



## **THE BUSINESS BOARD**

### **BUSINESS BOARD**

**Tuesday, 10 November 2020**

**Democratic Services**

Robert Parkin Dip. LG.  
Chief Legal Officer and Monitoring Officer

**14:30 PM**

72 Market Street  
Ely  
Cambridgeshire  
CB7 4LS

### **Virtual Meeting**

## **AGENDA**

**Open to public and press**

#### **Part 1 - Governance**

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## **Part 2 - Funding and Growth Fund**

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*For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact*

## Membership

The Board currently comprises

### Private Sector Members

Member	Sector
Austen Adams (Chairman)	Advanced Manufacturing
Tina Barsby	Agri-Tech
Mark Dorsett	Advanced Manufacturing
Faye Holland	Communications
Aamir Khalid	Advanced Manufacturing, Research & Development, and Small & Medium-sized Enterprises
Al Kingsley	Digital & Education
Nicki Mawby	Skills & Education
Jason Mellad	Life Science
Andy Neely (Vice-Chairman)	Skills & Education
Nitin Patel	Advanced Manufacturing and Small & Medium-sized Enterprises
Rebecca Stephens	Digital & Communications
Kelly Swinger	Skills & Education

### Public Sector Members

Name	Position	Body
James Palmer  <b>Substitute</b> Cllr Anna Bailey	Mayor	Cambridgeshire and Peterborough Combined Authority
Cllr John Holdich  <b>Substitute</b> Councillor Wayne Fitzgerald	Deputy Mayor and Portfolio Holder for Economic Growth	Cambridgeshire and Peterborough Combined Authority

The Business Board is committed to open government and supports the principle of transparency. With the exception of confidential information, agendas and reports will be published 5 clear working days before the meeting. Unless where indicated, meetings are not open to the public.

For more information about this meeting, please contact Nick Mills at the Cambridgeshire County Council on 01223 699763 or email [nicholas.mills@cambridgeshire.gov.uk](mailto:nicholas.mills@cambridgeshire.gov.uk).

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**CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY**  
**BUSINESS BOARD: VIRTUAL MEETING MINUTES**

**Date:** Tuesday 15th September 2020

**Time:** 2.30pm – 4:20pm

**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**Present:** Andy Neely (Vice-Chairman), Tina Barsby, Mark Dorsett, Councillor John Holdich, Faye Holland, Aamir Khalid, Al Kingsley, Jason Mellad, Mayor James Palmer, Nitin Patel and Rebecca Stephens.

**165. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

The Vice-Chairman welcomed everyone to the meeting and noted that he would be chairing the meeting in the Chairman's absence.

Apologies were received from Austen Adams and Nicki Mawby.

Rebecca Stephens made a declaration of interest, which was clarified as neither a disclosable pecuniary interest or a non-disclosable pecuniary interest, in relation to agenda item 3.3 (Business Growth Service – Full Business Case) and the Deputy Monitoring Officer confirmed that she would not be required to leave the meeting for the duration of the item.

Andy Neely made a declaration of interest in relation to agenda item 3.3 (Business Growth Service – Full Business Case) and confirmed that he would leave the meeting for the duration of the item.

Due to the declaration made by the Vice-Chairman in relation to the Business Growth Service, and the absence of the Chairman, Austen Adams, it was necessary to appoint a Vice-Chairman for the duration of that item. It was agreed to appoint Aamir Khalid as Vice-Chair for item 3.3 (Business Growth Service – Full Business Case).

**166. MINUTES OF THE MEETING HELD ON 27TH JULY 2020**

The minutes of the meeting held on 27th July 2020 were approved as a correct record.

The Business Spaces Manager observed that all the actions on the Minutes Action Log had been completed, except for Minute 152, which related to stakeholder mapping. The Vice-Chairman encouraged the remaining members to provide their relevant contacts.

**167. BUSINESS BOARD FINANCE UPDATE**

The Business Board received an update and overview of the revenue funding lines within the Business and Skills directorate, which included figures to 31st July 2020. The Finance Manager highlighted that the report included an update on the Medium Term

Financial Plan (MTFP), which would be presented to the Combined Authority Board on 25th November 2020.

While discussing the finance update, the Business Board:

- Observed that its budget for 2020/21 exceeded £6m, while the 2021/22 budget was less than £2m. While it was acknowledged that discussions were being held with the government about potential further funding, it was suggested that funding “cliff-edges” should be prepared for.
- Suggested that the budget line for marketing and promotion of services was notably low. The Finance Manager informed members that the 2021 budget had seen top slices from other programmes being spent on marketing, with a further £50k included within the Local Growth Fund (LGF) and Skills programme costs, which increased the actual spend to £145k. The marketing-specific budget line had been introduced in 2020 in order to economise across the directorate and lead to more cost-effective spending, and it was noted that until the Business and Skills directorate received additional funding, it was not possible to commit to higher figures. The Director of Business and Skills observed that there had not previously been significant marketing costs because the Growth Hub operated in a reactive way, as opposed to a proactive way. The Business Growth Service would operate differently and contained a significant marketing allocation within its own budget, which he suggested would increase the actual marketing spend by up to ten times.
- Noted an error in Table 1.1 of Appendix 1, as the 20/21 total spent/forecast (grand total) was indicated as £1.7m while the figures in the table amounted to £2.7m. The Finance Manager agreed to circulate a corrected version of the table to the Board.

**Action required**

It was resolved unanimously to:

Note the update and financial position relating to the revenue and capital funding lines within the Business & Skills Directorate.

**168. LOCAL GROWTH FUND PROGRAMME MANAGEMENT REVIEW - SEPTEMBER 2020**

The Business Board received an update on the LGF’s programme performance to 14th August 2020. A summary of the lessons learned from the application process for funding of shovel ready projects by the Ministry of Housing Communities and Local Government (MHCLG) was attached as Appendix 2 to the report, and the Strategic Funds Manager noted that while some of these were straightforward, in terms of promoting and coordinating, others were more complex, including a review of the LGF evaluation process and how to build bigger pipelines of opportunities with partners. The project that had been selected for the funding was going through the local assurance process and would be presented formally to the Business Board and Combined Authority Board in October or November 2020.

The final tranche of the LGF grant payment would be released in stages from October 2020, once the Cities and Local Growth Unit was satisfied with the evidence of projects being under contract and that the spend could be achieved within the timeframe. The Board was informed that three of the seven projects listed in section 4.2 of the report as being in contract/funding agreement negotiation had completed this process since 14th August, while an underspend on the Illumina project had increased the remaining LGF pot by £300k to £1.153m.

Attention was drawn to the project change request that had been submitted by Photocentric, as detailed in section 4.4 of the report, following an unprecedented level of growth within the business due to Covid-19. It was also clarified that although the Covid-19 Capital Grants Scheme had closed, claims were still being paid to businesses. While £1.8m had been paid out as of 14th August 2020, members were informed that claims levels had increased significantly in the subsequent three weeks and it was expected that the remaining resources would be distributed quickly.

Having commissioned Metro Dynamics to perform an evaluation of Phase One completed projects, a summary of each project, as well as the whole programme, would be presented to the Board when completed. A proposed monitoring report format for spending of LGF project awards was attached at Appendix E. An audit of the Board's compliance with the National Assurance Framework and governance was carried out by the Audit and Governance Committee, with all 9 recommendations having been judged to have been acted upon, and an overall opinion of 'substantial'. The process and scope of the review of the LGF application process had been established at a meeting on 18th August 2020, with an outline provided at Appendix F of the report.

While discussing the report, the Business Board:

- Welcomed the proposed monitoring report on spending of LGF project awards as providing a summary of the ongoing situation. It was suggested that it would also be helpful to include a project timeline for each of the projects included in the dashboard to provide greater context. The Strategic Fund Manager acknowledged the suggestion and agreed to include timelines in future iterations. **Action required**
- Noted a report from the Mayor that he had visited three companies that had each received a grant close to £50k from the Covid-19 Capital Grants Scheme. The Mayor noted the diversity of businesses that were receiving such grants and welcomed the ability to provide financial assistance to overcome the impacts of Covid-19. Paying tribute to all those involved in the grants, as well as the effectiveness of the support, he informed the Board that recipients had indicated the need for further grants. The Vice-Chairman welcomed the feedback and suggested that such success stories should be promoted within the business community. The Mayor noted that there would be press releases and that he would continue to visit such businesses and promote the Business Board's work on strengthening the economy. The Director of Business and Skills informed members that all grants were recorded on a public relations grid that indicated which grants were being promoted, and he undertook to circulate the grid to Business Board members. **Action required**
- Considered whether businesses that had received a grant from the Covid-19 Capital Grants Scheme and experienced success as a result of the financial support could

return some of the funding they had received, so that other businesses could benefit from the same resources as well, particularly if such interventions were to continue in the medium term. One member suggested that there was already an indirect return on the investments, as the growth of businesses and job creation both contributed to the economy. The Director informed members that there were loans, grants and equity payments available, all of which had been used according to the circumstances of each request.

- Suggested following up on the businesses that had received support from the Covid-19 Capital Grants Scheme in a few years, in order to leverage their success and strengthen connections throughout the business community. While research produced by Metro Dynamics was useful as high-level data, individual case-level data was also of great importance. It was agreed to establish a way to follow up on such cases. **Action required**

It was resolved unanimously to:

- a) Recommend to the Combined Authority approval of the project Change Request for the Photocentric LGF project;
- b) Recommend all the programme updates outlined in this paper to the Combined Authority Board; and
- c) Note the funding position and forecast for Local Growth Fund Projects in delivery.

## **169. LOCAL GROWTH FUND PROJECT PROPOSALS – SEPTEMBER 2020**

The Business Board received a report which included two applications that had been submitted as Local Growth Fund project proposals, with a view to making recommendations to the Combined Authority Board. If both projects were to be approved, it was proposed to incorporate an additional £433k from the recycled funds pot to meet the required total of £1.586m. The Strategic Manager noted that both applications were a result of the 'Covid-19 Cambridgeshire and Peterborough City Centre Exit Strategy Group' meeting held on 7th July 2020, which had called for projects seeking short-term capital investment to support the visitor economy in the city centres and target businesses with support to aid safe adaption, thus aiming to reopen and revive the city centre economies.

The first application was for Peterborough city centre and was seeking an £800k grant for a total project cost of £983k. The project aimed to support the hospitality sector in the city centre by creating a café culture in Cathedral Square, which would generate 100 jobs within the immediate investment area and a further 200 jobs indirectly through the supply chain. The total of 300 jobs for £800k represented an investment of only £2,667 per job, which was considered to be of very good value. It was noted that the risks had been well articulated and lay within the remit of the Council that was leading the project and the Board was therefore recommended to approve funding.

The second application for Cambridge Market Place was for £700k, which represented the total cost of the initial design phase of the project, which would involve a redesign of

the market square, including new stall layout and management, underground waste management, seating and heritage features. Upon the successful completion of the design stage, further funding would be sought for the construction phase. Although it was estimated that the project would safeguard around 180 jobs upon completion, given the fact that construction funding had not been obtained, the project was assessed to generate only 34 jobs, at a cost of around £20k per job. High risks had also been identified, noticeably that construction funding may not be obtained, implying a grant investment for an abandoned project that would be difficult to reclaim. On this basis it was recommended that the Board decline funding.

While considering the applications, Board members:

- Noted the extensive planning and preparation that had gone into the Peterborough city centre application. Members who had participated in the Entrepreneur Advisory Panel that had evaluated the bids suggested that the impacts would be immediately evident and that the project was likely to deliver to the timescales put forward.
- Highlighted that while the Peterborough city centre project would lead to short term job creation, the Cambridge Market Square project was a more complex, long-term project without many short-term gains, which were part of the criteria for funding. There was concern that the applicants behind the Cambridge Market Square project had misunderstood the requirements and it was suggested that they could be encouraged to reapply with a scaled down and highly focused capital investment project that met the criteria. Members noted the importance of kick-starting town-based activity and asked the Strategic Funds Manager to encourage a resubmission, having clearly set out the requirements. **Action required**

It was resolved unanimously to:

- a) Recommend that the Combined Authority Board approve funding for the project ranked 1 (Peterborough City Centre project) in table 2.9 below based on the project scoring criteria and external evaluation recommendation; and
- b) Recommend that the Combined Authority decline approval of funding at this time for the project ranked 2 (Cambridge Market Place Project) in the table at 2.9 below based on the project not meeting the scoring criteria.

## **170. COVID-19 EVIDENCE & INSIGHT REPORT**

The Business Board received its first report from Metro Dynamics on the impacts of Covid-19 as part of the ongoing Integrated Economic, Business and Skills Insight work. Following any feedback from the Board, the report would be refined and presented to the Combined Authority Board on 30th September before being shared with partners and other stakeholders. The report would enable the Combined Authority to improve the focus of interventions and be a key part of the local economic recovery strategy and newly formed growth service. It would be refreshed in March 2021, although data would be provided through a monthly dashboard that would be produced from October 2020 to March 2021.

The Metro Dynamics Director explained that the report aimed to identify areas to be monitored over the next six months and beyond, as the longer term economic impacts became apparent. There had been a £1.4b reduction in overall economic output across Cambridgeshire and Peterborough during Quarter 2, which represented about 21% annualised. The UK as a whole had experienced 6.6% output recovery in July, but overall output had recovered by less than 50% of the initial contraction. Further recovery was expected in Quarter 3, but this would not recover the total amount lost.

There were differences in the effects on economic output across the area, with Cambridge suffering more than the other districts. All sectors had been effected, however it was notable that high value, high productivity services based in and around Cambridge that were previously considered resilient had suffered, and it was recognised that given the global nature of many such businesses, the ability of the UK or regional authorities to act was hindered. At the same time, these sectors had historically recovered fast from previous shocks. The hardest hit sector in Peterborough and Fenland, in contrast, was manufacturing, reflecting the make-up of their business base. To an extent the agricultural economy of the Fens, which has continued to thrive, had mitigated the worst of the economic impact in that part of the Combined Authority area, although it was emphasised that this should not be overstated.

Members were informed that the government's furlough scheme continued to be used widely across all sectors in the area, although given the uncertainty of what support would be available when the scheme ended, the full labour implications remained unclear. Job levels were recovering at a faster rate in some sectors, such as construction, and while national data appeared to indicate lower skilled vacancies returning at a higher rate, this trend had not yet been identified in Cambridgeshire and Peterborough. It was highlighted that the kind of jobs reappearing in the region was one of the indicators that the researchers would be monitoring.

Analysis of the early data compiled so far was beginning to establish how the impacts would affect the Combined Authority's priorities and strategies, and how these would need to be refreshed to ensure they were consistent with emerging economic realities. While it was too early to draw significant conclusions, the initial data appeared to indicate that rather than a complete change to the core objectives of the Combined Authority, the requirement would instead be for a refining of delivery and the focus of interventions. For example, to strengthen support for issues such as business closures, retraining and new job losses.

Emphasising that the overall picture of the situation remained incomplete, given the lack of Quarter 3 data and the unreliability of forecasting in the current climate, the Metro Dynamics Director highlighted the difference between Universal Credit levels and actual unemployment numbers, which had become less clear and more difficult to predict as a result of the furlough scheme. He emphasised the importance of monitoring indicators that linked economic recovery, as demonstrated by the GDP, to labour market issues, as demonstrated by unemployment and Universal Credit claimants.

While considering the report, the Business Board:

- Clarified that around 20,000 businesses in across the region continued to use the furlough scheme, involving around 115,000 jobs. It was noted that these figures were as of the end of July 2020.
- Argued that professional and technical services had historically proved resilient during previous recessions, whereas jobs in these sectors were currently disappearing and not re-emerging. The Metro Dynamics Director agreed with the observation and further noted that a consequence of this trend would be an increase in highly experienced workers returning to the labour market and competing with young, inexperienced people.
- Recognised the importance of being provided with consistent and robust evidence on the local economy, and welcomed the proposed dashboard as a form of achieving this.
- Acknowledged the importance of monitoring the manufacturing sector on a tactical and strategic level, with one member noting that over the previous few months the Board had become aware of the need to increase local production and improve supply chains.
- Queried whether key learning points had been drawn from the past few months that could benefit the approach taken to any further lockdown. Noting that global pandemics historically consisted of an initial spike followed by a period of volatility, it was suggested that the government would seek to avoid enforcing a similarly restrictive lockdown as the previous one. If there was a further national lockdown, it was argued that large scale government schemes would be needed to deal with the economic impact. A more localised lockdown, whether on a geographical or sectorial level, would likely see the government encourage a more locally managed response. One member suggested that it would be useful to learn from the experiences of local businesses that had suffered significantly but managed to survive, such as the retail sector which had shown creativity to overcome many of its challenges, and the information widely. **Action required**
- Expressed concerns that the winding down of the furlough scheme at the end of October 2020 would result in widespread redundancies, and queried whether there were predicted figures for November. It was acknowledged that there was an expectation for an uptick in unemployment once the furlough scheme came to an end, but the Metro Dynamics Director expressed the view that with further government intervention likely it would not be as severe as originally feared. He suggested that targeted restrictions for geographical areas or specific sectors could be accompanied by similarly targeted adaptations of the furlough scheme, although the government was yet to announce how it would respond from November onwards. It was acknowledged, however, that even targeted extensions to the furlough scheme would be unable to prevent many redundancies.
- Clarified that the dashboard would be produced by Metro Dynamics on a monthly basis and that the Business Board would be able to select items to include where the data was available. The Senior Interim Programme Manager informed members that the technical ability of the dashboard, as well as its content, were still under

discussion, although regular updates would be provided at Business Board meetings.

**Action required**

- Noted the importance of ensuring that the projects supported by the Board were aligned to the dashboard's data and that focus was on the right areas of the economy and area.

It was resolved unanimously to:

Recommend the Combined Authority approve the Metro Dynamics Report, subject to final revisions, following input from the Business Board.

## **171. COVID-19 LOCAL ECONOMIC RECOVERY STRATEGY**

The Business Board received a report which detailed the development of the Local Economic Recovery Strategy (LERS), and which included the first draft of the strategy itself. The Director of Business and Skills emphasised that it was only the first draft and had not benefited from significant exposure to the robust evidence base that was emerging from the research being carried out by Metro Dynamics. He proposed that an independent body would assess how it should be adapted in light of the findings from the research and that a second draft be presented at the Board meeting on 10th November. He noted issues that had already been identified and would need specific attention, such as levelling up across the area and the importance of accelerating the recovery of professional services and scientific areas of Cambridge, which reflected the sectors that could potentially lead Cambridge, the wider Cambridgeshire and Peterborough region, and indeed the nation into a faster recovery. Notwithstanding, he emphasised that the initial draft still provided a good blueprint for a portfolio of interventions that could be mobilised in November and be active in the spring.

The LERS had been co-created by the Covid-19 Local Economic Recovery Sub-Group, which consisted of economic development officers from all seven constituent local authorities, business representatives, business organisations, Greater Cambridge Partnership, Public Health England, along with other key stakeholders. A Business Board sub-group had participated through a workshop, while 100 local businesses had also been consulted. The Director of Business and Skills noted that whilst the pandemic and subsequent economic impacts had raised many challenges, the LERS represented a bold and optimistic mission to lead the nation out of recession by accelerating the recovery, rebound and renewal of the economy in a new and more digitally enabled, greener, healthier and more inclusive way than ever before. The strategy was based on the established pillars of the Local Industrial Strategy, and the interventions within each pillar, most of which were funded, practical and implementable immediately, were detailed in Appendix 1 of the LERS. The more strategic, underlying issues and interventions that were affecting the economy prior to Covid-19 would be dealt with through the Combined Authority's Investment Prospectus

While considering the report, Board members:



- Acknowledged the speed at which the document had been drafted despite significant challenges and the multiple inputs from which it had benefitted, while paying tribute to officers working in conjunction with the constituent local authorities.
- Noted that the Skills Committee had considered the same document on 14th September 2020.
- Observed that the LERS would be a continuously evolving strategy, given the nature of the problem that it was tasked with overcoming.
- Supported the proposal for an independent body to progress the next stage of the strategy's development, although highlighted the importance of local economic development specialists carrying out its subsequent implementation.
- Clarified that the Investment Prospectus would be presented to the Board at the meeting on 10th November, although the Director of Business and Skills informed members that it would be circulated prior to the agenda publication. He noted that when the government was assessing the Investment Prospectus, it would be keen to establish what lay behind it in terms of evidence and a recovery strategy, which emphasised the importance of developing a second draft of the LERS.
- Observed that the area benefitted from residents of its two biggest cities having complete access to full fibre connectivity and queried whether such digital connectivity and infrastructure was being sufficiently leveraged, given that other Local Enterprise Partnerships had promoted the benefits of their digital capabilities. The Director acknowledged the observation and agreed that more specific information should be included on how digital technology and connectivity were intended to be used and how that would be of benefit.
- Suggested that Appendix 1 to the strategy was misleading in that it identified the University of Peterborough as creating over 21,000 jobs. Given that the majority of those jobs were actually potential employee candidates for future provision, it did not fit well alongside the other jobs created because of the funding. The Director of Business and Skills agreed with the suggestion and identified a need to reflect on how such projects were represented in the document.

Noting that the second draft of the strategy would be developed by an independent body, it was resolved unanimously to:

- a) Recommend the Combined Authority Board approve the first draft of the Local Economic Recovery Strategy (LERS) for Cambridgeshire & Peterborough; and
- b) Note that the final draft of the Local Economic Recovery Strategy (LERS) for Cambridgeshire & Peterborough will be brought back in November 2020 for final approval.

## **172. BUSINESS GROWTH SERVICE - FULL BUSINESS CASE**

*[Andy Neely left the meeting following his declaration of interest and Aamir Khalid assumed the position of Vice-Chairman]*

The Business Board received a report which provided the information required to make recommendations to the Combined Authority Board to approve and agree the Full Business Case (FBC) for the Business Growth Service, including a delegation to award the contract to deliver it. The Director of Business and Skills emphasised that the Business Growth Service was one of the core integrated interventions that the Local Industrial Strategy would deliver, incorporating a growth coaching service, an inward investment service, a skills brokerage service and a capital growth investment fund under one roof.

Evidence suggested that 6% of small and medium-sized enterprises were responsible for economic growth and the aim was therefore to identify and target those businesses so that they could become more successful, while also attracting more high-value and fast-growing companies. It was noted that different areas of Cambridgeshire and Peterborough required different focuses according to the local economy, workforce and sectorial focus.

A Delivery Consortium Programme Management Office would feed in to a Programme Management Committee on a monthly basis, and a Business Board member would sit on the Programme Management Committee. The Chairman of the Programme Management Committee would report to the Business Board and Skills Committee three times per year and to the CA Board two times per year. The granular and layered oversight included connections to local authorities to ensure that delivery made sense to the people, local authority, businesses and business groups in each area.

A set of conditions had been established as part of the approval process for the Outline Business Case, all of which were required to be fulfilled within the Full Business Case, and section 4 of the report detailed how this had been achieved. The Board was also informed that the Business Growth Service had been appropriately adapted to support the Covid-19 Local Economic Recovery Strategy, as laid out in section 5 of the report.

While considering the report, the Business Board:

- Welcomed the thorough process that had been followed in the development of the Business Growth Service. One member queried the extent to which other partners and local authorities had been involved in its development. The Director confirmed that they had been involved extensively and that the Combined Authority had worked with economic development officers in each of the constituent councils to draw up an intervention plan for all the measures that was tailored to their specific area. Offers had been made to provide office space for staff within the service to directly deliver services to customers in their area.
- Observed that the financial implications only considered the next three years and sought clarification on more long-term projections. The Director acknowledged that similar programmes developed over the last fifteen years tended to predicate themselves upon completely solving the market failure problems within three years and thus no longer being required, but he argued that this was unrealistic. He noted that the Combined Authority would have received its allocation of the Shared

Prosperity Fund within three years and further funding for the service would be considered for the service if considered appropriate and of benefit.

It was resolved unanimously to:

- a) Approve and adopt the Full Business Case to mobilise the delivery of the Business Growth Service, including;
- b) Agree that the conditions for FBC approval set at OBC have been met, specifically:
  - 1) Confirmation of EU funding, and the conditions set out in item 4.2 for contracting only upon further correspondence from MHCLG.
  - 2) Appointment of delivery partner
  - 3) Submission of 3-year cash flow forecast; monthly for year 1 and annual thereafter.
  - 4) Contact / Involvement of HMRC to upskill Growth Hub staff
  - 5) Discussions with local authority partners on availability of in-kind support via use of L/A office space, provisional of secretariat, and officer time
  - 6) Submission of an independent state aid report covering:
    - i. ESF and ERDF application and utilisation;
    - ii. allocation of £2.335m of the authority's revenue budget to Growth Service Management Company Ltd;
    - iii. Management of Capital Growth Fund
  - 7) Submission of Sustainability and Environmental policy for the Growth Service Management Company Ltd
  - 8) Submission of evidence to support the claim of delivering 2.8 new jobs per firm receiving supported in-depth coaching
- c) Agree that additional conditions, to be considered post-COVID 19, have been met, specifically:
  - 1) That the Service has been appropriately adapted to support the Local COVID 19 Economic Recovery Strategy
  - 2) That the impacts of COVID 19 on contributing funding from Enterprise Zone, business rates receipts, have been appropriately considered.

### **173. GOVERNANCE REVIEW UPDATE**

*[Andy Neely rejoined the meeting and resumed the position of Vice-Chairman]*

The Business Board received a report that provided an update on progress that had been achieved towards the recommendations that had emerged from its governance review, which had been presented on 23rd March 2020. The Business Spaces Manager informed members that most of the recommendations had been completed or were in

the process of being completed, with details on the individual actions included in Appendix 2 to the report.

While considering the update report, the Business Board:

- Recognised that the recent recruitment of a Business and Market Engagement Officer would assist in efforts to promote the work of the Business Board and encourage external interest as part of the wider creation of a communication plan for both internal and external purposes.
- Welcomed the increased interactions with other Local Enterprise Partnerships in order to establish best practices.

It was resolved unanimously to:

Note the progress made on the preliminary recommendations and next steps outlined within the Governance Review.

#### **174. NOMINATION TO THE GREATER CAMBRIDGE PARTNERSHIP EXECUTIVE BOARD**

The Vice-Chairman informed the Business Board that consideration of agenda item 3.5 (Nomination to the Greater Cambridge Partnership Executive Board), had been deferred to a future meeting. He noted that discussions were ongoing with the Greater Cambridge Partnership to identify a suitable nomination.

#### **175. BUSINESS BOARD HEADLINES FOR THE COMBINED AUTHORITY**

Acknowledging the decisions that had been reached during the meeting, the Business Board noted the headlines that the Chairman would convey at the Combined Authority Board on 30th September 2020.

#### **176. BUSINESS BOARD FORWARD PLAN**

While considering the Forward Plan, the Director of Business and Skills confirmed that a report on the Agri-Tech Sector Strategy would be presented at the next meeting on 10th November 2020. It was noted that the process had been stalled to review how expectations were affected by Covid-19 but one member argued that the agricultural sector had not been too negatively affected and therefore it should be possible to progress.

The Director noted that it would need to be established how to incorporate the public relations grid (see Minute 168) and Business Board dashboard (see Minute 170) into future agendas. **Action Required**

He also informed the Board that an extraordinary meeting might need to be called in October to consider Phase 2 of the University of Peterborough LGF application. The

Business Spaces undertook to circulate potential dates for this potential meeting, to increase members' likelihood of being able to attend. **Action required**

Observing that the next meeting would be the annual meeting and would therefore be held in public, albeit in a virtual setting, the Business Board noted its Forward Plan.



## Business Board: Minutes

Date: 19 October 2020

Time: 4:05pm – 4:50pm

Present: Austen Adams (Chair), Andy Neely (Vice-Chair), Dr Tina Barsby, Councillor John Holdich, Aamir Khalid, Al Kingsley, Jason Mellad, Mayor James Palmer, Nitin Patel, Rebecca Stephens.

### 1.1 Apologies for Absence and Declarations of Interest

Apologies were received from Mark Dorsett, Faye Holland and Nicki Mawby.

The Chair reminded members of the constitutional requirement to attend a third or more of the scheduled meetings in a 12-month period.

Austen Adams declared a non-statutory disclosable interest in relation to 'Nomination to the Greater Cambridge Partnership Executive Board' (agenda item 1.2), and confirmed that he would leave the room while the item was discussed and resolved.

Members noted the Director of Business and Skills was not in attendance to avoid a conflict of interest in item 2.1 (Getting Building Fund Project Proposal - October 2020).

### 1.2 Nomination to the Greater Cambridge Partnership Executive Board

The Business Board received a report which proposed the nomination of the Chair to serve as a non-voting, co-opted member of the Greater Cambridge Partnership (GCP) Executive Board. It was noted that the GCP Executive Board would decide whether to accept any nomination from the Business Board. The report informed the Business Board that the Chair would be co-opting Dr Andy Williams, Vice President of Cambridge Programme & Strategy at AstraZeneca, as a non-voting member of the Business Board, while also proposing that the GCP invite Dr Andy Williams to join the Executive Board as a second non-voting member from the Business Board.

The Chair explained to the Board that although he had initially been reticent about taking on the role, in part because of the workload but also due to the GCP's work implicitly focussing on the Greater Cambridge area, he had come to appreciate the importance of aligning the work of the two boards and strengthening their collaboration. Acknowledging his limited scope of knowledge and experience of the Greater Cambridge area in particular, he told members that the proposal to expand the Business Board's representation on the Executive Board would allow for Dr Williams to contribute his intimate knowledge of the local area while allowing himself to provide the perspective of businesses across the wider region. He also noted that co-opting Dr

Williams to the Business Board would provide an invaluable boost to the scope and understanding of the Board.

Once the Chair had left the meeting, and while discussing the report, the Business Board:

- Clarified that the current representative on the Executive Board, Claire Ruskin, had been a member of the Greater Cambridge Greater Peterborough LEP before it became the Business Board. She had recently resigned as the CEO of Cambridge Network and was now stepping down from her role on the GCP Executive Board.
- Observed that ongoing economic growth in Cambridge, although welcome, contributed to significant problems related to the surrounding housing supply and transport infrastructure, both of which had proven insufficient for the extra demand. It was suggested that considering transport and housing initiatives in the area was impractical without considering how they would affect the wider economy, and that the GCP Executive Board would therefore benefit greatly from the participation of the Business Board Chair.
- Confirmed that the Mayor was a non-voting member of the GCP Executive Board, while its three voting members were nominated by the three constituent councils.
- Noted that business representatives on the GCP Joint Assembly had requested for the Business Board's nomination to have a good understanding of the Greater Cambridge area, which had led to the proposal for an additional business representative on the Executive Board.
- Suggested that a representative of the Business Board could be invited to join the Opportunity Peterborough Board, as it was felt important to understand the work of Opportunity Peterborough as well as the GCP.
- Clarified that the Chair could co-opt up to five people to the Business Board as non-voting members.

It was resolved unanimously to:

- a) Nominate the Chair of the Business Board to be a non-voting co-opted member of the Greater Cambridge Partnership Executive Board;
- b) Note that the Chair of the Business Board will be co-opting Dr Andy Williams of AstraZeneca as a non-voting member of the Business Board; and
- c) Propose to the Greater Cambridge Partnership that it invite Dr Andy Williams to join the Greater Cambridge Partnership Executive Board as a second non-voting member from the Business Board.



## 2.1 Getting Building Fund Project Proposal – October 2020

The Business Board received a report which sought a recommendation for the Mayor, in consultation with the Combined Authority Board, to approve the allocation of the sums required to progress the Peterborough University Phase 2 Manufacturing and Materials Research & Development Centre to complete the design and business case from the Getting Building Funding from Ministry of Housing, Communities and Local Government (MHCLG), subject to that sum being agreed by the Section 73 Officer. It also sought a recommendation that the Mayor, in consultation with the Combined Authority Board, delegate authority to the Senior Responsible Officer (Deputy Chief Officer) for Business Growth Service, in consultation with the Lead Member for Finance, Section 73 Officer and Monitoring Officer, authorise the release of the balance of the £14,295,833 Getting Building Funds subject to the project producing the documents listed as terms and conditions in the external appraiser's report. In order to enable the approval of the proposed project, the Business Board was required to approve a variation of Local Growth Fund decision making processes set out in the Local Assurance Framework, in order to accommodate tight timelines and meeting schedules.

The £14,295,833 funding represented an initial investment of £13,468,833 into the joint venture company followed by a grant to Peterborough City Council of £827,000, while the application indicated projected new job figures of 256 direct jobs, 2560 indirect jobs and 80 temporary jobs. The procured centre operator would come forward with a support package in its 10-year business plan, using a staggered rental step system that would reach full market value by year 10. The Combined Authority would retain the option to sell its stake after review at five and ten years.

While discussing the report, the Business Board:

- Expressed concern about the high risk of investing the funds before a business case had been developed. The Strategic Funds Manager acknowledged the concern and informed the Board that it had been highlighted by the independent evaluator as the main reason for the project receiving a lower score than at earlier stages. The Business Board's Section 73 Officer noted that the project would receive funding in two tranches, so as to avoid committing all the funds before a business case had been fully developed. It was confirmed that this approach was unlikely to lead to delays that would take the project beyond the March 2022 deadline.
- Suggested that it was important to mitigate against the possibility of the Business Board's reputation being damaged by any future delays to the project or failure to deliver on any of its objectives. While noting that all projects were subject to external circumstances that were beyond the control of the Business Board, the Strategic Funds Manager observed that it would be a joint venture and continuous monitoring and evaluation would identify any need for intervention.
- Clarified that the Cities and Local Growth Unit expected the infrastructure to be completed by March 2020.
- Observed that the Business Board was already funding the relocation of the applicant through a separate project funded by the Local Growth Fund and sought clarification that this would not lead to a conflict of interest. The Strategic Manager confirmed that there would be no conflict. A change request had been accepted at the previous Board meeting to allow the applicant to move its research and

development team into this new project, with the original project focussing entirely on manufacturing and creating high value jobs in the manufacturing sector.

