

A map of Cambridgeshire and Peterborough is shown in a solid purple color. The map is overlaid on a light gray background that features a faint, intricate network of white lines, likely representing a road or rail network. The purple map shows the internal boundaries of various local authorities within the region.

# Cambridgeshire and Peterborough Economic Update

AUGUST 2023

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## A note about this report

The purpose of this report is to provide updated evidence (where new data is available) on the Cambridgeshire and Peterborough economy. It is intended as a useful source of information and analysis on a range of economic topics – it does not need to be read in full but may act as a useful document to refer to over time. It also helps to identify issues / interests which the region may wish to examine further, including in a future in depth State of the Region or CPIER refresh. The Executive Summary presents key messages, with further sections of the report providing additional information.

# The national economic picture

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**Inflation beginning to fall but remains high.** Over the last 2 years, inflation has been historically high, largely owing to greater demand for oil and gas post-pandemic, the war in Ukraine putting further pressure on the supply of oil and gas, as well as the supply of grain pushing up global food prices, compounded earlier this year by a shortage of salad and other vegetables caused by bad weather in Spain and Northern Africa.

Inflation has fallen from 10.1% in March but remains high at 6.8% in July. Food costs rose by 14.8% in the year to July 2023, down on levels seen in previous months which were around the highest seen for over 45 years. The Bank of England, in its latest Monetary Policy report expects inflation to fall to around 5% by the end of the year, accounting for lower energy prices, and to a lesser degree, food where prices rises are expected to slow to around 10%.

**Consecutive interest rate rises impacting mortgages.** The Bank of England has tried to curb high inflation by raising interest rates over the last 14 consecutive months, with the base rate in August sitting at 5.25%, the highest it has been since February 2008. As a result, mortgage rates have risen over the last year. Although some of Britain's biggest lenders have cut rates in recent weeks, the average two-year fixed residential mortgage stands at 6.26% while the five-year rate is 5.68%, whereas last June, these rates were closer to 3%. The BoE has warned that payments will rise by between £200 and £499 a month for more than 2 million households and £500 for nearly 1 million households by the end of 2026.

Landlords are passing some of these costs on to their tenants, with UK rental prices rising by 5.3% in the year to July 2023, and 4.9% across the East of England. On top of high grocery prices, this is placing a further strain on household budgets, evidenced by 40% of adults nationally struggling to afford to pay for rent or a mortgage according to the ONS' latest public opinions and social trends bulletin, up from 31% in July 2022.

**The UK remains in a challenging economic position.** Economic performance in the first half of 2023 has been better than expected, with latest quarterly growth (April – June) of 0.2%, meaning the UK has so far avoided a widely anticipated recession, although GDP in Q2 2023 remained 0.2% below its pre-pandemic

levels in Q4 2019. The Bank of England expects similar growth in the short-term, however falling house prices and a sharp slowdown in Manufacturing have fuelled fears of a recession in 2024. According to Nationwide, house prices fell by 3.8% in July, the fastest annual rate in 14 years, with higher interest rates limiting people's ability to buy a property with a mortgage.

**Slowdown in Manufacturing.** Higher borrowing costs and domestic and overseas market conditions are also impacting manufacturers. The Purchasing Managers' Index, reported by S&P Global fell to 45.3 in July, its lowest since July 2020. The index has been below 50 for a year, indicating a deterioration in operating conditions, with S&P Global reporting an acceleration in the rates of contraction in output, new orders and employment. Despite this, just over half of manufacturers expect output to rise over the next year, linked to expected improvements in market conditions.

The local impact of these pressures will not show up in ONS output numbers until data at the Combined Authority/ local authority district level are released over the next few years, but overall Manufacturing locally had recovered well from the pandemic before the latest set of pressures emerged.

**Uncertain outlook impacting businesses and consumers.** Business confidence, as measured by the Institute of Directors Economic Confidence Index, dropped to -31 in June and remained subdued at -30 in July, following improvements since the beginning of the year, with persistent inflation and rising interest rates leading to a greater sense of caution. However, there are some signs of improvement in business conditions, as the ONS reports in the Business Insights and Conditions Survey fewer firms citing energy prices as their main concern.

Consumer confidence took a dent in July, following an improvement in the first 6 months of the year as retail sales rose between May and June, with retailers citing good weather and promotions as factors for this increase. Retail sales fell by 1.2% in July, with bad weather hitting summer clothing sales and retailers indicating that the increased costs of living and food prices is continuing to affects sales volumes. GfK's Consumer Confidence Index decreased 6 points to -30 in July, with concern over personal finances and the wider UK economy.

# Further evidence of economic recovery in C&P

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**The last economic report was produced in March 2023. Since then some new data on the C&P economy has become available, with the main updates outlined below:**

- Latest data for 2021 shows that the economy has nearly returned to pre-covid output levels; GVA growth in the run-up to 2019 was middling compared with other areas but has recovered more quickly post-pandemic.
- The importance of the region nationally is highlighted by doubling in jobs created from FDI investment over the last year as well as a trade surplus in services driving an overall trade surplus of £4.3bn.
- However this does not tell the full story. Jobs growth of 2% between 2016- 21 is the second lowest of CA areas. There is variation within C&P and particularly within Cambridgeshire with very strong growth in South Cambs but a sharp decline in East Cambs.
- Although productivity using GVA per hour remains below the UK average, the gap closed in 2021 figures. This, coupled with relatively strong recovery in economic growth, suggests resilience in the Cambridgeshire and Peterborough economy. However, there are signs of underperformance, with weak jobs growth and middling growth pre-pandemic. Also, there remains variation amongst local authority districts, particularly Fenland where economic growth was falling pre-covid and the productivity gap has since widened further.
- Generally output has remained below its pre-pandemic levels across sectors, following on from a period of decline or stagnation in some sectors including retail and the professional, scientific and technical sector where employment has been growing faster than GVA. These structural changes in some local sectors help explain declining productivity stats.
- Some sectors have bounced back more strongly since the pandemic including manufacturing (where growth had previously been sluggish) financial Services and IT, which has continued to grow strongly. GVA has grown more quickly than employment across these sectors, helping to explain rising productivity stats.
- Business numbers have remained flat across Cambridgeshire and Peterborough since the pandemic, but total businesses have increased in both Fenland and Peterborough, where churn rates are high. Churn rates and business creation are lower in Cambridgeshire.
- Digital connectivity continues to improve, particularly on full fibre connections, where coverage increased from 45% to 58% but some districts, particularly those which are more rural, face greater connectivity challenges.



# Major risks and barriers remain

Overall the economy is unlikely to reach the target of doubling GVA over 25 years. The changing economic and policy context may well suggest reviewing this commitment.

There are a number of risks and barriers facing the economy, alongside well established major opportunities. These risks are important to consider in setting future economic and investment priorities.

*Sources: ONS Regional GVA by industry, ONS Jobs Density, ONS GVA per hour, ONS Housing Affordability in England and Wales: 2022, Bidwells, CoStar, Cambridge Water Draft Water Resources Management Plan 2024, Water Resources East Draft Regional Plan, GCP Electricity Grid Reinforcement Project Outline Business Case*



## Overall Growth

Growth in the run up to the pandemic was below C&P's original devolution deal target and was further disrupted by the onset of Covid-19, but the economy has almost returned to 2019 levels, at £27bn in 2021. Based on historic growth rates, the C&P economy would be almost £4bn lower than target levels by 2042.



## Unequal gains in productivity

Productivity remains below the national average but GVA per hour has increased by 16% over the last 5 years, closing the gap to nationally. Greater Cambridge has seen significant improvements, whereas Peterborough has seen a recent decline. The productivity gap is widest in Fenland and has worsened over the 5 years to 2021.



## Lack of commercial space

A shortage of available laboratory space threatens growth in C&P's life sciences cluster, one of the area's priority sectors. Industrial vacancies have also increased post-covid, including from 2022, particularly in South Cambs and Huntingdonshire. Industrial vacancies have been consistently low in East Cambs and Fenland indicating constrained supply.



## Slow growth in jobs

Jobs growth has been relatively slow at 2% between 2016-21. Experience has varied across districts; growth being particularly high in South Cambs but significant decline in East Cambs. Generally the labour market has held up well but there is evidence of cooling. Vacancies are falling in C&P and unemployment rising nationally, perhaps a leading indicator.



## Housing affordability

Like much of the East of England, housing affordability has become a mounting challenge, especially in Cambridgeshire. House prices are as high as 13 times earnings in Cambridge. Affordability has worsened this year given rising mortgage rates and rents. Supply has increased in East and South Cambs but has almost halved in Cambridge since 2016/17.



## Utility constraints

Water supply is a major issue, already impeding development and likely to continue to do so in the short-term. Energy constraints are also impacting C&P, where the electricity grid network capacity is constrained and currently would be unable to meet future demand and severely impacting opportunity to exploit energy sources and roll-out of EV charging points.

# Economy, labour and skills

For further detail, see:

[Economy Overview](#)

[Labour Market](#)

[Business Conditions and Performance](#)

[Health and Skills](#)

There are signs of a recovery post-pandemic, and the labour market also appears resilient, but significant concerns remain, chiefly in the form of high inflation and mounting cost of living pressures

## DATA HEADLINES

- Across Cambridgeshire and Peterborough, nominal earnings have continued to recover since the pandemic, with consistent growth of 6% or above over the last year. But given sustained high inflation real earnings have actually fallen, although there are signs real earnings may start to grow in coming months.
- C&P's economy has almost recovered to its pre-pandemic levels, following a contraction due to the Covid-19 pandemic and associated lockdowns. Growth in the build-up to the Pandemic was middling compared to other combined authorities but in line with regionally and the national average excluding London. This is consistent across most of the districts but growth in Fenland fell in contrast to other areas. However jobs growth has been relatively slow at 2% between 2016-21 although has varied amongst districts.
- Productivity has improved at a CA level, with GVA per hour increasing to £37.09 in 2021, a 16% increase over the last five years, a marked improvement on 7% growth seen in the previous five years. Despite this, productivity remains below the national average, however, the gap has closed from 4.8% below the UK average in 2019 to 3.2% in 2021.
- The labour market has held up well, particularly in Greater Cambridge; payrolled employees are up on pre-pandemic levels, relatively high economic activity and low unemployment but there are varying experiences, particularly in the Fens. There is evidence the labour market is starting to weaken across Cambridgeshire and Peterborough as job vacancies have fallen and nationally unemployment rose in the three months to June.
- Total education and training and apprenticeship achievements are down on pre-pandemic levels, following national and regional trends, with Cambridgeshire having a relatively low number of education and training achievements per 100,000 population, and Cambridge the lowest across districts. However, higher level apprenticeship achievements have increased across districts, with Cambridgeshire now having a greater number of higher apprenticeship achievements per 100,000 population than nationally.

## IMPLICATIONS FOR C&P

- Despite nominal earnings increasing across local authority districts, households are facing stretched budgets in the face of rising prices, increasing rents and mortgage repayments. Cost of living pressures exist for all communities across C&P but are particularly acute in The Fens.
- A promising sign that the economy has largely withstood the impacts of the pandemic, but it's important to emphasise that the economy underperformed compared to a number of other combined authorities and has only just about made it back to 2019 levels. The economy has fallen behind the growth rate required to meet the CPCA's Devolution Deal target of doubling GVA from 2017 to 2042.
- Productivity is key in raising living standards and driving long-term economic growth so these initial figures are encouraging. Differing patterns across districts and sectors indicates that productivity growth continues to be a priority to address.
- Falling vacancies likely reflect greater economic uncertainty and potential cooling of the labour market meaning we may see reduced employment opportunities in the coming months. Continuing to support residents into employment, training or education opportunities is vital, particularly in the Fens where employment is relatively low.
- The pandemic has continued to disrupt education and training settings across Cambridgeshire and Peterborough. Although the increase in higher levels apprenticeship achievements shows increasing availability of higher level technical courses, particularly in Greater Cambridge. When data for the complete 2022/23 academic year are released later this year, we will be able to assess how achievements have continued to recover against pre-pandemic levels.

# Infrastructure and investment

Strong investment into the region shows national significance of C&P, but utilities, housing and lack of lab space may act as barriers constraining future growth

## DATA HEADLINES

- Investment into C&P has strengthened, with 1,361 jobs created by Foreign Direct Investment (FDI) projects over the last year, up by over 70% from the year previous. Across C&P in 2021, there was a trade surplus of over £4.3bn, driven by exports in services in finance and insurance, real estate, and professional and scientific and IT sectors. The Growth Works inward investment services has helped secure commitment to 868 new jobs through supporting 27 companies to invest in C&P since it was established in early 2021.
- Strong innovation demonstrated by a relatively high share of high growth businesses and innovation jobs across Cambridgeshire and Peterborough, driven by life sciences in Greater Cambridge and digital and IT in Greater Cambridge and Peterborough. Advanced manufacturing employment is up across all areas. The Fens continues to be a strong region for agri-tech, with employment increasing there too.
- Utilities challenges in relation to water supply, where planning applications have been rejected for the first time on the basis of concerns over water supply in South Cambridgeshire, and energy where the electricity grid network is constrained, with particularly acute problems at Histon, Arbury and Fulbourn grid substations. This constrains generation, limiting the ability to deploy renewable energy sources until capacity is reinforced.
- Housing affordability is a mounting challenge, with house prices at least 8 times annual earnings across Greater Cambridge and the Fens. Affordability challenges are most acute in Cambridge where supply has fallen over recent years. Supply has also fallen in Peterborough.
- There remains a shortage of available laboratory space in C&P with demand in excess of 1 million sq ft. Commercial vacancy rates have risen following disruption caused by the pandemic and high inflation, which has particularly impacted demand for industrial space. Industrial vacancy rates are highest in South Cambs and Huntingdonshire but relatively low in East Cambridgeshire and Fenland, indicating constrained supply.

## IMPLICATIONS FOR C&P

- Cambridgeshire and Peterborough remains vital to the national economy and attractive to overseas investors despite the uncertain economic landscape over the last year, especially considering job creation from FDI has fallen across the UK. Strong exports from priority sectors highlights their value to the region. The inward investment programme is starting to create added value, helping to engage with firms with the aim of locating in the region or investing in strategic projects.
- Life sciences and digital clusters in Cambridge and South Cambs continue to drive innovation landscape across Cambridgeshire and Peterborough. Further analysis should explore how to support high-value growth in other regions and sectors.
- Utilities constraints are impeding development, whilst also slowing the transition towards renewable energy sources. Grid constraints also limit the ability to install EV charging points. Solving this will be crucial in helping to reduce transport emissions, which have only fallen by 4% since 2005.
- Although house prices have slightly fallen in recent months, rising mortgage rates and rents are making it increasingly difficult for home owners/renters. Difficulties with home building may be exacerbated by issues with water and the grid especially in Greater Cambridge.
- Lack of lab space threatens to dampen growth in C&P's life sciences sector. Increasing input costs may have dampened production and therefore demand for industrial space more in South Cambs and Huntingdonshire. A lack of sufficient industrial space in East Cambs and The Fens impedes growth.

# Variations across Cambridgeshire and Peterborough



**Economy:** Post-pandemic economic recovery trajectories differ across the sub-economies, though save for Huntingdonshire, all districts have outperformed the national recovery. Growth has been fastest in South Cambridgeshire, with the economy 4.5% above 2019 levels in 2021. Fenland's economy was also larger in 2021 than 2019, despite contracting over the previous five years. Peterborough's economy was the same size in 2021 as it was in 2019 after a period of strong growth in the 2010s, but despite having the fastest growing economy pre-pandemic, Huntingdonshire has since recovered most slowly.

**Productivity:** Strong recent productivity gains in Cambridge and South Cambridgeshire, with both districts now more productive than the UK average, including particularly strong growth of 24% in Cambridge between 2016-21. East Cambs and Huntingdonshire have seen strong growth of 23.5% and 16.3% over the same time period, closing the productivity gap to the UK average. Whereas the productivity gap has generally widened in Greater Peterborough and the Fens. Although GVA per hour increased by 11% and 5.6% in Peterborough and Fenland respectively, this is below the 14.3% gain nationally, meaning the gap has widened over the last 5 years, particularly in the Fens where productivity is now over a quarter lower than it is nationally.

**Priority sector employment:** Growth in priority sector employment driven by increasing employment across Greater Cambridge and Peterborough, with relatively strong gains in digital and IT and life sciences employment in Cambridge and South Cambs. Cambridge and South Cambs combined contribute 95% and two thirds of life sciences and digital and IT employment respectively. South and East Cambs and Huntingdonshire saw falls in Agri-tech employment, helping explain a slight fall in agri-tech employment across C&P despite a 50% increase in Peterborough and continued steady employment growth in Fenland. All areas saw growth in advanced manufacturing employment.

**Business:** 36,950 businesses across C&P in 2022, up from 34,230 in 2016, driven by strong business survival/low death rates despite below average business creation rates. Business creation rates have been highest in Peterborough and Fenland, with the business base in both districts continuing to grow through the pandemic and

beyond. High growth businesses continue to be mainly based in Greater Cambridge, with many likely associated with the clusters of priority sector businesses there.

**Labour:** Economic activity high in Greater Cambridge and Peterborough, with all districts having a higher economic activity rate than UK average except Fenland. At 90%, East Cambridgeshire's economic activity rate is notably high. Unemployment low across Greater Cambridge but at or above national average in Greater Peterborough and the Fens. Nominal earnings continue to grow across all areas, with growth between 6-7% across districts for the year up to Q1 2023 but as prices have been rising faster, real wages have actually been falling. Nominal earnings are above the national average other than in Greater Peterborough and the Fens.

**Infrastructure:** Housing affordability poor across the region, particularly in Greater Cambridge, coupled with falling supply in Cambridge, although supply has increased in other areas in Greater Cambridge. Enabling infrastructure – particularly water but also energy – is a critical issue to resolve if forecast population growth is to be accommodated. All areas have increased the proportion of domestic properties with an EPC rating of A-C, showing signs towards retrofitting our housing stock, with relatively high proportions in Greater Cambridge and Peterborough. All areas have increased digital connectivity, particularly on full fibre connections but the Fens and more rural areas in Greater Cambridge and Huntingdonshire lag behind.

**Skills:** The Covid pandemic caused disruption in education and training settings, with education and training achievements down across areas other than in South Cambs. Total apprenticeship achievements have also fallen across C&P but higher level apprenticeship achievements have increased across all districts, especially in Greater Cambridge and Peterborough, with Cambridgeshire having a higher number of higher achievements per 100,000 population and Peterborough in line with national rates.

**Health:** Life expectancy higher in Greater Cambridge and relatively low in Greater Peterborough and the Fens, where healthy life expectancy is below retirement age in the most deprived neighbourhoods; plus relatively high proportions of child poverty in Greater Peterborough and the Fens.

