Social factors and infrastructure should also be considered by the mayor, including how transport and digital infrastructure impacts the creation of an inclusive environment. Location within the Combined Authority should have no bearing on the accessibility of education, training or employment. By creating an inclusive environment for all the mayor will also help those businesses who are struggling to recruit skilled workers.

Recommendation: Focus on making the skills environment work for the area, with an emphasis on local skills needs and ensuring the efficient use of available resources.

- Aid the re-training and re-skilling agenda by making use of the devolved adult education budget. Care should be taken to ensure solutions are appropriate for the local area and skills needs, including but not limited to key transferable and digital skills. The mayor should also support the creation of locally-led Skills and Jobs Hubs to replace Job Centres.
- Prioritise further collaboration with Higher and Further Education providers within the region to identify and remedy skills gaps at pace. This includes promoting apprenticeships and apprenticeship levy pooling, revamping the existing Levy Pooling Service. The mayor should increase awareness and adoption of apprenticeships for all ages as well as apprenticeship levy pooling. This will support the recovery from the pandemic and the creation of an inclusive and dynamic workforce for the future.

Recommendation: Be a strong voice to encourage the creation of good jobs at pace.

- Facilitate partnerships to promote the creation of good jobs outside of funding or government initiatives, including work on local procurement and supply chains. Leadership from the mayor should mean that any future government funding or initiatives are used to deliver projects which result in the creation of good jobs at pace.
- Champion diversity and inclusion within the Combined Authority itself, including making use of recruitment best practice to encourage diverse candidates to apply to positions.

- Encourage the public and private sector to take part in a shared initiative to increase opportunities across the region. This includes focusing on those sections of society and geography that are left behind and where talent is often lost or hard to recruit due to existing skills deficits or a perceived lack of opportunities for progression and development.
- Cement Cambridgeshire and Peterborough as a destination of choice for those companies evaluating where their employees are located in the future. This could be achieved by showcasing the connectivity the area has as well as how places and cities in the region can become increasingly 'smart', creating and safeguarding jobs.

Recommendation: Create an inclusive environment for all and ensure sections of society aren't left behind.

- Back ARU Peterborough, the new university for Peterborough set to open in 2022 which will help to address the skills shortage in the north of Cambridgeshire and Peterborough.
- Lead from the front, by continuing to create opportunities for paid internships, apprenticeships, and work experience within the Combined Authority and associated bodies.
- Secure stronger links between business and education in the area including promoting a better standard of careers guidance at all levels, including schools and further education, linked to labour market information.



References

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