It was resolved unanimously to:

- a) Approve variation of Local Growth Fund decision making processes set out in the Local Assurance Framework, to enable approval of the proposed project;
- b) Recommend that the Mayor, in consultation with the Combined Authority Board, approve the allocation of the sums required to progress the Peterborough University Phase 2 Manufacturing and Materials Research & Development Centre to complete the design and business case from the Getting Building Funding from Ministry of Housing, Communities and Local Government (MHCLG), subject to that sum being agreed by the Section 73 Officer; and
- c) Recommend that the Mayor, in consultation with the Combined Authority Board, delegate authority to the Senior Responsible Officer (Deputy Chief Officer) for Business Growth Service, in consultation with the Lead Member for Finance, Section 73 Officer and Monitoring Officer, authorise the release of the balance of the £14,295,833 Getting Building Funds subject to the project producing the documents listed as terms and conditions in the external appraiser's report.

Chair



## Business Board Action Log

This Action Log captures the actions arising from the recent Business Board meetings and updates members of the Board on compliance in delivering the agreed actions. It does not include approved recommendations requiring immediate action (which are recorded on the Decision Log) or delegated decisions (which are recorded separately and held by the Monitoring Officer).

Business Board Meeting Held on Monday 27 July 2020					
Minute no.	Report title	Action to be taken by	Action	Comments	Status
152 (136).	Minutes of the Meetings Held on 26 <sup>th</sup> May 2020 and 9 <sup>th</sup> July 2020	Domenico Cirillo	<p>While discussing the action log, it was noted that Business Board Members had been contacted and asked to provide their top ten contacts for the Stakeholder mapping work.</p> <p>Action: The Business Programmes Manager undertook to ensure Members submitted their stakeholder mapping information by the second week of August.</p>	Stakeholder mapping contacts have been received from most Members and the responses received so far have been collated.	Action Ongoing

## Business Board Meeting Held on Tuesday 15 September 2020

Minute no.	Report title	Action to be taken by	Action	Comments	Status
167.	Business Board Finance Update	Vanessa Ainsworth	<p>While discussing the report, it was noted that there was an error in table 1.1 of Appendix 1, as the 20/21 total spent/forecast (grand total) was indicated as £1.7m while the figures in the table amounted to £2.7m.</p> <p>Action: The Finance Manager agreed to circulate a corrected version of the table to the Board.</p>	The Finance Manager has updated the financial table for the next Business Board in November.	Action Complete
168.	Local Growth Fund Programme Management Review – September 2020	Steve Clarke	<p>Members suggested that it would be helpful for the proposed monitoring report to include a project timeline for each of the projects included in the dashboard to provide greater context.</p> <p>Action: The Strategic Funds Manager acknowledged the suggestion and agreed to include timelines in future iterations.</p>	Actioned by the Strategic Funds Manager and will include project timelines in future Board monitoring reports.	Action Ongoing

		Steve Clarke	<p>Members suggested following up on the businesses that had received support from the Covid-19 Capital Grants Scheme in a few years, in order to leverage their success and strengthen connections throughout the business community.</p> <p>Action: The Strategic Funds Manager agreed to work with the Business &amp; Market Engagement Officer to establish how to follow up on such cases.</p>	Case studies will be presented to the Business Board under the Business & Market Engagement Update at future Business Board meetings.	Action Complete
		Edward Colman	<p>While discussing the promotion of success stories of businesses that had received support from the Business Board, members were informed that all grants were recorded on a public relations grid that indicated which grants were being promoted.</p> <p>Action: The Business &amp; Market Engagement Officer undertook to circulate the grid to Business Board members.</p>	The public relations grid will be presented to the Business Board under the Business & Market Engagement Update at future Business Board meetings.	Action Complete

169.	Local Growth Fund Project Proposals – September 2020	Steve Clarke	<p>While deciding which projects to approve for funding, Members noted the importance of kick-starting town-based activity and asked officers to encourage a resubmission of the Cambridge Market Place project, having clearly set out the requirements.</p> <p>Action: The Strategic Funds Manager agreed to discuss the matter with the project organisers.</p>	A revised project proposal has been submitted to the Business Board for approval at the meeting on 10 <sup>th</sup> November 2020.	Action Complete
170.	Covid-19 Evidence & Insight Report	Alan Downton	<p>While considering key learning points that the Board and wider business community could draw from the past few months that could benefit the approach taken to any further lockdown, it was suggested that it would be useful to learn from the experiences of local businesses that had suffered significantly but managed to survive.</p> <p>Action: The Senior Interim Programme Manager agreed to consider the suggestion.</p>	Consultants will engage and consult businesses as part of the insight work and development of the recovery strategy.	Action Complete

			<p>While discussing the dashboard that would be produced by Metro Dynamics on a monthly basis Members were informed that they would be able to select items to include where the data was available.</p> <p>Action: The Senior Interim Programme Manager noted that the technical ability of the dashboard, as well as its content, were still under discussion.</p>	The Dashboard is an evolving set of insight data which will be presented as a regular agenda item at Business Board.	Action Complete
176.	Business Board Forward Plan	Domenico Cirillo	<p>While discussing the Forward Plan, it was noted that it would need to be established how to incorporate the public relations grid (Minute 168) and Business Board dashboard (Minute 170) into future agendas.</p> <p>Action: The Business Programmes Manager undertook to consider how they could be presented to the Business Board.</p>	The public relations grid will be presented to the Business Board under the Business & Market Engagement Update. The Business Board Dashboard Update has also been added to the Forward Plan.	Action Complete
			<p>Members were informed that an extraordinary meeting might need to be called in October to consider Phase 2 of the University of Peterborough LGF application.</p> <p>Action: The Business Programmes Manager undertook to circulate potential dates for this potential meeting.</p>	An Extraordinary Meeting of the Business Board took place on 19 <sup>th</sup> October 2020.	Action Complete





## Public Questions Protocol

### 1. Purpose

- 1.1 The annual general meeting of the Business Board is open to the public to attend to ensure the communities that it represents can understand and influence the economic plans for the area.
- 1.2 In line with general practice of public meetings, members of the public are invited to present questions to the Business Board at the annual general meeting. This standard protocol is to be observed.

### 2. Public Questions Protocol

#### 2.1 Notice

- 2.1.1 A question may only be asked if it has been submitted in writing or by electronic mail to the Deputy Monitoring Officer of the Cambridgeshire and Peterborough Combined Authority (Rochelle.Tapping@cambridgeshirepeterborough-ca.gov.uk) no later than midday on Thursday 5<sup>th</sup> November 2020 (three working days before the day of the meeting).
- 2.1.2 Each question must give the name and address and contact details of the questioner, the name of the organisation if the question is being asked on their behalf, and details of the question to be asked.
- 2.1.3 No person may submit more than one question.
- 2.1.4 If the Deputy Monitoring Officer considers a question:
  - (i) is not about a matter for which the Business Board has a responsibility or which affects its area;
  - (ii) is illegal, improper, defamatory, frivolous or offensive including if it makes unfair claims about members of the Business Board or Business Board staff; or
  - (iii) requires the disclosure of confidential or exempt information,she will inform the Chair, who will then decide whether or not to reject the question.
- 2.1.5 The Deputy Monitoring Officer shall record the question. Rejected questions will be recorded including the reasons for rejection.

## 2.2 Procedure at the Meeting

- 2.2.1 Questions will be read out by an officer on behalf of the questioner unless the questioner requests to temporarily join the virtual meeting to ask his or her question. If the questioner is joining the meeting, the he or she will be provided with access information on the day of the meeting.
- 2.2.2 The Chair will invite the question to be put to the Business Board. Up to two minutes are allowed for putting the question. If a questioner who has submitted a written question is unable to be present, they can ask for a written response. No debate will be allowed on the question or response.
- 2.2.2 The Chair will deal with the question or statement, or request that an appropriate member or officer reply orally. If this is not possible, the member of the public will be provided with a written answer using the contact details provided.
- 2.2.3 Unless due to time shortage and the need to answer other questions means there is insufficient time for supplementary questions, a questioner may also put one supplementary question without notice to the member or officer who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply and must not introduce new material. One minute is allowed for putting the supplementary question.
- 2.2.4 Up to two minutes are allowed for answering a question or supplementary question. Any question which cannot be dealt with because of lack of time will be dealt with by a written answer.
- 2.2.5 The total time allocated for questions by the public and Members shall normally be limited to a maximum of 30 minutes, but the Chair shall have the discretion to add a further 15 minutes.
- 2.2.6 Questions will be taken at the meeting in the order in which they were received.
- 2.2.7 Written answers will be provided after the meeting to the person who submitted the question. Copies of all questions will be circulated to all Business Board members. Questions and answers will be published on the Business Board website.

## Budget and Performance Report

To: Business Board

Meeting Date: 10 November 2020

Public report: Yes

Lead Member: Austen Adams, Chair of the Business Board

From: Vanessa Ainsworth, Finance Manager

Key decision: No

Recommendations: The Business Board is recommended to:

Note the update and financial position relating to the revenue and capital funding lines within the Business & Skills Directorate.

## 1. Purpose

- 1.1. To provide an update and overview of the revenue and capital funding lines that are within the Business & Skills Directorate to assist the Board to enable informed decision making regarding the expenditure of these funds.

## 2. Background

- 2.1 The Business Board has requested a summary of the revenue and capital funding lines available within the Business & Skills Directorate, to assist in ensuring financial decisions relating to the revenue and capital funding lines under their control are well informed, financially viable, and procedurally robust.
- 2.2 At the July 2020 Combined Authority Board Meeting, the Board approved a refreshed Medium-Term Financial Plan (MTFP) in relation to the COVID-19 pandemic, including balanced revenue and capital budgets for 2019/20. This report shows the actual expenditure to date and forecast outturn position against those budgets.
- 2.3 The outturn forecast reflects costs incurred to date, accrued expenditure and the impact on the current year assumptions made on staffing, overheads and workstream programme delivery costs as set out in the revised MTFP.

## 3. Revenue Budget

- 3.1 A breakdown of the Business & Skills Directorate 'Business Revenue' expenditure for the period to 30<sup>th</sup> September, is set out in Table 1 in Appendix 1.
- 3.2 A breakdown of the Business and Skills Directorate Revenue Expenditure for funding lines under direct control of the Skills Committee for the period to 30<sup>th</sup> July 2020, is set out in Table 2 in Appendix 1. This data is provided for information purposes only, and full analysis is available in the Skills Committee Reports.
- 3.3 The Forecast Outturn as set out in the table above shows an increase in expected costs for the year of £12,699 compared to the budget. 'Actual' figures are based on payments made and accrued expenditure where known. The year to date costs may therefore be understated due to the delay between goods and services being provided by suppliers, and invoices being raised and paid.
- 3.4 Variances between the predicted revenue outturn position and the annual budget for the main budget headings are set out below:
  - a. The £198,412 overspend for the LGF Programme Board reflects the changes in staffing levels, increased legal costs, additional appraisal costs for the COVID-19 Grant Scheme and other additional monitoring and appraisal processes. This increase in costs, whilst exceeding the allocated budget, is within the financial limits of the top-slice figure, therefore having no detrimental effect on the overall CPCA budget. These costs will decrease next year and the remainder of the top-slice will be utilised to fund the staff required for the final two years of project monitoring and report writing.

- b. Marketing and Promotion is currently forecasting an underspend of £87k. This is due to the difficulties in recruiting to the post during COVID-19 and therefore the knock-on effect of creating and producing marketing and promotional campaigns and material. The role of Business & Market Engagement Officer was recruited as a 12-month fixed term contract, and it is proposed that any possible underspend within this budget line will be requested to apply for the monies to be carried forward to ensure that the costs of this role are met.
- c. Due to the changes in the St. Neots Masterplan project, it is currently unsure if the full revenue budget will be spent in-year. There will be a new capital project for the St. Neots Masterplan, and the revenue budget will assist in the delivery of this.
- d. Strengthening LEP's is currently forecasting a minimal underspend of £7k, however, the nature of this reactive budget line means that it is highly likely this budget will be consumed in full come the end of the financial year end.
- e. The £45,037 underspend within the Inward Investment budget line is due to the reduction in inward investment activities carried out under contract by Opportunity Peterborough, in the run up to the redesign and procurement of the new service. This underspend will be provisioned against new business cases to be produced in support of the CPCA's spending review submissions and the mobilisation costs of the new Inward Investment Service.

## 4. Capital Budget

- 4.1 A breakdown for the Business & Skills Directorate 'Capital' expenditure for the period to 30<sup>th</sup> September, is set out in Table 3 in Appendix 1.
- 4.2 The Forecast Outturn as set out in the table above shows a decrease in expected costs for the year of £5,443,479 compared to the budget. 'Actual' figures are based on payments made and accrued expenditure where known. The year to date costs may therefore be understated due to the delay between goods and services being provided by suppliers, and invoices being raised and paid.
- 4.3 A full breakdown of LGF Projects is contained within the LGF Update Programme Management Review Paper presented to this meeting. The balance remaining on the LGF Projects is addressed with the new projects that are being presented to this meeting in the Growth Deal Project Proposals paper.
- 4.4 Variances between the predicted capital outturn position and the annual budget for the main budget headings are set out below:
  - a. The St. Neots Masterplan project is currently undergoing re-evaluation following the removal of the cycle bridge element. A new project budget line will be created upon receipt of a revised plan however, it is probable this will roll into 2021/22.
  - b. The LGF Projects underspend of £2.557m is largely due to a project withdrawing and this underspend is addressed within the LGF proposals papers submitted to this meeting.

## Significant Implications

### 3. Financial Implications

- 3.1 There are no financial implications other than those included in the main body of the report.

### 4. Legal Implications

- 4.1 The Combined Authority is required to prepare a balanced budget in accordance with statutory requirements.

### 5. Other Significant Implications

- 5.1 There are no significant implications

### 6. Appendices

- 6.1 Appendix 1 – Business Performance Report

Table 1 Business Board Revenue Projects	FY 20-21 Project Budget	Actual April 20	Actual May 20	Actual June 20	Actual July 20	Actual Aug 20	Actual Sept 20	Forecast Oct 20	Forecast Nov 20	Forecast Dec 20	Forecast Jan 21	Forecast Feb 21	Forecast Mar 21	FY 20/21 Total Spent / Forecast	FY 20/21 Balance Remaining
EU Exit Funding	£ 131,500	£ -	£ -	£ 62,206	£ -	£ -	£ 62,856	£ -	£ 6,438	£ -	£ -	£ -	£ -	£ 131,500	£ -
EZ Funded Growth Company Contribution	£ 230,000	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 230,000	£ -	£ -	£ -	£ -	£ 230,000	£ -
Growth Hub	£ 517,000	£ 10,281	£ 25,457	£ 11,875	£ 71,892	£ 12,633	£ 11,067	£ 72,000	£ 55,000	£ 55,295	£ 64,500	£ 55,000	£ 72,000	£ 517,000	£ -
Integrated Insight Evaluation Programme	£ 189,000	£ -	£ -	£ -	£ -	£ -	£ -	£ 45,000	£ 45,000	£ 45,000	£ -	£ 54,000	£ -	£ 189,000	£ -
LGF Programme Costs	£ 400,000	£ -	£ 28,760	£ 7,375	£ 127,684	£ 2,535	£ 27,358	£ 105,000	£ 17,667	£ 115,080	£ 20,600	£ 10,661	£ 135,682	£ 598,402	£ 198,402
LIS Implementation	£ 176,300	£ 8,840	£ -	£ 10,000	£ 14,750	£ 21,376	£ 40,467	£ 35,000	£ 63,247	£ -	£ -	£ -	£ -	£ 176,000	£ 300
Market Towns Strategy Implementation	£ 222,900	£ 75,000	£ 840	£ 96,666	£ -	£ -	£ -	£ 50,000	£ 50,000	£ 50,000	£ 50,394	£ -	£ -	£ 222,900	£ -
Marketing & Promotion of Services	£ 145,000	£ -	£ -	£ -	£ 2,773	£ -	£ 5,015	£ 14,890	£ 7,015	£ 7,015	£ 7,015	£ 7,015	£ 7,015	£ 57,753	£ 87,247
Peer Networks	£ 210,000	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 40,000	£ 40,000	£ 50,000	£ 40,000	£ 40,000	£ 210,000	£ -
St Neots Masterplan	£ 254,100	£ 22,722	£ -	£ 17,500	£ 18,373	£ 3,500	£ 21,567	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 233,662	£ 20,438
Strengthening LEP's	£ 188,000	£ 7,276	£ 21,910	£ 12,075	£ 5,400	£ 5,563	£ 11,875	£ 30,830	£ 27,563	£ 19,520	£ 17,767	£ 10,500	£ 10,000	£ 180,279	£ 7,721
Trade and Investment Programme	£ 100,000	£ -	£ -	£ -	£ 24,963	£ -	£ -	£ 5,000	£ -	£ 25,000	£ -	£ -	£ -	£ 54,963	£ 45,037
Grand Total	£ 2,763,800	£ 43,561	£ 76,967	£ 217,697	£ 265,835	£ 45,607	£ 180,205	£ 382,720	£ 566,930	£ 381,910	£ 235,276	£ 202,176	£ 289,697	£ 2,801,459	£ 37,659

Table 2. Skills Revenue Budgets 2020/21							
	Sept Board Approvals & Revised Budget			Actuals to 30th Sept 2020	Forecast Outturn	Forecast Outturn Variance	
<u>Skills Revenue Programmes</u>	July Budget £'000	Adjustments £'000	Budget £'000	£'000	£'000	£'000	
AEB Devolution Programme	11,646.3	-	11,646.3	6,675.9	10,774.5	(871.8 )	
AEB Innovation Fund - Revenue	336.7	-	336.7	-	336.7	-	
AEB Programme Costs	372.7	-	372.7	98.4	372.7	-	
Apprenticeship Levy Fund Pooling	76.2	-	76.2	21.3	76.2	-	
Careers and Enterprise Company (CEC)	86.2	-	86.2	9.1	86.2	-	
HAT Work Readiness Programme	52.8	-	52.8	36.6	52.8	-	
Health and Care Sector Work Academy	3,235.6	-	3,235.6	215.5	1,053.1	(2,182.5 )	
High Value Courses	-	153.8	153.8	-	153.8	-	
National Retraining Scheme	65.1	-	65.1	-	65.1	-	
Sector Based Work Academies	-	152.0	152.0	-	152.0	-	
Skills Advisory Panel (SAP) (DfE)	114.0	-	114.0	8.2	114.0	-	
Skills Brokerage	107.0	-	107.0	-	107.0	-	
Skills Strategy Implementation	120.5	-	120.5	12.4	120.5	-	
University of Peterborough	4.2	-	4.2	143.4	4.2	-	
University of Peterborough - Legal Costs	150.0	-	150.0	131.0	150.0	-	
Total Skills Revenue	16,367.3	305.7	16,673.0	7,351.8	13,618.8	(3,054.2 )	



Table 2 Business & Skills Capital Projects	FY 20-21 Project Budget	Actual April 20	Actual May 20	Actual June 20	Actual July 20	Actual Aug 20	Actual Sept 20	Forecast Oct 20	Forecast Nov 20	Forecast Dec 20	Forecast Jan 21	Forecast Feb 21	Forecast Mar 21	FY 20/21 Total Spent / Forecast	FY 20/21 Balance Remaining
COVID-19 Micro Grants	£ 500,000	£ -	£ 14,359	£ 247,415	£ 131,845	£ 5,000	£ 41,092	£ 40,000	£ 20,289	£ -	£ -	£ -	£ -	£ 500,000	£ -
LGF Projects	£ 67,639,755	£ 513,678	£ 1,724,658	£ 7,584,547	£ 2,881,509	£ 1,309,103	£ 756,759	£ 2,183,203	£ 13,874,129	£ 7,819,792	£ 6,337,145	£ 11,060,784	£ 9,036,969	£ 65,082,276	£ 2,557,479
Market Town Master Plan Implementation	£ 500,000	£ -	£ -	£ -	£ -	£ -	£ -	£ 500,000	£ -	£ -	£ -	£ -	£ -	£ 500,000	£ -
Market Town Master Plan Implementation (Subject to Approval)	£ 5,000,000	£ -	£ -	£ -	£ -	£ -	£ -	£ 500,000	£ 500,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 5,000,000	£ -
Peterborough University - Capital	£ 12,300,000	£ -	£ 112,349	£ 154,447	£ 175,712	£ 97,135	£ 45,757	£ 85,000	£ 65,000	£ -	£ -	£ -	£ 11,564,600	£ 12,300,000	£ -
St Neots Masterplan	£ 2,886,000	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 2,886,000
Grand Total	£ 88,825,755	£ 513,678	£ 1,851,366	£ 7,986,409	£ 3,189,066	£ 1,411,238	£ 843,608	£ 3,308,203	£ 14,459,418	£ 8,819,792	£ 7,337,145	£ 12,060,784	£ 21,601,569	£ 83,382,276	£ 5,443,479



## Local Growth Fund Programme Management Review - November 2020

To: Business Board

Meeting Date: 10 November 2020

Public report: Yes

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director Business and Skills

Key decision: No

Recommendations: The Business Board is asked to:

- a) Note the funding position and forecast for Local Growth Fund Programme including the projects completed and in delivery;
- b) Recommend to the Combined Authority the proposed grant scheme into which to allocate the remaining £2,043,178 Local Growth Fund;
- c) Recommend that the Combined Authority Board delegate authority to Director of Business and Skills in consultation with the Monitoring Officer, Lead member for finance and Section 73 Officer to approve launching the grant scheme approved by the Business Board to receive the remaining £2,043,178 Local Growth Fund;
- d) Recommend to the Combined Authority Board approval, allowing the carry forward of £100,000 of the current funding allocation to the Eastern Agri-tech Growth Initiative scheme to enable the close out of the scheme, handling of final claims, a full programme evaluation and report during 2021-22; and
- e) Recommend all the programme updates outlined in this paper to the Combined Authority Board.

## 1. Purpose

- 1.1 The Greater Cambridge and Greater Peterborough Local Enterprise Partnership (GCGP LEP) negotiated three successive Growth Deals with Government between 2014 and 2017, securing £146.7m to deliver new homes, jobs and skills across the LEP area. This report provides an update on the programme's performance since April 2015 for the Local Growth Fund (LGF).
- 1.2 This paper provides the Board with operational updates on the LGF progress to 16 October 2020 based on the following items:
  - (a) 2020/21 LGF annual grant payment
  - (b) Financial update on programme spend
  - (c) Q1 2020/21 Quarterly Growth Deal return to MCHLG
  - (d) Projects currently in delivery including pre-contract plus completed projects
  - (e) COVID Business Capital Grant
  - (f) Eastern Agri-Tech Growth Initiative update
  - (g) LGF Monitoring and Evaluation update
  - (h) Review of LGF application steps, scoring matrices and evaluation processes plus future pipeline
  - (i) Getting Building Fund (GBF) update

## 2. Background

- 2.1 The Local Growth Funds must be spent by 31 March 2021 but programme outcomes can be delivered beyond 2021. Local Growth Funds can provide Grants, Loans or other forms of funding such as Equity Capital Investment.
- 2.2 In addition to the Local Growth Funding there is recycled funding as a result of the Growing Places Loan Fund successfully lent and repaid during the programme which has established a recyclable pot of grants and loans for projects delivering economic benefit across the region, this pot has no spend deadline.

## 3. 2020/21 Local Growth Fund Annual Grant Payment

- 3.1 The Cities and Local Growth (CLG) Unit has in May paid the Combined Authority two-thirds of the total annual £35million allocated for 2020/21 Local Growth Fund grant payment for this financial year.
- 3.2 On the 30<sup>th</sup> October 2020 CLG paid the remaining third of the 2020/21 LGF allocation to the Combined Authority. This gives the Business Board the assurance that all the funds it requires to fulfil its awarded project commitments have been received and are available.

## 4. Local Growth Fund Programme Position

- 4.1 On 16 October 2020, the Combined Authority's Local Growth Fund programme had 20 projects including the new COVID capital grant scheme in delivery, listed in table below:

Local Growth Fund Projects in Delivery		
Project Name	Start Date	End Date
Whittlesey Access Phase 1 King's Dyke Crossing	01/07/2016	30/06/2018
Wisbech Access Strategy	01/05/2015	31/03/2021
Lancaster Way Phase 2 Grant	30/12/2017	31/03/2021
NIAB - AgriTech Start Up	02/02/2020	31/03/2021
NIAB - Hasse Fen Extension	01/03/2020	31/03/2021
TWI - Innovation Network Ecosystem	14/05/2020	31/03/2021
Illumina Accelerator Global Expansion	10/06/2020	31/03/2021
3D Centre of Excellence	10/03/2020	31/03/2021
Start Codon - Healthcare & Life Science Accelerator	06/07/2020	31/03/2021
West Cambridge Innovation Park	03/07/2020	31/03/2021
Agri-Tech Growth Initiative	01/08/2015	31/03/2021
COVID-19 Capital Growth Grant Scheme	14/10/2019	31/03/2021
AEB Innovation Scheme	01/07/2020	31/03/2021
Skills & Training Space Expansion	12/06/2020	31/03/2021
Medtech Accelerator	30/12/2016	31/03/2021
TTP Life Science Incubator	06/08/2020	31/03/2021
Advanced Manufacturing Innovation Launchpad - Chatteris	13/08/2020	31/03/2021
Ascendal New Technology Accelerator	14/10/2020	31/03/2021
CRC Construction Hub	15/09/2020	31/03/2021
Cambridge Biomedical Campus - Multi Occupancy Building	04/08/2020	31/03/2021

- 4.2 There were 6 projects approved for funding by the Business Board which are in contract/funding agreement negotiation pre-commencement of delivery with a total value of £28.5million (see table below).

Local Growth Fund Projects to Contract		
Project Name	Start Date	End Date
South Fens Enterprise Park Phase 3	TBC	31/03/2021
University of Peterborough	TBC	31/03/2021
Business Growth Service	TBC	31/03/2021
Peterborough City Centre - Regeneration	TBC	31/03/2021
Cambridge Automated Metro Innovation Body	TBC	31/03/2021
Smart Manufacturing Association	TBC	31/03/2021

- 4.3 After the project approved at last Combined Authority Board there was £353,178 LGF remaining to be allocated. There has also been formal notification on the 15th October 2020 from the Brampton Hub Launchpad project that they are withdrawing from their LGF award of £2.4million because of delivery issues preventing spend of their grant in the foreseeable future. This results in a new balance of £2,753,178 left in the remaining Local Growth Fund pot to be allocated and spent before 31 March 2021.

Local Growth Fund Projects Withdrawn		
Project Name	Start Date	Withdrawn
M11 J8	02/04/2019	01/06/2020
Cambridge Northern Fringe - Sci Tech Container Village	TBC	12/05/2020
Brampton Hub - Mobility, Fuels & Logistics Launchpad	TBC	31/03/2021
Wisbech Construction Careers Hub	TBC	15/06/2020

- 4.4 The total programme expenditure to the 16 October 2020 including completed projects is £91,477,158. This is the total actually paid out to projects and runs well behind the combined project approval/allocation figure.
- 4.6 There are 22 completed Local Growth Fund projects (see table below) subject to evaluation over the coming months as part of the Local Growth Funding Monitoring & Evaluation plan which will be reported to Business Board.

Local Growth Fund Projects Completed		
Project Name	Start Date	End Date
Ely Southern Bypass	01/10/2016	01/06/2018
Bourges Boulevard Phase 1	04/01/2014	31/07/2015
Bourges Boulevard Phase 2	01/03/2016	31/03/2019
A47/A15 Junction 20	01/03/2016	31/03/2017
TWI (The Welding Institute) Expansion	01/09/2015	31/10/2016
Technical and Vocational Centre, Alconbury Weald	01/05/2015	31/03/2018
Cambridge Biomedical Innovation Centre	01/12/2015	31/10/2016
Peterborough Regional College Food Mfg Centre	07/01/2015	31/07/2016
Growing Places Fund Extension	07/08/2015	31/03/2019
<i>Highways Academy</i>	01/03/2015	31/05/2016
CITB Construction Academy	10/01/2016	29/10/2017
EZ Plant Centre Alconbury	01/01/2016	31/03/2016
Signpost to Grant	01/02/2016	31/03/2019
Lancaster Way Phase 1 Loan	01/12/2016	31/03/2021
Lancaster way Phase 2 Loan	31/01/2017	31/03/2021
Manea & Whittlesea Stations	31/01/2017	31/03/2021
Terraview Loan	01/12/2018	30/04/2019
Soham Station	04/07/2019	01/07/2020
Haverhill Epicentre	01/07/2019	01/07/2020
Advanced Manufacturing Facility - Living Cell	26/03/2020	31/05/2020
Aerotron CAPEX Relocation Project	01/04/2020	01/06/2020
Hauxton House Incubator Development	15/07/2019	30/06/2020

## 5. Growth Deal Monitoring Return Q2 2020/21

- 5.1 The Business Board is required to submit formal monitoring returns to Government on Growth Deal performance and forecasts on a quarterly basis.
- 5.2 The return for Q2 2020/21 is being prepared by LGF Officers ready for submission and the

dashboard is attached at Appendix A for Business Board members to note.

- 5.3. The LGF team has however been compiling and updating an Issue Log for all projects live in delivery or in pre-contract negotiation. This is being shared with MHCLG and BEIS colleagues to appraise the situation regarding COVID upon LGF delivery. Please note Appendix B LGF Project Delivery Issue Log.
- 5.4. Projects shown in amber have slightly delayed delivery but with resolutions agreed with delivery partners to complete schemes by delivery end date. The RAG rating of all transport projects remain Amber or Amber/Green. There are currently no projects red-flagged as at end of Qtr 2 30 September 2020.

Project RAG Ratings					
Project Name	Prev Qtr Q1_2021	This Qtr Q2_2021	Project Name	Prev Qtr Q1_2021	This Qtr Q2_2021
Whittlesey Access Phase 1 King's Dyke Crossing	G	G	The Growth Service	-	-
Ely Southern Bypass	G	G	NIAB - Hasse Fen Extension	G	G
Bourges Boulevard Phase 1	G	G	TWI - Innovation Network Ecosystem	G	G
Bourges Boulevard Phase 2	G	G	Illumina Accelerator Global Expansion	G	G
A47/A15 Junction 20	G	G	Advanced Manufacturing Facility - Living Cell	G	G
Wisbech Access Strategy	AG	AG	Cambridge Northern Fringe - Sci Tech Container Village	N/A	N/A
TWI (The Welding Institute) Expansion	G	G	LGF Topslice	G	G
Technical and Vocational Centre, Alconbury Weald	G	G	Ascendal New Technology Accelerator	AG	G
Agri-Tech Growth Initiative	G	G	3D Centre of Excellence	G	G
Cambridge Biomedical Innovation Centre	G	G	Aerotron CAPEX Relocation Project	G	G
Haverhill Innovation Centre	N/A	N/A	Start Codon - Healthcare & Life Science Accelerator	AG	G
Peterborough Regional College Food Mfg Centre	G	G	Advanced Manufacturing Innovation Launchpad - Chatter	G	G
Growing Places Fund Extension	G	G	Smart Manufacturing Association	AG	G
Highways Academy	G	G	Cambridge Biomedical Campus - Multi Occupancy Building	AG	G
CITB Construction Academy	G	G	TTP Life Science Incubator	AG	G
EZ Plant Centre Alconbury	G	G	Wisbech Construction Careers Hub	N/A	N/A
Signpost to Grant	G	G	University of Peterborough	G	G
Medtech Accelerator	G	G	South Fens Enterprise Park Phase 3	AG	G
Lancaster Way Phase 1 Loan	G	G	Skills & Training Space Expansion	G	G
Lancaster way Phase 2 Loan	G	G	Brampton Hub - Mobility, Fuels & Logistics Launchpad	AG	G
Lancaster way Phase 2 Grant	AG	G	West Cambridge Innovation Park	AG	G
Manea & Whittlesea Stations	G	G	AEB Innovation Scheme	G	G
M11 J8	N/A	N/A	CAM Promoter Body	-	G
Terraviva Loan	G	G	CRC Construction Hub	-	G
Soham Station	G	G	Peterborough City Centre - COVID Recovery	-	G
Haverhill Epicentre	G	G	-	-	-
Forecast	N/A	N/A	-	-	-
COVID-19 Capital Growth Grant Scheme	G	G	-	-	-
Hauxton House Incubator Development	G	G	-	-	-
NIAB - AgriTech Start Up	G	G	-	-	-

## 6. COVID Business Capital Grants Programme

- 6.1 The COVID Capital Grant scheme run during summer 2020 is now closed and the £5.5million all awarded through grant offers is now being drawn down by invoice evidence claims from the businesses.
- 6.2 The claims value paid out so far equals: £2,242,634
- 6.3 The current funding position for the Local Growth Fund Programme as noted above has £2,753,178 left to allocate with a project being considered for funding approval at this Board meeting for £710,000, The Business Board is therefore asked to consider the following options for allocating that £2,043,178 of the remaining balance:



1. Ringfence the £2,043,178 into restarting the COVID Capital Grant Scheme subject to the Combined Authority area going into Tier 2 lockdown restrictions and analysing the level of Central Government grant support available to Businesses at that point. The key outcome for this option would be the creation and safeguarding of jobs and capital support to firms within the Combined Authority area to help prevent them from closing as demonstrated by the COVID Capital Grant scheme recently closed. The Value for money ratio from the approved applications for the COVID Capital Grant Scheme based upon creating new and safeguarding job outputs combined was £6,875 per output, if the ratio only includes new jobs created and does growth potential not counting safeguarded jobs then equates to £19,200 per output. The offer out to businesses through this scheme would be across all sectors and on a first come first served basis with pent up demand still likely from the last scheme especially from Hospitality and Leisure sector. The scheme criteria would be broadly as previously recommended by the Business Board and approved by the Combined Authority Board at its meeting on 29<sup>th</sup> April 2020, see Appendix C, However, the criteria would be reviewed to fit with current COVID-19 impacts plus consideration to targeting and promotion of the scheme aimed at applicants who applied in last scheme but the funds ran out before their application could be considered. There are factors to consider such as potential job losses in relation to the winding down of government furlough scheme and the slower than expected economic recovery since the summer for parts of the economy in the Combined Authority area and so it is proposed holding this funding ringfenced for this purpose until end of December 2020 with the decision to trigger this scheme delegated to Director of Business and Skills in consultation with the Lead Member for Finance and the Business Board Section 73 Officer.