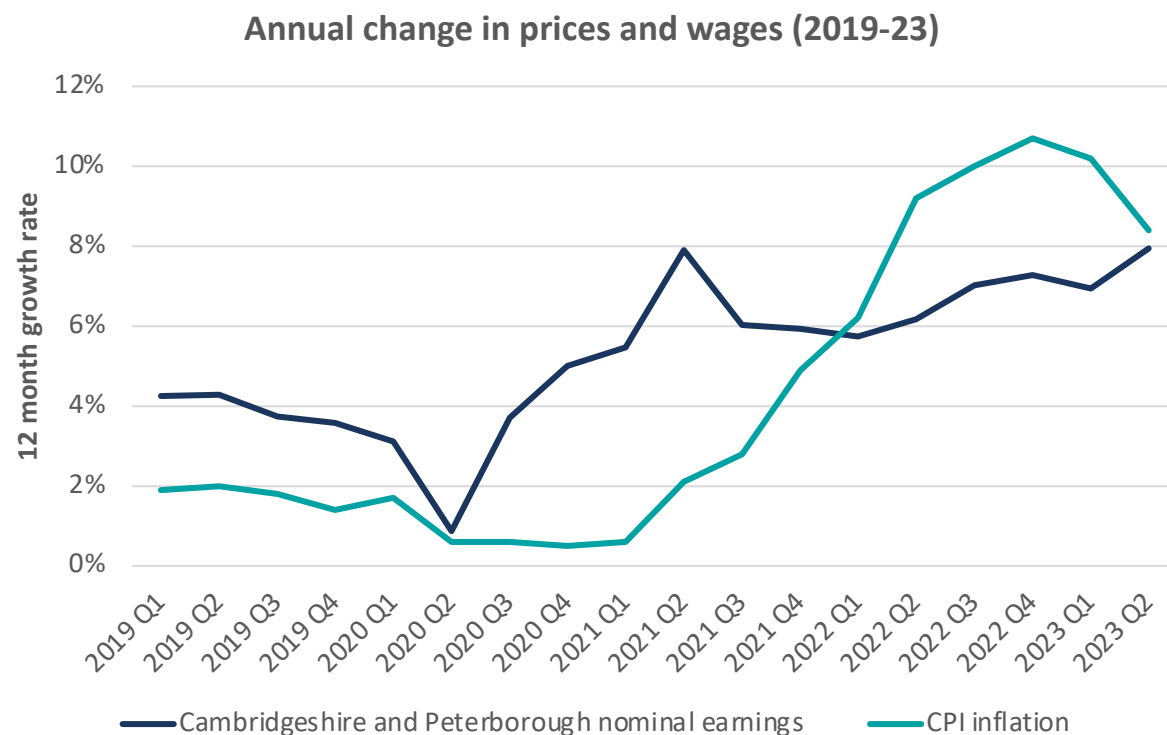




# Economy Overview

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# Cost of living (inflation vs wage growth)

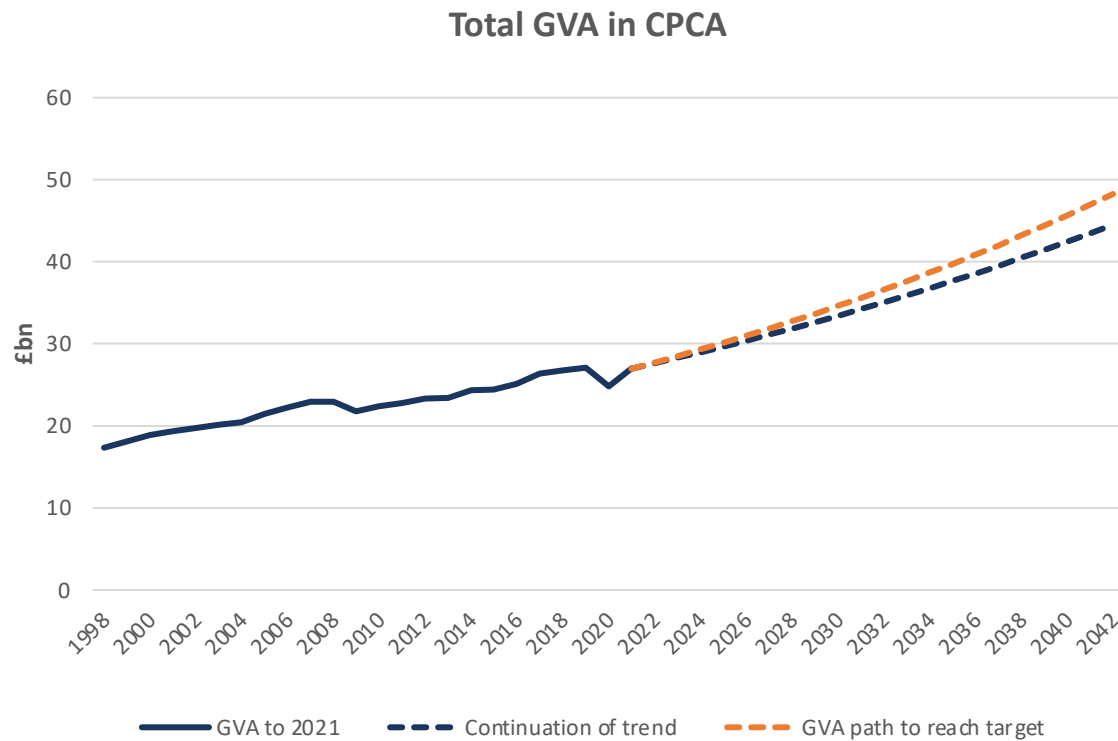


- To get a sense of the cost of living pressures being faced locally we have tracked growth in wages using earnings data from the ONS Pay As You Earn Real Time Information against the UK inflation rate.
- Nominal earnings have bounced back since the Pandemic with growth consistently above 6% over the last year.
- But high sustained inflation has meant real earnings have been falling over the last year, placing increased pressure on residents across Cambridgeshire and Peterborough.
- However, with inflation starting to slow and nominal wages growing strongly, real wages may start to pick up in the coming months. Latest data for July showed growth in wages was 6.2% in C&P compared to inflation of 6.8%.

*Note: To neatly show wage growth against inflation, we have taken a weighted average of quarterly earnings for Cambridgeshire and Peterborough to calculate wage growth across Cambridgeshire and Peterborough as up-to-date earnings are not released at the combined authority level.*

**Source – ONS. PAYE Real Time Information. August 2023 release, ONS Consumer Price Inflation, UK: July 2023**

# Economy: size and growth

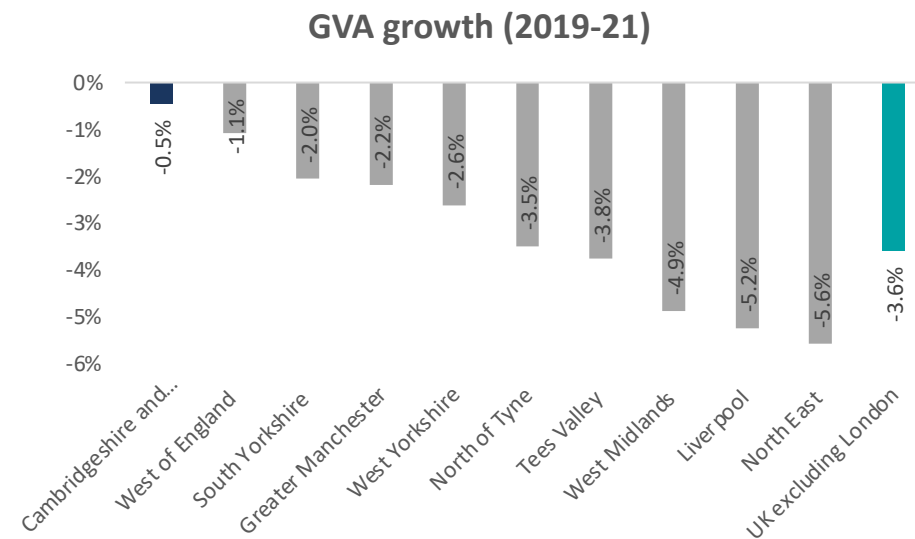
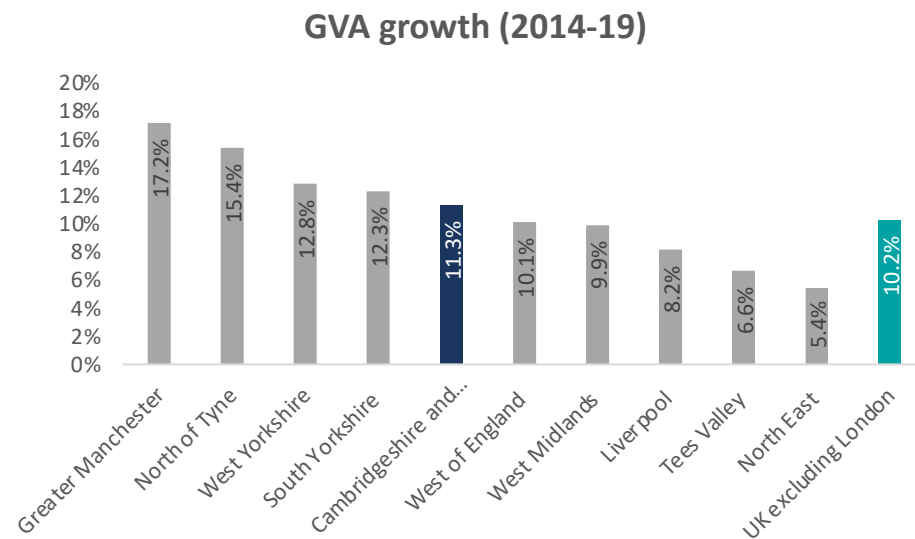


- GVA fell in 2020 after the onset of the pandemic and following lockdowns. Over the next year, GVA increased by 8.7% and in 2021 was £27bn, just below pre-pandemic levels of £27.1bn in 2019.
- C&P's original devolution deal set a target to double GVA from 2017 to 2042, which requires average annual growth of 2.8%. Before the pandemic the C&P economy was tracking below this growth rate, and the two years of stalled growth since 2019 have compounded the challenge further.
- Although extrapolated trends should be treated with significant caution, based on historic growth rates from 1998 – 2021 the C&P economy would be almost £4bn lower than target levels by 2042.

Source: Metro Dynamics analysis of ONS Regional GVA by industry

# Economy: size and growth

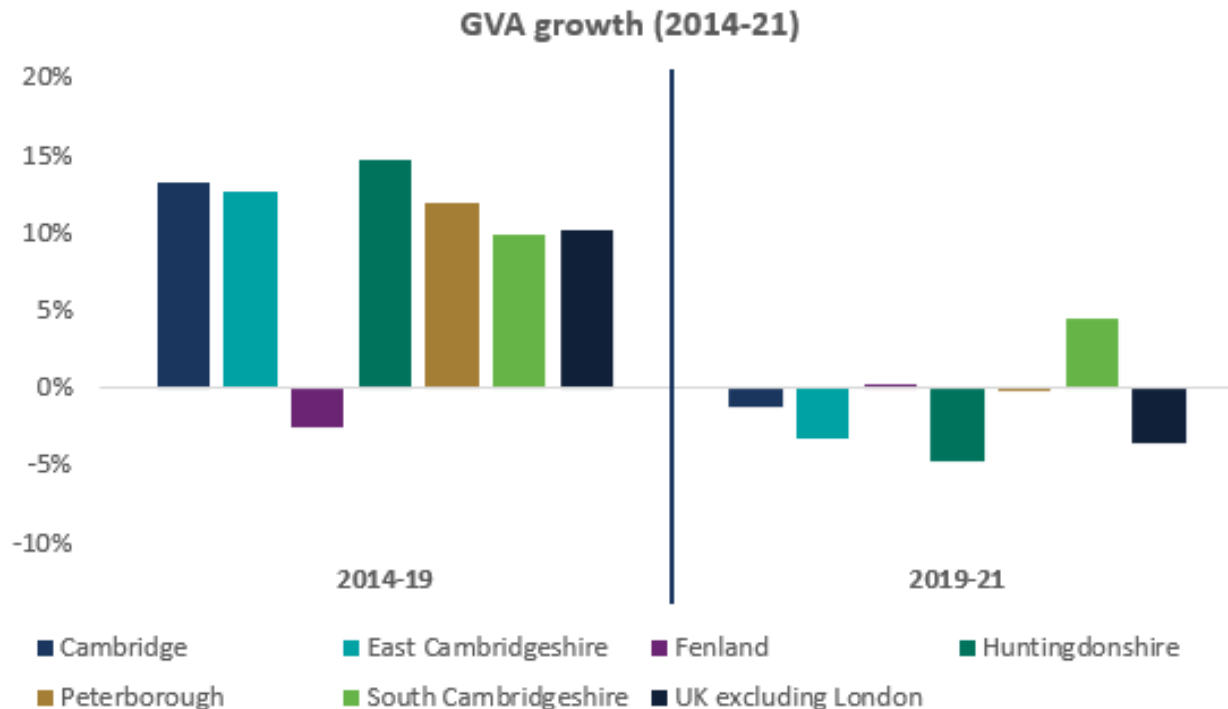
- Cambridgeshire and Peterborough experienced growth of 11.3% in the five years before the Covid-19 Pandemic, middling compared to other Combined Authorities but comparable to the national average excluding London.
- The economy has recovered more quickly in C&P since 2019 compared to other areas. Growth has returned to its pre-pandemic levels in Peterborough and is 0.6% below in Cambridgeshire compared to over 3% below 2019 levels nationally excluding London.



Source: ONS dataset Regional GVA by industry



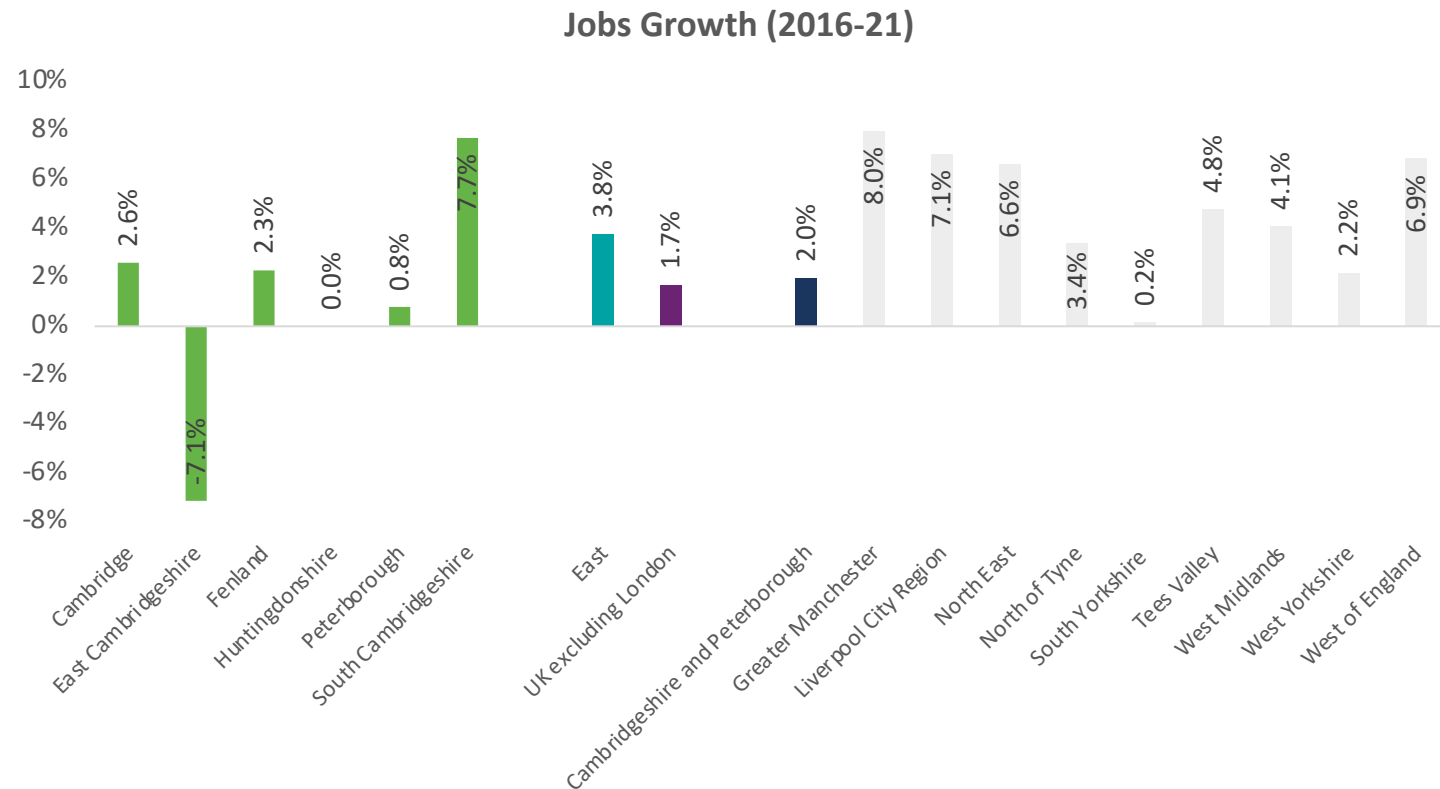
# Economy: focus on districts



- In the run up to the pandemic, economic growth was generally in line or above the UK excluding London across the local authority districts, particularly Huntingdonshire, Cambridge and East Cambridgeshire.
- Despite fairly strong growth between 2014-19 in Peterborough, GVA fell by 7% in the run up to the pandemic (2018-19) before bouncing back relatively strongly post pandemic, with GVA returning to pre-pandemic levels in 2021.
- Economic growth has recovered more quickly across most of the districts since the pandemic compared to the national average, particularly in South Cambs where economic growth is 4.5% above 2019 levels. In Fenland, economic growth has returned to pre-pandemic levels but the economy had contracted in the five years before the Pandemic, in contrast to other districts.

Source: ONS dataset regional GVA by industry: local authorities by International Territorial Level (ITL) 1 region: TLH East

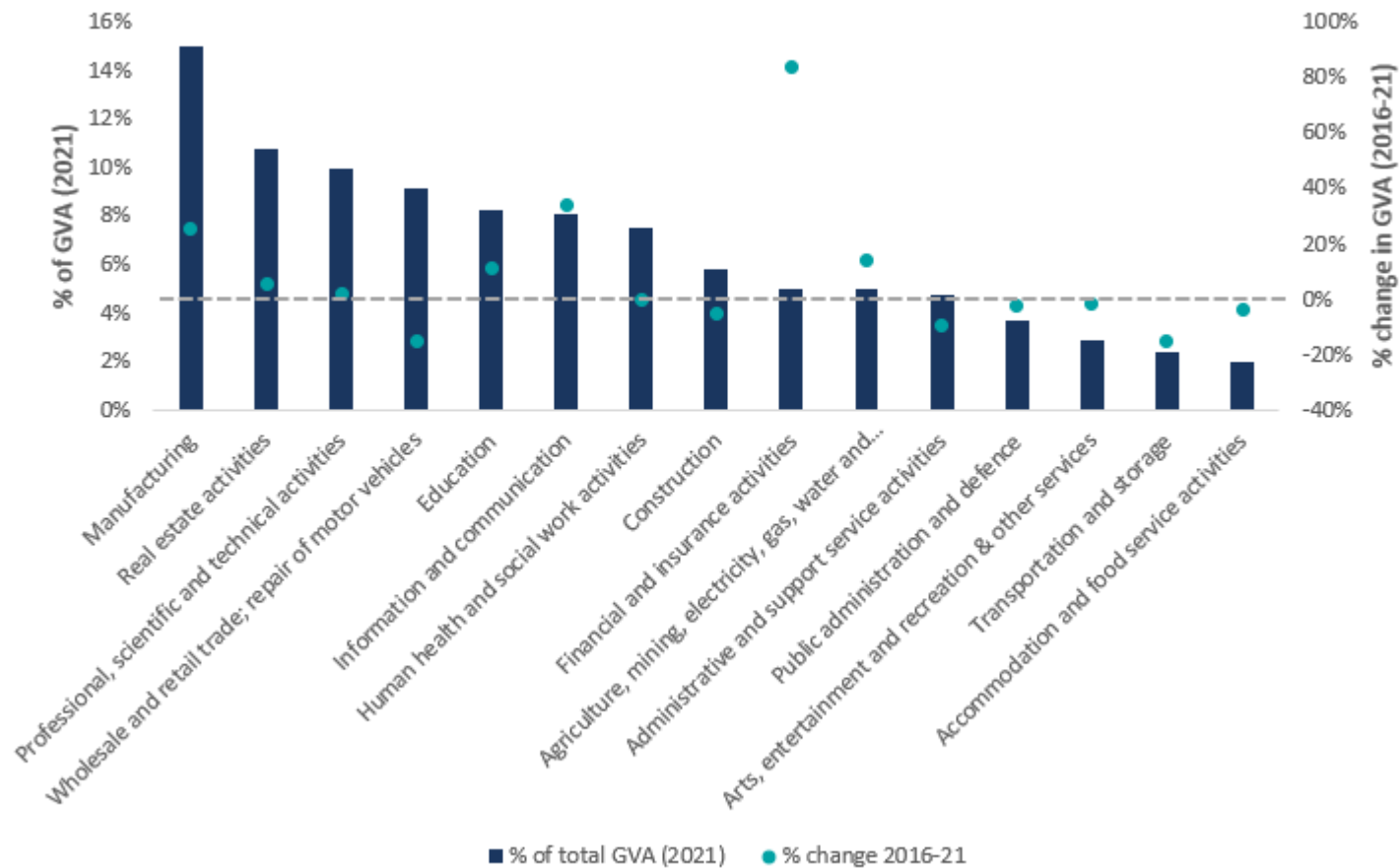
# Economy: jobs growth



- GVA growth only tells part of the story. When comparing growth in jobs, Cambridgeshire and Peterborough ranks second lowest of Combined Authorities, but is in line with the national average excluding London.
- South Cambs has seen rapid growth with Cambridge and Fenland just above the national average but East Cambs has seen a rapid decline in jobs over the 5 years up to 2021.

Source: ONS Jobs Density

# Sectors: size and growth (GVA)



- Manufacturing is the largest contributor to the C&P economy and has been one of the fastest growing over the last 5 years.
- Combined Manufacturing, Real Estate, Professional, Scientific and Technical, and retail make up 44.8% of total GVA.
- But Retail has seen the sharpest decline over the last five years, along with transport.
- IT has continued its fast growth seen over the last decade and now makes up 8% of GVA.
- Financial Services has been the fastest growing sector since 2016, having seen a decline in the five years previous.

Source: ONS dataset Regional GVA by industry

# Priority sectors: employment

- Growth in priority sector employment has largely been driven in Greater Cambridge, particularly Cambridge and South Cambridgeshire. Across all priority sectors employment is up by 32% and 26% in Cambridge and South Cambridgeshire respectively.
- Strong increase in employment across all areas in Advanced Manufacturing, in contrast to fall experienced nationally.
- Agri-tech employment increased by 51% in Peterborough, with steady increases in the Fens, contrasting to other areas. The increase in Peterborough is largely explained by increasing employment in fruit and veg processing.
- Priority sector employment in The Fens continues to be dominated by Agri-tech, with relatively low proportions of employment in the other priority sectors, however from 2016-2021 the region experienced rapid growth in Advanced Manufacturing employment.

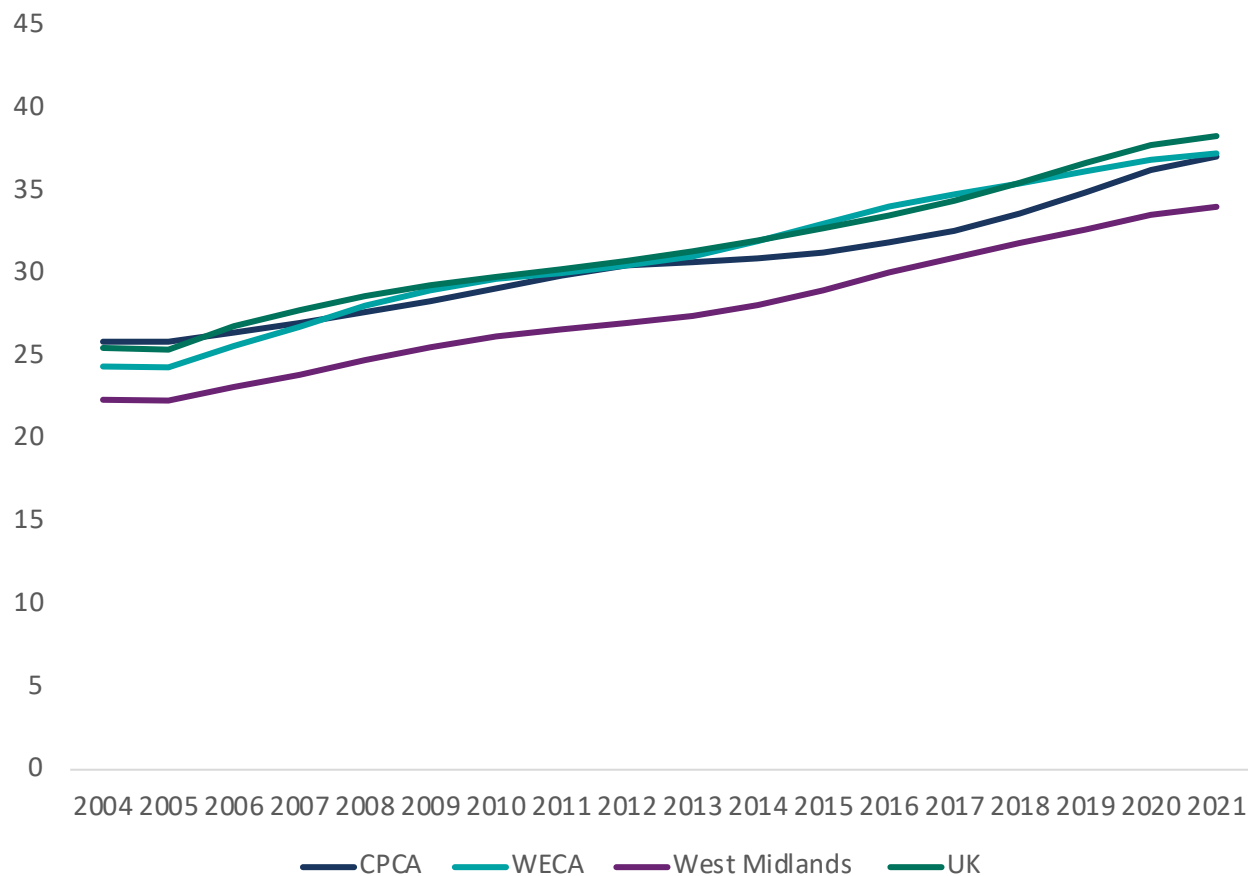
Area	Advanced Manufacturing		Agri tech		Digital and IT		Life sciences	
	Employment (2021)	% change (2016-21)	Employment (2021)	% change (2016-21)	Employment (2021)	% change (2016-21)	Employment (2021)	% change (2016-21)
Cambridge	5,435	30%	765	5%	10,755	25%	6,805	54%
East Cambridgeshire	2,260	40%	2,485	-15%	1,165	6%	180	-29%
Fenland	975	34%	3,365	5%	525	-5%	5	-50%
Huntingdonshire	3,080	26%	3,965	-6%	3,960	-2%	630	-13%
Peterborough	5,025	17%	2,070	51%	6,155	3%	805	15%
South Cambridgeshire	6,715	11%	2,345	-21%	10,130	49%	13,350	35%
<b>Cambridgeshire and Peterborough</b>	<b>23,980</b>	<b>25%</b>	<b>15,560</b>	<b>-3%</b>	<b>31,320</b>	<b>13%</b>	<b>21,275</b>	<b>28%</b>
GB excluding London	873,705	-3%	597,920	-1%	1,042,440	5%	262,850	15%

Source: Metro Dynamics analysis of ONS Business Register and Employment Survey



# Productivity (overall)

GVA per hour worked

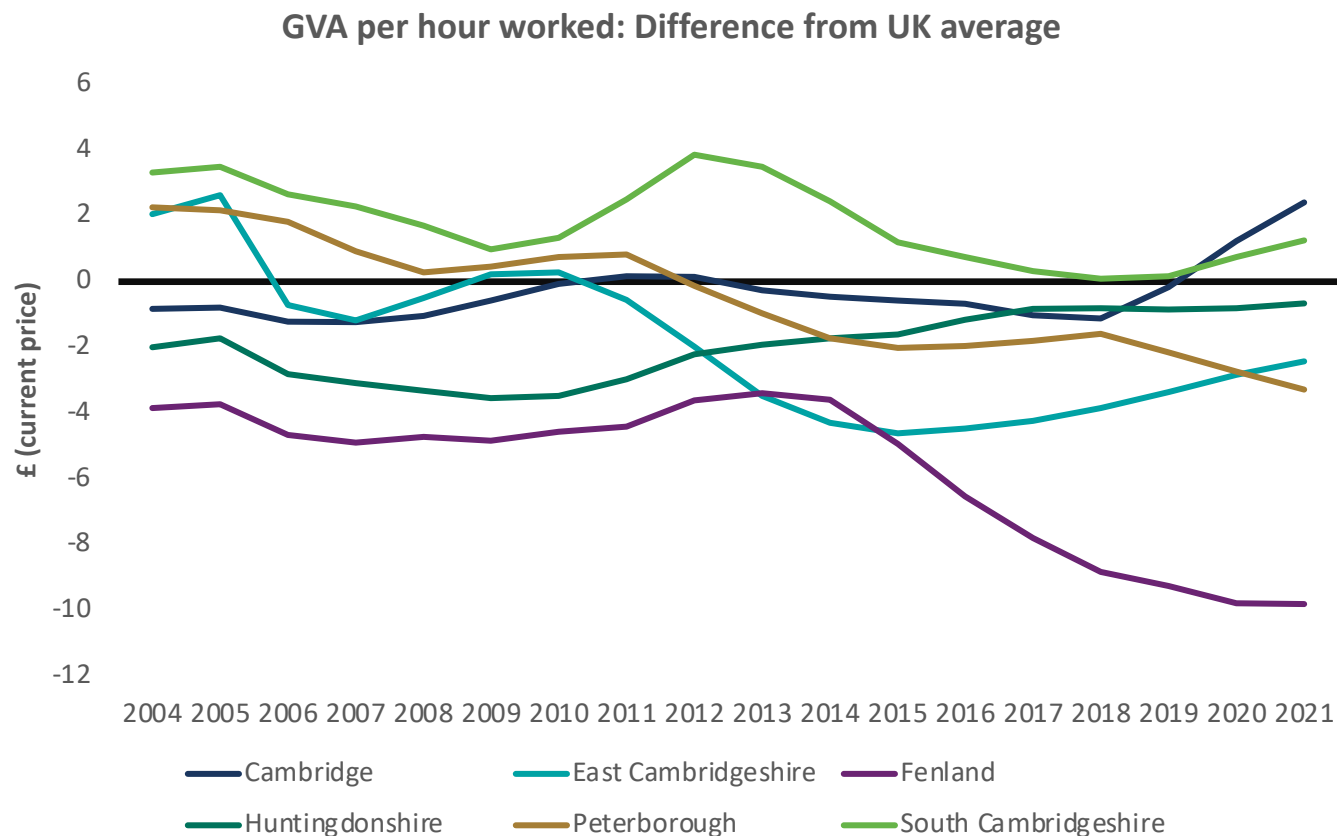


- GVA per hour was £37.09 in 2021, a 16% increase over the last five years.
- Productivity remains below the UK average but the gap to the UK average has closed to £1.20 in 2021.
- There remains significant variation amongst districts, with Cambridge and South Cambridgeshire the only districts more productive than the UK average.

Area	GVA per hour worked, 2021
UK	£38.3
Cambridge	£40.7
East Cambridgeshire	£35.9
Fenland	£28.5
Huntingdonshire	£37.7
Peterborough	£35.1
South Cambridgeshire	£39.6

Source: ONS. Subregional productivity: labour productivity indices by UK ITL2 and ITL3 subregions

# Productivity relative to UK average over time

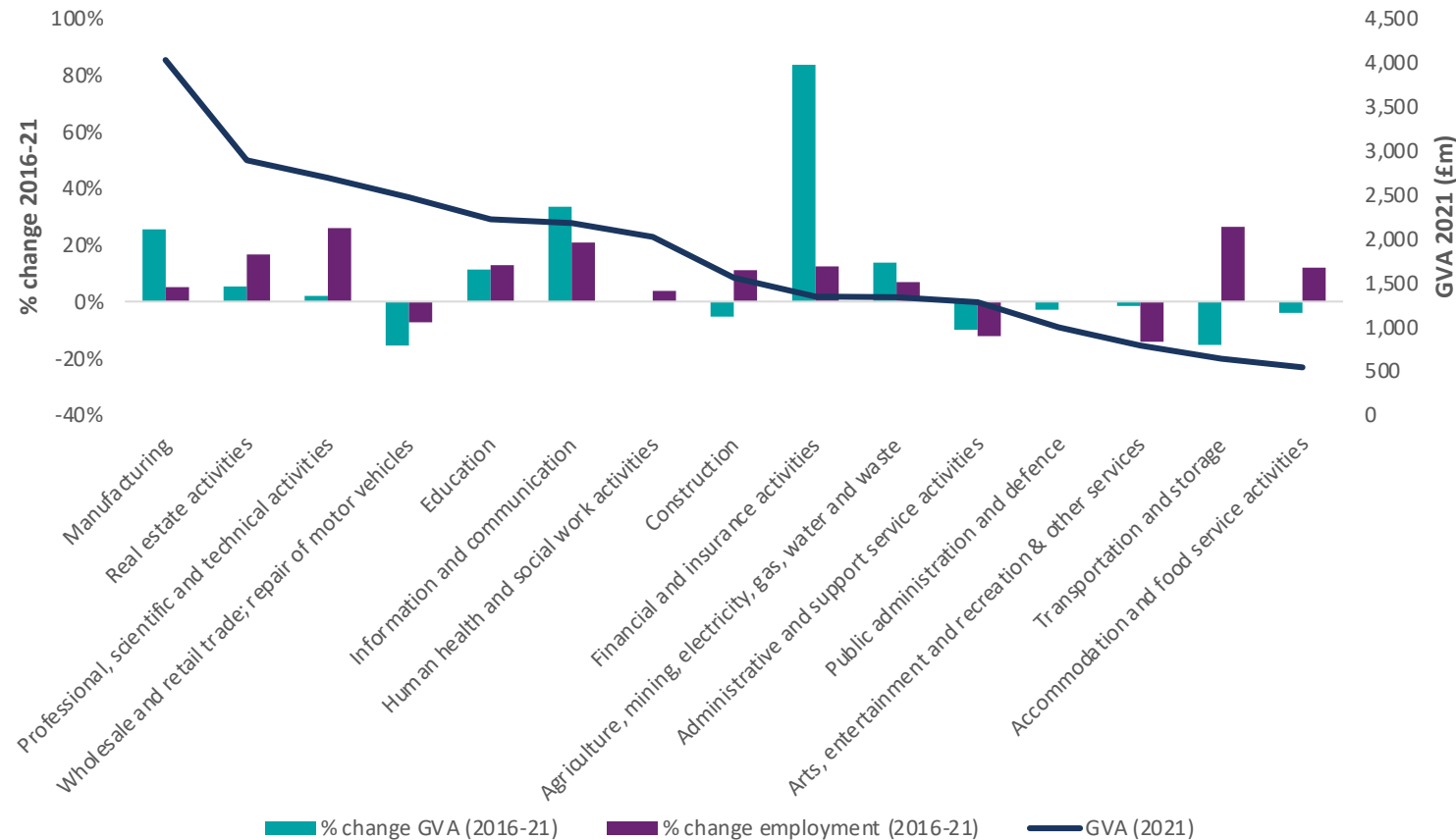


- The chart presents the difference between C&P's local authorities' productivity and the UK average over time.
- Productivity gains seen across C&P as a whole are driven by increases in Greater Cambridge and Huntingdonshire.
- Following a relative decline between 2012 and 2018 South Cambridgeshire and Cambridge are now more productive when compared to the UK average. Productivity improvements also fuelled by gains in Huntingdonshire and East Cambridgeshire where the gap against the UK average is closing.
- Productivity has generally declined in Fenland and recently in Peterborough. In Peterborough GVA per hour is now over 8% lower and in Fenland over a quarter lower compared to the UK average, or £10 per hour lower.

*Note: Data are in current prices and does not account for inflation, purpose is to show position relative to UK average*

**Source: ONS Current Price (smoothed) GVA per hour worked indices; ITL regions, 2004 - 2021**

# Output and employment growth (2016 – 2021)



- Broad sector groupings are ordered from left to right by the amount of GVA they generated in C&P in 2021, with the highest GVA sectors on the left.
- GVA rose faster than employment in Manufacturing, IT, Finance and primary industries, indicating productivity gains in those sectors, but the reverse is true for other sectors.

*It's important to caveat that when more recent data are published, output and productivity may fall in Manufacturing, reflecting the current downturn reported by the Purchasing Managers Index.*

Source: ONS dataset Regional GVA by industry & Business Register and Employment Survey

# Productivity (by sector)

Broad sector group	GVA (2021) (£m)	Employment (2021)	GVA per employment (2021)	Compared to region	Compared to GB excluding London	% change 2016-21
Agriculture, mining, electricity, gas, water and waste	1335	13475	99072	Above	Below	6.4%
Manufacturing	4031	41000	98317	Similar	Above	19.4%
Construction	1560	20000	78000	Below	Similar	-14.9%
Wholesale and retail trade; repair of motor vehicles and motorcycles	2467	63000	39159	Similar	Similar	-8.7%
Transportation and storage	639	24000	26625	Below	Below	-32.9%
Accommodation and food service activities	538	28000	19214	Below	Similar	-14.2%
Information and communication	2177	29000	75069	Similar	Below	10.5%
Financial and insurance activities	1345	9000	149444	Above	Above	63.3%
Real estate activities	2889	7000	412714	Below	Below	-9.8%
Professional, scientific and technical activities	2689	58000	46362	Above	Similar	-19.1%
Administrative and support service activities	1276	43000	29674	Similar	Below	2.6%
Public administration and defence; compulsory social security	994	15000	66267	Similar	Similar	-2.8%
Education	2221	53000	41906	Above	Above	-1.4%
Human health and social work activities	2022	55000	36764	Above	Above	-3.8%
Arts, entertainment and recreation	783	18000	43500	Above	Above	14.9%
Total	26964	476000	56647	Similar	Similar	1.6%

- Productivity as measured by GVA per employment, slightly rose by 1.6% compared to slight falls regionally and nationally excluding London, with GVA per employment the same as GB excluding London levels having been over £1,000 lower in 2016.
- Significant productivity improvements in Finance which is one of 5 sectors with productivity above GB excluding London, including Manufacturing, the largest contributing sector to the C&P economy.
- GVA per employment in the Professional, scientific and technical sector remains above the regional average but has worsened more rapidly than regionally and nationally excluding London.

Source: Metro Dynamics analysis of ONS regional GVA datasets and ONS Business Register and Employment Survey. Sectors that are 5% or more greater than comparator are labelled "above", sectors that are 5% or more lower than comparator are labelled "below", and those in between are labelled "similar".