In January 2021 the Business Board can review this option and if required to remove the ringfence to allocate in a different manor.

2. Allocate the £2,043,178 into the Growth Grants strand of the new Business Growth Service which will be targeting companies with rebound and regrowth potential, seeking to create higher value sustainable jobs and this service is contracted to achieve a target value for money ratio on new jobs created per grant given of £6,000 per output. The delivery of these grants would be negotiated as a contract variation for the new Business Growth Service contractor to award the grants out to businesses in the Combined Authority area and those grants claimed before end of March 2021. The contractor would be asked to manage the targeting of the relevant businesses in the key sectors that have the highest potential for rebound and regrowth.

The Business Growth Service approval by Business Board and Combined Authority Board in November 2019 did include £6million of LGF as provision for the capital Growth Grants in this programme but this figure was subsequently reduced because of allocating £3million into the COVID Capital Grant Scheme over the summer 2020. Allocating the remaining £2,043,178 LGF back into this programme would bring the available Capital Growth Grants back to £5,043,178 to be deployed through this programme by the appointed contractor.

- 6.4 The Business Board is asked to decide the allocation of the remaining £2,043,178 Local Growth Fund into one of the two proposed grant scheme options above, and
- 6.5 The Business Board is asked to recommend that the Combined Authority Board delegate authority to Director of Business and Skills in conjunction with the lead member for finance, the Monitoring Officer and Section 73 Officer to approve launching of the chosen option as



required.

## 7. Eastern Agri-Tech Growth Initiative Update

- 7.1 The Eastern Agri-Tech Growth Initiative has funded a total of 81 projects since the Growth Deal/Local Growth Fund invested through this programme, Since the last update for the BB, the Eastern Agri-Tech Programme Board has met 5 times (via the Zoom platform) and considered 15 applications for grant support. 12 were approved and 3 rejected. Of the 12 successful applicants, 7 were R&D projects and 5 were Growth/CAPEX projects. A total of £569,790 has been awarded to the 12 businesses. The 3 unsuccessful applications were R&D proposals. There are 4 applications currently being appraised with a total grant value of 157,630; 3 are R&D project proposals and 1 is Growth/CAPEX. The Programme Manager is expecting a further 4 more applications during November and December and if these come forward and are approved, the remaining Agri-Tech budget will just be £318,584.
- 7.2 During the previous 7 years, the Agri-Tech project has used a portion of its funds, including a percentage of NALEP funds, to support the management of the project. These funds include the cost of staff members, appraisals, evaluation and monitoring and other similar activities. Although the project itself will have come to a close due to the defrayment of LGF funding, there is a requirement to conduct evaluation and monitoring of the individual projects as well as provide a final report.
- 7.3 The Agri-Tech Programme Board takes decisions about applications for grant funding and not programme management as per agenda item 2.3 at the Business Board on 26<sup>th</sup> November 2018.
- 7.3 It is therefore requested that the Business Board recommend to the Combined Authority Board to approve withholding a further £100,000 of the allocated funds to the scheme to close out the scheme, handle final claims and create a full programme evaluation and report during 2021-22. This £100,000 does not include any New Anglia Local Enterprise Partnership (NALEP) funding, therefore does not require NALEP approval.

## 8. LGF Monitoring and Evaluation Update

- 8.1 The Monitoring of all live projects in delivery is conducted by the Local Growth Fund team on a monthly and quarterly basis. The Business Board is asked to note latest updated Monitoring report at Appendix D for all projects both completed and live.
- 8.2 Metro Dynamics and their specialists Ekosgen are contracted to support the evaluation of the completed LGF projects. The initial evaluation paper produced by Ekosgen on the closed projects awarded historically under the Greater Cambridge Greater Peterborough Local Enterprise Partnership tenure has been submitted to the LGF Team, upon review it was decided further work was required, therefore the draft summary report for these first tranche of projects will now be provided to Business Board members as soon as ready in November and the evaluation contractor will be invited to present findings at January Business Board meeting.

## 9. LGF Processes Review and Pipeline Development

9.1 A review of the application and evaluation processes used for the Local Growth Fund (LGF) has been led by Andy Neely on behalf of the Business Board working with the LGF Officers. The review comprised of investigating the following and providing a report back to the Business Board:

- What went well
- What did not go so well, and
- Best practice from other organisations that we would like to implement if possible.

As part of the review process a peer comparison was conducted.

9.2 From the peer comparison work it has become evident that we are currently carrying out a robust and transparent process that meets the requirements of the LGF calls. This being the case we would not propose to make any changes to our current process for any current calls linked to this round of LGF funding. There were some improvements highlighted that could be changed to the current process, but these are dependent on the next round of major funding from central government and the criteria that are placed on it by Government. We are proposing that we should look at the following areas once the next significant round of funding is announced:

- The development of a pipeline of projects
- The initial application submission – make a gate keeping stage not scored
- The Full Application – if a lighter touch Expression of Interest is in place, we would require a more detailed Application be produced.
- Entrepreneur Panel (EAP) – Expand the remit of the panel.
- External Appraisal – propose no change but possibly expand remit slightly.

9.3 The review concludes that we have a robust and transparent process for allocating LGF in the CPCA Business Board, we had a very short timeframe within which to allocate funds and ensure projects would be able to meet the deadline of completion by the 31st March 2021. However the 5 areas identified above for further investigation allow the Business Board to begin the process of added improvement to establish a clear and robust framework for decision making and potentially projects ready to go when the next funding announcement is made.

The Draft report from the review is attached at Appendix E for the Business Boards' information and to note the review report findings.

9.4 After reviewing current application and evaluation processes the LGF team have started working on ideas for Pipeline development plan in preparation for next tranches of funding that will be allocated to the Combined Authority with over-sight by the Business Board.

This includes working closely with our Local Authorities and connecting more into the private sector to broaden our range of projects plus bring forward strategic investment priorities in line with Local Economic Recovery Strategies, Sector Strategies, and a refreshed Local Industrial Strategy.

Another aspect is to enable project capture is by embracing technology at the project gathering part of the process, with project leads able to add their project to the online form at an early speculative stage.

Appendix F outlines the draft plan for pipeline development over 2021/22 and beyond to prepare for further tranches of funds from government that the Business Board would be

required to manage oversight of.

## 10. Getting Building Funding Update

- 10.1 The Business Board at its Extraordinary meeting on the 19<sup>th</sup> October 2020 recommended to the Mayor in Consultation with the Combined Authority Board approval of Getting Building Fund to the Peterborough University Phase 2 Manufacturing and Materials Research & Development Centre project subject to conditions recommended by the external appraiser.
- 10.2 The Mayor consulted with Combined Authority Board members at the Leaders Strategy Meeting on the 28<sup>th</sup> October on this approval and at the time of writing it is envisaged that the Mayor will make a final decision on or after 3<sup>rd</sup> November 2020.
- 10.3 The approval includes delegated authority for contractual award when the external appraisers' conditions are met and at that point contractual agreements will be signed off with the Project partners prior to payment of the £14,295,000 GBF.

## Significant Implications

### 11. Financial Implications

- 11.1 The requested allocation of remaining LGF funds to start a second round of the COVID capital grant scheme is, by its nature, within the available LGF so can be committed without affecting the wider CPCA finances.
- 11.2 As the first round of the COVID capital grant scheme has not reached the monitoring and evaluation phase at this point it is not possible to take historic performance into account when assessing the proposal to run a second round. As such the actual level of jobs outcomes achieved vs forecast cannot currently be determined.
- 11.3 If the remaining funds were allocated as an addition to the Business Growth Service it would be covered by the performance indicator mentioned in paragraph 6.3(2) so would either guarantee the outcomes at £6k per job, or a saving due to profit elements of payments being withheld.
- 11.4 The £100k of Agri-tech funds to be utilised in 2021-22 is already included within the overall programme allocation from LGF funds and represents a reprofiling of expenditure rather than an increase in the total project costs.

### 12. Legal Implications

- 12.1 The Cambridgeshire and Peterborough Combined Authority Order 2017 granted the Combined Authority a general power of competence. This power permits the Combined Authority to make grants to providers in order to deliver the terms of the devolution deal signed with Government.

- 12.2 The Business Board is responsible for programme direction of Growth Funds. The Combined Authority, as the Accountable Body, maintains the legal agreements with project delivery bodies.

## 13. Other Significant Implications

- 13.1 None.

## 14. Appendices

- 14.1 Appendix A – Cities and Local Government (MHCLG/BEIS) Quarter 2 Return
- 14.2 Appendix B – LGF Project Delivery Issue Log
- 14.3 Appendix C – Update on the Combined Authority's response to Covid-19 and Funding Decisions
- 14.4 Appendix D - Business Board LGF Investment Monitoring Report
- 14.5 Appendix E – LGF Processes Review Report
- 14.6 Appendix F – LGF Pipeline Development Plan (Draft)

## 15. Background Papers

- 15.1 Local Growth Fund Documents, Investment Prospectus, guidance and application forms, <https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/>  
72 Market Street, Ely, Cambridgeshire CB7 4LS
- 15.2 Eastern Agri-tech Growth initiative guidance and application forms, <https://cambridgeshirepeterborough-ca.gov.uk/business-board/eastern-agri-tech-growth-initiative/>  
72 Market Street, Ely, Cambridgeshire CB7 4LS
- 15.3 List of funded projects and MHCLG monitoring returns, <https://cambridgeshirepeterborough-ca.gov.uk/business-board/opportunities/>  
72 Market Street, Ely, Cambridgeshire CB7 4LS
- 15.4 Local Industrial Strategy and associated sector strategies, <https://cambridgeshirepeterborough-ca.gov.uk/business-board/strategies/>  
72 Market Street, Ely, Cambridgeshire CB7 4LS
- 15.5 COVID Business Capital Grant Scheme, <https://capitalgrantscheme.co.uk/>  
72 Market Street, Ely, Cambridgeshire CB7 4LS

LEP Name Greater Cambridge and Peterborough LEP

This Quarter: Q2\_2021

#### Deliverables Progress

	This Quarter	15-17	17-18	18-19	19-20	20-21	21-22	Total
<b>Housing</b>								
Houses Completed	0	200	200	0	0	0	-	400
Forecast for year	870	200	200	628	868	870	7,309	10,075
Progress towards forecast	0%		100%	0%	0%	0%	-	4%
<b>Jobs</b>								
Jobs Created	0	61	461	861	559	0	-	1,942
Apprenticeships Created*	0	0	0	88	0	0	-	88
Jobs including Apprenticeships	0	61	461	949	559	0	-	2,030
Forecast for year	3,236	51	403	1,161	913	3,236	24,632	30,396
Progress towards forecast	0%		114%	82%	61%	0%	0%	7%
* Apprenticeships included within jobs totals prior to 2017								
<b>Skills</b>								
Area of new or improved floorspace (m2)	0	440	2,972	432	0	0	-	3,844
Forecast for year	0	440	2,380	0	0	0	7,544	10,364
Progress towards forecast	-		125%	-	-	-	-	37%
Number of New Learners Assisted	0	0	1,198	131	129	0	-	1,458
Forecast for year	462	0	125	181	179	462	410	1,357
Progress towards forecast	0%		958%	72%	72%	0%	-	107%
<b>Transport</b>								
Length of Road Resurfaced	0.0	0.0	6.0	10.0	0.0	0.0	-	16.0
Length of Newly Built Road	0.0	0.0	1.0	4.2	0.0	0.0	-	5.2
Length New Cycle Ways	0.0	0.0	2.5	17.0	0.0	0.0	-	19.5

#### Project RAG Ratings

Project Name	Prev Qtr Q1_2021	This Qtr Q2_2021	Project Name	Prev Qtr Q1_2021	This Qtr Q2_2021
Whittlesley Access Phase 1 King's Dyke Crossing	G	G	The Growth Service	-	-
Ely Southern Bypass	G	G	NIAB - Hasse Fen Extension	G	G
Bourges Boulevard Phase 1	G	G	TWI - Innovation Network Ecosystem	G	G
Bourges Boulevard Phase 2	G	G	Illumina Accelerator Global Expansion	G	G
A47/A15 Junction 20	G	G	Advanced Manufacturing Facility - Living Cell	G	G
Wisbech Access Strategy	AG	AG	Cambridge Northern Fringe - Sci Tech Container Village	N/A	N/A
TWI (The Welding Institute) Expansion	G	G	LGF Topside	G	G
Technical and Vocational Centre, Alconbury Weald	G	G	Ascendal New Technology Accelerator	AG	G
Agri-Tech Growth Initiative	G	G	3D Centre of Excellence	G	G
Cambridge Biomedical Innovation Centre	G	G	Aerotron CAPEX Relocation Project	G	G
Haverhill Innovation Centre	N/A	N/A	Start Codon - Healthcare & Life Science Accelerator	AG	G
Peterborough Regional College Food Mfg Centre	G	G	Advanced Manufacturing Innovation Launchpad - Chatter	G	G
Growing Places Fund Extension	G	G	Smart Manufacturing Association	AG	G
Highways Academy	G	G	Cambridge Biomedical Campus - Multi Occupancy Build	AG	G
CITB Construction Academy	G	G	TTP Life Science Incubator	AG	G
EZ Plant Centre Alconbury	G	G	Wisbech Construction Careers Hub	N/A	N/A
Signpost to Grant	G	G	University of Peterborough	G	G
Meditech Accelerator	G	G	South Fens Enterprise Park Phase 3	AG	G
Lancaster Way Phase 1 Loan	G	G	Skills & Training Space Expansion	G	G
Lancaster way Phase 2 Loan	G	G	Brampton Hub - Mobility, Fuels & Logistics Launchpad	AG	G
Lancaster way Phase 2 Grant	AG	G	West Cambridge Innovation Park	AG	G
Manea & Whittlesley Stations	G	G	AEB Innovation Scheme	G	G
M11 J8	N/A	N/A	CAM Promoter Body	-	G
Terraviva Loan	G	G	CRC Construction Hub	-	G
Soham Station	G	G	Peterborough City Centre - COVID Recovery	-	G
Haverhill Epicentre	G	G	-	-	-
Forecast	N/A	N/A	-	-	-
COVID-19 Capital Growth Grant Scheme	G	G	-	-	-
Huxton House Incubator Development	G	G	-	-	-
NIAB - AgriTech Start Up	G	G	-	-	-

#### Growth Deal Performance

G

#### Area lead comments

## Appendix A

#### Financial Progress

LGF Award	2015-16	2016-17	17-18	18-19	19-20	20-21	Total
	£21,100,000	£33,625,463	£23,664,705	£16,705,458	£15,875,346	£35,737,637	£146,708,609
<b>LGF Outturn</b>							
Actual	£ -	£ 25,849,968	£ 13,100,800	£ 19,297,072	£ 9,191,521	£ 9,502,323	£ 68,669,684
Forecast for year	£ 67,725,628	£ 26,782,975	£ 19,128,160	£ 9,738,834	£ 8,746,168	£ 67,725,628	£ 132,121,765
Progress towards forecast	0%		68%	198%	11%	14%	52%
<b>LGF Expenditure</b>							
Actual	£ 5,073,802	£ 25,849,968	£ 13,100,800	£ 16,876,608	£ 4,722,079	£ 14,576,125	£ 75,125,580
Forecast for year	£ 72,478,850	£ 25,849,968	£ 34,251,579	£ 9,729,834	£ 4,398,378	£ 72,478,850	£ 146,708,609
Progress towards forecast	7%		38%	173%	107%	20%	51%
<b>Non-LGF Expenditure</b>							
Actual	£ -	£ 11,050,401	£ 22,676,132	£ 682,302	£ -	£ 847,473	£ 35,256,308
Forecast for year	£ 59,469,790	£ 10,941,645	£ 6,627,615	£ 7,320,385	£ 21,442,000	£ 50,469,700	£ 105,801,435
Progress towards forecast	0%		342%	9%	0%	1%	33%
<b>Total LGF + non-LGF Expenditure</b>							
Actual	£ 5,073,802	£ 36,900,369	£ 35,776,932	£ 17,558,910	£ 4,722,079	£ 15,423,598	£ 110,381,888
Forecast for year	£ 131,948,640	£ 46,147,033	£ 40,879,194	£ 17,050,219	£ 25,840,378	£ 131,948,640	£ 261,865,464
Progress towards forecast	4%		+88%	+103%	+18%	+12%	42%

#### Contractual Commitments (manual entry)

	15-17	17-18	18-19	19-20	20-21	Total
Forecast	£ 36,150,465	£ 37,672,942	£ 8,732,797	£ 17,977,685	£ 46,174,720	£ 146,708,609
Actual	£ 34,979,061	£ 21,812,905	£ 18,899,250	£ 8,658,590	£ 14,576,850	£ 98,926,656
Variance	-3%	-42%	+116%	-52%	-68%	-33%

#### Commentary

As of September 2020 the LGF was making good progress on allocating and expending the remaining grant. We have a clear financial plan in place for all of the projects currently in contract and delivering and are working with the organisations still to contract to ensure all contracts are in place and all funds spent within the timeframe of LGF.

The outstanding contracts predominantly are joint ventures of shareholder type contracts which will enable to outturn of all funds quickly.

The LGF evaluation is currently taking place, looking at the completed projects contracted by the GCPC.

We have a project that has made a change request - Photocentric - they will now be focusing on manufacturing and the outcomes and outputs will remain the same or be improved for the same level of LGF investment.

We are working closely with organisations to ensure they are focused on delivery and where possible we are helping with issues around planning and procurement.

#### Section 151 Officer Approved

Name Rob Emery (Dept. S73 Officer for CPCA)

Signature

Date

#### Accountable Body Head of Paid Services Approval

Name John T. Hill (Director of Business & Skills, Cambridgeshire and Peterborough Combined Authority)

Signature

Date



## Appendix B

				Issues Log						
LGF Project Name	Risk Status	Position	Status	21/03/2020	30/03/2020	06/04/2020	13/04/2020	06/07/2020	17/08/2020	19/10/2020
Medtech Accelerator - Health Enterprise East	GREEN		In Delivery	No issues, project is progressing well with 2 start ups launched	No issues	No issues	No issues	In Contract	In Contract	In Contract - combined fund almost fully invested (25% remaining)
Illumina Genomics Accelerator - Illumina	GREEN	Delayed start	In Delivery	No contact from Illumina - suspect the COVID is impacting on the contract	Illumina are diverted to COVID		Now looking like they will be okay to enter into contract	In Contract	In Contract	In Contract
Ascendal New Technology Accelerator	GREEN	Delayed start	In Delivery	Awaiting documents	Awaiting documents		Legal Meeting taking place	Final Draft of Contracts in place awaiting meeting to agree	Final Draft of Contracts in place awaiting meeting to agree - awaiting finance sign off of new share agreement	In Contract
Logistics Launchpad - Endurance Estates - Brampton	Withdrawn	Delayed start	Withdrawn	Grant Agreement has been agreed, with Endurance for sign off, all information has been passed to finance, legal etc	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project		Ready to sign agreement	Awaiting contract from Endurance Estates	In Contract	Withdrawn - unable to secure planning within the timeframe to allow the project to proceed
Agri-Tech Growth Initiative - CPCA	GREEN		In Delivery	Progressing - no issues	No issues			In Contract	In Contract	Grant applications to allocate remaining funds being considered over November/December and payment of grants projected to be achieved before end of March 2021
Whitsey Access Phase 1 King's Dyke Crossing	GREEN		Completed	Delayed - unsure of the progress re remaining pavement - will chase Transport Team	Delays due to COVID, no issues meeting LGF deadline			Final payment being invoiced July 2020	Completed - monitoring continues	Completed - monitoring continues
Wisbech Access Strategy	AMBER		In Delivery	Delayed - contract signed but no update on the delivery and costs - Paul Raynes was contacted for a revised quotation	Inevitable delays due to COVID, could affect any potential capital swap if proposed by BEIS at this point			Change request being presented to BB 27/07/2020	Change request approved at BB	Progress is slow but is progressing
Advanced Manufacturing Launchpad - Metacraft	GREEN	Delayed start	In Delivery	Awaiting grant agreement feedback	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project			Contract with Metacraft for final iteration	In Contract	Procuring contractor and HE provider currently, changes to building allowing for quicker completion.
Hudson House Incubator Development	GREEN		Completed	No issues	No issues	No issues	No issues	In Contract	In Contract	Completed - monitoring outcomes
NAB - AgriTech Start Up Incubator	GREEN		In Delivery	No issues raised - first claim being submitted	No issues			In Contract	In Contract	Progress is good, external structure completed
TWI Ecosystem Innovation centre - TWI	GREEN	Delayed start	In Delivery	Renegotiation of outputs due to changes in the market	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - project have requested confirmation of extension to deadline spend before entering into contract - update from BEIS requested		Ready to sign grant agreement	In Contract	In Contract	Works progressing well
NAB - Agri-Gate Hasse Fen extension	GREEN		In Delivery	Agreement signed by client - awaiting signed copy from Monitoring Officer				In Contract	In Contract	Progress is good, external works progressing well
CUPP - Cambridge Biomedical Campus Multi Occupancy Building		Delayed start	In Delivery	Awaiting grant agreement feedback	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project		Review of contract before final sign off	In Contract	Reserved matters planning application submitted with decision due December 2020
3D Centre of Excellence Relocation - Photocentric	GREEN		In Delivery	No issues	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project			In Contract	In Contract	Change request approved at last BB, building purpose change to manufacturing hub
TTP Life Sciences Incubator	AMBER	Delayed start	In Delivery	Awaiting grant agreement feedback. 27/03/20-Working on Covid for now.	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project		Marked up Agreement received for review. To be sent back on 7/7/2020 for final check and sign off by the Applicant	In Contract	In Contract. Works progressing well. May complete project before proposed completed date
March Adult Edu Centre Expansion - Cambridgeshire Skills	GREEN	Delayed start	In Delivery	Grant Agreement agreed - awaiting signed copy	Grant Agreement agreed - awaiting signed copy	Email sent but no response. Will chase again next week.		In Contract	In Contract	In Contract. Work progressing well and due to completed on time.
West Cambridgeshire Innovation Park - Uni of Cambridge	AMBER	Delayed start	In Delivery	Awaiting grant agreement feedback	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project			Agreement signed, and awaiting sign off by Monitoring team	In Contract	In Contract. In talk about possible change in project site. Awaiting Project Change Request Form from applicant.
Opportunity Peterborough - Smart Manufacturing Association	AMBER	Delayed start	Pre Contract	Awaiting share agreement feedback. 27/3/20-Seeking state aid advice. Will work to complete whole process within the next quarter.	Awaiting state aid advice and shareholders agreement			Awaiting Agreement from the Applicant- Due to be sent by 10th July	Awaiting Agreement from the Applicant- Due to be sent by 10th July	Awaiting Agreement from the Applicant- Due to be sent by 5th October
Sci-Tech village - Uni PLC	WITHDRAWN	Major concern	Withdrawn	Delayed but contact has been resumed	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project			Withdrawn	Withdrawn	Withdrawn
M11 J8 - Essex County Council	WITHDRAWN		Withdrawn	Need update from Transport Team				Withdrawn	Withdrawn	Withdrawn
Haverhill Epicentre - Jaynic	GREEN		Completed	Potential delays due to construction slow down - but works haven't stopped so hopefully just a slow down 26/03/20- Contractors closed site due to Covid-19 which may delay opening to Jan 2021	Works stopped	Works stopped	Work stopped	Completed	Completed	Completed - monitoring outcomes
Construction Skills centre - Wisbech College	WITHDRAWN	Major concern	Withdrawn	Concern regarding completion by March 2021 due to obvious delays being caused by COVID	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - project have requested confirmation of extension to deadline spend before entering into contract - update from BEIS requested			Withdrawn	Withdrawn	Withdrawn
Aerotron Relocation - Repair centre of excellence	GREEN	On-track	Completed	Grant Agreement has been signed by client, all information has been passed to finance, legal etc	No issues	No issues	No issues	Completed	Completed	Completed - monitoring outcomes
The Growth Service - CPCA	GREEN	On-track	Pre Contract	The company is being established, it was disjointed but we are now working together on the forming of the company linked to the procurement linked to the LGF funding	No issues			Procurement ongoing	Procurement ongoing	Procurement of consortia delivery partner almost concluded. Incorporation of the JV Growth Company completed with the shareholder agreement in final sign-off stage
Lancaster way Phase 2 Grant	GREEN		In Delivery	Need update from Transport Team	Delays with the project likely due to tight timeframe for completion of works and delays now inevitable due to close down - awaiting formal update from project			In Contract	In Contract	progressing well
Terraview Loan - Terraview	GREEN		Completed	Issues raised re cashflow and ability to repay the loan, this is being discussed at CA Board	Amendment Agreement has been developed and a reschedule of loan payments agreed - with client in agreement			Completed	Completed	Completed - monitoring outcomes. Some issues during COVID, receiving extra support via grant schemes
Cambridge Healthcare & Life Science Start-up Accelerator - Start Codon	GREEN	On-track	In Delivery	Documentation being developed - no issues	Meeting booked - no issues		Miner Institute have raised delays due to COVID on the small works potential delay 6 months	In Contract	In Contract	In Contract- Progressing well
University of Peterborough phase 1 - JV with PCC and ARJ	GREEN	On-track	Pre Contract	The company is being established, it was disjointed but we are now working together on the forming of the company linked to the procurement linked to the LGF funding	No issues	No issues	No issues	Progressing	Progressing	Progressing well - JV company has been incorporated and shareholders agreement in final sign-off stage
South Fen Enterprise Park - Fenland District Council	AMBER	On-track	Pre Contract	Awaiting grant agreement feedback	Awaiting grant agreement feedback		Ready to sign agreement	Awaiting contract for FDC	Contract with FDC for final review	Contract with FDC to sign
Living Cell - Aracaris Capital Ltd	GREEN	On-track	Completed	Legal papers have been shared and completed awaiting final request schedule	All papers have been signed and executed			Completed	Completed	Completed - monitoring outcomes
Capital Growth Grant Scheme	GREEN		In Delivery	Excellent take up - being reviewed in light of COVID	New promotional campaign with more generous criteria launches this week monitoring take up of the grants critical			In Contract - no issues all funds allocated	Monitoring and processing spend	Monitoring and processing spend
AEIS Innovation Fund	GREEN	On-track	In Delivery							Fund launching imminently
Peterborough City Centre - COVID Recovery	GREEN	On-track	Pre Contract							Awaiting Grant Agreement from Applicant
Cambridge Automated Metro	GREEN	On-track	Pre Contract							Awaiting contract documents - being produced by Pinsent Mason
Cambridge Regional College - Construction Hub	GREEN	On-track	In Delivery							In contract and work has started







<b>CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY BOARD</b>	<b>AGENDA ITEM No: 3.1</b>
<b>29 APRIL 2020</b>	<b>PUBLIC REPORT</b>

## **UPDATE ON THE COMBINED AUTHORITY RESPONSE TO COVID-19 AND FUNDING DECISIONS**

### **1.0 PURPOSE**

- 1.1. The purpose of this report is to provide an update on the Combined Authority's response to COVID-19 and proposes further recommendations to enhance the response work. Given that the recommendations made on 25 March 2020 were noted at that meeting, it is recommended that those recommendations be approved as part of the formal transparent decision-making process of the Combined Authority.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Mayor James Palmer</b>
<b>Lead Officer:</b>	<b>Kim Sawyer</b>
<b>Forward Plan Ref: KD2020/037</b>	<b>Key Decision: Yes</b>
<p>The Combined Authority Board is recommended to:</p> <p>(a) Approve the Combined Authority responses to COVID-19, as described in this report</p> <p>(b) Approve the Recover Orient Adapt and Regrowth (ROAR) approach, set out in appendix A</p> <p>(c) Approve the offer of interest-accruing repayment holidays to companies in receipt of a Local Growth Fund loans, covering repayments due between 24<sup>th</sup> March 2020 and 31<sup>st</sup> August 2020</p> <p>(d) Approve the adjustment of the current Small Capital Grant Scheme eligibility criteria on Intervention rates, Jobs output-value ratio to grant-value, including safeguarded jobs in</p>	<p><b>Voting arrangements</b></p> <p>Simple majority of all Members</p>

output measures for grants, subject to consultation with BEIS where appropriate	
(e) Approve the allocation of £3million Local Growth Funding to the COVID-19 Capital Grant Scheme, from returned unallocated Local Growth Funding.	
(f) Approve the creation of a £500,000 capital grant scheme aimed at supporting the smallest businesses in the Cambridgeshire and Peterborough Combined Authority area and delegate to the Director of Business and Skills, in consultation with the Mayor, the Section 73 and the Monitoring Officer, the setting of detailed parameters and criteria for the scheme.	

## 2.0 BACKGROUND

- 2.1. At the Mayoral decision-making meeting held on 25 March 2020, the COVID-19 response recommendations were noted [report available to view at <https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/853/Committee/63/SelectedTab/Documents/Default.aspx> - Item 7.1 refers] . Officers have since implemented the response. This report provides an update on progress and includes further recommendations.

## 3.0 GOVERNANCE CHANGES

- 3.1 The introduction of the *Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020* provides for a range of flexibilities which will enable the Combined Authority to conduct business in the context of public health measures, such as social-distancing. For example, Combined Authority Board and Committee Meetings may take place virtually, and documentation (including statutory meeting notices, reports and background papers) may be published solely in a digital format. These flexibilities are in place until May 2021.

### **MAYORAL COMBINED AUTHORITY M9 DISCUSSIONS WITH THE MINISTRY OF HOUSING, COMMUNITIES AND LOCAL GOVERNMENT (MHCLG)**

- 3.2 The Mayor has been in regular contact with MHCLG and the minister, with the other M9 Mayors. MHCLG recognises the key role of Mayoral Combined Authorities in economic recovery and recognises their role in place-based thinking.
- 3.3 The Minister is committed to working with Mayors on recovery planning, along with partners such as the LGA and LEAs/Business Boards and is proposing to establish a working group while work goes on to identify an appropriate approach to emerging from lockdown, and relating that emergence with economic activity.
- 3.4 In relation to funding, MHCLG is committed to a pragmatic and flexible approach to funding which it controls.
- 3.5 Recovery planning was discussed in detail, with the following key points being noted:
- Government response to recovery should be cross-departmental and regionally led by Mayoral Combined Authorities, freeing up Local Authorities to deal with practicalities of the response.
  - Each Mayoral Combined Authority regional economy has particular features and needs and there will be a need for flexibility to respond to that.
  - Lockdown exit should take a thematic, rather than a place-based model that may be challenging to implement in practice. Officials are anticipating a phased approach to opening businesses and continuing social distancing in public spaces and on transport.
  - The importance of skills and need to preserve funding base of skills providers. For example, open air construction may be an early recovery area so skills providers will need to support that.
  - The devolution White Paper remains a core 2020 piece of work and is vital to recovery.
- 3.6 Mayors also raised issues relevant to the immediate response in relation to personal protective equipment (PPE), social care, testing, financial support and furlough payments.

## **COMBINED AUTHORITY RESPONSE**

- 3.7 The Combined Authority aims to support recovery and formulated an approach covering an immediate, short term and medium-term response to COVID-19.
- 3.8 The Combined Authority remains 'open for business'. The Combined Authority's workforce continues to work from home. The Alconbury Office is now closed.
- All staff have laptops which can remotely connect to the CPCA network.
  - All staff have access to Microsoft Teams, Skype and Zoom for remote meetings.

- Guidance has been circulated by HR on managers maintaining contact with teams and on notification procedures where staff are self-isolating or are diagnosed with COVID-19.
- Remote all-staff meetings are being held by the Chief Executive and also particularly for staff with parental responsibilities to discuss the issues arising for parents working from home and how the CPCA can support them.
- The Happenings communications stream is being used to communicate with staff and to encourage morale boosting activities and to pass on wider messages relating to the COVID-19 situation.

3.9 Future measures will depend upon the onward impact of COVID-19, In particular on CPCA staff absence. Assessment and monitoring continues and such measures may include:

- Arrangements for management and decision-making should senior leaders be absent due to COVID-19
- Identifying the CPCA delivery priorities in the event of staff resource depletion
- Re-prioritisation of work including re-deployment of staff to other duties or other teams
- Re-deployment of staff to support other local agencies if their normal duties are no longer a priority for the CPCA and there is sufficient capacity.

### **Local Resilience Forum**

3.10 The CPCA is participant in the Local Resilience Forum and is involved in the civil contingencies emergency planning response and response planning for the recovery phase.

## **4.0 Business Board: Loan and Grant Provision**

### **Repayment holidays to companies in receipt of a Local Growth Fund loans**

4.1 Two projects have so far requested, and were granted, loan repayments holidays.

### **Small grants applications**

4.2 As of the 15th April 2020, the COVID-19 Capital Grant Scheme had the following applications and successful offer of grants in process to date:

- Number of Applications Received to Date: 135 (Total value: £6,280,645)
- Number of Applications Still in Progress: 89 (Pipeline value: £5,211,785)
- Number of Applications at Grant Offer Stage: 7 (Grant value: £518,000)

- 4.3 The current pipeline of applications in process already exceeds the £2.4million initially available and additional Local Growth Funding is sought into the COVID-19 Capital Grant scheme to achieve a total of £5.4million to service current demand in the system. Please see the Business Board Report at Appendix A.

#### **ADDITIONAL PROPOSED ENHANCEMENTS TO COVID-19 CAPITAL GRANTS SCHEME**

- 4.4 The current LGF funded scheme has seen a high level of applications and interest, from Sole Traders, Non-Limited companies such as partnerships, and companies with less than five employees who are not eligible for support by that scheme.
- 4.5 To address this issue, it is proposed that the Combined Authority approves the allocation of £500,000 of its Gainshare Capital funding to create a fund specifically to support this sector of the economy by offering capital grants between £2,000 and £5,000 to enable these businesses to maintain their ability to adapt and survive the crisis.
- 4.6 As this scheme will involve a high volume (100-250 based on the thresholds above) of small value grants, this is significantly different to the existing LGF funded scheme. As such due consideration needs to be given to how the Combined Authority will ensure that it has mitigated the risks of such a scheme, from resourcing impacts, to outcome measurement and fraud prevention.
- 4.7 Establishing the right controls and potential mitigations, has not been possible in the time available to meet the deadline for bringing a comprehensive proposal to the April meeting of the Combined Authority Board. Therefore, in order to implement this scheme with the speed required to address the immediate market need, while still fulfilling its duties as a publicly funded organisation, it is recommended that the Combined Authority Board approve the high level principle of the scheme (total value, funding source, and sector of the business community being supported) now, and delegate the final decision on the criteria and parameters to the Director of Business and Skills in consultation with the Mayor, Section 73 and Monitoring Officer.

#### **GROWTH HUB**

- 4.8 The Growth Hub service has been exponentially busy with a peak over last two weeks of 200 calls and 400 emails a day from clients who are not qualifying for Government Support Packages, signposting them to appropriate local sector Business Networks such as FSB, NFU, Make UK, etc where they can benefit from sector specific guidance and support. At this stage, there has been triage with these clients to assess whether the client should be directed to either of following additional levels of Support including CPCA COVID-19 Capital Grant

Scheme and additional 121 support provided through our contractor V4 services.

- 4.9 Through our existing contractor V4 Services (who are an existing vetted and approved partner) there has been delivery of additional 1-2-1 support for businesses contacting the Growth Hub, CPCA Business & Skills team. This service has been provided through a network of 11 Business Advisers covering multiple business topics such as finance, liquidity, accessing Government support, legal, HR, premises, technology, supplier management etc. Funded by CPCA, we are initially delivering this service over a 3-month period at which point we may augment the service to provide more focussed business planning for the post COVID-19 recovery period.
- 4.10 There have been many enquiries from businesses who have a specific technical requirement where a specialist/professional service provider is required. We have engaged and are signposting to specific expertise and 1-2-1 Support from referred private sector specialists who are solution-focussed. Growth Hub Advisers are using a database of local, well-established contacts to refer the client to at least two potential sources of support.
- 4.11 In response to concerns that normal Business Board governance processes being too slow to respond to the needs of businesses, officers have incorporated this into the continued design and requests for approval, of COVID response and recovery interventions. This has included further approvals being sought via emergency procedures, for example £3m of LGF at paragraph 4.4 above. In addition, the prompt response detailed at 4.5 in relation to £500k Gainshare funding. In the face of a fast-moving business needs environment, the officers have demonstrated they are able to work in a highly agile manner to meet the needs of business, within the normal and emergency governance processes.

## **MEMBERSHIP OF ECONOMIC RECOVERY SUB GROUP**

- 4.12 Membership of the Economic Recovery Sub-Group of the Covid-19 Strategic Co-ordination Group is reserved for Officers, however as there was a clear need to involve elected members in the oversight, planning and delivery of Covid-19 response and recovery interventions the Mayor convened a political forum to fill this requirement.

## **PUBLICITY AND COMMUNICATIONS**

- 4.13 Publicity undertaken to date, to inform businesses of the support available from the Combined Authority includes:
- 14 Business Bulletins, signposting to government which has reached c40,000 business across the region
  - 150 social media posts to an audience of 8,896 people, signposting business support, public health and good news stories

- Email and media campaigns regarding the Capital Grant Scheme and soon to be launched talent portal
- New media partnership with Archant across the Business Board region to ensure consistent public business messaging, business blogs, Q&A, sharing good news business stories and case studies

## **5.0 HOUSING & DEVELOPMENT**

- 5.1 Housing and Development are considering whether we need a package of measures for borrowers in the £40m revolving fund. If so, this will be presented to the Combined Authority Board. This could comprise components like potential interest free repayment holidays whilst the construction industry is disrupted and extensions of the duration of the loans to enable the developers to cope with the additional disruption and uncertainty around the demand for the sale and occupation of completed units in order to re-pay the loans.
- 5.2 To prepare for this, discussions with developers will take place regarding their position and needs. Discussion will include re-programming of cashflows to reflect how developers see the current situation evolving and impacting on their schemes. Developers are having to either delay their main construction start or suffer an enforced mid-construction delay. Developers could be faced with a market delay in selling products. Any impacts of future proposals upon the overall programme will be financially modelled. The likely outcome will be to extend the periods for the payback, so not as much new business as hoped from the £40m revolving fund until paybacks from the existing loan book becomes more certain. With a support package, we are not anticipating any write offs, loan default or developer failure that might require us to step in at this time. The intention will be to support borrowers and to encourage them to still deliver the schemes for which loans have been approved.
- 5.3 The grant supported schemes continue to see new applications coming forward and other than construction programme delays, it is too early to determine whether there are other impacts that may require further support. Dialogue will continue with grant supported housing providers, advising the Housing and Communities Committee and the Combined Authority Board of any significant impacts or recommended interventions.

## **TRANSPORT**

- 5.4 The lockdown has had a very significant impact on public transport operators. Patronage on buses is down some 90%. The operators have reduced services in response. About half the normal level of bus services has been running. This means that the providers have faced greater reductions in fare income than their ability to cut costs. Bus companies have significant fixed costs and do not benefit

from the government's rate relief scheme. The position of smaller firms is likely to be particularly challenging.

- 5.5 The Mayor raised the challenges of the local bus sector in conversations with the Secretary of State for Transport and the Buses Minister, Baroness Vere. He made specific proposals for providing targeted assistance to Ministers on 26 March 2020. On 4 April 2020 the government announced a package of support for the bus industry. The majority of this support will be provided directly, but the Combined Authority will distribute a proportion of the funding. Officers estimate that Cambridge and Peterborough bus firms will receive some £5 million over 12 weeks as a result of this package. Within that total, some £275,000 will be distributed by the Combined Authority.
- 5.6 The Mayor also raised with Ministers the position of school transport providers. Subsequently, government guidance made it clear that contracts with school transport providers should be honoured in full for the coming term, even if schools remain shut. Cambridgeshire County Council have confirmed that this will be their approach.

#### **Construction: road schemes**

- 5.7 Government guidance indicates that, where appropriate social distancing measures can be put in place, construction works should continue. The Combined Authority is working with its partners to ensure that highways schemes funded by the Authority and due to start construction in the coming weeks will remain on track wherever possible. The Mayor has also been in correspondence with Ministers on this issue. Officers are also working on innovative approaches to public consultation that would allow schemes still in their development and business case stages to remain on-programme.

#### **Impact of COVID-19 on travel habits**

- 5.8 The Transport and Infrastructure Committee will discuss the impact of the lockdown on travel patterns with a view to understanding the risks and opportunities the coming recovery phase may present for the achievement of the Combined Authority's aims as set out in the Local Transport plan, including for carbon reductions and air quality, and modal shift. The risk profile of the Authority's bus reform project has also been reviewed in the light of emerging evidence from the lockdown period.

#### **Impact of COVID-19 on Consultation plans**

- 5.9 The March Area Transport Study (MATS) public consultation was scheduled to start on Saturday 28 March for a period of 6 weeks with an invitation only event for key stakeholders planned for Thursday 26 March 2020.



- 5.10 The consultation plan (which involved face to face meetings) has been affected. For example, the social-distancing measures preclude public drop-in events such as those planned for April 2020. By adopting an innovative approach to consultation, it will be possible to maintain progress.
- 5.11 Officers have investigated different online tools to 'kick start' the consultation and have adopted a tool which will enable engagement with the public and consultees, meeting virtually and bringing the community together.
- 5.12 With this new platform, a virtual event can be personalised to show consultation materials including virtual reality and sound demonstrations, videos, maps, plans and pop up banners. The tool allows for instant feedback so public reaction can be captured and saved for analysis and accurate reporting.
- 5.13 An example where the tool is already in use is Oxfordshire. The County Council there have made live their consultation boards in this virtual space to counter the effects of the lockdown. Please see link - <https://hif1project.consultation.ai/>.
- 5.14 The tool will be used for the MATS study, in addition to the public face to face events which it is intended to conduct in the future.

## **6.0 REGULATORY FLEXIBILITIES**

- 6.1 A range of measures are in place to provide for flexibility in responding to the COVID-19 situation. These include measures around procurement, state aid, and meetings.
- 6.2 On procurement, the Cabinet Office has issued Practice Note 02/20 "*Procurement Policy Note - Supplier relief due to COVID-19*". The key messages were:
- *The public sector must act quickly and take immediate steps to pay all suppliers as a matter of urgency to support their survival over the coming months. Where goods and services are either reduced or paused temporarily, authorities should continue to pay at risk suppliers to ensure cash flow and supplier survival.*
  - *Contracting authorities should pay suppliers as quickly as possible to maintain cash flow and protect jobs. The public sector must pay suppliers within 30 days under the Public Contracts Regulations 2015 but contracting authorities now need to accelerate their payment practice.*
- 6.3 On state aid, a range of sector specific flexibilities have been developed, which allow of a lighter-touch approach

6.4 The *Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020* provide for key flexibilities, including:

- Local and combined authorities can determine not to hold their annual meeting.
- Local and combined authorities have the flexibility to hold meetings at any time of day and on any day, to alter how frequently meetings can be held and to move or cancel meetings without requiring further notice.
- Meetings can be held remotely. For the purposes of any statutory requirement, members of the authority will be considered as attending a meeting if they can hear, and where practicable see, and be heard and, where practicable, be seen by other members and the public. This allows for meetings to be held by remote means including via telephone conferencing, video conferencing, live webchat and live streaming.
- Local and combined authorities can make standing orders about remote attendance at meetings in relation to voting, access to documents and facilities that can be employed to allow the meeting to be held remotely to suit their own circumstances.
- The “place” at which a meeting is held is not confined to the council building. The “place” may be where the instigator or arranger of the meeting is, or electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers. It could be an officer’s or member’s home.
- Requirements for a meeting being “open to the public” are satisfied by holding the meeting remotely. This facilitates the holding of remote meetings outside of the normal offices and/or remotely and allows for members of the public to attend remotely.
- Where documents must be “open to inspection”, this is satisfied by the documents being published on the authority’s website. Documents include notices, agendas, reports, background papers, minutes etc. The publication, posting or making available of documents at the authority’s offices includes publication on the website of the authority.
- Where the annual meeting is not held, the appointments which would normally be dealt with at the meeting will continue until the next annual meeting of the authority or when the authority determines, providing continuity of membership.

## **7.0 FINANCIAL IMPLICATIONS**

7.1 The allocation of £3million Local Growth Funding to the COVID-19 Capital Grant Scheme is to be made from returned unallocated Local Growth Funding and is therefore affordable.

- 7.2 The recommendation to approve the creation of a £500,000 capital grant scheme to support sole traders and small businesses can be made available from existing revenue reserves.

## **8.0 LEGAL IMPLICATIONS**

- 8.1 The Combined Authority has the power to make grants. The LGF is administered by the Business Board and the Combined Authority is the accountable body responsible for financial oversight. The National Assurance Framework and the Combined Authority Assurance Framework both set out the remit under which the Business Board must operate. Given the current climate and the unprecedented events, all proposals should be implemented in consultation with the Department for Business, Energy and Industrial Strategy where appropriate.

## **9.0 APPENDICES**

- 9.1 Appendix Ai - Report to the Business Board 17 April 2020 - Covid-19 Capital Grant Scheme  
Appendix Aii - Covid 19 Grant Scheme Process  
Appendix Aiii: - Snap Shot 16 April 2020 Covid-19 Response Development

<b><u>Source Documents</u></b>	<b><u>Location</u></b>
Mayoral Decision-Making meeting reports 25 March 2020	<a href="https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/853/Committee/63/SelectedTab/Documents/Default.aspx">https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/853/Committee/63/SelectedTab/Documents/Default.aspx</a>



LGF Project	Project Description	RAG status project spending before March 2021	RAG status on actual jobs delivered Vs forecast	Primary Sector	Lead Organisation	Region Authority	LGF Amount	Direct Job Creation (Forecast)	Indirect Job Creation (Forecast)	TOTAL Job Creation (Forecast)	TOTAL Job Creation (Actual)
<b>Accelerating Start-Ups, Scale-Ups &amp; Set-Ups – Through Start-up &amp; Growth Finance &amp; Advice</b>											
The Business Growth Service	GROWTH COACHING, EQUITY INVESTMENTS, SKILLS & FDI		Not Yet Started	All	CPCA	Huntingdonshire District Council	£3,407,000	47	5890	5937	Not available yet
Illumina Genomics Accelerator	START-UP TECH ACCELERATOR EQUITY INVESTMENTS			Life Science	Illumina Cambridge Ltd	South Cambridgeshire District Council	£1,000,000	1033	2136	3169	Not available yet
Startcodon Life Science Accelerator	START-UP TECH ACCELERATOR EQUITY INVESTMENTS			Life Science	Start Codon Ltd	South Cambridgeshire District Council	£3,342,250	1730	3460	5190	Not available yet
Ascendall Transport Accelerator	START-UP TECH ACCELERATOR EQUITY INVESTMENTS		Not Yet Started	Transport	Ascendall Ltd	South Cambridgeshire District Council	£965,000	2	200	202	Not available yet
Medtech Accelerator	START-UP TECH ACCELERATOR EQUITY INVESTMENTS			Life Science	Health Enterprise East	South Cambridgeshire District Council	£500,000	0	0	0	Not available yet
Peterborough & Fens Manufacturing Association	EQUITY INVESTMENT IN START-UP BUSINESS NETWORK		Not Yet Started	Business Growth	Opportunity Peterborough	Peterborough City Council	£715,000	113	191	304	Not available yet
Terraviva Company Expansion	GROWTH GRANT			Advanced Manufacturing	Terraviva	South Cambridgeshire District Council	£120,000	15	Not available	15	Not available yet
Aerotron Company Expansion	GROWTH GRANT			Advanced Manufacturing	Aerotron Ltd	Fenland District Council	£1,400,000	140	15	155	16
Agri-Tech Growth Initiative	GROWTH GRANTS			AgriTech	CPCA	CPCA Wide projects	£3,036,252	300	0	300	71.5
Growing Places Fund Extension	GROWTH GRANTS			All	CPCA	CPCA Wide projects	£65,000	320	0	320	Not available yet
Signpost to Grant - CPCA Growth Hub	GROWTH GRANTS			All	CPCA	CPCA Wide projects	£120,000	0	0	0	Not available yet
CO/VD Capital Growth Grant Scheme	GROWTH GRANTS			All	CPCA	CPCA Wide projects	£3,000,000	287	Not available	287	Not available yet
<b>TOTAL</b>							<b>£19,670,592</b>	<b>3,987</b>	<b>11,892</b>	<b>15,879</b>	<b>87.5</b>
<b>Accelerating Hi-Tech Jobs Growth – Through Innovation &amp; Incubation Centres</b>											
Houston House Incubation Centre	INCUBATOR			Life Science	o2h Ltd	South Cambs District	£438,000	192	138	330	52
South Fenland Enterprise Park	INCUBATOR		Not Yet Started	Business Growth	Fenland District Council	Fenland District	£997,032	30	46	76	Not available yet
Photocentric 3D Centre of Excellence	INNOVATION CENTRE			Business Growth	Photocentric Ltd	Peterborough City	£1,875,000	1078	106	1184	Not available yet
Cambridge Biomedical Campus	INNOVATION CENTRE & INCUBATOR			Life Science	Cambridge University Health Partnership	Cambridge City	£3,000,000	880	2204	3084	Not available yet
NMB - AgriTech Start Up Incubator	INNOVATION CENTRE & INCUBATOR			AgriTech	NMB	Huntingdonshire District	£2,484,000	990	805	1795	44
NMB - Agri-Gate Hesse Fin extension	INNOVATION CENTRE & INCUBATOR			AgriTech	NMB	East Cambridgeshire District	£599,850	65	510	575	16
TWI Engineering Centre	INNOVATION CENTRE			Advanced Manufacturing	TWI Ltd	South Cambs District	£2,100,000	104	0	104	Not available yet
Biomedical Incubator	INNOVATION CENTRE & INCUBATOR			Life Science	Cambridge University	Cambridge City	£1,000,000	0	0	0	Not available yet
Heverhill Epicentre - Jaynic	INCUBATOR			Life Science	Jaynic Investment LLP	West Suffolk District	£2,600,000	300	1600	1900	Not available yet
TWI Ecosystem Innovation Centre	INNOVATION CENTRE & INCUBATOR			Advanced Manufacturing	TWI Ltd	South Cambs District	£1,230,000	4	150	154	Not available yet
West Cambs Innovation Park	INCUBATOR			Life Science	Uni of Cambridge	Cambridge City	£3,000,000	380	150	530	Not available yet
TYP Life Sciences Incubator	INCUBATOR			Life Science	TYP	South Cambs District	£2,300,000	236	10	246	Not available yet
University of Peterborough Phase 2 (Getting Building Fund GBF - Not LGF)	INNOVATION CENTRE & INCUBATOR	Not LGF	Not LGF	INNOVATION CENTRE & INCUBATOR	Photocentric Ltd	Peterborough City	£14,600,000	871	1325	2196	Not available yet
Aracaris Capital Living Cell Centre	INNOVATION CENTRE			Life Science	Aracaris Ltd	South Cambs District	£1,350,000	200	0	200	Not available yet
<b>TOTAL</b>							<b>£37,573,882</b>	<b>20757</b>	<b>17920</b>	<b>38677</b>	<b>112</b>
<b>Accelerating Recovery in Construction - Through Transport Infrastructure Improvements</b>											
Whitlessy King's Dyke Crossing	ROAD IMPROVEMENT			Transport	Cambridgeshire County	Fenland District Council	£8,000,000	315	0	315	52.5
Bourges Boulevard Phase 1	ROAD IMPROVEMENT			Transport	Peterborough City	Peterborough City Council	£2,100,000	240	0	240	Not available yet
Bourges Boulevard Phase 2	ROAD IMPROVEMENT			Transport	Peterborough City	Peterborough City Council	£9,200,000	100	0	100	Not available yet
A47/A15 Junction 20	ROAD IMPROVEMENT			Transport	Peterborough City	Peterborough City Council	£8,300,000	228	0	228	Not available yet
Woburn Access Strategy	ROAD IMPROVEMENT			Transport	Cambridgeshire County	Fenland District Council	£6,000,000	1600	0	1600	12
Lancaster Way Phase 1 Loan	ROAD IMPROVEMENT			Business Growth	Grovermere	East Cambridgeshire District	£1,000,000		0	540	729
Lancaster way Phase 2 Loan	ROAD IMPROVEMENT			Transport	Grovermere	East Cambridgeshire District	£3,680,000	540	0	0	
Lancaster way Phase 2 Grant	ROAD IMPROVEMENT			Transport	Grovermere	East Cambridgeshire District	£1,455,000		Not available	0	
Ely Southern Bypass	ROAD IMPROVEMENT			Transport	Cambridgeshire County	East Cambridgeshire District	£22,000,000	1950	0	1950	Not available
Manea & Whitlessy Stations	RAIL IMPROVEMENT			Transport	Cambridgeshire County	Fenland District Council	£395,000	0	0	0	0.75
CAM Promotion Company	METRO SYSTEM		Not Yet Started	Transport	CPCA	CPCA	£999,000	60	33	93	Not available
Soham Station	RAIL IMPROVEMENT			Transport	Cambridgeshire County	East Cambridgeshire District	£1,600,000	125	TBC	125	15
<b>TOTAL</b>							<b>£62,129,000</b>	<b>5158</b>	<b>33</b>	<b>5191</b>	<b>820.3</b>
<b>Retraining &amp; Upskilling for New Jobs – Through Improved Education Capacity</b>											
Metalcraft Adv Man Centre	APPRENTICESHIP ACADEMY & INCUBATOR			Advanced Manufacturing	Metalcraft	Fenland District	£3,160,000	14	30	44	Not available yet
University of Peterborough Phase 1	UNIVERSITY		Not Yet Started	Multi-Sector	CPCA	Peterborough City	£12,500,000	2195	19000	21195	Not available yet
March Adult Education Centre	SKILLS TRAINING CENTRE			Multi-Sector	Cambridgeshire Skills	Fenland District	£400,000	141	0	141	Not available yet
PRC Food Manufacturing Centre	APPRENTICESHIP ACADEMY			Food Processing	Peterborough City Council	Peterborough City	£586,000	53	0	53	Not available yet
Endurance Skills Training Centre	APPRENTICESHIP ACADEMY			Transport	Endurance Estates Ltd	Huntingdonshire District	£2,400,000	94	575	669	Not available yet
IMET Skills Training Centre	APPRENTICESHIP ACADEMY			Advanced Manufacturing	Camb Regional College	Huntingdonshire District I	£10,500,000	1	0	1	Not available yet
CITB Construction Academy	APPRENTICESHIP ACADEMY			Construction	CITB	Kings Lynn & West Norfolk	£450,000	1	0	1	Not available yet
CRC Construction Skills Hub	APPRENTICESHIP ACADEMY		Not Yet Started	Construction	Camb Regional College	Huntingdonshire District	£2,500,000	18	20	38	Not available yet
AEB Innovation Grant	SKILLS TRAINING GRANTS			Multi-Sector	CPCA	CPCA Wide	£323,720	0	0	0	Not available yet
<b>TOTAL</b>							<b>£32,819,720</b>	<b>2517</b>	<b>19625</b>	<b>22142</b>	<b>0</b>
<b>GRAND TOTAL</b>							<b>£152,193,104</b>	<b>16992</b>	<b>38594</b>	<b>55586</b>	<b>1019.8</b>



## Local Growth Deal – Process Review & Options Appraisal

### 1. Background

The Cambridgeshire & Peterborough Combined Authority (CPCA) first received Local Growth Fund (LGF) in 2014, this was a successful bid by the Greater Cambridge Greater Peterborough (GCGP) Local Enterprise Partnership (LEP), the value of this funding was £146.7million which had to be spent by March 2021.

In 2018 following an 18 month long local government restructure the GCGP LEP was dissolved and all funds and projects transferred to the CPCA, this resulted in £64million of unallocated funding being required to be allocated and spent by the March 2021 deadline.

A call for projects was made in July 2019 linking into the launch of the Local Industrial Strategy (LIS) and the Cambridgeshire & Peterborough Independent Economic Review (CPIER). The process previously in place for the evaluation of projects through the LEP was used as the basis for the evaluation of the new projects being proposed with some minor amendments; those being:

- The introduction of the Entrepreneur Panel for projects over £500k
- The introduction of a scoring matrix to support officers appraising the Expression of Interest forms
- The re procurement of external appraisal teams to complete due diligence checks and appraisal on the Full Applications

In November 2019 we had our first Business Board presentation of projects, followed in January 2020 of a further Business Board presentation of projects. At this point almost all the £64million had been allocated with a small pot remaining to be allocated over the next few months. The allocation of £82.7million prior to 2019 was through the GCGP LEP and the process for allocating the funds was not described anywhere in any detail.

The current process is outlined in Appendix 1

### 2. Purpose of Review

The large number of applications being submitted for approval to the Business Board created a feeling that they were too removed from the process and lacked an in-depth knowledge of the applications they were being presented with. It was therefore suggested that a review take place into the current process in readiness for the next tranche of funding being allocated to the CPCA.

A member of the Business Board, Andy Neely, Vice Chair of the Business Board volunteered to sponsor the review and met with the LGF Team to identify the parameters of the review and the desired outcomes.

It was acknowledged that the team had now completed its allocation of funding through the LGF and that whilst it was helpful to identify lessons learned and some best practice in other grant funding organisations until the next tranche of funding was allocated along with the resulting criteria there would be no benefit in proposing a completely new appraisal process.

Therefore, the review will identify the following:

- What went well
- What did not go so well, and
- Best practice from other organisations that we would like to implement if possible.

### 3. Methodology

The review identified that talking to other LEPs and organisations involved in grants would be useful, it was agreed that we would contact the following organisations to gather data on there processes in order to compare how the CPCA process fits and where it could be improved.

The Department for Business, Energy & Industrial Strategy (BEIS) identified 2 LEPs for the team to contact, they felt they were well established and had put in place a process for appraising projects that was robust and transparent; those were:

- South East Midlands LEP (SEMLEP)
- New Anglia LEP (NALEP)

Both LEPs are known to the team and we have close working relationships with them, this made the contacting for information simpler. We also contacted another grant giving organisation, Innovate UK as part of the review.

The information gathered from the external organisations has been collated in Appendix 2.

### 4. Peer Review

**South East Midlands LEP** – have a staff of over 35 delivering amongst other things the LGF projects.

- a. LGF Programme Management Board, sit 4 times a year – comprises project managers for each LGF project
- b. The Growth Fund Task Group, sit at least 5 times a year – comprises local Authority Chief executives and a private sector Board member
- c. The SEMLEP Board – receives reports from the Growth fund Task Group and provides final decisions at project and programme level.

SEMLEP carried out an open call for projects, they will only do a call for projects once funding has been secured, they have also done speculative calls to produce a pipeline of future potential projects. They have a 4-stage decision making process, Appendix 3 details this. The first 2 stages take a project from the pipeline to decision to proceed.

They use a Pro-Forma, which is based on the Strategic Outline Business Case set out in the Green book, to appraise and prioritise projects (Appendix 4). The assessment of these projects is done using matrix scoring (Appendix 5) once approved in principle a business case is developed, reviewed and due diligence is carried out. Projects under £5million do not need to complete a Green Book compliant Five Case Business Case but are required to cover all relevant aspects of the Five Case Business Case in an updated Pro-Forma. Projects over £5million complete a Green Book compliant Five Case Business Case.

SEMLEP employ independent appraisers to undertake due diligence assessments of projects, they will classify projects as:

- Ready to proceed



- Ready to proceed pending limited additional information
- Not ready to proceed/require significant additional information

SEMLEP also employ an accountancy company to financially check the applicant and make recommendations to the SEMLEP Growth Funds Task Group.

**New Anglia LEP** – have a staff of over 57 delivering amongst other things the LGF projects.

- a. NALEP Board comprises 17 members from the public and private sector, each local authority has a representative on the Board. They meet monthly and make LGF decisions regarding funding of projects
- b. Investment Appraisal Committee – comprising 8 members, 7 from the LEP Board (4 private sector & 3 from the public sector) and the Section 151 officer. This committee meets monthly prior to the LEP Board. This Committee makes recommendations to the LEP Board for LGF projects.

NALEP carried out an open call for projects prioritising Capital Projects in October 2017, then followed a further call in October 2018 that focused on Skills, Innovation & Productivity that supported the strategic priorities of the Economic Strategy for Norfolk & Suffolk.

NALEP have a 3-stage process:

- a. Review of submissions – carried out by the LEP assessing against the eligibility criteria and focus of the call (Appendix 6)
- b. Development of projects – requires further information from applicants, and evidence to support the application and associated Business Case.
- c. Appraisal – a full and independent appraisal of projects in accordance with Treasury Green Book principles of
  - viability,
  - value for money,
  - achievability,
  - affordability and
  - need.

The results of the independent appraisal are presented to the Investment Appraisal Committee which makes its recommendations to the NALEP Board

**Innovate UK** – is a UK Government agency focusing on supporting UK economic growth through science and technology. They have around 250 staff and are now part of UK Research & Innovation.

They have a 5-point plan that underpins their funding decisions:

- a. Accelerating UK economic growth
- b. Building innovation excellence
- c. Developing catapults
- d. Working with the research community & across government
- e. Evolving our funding models

Innovate UK make several funding opportunity calls throughout the year, focusing on specific areas each time. This focus allows them to identify projects that are eligible and will meet the

criteria for funding. Before applying for funding Innovate UK suggest applicants as themselves 4 simple questions:

1. Is there a big enough market for your innovation?
2. Is it world leading?
3. Is it at the right stage of development?
4. Why should public money be used?

They run 2 types of application process, online and data transfer.

- Online – using an online application form which includes guidance of requirements for each section
- Data transfer – uploading application documents to a secure site

In both cases the standard application is used, this is set around 10 questions that each applicant must answer, see Appendix 7

They have developed a standard assessment process which is as follows:

- Applications are allocated to assessors based on their expertise in the application field and ensuring no conflict of interest.
- Marked by minimum of 3 assessors
- Score sheet for assessment used, includes feedback and comments
- Report compiled ranking applications based on assessors scores
- This report is reviewed and moderated
- Highest ranking, subject to quality thresholds are recommended for funding to Innovate UK
- The final list is presented to the Funders Panel of Innovate UK for final approval

Assessors are engaged by Innovate UK based on their expertise and they act on behalf of Innovate UK. In some cases, an interview panel may be used to assist in the appraisal of applications.

#### 5. Proposal

Following the peer review it has become evident that we are currently carrying out a robust and transparent process that meets the requirements of the LGF calls. The table below compares the processes we reviewed and the current LGF process

SEMLEP	NALEP	Innovate UK	CPCA BB
Open call - website	Open call - website	Theme focused open call - website	Open call - website
Outline Business Case (pro forma)	Expression of Interest	Application form – 10 questions	Expression of Interest
External Appraisal	Internal appraisal by LEP	Appraisal by external experts – min 3	Appraised internally
LEP in principle approval	LEP approval to proceed	Ranking process including report	Approval to proceed
Business Case	Detailed application form	Report reviewed	Full application form
External Due Diligence	Independent appraisal	Highest ranking recommended for funding	Entrepreneur Panel – over £500k

Decision to fund – LEP Board	Recommendation to fund – investment committee	Decision to fund - Funding Panel	Independent appraisal and due diligence
	Decision to fund – LEP Board		Decision to fund – CAPCA BB

This being the case we would not propose to make any changes to our current process for all calls linked to this round of LGF funding.

We are aware that we can make some improvements to the current process, but this is dependent on the next round of major funding from central government and the criteria that are placed on it. We are proposing that we should look at the following areas once the next round of funding is announced:

- a. The development of a pipeline of projects – we have begun this within the LGF team. Does the Business Board want to expand this by advertising the pipeline more widely, but being clear with prospective applicants that any submission is speculative as there is no funding available at the moment?
- b. The initial application submission – it appears that this is a gate keeping stage for LEPs and that whilst a scoring scheme is in place for some it is not used to make the final decision. Does the Business Board want to move to the Expression of Interest being lighter touch and review the scoring matrix once criteria and guidance has been given to LEPs by central government?
- c. The Full Application – if a lighter touch Expression of Interest is in place, we would require a more detailed Application be produced. In the other LEPs this is based on the Treasury Green Book approach to business case development. Does the Business Board want to require applicants to develop a Business Case that is based on the Green Book principles, if so, what level would the Business Board require and should this be dependent on value of funding be requested?
  - i. Strategic Outline Business Case
  - ii. Outline Business Case
  - iii. Detailed Business Case
- d. Entrepreneur Panel (EAP) – the Panel were initially established as an advisory panel but the final decision regarding applications was not to be influenced unduly by their scores. There is the opportunity to expand the panel and make more use of expert advisors when looking at specialist projects. Does the Business Board want to explore the options around expanding the remit of the EAP and give the panel a more formal role in the appraisal process? Does the Business Board want to include the section 151 officer on the Panel?
- e. External Appraisal – seen as key across all LEPs in the decision-making process, we propose that no changes should be made here. There is though the opportunity to bring in additional external or internal support around the financial appraisal of projects in terms of affordability. Do the Business Board want to look at the options we could include around financial advice?

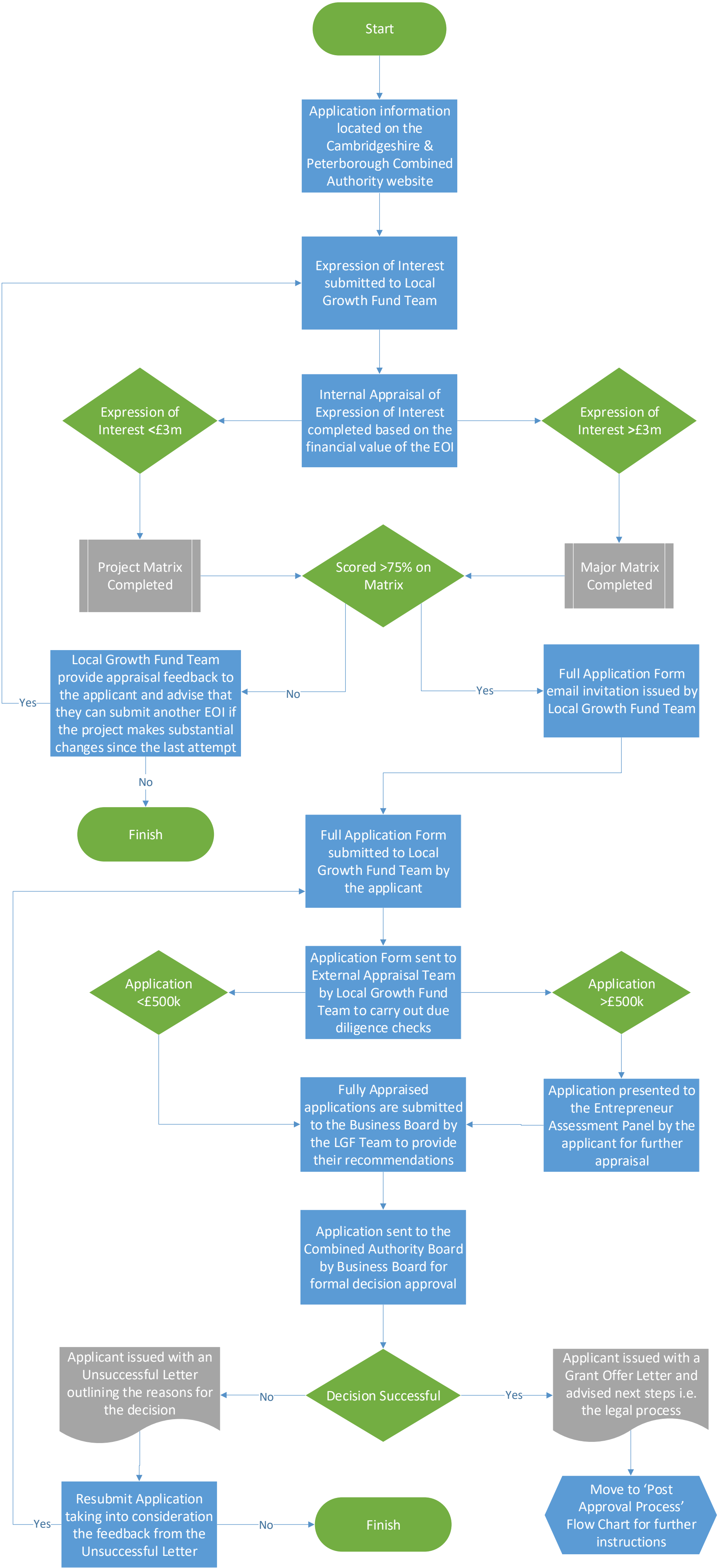
## 6. Conclusion

We should acknowledge that we have a robust and transparent process for allocating LGF in the CAPCA Business Board, we had a very short timeframe within which to allocate funds and ensure projects would be able to meet the deadline of completion by the 31<sup>st</sup> March 2021. We have

received plaudits from the team at BEIS for the development of the Entrepreneur panel, this is something they advise other LEPs to look at now.