Source: ONS dataset Regional GVA by industry

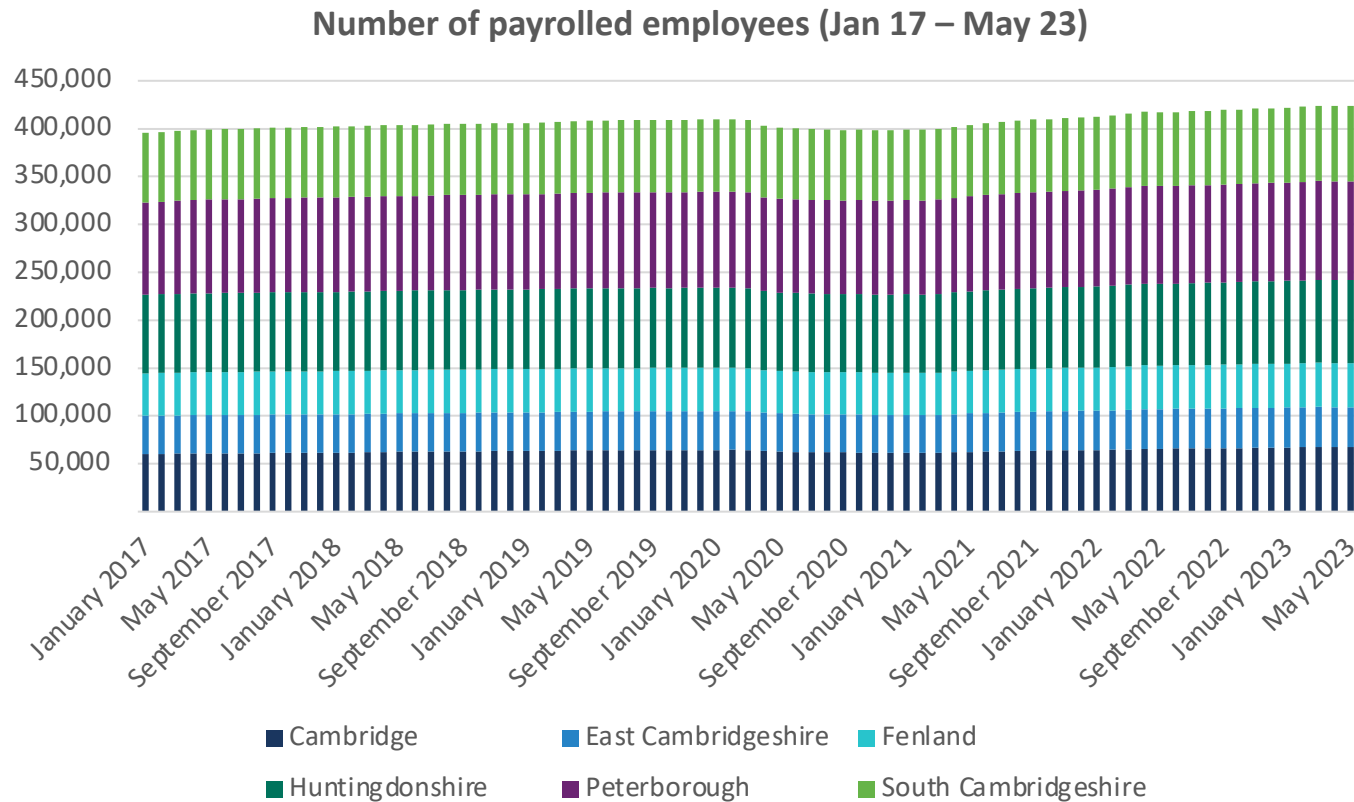




# Labour Market

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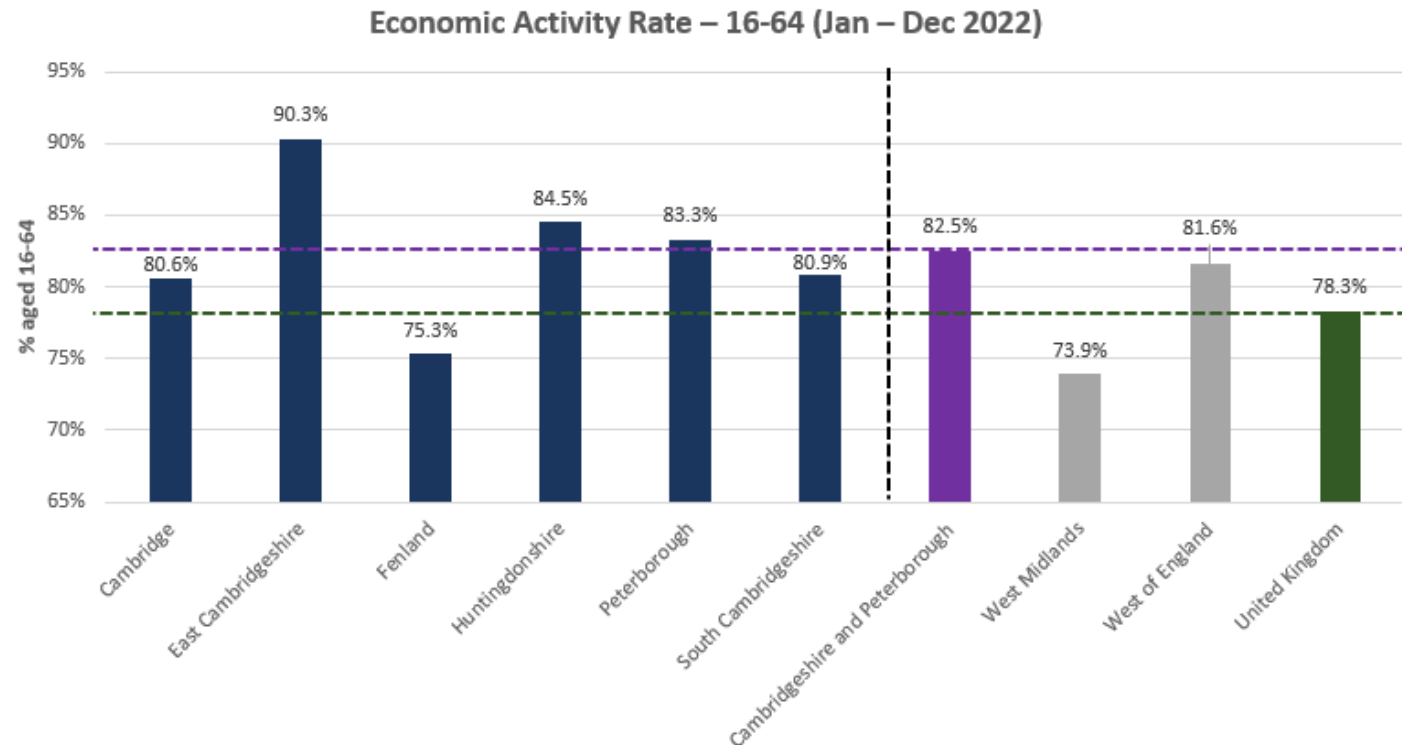
# Total employees



- There were 423,805 payrolled employees across Cambridgeshire and Peterborough in May 2023, continuing the general increase in employees apart from during the pandemic.
- Employees are up 19,990 (5%) since May 2021, recovering since Covid related restrictions started to be eased, and up by 15,620 (3.8%) compared to pre-pandemic levels in May 2019.
- This is comparable against UK average growth (3.9%) between May 2019 and May 2023, but Cambridge (5.4%) and South Cambridgeshire (4.4%) were the only local authority districts with higher growth. Fenland had the lowest increase of 1.9%.

Source: ONS. PAYE Real Time Information. June 2023 release

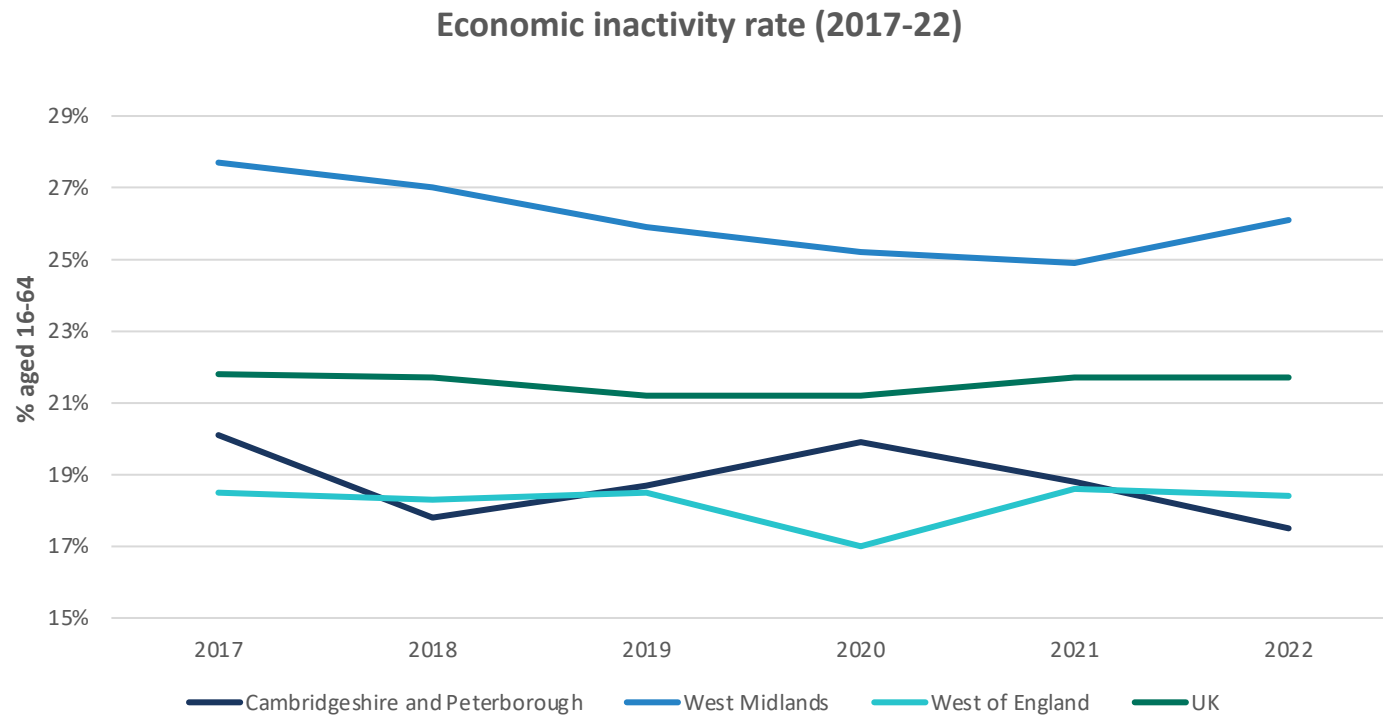
# Economic activity and comparators



- Economic activity across C&P is relatively high, at 83% of the working age population, higher than the UK average and West Midlands and in line with West of England.
- Rates of economic activity are particularly high in East Cambridgeshire, Huntingdonshire and Peterborough.
- Fenland is the only local authority with an activity rate below the UK average.

Source: ONS. Annual Population Survey 2022

# Economic inactivity



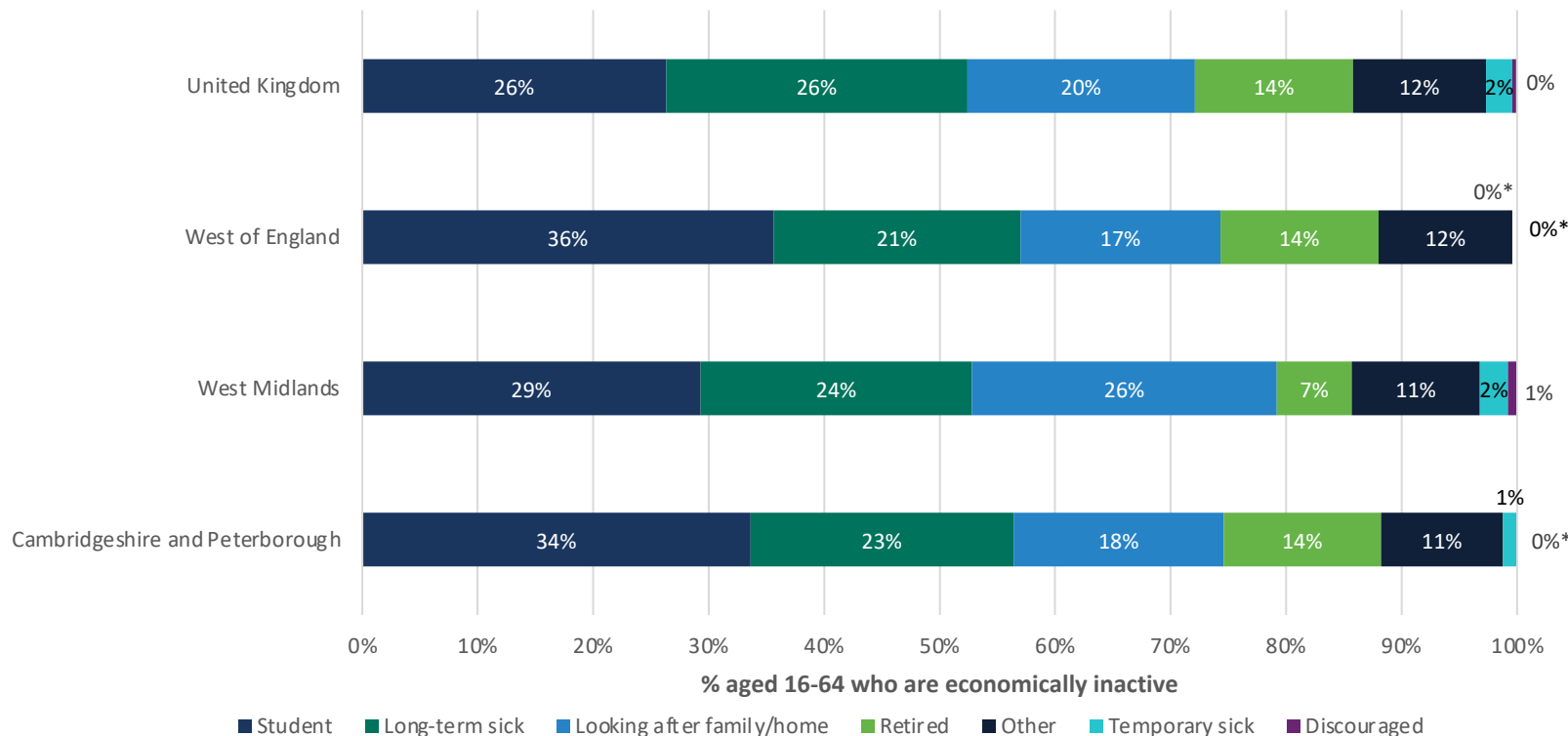
- The proportion of the population who are economically inactive in Cambridgeshire and Peterborough has continued to fall following an increase during the pandemic.
- Levels have consistently been lower than the national average over the last 5 years, where inactivity has plateaued since the pandemic compared to a fall in C&P.

Source: ONS. Annual Population Survey 2022



# Reason for inactivity

Economic inactivity by reason (2022)

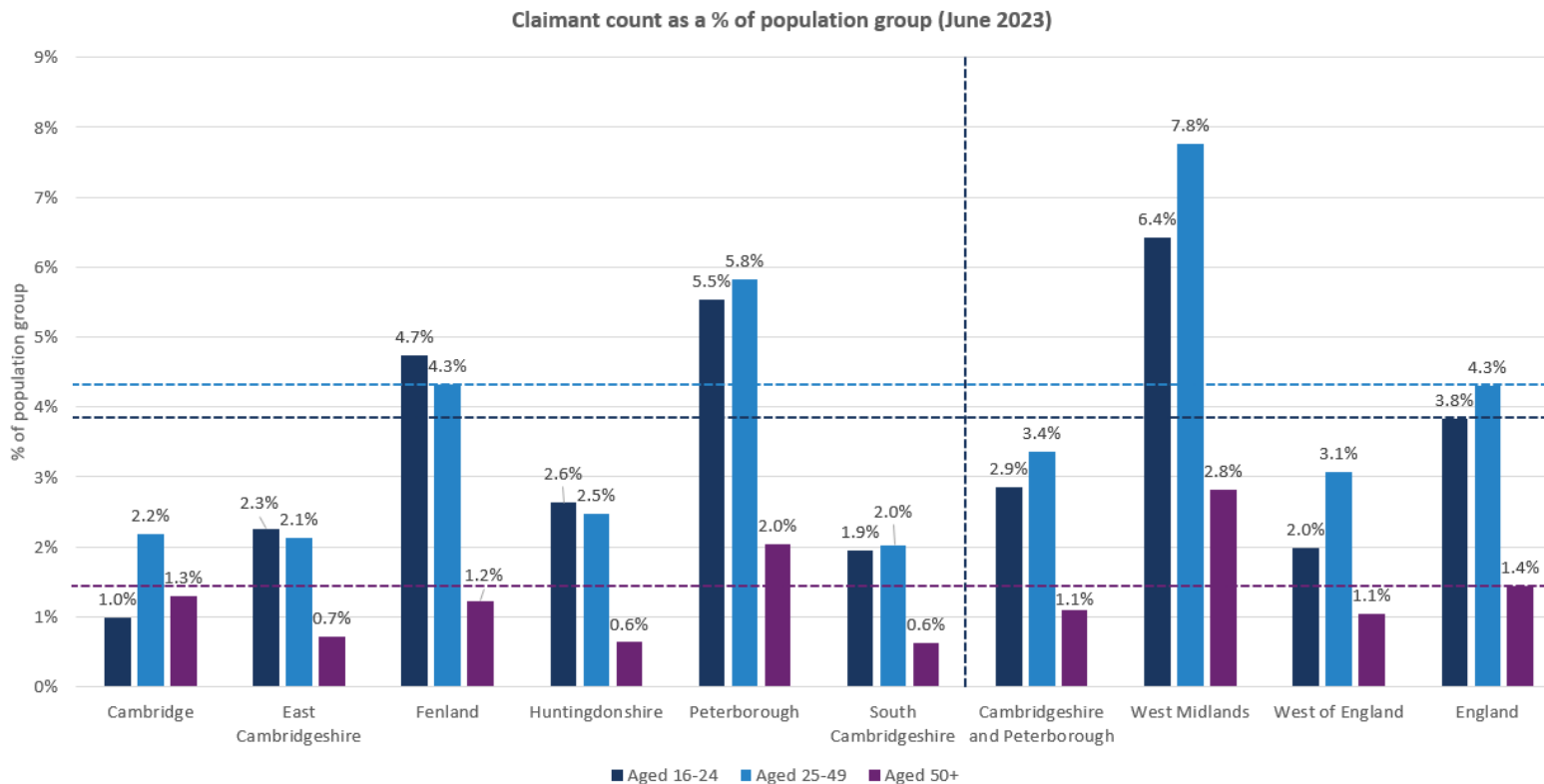


- The main reason for inactivity in Cambridgeshire and Peterborough is being a student, 8 percentage points above the UK average, and illustrative of the region's significant universities.
- Long-term sickness as a reason is slightly lower in C&P than the UK average, but other reasons are broadly comparable with UK averages.

*\*Please note that data is not available for discouraged across Cambridgeshire and Peterborough, West of England and West Midlands due to the group sample size being zero or disclosive (0-2).*

Source: ONS. Annual Population Survey 2022

# Claimant count\* by age



- Across Cambridgeshire and Peterborough, the claimant count across age groups is lower than the national average.
- Among local authority districts, the Claimant count for those aged 16-24 and 25-49 is highest in Peterborough and Fenland. For Peterborough, the count is above for both age groups and in Fenland is above for those aged 16-24 but in line for those aged 25-49.
- Other districts are below the national average for those aged 16-24 and 25-49 and below or generally in line with the West of England.

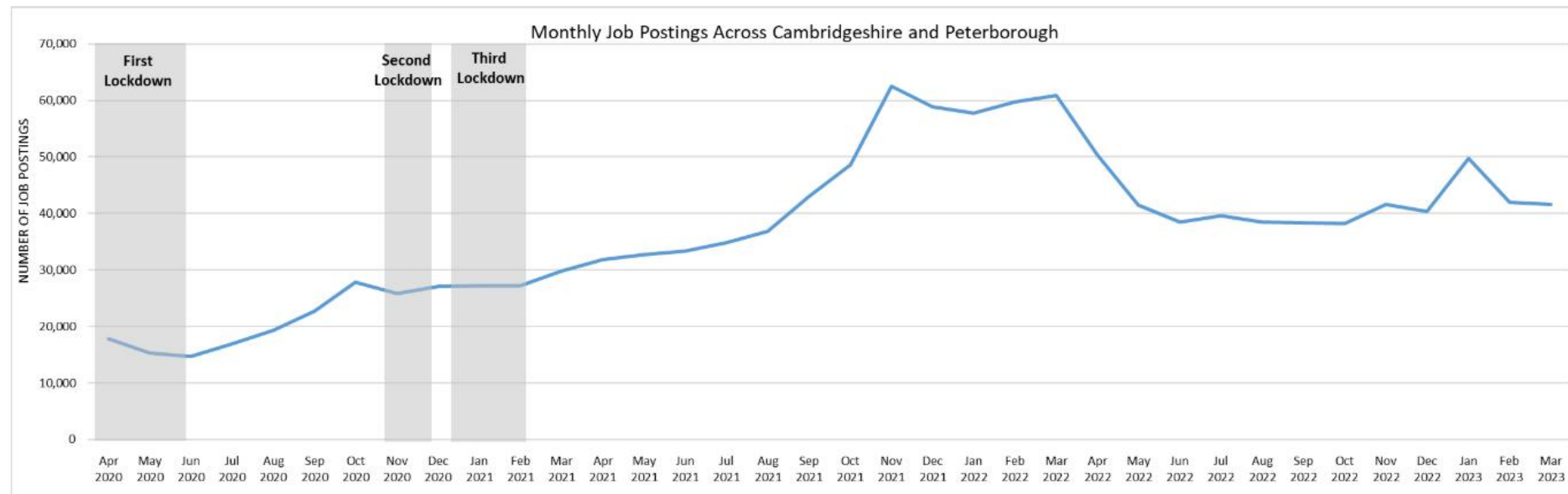
\*The number of people claiming benefits principally for the reason of being unemployed

\*National comparison is England owing to analysis using Census 2021 population figures and Scotland having a different Census to England

Source – Claimant Count by Sex and Age, ONS , June 2023 – Accessed via Nomis

# Job postings – vacancies over time

- Following a steep increase in vacancies following initial easing of Covid related restrictions, vacancies peaked in November 2021 before falling back towards trend early 2022.
- January 2023 saw a large increase in job postings: +23% from the previous month in Cambridgeshire and Peterborough and +21% nationally.
- There were 41,663 unique job postings across Cambridgeshire and Peterborough in March 2023, down 32% from the year previously, steeper than 8% decline nationally. It should be noted that last March saw the second highest number of monthly vacancies over the last decade.