We have the opportunity to modify the current process before any new funding is announced but with the knowledge that any new funding will come with its own criteria and guidance that may require our process to be amended further. The 5 areas identified for further investigation allow the Business Board to begin the process of change without the commitment to change but establish a clear and robust framework for decision making and potentially projects ready to go when the next funding announcement is made.

## Appendix 1



## Appendix 2

**RE: Process review finding**

Louisa Simpson <louisa.simpson@cambridgeshirepeterborough-ca.gov.uk>

Fri 09/10/2020 16:24

To: Kenny Akinkuolie <kenny.akinkuolie@cambridgeshirepeterborough-ca.gov.uk>

Hi Kenny

Hope you are well.

Did you ever hear back from New Anglia LEP re the process review? Could you chase if not?

Did you speak to any other LEPs other than SEM LEP?

Thanks

---

**From:** Kenny Akinkuolie <kenny.akinkuolie@cambridgeshirepeterborough-ca.gov.uk>

**Sent:** 30 September 2020 09:51

**To:** Louisa Simpson <louisa.simpson@cambridgeshirepeterborough-ca.gov.uk>

**Subject:** Process review finding

Louisa,

I met with South East Midlands today and below are points

- The call out for projects through bidding- do not use EoI. and keep them in their Pipeline
- Appraise projects using 3 core areas; Deliverability, Strategic fit and value for money(ie.e output)
- External Consultants contact applicants to know more about their projects and send report to LEP
- Based on the report, they choose which projects go to the 2<sup>nd</sup> round-
- The chosen Applicants then work with the consultant on the checklist using the LEP's Assessment Framework (on their website)
- The consultant produce a report which goes to Board and Committee based on their assessments on each project
- If projects are more than available funds, the projects are ranked in order of importance to the Board e.g if Board thinks the most important is the strategic fit, the projects will be ranked in the order of importance meeting the strategic fit.

I haven't heard from New Anglian LEP.

Regards,  
Kenny

Kenny Akinkuolie

Project Delivery Officer

[kenny.akinkuolie@cambridgeshirepeterborough-ca.gov.uk](mailto:kenny.akinkuolie@cambridgeshirepeterborough-ca.gov.uk)

01480277180/ 07715 674805



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**JAMES PALMER**  
CAMBRIDGESHIRE &  
PETERBOROUGH MAYOR



**THE BUSINESS BOARD**

The Cambridgeshire and Peterborough Combined Authority can be contacted via The Mayor's Office, 72 Market Street, Ely, CB7 4LS.

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Kenny Akinkuolie  
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Tel: 07715 674805



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**JAMES PALMER**  
CAMBRIDGESHIRE &  
PETERBOROUGH MAYOR



**THE BUSINESS BOARD**

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## **Local Growth Fund (LGF) Application Process Review**

### **Ideas for discussion.**

I had a conversation/meeting with Innovate UK to discuss how they ensure a fair and transparent competition for funds. They suggest applicants ask 4 key questions before applying for grant funding:

1. Is there a big enough market for your innovation?
2. Is it world leading?
3. Is it at the right stage of development?
4. Why should public money be used?

They build an application using 10 key questions; those being;

1. Need for Change
  - a. What is the business need, technology challenge or market opportunity driving the application?
2. Approach & Innovation
  - a. What approach will you take and where will the focus of the innovation be?
3. Team & resources
  - a. Who is in the project team & what are their roles?
  - b. Appendix half page per partner
4. Market awareness
  - a. What does the market you are targeting look like?
5. Outcomes and route to market
  - a. How do you propose to grow your business & increase your productivity into the long term as a result of the project?
6. Wider impacts
  - a. What impact might this project have outside the project team?
7. Project management
  - a. How will you manage the project effectively?
  - b. Appendix – Gantt chart/project plan
8. Risks
  - a. What are the main risks for this project?
  - b. Appendix – Risk Register
9. Additionality
  - a. Describe the impact that an injection of public funding would have on this project
10. Cost & Value for Money
  - a. How much will the project cost & how does it represent value for money for the team & the taxpayer

There are some areas of their application process that I think we could learn from and adapt and adopt to improve ours.





Innovate UK utilise a panel of experts to appraise the applications, they are chosen for their expertise in the area the application sits within. This could easily be replicated in the CPCA by a shift in focus and increase in influence of the Entrepreneur Panel – it has been evident that the Panel currently add real value to the application process and could add more.

To maximise the value of the EP we would need to look at membership and expertise across it.

The independent external appraisal currently carried out by the CPCA on the Full Application is over and above that carried out by Innovate UK, the financial viability of the organisation applying is a key decision point for the Business Board and should not be diluted. This service has been procured but will be up for re-procurement at the next round of grant funding allocation.

The Expression of Interest is the main area where I think we can make some useful changes. Currently the form is lengthy and duplicates information that the Full Application holds. I think we could adopt the 10 question approach of Innovate UK at the first stage – but make it more focused and short – who appraises/gate keeps to move them to the next stage could be agreed. At present it is an officer decision within the CPCA. We use officers who have experience of the area of application focus, we could change this but we need to know what purpose the EOI will serve, is it

- Gate keeping only – Yes/No decision?
- Does it influence the Full Application?



## Appendix 3

## Project Prioritisation and Selection Process

Stage 1	Project Identification / Pipeline
	Call for Projects
	Completion of Pro-Forma
	Project Appraisal and Prioritisation
	In Principle Approval
Stage 2	Business Case Development
	Initial Review
	Detailed Due Diligence
	Decision to Proceed
Stage 3	Funding Agreement
Stage 4	Monitoring and Evaluation

## Appendix 4

# 5

## Scoping the proposal and preparing the Strategic Outline Case (SOC)

### Introduction

Scoping the proposal and preparing the Strategic Outline Case (SOC) is the first stage in developing the project business case for a significant scheme using the Five Case Model.

The purpose of the SOC is to establish the case for change and to provide a preferred way forward for senior management's approval prior to going onto the more detailed planning stage.

Completing the strategic case section of the SOC requires the following:

### Step 2: Making the case for change

<b>Step 2</b>	<b>Making the case for change</b>
Action 2	Agree the strategic context
Action 3	Determine the spending objectives, existing arrangements and business needs
Action 4	Determine the potential scope for the project
Action 5	Determine project benefits, risks, constraints and dependencies

A facilitated workshop is recommended for the completion of Step 2.

### Action 2: Agree strategic context

Agree the strategic context for the project by providing an overview of the sponsoring organisation and explaining how the project is strategically placed to contribute to the delivery of organisational goals.

Draw on the findings of the strategic assessment for completion of this section of the business case.

### Organisation Overview

Provide a brief overview of the organisation.

This summary introduces the organisation to the reader of the business case and can assist post-evaluation of the project at a later stage, because public sector organisations are often reorganised and renamed before their projects deliver all of their outcomes.

The key areas to focus upon include:

- The purpose of the organisation, including its vision and mission statements, strategic goals, business aims and key stakeholders.

- ☐ The range of services presently being provided, including key customers, service levels, current demand and annual turnover.
- ☐ The organisational structure, including staffing and governance arrangements.
- ☐ The organisation's existing financial position, including funding streams and levels of spend.

This information may be gleaned from existing documents, including annual reports. These should be briefly summarised or attached to the Project Business Case.

### Alignment to existing policies and strategies

Explain how the project supports the existing policies and strategies of the organisation and will assist in achieving the business goals, strategic aims and business plans of the organisation.

This section should explain:

- ☐ all relevant international, national, regional, sector and local policies, initiatives and targets, as required, and focus on those which are most relevant to the project
- ☐ how the organisation's policies, strategies and work projects support these policies, as required
- ☐ the relationship between the proposed project and other programmes and projects within the organisation's strategic portfolio, including relevant milestones and timescales on the critical path for delivery.

Any linkages and interdependencies with another organisation's programmes and projects should be explained, especially where the proposed project is intended to contribute to shared outcomes across multiple organisations.

This information may be gleaned from existing documents, including organisational strategies and business plans. These should be briefly summarised or attached to the Project Business Case.

### Action 3: Determine spending objectives, existing arrangements and business needs

A robust case for change requires a clear understanding of:

- ☐ What the organisation is seeking to achieve (the investment or spending objectives).
- ☐ What is currently happening (existing arrangements).
- ☐ What is required to close the gap between where we are now (existing arrangements) and where we need to be in the future (business needs).

Analysing a proposal in this way helps to establish a compelling case for change based on business needs, rather than the contention it is 'a good thing to do'.



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- ☐ The organisational structure, including staffing and governance arrangements.
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## Determining spending objectives

Specify spending objectives for the project that focus on the rationale and drivers for further intervention and the key outcomes and benefits we are seeking to achieve in support of the organisation's business strategy.

Setting robust spending or investment objectives is essential in terms of making a coherent case for change. They describe clearly what the organisation is seeking to achieve in terms of targeted outcomes and provide the basis for post evaluation. So the key question to answer is "why are we undertaking this project?".

The project's spending objectives should be:

- ☐ Aligned with the underlying policies, strategies and business plans of the organisation and be bound by the strategic context for the project
- ☐ SMART – Specific, Measurable, Achievable, Relevant, and Time-constrained – to facilitate options appraisal and post evaluation
- ☐ customer-focused and distinguishable from the means of provision, so focus is on what needs to be achieved rather than the potential solution
- ☐ not be so narrowly defined as to preclude important options, nor so broadly defined as to cause unrealistic options to be considered at the options appraisal stage
- ☐ focused on the vital outcomes, since a single or large number of objectives can undermine the clarity and focus of the project.

The setting of clear, concise and meaningful SMART spending objectives is an iterative process and will depend upon the nature and focus of the project.

The project's spending objectives will typically address one or more of the following five generic drivers for intervention and spend. These are:

- ☐ To improve the quality of public services in terms of the delivery of agreed outcomes (**effectiveness**). For example, by meeting new policy changes and operational targets.
- ☐ To improve the delivery of public services in terms of outputs (**efficiency**). For example, by improving the throughput of services whilst reducing unit costs.
- ☐ To reduce the cost of public services in terms of the required inputs (**economy**). For example, through 'invest to save' schemes and spend on innovative technologies.
- ☐ To meet statutory, regulatory or organisational requirements and accepted best practice (**compliance**). For example, new health and safety legislation or building standards.
- ☐ To re-procure services in order to avert service failure (**replacement**). For example, at the end of a service contract or when an enabling asset is no longer fit for purpose.

Procuring assets and infrastructure is rarely a spending objective in itself, because it is what the organisation is seeking to achieve through the use of these resources in terms of identifiable and measurable social, economic and environmental outcomes that constitute social value and Value for Money for the related spend.

## Determining existing arrangements

Set out the existing arrangements for the service explaining:

- ☐ how services are currently organised and provided to customers on behalf of stakeholders
- ☐ the associated throughput and turnover, and existing cost
- ☐ current asset availability, utilisation and condition.

Providing a clear picture of the organisation's current service model and existing arrangements provides an evidential base against which to challenge current perceptions of what the difficulties are, and the baseline from which to measure future improvements.

Any critique of the difficulties associated with existing arrangements should be provided in conjunction with 'business needs' in order to avoid blurring the clarity of the evidential base.

## Identifying business needs

Specify the organisation's business needs in terms of the improvements and changes that are required for the project to fulfil its agreed spending objectives.

This requires a clear understanding of the problems and difficulties associated with existing arrangements and a clear understanding of the opportunities for bridging any existing or future gaps in business operations and service provision.

Specifying the business needs and drivers for the project helps to identify the potential scope for the project, and to ensure that it is predicated on operational needs rather than potential benefits. This analysis should take service demand and capacity planning into consideration and include:

- ☐ confirmation of the continued need for existing business operations with supporting evidence
- ☐ projections of the nature and level of demand for future services, including customer demographics and alternative sources of supply

A useful technique for framing this section of the project business case is to complete the following template for each of the project's spending objectives:

**FIG:**

Spending objective	Outcome we are seeking to achieve
Existing arrangements	Current situation
Business needs	The opportunities and problems associated with the current situation – the service gap

## Action 4: Determine potential business scope and key service requirements

Identify the potential scope of the project in terms of the operational capabilities and service changes required to satisfy the identified business needs.

Consider the range of business functions, areas and operations to be affected and the key services required to improve organisational capability on a continuum of need, where:

- ☐ the 'core' coverage and services required represent the 'essential' changes without which the project will not be judged a success
- ☐ the 'desirable' coverage and services required represent the 'additional' changes which the project can potentially justify on a cost/benefit and thus Value for Money basis
- ☐ the 'optional' coverage and services required represent the 'possible' changes which the project can potentially justify on a marginal low cost and affordability basis.

This will assist in avoiding 'scope creep' during the options appraisal stage of the project.

A table for the use of workshops and capturing this information is provided below.

**Table:**

Range	Core	Desirable	Optional
Potential scope			
Key service requirements			

## Action 5: Determine benefits, risks, constraints and dependencies

Identify the benefits, risks, constraints and dependencies in relation to the agreed scope and key service requirements for the project.

This assists with the early appraisal of the options for delivery of the project and the preparation of supporting economic appraisals.

### Identifying the main benefits

Specify the main benefits of the project to be delivered by:

- ☐ Benefit category – type
- ☐ Beneficiary – to whom it will be of value
- ☐ Benefit class – how the benefit will be measured

The approach to benefits identification and measurement should be prudent, proportionate and appropriate.

At this stage in the development of the project business case, focus on the 20% of the benefits which are likely to provide 80% of the project's benefit value.

### Benefit category and beneficiary

The categorisation of benefits can be undertaken in different ways and depends upon the nature and focus of the project.

Consider the spending objectives for the project and linking targeted outcomes from the project to the beneficiaries ; because understanding to whom the benefits will be of value is the key to identifying benefits and not confusing them with outcomes.

Benefits in the appraisal of social value

These are:

- ☐ Direct public sector benefits (to originating organisation):
  - ☐ cash releasing benefits (CRB)
  - ☐ monetisable non-cash releasing benefits (non-CRB)
  - ☐ quantifiable but not readily monetisable benefits (QB)
  - ☐ qualitative but not readily quantifiable benefits (Qual).
- ☐ Indirect public sector benefits (to other public sector organisation):
  - ☐ cash releasing benefits (CR)
  - ☐ monetisable non-cash releasing benefits (non-CRB)
  - ☐ quantifiable but not readily monetisable benefit (QB)
  - ☐ qualitative but not readily quantifiable benefits (Qual).
- ☐ Wider benefits to UK society (e.g. households, individuals, businesses)
  - ☐ monetisable, including cash benefits
  - ☐ quantifiable but not readily monetisable benefits
  - ☐ qualitative but not readily quantifiable benefits.

Examples of the different classes of benefits are:

Benefit Classification	Example
Cash releasing (CRB)	Reductions in operating cost Increases in revenue stream
Non-cash releasing (non- CRB)	Re-deployment of existing resources, including staff and infrastructure onto other business Improved efficiency
Quantifiable (QB)	Improved social outcomes Improved retention of trained staff Customer satisfaction
Qualitative (Qual)	Widening the cultural appreciation of school children

Capture your supporting analysis and assumptions in the preliminary benefits register for the project (to be made more detailed later).

In principle, all benefits are measurable and monetisable. The issue is the extent to which it is practical and proportionate to do so given the evidence base and associated costs. This should be agreed between the project and the approving authority prior to preparing the project business case. The scoping document should be used for this purpose.

Identify the main risks

Specify the main risks associated with the achievement of the project’s outcomes and the proposed counter measures for mitigation and management.

Risk is the possibility of a 'negative' event occurring, adversely impacting on the project. At this stage in the development of the project business case, focus on the 20% of the risks which are likely to provide 80% of the project's risk values.

Identifying, mitigating and managing the key risks is crucial to successful delivery, since the key risks are likely to be that the project will not deliver its intended outcomes and benefits within the anticipated timescales and spend.

Consider the following key categories of risk in relation to the scope of the project:

Risk categories	Description
Business risks	These risks remain with the organisation (100%), cannot be transferred by the organisation and include political and reputational risks.
Service risks	These associated risks fall within the design, build, financing and operational phases of the project and may be shared with the others from outside of the organisation.
External risks	These non-systemic risks affect all society and are not connected directly with the proposal. They are inherently unpredictable and random in nature. They include technological disruption, legislation, general inflation and catastrophic risks.

The extent to which it is necessary and prudent to provide indicative values for these risks depends on the nature of the project and should be agreed between the project and the approving authority prior to the commencement of the business case. The scoping document should be used for this purpose.

Adopt a prudent and evidence-based approach and capture supporting analysis and assumptions in a preliminary risk register for the project (to be made more detailed later).

## Identify the constraints

Specify any constraints that have been placed on the project.

Constraints are the external conditions and agreed parameters within which the programme must be delivered, over which the project has little or no control.

These can include policy decisions, ethical and legal considerations, rules and regulations, and timescales within which the project must be delivered. Affordability constraints may include agreed limits on capital and revenue spend.

Constraints on the project need to be managed from the outset, since they will constrain the options that can be considered for project delivery.

## Identifying the dependencies

Specify any dependencies outside the scope of the project upon which the ultimate success of the project is dependent.

These should include:

- ☐ Inter-dependencies between other programmes and projects.

These are the dependencies that are external to the project but are still within the perimeters of the organisation's project and project management environment, and most likely linked to the scope of another project or project within the strategic portfolio.

- ☐ External dependencies outside the project environment.

These are the dependencies that extend beyond the boundaries of all the projects into other parts of the organisation or even other organisations. These dependencies are outside the control of the project management environment; potentially in business operations, partnering organisations and include external dynamics, such as legislation, strategic decisions and approvals.

A useful technique for completing the strategic case section of the project business case is to build upon the earlier recommended template for each spending objective (Step 2, Action 3) as follows:

Spending objective	Outcome we are seeking to achieve
Existing arrangement	Current situation
Business need	Opportunities and problems associated with the current situation
Potential scope and services	What we need to put in place to address our needs
Potential benefits	The anticipated benefits as a result
Potential risks	The risks that might arise
Potential constraints	The limitations we face
Potential dependencies	The things that must be in place and/or managed elsewhere

## Workshop 1 – Case for Change

At least one workshop is recommended for the completion of this section of the Project Business Case, so that the key stakeholders are engaged earlier on, and can challenge and assist in shaping the direction of the project. This may comprise more than one actual workshop depending on need.

The purpose, objectives, key participants and outputs of this workshop are as follows:

Workshop 1	Determining the Case for Change
Objectives	<input type="checkbox"/> To identify and agree spending objectives, existing arrangements, business needs, and potential scope for the project. <input type="checkbox"/> To identify the key service requirements for the project, related benefits and risks, constraints and inter-dependencies.
Key participants	<input type="checkbox"/> Senior Responsible Owner. <input type="checkbox"/> Board Members. <input type="checkbox"/> Project Director. <input type="checkbox"/> Project Manager and team members. <input type="checkbox"/> External stakeholders and commissioners. <input type="checkbox"/> Customer and/or user representatives. <input type="checkbox"/> Technical adviser(s). <input type="checkbox"/> Financial adviser(s). <input type="checkbox"/> Facilitator.
Outputs	<input type="checkbox"/> SMART spending objectives. <input type="checkbox"/> Business needs and potential scope for the project. <input type="checkbox"/> Key benefits and risks, constraints and dependencies.

**Checklist for Step 2**

There should now be a clear understanding of the project's:

- ☐ spending objectives
- ☐ existing arrangements and related business needs
- ☐ potential scope and service requirements
- ☐ potential benefits, risks, constraints and dependencies

**Output from Step 2**

The strategic case section of the Strategic Outline Case (SOC) has been completed and must be kept under review.

## Step 3: Exploring the preferred way forward

The purpose of the economic case is to identify and appraise the options for the delivery of the project and to recommend the option that is most likely to offer best Value for Money to society, including wider social and environmental effects as well as economic value.

This is achieved in two steps: first, by identifying and appraising a wide range of realistic and possible options (the long-list – Step 3); and second, by identifying and appraising a reduced number of possible options in further detail (the short-list – Step 4).

It should be noted that the 'preferred way forward' for the project emerges from the appraisal of the long-list (Step 3) and the 'preferred option' for the project from the appraisal of the short-list (Step 4).

Completing the first stage of the economic case requires the following:

Step 3	Exploring the preferred way forward
Action 6	Agree critical success factors (CSFs)
Action 7	Determine long-list options and SWOT analysis
Action 8	Recommend a preferred way forward

A facilitated workshop is recommended for the completion of Step 3.

### Action 6: Agree critical success factors for the project

Identify and agree the CSFs for the project.

These are the attributes essential for successful delivery of the project, against which the initial assessment of the options for the delivery of the project will be appraised, alongside the spending objectives.

The critical success factors for the project must be crucial, not merely desirable, and not set at a level that could exclude important options at an early stage of identification and appraisal.



## Appendix 5

## SEMLEP Local Growth Fund 2018 Prioritisation Framework

Criteria	Score Type	Score				
		1	2	3	4	5
Strategic Alignment						
Alignment of the Proposal to LEP Objectives Does the project make an active contribution to SEMLEP's <a href="#">Seven Priorities</a> .	Impact	No alignment with strategic themes	Partial alignment with strategic themes	Limited contribution to one or more strategic theme	Strong contribution to one or more strategic theme	Substantial / transformational contribution to on one or more strategic theme
	Evidence	No evidence provided	Analysis / evidence provides partial support for claims made	Adequate analysis / evidence provided supporting claims	Robust analysis / evidence provided supporting claims	Compelling analysis / evidence provided supporting claims
Contribution to the UK Industrial Strategy	Impact	No alignment with UK Industrial Strategy	Partial alignment with UK Industrial Strategy	Limited contribution to the Five Foundations of Productivity and/or IS Grand Challenges	Strong contribution to one or more of the Five Foundations of Productivity and/or IS Grand Challenges	Substantial / transformational contribution to on one or the Five Foundations of Productivity and/or IS Grand Challenges.
	Evidence	No evidence provided	Analysis / evidence provides partial support for claims made	Adequate analysis / evidence provided supporting claims	Robust analysis / evidence provided supporting claims	Compelling analysis / evidence provided supporting claims
Contribution to the Local Industrial Strategy and emerging <a href="#">SEMLEP priorities</a>	Impact	No alignment with emerging priorities	Partial alignment with emerging priorities	Limited contribution to the emerging priorities.	Strong contribution to one or more of the emerging priorities.	Substantial / transformational contribution to on one or more of the emerging priorities.
	Evidence	No evidence provided	Analysis / evidence provides partial support for claims made	Adequate analysis / evidence provided supporting claims	Robust analysis / evidence provided supporting claims	Compelling analysis / evidence provided supporting claims

Criteria	Score Type	Score				
		1	2	3	4	5
<b>Contribution to the <u>Oxford Cambridge Corridor</u></b>	Impact	No alignment with Corridor priorities.	Partial alignment with priorities of the Corridor.	Limited contribution to the priorities of the Corridor.	Strong contribution to the priorities of the Corridor.	Substantial / transformational contribution to the priorities of the Corridor.
	Evidence	No evidence provided	Analysis / evidence provides partial support for claims made	Adequate analysis / evidence provided supporting claims	Robust analysis / evidence provided supporting claims	Compelling analysis / evidence provided supporting claims
<b>Contribution to other relevant national policy</b> (Where relevant, please specify)	Impact	No alignment with wider initiatives	Partial alignment with wider initiatives	Limited contribution to identified initiative.	Strong contribution to identified initiative.	Substantial / transformational contribution to identified initiative.
	Evidence	No evidence provided	Analysis / evidence provides partial support for claims made	Adequate analysis / evidence provided supporting claims	Robust analysis / evidence provided supporting claims	Compelling analysis / evidence provided supporting claims
<b>Assessment of Need / Demand</b>						
<b>Evidence of Need / Demand</b> Evidence of which groups require the investment and scale of potential take up	Impact	No need for intervention / adequate alternative provision is available	Limited need for intervention	Need for intervention justified – but limited potential take-up	Need for intervention – good potential level of take-up	Need for intervention – substantial potential take-up
	Evidence	No evidence provided	Limited evidence of need	Evidence of future need provided, based on trend analysis	Evidence of future need provided, based on forecast analysis and/or basic market testing	Evidence of existing need provided supported by robust evidence (e.g. independent market assessment report / in- depth analysis of potential clients)

Criteria	Score Type	Score				
		1	2	3	4	5
<b>Evidence of Market Failure</b> Demonstrate why the project cannot proceed without public sector funding. <i>Refer to the SEMLEP overview of Market Failures</i>	Evidence	No information provided	Rationale to intervene outlined at a high level and/or no supporting evidence provided	Good rationale to intervene provided and/or limited supporting evidence provided.	Very good rationale for intervention provided and outline supporting evidence provided.	Substantial rationale for public sector intervention and evidence of the scale and nature outlined.
<b>Options Assessment</b> Demonstrate that alternative options have been considered and the proposed option is the most appropriate use of public funding.	Evidence	No options assessment provided.	High level options outlined, but no evidence of why the proposed option has been identified.	Reasonable consideration of project options and logical rationale for selection of preferred option is provided.	Detailed overview of project options and selection of preferred option based on Critical Success Factors or similar framework.	Quantified / monetised options appraisal provided, demonstrating the choice of preferred option.
<b>Direct Economic Impacts</b> Quantified direct impacts specified in the pro-forma  <i>Assessment of 'reasonable', 'strong' and 'substantial' will be relative to other bids received.</i>	Impact	No impacts identified	Limited direct impacts and/or identified impacts do not align with SEMLEP priorities.	Identified impacts are reasonable and/or have potential for low levels of scheme additionality.	Strong level of impacts expected to be generated with medium-good levels of additionality.	Substantial direct impacts will be generated by the proposals. Net impacts will have a measurable impact on the SEMLEP region.
	Evidence	No evidence provided	Evidence provided is not Green Book compliant	Green Book compliant assessment, including consideration of net impacts, drawing on unverified assumptions. Calculations can be followed and replicated by the appraiser.	Green Book compliant assessment of net benefits, based on verified / established benchmarks and assumptions. Calculations can be followed and replicated by the appraiser.	Independent assessment of Green Book compliant assessment of net benefits, based on verified/established benchmarks and assumptions. Calculations can be followed and replicated by the appraiser.

Criteria	Score Type	Score				
		1	2	3	4	5
<b>Wider Impacts</b> Additional wider benefits associated with the investment  <i>Assessment of 'reasonable', 'strong' and 'substantial' will be relative to other bids received.</i>	Impact	No wider impacts identified	Limited wider benefits identified and minimal alignment to LEP priorities.	Reasonable wider benefits identified and good alignment to LEP priorities	Strong wider benefits identified and strong alignment to LEP priorities	Substantial wider benefits identified with strong alignment to LEP priorities
	Evidence	No evidence provided	Impacts described in broad terms only.	Impacts identified in broad terms with some evidence of the intervention logic.	Specific impacts identified with some indication of the potential scale of contribution made by this project. Case supported by a qualitative description of the intervention logic.	Quantified wider impacts identified with robust supporting evidence and intervention logic (inc. verified / established benchmarks and assumptions).
<b>Value for Money: Value of LGF Requested</b>	Evidence	No rationale for level of LGF requested.	Rationale for level of LGF requested, but other funding sources are available.	Clear rationale for level of LGF funding, but availability of alternative sources has not been sufficiently explored.	Clear rationale for level of LGF funding and evidence that alternative funding sources have been explored and are unsuited to this investment.	Rationale for level of LGF requested is clear and no alternative funding is available.
<b>Value for Money: BCR</b> Ratio of benefits to public investment  Impact assessment is based on BCR reported by applicant.	Impact	No VfM / BCR provided or poor VfM (BCR below 1)	Reasonable VfM (BCR above 1)	Good VfM (BCR above 2)	Very good VfM (BCR above 4).	Substantial VfM generated (not based on a pre-determined threshold, but high scoring proposals will be allocated this score).

Criteria	Score Type	Score				
		1	2	3	4	5
<p>Evidence assessment will consider the appropriateness of the assumptions used.</p> <p>BCR to be considered for (i) SEMLEP / LGF contribution and (ii) total public cost.</p>	Evidence	No evidence provided	BCR provided with limited supporting evidence / calculations cannot be replicated and/or concerns over assumptions used to inform the assessment.	BCR provided with supporting evidence / possible to replicate VfM. There may be some concerns over the approach adopted / assumptions used, but these to not have a significant impact on the VfM assessment.	BCR provided with supporting evidence and calculations that can be replicated and are considered to be reasonable. High level optimism bias and sensitivity testing provided.	BCR provided with supporting evidence and calculations that can be replicated and are considered to be reasonable. Assessment considers in detail optimism bias and appropriate sensitivity tests (in line with Green Book guidance).
<p><b>Private Sector Leverage</b> Ratio of private to public investment</p>	Impact	No private sector leverage identified	Modest private sector leverage identified (less than 10% of project cost)	Less than 25% private sector funding.	Less than 50% private sector funding.	Majority private sector funding (more than 50%).
<b>Assessment of Deliverability</b>						
<p><b>Project Funding</b> Details of match funding</p>	Evidence	<p>Match funders not identified / funding gap greater than 20% of total project cost identified.</p> <p>Funding for revenue related activity is requested.</p>	Match funders identified, but less than 80% of the funding package will be secured on LGF approval	100% of funding sources are identified. On approval of LGF 80% of funding is expected to be in place and process for securing additional funding, in line with the project timetable, have been identified.	All required sources of funding are identified and are expected to be secured at time project approval would be granted.	All required sources of funding are identified and secured at time of the assessment.
<p><b>Project Costs</b> Detailed project costs</p>	Evidence	No cost information provided.	High level cost information provided.	Detailed cost information provided, basis of cost estimates are unclear.	Detailed cost information provided with supporting evidence / assumptions.	Application is supported by independently verified cost assessment. Cost assumptions are clearly laid out.

Criteria	Score Type	Score				
		1	2	3	4	5
<b>Risk Assessment and Mitigation</b> Consideration of project delivery risks, given delivery timescales including: <ul style="list-style-type: none"> <li>- Funding availability</li> <li>- Planning consents</li> <li>- Design and feasibility assessments</li> <li>- Additional risks</li> </ul>	Impact	No risks considered / identified	High level of risk that project will fail to deliver as outlined in its application. Limited mitigation in place.	Moderate level of risk to project delivery identified / some risk mitigation processes in place.	Based on the information provided, proposed risk mitigation activities and the proposed delivery timescales, the risks to delivery appear minimal	No substantive barriers to delivery identified given the information provided, the proposed risk mitigation activities and proposed delivery timescales.
<b>Project Management</b> Inclusion of a project management plan	Evidence	No project management structures identified	Limited information on management structures provided	Adequate information on management structure provided using untested approach.	Detailed information on management structures provided, Some activity will be new to the lead organisation, but strong capacity to deliver, within the project team.	Detailed information on management structure provided using established structures and processes that have demonstrated effective delivery of projects of this scope and scale.
<b>Project Timescales</b> The nature and scale of proposed activity in light of LGF timescales.	Evidence	No timescales identified and/or project not deliverable by March 2021.	Some timetable information provided but concerns over deliverability	Detailed delivery timetable provided.  Potential risks around deliverability (i.e. key milestones are close to March 2021 and/or potential for slippage).	Detailed delivery timetable provided.  Timescales appear realistic and project can be delivered within LGF timescales. Some delivery risks have been identified but appropriate mitigation strategies are in place.	Detailed delivery timetable provided.  Timescales appear realistic and there are no apparent challenges to delivery within LGF timescales

Criteria	Score Type	Score				
		1	2	3	4	5
<b>State Aid</b>	Evidence	Significant concerns over state aid – must be addressed before project can proceed		Potential concerns over state aid not adequately addressed in pro-forma. Further legal advice required before project can proceed		No state aid concerns or all concerns adequately resolved in pro-forma (including seeking independent legal advice where required)



## Appendix 6

## 2020 Assurance Framework

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**Release Status:** Draft

**Author:** New Anglia LEP and Suffolk County Council

**Date:** 31 March 2015; revised 10 May 2016; revised 14 February 2017; revised 27 February 2018, revised 27 March 2019, revised 31 May 2019, revised 25 March 2020.