Source: Cambridgeshire insight analysis of Lightcast data

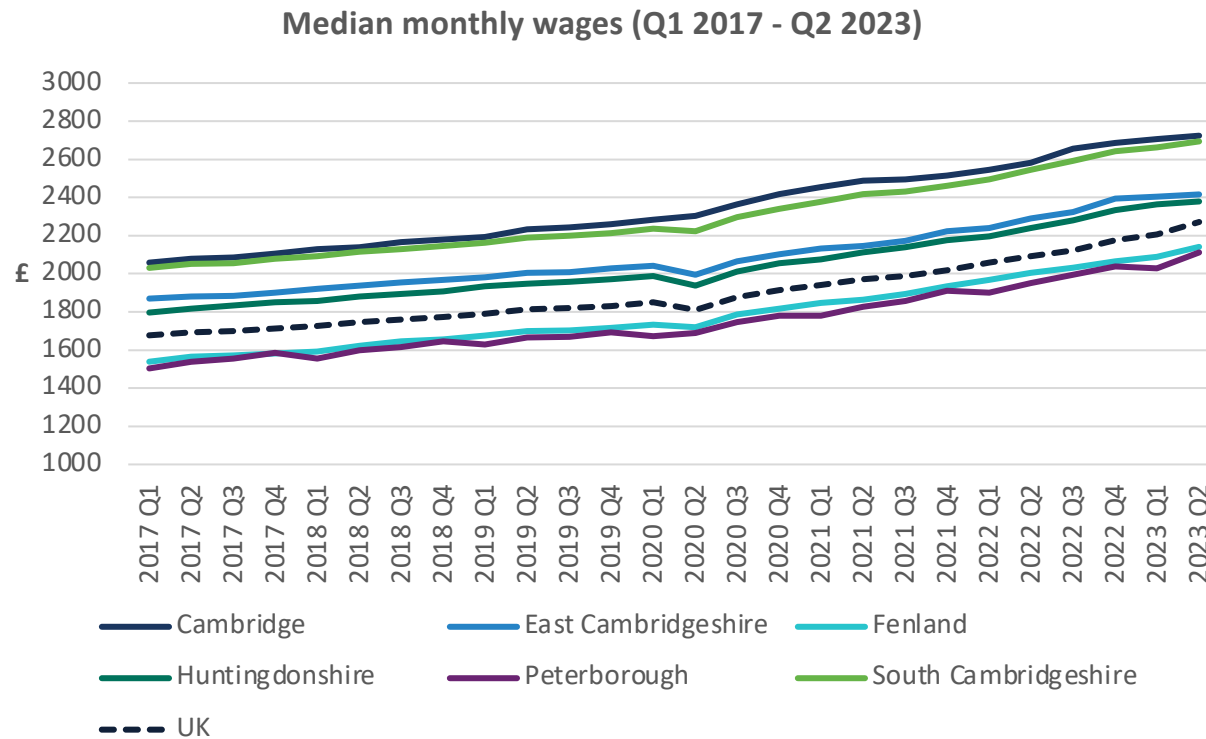
# Job vacancies by sector

- Decline in vacancies across sectors from last March, but as previously mentioned this was a month with the second highest vacancies over the last decade.
- Increases in vacancies from December 2022 in Professional, Scientific and Technical, Manufacturing, Finance and Construction following previous declines. Vacancies have continued to fall in most steeply in Transport.

Employment Sector	Vacancies in Cambridgeshire & Peterborough: March 2023	Cambridgeshire & Peterborough % Difference December 2022 - March 2023	National % Difference December 2022 - March 2023	Cambridgeshire & Peterborough % Difference from March 2022	National % Difference From March 2022
HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	5,189	1%	3%	-27%	-6%
INFORMATION AND COMMUNICATION	4,742	1%	-11%	-46%	-33%
ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	3,648	-4%	5%	-28%	-9%
MANUFACTURING	3,037	7%	14%	-37%	-3%
PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	2,811	14%	1%	-24%	-13%
EDUCATION	2,219	1%	14%	-20%	15%
CONSTRUCTION	2,096	18%	15%	-27%	-5%
ACCOMMODATION AND FOOD SERVICE ACTIVITIES	1,677	-17%	-1%	-24%	1%
ARTS, ENTERTAINMENT AND RECREATION	1,658	5%	9%	-24%	-10%
FINANCIAL AND INSURANCE ACTIVITIES	1,469	19%	5%	-27%	-11%
WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	1,339	-8%	-5%	-12%	7%
TRANSPORTATION AND STORAGE	1,292	-23%	-11%	-56%	-17%
REAL ESTATE ACTIVITIES	647	17%	22%	-3%	15%
PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	371	5%	5%	-41%	-9%
OTHER SERVICE ACTIVITIES	184	7%	19%	-9%	22%

Source: Cambridgeshire Insight analysis of Lightcast data

# Median wages – PAYE data



- Nominal median wages have been consistently higher than the national average in local authority districts other than Peterborough and Fenland.
- Wages have continued to grow since a slight dip in early 2020. Since last year districts have seen consistent growth of around 6-8%.
- However, when inflation is taken into account (which rose by 10.2% in the year to Q1 2023) real wages have actually fallen across Cambridgeshire and Peterborough, and nationally.
- Latest data for Q2 2023 showed wages rose by 7.9% across Cambridgeshire and Peterborough, still slightly below 8.4% inflation.

Source: ONS. PAYE Real Time Information. June 2023 release, ONS Consumer Price Inflation, UK: July 2023

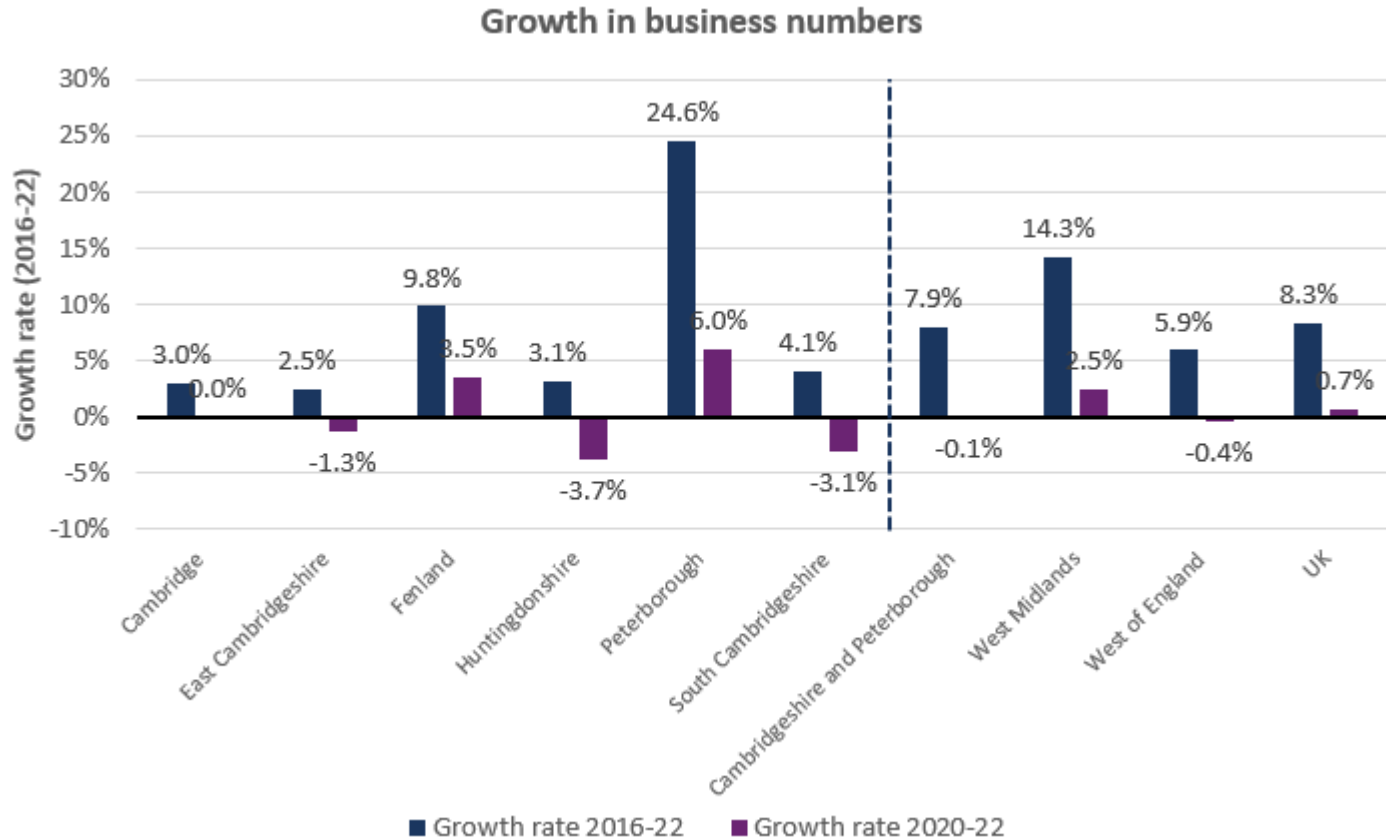




# Business Conditions and Performance



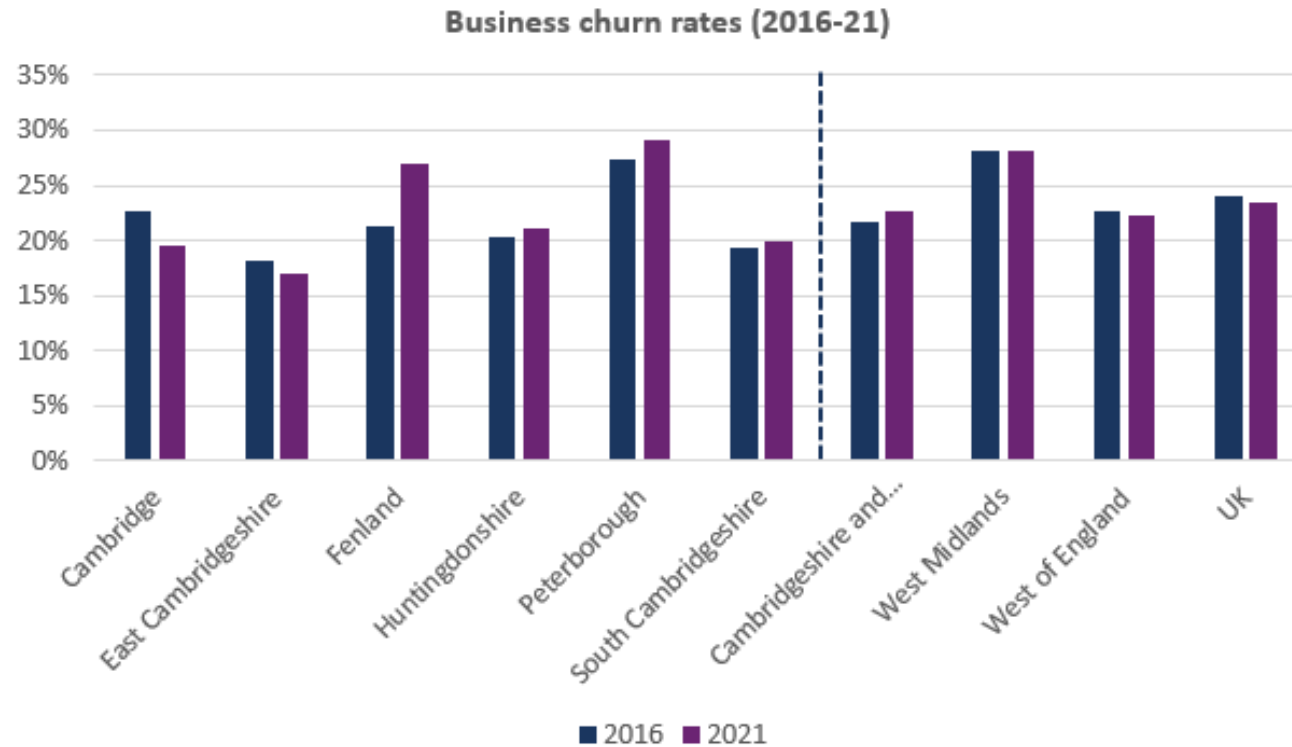
# Business: growth in business numbers



- Across Cambridgeshire and Peterborough, there were 36,950 businesses in 2022, up from 34,230 in 2016, driven by strong business survival/low death rates, despite below average business creation rates.
- All local authority districts saw growing business numbers over this period but only Fenland and particularly Peterborough had higher growth than the UK average between 2016-22.
- Since 2020, business numbers have remained at around 37,000 across Cambridgeshire and Peterborough, likely explained by added reluctance during the pandemic due to the uncertain business landscape. This compares to slight growth across the UK.
- The local authority districts have had differing experiences since 2020; business numbers have fallen in half of the districts whereas business numbers have grown relatively strongly in Peterborough and Fenland.

Source: ONS Business Count (2022); Mark Hart, Enterprise Research Centre Aston University (2018)  
Business Environment in the WMCA Region: A report to the WMCA Productivity and Skills Commission

# Business: churn rate

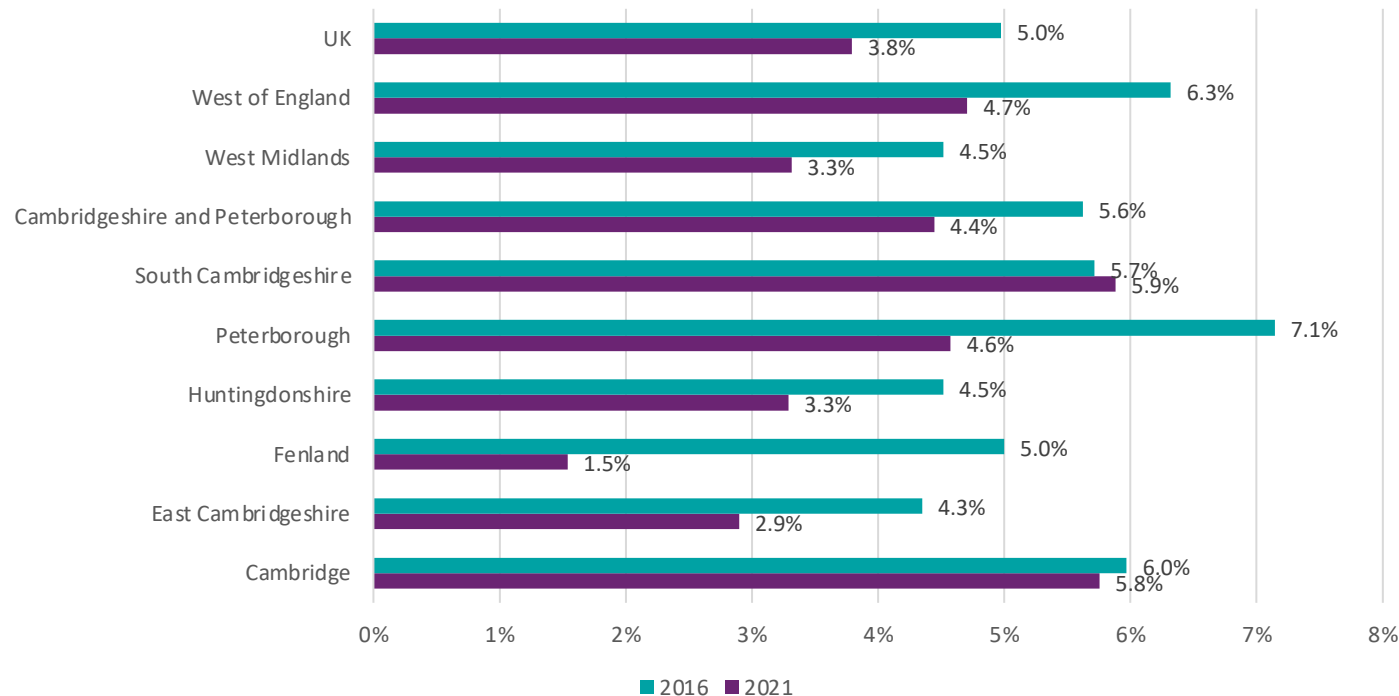


Source: ONS Business Demography (2022); Mark Hart, Enterprise Research Centre Aston University (2018) Business Environment in the WMCA Region: A report to the WMCA Productivity and Skills Commission,

- Churn rates (births + deaths rates) can be used as a metric for business dynamism which connects to productivity with the idea being that increased competition fosters innovation and therefore productivity. As such we would expect increasing birth and death rates to signify that new, more productive firms are replacing those who are less productive.
- Across Cambridgeshire and Peterborough, the churn rate is below the UK but has increased to 2021. This may help to explain below average productivity, but where the gap to the UK has been closing post-pandemic.
- Rates are high in Peterborough and Fenland, promising signs of business dynamism, with high relative business creation rates in 2021.
- Churn rates are lower across Greater Cambridge and have fallen in Cambridge and East Cambridgeshire, with falling business creation rates over the last 5 years to 2021.

# High growth business

Share of high growth businesses (10 or more employees)



*Note: High growth businesses defined as enterprises with 10 or more employees experiencing average annualised employment growth greater than 20% per annum over a three-year period*

- High growth businesses represent 4.4% of total businesses across Cambridgeshire and Peterborough, above the national average. Share of total businesses has declined, particularly since 2018 where high growth businesses have fallen by 28%. This is reflective of regional and national trends, but the fall in CPCA has been slightly sharper than nationally.
- South Cambridgeshire and Cambridge drive the relatively high proportion, bucking the falling shares seen in other areas.
- Particular falls in Peterborough, where the share was relatively high in 2016 before falling towards the CA average, and in Fenland, where the share of high growth businesses was lowest.

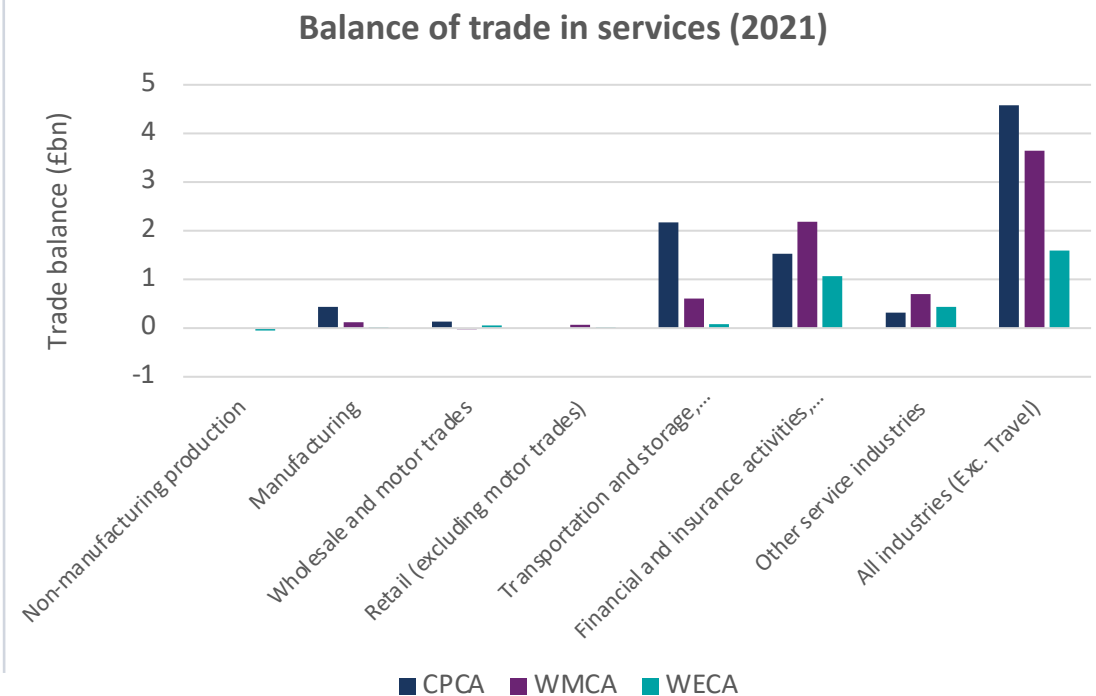
Source – ONS Business Demography (2022)

# Trade balance by sector (2021)

- CPCA had a trade surplus in services of over £4.5bn, helping to drive an overall trade surplus of £4.3bn.
- There was a slight deficit in the trade of goods, mainly explained by imports exceeding exports in the wholesale and motor trades sector, but the manufacturing industry had a trade surplus in goods of £2.4bn.



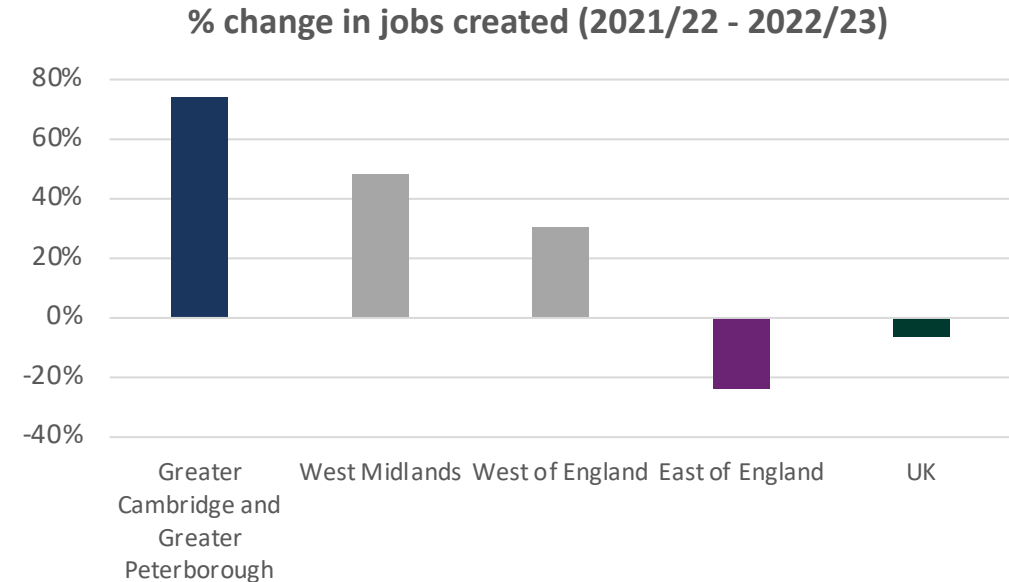
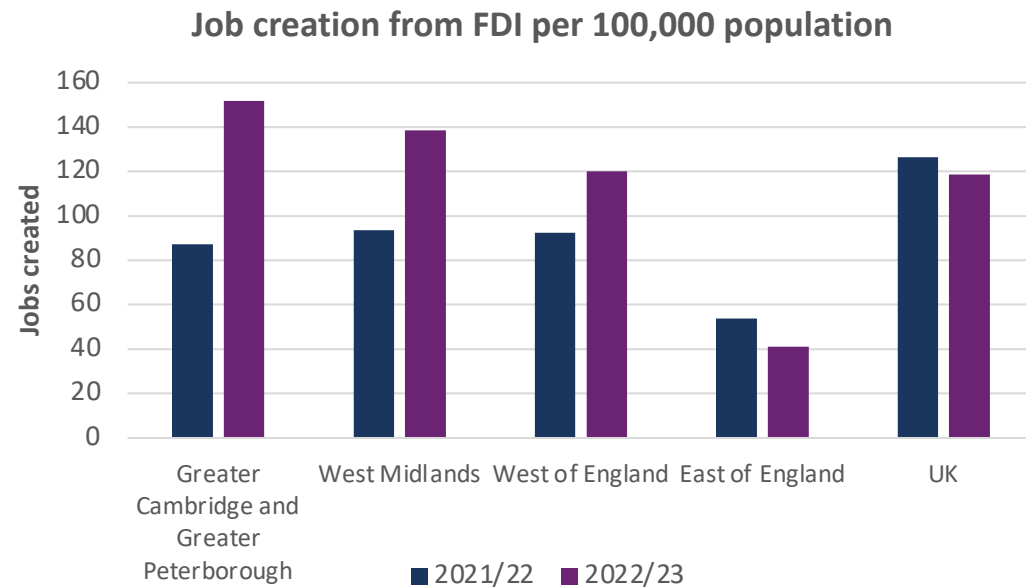
*Note: Some data for CPCA are confidential including trade balance in services for non-manufacturing production and retail*



**Source: ONS. Subnational Trade in goods & Subnational trade in services**

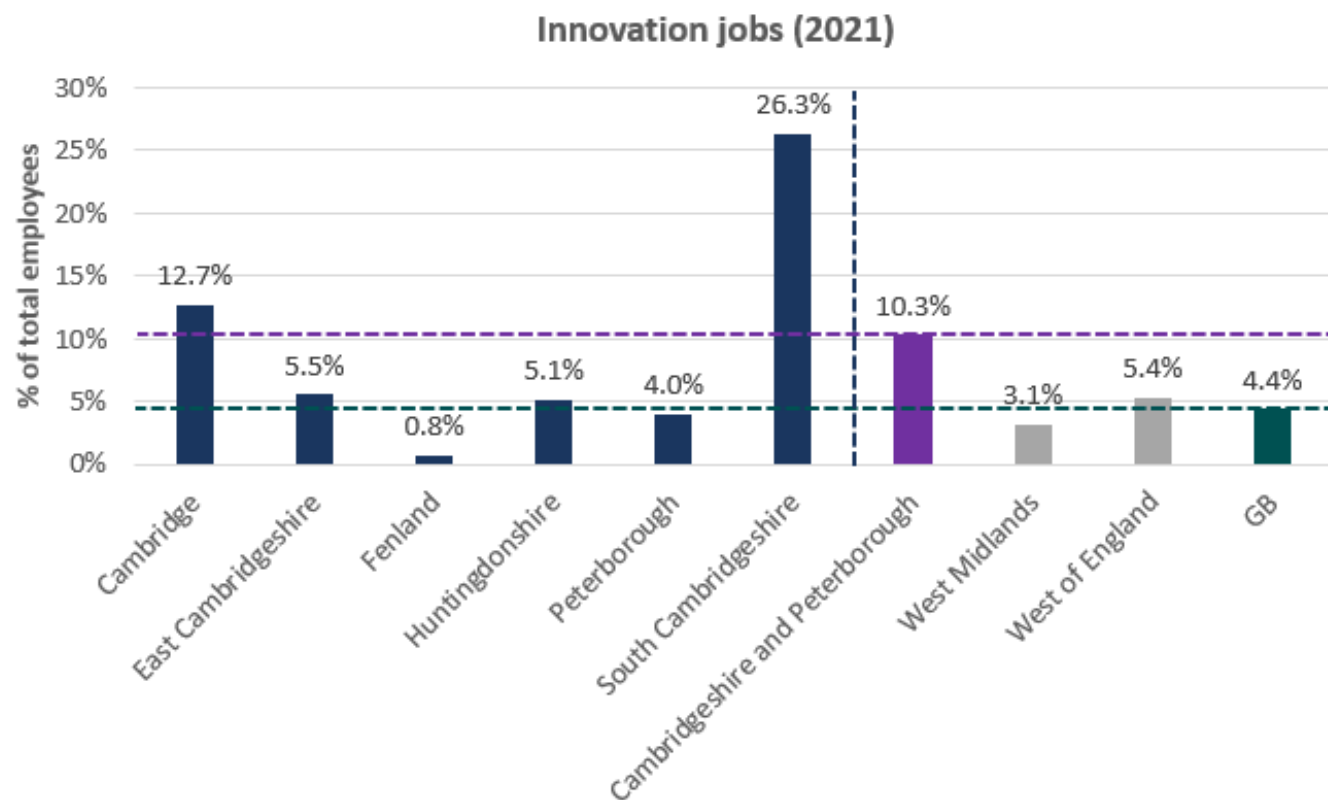
# Foreign Direct Investment into Cambridgeshire and Peterborough

- Latest data shows that across 29 FDI investment projects into Cambridgeshire and Peterborough, a total of 1,351 new jobs were created, up from 782 the previous year.
- Cambridgeshire and Peterborough had a marked improvement against comparators, bucking falls nationally and regionally and having the highest FDI induced job creation per 100,000 population of all comparators. Although within the West Midlands, Coventry and Warwickshire (339) and Greater Birmingham (183) LEP areas have higher job creation from FDI investment projects.
- Over 2022/23, Cambridgeshire and Peterborough investment projects accounted for over half of the region's total jobs created.



Source: Department for Business & Trade Inward Investment Results 2022-23, ONS Population Estimates (2021)

# Innovation (% of innovation jobs)



- Across Cambridgeshire and Peterborough, over 10% of employees are in innovation jobs in 2021, over double the national proportion.
- South Cambridgeshire and Cambridge are the main contributors, making up over three quarters of total innovation jobs across Cambridgeshire and Peterborough.
- Only Peterborough and Fenland have a lower proportion of innovation jobs than the national average.
- Fenland, which is also lower than the West Midlands proportion, has had a proportion consistently below 1% over the last 5 years.

Source: Metro Dynamics analysis of ONS Business Register and Employment Survey (2021)

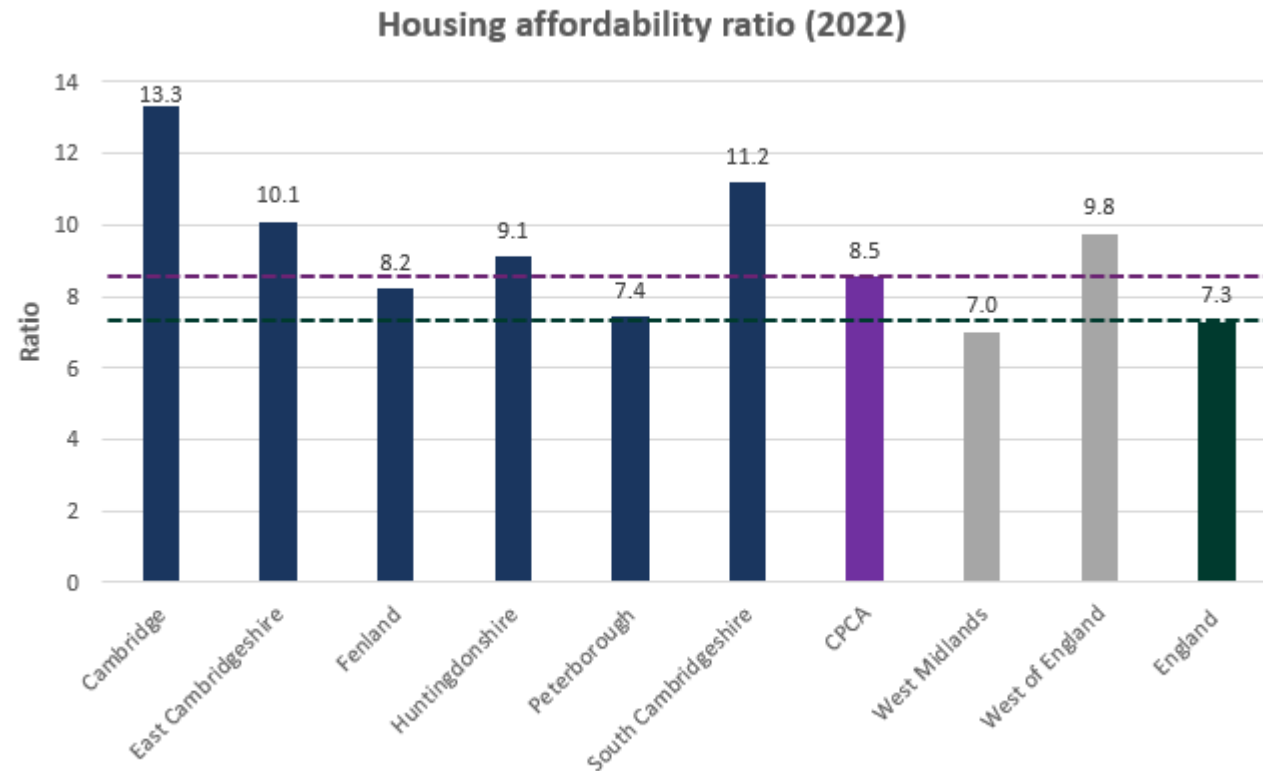




# Infrastructure

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# Housing – affordability ratio



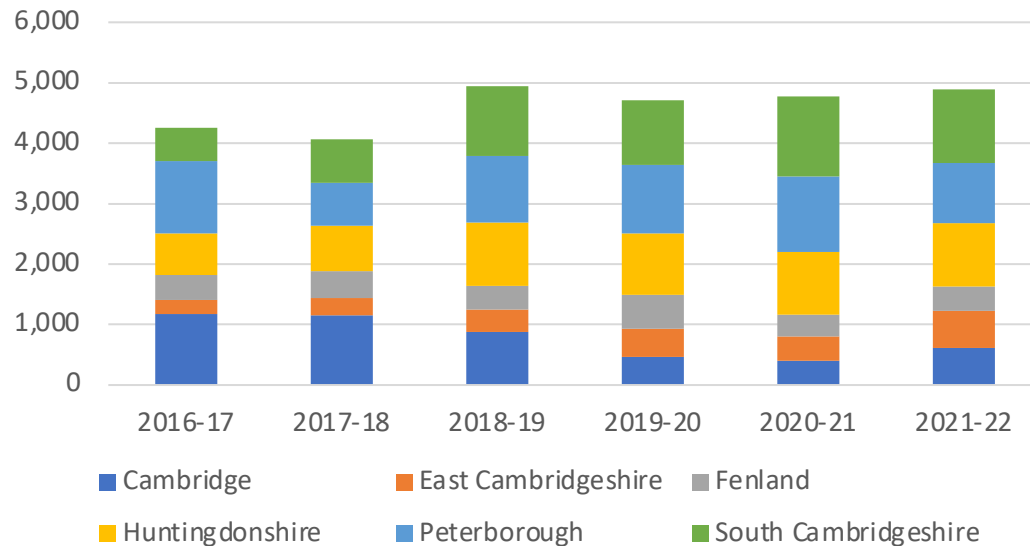
*Note: Affordability ratio refers to the ratio between lower quartile house price (existing dwellings) to lower quartile gross annual workplace earnings*

- There is variation amongst local authority districts, with Cambridge and South Cambridgeshire facing the most acute affordability constraints as per the affordability ratio.
- However, housing affordability is a challenge across the whole of Cambridgeshire and Peterborough, with house prices no lower than 7.4 times annual earnings.

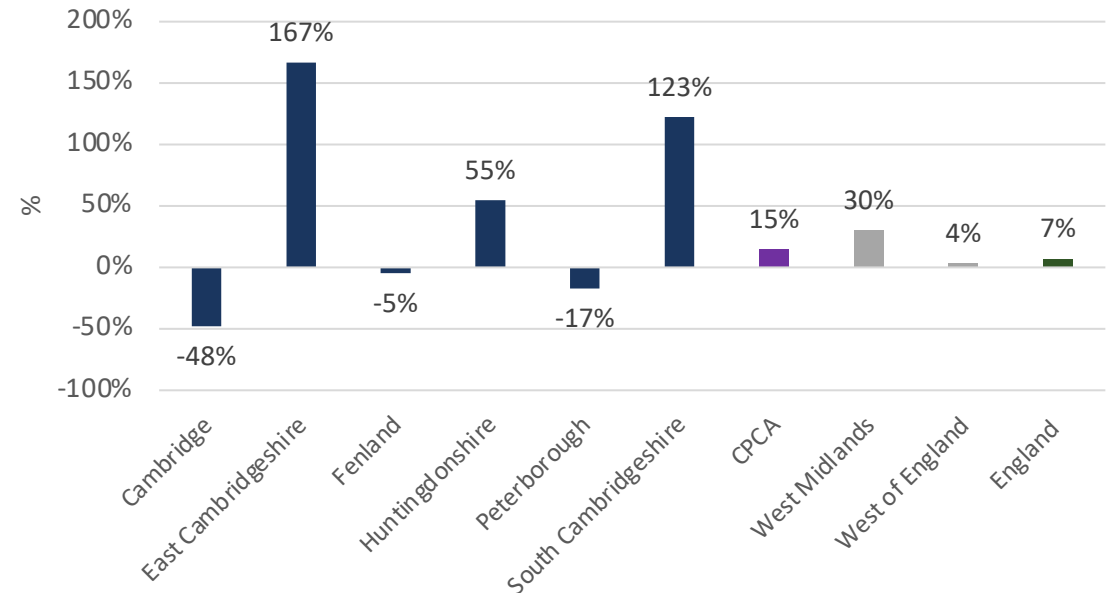
**Source: ONS Housing Affordability in England and Wales: 2022, ONS House Price Statistics for Small Areas, ONS Annual Survey of Hours and Earnings**

# Housing – supply

Net additional dwellings (2016/17-2021/22)



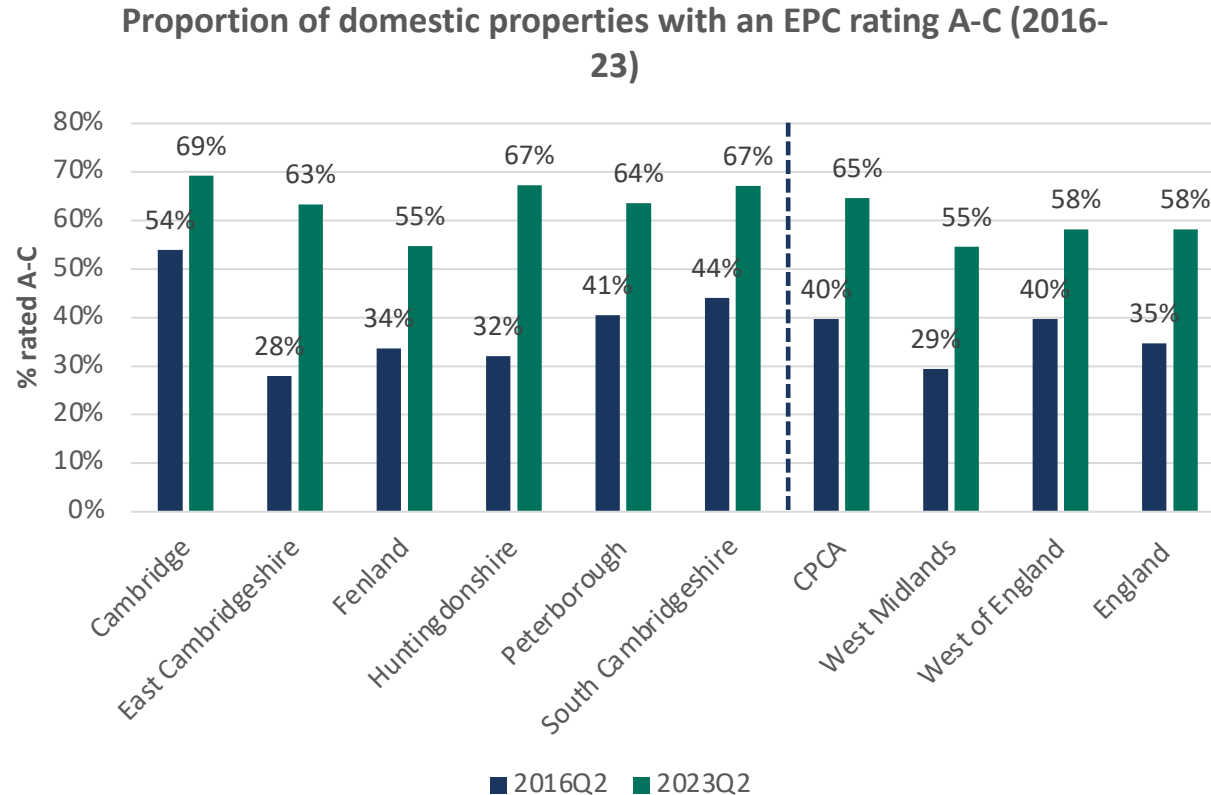
Growth in net additional dwellings (2016/17 - 2021/22)



- There were almost 5,000 additional dwellings across Cambridgeshire and Peterborough in 2021/22, up by 15% since 2016/17, although this remains slightly below levels seen in 2018/19, with the Pandemic impacting growth in supply, similar to the trend seen nationally post-pandemic.
- Huntingdonshire and particularly East and South Cambs have seen growth in supply, contributing to overall growth in Cambridgeshire and Peterborough above the national rate. Additional dwellings have doubled in both East and South Cambs.
- Supply has fallen across the other local authority districts, particularly Cambridge where supply has almost halved since 2016/17.
- Supply had increased in Peterborough falling a dip in 2017/18 but fell by a quarter between 2020/21 and 2021/22, country to most other areas.

Source: Department for Levelling Up, Housing and Communities Housing supply: net additional dwellings

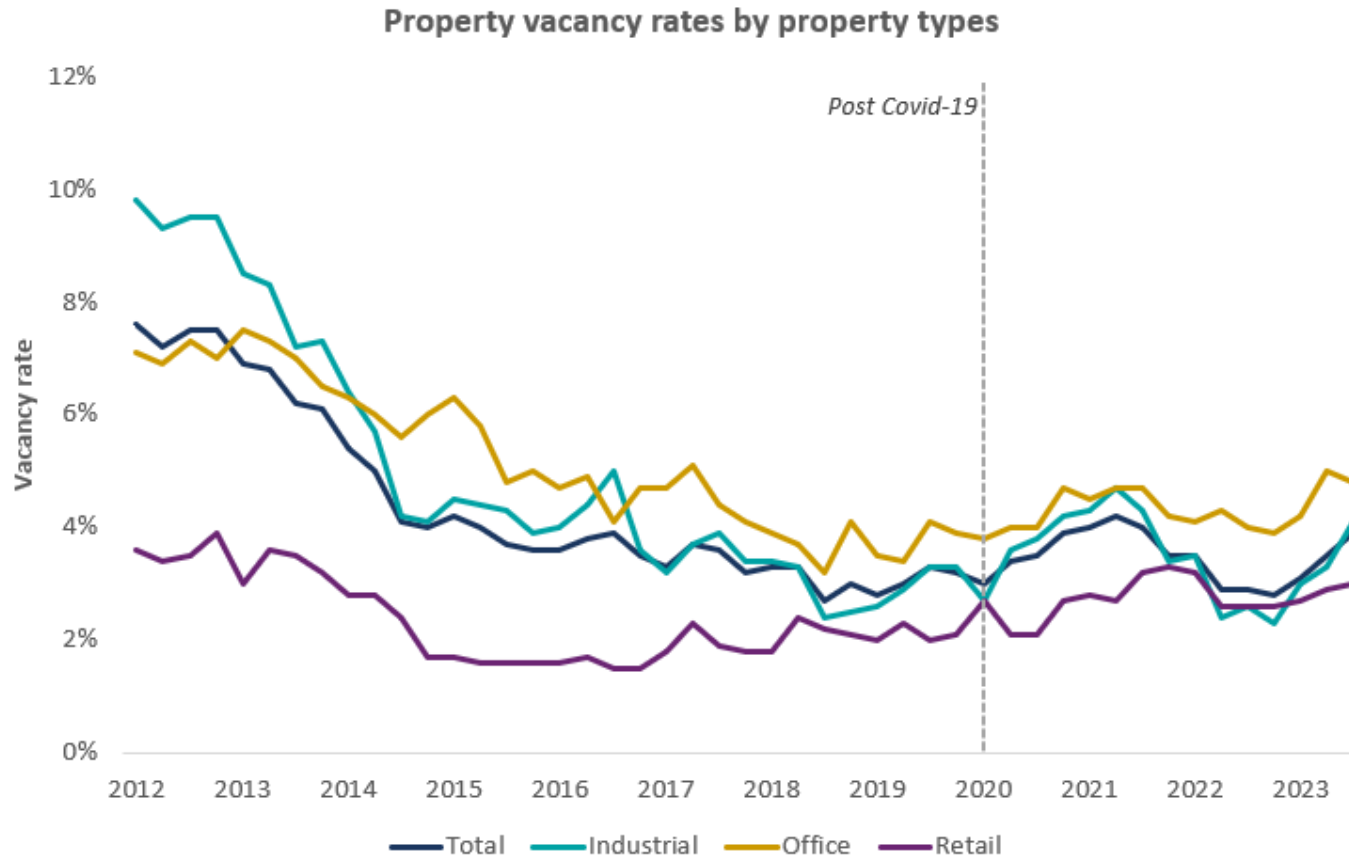
# Housing – Retrofit



Source: Department for Levelling Up, Housing and Communities Energy Performance of Buildings Certificates (Domestic Energy Performance Certificates for all dwellings by energy efficiency rating)

- All local authority districts have made progress in retrofitting domestic properties, with most districts at or above two thirds of domestic properties with an EPC rating of A-C.
- Fenland is the only local authority with a lower proportion of A-C EPC rated properties than the national average despite progress since 2016.
- Cambridge remains the area with the highest proportion of A-C rated properties but only slightly above areas in Greater Cambridge and Peterborough.