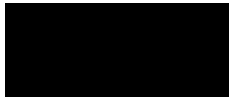


**Location** This document is stored in the following location:

<b>Filename</b>	New Anglia LEP Assurance Framework
<b>Location</b>	<a href="https://newanglia.co.uk/governance-decision-making-and-faqs/">https://newanglia.co.uk/governance-decision-making-and-faqs/</a>

**Revision History** - This document has been through the following revisions:

Version No.	Revision Date	Filename/Location stored:	Brief Summary of Changes
1		As above	N/A
2	10/05/2016	As above.	Revisions made to reflect progress on the LEP's governance framework and the processes that underpin this.
3	09/02/2017	As above.	Revisions made in light of the updated National Assurance Framework (published November 2016) and to reflect progress on the LEP's governance framework and the processes that underpin this.
4	27/02/2018	As above	Revisions made to reflect progress on the LEP's governance framework and the processes that underpin this.
5	27/03/2019	As above	Revisions made in the light of the updated National Assurance Framework and to incorporate new policies and practice adopted by the LEP.
6	31/05/2019	As above	Minor additions of information on LEP policies
7	25/03/2020	As above	Revisions to incorporate new programmes, policies and practices adopted by the LEP

**Authorisation** - This document requires the following approvals:

	<b>Name</b>	<b>Signature</b>	<b>Date</b>
<b>LEP Chair</b>	<b>Doug Field</b>		8/4/2020
<b>Accountable Body</b>	<b>Louise Aynsley</b>		9/4/2020
<b>LEP Chief Executive</b>	<b>Chris Starkie</b>		8/4/2020

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## LEP Decision Making

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The board is the ultimate decision-making body for the LEP. The board operates through a principle of consensus – that all board members should consent to a decision.

However, there may be occasions where it is not possible to reach a unanimous decision. On these instances the company's Articles of Association provides that a decision may be made by a simple majority.

The LEP board is required to approve the LEP's significant and strategic decisions, including annual budget and business plan and the LEP's Economic Strategy as well as retaining overall responsibility for risk and performance.

It is also responsible for agreeing bids for funding by the LEP, such as bids to the Local Growth Fund and subsequent Growth Deal, requests for funding from the LEP and investment decisions on the Growing Places Fund, other than requests for funding or investment below £500,000 which can be determined by the Investment Appraisal Committee under delegation from the LEP board. All decision-making is made on the basis of access to the application, a detailed appraisal and a clearly argued recommendation with conditions where appropriate.

Delegation of decision making to the LEP chair on any of these areas is permitted through the prior approval of board members. The LEP board also has a mechanism for taking decisions via written procedures.

The LEP board is also the decision-making body for areas covered by its sub-boards and working groups.

Any delegation of decision making by these boards must be agreed by the LEP board. The LEP has an agreed scheme of delegation which can be viewed on our website ([link](#)) and is reviewed annually. Any decision made in contravention of published powers and processes will be invalid.

### LEP Staff

The LEP board is supported by the LEP executive, which carries out the actions agreed by the LEP board, provides information and advice to support decision-making and conducts operational activity on behalf of the LEP board. All LEP staff are employed directly by the LEP and directly accountable to the board through the CEO and senior management team. The LEP CEO's performance and remuneration is the responsibility of the LEP's remuneration Committee. All new LEP staff are inducted following a standard process, including familiarisation with LEP policies and processes. LEP staff opportunities are advertised on our website and promoted widely and the LEP follows standard HR practice to ensure a fair recruitment process.

All staff members sign up to the LEP Code of Conduct and declare any conflicts of interest where this is relevant to their job roles.

### Scrutiny

Independent scrutiny of the LEP is provided by the scrutiny committees of Suffolk and Norfolk County Councils. Subject to the workload of each committee, the LEP will appear once a year before each of the scrutiny committees, providing an opportunity for independent scrutiny of the LEP.

Scrutiny meetings will be publicised in advance on the LEP website, along with the agendas and minutes of the meetings. In addition to the two annual scrutiny committee meetings, the LEP also makes itself available to other local authority scrutiny sessions on request.

## Evaluation

The LEP has developed its own [evaluation framework](#), based on central government guidance.

This has been enhanced with a three-year programme of evaluation covering its programmes and projects, including impact, process and economic (cost benefit) evaluations. This framework has been shared with other LEPs to help inform their thinking on evaluation.

The LEP board agreed in January 2020 to develop a call-on, call-off list of external providers who will provide support the delivery of the evaluation framework, bringing independent evaluation, external expertise and fulfilling contractual requirements of some of the LEP's funding.

The programme of evaluation will be reviewed and updated on an annual basis. This includes: an overview of what will be evaluated by when; whether the evaluation will be conducted internally or externally commissioned; whether the evaluation is a contractual requirement; the chosen evaluation approach; who is leading the evaluation; who the evaluation will report back to; and records the data being collected and monitored.

Evaluations play an important role in setting and delivering the ambitions and objectives in the Economic Strategy and Local Industrial Strategy, demonstrating accountability and providing evidence for independent scrutiny processes. Good evaluations also contribute valuable knowledge towards our evidence base, feeding into future strategy development and occupying a crucial role in determining our future projects, interventions and investments.

# Growing Business Fund

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## Background

The Growing Business Fund is a grant fund which has been run by New Anglia LEP since April 2013. The fund was initially supported by the Regional Growth Fund, with £12m awarded from Rounds 3 and 4 of the funding. In 2015 the New Anglia LEP secured an additional £25.57m by 2021 from the Local Growth Fund through the Growth Deals. The Fund provides grants between £25,000 and £500,000 to local businesses across Norfolk and Suffolk.

The need for such a programme was identified through feedback from SMEs in the region which were unable to access 100% of finance for expansion projects through traditional finance routes. The fund supports the capital costs of expansion by the businesses, up to the maximum allowable contribution under General Block Exemption Regulations (GBER) Articles 14, 17, and 19, of up to 20% of the costs of the project for small businesses employing fewer than 50 people.

Medium-sized businesses can receive funding of up to 10% towards the project cost or 20% if regulated by De Minimis, but no more than equivalent of EUR200,000 around £171k (official exchange rate as of January 2020).

Any previous public sector funding, awards, tax reliefs or benefits regulated by De Minimis received over a three-year fiscal period must be cumulated in such an award. SMEs based in an Assisted Area may apply for an additional 10% of funding. Large businesses based in an Assisted Area of Norfolk or Suffolk may apply for funding for up to 10% of the total project cost for a new activity in the area.

All successful applicants should create new jobs at the rate of one new full time equivalent (FTE) job per £20k of grant awarded, although grants can also be awarded to businesses showing significant growth and increases in productivity without the need for direct job creation. Jobs are profiled to be created over a period of up to five years, but the majority are anticipated within the first two years after grant award.

Applicants must secure all match funding from private sources only, including other finance, company funds or investment. No other public funding is accepted as match funding for the proposed expansion project.

Under current delivery arrangements the fund is exceeding its job and match funding targets.

## Processes

- The Growing Business fund is open to any local business meeting the grant programme eligibility criteria. Applicants must be an existing SME business or a large business in an Assisted Area.
- The programme operates on an 'open call' basis, encouraging applicants to come forward at any time of the year.
- Projects must be related to growth of the business and involve new capital costs
- Jobs should be created at the rate of one new FTE job per £20k grant awarded. Cost to the employer for each new job must exceed £20k to ensure value for money is achieved and there is no subsidisation of the individual jobs.
- In the case of applications for innovation and productivity measures, projects must clearly demonstrate growth and an increase in productivity as a result of the grant funding.
- Match funding must come from private sources.
- Businesses must not be pre-revenue or start-ups.
- Projects must be viable, supported by a robust business plan and represent effective use of public funds, representing good value for money for the investment made.

- The fund should not be used where sufficient funding already exists, nor on a retrospective basis

The project application, decision-making and delivery stages are as follows:

### **Application**

- Enquiry – all enquiries are dealt with by New Anglia Growth Hub
- Expression of Interest Form. Gateway assessment conducted to judge eligibility for funding, including a business size status, match funding and sector.
- Full application form issued if gateway assessment successful.
- Independent project appraisal, including financial viability assessment conducted by Finance East, partners to the programme.
- Recommendation for Growing Business Fund panel completed.

### **Decision-making**

- Grant applications are considered by the Growing Business Fund Panel at monthly panel meetings and electronically in between if necessary. Decision-making reviews financial position, deliverability evidence of need and fit within public funding realm.
- Decision plus conditions if relevant conveyed to applicant through legal grant award letter issued by Suffolk County Council as the Accountable Body.

### **Delivery, claims and monitoring**

- Applicant accepts grant offer and project commences. Claim form provided to applicant. Claims submitted to SCC casework team for approval and payment.
- Payments are made against evidence of expenditure, but without application of an intervention rate – payments are made on a one-to-one basis, with further project spend monitored until completion. Payments made through SCC financial systems, approved by SCC Programme Manager.
- Ongoing monitoring of targeted outputs – job creation and private match funding until achieved. Monitoring visit completed by SCC Casework team following final claim by project.
- Clawback procedure in place for failure to achieve outputs or expenditure irregularities.

### **Governance**

The Growing Business Fund is delivered through a casework team of SCC employees seconded to the LEP including an SCC Programme Manager. The PM is supported in this role by the LEP Programmes Manager and LEP Head of Programmes.

The LEP's Programmes Coordinator manages the day-to-day delivery of the programme, promotes the scheme and engages with key stakeholders and delivery partners.

Project approvals are only made through majority decision by the Growing Business Fund Panel, which comprises an independent chair, and representation from the New Anglia LEP Board and Norfolk and Suffolk businesses.

Decisions are recorded in the LEP's decision log, which is published for every LEP board meeting.

### **Accountability**

Suffolk County Council is the Accountable Body for the programme on behalf of the LEP.

The casework team are SCC employees seconded to the LEP. SCC provides the financial systems and support to release grant payments to projects, utilising existing financial procedures.



Payments are approved by the Programme Manager to show a separation of duties between the assessment and payment stages.

All grants issued are subject to State Aid rules and are scrutinised at an early stage of the process by the LEP, Finance East, and SCC to ensure compliance with available legislation. Grants must fall within GBER or De Minimis regulations and only be awarded to SMEs based in Norfolk or Suffolk or to large businesses based within an Assisted Area in Norfolk or Suffolk. Applicants are advised that projects are subject to review by the EU and of the implications should an Aid be considered illegal, including the requirement to repay the funding with interest chargeable.

## **Resources**

New Anglia LEP Business Programmes Coordinator

SCC Programme Manager (F/T)

Casework Team (6xF/T)

SCC Finance Team

New Anglia LEP Programmes Manager

New Anglia LEP Head of Programmes

## **Small Grant Scheme**

### **Background**

The Small Grant Scheme (further after – the programme or the SGS) is a grant fund that has run by New Anglia LEP since August 2013. The programme is currently part of the New Anglia Business Growth Programme supported by £12.48m from the European Regional Development Fund. It provides grants between £1,000 and £25,000 to local businesses across Norfolk and Suffolk.

The SGS covers a gap in the market and there is a clear need for this type of scheme, identified by an ‘in-depth’ consultation with a wide range of organisations. The SGS is derived from other successful grant schemes and has been set up to provide an innovative package of discretionary capital and revenue grant-based support for SMEs, integrated with and complementary to the other New Anglia Growth Hub products and the Growing Business Fund. The programme supports SMEs through the provision of grants to assist them to grow and expand, employ new staff, introduce new products and services, improve productivity or efficiency, increase their competitiveness etc.

Small businesses employing less than 50 people may apply for up to 20% of the costs of the project under General Block Exemption Regulations (GBER) Articles 14, 17, 18 and 19. Medium sized businesses may apply for funding of up to 10% towards the project cost or 20% if regulated by De Minimis regulations (EUR 200,000 is a maximum amount of all De minimis aid a business may receive over a three-year fiscal period). SMEs based in an Assisted Area may apply for an additional 10% of funding.

Successful applicants must be able to explain how their business will benefit from a grant and what will happen if they do not receive funding. They must also be able to secure the remaining funding needed for their proposed project from private sources (private finance, company funds or investment, bank loans etc.). Funding from public sources, eg government, local authorities, lottery funding, is not accepted as match funding for the SGS.

### **Processes**

- The SGS is open to small and medium-sized businesses across Norfolk and Suffolk meeting the grant programme eligibility criteria.
- The programme operates on an ‘open call’ basis while funding is available.
- Projects must be related to growth or expansion or introduction of a new product/service, or improvement of productivity/efficiency.
- Match funding must come from private sources.
- Projects must be viable, supported by a robust business plan/ forecast and represent effective use of public funds, demonstrating good value for money in terms of deliverables and impact.
- The fund should not be used where sufficient funding already exists.

### **Application**

- Enquiry – all enquiries are dealt with by New Anglia Growth Hub
- Application – assessment conducted by the Growth Hub to judge eligibility for funding
- Assessment – independent project appraisal, including financial viability assessment conducted by New Anglia’s Due Diligence Officer
- Recommendation for SGS Panel completed.

## **Decision making**

- Grant applications are considered by the SGS Panel electronically as and when they are ready.
- Decision and conditions (if relevant) are conveyed to the applicant through a legal grant award letter (Offer Letter) issued by Suffolk County Council (SCC).

## **Delivery, claims and monitoring**

- Having signed and returned the Offer Letter to SCC, the Applicant may commence its project.
- Having invested all the project costs, the Applicant may submit only one claim (a claim form template is part of the Offer Letter) to an MGS caseworker at SCC for approval and payment.
- Grant payments are made against evidence of all expenditure through SCC financial system, approved by SCC Programme Manager.
- Ongoing monitoring of targeted outputs (if apply) – job creation and/or introduction of a new product/service and/or improvement of productivity or efficiency until achieved. A possible monitoring visit completed by an MGS caseworker following completion of the project.
- Clawback procedure in place for not complying with the requirements.

## **Governance**

The SGS is delivered by New Anglia LEP, Suffolk Chamber of Commerce (Growth Hub), Nwes and Suffolk County Council.

New Anglia LEP employs the Business Growth Programme Coordinator to manage day-to-day delivery of the SGS, as well as other elements of New Anglia Business Growth Programme, promote the SGS and engage with key stakeholders and delivery partners. The Coordinator is supported by the Administrator, the Finance and Compliance Officer, the LEP Programmes Manager and Head of Programmes.

All SGS enquiries are being dealt with by New Anglia Growth Hub. Due diligence of grant applicants is completed by the New Anglia Due Diligence Officer.

Grant decisions are only made by majority of the SGS Panel which comprises of one representative from each of the following organisations: the LEP, Norfolk and Suffolk County Councils. Offer Letters are issued and claims are checked and paid by a SGS caseworker at SCC that is supported by SCC Programme Manager.

## **Accountability**

New Anglia LEP is the Accountable Body for the SGS and the New Anglia Business Growth Programme as a whole. Our partner organisations Suffolk Chamber of Commerce (Growth Hub), Nwes, Menta, SCC and others are actively promoting the SGS. SCC provides the financial systems and support to release grant payments to grant applicants, utilising existing financial procedures.

All grants issued are subject to State Aid rules and are scrutinised at an early stage of the process by the Growth Hub, LEP, Nwes and SCC to ensure compliance with available legislation. Grants must fall within GBER (Articles 14, 17, 18 or 19) or De Minimis regulations and only be awarded to SMEs based in Norfolk or Suffolk. Applicants are advised that their projects are subject to review by the EU and of the implications should an aid be considered illegal, including the requirement to repay the funding with interest chargeable.

## Resources

### New Anglia LEP:

- Growth Programme Coordinator (F/T); GP Administrator (F/T); GP Finance & Compliance Officer (F/T); Due Diligence Officer (F/T);
- Supported by the LEP's Programmes Manager and LEP's Head of Programmes.

### Suffolk Chamber of Commerce (Growth Hub):

- 17 F/T staff (8 Business Advisers, 1 Marketing and Communications Coordinator, 2 Events Coordinator, 2 Business Support Officer, 2 Business Growth Support Advisers, 1 Office Manager 1 GH Manager)
- 1 P/T Business Adviser

### Suffolk County Council:

- 2 Caseworkers – F/T;

Supported by Programme Manager and Finance Team.

## **Growing Places Fund**

### **Background**

The Growing Places Fund (further after the programme or GPF) is a recycling loan fund which has been run by New Anglia LEP since 2012.

The fund was designed to address the problems facing stalled developments, by providing financial support towards costs such as site infrastructure, services or access.

The fund operates predominantly as a loan fund, but some funding is available for smaller grants to support regionally significant cultural and tourism projects where a GPF grant secures a major match funding contribution.

### **Processes**

The Growing Places Fund is open to public and private applicants. The fund now stands at a total allocation of approximately £32 million which has been matched by in excess of £280 million from public and private sources. The Fund has committed more than £25 million on 28 capital investment projects and has supported seven sector developments. The fund remains open to applications and has a pipeline of projects for consideration.

The project application, decision-making and delivery stages are as follows:

#### **Application**

- Initial enquiry received. The programme operates on an open call basis with the funding opportunity promoted through the LEP's website and wider marketing opportunities.
- Full application completed following discussion with LEP.
- Project appraisal and due diligence conducted by independent consultants.
- Decision or recommendation by the Investment Appraisal Committee to the LEP board completed.

#### **Decision making**

- Projects will be debated by the Investment Appraisal Committee which makes decisions on amounts below £500k or recommendations to the main New Anglia LEP board for amounts above this at monthly LEP board meetings. Decision-making incorporates value for money, ratio of funding to jobs created, security of loan.
- Decision plus conditions if relevant conveyed to applicant
- Bespoke loan/grant agreement set up for each project in conjunction with Accountable Body legal team and signed off by the Accountable Body.

#### **Delivery, claims and monitoring**

- Loan agreement confirms payment release mechanisms (retrospective on project spend or works done).
- Loan agreement incorporates claim form, which should be reviewed by both LEP and Suffolk County Council officers to ensure eligibility and compliance with award conditions.
- Payments are subject to standard Accountable Body (Suffolk County Council) accounting procedures and systems. Expedited payment system (The Clearing House Automated Payment Scheme (CHAPS)) available, if necessary, to provide rapid payment. Final sign-off of payment by the Section 151 Officer.
- Ongoing monitoring of targeted outputs and other project outcomes.

## **Governance**

The Growing Places Fund is delivered through a Senior Programme Coordinator, employed by the LEP. The Coordinator also delivers case work and is supported in this role by the LEP Head of Programmes.

Project approvals are only made through majority decision by the LEP's Investment Advisory Committee or Board following consideration of the application for funding and the recommendation made by the Programme Coordinator.

An independent appraisal of each project is conducted in line with Green Book techniques and an initial level of due diligence is carried out on the applicant. Deliverability, leverage, regional or local economic significance and value for money are key areas that any project has to score highly to gain investment from the fund.

Requests for payment are submitted by the applicant as a formal claim process, reviewed by the LEP and by Suffolk County Council and signed off by the appropriate officer at Suffolk County Council on behalf of the Accountable Body.

## **Accountability**

Suffolk County Council is the Accountable Body for the programme.

Suffolk County Council provides the legal support to prepare suitable loan or grant documentation for each approved project. This support is reimbursed at cost by the programme.

All loans and grants issued are subject to State Aid rules and are scrutinised by SCC at an early stage of the process to ensure compliance with available legislation. The majority of loans are issued at or equivalent to a commercial rate of interest to ensure they cannot be considered to be an Aid. Applicants are advised that projects are subject to review by the EU and of the implications should an Aid be considered illegal, including the requirement to repay the funding with interest chargeable.

## **Resources**

New Anglia LEP Senior Growing Places Coordinator (F/T)

New Anglia LEP Head of Programmes

SCC Finance Team

## **Principal 2020/21 Growing Places Fund operational variances**

The fund will be delivered in 2020/21 in accordance with the current procedures and operational methodology. The only changes to the delivery process are:

- Ensuring future projects support the objectives of the Economic Strategy for Norfolk and Suffolk.
- Revised annual allocation agreed in order to meet demand.

# Growing Business Fund – Large Company Grant

## Background

The majority of applications for grant funding from Norfolk and Suffolk businesses can be serviced adequately from existing programmes, including the Growing Business Fund, Small Grant Scheme and the recently introduced Innovative Projects Fund. The Growing Places Fund has also provided grant interventions of up to £500k to a number of regionally significant cultural and tourism projects, and projects with a local socio and economic impact.

However, on occasion, some regionally significant projects cannot be supported through standard grant mechanisms. Usually this is because applicants are classified as large companies or because the intervention requested exceeds the limits of existing grant schemes.

To enable the LEP to consider occasional applications for funding for projects out of scope for existing programmes, the LEP Executive has introduced the GBF Large Company Grant programme.

## Processes

Funding for the Large Company Grant programme comprises a budget of £2.5m to cover the financial years 2019/20 and 2020/21, secured by releasing capacity within the Growing Places Fund budget, part of the overall Growth Deal allocation. The likelihood is that a very small number of projects could be supported, perhaps three or four from the budget allocation.

Commitment levels will be kept under review and any unallocated funds will be re-allocated to the Growing Places Fund or the Growing Business Fund to ensure the budget allocation for each year is fully spent.

## Decision making

The programme will be built around the high-level criteria and intent of the existing Growing Business Fund. This means projects must meet at least the following criteria to be eligible for any grant support:

- Applicants must be established and growing businesses, substantially based in Norfolk or Suffolk, or in the case of inward investment projects, with a firm commitment to relocate to the region and meeting all other criteria.
- Grants must be used to support and invest in the expansion and growth of the business.
- Certain sectors, including primary agriculture, retail, care and health sectors are not eligible.
- Projects must be expecting to create new jobs, preferably at the ratio of one job per £20k of grant received. Productivity and innovation measures could also be eligible.
- Jobs created should be full-time and expected to last 12 months or more.

Additional criteria for the new Large Company Grant programme will be very specific. This is principally because projects will need to meet strict State Aid legislation to be able to be supported by the LEP.

Projects must therefore be able to satisfy the following:

- Maximum grant intervention will be a maximum of 15% of the overall project costs. The preferred award size will be no more than 10%, in line with GBF guidelines for projects within assisted areas.
- Projects must be designed to increase productivity, and this should be measurable.
- Projects must involve and benefit the local supply chain
- Inward investments from outside the region may be considered but should meet all other criteria, including identified capital costs beyond the costs of relocation.
- Projects should not normally be located in an Assisted Area (potentially supportable under GBF)

### **Funding priorities**

Priority for support will be given to companies at risk of relocation outside of the region.

In addition, projects must broadly reflect the delivery priorities of the Growing Business Fund, which is designed to support growth and job creation in businesses across Norfolk and Suffolk.

Successful applications must reflect LEP priority sectors and should contribute to the key objectives of the Economic Strategy.

### **Governance**

Applications up to £500k can be approved by the Investment Appraisal Committee. Requests in excess of £500k must be approved by the full LEP board.

All successful applications will receive a formal grant offer issued by Suffolk County Council as the accountable body for the LEP. The grant offer will accommodate standard conditions and measures, including claiming grant, monitoring and reporting and clawback of grant if necessary.

### **Accountability**

As per the Growing Business Fund.

## **Innovative Projects Fund**

### **Background**

An important source of revenue funding comes from our Enterprise Zones. Under the Enterprise Zone legislation, the LEP is entitled to retain 100 per cent of additional business rates generated by the zones for a period of 25 years.

Under agreements reached with our local authority partners, this funding is split on each site into three pots.

- Pot A is retained by the district and county authorities to ensure they are not at a financial disadvantage from the zone. Without EZ status, they would have ordinarily retained a portion of the income.
- Pot B is set aside to accelerate development of the zone and is managed by the local authorities and the LEP.



- Pot C is ring fenced by the LEP to invest in supporting economic growth and in the delivery of the LEP's Economic Strategy.

In January 2017, the LEP board agreed that a portion of funding from Pot C should be set aside to support innovative projects by external partners to deliver the Economic Strategy and Local Industrial Strategy. The Innovative Projects Fund (IPF) was created.

The first call took place in August 2018 with an approved annual allocation of £500k. Following the outcome of the first call, local authority partners in Norfolk and Suffolk indicated interest in matching New Anglia LEP's future allocations of the Innovative Projects Fund through their respective pooled business rates. This resulted in a £1.5 million pot being made available to prospective projects under a 2019/20 call.

## **Processes**

The Innovative Projects Fund is promoted through the LEPs website and wider marketing opportunities and networks. The Innovative Projects Fund is open to public and private applicants located from within the New Anglia LEP area. Preference is that projects bidding for funds from the 2019/20 Innovative Projects Fund are regional in nature. However, this does not preclude countywide or locality-based projects from being supported.

As part of the assessment process, projects that can clearly demonstrate direct links to delivering elements of the Economic Strategy, and, in particular, growth of LEP ambitions, themes, sectors and key growth locations will be prioritised. For example, projects relating to energy, agri-food, ICT/ digital and creative industries with clear and demonstrable outputs will be prioritised.

Cross-sector collaborations, where specialist skills in one sector can drive innovation and growth in another? are of particular interest. Proposals for revenue funding to accelerate the impact of LEP capital schemes are also considered. Transport feasibility studies are not supported through this fund.

Additionally, all projects must be:

- State Aid compliant
- Able to demonstrate their contribution to the delivery of the Economic Strategy and Call Focus through direct and indirect outputs.
- Able to demonstrate the need for funding and the additionality achieved by the funding.

The project application, decision-making, and delivery stages are as follows:

## **Application**

- Initial enquiry received via the Programmes Team.
- Initial project enquiry and applicant contact information is recorded.
- Application form sent to applicant.
- Full application completed by applicant and submitted following discussion with LEP.

## **Decision making**

Once submissions have been received, applicants may be required to respond to queries about their projects from the LEP programmes team as part of the shortlist process.

Applications will then be subject to a full appraisal by an independent consultant.

The appraisal will be in accordance with HM Treasury Green Book principles of viability, value for money, achievability, affordability and need. As such, projects will be scored on a competitive basis against the following criteria:

- Demonstration of clear fit with the Economic Strategy and Local Industrial Strategy.
- Additionality. How is this more than business as usual? The fund should not replace core funding.
- Value for money. Can the project demonstrate this is good use of public money?
- Leverage. What additional funding, public or private or in-kind support does the project generate?
- Impact. What will the project actually deliver and how innovative is the proposal?
- Sustainability. What will happen when the funding ends?

Key areas will be scored 1-5 for each project, with 5 being the highest.

The New Anglia LEP Investment Appraisal Committee (IAC) considers all applications at its scheduled meetings and determines whether to approve or reject each of the Innovative Projects Fund applications. A decision plus any conditions (if relevant) will be conveyed to the applicant.

### **Delivery, claims and monitoring**

All projects approved for funding will be subject to an offer letter and/or agreement drawn up in conjunction with the LEP's Accountable Body, Suffolk County Council. The agreement/ offer letter will include the cycle of anticipated drawdown of funding and the outputs expected to be generated by the project plus any conditions laid down by the Investment Appraisal Committee. The process is then as follows:

- Having signed and returned the Offer Letter to SCC, the Applicant may commence its project.
- Having invested agreed project costs, the Applicant may submit claims in line with its claim schedule (a claim form template is part of the Offer Letter) to the project caseworker at the LEP for approval and payment.
- Grant payments are made against evidence of all expenditure through the SCC financial system, approved by SCC Programme Manager.
- Ongoing monitoring of targeted outputs (if apply) – job creation and/or introduction of a new product/service and/or improvement of productivity or efficiency until achieved. A possible monitoring visit completed by the LEP caseworker following completion of the project.
- Clawback procedure in place for not complying with the requirements.

### **Governance**

The Innovative Projects Fund is delivered by the Project Coordinator, employed by the LEP. The Project Coordinator is supported by the LEP Head of Programmes.

A partnership arrangement between the LEP's IAC and the two local authorities has been put in place to consider eligible applications for funding. An IPF Panel has been created comprising two private sector members of the IAC and two local authority representatives from Norfolk and two from Suffolk, selected by their respective leaders' groups. The two private sector members in attendance at the IPF panel will have delegated authority from the board to approve projects up to £500,000.

Project approvals are only made through majority decision at a meeting of the partnership between the LEP's Investment Appraisal Committee and the two local authorities, following consideration of the application for funding and the recommendation made by the LEP Head of Programmes, following the appraisal process (outlined above).

Requests for payment are submitted by the applicant as a formal claim process, reviewed by the LEP and by Suffolk County Council and signed off by the Section 151 Officer at Suffolk County Council.

The performance of the Innovative Projects Fund is monitored by the LEP's Management Committee, to ensure it is delivered appropriately and within acceptable risk tolerances.

The Management Committee also monitors the spend profile. Performance of the programme is also reported to and monitored by the LEP board through regular board reports.

### **Accountability**

New Anglia LEP is the Accountable Body

SCC provides the financial systems and support to release grant payments to grant applicants, utilising existing financial procedures.

Suffolk County Council provides the legal support to prepare suitable grant documentation for each approved project. This support is reimbursed at cost by the programme.

### **Resources**

New Anglia LEP Project Coordinator (P/T)

New Anglia LEP Head of Programmes

SCC Finance Team

## Appendix 7

## **Question 1. Need or challenge**

What is the business need, technological challenge or market opportunity behind your innovation?

Describe or explain:

- the main motivation for the project
- the business need, technological challenge or market opportunity
- the nearest current state-of-the-art, including those near market or in development, and its limitations
- any work you have already done to respond to this need, for example if the project focuses on developing an existing capability or building a new one
- the wider economic, social, environmental, cultural or political challenges which are influential in creating the opportunity, such as incoming regulations, using our [Horizons tool](#) if appropriate

## **Question 2. Approach and innovation**

What approach will you take and where will the focus of the innovation be?

Describe or explain:

- how you will respond to the need, challenge or opportunity identified
- how you will improve on the nearest current state-of-the-art identified
- whether the innovation will focus on the application of existing technologies in new areas, the development of new technologies for existing areas or a totally disruptive approach
- the freedom you have to operate
- how this project fits with your current product, service lines or offerings
- how it will make you more competitive
- the nature of the outputs you expect from the project (for example report, demonstrator, know-how, new process, product or service design) and how these will help you to target the need, challenge or opportunity identified

You can submit one appendix to support your answer. It must be a PDF and can be up to 2 pages long. The font must be legible at 100% zoom.

### **Question 3. Team and resources**

Who is in the project team and what are their roles?

Describe or explain:

- the roles, skills and experience of all members of the project team that are relevant to the approach you will be taking
- the resources, equipment and facilities needed for the project and how you will access them
- the details of any vital external parties, including sub-contractors, who you will need to work with to successfully carry out the project
- if your project is collaborative the current relationships between project partners and how these will change as a result of the project
- any roles you will need to recruit for

You can submit one appendix describing the skills and experience of the main people working on the project to support your answer. It must be a PDF and can be up to 4 pages long. The font must be legible at 100% zoom.

### **Question 4. Market awareness**

What does the market you are targeting look like?

Describe or explain:

- the markets (domestic, international or both) you will be targeting in the project and any other potential markets
- the size of the target markets for the project outcomes, backed up by references where available
- the structure and dynamics of the target markets, including customer segmentation, together with predicted growth rates within clear timeframes
- the target markets' main supply or value chains and business models, and any barriers to entry that exist

- the current UK position in targeting these markets
- the size and main features of any other markets not already listed

If your project is highly innovative, where the market may be unexplored, describe or explain:

- what the market's size might to be
- how your project will try to explore the market's potential

### **Question 5. Outcomes and route to market**

How are you going to grow your business and increase your productivity into the long term as a result of the project?

Describe or explain:

- your current position in the markets and supply or value chains outlined, and whether you will be extending or establishing your market position
- your target customers or end users, and the value to them, for example why they would use or buy your product
- your route to market
- how you are going to profit from the innovation, including increased revenues or cost reduction
- how the innovation will affect your productivity and growth, in both the short and the long term
- how you will protect and exploit the outputs of the project, for example through know-how, patenting, designs or changes to your business model
- your strategy for targeting the other markets you have identified during or after the project

If there is any research organisation activity in the project, describe:

- your plans to spread the project's research outputs over a reasonable timescale
- how you expect to use the results generated from the project in further research activities

### **Question 6. Wider impacts**

What impact might this project have outside the project team?

Describe, and where possible measure the economic benefits from the project to

- external parties, including customers
- others in the supply chain
- broader industry
- the UK economy, such as productivity increases and import substitution

Describe, and where possible measure:

- any expected impact on government priorities
- any expected environmental impacts, either positive or negative
- any expected regional impacts of the project

Describe any expected social impacts, either positive or negative on for example:

- quality of life
- social inclusion or exclusion
- jobs, such as safeguarding, creating, changing or displacing them
- education
- public empowerment
- health and safety
- regulations
- diversity

## **Question 7. Project management**

How will you manage the project effectively?

Describe or explain:

- the main work packages of the project, indicating the lead partner assigned to each and the total cost of each one
- your approach to project management, identifying any major tools and mechanisms you will use to get a successful and innovative project outcome
- the management reporting lines



- your project plan in enough detail to identify any links or dependencies between work packages or milestones

You can submit a project plan or Gantt chart as an appendix to support your answer. It must be a PDF and can be up to 2 pages long. The font must be legible at 100% zoom.

### **Question 8. Risks**

What are the main risks for this project?

Describe or explain:

- the main risks and uncertainties of the project, including the technical, commercial, managerial and environmental risks, providing a risk register if appropriate
- how you will mitigate these risks
- any project inputs that are critical to completion, such as resources, expertise, data sets
- any output likely to be subject to regulatory requirements, certification, ethical issues and so on, and how you will manage this

You can submit a risk register as an appendix to support your answer. It must be a PDF and can be up to 2 pages long. The font must be legible at 100% zoom.

### **Question 9. Added value**

What impact would an injection of public funding have on the businesses involved?

Describe or explain if your project could go ahead in any form without public funding and if so, the difference the public funding would make, such as a faster route to market, more partners or reduced risk.

Explain the likely impact of the project on the businesses of the partners involved.

Explain why you are not able to wholly fund the project from your own resources or other forms of private-sector funding, and what would happen if the application is unsuccessful.

Describe how this project would change the nature of R&D activity the partners would undertake, and the related spend.

### **Question 10. Costs and value for money**

How much will the project cost and how does it represent value for money for the team and the taxpayer?