# Commercial vacancy rates

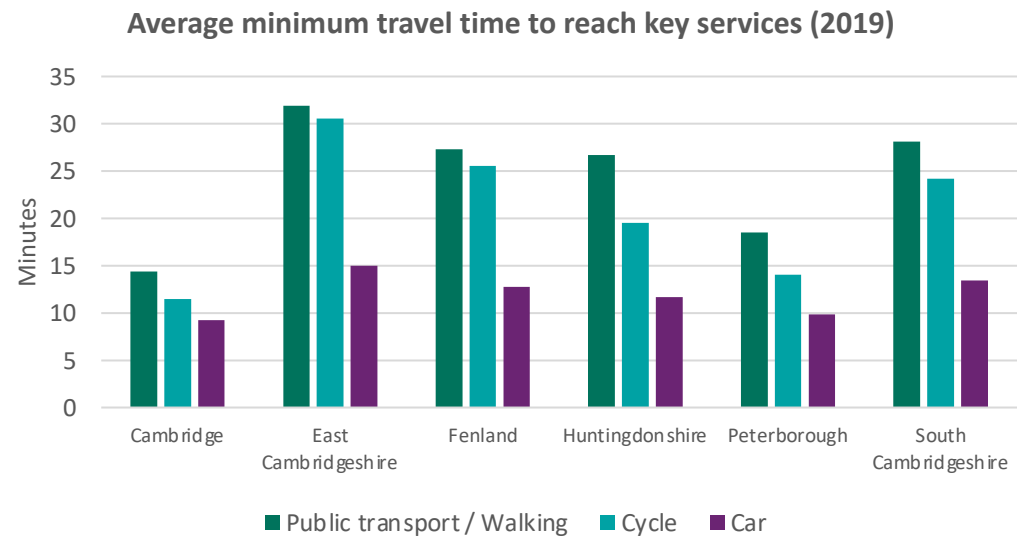


Source: Metro Dynamics analysis of CoStar data, Bidwells, Savills and Cheffins

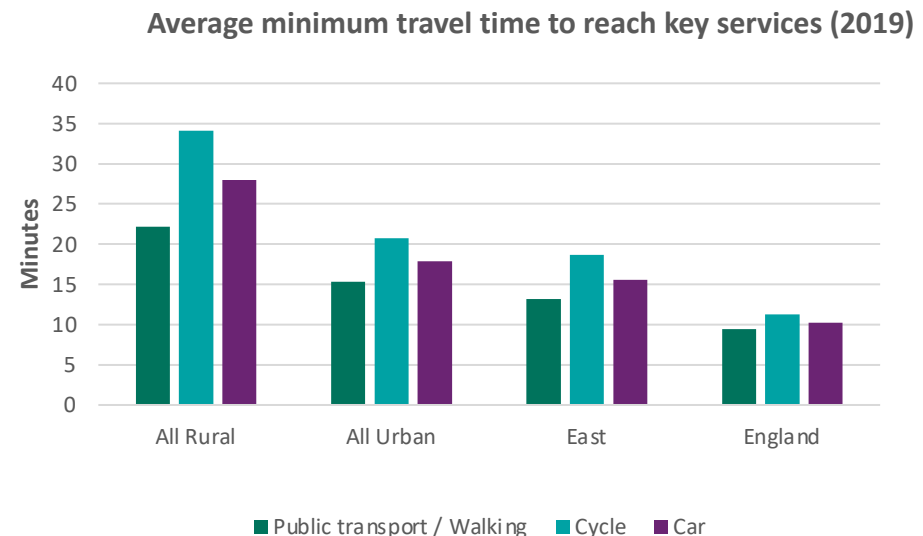
- There is acute shortage of available laboratory space, with estimates in March that demand for space stands in excess of 1 million sq ft. Demand has brought forward schemes expected to deliver 370,000 sq ft this year and a more sustained supply pipeline for 2024 but this is expected to be below demand.
- Office vacancies were already highest among property types pre-pandemic and have remained so post covid as increased hybrid working is likely reducing demand for office space. Although the rate is below 7.6% seen nationally.
- Retail vacancies saw a slight increase up until the end of 2021 before stabilising at 3%, similar to the trend nationally. Retail services, although initially impacted by lockdowns, were largely able to continue to operate although under restrictions. Increase in the rate largely explained by increasing vacancies in Huntingdonshire.
- Industrial vacancies have been most volatile post-covid. Initial restrictions likely to have impacted the number of people able to work in industrial settings therefore reducing demand for space until mid-2021, when demand appeared to increase as restrictions were eased.
- From late last year, industrial vacancies have risen. High energy and input costs likely to be impacting producers who may have reduced production as a result, therefore reducing demand for industrial space. Recent increase in the industrial vacancy rate largely explained by increasing vacancies in Huntingdonshire and particularly South Cambs where industrial vacancies were at 8.5% in Q2 2023.
- Industrial vacancies have been consistently been below 1% in East Cambs and Fenland since 2021, indicating constrained supply, although the vacancy rate slightly increased in Fenland last quarter.

# Transport

- Longer journey times using public transport in 4 of the local authority districts compared to rural areas in England highlight connectivity challenges facing the area despite a number of improvements being made. Challenges cited include rail connectivity such as the need for improvements on the East Coast Mainline, poor reliability on the bus network and major issues with road quality in the Fens.
- Looking towards the transition towards EVs the more urban areas of South Cambridgeshire, Cambridge and Peterborough all have charging point numbers broadly in line with the national average, while more rural areas of East Cambridgeshire, Huntingdonshire and Fenland have numbers significantly below the national average.



Source: Cambridgeshire & Peterborough Local Transport and Connectivity Plan, DfT  
Journey time statistics

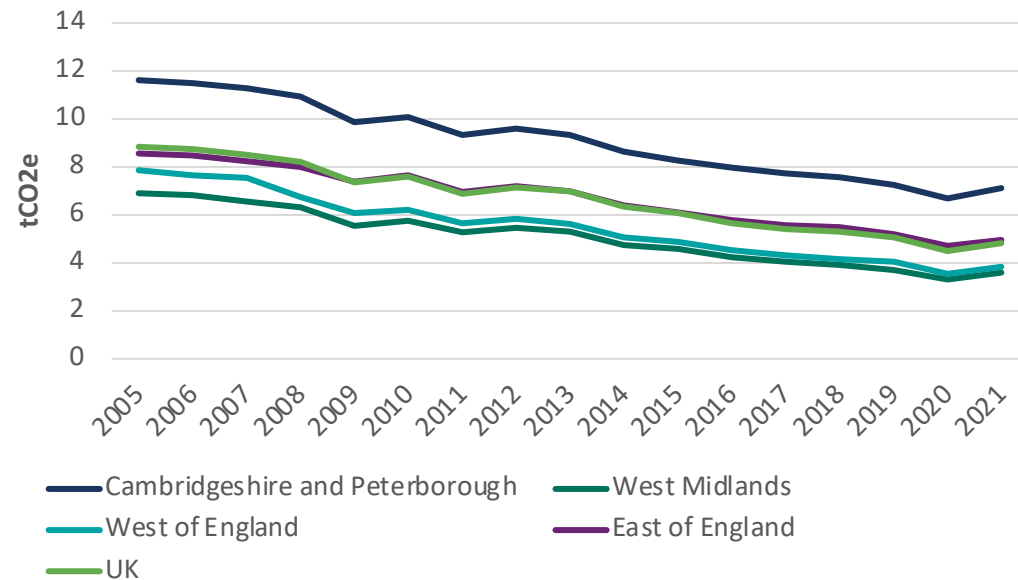




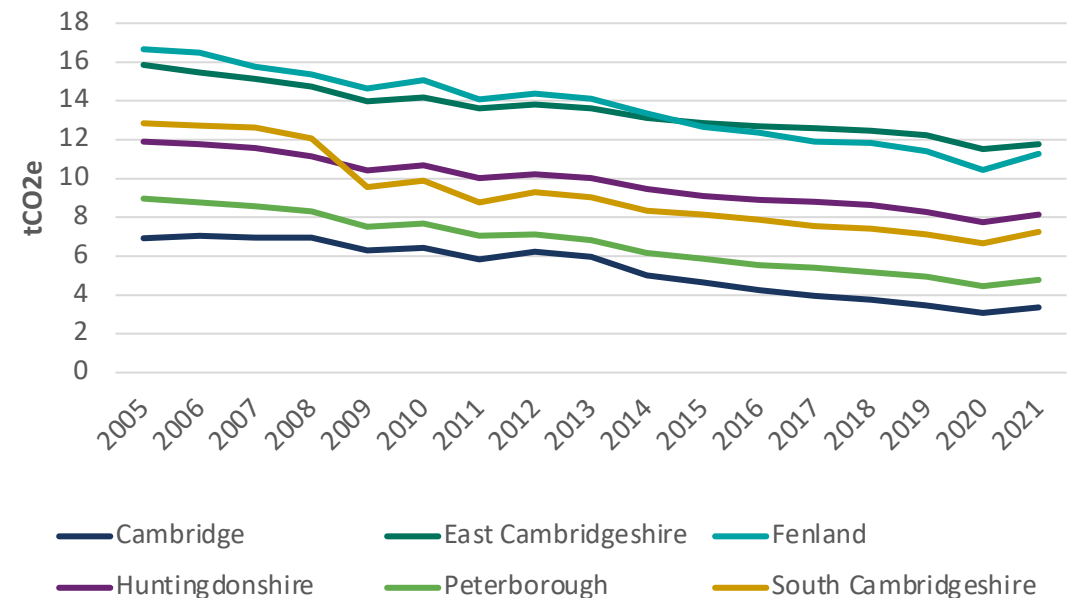
# CO2 emissions

- Emissions slightly rose between 2020-21, primarily due to the increase in the use of road transport as nationwide lockdowns were eased, along with increases in emissions from power stations and the residential sector, matching trends across all areas.
- Between 2005-21, emissions per capita fell by 39% across Cambridgeshire and Peterborough, slower than all comparator regions,
- Transport has only seen a 4% reduction in emissions since 2005, making up a larger contribution of total emissions (up from 26% in 2005 to 34% in 2021).
- Only Cambridge (3.4) and Peterborough (4.8) are at or below the UK's 4.8 tCO<sub>2</sub>e per capita emissions, with East Cambridgeshire and Fenland at almost triple the emissions per capita, reflecting their rurality.

CO2 emissions per capita (2005-21)



CO2 emissions per capita (2005-21)



Source: Department for Energy Security & Net Zero UK local authority and regional greenhouse gas emissions national statistics: 2005-2021

# Utilities - Water

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**Utilities continue to be a significant challenge across Cambridgeshire and Peterborough. These challenges are critical to consider in the context of climate change and delivering sustainable development.**

- Decreasing water supply is now a major barrier to growth across the region, with development levels effectively capped across the East of England including Cambridgeshire. In June, the Environment Agency objected to five planning applications in South Cambridgeshire based on concerns over water supply, the first time it has raised objections to new housing over such concerns.
- Demand has increased post-pandemic, with population growth and continued hybrid working expected to increase this further over the next 25 years.
- To add to this, reductions in supply are needed to protect and restore important environments locally. Nearly all water from the region comes from chalk aquifers that feed chalk streams. In order to protect these rare streams, reductions amounting to more than half of current water availability are required.
- Options in place to expand supply include a water transfer from Grafham reservoir in Anglia Water's operating area and building a reservoir in the Cambridgeshire Fens, but these won't be ready until 2030, and the new reservoir is unlikely to be ready until the late 2030s so there remains a short-term issue to 2030, when caps from the Environment Agency on the amount water companies can take from sources come into effect.

*Source: Cambridge Water Draft Water Resources Management Plan 2024, Water Resources East Draft Regional Plan*

# Utilities – Energy

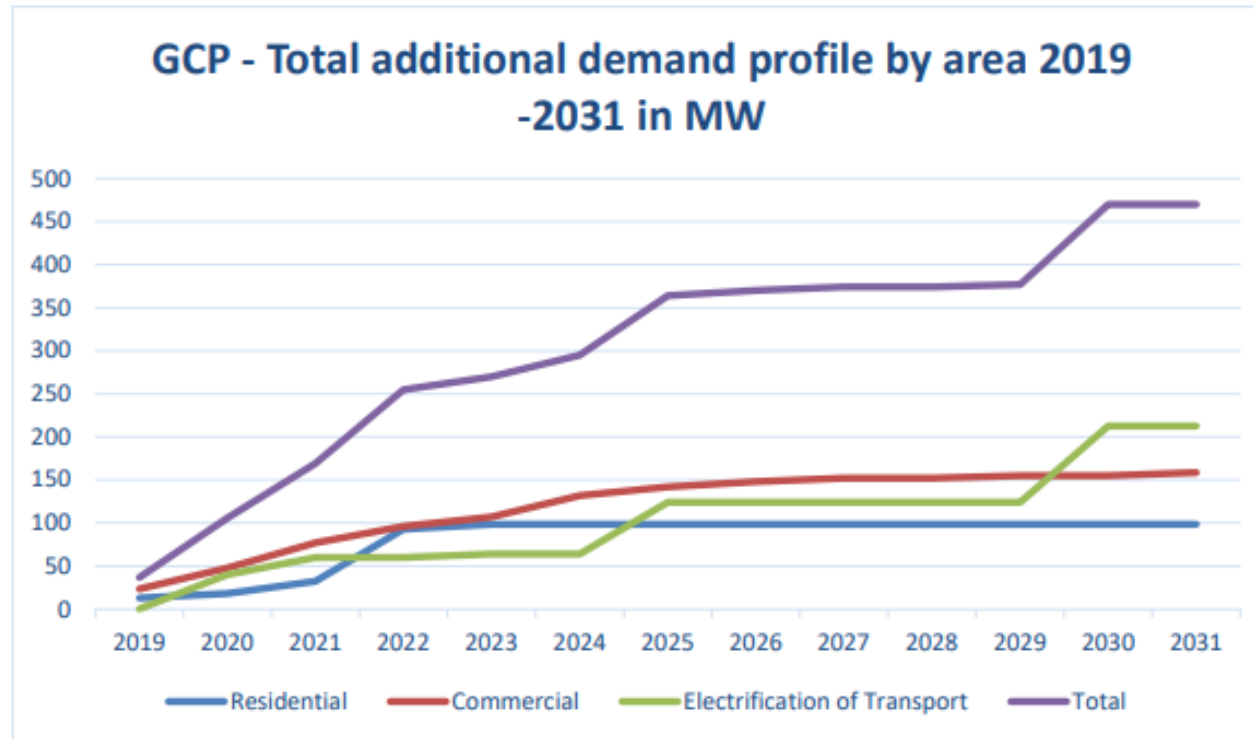


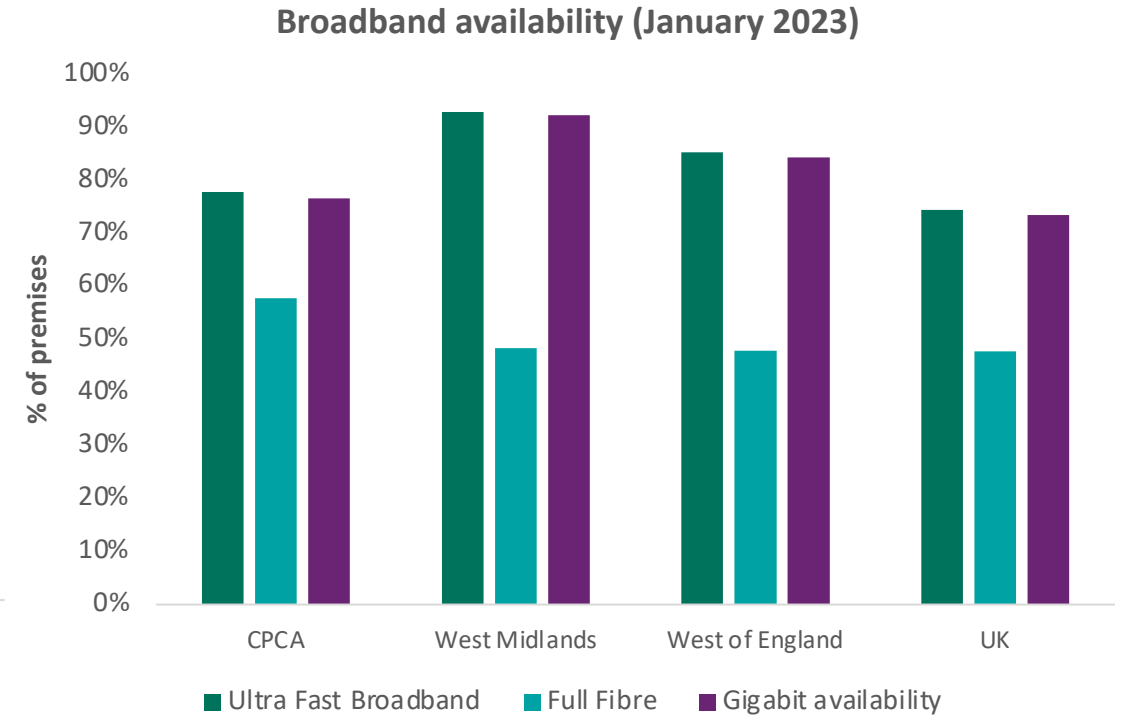
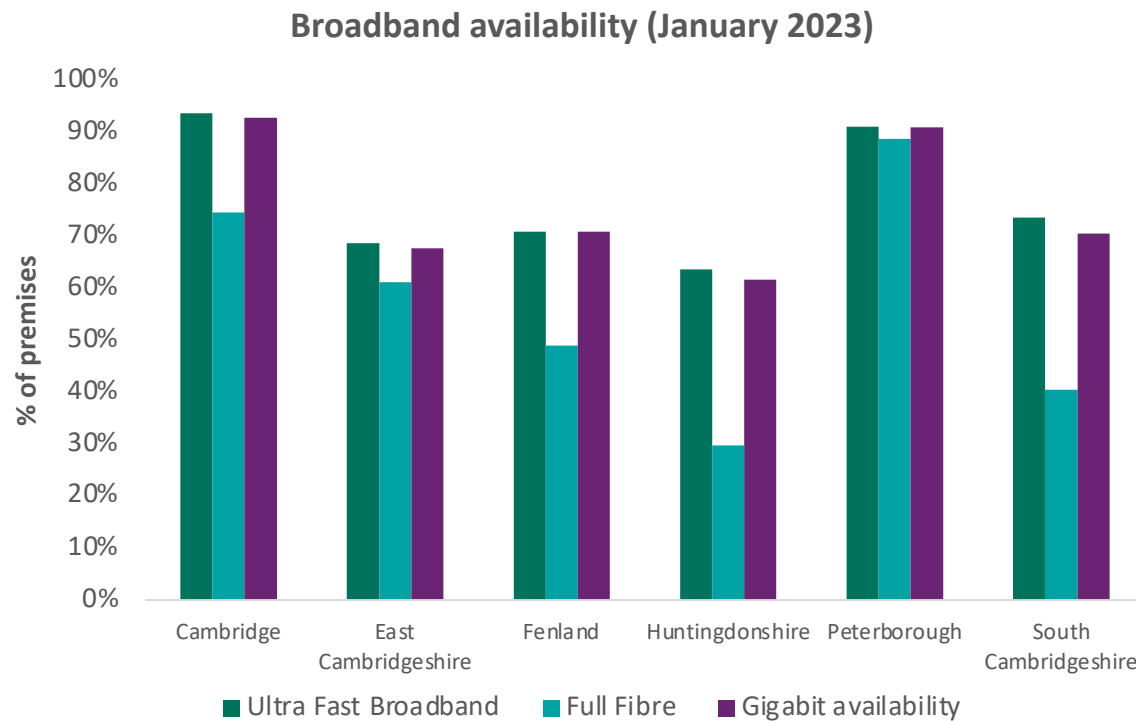
Figure 2.1 The cumulative additional demand profile by area together with the total cumulative demand profile from 2019-2031.