In terms of project goals, describe or explain:

- the total eligible project costs for the proposal
- the total grant amount you are requesting and how each partner will finance their contributions to the project
- how this project represents value for money for you and the taxpayer
- how it compares to what you would spend your money on otherwise
- the balance of costs and grant across the project partners
- any sub-contractor costs and why they are critical to the project

**STRATEGIC FUNDING PIPELINE DEVELOPMENT PLAN 2021-22**

This draft outline plan aims to develop a stronger, inclusive, and more strategic aligned pipeline of project opportunities in preparation for the period 2021 onwards, after allocation of the Local Growth Fund Round 3 and Getting Building Fund.

**LOCAL GROWTH FUND AND GETTING BUILDING FUND PROGRAMME POSITION**

The Local Growth Fund (LGF) £146.7m awarded through three rounds will have been primarily spent by 31 March 2021 but programme outcomes will be delivered beyond 2021 for several years. Monitoring and evaluation of all completed projects will be conducted during 2021 and 2022 to establish the most accurate figures on outputs/outcomes.

Getting Building Fund (GBF) £14.6m was allocated to the Cambridgeshire and Peterborough Combined Authority (CPCA) in Summer 2020 and awarded to the University of Peterborough Phase 2 R&D Centre during November 2020.

There may be opportunities for further re-investment of these funds once some of the projects return some or all funding back to the budget for recycling the funds. These particular projects are able to return funding as a result of the LGF and GBF being awarded as loans or equity investments during the period up to March 2021. (See annex 1).

Following the review of processes the findings and recommendations have fed into this starter list of ideas to develop the pipeline, also new strategies and refreshed strategies, especially in light of COVID-19 impact and economic downturn have to be considered as potential for new strategic projects.

New tranches of funding awarded from Government after March 2021, such as any new funding similar to LGF, GBF or new UK Shared Prosperity Funding (UKSPF) from April 2022, will also bring with them criteria that will direct or focus the targeting considerations for investment prospectus calls out to develop a pipeline of applications, so its slightly difficult to entirely pin down now the strands of focus for this funding.

**PROPOSED ACTIONS TO DEVELOP PIPELINE:**

- Engagement of key Strategically important Private sector corporations and companies – engage in a dialogue with at least 2 or 3 key companies in each District and across key sectors. Key Account Management with twice annual discussion of strategic investment plans to take some projects into the Strategic pipeline.

- Strategic meetings with Local Authorities at least once a quarter with the Economic Development teams to discuss the pipeline of development projects in those Districts and the requirements and parameters to bring them forward – adding those projects into the Strategic pipeline.
- Key strategic projects derived from the finalisation and implementation of the medium- and long-term parts of the Local Economic Recovery Strategy (LERS) feeding into the Strategic pipeline
- The refresh of the CPCA Local Industrial Strategy (LIS) will provide for both medium- and long-term Key strategic projects which the Strategic pipeline can take forward.
- Sector focussed and Sector led investment and support projects from the key CPCA sector strategies developed and refreshed by the Business Board to feed into the Strategic pipeline.
- Skills, Employment and community development projects either derived from the CPCA Skills Strategy or from the wider Skills and Adult Education work through the Business Board (potentially UKSPF focussed as transition in a post ESF environment)
- Future CPCA Annual Business Plans and Mayoral Priorities developed to address key projects and deliverables to be fed into the Strategic Pipeline.
- COVID-19 short-term impact funding such as grants issued through Government during periods of lockdowns or future (ERDF or UKSPF)
- Use of technology for project calls and through online engagement platforms (such as Hubspot) and project application management.
- Comms and Marketing planned to ally with key project calls focussed with any new investment prospectus, augmenting this activity with strategic engagement management across the key networks of the Business Board and wider business representative and sector networks.

## **Annex 1: Funding invested with potential return for reinvestment**

LGF and GBF investments into Joint Venture company shareholding to be noted:

**University of Peterborough phases 1&2** – CPCA majority shareholder in both phases through two Joint Venture (JV) companies. (£12.5m LGF and £13.4m GBF invested as shareholding)

**Cambridgeshire and Peterborough Growth Co** - CPCA majority shareholder and this JV company is part of the CPCA subsidiary group (£5.4m LGF invested as shareholding)

**Cambridge Autonomous Metro (CAM) Special Purpose Vehicle (SPV)** - CPCA majority shareholder and this will be part of subsidiary group pending Board approval (£995,000 LGF invested as shareholding)

**Ascendal Transport Accelerator project JV Company** – CPCA does not have a controlling share and will not be part of the subsidiary group. (£965,000 LGF invested as shareholding)

**Smart Manufacturing Network JVC** – CPCA will not be the controlling shareholder, CPCA will not have a controlling share. This project will not be required to be part of the subsidiary group. (£715,000 LGF awarded to be invested as shareholding)

In terms of other shareholding resulting from the LGF programme (both first three rounds and already recycled once):

**Startcodon** – LGF invested £3m into this fund to which will be investing equity into shareholding in various Life Sciences start-up and growth companies in parallel with other investors in the fund – this is arm's length arrangement with payback waterfall from years 5 to 7.

**Medtech Accelerator** – legacy LEP project with £500k invested into shareholding in various medical device start-up and growth companies in parallel with other investors in the fund – this is arm's length arrangement with future payback options.

**Illumina Genomic Accelerator** - £2.7m earmarked for seed investment into illumina's accelerator participants who are genomics related start-ups or growth companies - £100k investments in return for shares purchase via a SAFE agreement. CPCA directly providing these investments and this shareholding will provide future payback options.

**Business Growth Service** – within this service £6m being contracted as part of BGS to Gateley's which will be invested in shareholding for high growth companies – in parallel with £12m match funding from other investors. The BGS contract will be managed as an arm's length equity investment fund with future payback options.

All the above investments provide for future funding that will be able to be awarded in parallel to new funding allocations into Strategic pipeline projects.



## Local Growth Fund Project Proposals – November 2020

To:	Business Board
Meeting Date:	10 November 2020
Public report:	This report contains an appendix which is exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in publishing the appendix.
Lead Member:	Austen Adams, Chair of the Business Board
From:	John T Hill, Director Business and Skills
Key decision:	Key Decision for Combined Authority Board on 25th November 2020
Forward Plan ref:	2020/069
Recommendations:	<p>The Business Board is asked to:</p> <p>Recommend that the Combined Authority Board approve funding for the Cambridge Visitor Welcome project based on the project scoring criteria and external evaluator recommendation.</p>

## 1. Purpose

- 1.1 The Business Board is responsible for allocating the Local Growth Fund subject to approval by the Combined Authority Board with the objective of creating new jobs and boosting productivity.
- 1.2. The Business Board is asked in this report to consider and make recommendations to the Combined Authority Board against applications that have been submitted for these funds and the pipeline of projects based upon the independent external assessment undertaken.

## 2. Background

- 2.1 Growth Deal funding (Local Growth Fund, LGF) is provided by Government to local areas to invest in projects that will create new jobs, increase productivity, and stimulate economic growth. A total of £146.7million has been provided to this area, with £2,753,178 remaining to allocate from LGF which must be spent before end of March 2021.
- 2.2. The project being considered for this remaining funding is a result of an agreed discussion and action from the COVID-19 Cambridgeshire & Peterborough City Centre Exit Strategy Group (CCESG) meeting on 7th July 2020. The action was the exploration of available funding and options for projects to submit applications to utilise the small amount of remaining LGF to deliver capital investment in the short-term to support the visitor economy in the City Centres targeting businesses with support to aid safe adaption, thus aiming to reopen and revive the city centre economies.
- 2.3. This project was declined at the Business Board and Combined Authority Board in September 2020 and an invitation to re-apply was noted by the Business Board. Therefore, utilising the LGF Investment Prospectus criteria and Local Assurance process this project submitted a revised application which has had independent external assessment and is being brought to this Business Board for consideration.
- 2.4. Entrepreneur Advisory Panel (EAP) - The EAP ran virtually on the 20th October 2020, to review the presentation made by the project applicant and question the project on rationale, strategic fit, and clearly defined, measurable outputs. The final evaluation scoring is included in the table at 2.8 below. The Business Board is asked to note that the project is aimed at COVID-19 led response adaptations to the City Centre in Cambridge.
- 2.5. The Project has also been independently evaluated by our external appraisers and although this has resulted in a recommendation decision from those appraisers this needs to be considered by the Board in parallel with the Local Assurance assessment scoring process and final average scores in table at 2.8 below.
- 2.6. Further details of the individual project, including the external appraisal report and further supporting documents can be found in confidential Appendix 1. The scoring assessment has been completed for this project including our external evaluators' matrix score section.
- 2.7. The Business Board is asked to consider the Cambridge Visitor Welcome project for recommendation that the Combined Authority Board approve funding for this project listed in the table below at 2.8. That approval would be subject to the conditions proposed by external Appraiser's report.



## 2.8 Application Assessment Summary Table

Projects	Eol %	FAF %	EAP %	Final averaged % assessment score	GBF Funding Request	GBF Funding Offer	RANK
<b>LGF Budget</b>	<b>£2,753,178</b>						
Cambridge City Centre - Visitor Welcome Project 2021	85%	72%	84%	80%	£710,000	£710,000	1

## Significant Implications

### 3. Financial Implications

- 3.1 The requested funding is a £710k grant. As set out in the report, there is significant unallocated Local Growth Funding available to meet the cost of this without impacting other CPCA resources.

### 4. Legal Implications

- 4.1 There are no direct legal implications but the assessment of applications for Local Growth Funding must be completed in accordance with the Assurance Framework.

### 5. Other Significant Implications

- 5.1 None

### 6. Appendices

- 6.1 Appendix 1 (Confidential) – Project Application Info and External Appraisal Report

### 7. Background Papers

- 7.1 Local Growth Fund Documents, Investment Prospectus, guidance, and application forms:  
[https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/Growth Prospectus 2019-21](https://cambridgeshirepeterborough-ca.gov.uk/business-board/growth-funds/Growth-Prospectus-2019-21)
- 7.2 Local Industrial Strategy:  
[Local Industrial Strategy](#)
- 7.3 Local Assurance Framework:  
[CPCA Local Assurance Framework](#)



## IMET Investment Update and Recovery Recommendations

To: Business Board

Meeting Date: 10 November 2020

Public report: This report contains appendices which are exempt from publication under Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in publishing the appendices.

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director Business and Skills

Key decision: Key Decision for Combined Authority Board on 25th November 2020

Forward Plan ref: 2020/078

Recommendations: The Business Board is invited to:

- a) Recommend to the Combined Authority Board approval of pursuing clawback of Local Growth Funding in relation to the iMET LFG investment, by selling the iMET building on the open market for a cash receipt back into the recycled Local Growth Funding budget, through agreements with Cambridge Regional College and the Landlord Urban and Civic;
- b) Recommend to the Combined Authority Board to approve to the Combined Authority owning and disposing of the iMET building to effect claw-back, if required. It is not the intention of the transaction as currently envisaged that CPCA would take ownership of the iMET Building. If CPCA do take ownership, it would only be for a short period of time before the iMET is transferred to the end purchaser;
- c) Recommend to the Combined Authority Board, approval of a refocussed Grant Funding Agreement between Cambridge Regional College and the Combined Authority and that final sign-off of that agreement, in relation to the iMET equipment being retained and utilised by Cambridge Regional College to

continue delivering learner outputs, is delegated to the Director Business and Skills in consultation with the s73 Officer and the Lead Member for Finance;

- d) Recommend to the Combined Authority Board that delegated authority is given to Director Business and Skills, in consultation with the Section 73 Officer, the Monitoring Officer and the Lead Member for Finance, to finalise the form and then sign-off the Surrender or Assignment Option Agreement between Cambridge Regional College and the Combined Authority, once full and final agreement with the landlord has been achieved; and
- e) Recommend to the Combined Authority Board that delegated authority is given to Director Business and Skills in consultation with the Section 73 Officer, Monitoring Officer and the CA Member for Finance to finalise Heads of Terms on an agreement with the landlord of the iMET building, which in turn facilitates the final sign-off of the option agreement with Cambridge Regional College.

## 1. Purpose

- 1.1 The purpose of this paper is to ask the Business Board to approve the partial recovery of the Local Growth Fund (LGF) investment of £10,502m in the legacy project design and build of a vocational training centre at Alconbury Weald.
- 1.2 The paper outlines the remaining option open for the Business Board to consider and to recommend an approach to dispose of the main asset to recover funding.
- 1.3 In parallel the Business Board is asked to consider a refocusing of the existing legal Grant Funding Agreement to enable the Equipment paid for by the LGF grant to continue to be utilised to achieve skills outcomes to benefit of the current and future cohorts of learners.

## 2. Background

- 2.1 Following the LEP investment in this project in 2016, ownership and management of the iMET Centre transferred to Huntingdonshire Regional College (HRC), with Urban & Civic retaining the freehold property rights. However, HRC subsequently ran into financial difficulty, and merged with Cambridge Regional College (CRC). The original outcomes for the Centre had largely failed to materialise, with the Centre operating at a considerable loss.
- 2.2 In line with the Local Assurance Framework and National Guidance, the Combined Authority, as the Accountable Body for the LGF, is charged with approving clawback of funds on underperforming or non-compliant projects. The Business Board, as administrators of the LGF make the recommendations to the CPCA on the risks and implications of recovery. A complicating factor is that CRC is the current owner of the asset, but not the original applicant for the iMET LGF grant, as the asset was novated to CRC following the merger with HRC. However, CRC is the legal entity against which any action to recovery funds will be taken.
- 2.3 The Business Board at its meeting on 26<sup>th</sup> May 2020 considered options for reuse or financial recovery of the iMET assets in light of the project closing down delivery in April 2020 at the LGF funded site in Alconbury Weald and agreed to note the potential options available to the Business Board in relation to the iMET investment that will be explored further by the Chief Officer of the Business Board, complimented with legal advice and reported back to the Business Board. See Appendix A for the range of options that were considered at that Business Board meeting.
- 2.4 The Business Board report dated the 27<sup>th</sup> May 2020 (for the meeting on the 26<sup>th</sup> May) set out several commercial options for reusing the asset and its net value should it be possible to liquidate the asset, to generate new and additional skills and jobs outcomes for the economy, and those potential options were discussed and agreed.
- 2.5 The Business Board option of legal action to enable recovery of the funding was noted by the Business Board at the meeting. It was agreed that legal action was unlikely to result in a successful claw-back outcome as recovery of the original grant value would place CRC under serious financial pressure. The analysis of risks and implications is attached again to this paper at Appendix B.

- 2.6 The Director of Business & Skills acting as directed by the Business Board has explored all the options laid out in the May Business Board meeting with the primary option of finding a Vocational Educational Provider to agree to take over the lease of the iMET with a view to continuation of Educational and Skills activities and outputs on the site as per its current granted use by the Landlord.
- 2.7 Several Educational Provider Organisations had shown interest in buying the facility with a view to continuing the delivery of Educational activities but none of the discussions have concluded in any deal. Discussions finally concluded in Early October 2020 with the last remaining interested Educational Provider withdrawing interest in purchasing the site.
- 2.8 The other disposal options explored in parallel did not conclude with any successful outcomes or interest, so this leaves the only 'do-something option' being to take the current lease for the building to the open market. This requires an option agreement between Combined Authority and Cambridge Regional College (CRC), the current owners of the lease for a surrender or transfer of the lease when a buyer has been found.
- 2.9 In conjunction with the proposed agreement with CRC, LGF Officers are negotiating with the Landlord, Urban and Civic, around agreement for lease sale with change of use in a new lease plus option on the sale of the freehold of the land under the building to maximise the likely sale value.
- 2.10 Legal advice was sought in respect of the existing lease and landlord arrangements to shape the collaboration route to realise value from the building asset. Please see confidential Appendix C for copy of that legal advice, this legal advice is included so that Business Board members can note that advice has been sought rather than members having to fully digest the whole appendix.
- 2.11 The resulting financial receipts are proposed to be recycled into new LGF grants, awarded to deliver new outputs and outcomes in the LGF programme and potentially to fill the funding gap between the expenditure of the current LGF by 31 March 2021, and the anticipated arrival of new Shared Prosperity Funding in April 2022.

## Proposed Recovery Plan

This proposal is submitted on the assumption that the parties to the arrangements are willing parties. The subsequent Agreement will be made strictly subject to contract and without prejudice to the parties rights and/or legal remedies. Please see Appendix D for flowchart of the proposed structure of agreements to facilitate sale of iMET building and reuse of equipment.

## Cambridge Regional College (CRC) DEAL:

The following proposal is made to facilitate a release of CRC from its obligations under both the Grant Funding Agreement with CPCA as well as the IMET Lease with Urban & Civic. The proposal will also potentially maximise the restitution of monies paid under the Grant Funding Agreement back to CPCA, as the accountable body.

CRC are now the contracting party under the Grant Funding Agreement (replacing HRC);

including being responsible for the finances and educational outcomes as required under the Grant Funding Agreement.

CPCA are now the accountable body for monitoring financial spend and the educational outcomes in the Grant Funding Agreement paid to HRC for the IMET Building. CPCA are obligated to ensure that they can fully account for all spend at IMET in any future audit carried out by Central Government.

CPCA and CRC agree that some of the building, accounting and educational outcomes under the Grant Funding Agreement have not, and continue to not, be best achieved. The Parties therefore wish to come to a mutually agreeable accommodation in relation to those outcomes, which will both ensure CPCA meets its obligations to get best use of public funds as accountable body and also route-maps how CRC can end its on-going obligations and liabilities under the Grant Funding Agreement and the IMET Lease.

The CPCA wish to enter into an agreement with CRC which offers two potential outcomes

- 1) An option Assignment of the existing Lease to CPCA, in which CPCA can call upon CRC to assign the existing Educational Lease to CPCA (after informing the Landlord). This will take place if CPCA can find an Educational Partner to provide the required Educational Outcomes at the IMET
- 2) If no suitable Educational Partner can be found by CPCA then CRC will enter into an option to surrender with CPCA. At CPCAs request CRC will either offer to or accept from the Landlord a Surrender of the Lease

## Urban and Civic (U&C) DEAL:

CPCA and U&C have had several positive meetings to discuss how CPCA may deal with the IMET Building once they have contractual control thereof from CRC. CPCA and U&C have agreed to collaborate to maximise the sale value of IMET to ensure the biggest return to CPCA.

The three options envisaged by the parties are:

- 1) CRC assign the Lease to CPCA who then further assign/underlet the existing lease (with a consent and change of use from U&C)
- 2) CRC surrenders the Lease back to U&C, then U&C and CPCA contemporaneously enter into a new lease of IMET which allows CPCA to assign or underlet without restrictive user
- 3) CRC surrenders the Lease and CPCA and U&C enter into an agreement to market and sell the IMET Building and then share (at proportions to be agreed) the capital receipt

The parties are looking at the open market values for each of the above options and will agree which one maximises a capital receipt which shall then become the preferred option (unless advice from external surveyors is to market in a specific manner)

## Inter Dependency:

The above three options are totally inter dependent and we must have agreement under both

bi-lateral deals for any deal to produce a capital receipt for CPCA.

In line with the Local Assurance Framework and National Guidance the CPCA, as the Accountable Body for the LGF is charged with approving any changes or modifications to existing Grant Funding Agreements and any claw-back of funds on underperforming or non-compliant projects. However, the Business Board as the administrators of the LGF, should make clear recommendations to the CPCA on the risks and implications of recovery.

National Guidance only deals specifically with the claw-back of funds, rather than assets, hence Officers have consulted with BEIS on the proposed recommendations the Business Board is making to the Combined Authority and BEIS have confirmed that the recovery of assets is a matter for the Accountable Body which in this case is the Combined Authority.

The original grant agreements set out the claw-back arrangements in the event of pursuing funding recovery where there had been non-compliance, misrepresentation or underperformance. The grant recipient has achieved the outcomes so far as the building construction is concerned but the educational outputs were not fully achieved. The conclusion is that pursuing full cash claw-back of the whole £10.5million grant is not likely to be achieved through a legal process and so the alternative plan set out in this paper is to recover some value from the asset itself based upon current market value.

The desired direction with the proposed recovery plan is now based on mutual cooperation between the parties involved to conclude an outcome that provides partial recovery of the original LGF grant and a continuation of achieving some of the Apprenticeship and Jobs outputs with the original grant recipient, Cambridge Regional College.

The Business Board is asked to consider three parts to this recovery plan that require Business Board to approve decisions to recommend to the Combined Authority Board in relation to the iMET project:

- Firstly, in relation to the current grant funding agreement with Cambridge Regional College (CRC) for the iMET;
- Secondly, in relation to an option agreement with CRC in relation to the lease for the iMET; and
- Thirdly, in relation to an agreement with Urban & Civic (U&C) on the sale of the iMET

## Refocusing the Grant Funding Agreement

The original grant funding agreement was made between Huntingdonshire Regional College and The Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP).

Cambridge Regional College have replaced HRC and CPCA have replaced the GCGP LEP in relation to the contractual obligations under the grant funding agreement.

Most of the outputs in the original grant funding agreement have been achieved; in that the iMET building has been successfully fully built out.



However, the outputs relating to the provision of educational services and apprenticeships have not been fully achieved. The current parties to the grant funding agreement have therefore agreed to modify these outputs to reflect the current situation, by moving the legacy engineering equipment used by the current learner cohort at the IMET building to a new location at CRCs main site in central Cambridge in return for CRC agreeing updated outputs for apprenticeships and jobs from future cohorts of students.

In contractual terms the parties have agreed that, because all of the building outputs have been achieved and only the educational outputs remain, the current grant funding agreement can be modified to firstly, confirm that the building outputs have been achieved and secondly, agree a revised schedule relating to the new educational outputs to be agreed.

CRC will provide CPCA with its proposed new educational outputs and it is proposed that final approval of these outputs and sign-off on the refocused Grant Funding Agreement is delegated to the Director Business and Skills in consultation with the s73 Officer and the Member for Finance.

The parties to the grant funding agreement (CRC and CPCA) have agreed to give CPCA contractual control of the iMET building in the following manner set out below. Please see Heads of Terms for this agreement at Confidential Appendix E.

## Assignment Agreement between CPCA and CRC related to iMET building

The parties have agreed to enter into an option agreement (or similar type of document) which will give CPCA contractual control over the iMET for a period of three years. There will be possible extension for further two years to this agreement as agreed by the parties.

If at any time during those three years CPCA require immediate control of the IMET building they will notify CRC in writing; at which point CRC will use reasonable endeavours to complete either a deed of surrender or an assignment of the lease to CPCA.

The reason why we need to complete an option type agreement is because in either case when we exercise the option the co-operation of the landlord, Urban & Civic, will be required.

For CPCA and CRC to complete the option agreement utilising a deed of surrender, the landlord will have had to have offered CPCA a new lease of the iMET building. If a new lease is not possible then CPCA and CRC shall push for an assignment of the existing lease to CPCA (again whilst this will require the consent of the landlord it is easier to obtain than a surrender and new lease).

The CPCA and CRC shall negotiate and enter into the option agreement, as soon as possible which shall set out the terms of the option. It is confirmed that the parties have agreed heads of terms to facilitate this option agreement.

However, due to necessary involvement of the landlord the parties cannot finalise the terms of the option agreement. The Business Board is therefore requested to recommend that delegated authority is given to the Director Business and Skills in consultation with the s73 Officer, the Monitoring Officer and the Lead Member for Finance to finalise the form and to sign-off the option agreement, once full and final agreement with the landlord has been achieved.

# Agreement between CPCA and Urban & Civic on Marketing iMET

In relation to the agreement with Urban & Civic (U&C) it is confirmed that negotiations with the landlord are in early stages and the exact process to market the iMET building will need to be finalised.

Strutt and Parker have provided indication of the value for the iMET asset (see confidential Appendix F) but the actual value to be marketed will only be confirmed at the point in time when the iMET building is offered to the open market and once agreements are in place with CRC and the Landlord, This is likely to be before end of 2020 calendar year.

CPCA and U&C will need to agree to market the iMET building either as a leasehold or as a freehold. There will be differing levels of value achieved with a freehold sale clearly providing higher financial return for both CPCA and U&C. This requires cooperation and agreement with the landlord as to the most appropriate approach at the point of time the iMET building is offered to the open market.

Once Officers have met with U&C we will have a better understanding of the requirements of U&C as the landlord, Officers will be able to finalise heads of terms with the landlord, which in turn will also facilitate finalisation of the heads of terms on the other option agreement with CRC and so a delegation is sought.

## Significant Implications

### 3. Financial Implications

- 3.1 There are no direct financial implications of not pursuing a deal to the Combined Authority or Business Board – while significant grant allocation has been made, there are no ongoing costs as the asset is owned by CRC.
- 3.2 In the event that a lessee, or buyer if the freehold is surrendered by U&C, is found the Combined Authority would receive the net profit from the asset transactions as a substantial capital income, this has been independently valued by a desk-top analysis and is attached as confidential Appendix F.
- 3.3 As the income would be accounted for either as a capital receipt, or as a repayment of a capital grant, the receipt cannot be used to offset any revenue costs incurred in the negotiation, sale, or maintenance of the building so these would have to be funded from other sources.
- 3.4 If the options agreement is entered into there would be potential cost implications, but these are dependent on the details of the agreement which are still being negotiated. The paragraphs below discuss potential financial implications but it is currently not possible to set out the detailed implications as the contracts are still being negotiated.
- 3.5 In the model where a third party is found to take on the existing lease the potential costs to the Combined Authority are: costs charged by U&C for change of lease charges, any marketing costs not met by U&C, and legal support costs in negotiation of deals (both the Combined Authority's and some, or all of U&Cs).

- 3.6 In the model where the Combined Authority take on the lease from U&C, and then assign the lease to a third party there are the costs identified in 3.3. as well as potential costs from a lag between the Combined Authority being assigned the lease and the third party taking it on such as business rates, insurance, maintenance, etc.
- 3.7 The risk of costs of operating and maintaining the building in a lag would be minimised as the Officer with delegated authority would only exercise the option to take over the lease when the organisation the Combined Authority would be assigning the lease on to is identified and ready to take on the responsibilities – i.e. the Combined Authority would only hold the lease for a nominal period of time e.g. a day.
- 3.8 In the model where a buyer is found, and U&C consent to release CRC from their lease and allow the purchase, then there are minimal cost implications to the Combined Authority as the legal arrangements would be between CRC: U&C and U&C:buyer respectively.

## 4. Legal Implications

- 4.1 The transaction as currently envisaged will require the continued cooperation and agreement of the three parties (CPCA, CRC and U&C).
- 4.2 If the parties continue to collaborate all three will achieve their stated outcome of ensuring the iMET Building is occupied and fully functional, the legacy equipment is best used for training and educational purposes and CPCA recoups as much of the original LEP grant funding as is reasonably possible.
- 4.3 If we cannot achieve this agreement the outcomes for educational use will not be achieved and the iMET Building will probably remain in a mothballed condition, with no clawback of the original LEP grant funding being recycled into new projects.
- 4.4 If the Combined Authority do not settle the outstanding legacy issues surrounding the iMET in the collaborative manner envisaged and negotiated, CPCA would desire to settle issues surrounding the IMET building which may include litigation or otherwise not pursue any action at all but this may have reputational issues from not attempting to recover any of the LGF awarded to this project.
- 4.5 CPCA is not acquiring any asset but rather obtaining contractual control of the asset so the legal and costs implications are therefore limited.

## 5. Other Significant Implications

- 5.1 There are no other significant implications.

## 6. Appendices

- 6.1 Appendix A (Confidential) – Options for Reuse or Liquidation of the iMET Asset
- 6.2 Appendix B (Confidential) – Risks & Implications of Legal Recovery of Funds

- 6.3 Appendix C (Confidential) – Legal Advice to Combined Authority Regarding iMET Lease
- 6.4 Appendix D (Confidential) – Process Flowchart Mapping Agreements Proposed
- 6.5 Appendix E (Confidential) – Heads of Terms Assignment Option Agreement with CRC
- 6.6 Appendix F (Confidential) – Valuation by Strutt and Parker (8th July 2020)

## 7. Background Papers

- 7.1 [‘iMET Investment Update and Options Recommendations’](#) (Agenda Item No: 2.3) - Business Board meeting on 26<sup>th</sup> May 2020.

## Cambridgeshire and Peterborough Agri-Tech Sector Strategy

To: Business Board

Meeting Date: 10 November 2020

Public report: Yes

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director Business and Skills

Key decision: No

Recommendations: The Business Board is asked to:

Note the draft Agri-Tech Sector Strategy and a presentation from Strategy authors.

## 1. Purpose

- 1.1 This paper introduces the presentation from the Strategy authors to outline the context of the report and the delivery of the strategy.
- 1.2. The presentation and following discussion aim to support the Board on finalising the strategy leading to formally adopting the strategy.
- 1.3. Any interventions agreed as priority for delivery by the Business Board will require Officers to work up a business case and explore funding options before bringing back to a future Business Board meeting for recommendation to Combined Authority Board for funding.

## 2. Background

- 2.1 The Agri-Tech Sector Strategy was commissioned in February 2020 after a procurement exercise that appointed Promar Ltd to deliver the strategy.
- 2.2. The strategy was developed during the period March 2020 to October 2020 and involved consultation with multiple organisations and businesses involved in the Agri-Tech sector, with the draft strategy being presented at this board meeting.
- 2.3. The final strategy has recommendations derived from the consultations and feedback which have been refined, tested with stakeholders and consultees and cross-referenced against other strategies including the Local Industrial Strategy [LIS]. This strategy will be used to contribute content into the refresh of the LIS and Business Board is asked to consider the presentation given by Promar Ltd on the recommendations in this strategy and after discussion agree any redrafting or prioritising key interventions to be featured in the strategy and future funding plans for the Business Board.

## Significant Implications

### 3. Financial Implications

- 3.1 There are no direct financial implications arising from this report.
- 3.2 The cost of developing the strategy has been met within the Agri-Tech budget in the MTFP.

### 4. Legal Implications

- 4.1 None.

### 5. Other Significant Implications

- 5.1 None.

### 6. Appendices

- 6.1 Appendix 1 – Draft Agri-Tech Sector Strategy

## THE C&PCA AGRI TECH STRATEGY

### SUMMARY REPORT

#### NOT FOR WIDER CIRCULATION

#### 1. The Starting Point

In terms of the development of a strategy for the CPCA region, the area has particular strengths in arable crops and horticulture, and to a lesser extent, in pigs and poultry. Dairy and the other livestock sectors are less well represented.

The region also has significant strengths in science, R&D, food processing and a track record of innovation and attracting inward investment. The main strengths of the region's agri tech sector include:

- agricultural sectors: Arable and horticulture (especially field vegetables), pigs and poultry
- R&D: crop breeding, crop protection, agri tech innovation
- academia & centres of excellence: Cambridge University, NIAB, Agri Tech E etc
- Supply chain: food processing, distribution hubs etc
- landscape: Grade 1 Fenland, arable, field vegetables and salads excellence
- synergies: Bio tech, AI and the academia sum being greater than individual parts
- leading networking and catalysing organisations: Agri Tech E and the Eastern Agri-Tech Growth Initiative are both very good examples

The CPCA region has attributes of a strong agri tech sector and which would be envied by all other parts of the UK.

There are already robust and established networks in the sector both in the CPCA region, the wider East Anglia area and in the UK. A clearer signposting of how to access these networks, who are they for and what are the benefits for participants is not least required.

The challenge is that they are often caught in a trap of chasing short term funding streams and in some cases, understandably, in the absence of an over arching regional plan, following their own strategy.

What is missing is the sense of direction for the region's (agri tech) sector per se and the willingness to bring together quite a large number, of at times, disparate groups/organisations who all have a vested interest in the agri tech industry.

## 2. The Need For A Strategy – “Policy Push” & “Commercial Pull”

The UK agri tech sector, and not least that of the CPCA, is about to face something akin to a “perfect storm”:

- UK Agricultural Bill – this is all about farming for public goods - not just production, as in the past
- Brexit - it is still uncertain as to the final outcome
- the impact of potential new trade deals - not least with the US and then Oceania
- the National Food Strategy led by Henry Dimbleby for a healthier diet for the nation etc
- the UK government 25 Year Environmental Plan
- the UK government Agri Tech Strategy
- COVID - 19 impacts - these are more on the food processing sector, consumer and customer behaviour than at farm level

“Supply chain shocks” tend to accelerate what is already happening - and recent history shows there will be another one in 2 years, of some sort. In these challenging times, “the Best” will thrive - but some will inevitably fall by the wayside at all stage of the supply chain.

The other huge driver for change in the UK is the more commercial “pull” of the major retailers and food processors in the UK. The UK market is highly competitive. Those players operating at the point of sale have also been impacted by a whole range of factors over the last 10 years, such as the development of the discount chains in the UK, the move to online retailing, the need for NPD and innovation in food product and the need to meet a demand for environmentally friendly and sustainably produced food. And all of this, at often, no additional cost.

The short and even mid term impact of COVID - 19 is looking like a prolonged economic down turn, and as a result, pressure on consumer incomes, the type of food they purchase and where they purchase it from and how. This, in turn, will place more pressure on farmers and food companies to be able to produce agricultural and food products which are not only highly cost efficient, but also to a high environmental standard and level of sustainability.

The big difference is that the Agricultural Bill – although the direction of change is clear, will take around 7 years to unwind in full. A new trade deal with the US still might take several years to fully negotiate and then be followed by an implementation period.

But a change in procurement policy by a leading supermarket or a food processor can see change happen almost overnight. While there are several “policy push” drivers in the UK for the uptake of agri tech - and these will influence the future direction of farming, the “commercial pull” factors are probably even stronger as an agent of change.



If in these circumstances, the potential of the CPCA agri tech industry is to be fully realised though, the region needs a strong narrative and vision of where this sector really wants to be in the next 5, 10 and 20 years. The region's main strength is the full suite of resources already located in the region and close by, and having Cambridge at its core, but this needs to come together in a more coherent and joined up fashion.