- UKPN advised that demand capacity for Greater Cambridge is 240 MW in 2019, with predicted electricity demand expected to triple to 710MW by 2031 mainly driven by business growth, home building and the electrification of transport and homes.
- There is limited capacity within the existing high voltage (132kV) primary substation network. The problems are particularly acute at Histon, Arbury and Fulbourn grid substations.
- The electricity grid network capacity is also constrained for generation, which means that opportunities to exploit renewable energy sources, such as solar power, cannot be fully realised until capacity is reinforced, therefore severely impacting localised generation of clean energy and ability to install Electric Vehicle (EV) charging points.
- Recently announced proposals for two new substations in Trumpington and East Cambridge would provide upgrades to the constrained network.

Source: GCP Electricity Grid Reinforcement Project Outline Business Case, Climate and Environment Advisory Committee June 2021

# Digital connectivity

- Cambridge and Peterborough continue to perform well against the national average across connections.
- All districts have improved connections available since May last year, particularly on Full Fibre availability for residential premises, increasing from 45% to 58% in January this year across Cambridgeshire and Peterborough. But despite this progress, some districts, particularly those which are more rural, face more significant digital connectivity challenges.



Source: Ofcom. Connected Nations update: Spring 2023.

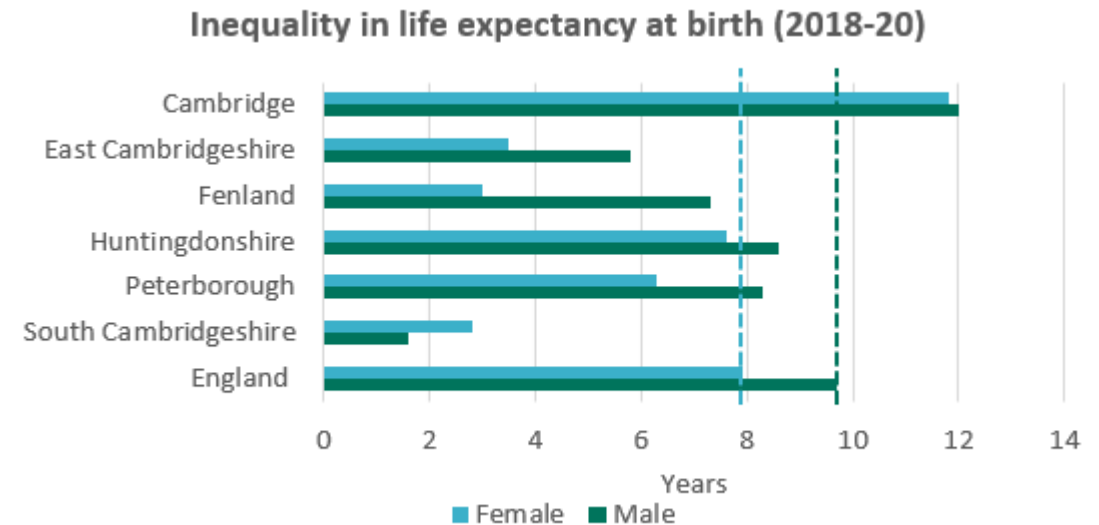
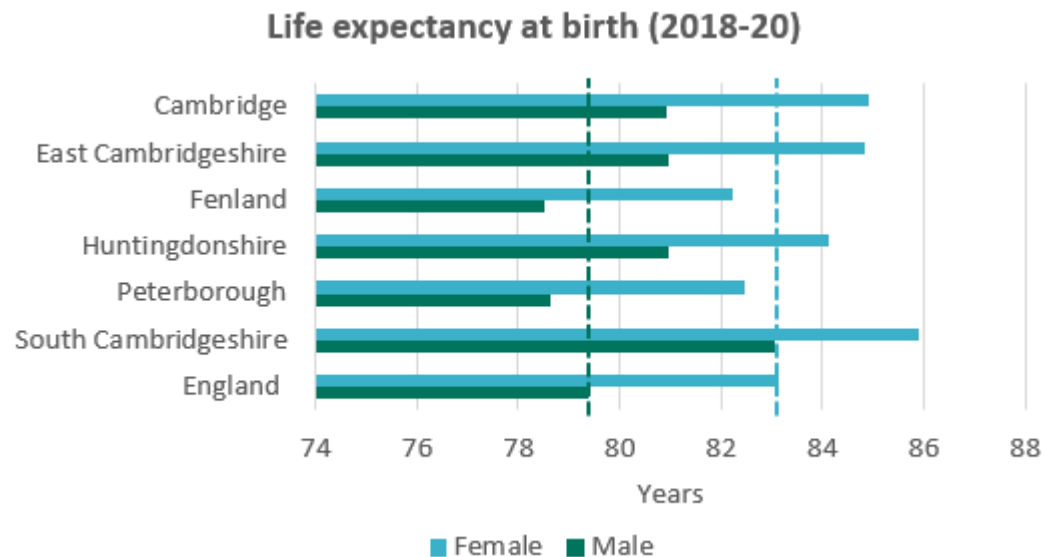


# Health and skills

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# Inequality in life expectancy

- Life expectancy generally higher across districts for males and females compared to the national average, other than in Fenland and Peterborough.
- There is a clear gap in quality of life across the region. In the regions most deprived neighbourhoods, healthy life expectancy is below the retirement age. Inequality in life expectancy is significantly higher in Cambridge, with a 12 year gap between life expectancy at birth between the most and least deprived areas.

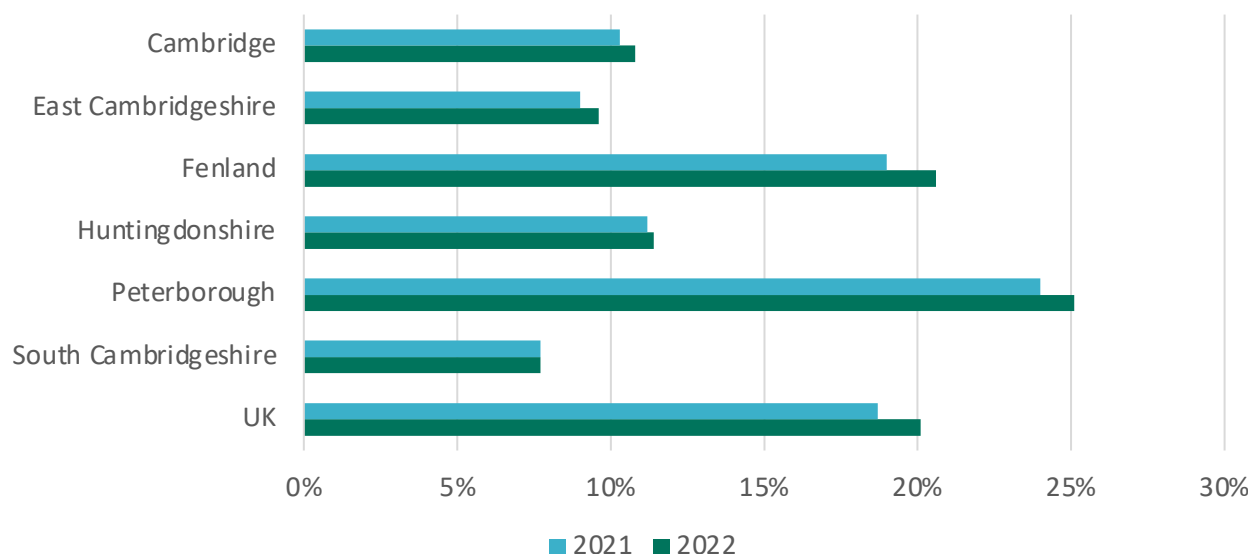


Source: ONS Health State Life expectancy (2018-20), Office for Health Improvement & Disparities Inequality in life expectancy at birth (2018-20)



# Health deprivation – child poverty

Percentage of children living in relative low income families  
(2021-22)

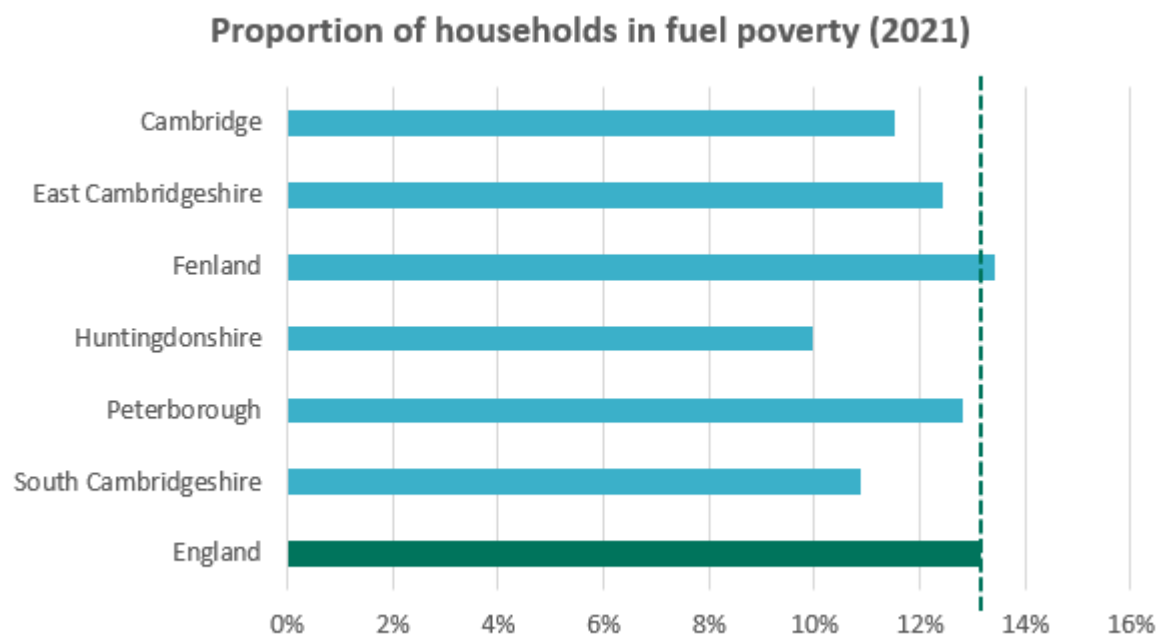


- There continues to be variation in the proportion of children living in relative low income families among local authority districts. Most districts have a lower proportion of children living in relative low income families including South Cambs which has one of the lower rates across the county at 7.7% (Richmond Upon Thames lowest at 5%), whereas it is as high as 25% in Peterborough (42% in Leicester highest across the UK).
- Peterborough has a higher proportion of children living in relative poverty compared to regionally and nationally, with Fenland at the national rate, experiencing the largest percentage point increase between 2021 and 2022.

*Note: Relative low income is defined as a family in low income Before Housing Costs (BHC) in the reference year. A family must have claimed Child Benefit and at least one other household benefit (Universal Credit, tax credits, or Housing Benefit) at any point in the year to be classed as low income in these statistics.*

**Source: Department for Work & pensions Children in low income families: local area statistics, financial year ending 2022**

# Health deprivation – fuel poverty



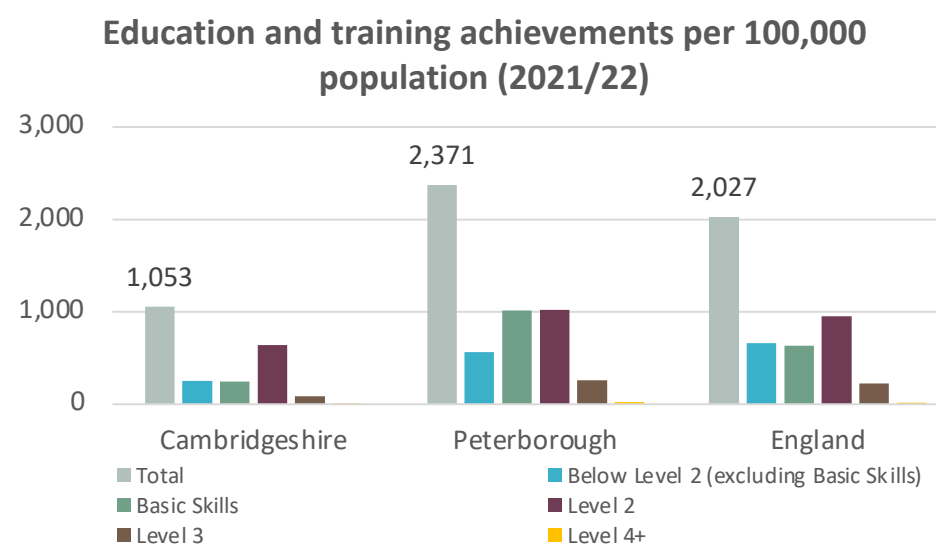
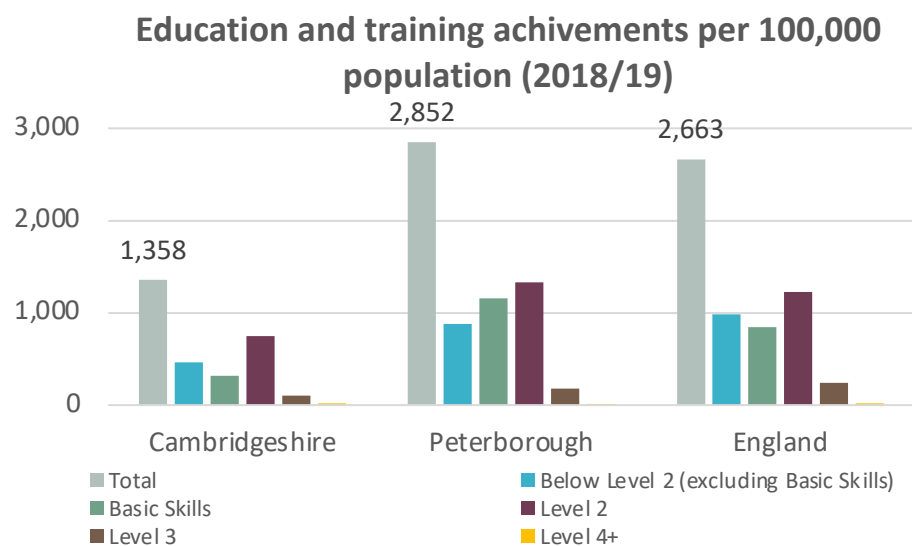
*Note: The Low Income Low Energy Efficiency fuel poverty metric considers a household to be fuel poor if it is living in a property with an energy efficiency rating of band D, E, F or G and its disposable income (income after housing costs (AHC) and energy needs) would be below the poverty line*

- Most recent data available at a local authority level are for 2021, which do not take into account rapid price rises over the last year in energy. In 2022, 13.4% of households were estimated to be in fuel poverty in England in 2022 and this is projected to increase to 14.4% (3.53m households) in 2023.
- Using National Energy Action's definition of fuel poverty that a household is fuel poor if it needs to spend more than 10% of its income on energy to provide a satisfactory heating regime, the government has estimated 8.8m households could be classed as fuel poor in 2023, although this would be reduced once the delay to the Energy Price Guarantee and reductions in fuel prices over the second half of 2023 are factored in.
- In 2021, all districts were either at or had a lower proportion of households defined as fuel poor than the national average. Given the above, fuel poverty is expected to increase across all areas once more recent data is released at a local level.

**Source: BEIS/Department for Energy Security & Net Zero Sub-regional fuel poverty in England 2023 (2021 data).**

# Education and Training: Achievement Rates

- Total achievements were impacted significantly due to the disruption caused by the pandemic and have not yet returned to pre-pandemic levels; achievements are down 17% and 9% from 2018/19 levels in Cambridgeshire and Peterborough respectively, but showing greater signs of recovery than the 23% fall seen nationally.
- Level 3 and 4 achievements have grown in Peterborough, although making up a small proportion of total achievements, whereas achievements in Cambridgeshire have fallen across the board.

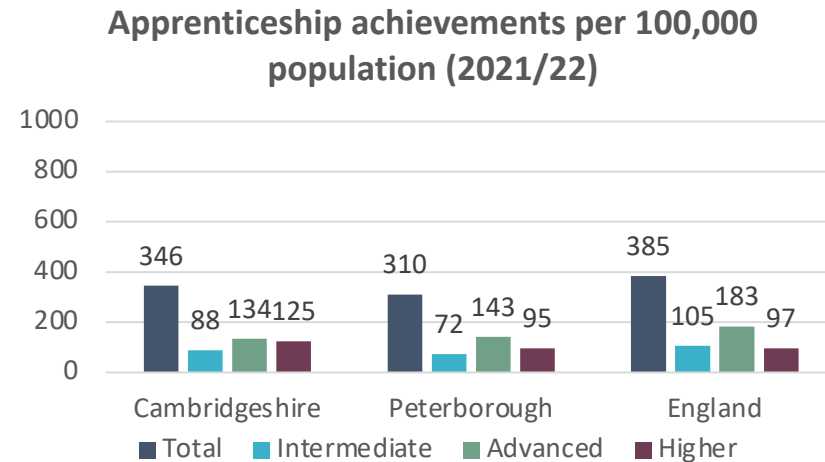
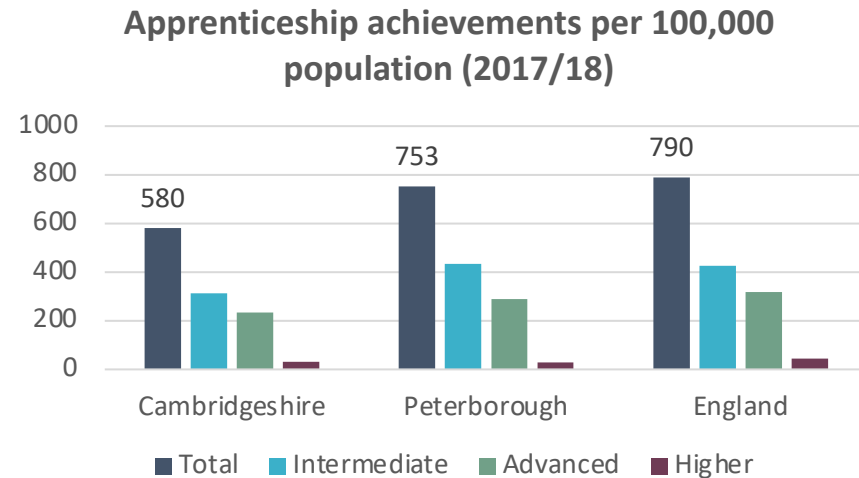


*Note: 2022/23 data are provisional and only covers the first three quarters of the academic year so we report on 2021/22 as it is most recent year with data covering the full academic year*

**Source – DfE Further education and skills 2021/22**

# Apprenticeships: achievements

- Despite an increase in apprenticeship total achievements between 2019/20 and 2020/21 following the initial easing of covid related restrictions, achievements fell again to 2021/22 and were 36% and 54% lower than in 2017/18 in Cambridgeshire and Peterborough respectively, similar to falls seen nationally and regionally.
- Higher apprenticeship achievements have risen in contrast to other types, similar to trends regionally and nationally but rises have been higher across Cambridgeshire and Peterborough, where higher achievements have more than doubled with Cambridgeshire now having a higher number of achievements in higher apprenticeships per 100,000 population.



*Note: 2022/23 data are provisional and only covers the first three quarters of the academic year so we report on 2021/22 as it is most recent year with data covering the full academic year*

**Source – DfE Apprenticeships and traineeships 2021/22**