### 3. What's Going Well?

There a number of recent developments in the CPCA agri food sector which have been focused around the Peterborough region. These include:

- **AM Fresh** - a major fresh food firm, created up to 180 new jobs in Peterborough when it moved into a huge warehouse, distribution and manufacturing facility on the 180 acre Gateway Peterborough site after discussions with the Department of International Trade and Opportunity Peterborough
- **Lidl** - is set to open a £70 million regional distribution centre in Peterborough – the 450,000 sq. ft facility is replacing an existing smaller warehouse in Lutterworth
- **McCormick** - a global leader in food flavours, announced its decision to base its UK flavours facility in Peterborough in September. It is expected that the new development might create up to 300 new jobs
- **Barn4** - a purpose built Cambridge agri tech incubator. This gives start-up access to sector specific expertise and laboratory facilities is to be co-located on the NIAB Park Farm site in Histon. The Barn4 development was supported by a £2.5 million funding from the CPCA. It will provide facilities for up to 15 companies with 45 staff

It can be seen that inward investment to the CPCA region has continued to flow in to the region, despite the potential threat and challenges faced by the region, which include Brexit and the impact of COVID – 19, etc.

It underlines the fundamental attraction of the region as a destination for agri tech investment. It has happened without a specific strategy in place for the agri tech sector. With a more defined strategy in place, we believe that the opportunities for further inward investment, job creation etc. can only be enhanced still further.

While the “Cambridge Effect” is strong, this strategy needs to involve the full region.

Any strategy developed will clearly need the buy in and support of the region's key stakeholders from both the public and private sector to be successful.

A perfectly valid question is “what would happen if there was no strategy”? The agri tech sector in the CPCA region is about to face something of a “perfect storm” from a range of ongoing “commercial pull” factors as well as “policy push” factors.

In this situation, some developments would still probably happen, as they have over the last few months. It is surely best though to have a strategy in place to set the desired direction of travel for what, at some stage, will be more certain times ahead.

There is an opportunity for the CPCA region to take a national lead in the development of the UK agri tech sector.

#### **4. Different Player Types Have Different Needs**

The needs of different players across the region in the development of a robust agri tech strategy will vary. Whilst the strategy may eventually be disproportionately influenced by the larger organisations and businesses across the region, government and local authority policy is to provide a nurturing and fertile growth environment for businesses of all sizes from start-ups to SME through to the larger more established businesses.

The larger organisations generally want access to key decision makers across the region, improvements in the physical infrastructure, planning processes etc.

The SME and start-up companies in the region need more help with activities such as networking, business introductions, access to trained and skilled labour, access to funding streams, training and business growth support.

Changing behaviour especially of SMEs especially – takes time – do they really care about a “strategy” as such - maybe not, what they really want to know is where and how to access funds, grants and build networks in order to create jobs, invest in R&D etc. This will make a difference to them, not just a “nicely written strategy”.

The region's agri tech base is made up of a high percentage of these SME type businesses. Their customer base can be from within the CPCA region, to the rest of the UK and internationally. Their customer base though, especially in the future, is just as likely to be well outside the CPCA region as in it.

#### **5. A Focus To The Region's Agri Tech Offer**

Whilst being fortunate in having representation in nearly all agri food sectors, there are some that are viewed by those both inside and outside the region that the CPCA region genuinely excels in.

The resource base of the CPCA region is wide, other countries/regions, especially outside the UK often go for a strategy based on what they really excel at in a relatively small number of areas of genuine agri tech excellence.

Good examples might be:

- **The Netherlands** - the agri tech strategy is based around dairy, greenhouse horticulture, pigs and poultry, where they are rated as world leaders

- **New Zealand** - look to promote their world wide expertise in the agri tech sector in areas such as dairy, beef and sheep
- **Denmark** – look to leverage their expertise in pig production in to the agri tech sector
- **Norway** - aim to develop agri tech expertise in areas such as fish farming in particular

This is not to say they do not look to develop in other areas of the agri food sector - they will of course – but they have a strong sector focus based on “what they are best at”. The CPCA region should follow this lead.

A strategy though of trying to be “all things to all people” will inevitably lead to a dilution of effort and a failure to really maximise the clear agri tech potential of the region. It is very hard to be “the best” at everything. Yet this is what the agri tech needs such are the challenges it faces in the years to come ahead.

The challenge with this type of strategy is that the selection of these “best practice” areas is too narrow and might even lead to a sense of exclusion of some. This does not have to be the case, but it is strongly advocated the CPCA strategy is based around a small number of core areas of genuine expertise.

The CPCA region is also in the fortunate position, both geographically and with its R&D resources, that is also easily able to collaborate within a relatively short distance with other UK organisations to compliment any gaps in the agri tech offer there might be.

## **6. Aligned Strongly To Wider Strategies & Challenges**

The CPCA agri tech sector will not maximise its potential by operating in isolation. A major part of the strategy should be to align it to other key sectors of the CPCA region (such as ICT, advanced manufacturing and life sciences, with which there are clear linkages and synergies) UK government policy and strategy on agri tech and the major challenges that the agri food sector faces.

At the same time, it needs to be noted that the agri tech sector is in competition with these other sectors in term of human, financial and physical resources too, but there are still opportunities for synergies to be taken advantage of in the future.

The areas of the CPCA strategy that the agri tech strategy should therefore be aligned to are as follows:

- improving the region's capacity for long term growth by increasing productivity
- increasing the overall sustainability of the region per se and widening the base of economic growth
- expanding and building the existing networks and clusters that exist in the region, not necessarily creating new ones

- building on other areas of regional strength and importance such as life sciences, digital and IT technology and advanced manufacturing – at the same time, recognising they are also in competition with each other for human, physical and financial resources

In terms of the areas that are of key importance to the agri food sector – these are driven by a combination of “policy push” and “commercial pull” factors and include the following:

- climate change mitigation
- development of carbon neutral supply chains and sustainable systems
- more efficient use of water resources
- automation in the supply chain, including the use of robotics
- the use of Big Data
- increased productivity, competitiveness and resilience across the supply chain

The CPCA regional agri tech strategy should be based around two key disciplines:

- supply chain technologies
- environmental and sustainability expertise

The combination of these “policy push” and “commercial pull” factors and the need to farm and produce food in a more sustainable, efficient manner in the future, make an ideal backdrop to the future uptake of agri tech products and technologies.

While the “policy push” factors are a key driver for this uptake, it will be the “commercial pull” that acts as a stronger and quicker force for change.

## **7. BREXIT**

At the time of writing, the final outcome of Brexit is still unknown. What is clear though is that regardless of the sort of Brexit we end up with, the real impact will be to speed up the changes we are already seeing in the agri tech sector. Despite the uncertainty though, there are some things that are clear:

- the UK will develop its own agricultural policy independent of the Common Agricultural Policy (the new Agricultural Bill). This will encourage farmers to produce goods for “the public good” in a more environmentally sustainable manner - and not just for production
- to be able to survive and thrive in any post Brexit environment, virtually regardless of the outcome, farmers in the CPCA region will need to strive to be:

- in the top quartile of industry performers
- and probably (but not always) be operating at an increased scale

The use of agri tech products, service and technologies can help achieve these objectives.

With regards to access to EU markets, a Hard Brexit would clearly make exporting both agri food products, as well as agri tech products and services more difficult. A Hard Brexit might also see the opportunity to replace EU imports of agricultural and food products, but this will take a combination of access to land, access to finance, access to labour and time: maybe 3 - 5 years.

In the meantime, EU suppliers of both food products and agri tech services might well decide to come "on shore" and invest in the UK agri food and agri tech infrastructure.

## **8. Post COVID -19 Implications**

The overall impact of COVID - 19 has been more apparent in the food processing sector, rather than farming, with the sudden shut down of factories involved with meat plants, sandwiches etc. which has caused severe supply chain disruption and financial stress.

There have, and will continue to be, a number of other impacts, as follows:

- all suppliers and supermarkets which still dominate the UK point of sale, will stress test the robustness of their supply chains and we might well see the shortening of these as a result
- the move towards online buying and selling will be accelerated and there will be a trend towards more home preparation of food and demand for convenience foods
- shopping habits will change, with consumers opting to buy food on a more localised basis
- issues that were important before March 2020 to the supply chain will not go away. These include areas such as plastics reduction, water usage, meeting the challenge and in some cases, the opportunities of climate change etc

The experience to date is that no one is immune from the impact of COVID - 19 regardless of size or age of business

The ongoing pressure in the retail market as discount chains continue to gain ground on the big four retailers (i.e. Tesco, JS, Asda and Morrisons) and at the expense the higher value retailers such as M & S and Waitrose. It is reported that some supermarkets have requested significant price discounts over the rest of the year from their suppliers. This is a direct result of the predicted down turn in the economy that we have begun to already see.

As a result, farming and food businesses in the CPCA region need to be more agile and resilient than ever before and not all are going to make it through this challenging period. The full impact of a supply chain shock such as COVID – 19 will be to speed up change/trends already

taking place in the market. The economic situation in the UK for the next 12 months looks very challenging indeed. This will impact on the full supply chain from consumers back to farmers and all intermediate stages.

Of course, all this change can bring opportunity for the well informed/well prepared etc. and this period might be a turning point for agri tech in the next 12 months.

The CPCA agri tech offer can contribute to all the challenges being faced both short and long term in UK agri food.

Farmers and food/agri tech companies in the CPCA region will all need to focus on being as flexible, adaptable and resilient as possible. COVID - 19 impacts and the ongoing uncertainty over Brexit are something of a double challenge and are all accentuated by the threat of supply chain price pressures that seem likely to follow over the next 6 – 12 months and beyond.

The CPCA strategy on COVID -19 implications (taken from the CPCA COVID - 19 framework report) of the wider region and which are relevant the agri tech sector, are likely to be:

- *Disintermediation of services in retail and hospitality leading to fewer entry level jobs* – the agri tech sector suffers from labour access issues currently which have been made worse because of COVID -19. Many jobs in the sector are still entry level roles
- *Countries turning 'inward' to secure domestic supplies* – the CPCA region is well placed to be able to fulfil domestic requirements both from a primary production, food processing and supply chain logistics perspective
- *Level which post COVID - 19 conditions drive further labour saving automation and/or the use of contingent labour* – The CPCA agri-tech sector has already started along the journey of labour saving automation and is well placed to act upon this trend
- *Impact on inequalities for groups and communities* – the CPCA region covers both economically favoured and more economically challenged regions. Innovations such as work and educational activities transacted over large geographical areas may have benefits for those living in more rural locations
- *Speed up the rollout of 5G and superfast broadband across the CPCA region* – lack of connectivity has been shown to be a barrier in enabling businesses to access Agri Tech therefore improvement in connectivity should have a positive effect on agri tech engagement

The development of an agri tech strategy can link strongly to, and compliment, all these objectives and more recent COVID - 19 implications.

One major challenge that may occur of course may be that CPCA and UK government agri tech and innovation funding budget cuts due to the longer-term economic impact of COVID – 19. This could see some of the longer term regional and national technology and agri-tech

commitments may be re-designated to short term economic recovery plans to deal with the current COVID - 19 crisis and the region's economic recovery. This would almost certainly see some loss of momentum to the development of the CPCA agri tech sector.

## **9. Agri Tech Demand & Supply Knows No Geographic Limits**

In the future, there is likely to be a strong demand for agri tech products and technologies, not just from the CPCA region, but from across the rest of the UK and worldwide.

From the online survey carried out as part of this strategy development exercise, it seems that many potential customers of the CPCA agri tech cluster do not look to the immediate region for the source of their "agri tech". They are just as likely to be sourcing this from other parts of the UK or in some cases from internationally based providers.

UK farming and food companies have often shown they are less concerned about where the agri tech comes from - but more about "what it will deliver" (in terms of commercial and environmental benefits).

Agri tech products and services customers will base their purchasing decision on who can provide the best solution to their problem regardless of where they are located. Agri tech products and services are just as likely to be procured from other provider based on the Continent, Oceania and the US as they are from within the CPCA region.

There is clearly a gap to be filled here by promoting the region's capability on its own door step. This should be a relatively easy task to do. "Selling" and promoting the CPCA regions agri tech capability to the local region, should be regarded as tackling the "low hanging fruit".

This willingness to "buy elsewhere" is a reflection in some ways of the cosmopolitan nature of the UK food and drink sector. Only 8 of the top 20 food and drink companies in the UK are actually still British owned. The CPCA region is no different in this respect to the rest of the UK. The UK food and drink sector is therefore exposed to a wide range of international cultures. This filters down in to the purchasing of agri tech kit, products and services.

While there is still work to be done in promoting the CPCA regions agri tech offer within the region itself, and maybe too other parts of the UK, we believe there is a huge opportunity to promote these to the rest of the world too. UK expertise and technology in agriculture and food is often admired and respected in many other parts of the world too. The CPCA region would be at the very heart of this.

It is difficult to quantify this, but we believe it to be well beyond the potential that can achieved just in the CPCA region alone. This would represent, of course, a considerable challenge. The world is full of other agri tech providers in the US, the rest of the EU, Oceania, Latin America and the Middle East.

There are particular opportunities where the issues of developing sustainable farming and food production/processing systems are especially acute. This could include areas of the world such as the Middle East, India, China and parts of Africa. This list is not intended to be exclusive.



These are also areas of the world where inward investment to the UK and the CPCA region's agri food and agri tech sectors may well come from.

This probably, not least, also underlines the need to have a small number of core areas that the CPCA region excels in and can promote. It would take a very focused and determined effort to develop a global presence for the CPCA agri tech sector, but this is the size of the prize on offer.

When looking at the 'export' potential of the CPCA agri tech offer, it also needs to be clear where the value of that export lies: is the value retained within the region supporting jobs and increasing local GVA, or does the value leave the region with highly trained specialist who take their skills and knowledge away from the region and therefore no longer contributing economically to the CPCA region.

The option of retaining value in the CPCA region is a better than the other.

## **10. Agri Tech – The Full Supply Chain, Not Just Bits Of It**

The agri tech challenges that are faced are found across the supply chain - by solving an issue in one part of the supply chain (i.e. farming) and not addressing others, such as in distribution, processing and retailing/foodservice can leave gaps. The strength of the CPCA agri food sector, and wider UK, is as much in its supply chain expertise as anywhere else.

The CPCA region has some world class farming businesses, fantastic food and drink processing companies and excellent R&D institutions. It also supplies into market segments that the UK excels in - which are our leading retail and foodservice sectors.

To be able to supply them, businesses in the UK need to be right at the top of their game. There are about 200 of these in the UK. A good number of them are based in the CPCA region. The total number of food and drink businesses in the UK are c. 9,000. The world class nature of the UK retail sector has driven excellence across the supply chain. This now includes the agri tech sector.

Joining up the supply chain and working together is something of a universal challenge. It probably applies to all sectors (going back 30 years or so) of the economy - not just agriculture and food. As a result, the aspiration to do this has been there for a long time.

It has often been difficult to achieve, mainly as a result of the nature of the so called "chain competition" that exists between the leading supermarkets in the UK. This has seen supply chains become more integrated and stream lined over the last 20 years or so. Producers and processors have gradually become more aligned to just a few key customers and see themselves as being in competition with other producers and processors. These can often be based in the same region as themselves and not in other regions of the UK, or other countries, as in the past.



This is not an issue confined to the CPCA region alone. It exists in most other regions of the UK too. It does though mean that "linking up supply chains" across a region has become more problematic.

This does not mean to say there haven't been attempts in the past to do this. The likes of the cluster work carried out by the regional development agencies in the 1990s looked to do just this. It has, though, proved though to be far more difficult to achieve. Yet with the "perfect storm" that the region faces, it is more important to do this than maybe ever before (to join up the supply chain more comprehensively than has been seen in the past).

If the CPCA regions agri tech sector is to be fully joined up, the challenge of this needs to be recognised. It will take time to do finally achieve this - and certainly more than 3 - 5 years. There is though no need to start from scratch though. Much of what is required is in place to develop a thriving agri tech sector across the CPCA region.

Many of the issues that being faced in the CPCA region, in terms of farming and producing food, are also seen in other parts of the world. These often relate to the mitigation of climate change, reduction of carbon emissions, the management of water supplies, reduction of food waste in the supply chain and at the same time, increasing productivity. The CPCA agri tech offer should be about promoting to the region, the rest of the UK and then the rest of the world – not the expertise in bits of the supply chain, but the totality of the supply chain. This would include input supply, crop and livestock production, R &D, food processing, education and training, retailing and distribution.

## **11. Work With Others To Maximise Potential To The CPCA Region**

The CPCA region, despite its obvious strengths in the agri tech sector, is still a relatively small geographic region. The CPCA narrative has to be about the immediate region, of course, but should include links as appropriate to the rest of the UK – such as in the livestock sectors. The bigger picture and size of the prize is greater than the individual parts.

Working together with other regions appears to be a stated government policy - this can be seen through initiatives such as the funding available via the Strength in Places programme. This encourages regions to work together and exploit their potential beyond their own immediate post codes.

Another good example is the Eastern Agri-Tech Growth Initiative. This is designed to support the development of new and innovative ideas within the agri tech sector. It is of course run by the CPCA, with grants open to businesses located within Cambridgeshire, Peterborough, Norfolk, Suffolk, Rutland, North Hertfordshire, South Holland, South Kesteven and Uttlesford.

With the "perfect storm" that the CPCA region now faces – the time has come to broaden the thinking on this and how the real potential of the region can be fulfilled.

This will not be easy, but does not mean to say it should not be the final objective. To maximise the potential of the CPCA agri tech sector, it will be necessary to form close working relationships with other providers in the UK that are outside of the CPCA region.

The diagram below shows how the CPCA agri tech sector is ideally placed both in location and capability to sit in the centre of the wider industry within the UK. By becoming a collaborator and partner with these other providers and sectors, the CPCA agri tech sector can create synergies much greater than the individual parts.



Good examples just in the educational and R&D include Rothamsted in Hertfordshire, the John Innes Research Centre in Norfolk and the University of Lincolnshire. It also includes the 4 centres of excellence under the UK Agri Tech Strategy.

The CPCA region can do a lot – but not all on its own. Only by linking strongly with others operating in complimentary areas of the agri tech sector will the full potential of the CPCA region be realised.

## 12. Be Bold – Think Outside The Region As Well As Inside - To Be A Net Winner

This will require the CPCA to have a bold vision for what it really wants in the future - a bit of the pie which is what it already has - or substantial chunk of it? To maximise the full potential of the CPCA region in the agri tech sector, there has to be a recognition that this can only be achieved by working willingly and in partnership, as appropriate, with other organisations from outside the CPCA post code area. This requires a new way of thinking, not least about access to potential funding streams and other forms of financial and investment support.

The benefits of genuine and mid to long term collaboration with other parts of the region, UK, and indeed other parts of the world, far outweigh any sense that the CPCA region might be “missing out” on opportunities in the agri tech sector.

As the leading region in the UK for agri tech, the CPCA region has as much to gain by taking this sort of approach as anyone else. The CPCA region could emerge as a net winner.

If an international dimension to the development of the CPCA agri tech offer is to be developed, it also implies building networks and relationships with like minded organisations across the supply chain in markets, well away from the UK too.

## 13. Get Support Across The Spectrum

If the CPCA is to take a major lead on the development of agri tech in the UK, it needs to get support for this not just from within the region, but also at a higher national level - not least where the real money is for this. This implies dialogue with DEFRA, DIT and even more importantly, at BEIS/HM Treasury level.

This should be spearheaded by the CPCA Business Board and a small number of people from the agri food sector itself across the region (this is packed full of really good calibre individuals from equally good companies).

It also needs to be supported by the regions MPs, who need to be fully bought in to not just the potential that the agri tech sector can deliver, but the resources it might inevitably need to achieve this. It also has to be bought in to as well at a more local level (i.e. Councils, the Business Board etc.) if this is to really succeed.

#### **14. What Might the Future Look Like?**

The agri tech sector in the Cambridgeshire and Peterborough region, as with many other parts of the agri food sector in the UK and the rest of the economy, at least in the near future, faces an uncertain future.

This is due to a combination of the unresolved process of Brexit, the impact of COVID - 19 and the threats presented by new international trade deals, in particular one with the US, and the implementation of the New Agricultural Bill. Add to this the ongoing “commercial pull” of the leading retailers and food processors.

There will inevitably be disruption in the supply chain. Not all companies and businesses/organisations will make it through what will be a very challenging period.

Brexit, however, will be resolved. New international trade deals will be developed - but will take time to implement. A solution to COVID – 19 will be found. The new Agricultural Bill will come in to place and farmers and food companies will adapt to this. The “commercial pull” of leading food processors, retailers and foodservice companies will not go away and indeed might well intensify in the future.

All these threats will impact on the CPCA agri food sector in the same way they will impact on other UK regions and industry sectors. And in some cases, they will provide opportunities too.

Looking past the next 5 years, it is clearer what the future might hold for the CPCA regions agri tech sector. This is based on where the region's agri tech sector has historically come from, how it has evolved and the genuine strengths it has.

To deal with the future opportunities that will be presented to the CPCA region, it is necessary to have sound building blocks in place to take advantage of them. The CPCA region has these in abundance in the agri tech sector compared to other parts of the UK. The region, as we have said, has a good asset base and is well positioned for what will be the more certain times ahead.

What might this look like? Over the next 5-10 years we believe that it will be characterised by a combination of the following:

- the CPCA region will still be an agricultural and horticultural power house in the UK
- the CPCA will still be home to a number of leading agri tech businesses, centres of R&D, academia and supply chain excellence
- the CPCA region could and should can maximise on its networking opportunities to link farmers, agri tech providers, food sector, R&D and academia to enable better collaboration between individual groups
- the CPCA can become a centre of excellence for training and upskilling opportunities in the agri tech and engineering sector through its world class further education, R&D and academic institutions
- there will be fewer farm businesses in the CPCA region - but they will be bigger in size, more consolidated and integrated in to other supply chains
- farmers in the CPCA region will be producing in a more sustainable and efficient manner in response to developments such as the Agricultural Bill
- by creating a strong regional narrative that all industry sectors can be part of, the outside view of the region as a place to invest in will be strengthened
- the CPCA can offer consistent strategy support for local businesses helping them with them sources of funding or signposting to appropriate support
- local CPCA agri tech industries will be more aligned to government policy in terms of moving towards a low carbon supply chain and investment in agri tech
- there will be developments interest all along the supply chain in areas, such as vertical farming, renewable energy and precision agriculture (far more than there is now) but making vertical farming projects "work" will still be a challenge. Only the best will be successful
- there will be more automation and the use of ICT right across and in all stages of the supply chain
- farms focused on primary production will, however, still be a relatively low margin business
- selected CPCA agri food and farm businesses (i.e. the best, not automatically the biggest) will be able to compete effectively in international markets
- the average age of farmers will be lower. They will be more engaged with the uptake of agri tech products, services and technologies

- supermarkets will still play a dominant role although the routes to market to consumers will be more diverse as consumers increasingly buy online
- there will be closer connection between farming, food, health and well being and agri tech will have a strong role to play in this
- there will be a closer connection between agri tech and the other areas that the CPCA region has strengths in such as ICT, advanced manufacturing and the life sciences, even if they remain at times in competition with each other for human, physical and financial resources
- market conditions for agriculture, agri food and agri tech will continue to be volatile. This could be in terms of input and output prices, weather patterns and climate change impacts
- consumers in the UK will be better informed than ever before, will require more transparency as to how food has been produced, by who, where etc. and diets will be more diverse than ever – a combination of local and global, plant and protein based and there will be increased numbers of consumers of vegan and dairy products

Most of the areas mentioned above point to an optimistic future for the CPCA agri tech sector, but will require businesses across the supply chain to respond to the combination of “commercial pull” and “policy push” factors at work. It does give, however a strong basis on which to build an agri tech strategy for the CPCA region.

If businesses across the region do not respond, then the picture could look very different and the future, clearly, not as optimistic.

What we can definitely be sure of is that over the next 10 years, there will be more “supply chain shocks” for the CPCA agri tech sector to contend with.

These could be macro economically, politically, climate or agriculturally induced. In the last 10 years, these sorts of supply chain shocks have happened, on average, every two years. They include the global financial crisis of 2008/9, the outbreak of African Swine Fever (ASF), Brexit and most recently of all, COVID - 19, Where the next supply chain shock will come from or what it will be – we do not know. But we know it will come.

The CPCA region needs to be factoring this in to its future planning in the agri tech sector. Businesses of all shapes and sizes will need to be more resilient and adaptable to these “supply chain shocks” than ever before. We know they are coming. The challenge therefore is to build in resilience to supply chains as a matter of course now.

## **15. Core Strategy Principles**

The core strategy for the CPCA region should be based around 4 key areas as follows:

- Narrative
- Focus
- Integration & synergy with others
- Support business to develop growth

The key points of each should be as follows:

- **The Narrative**

- Have a bold vision for the future of the regions agri tech sector – to consolidate the CPCA region as the leading centre for agri tech in the UK
- Create and promote the strong regional narrative that all industry sectors can be part of, with the outside view of the region as a place to invest in
- Create a positive perception of the work being done in the CPCA agri tech sector to external stakeholders
- Without being too prescriptive, focus on areas where the region has genuine strengths such as the arable and horticultural sector
- Ensure high levels of interaction between academia and the private sector across the region
- Promote the region's capability more effectively to the companies/organisations that are based in the CPCA region & involve the full region
- Gain the buy in and support of the region's key stakeholders from both the public and private sector to be truly successful
- Ensure the strategy covers the full supply chain and not just bits of it – this is where the region is at its strongest

- **Focus**

- The CPCA regional agri tech strategy should also be based around two key disciplines:
  - supply chain technologies
  - environmental and sustainability expertise
- Focus on the areas that are the key drivers of the future use of agri tech such as:
  - climate change mitigation
  - soil health and the role of natural capital

- the development of carbon neutral supply chains and more efficient use of water resources
  - more automation, including the use of robotics, the use of Big Data and increased productivity, competitiveness and resilience across the supply chain
- Ensure additional/new agri tech value is retained as far as possible in the region
- **Integration & Synergy With Others**
    - Recognise that the development of a CPCA agri tech strategy can link strongly to, and compliment, all the objectives of the regional CPCA strategy (& UK agri tech strategy) and the more recent COVID - 19 framework report
    - Gain high level endorsement and funding in the public sector across the region, and in London, for the agri tech sector. CPCA should build on the success of the Eastern Agri-Tech Growth Initiative and its achievements
    - Link strongly to other geographic areas in the UK as appropriate
    - Develop and strengthen existing agri tech networks across the region – not create new ones
  - **Support Business To Develop Growth**
    - Become a centre of excellence for training and upskilling opportunities in the agri tech and engineering sector through its world class further education, R&D and academic institutions
    - Offer consistent strategy support for local businesses helping them with them sources of funding or signposting to appropriate support
    - Look outside the CPCA region for mid to long term growth and partnerships to maximise the real opportunity
    - Provide demonstration facilities for end users to see agri tech in action and for developers to progress ideas

## 16. The Role Of The Business Board

What is the role of the Business Board in all of this? This comes down to a few key things as follows:

- leverage the influence of the CPCA
- have a small core team to spear head this effort
  - led by the Business Board of the CPCA

- provide strong leadership to fulfil the narrative
- help agri tech businesses become ever more resilient, flexible to volatile and uncertain market conditions – and seize the opportunities that will exist

The CPCA must “pull all the levers” at its disposal to get companies to invest in the region. This can include the use of government influence, grants and incentives, as well as the East of England Agri Tech Growth Initiative.

These core strategies can provide a short, medium and long term plans for the CPCA region which should be resilient enough to withstand the challenges that face the sector, but also seize the opportunities it has in front of it too.

The CPCA region has all the tools it needs to become a national and international leader in the agri tech sector. What it now needs is to adopt this strategy to achieve this.

JG/SH  
29/10/20



## Covid-19 Local Economic Recovery Strategy – November Update

To: Business Board

Meeting Date: 10 November 2020

Public Report: Yes

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director for Business & Skills

Key decision: No

Recommendations: The Business Board is asked to:

Recommend the Combined Authority Board approve the updated version of the Local Economic Recovery Strategy (LERS) for Cambridgeshire & Peterborough.

## 1. Purpose

- 1.1 To update members on the latest version of the Local Economic Recovery Strategy following further evidence-based insight.

## 2. Background

- 2.1 In Spring 2020, the Economic Recovery Strategy Group (ERSG), was formed to respond to the Economic and Business impacts of Covid-19.
- 2.2 Comprising of Local Authorities officers together with representatives of local business membership organisations, the ERSG co-created a joint Local Economic Recovery Strategy (LERS) over the summer of 2020.
- 2.3 Comprising of a range of specific interventions to accelerate the recovery of our local economy, the first version of the LERS was presented to Business Board, Skills Committee and Combined Authority meetings in September 2020.
- 2.4 Using the latest Covid-19 Economic Insight Data that has been generated through our parallel project with Metro Dynamics, this first draft of the LERS has now been updated to:
  - (a) reflect the evolving impact of the economic shock and the further national and global restrictions that are being imposed, and to
  - (b) help prioritise the rollout of interventions.

## 3. Methodology

- 3.1 Our Partners at Metro Dynamics have continued to monitor a wide range of economic and social indicators to track the evolving impact of Covid-19 on the overall CPCA economy and its three economic areas.
- 3.2 Working with Metro Dynamics, we have put in place a new online portal which automatically updates the available data monthly (and will be available to Leaders and CPCA Boards at the end of October). This will provide a single, reliable, source of data for all partners. As new data sets or information becomes available it will be added to the dashboard.
- 3.3 A monthly insight report will summarise the latest economic impact for Leaders and CPCA Board members.
- 3.4 Through Metro Dynamics, we have also looked at the original scenarios that were developed in the first draft of the LERS to assess the potential impact of Covid-19 against the CPCA's overall strategic objective of doubling GVA over 25 years and our component strategies in relation to skills and individual sectors.
- 3.5 Metro Dynamics have then assessed the proposed interventions in the draft LERS that were agreed in September, against the latest data and updated scenarios. This process has not in any way slowed down delivery of those immediate support projects that were already underway and approved. Instead, this ensures that the LERS is a genuinely living document,

able to respond to further changes in the national and local position.

- 3.6 In order to strengthen our case for future investment from central government Metro Dynamics have also developed a clear logic chain, to show how the interventions in the LERS clearly link to evidence and are targeted so that they meet a clear need or opportunity and are directly linked to recovery.
- 3.7 A new revised LERS can be found at Appendix 1. It will then be further updated in January 2021 to ensure that it reflects the emerging position on employment and the trajectory of recovery.
- 3.8 In addition, a summary of the current assessment of the impact of interventions on different phases of recovery is at Appendix 2.

## 4. Executive Summary of Findings

- 4.1 The “V-shaped” scenario, where the economy recovers to join the pre-Covid growth trend in 2021, is no longer credible. Although at first glance the economy has rebounded quickly in the third quarter of 2020, monthly data shows that economic growth is already stalling.
- 4.2 While GDP has grown every month from May onwards, the rate of growth has been slowing, meaning that overall GDP is levelling out while it is still almost 10% lower than at the start of the year.
- 4.3 This reinforces the importance of the approach agreed by the CA Board in September of continuing to focus short term recovery interventions on shortening the period of any stagnation and supporting affected people to retrain and access new job opportunities as quickly as possible.
- 4.4 Analysing projects for their impact in different recovery phases suggests the following conclusions:
  - (a) The available evidence suggests that interventions targeted at reskilling and re-employment, including enterprise, will have the most immediate impact on economic and social recovery and the delivery focus on these should be relentless in the months ahead.
  - (b) The CPCA and its partners have very limited influence on wider market conditions, national and local restrictions and consumer confidence. Therefore, the short-term impact on business growth and trading is significantly outside our control, but the pace of a future rebound to growth will be influenced by what is done now. Therefore, investment to support inward investment, business scale up and growth and specific sectors is vital for longer term recovery and rebound, even if the very short term (2020 and early 2021) impacts are low.
  - (c) Long term investment in infrastructure, including housing, are still crucial to long term growth rates, consistent with the CPER and Local Industrial Strategy. Where funding is not yet identified and approvals not in place, their impact on short term recovery and rebound should not be overestimated, and future project development will need to

carefully reflect market conditions at the time and effectively embed actions that lock in social value and zero carbon benefits, which cannot simply be assumed.

- 4.5 Current forecasts suggest that jobs are most vulnerable in lower skilled sectors. If this continues, then retraining and reskilling becomes doubly important, as people affected may not find it easy to get jobs in more highly skilled sectors where growth may be concentrated. Reopening leisure and hospitality sectors may not replace a high percentage of jobs lost, as new technology and social distancing changes staffing levels, for example.
- 4.6 The long-term spatial impacts of behaviour change, such as more home working, are as yet hard to quantify. Technical spaces such as workshops and labs will remain in strong demand and ongoing investment in incubator space for firms with specialist requirements in a range of sectors, as well as larger scale cluster development appears at this stage to be a sound priority.

## 5. Next Steps

- 5.1 The CPCA will work with our local stakeholders to implement the interventions that have now been ratified and prioritised with the benefit of this stronger evidence base.
- 5.2 Once noted by the Business Board, the LERS will be socialised with key stakeholders – both public and private sector.
- 5.3 Previous feedback and further comments received from stakeholders will be incorporated as part of a full refresh of the LERS, provisionally intended for January 2021.
- 5.4 In the meantime, the LERS will remain a live document and will be stress-tested against the monthly production of the monthly COVID-19 Impact Insight Dashboards where any new findings will be included in the intended January refresh of the strategy.

## Significant Implications

### 6. Financial Implications

- 6.1 The LERS includes a broad range of interventions each of which have financial implications (as detailed in Appendix 2).
- 6.2 However, these interventions are approved individually by the relevant authority outside of the strategy. Therefore, there are no direct financial implications to this report, other than those already in the MTFP.

### 7. Legal Implications

- 7.1 There are no direct financial implications.

## 8. Other Significant Implications

8.1 There are no other significant implications.

## 9. Appendices

9.1 Appendix 1 – Local Economic Recovery Strategy (LERS) – November Update

9.2 Appendix 2 – Interventions Explained (Appendix 1 to LERS)





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**JAMES PALMER**  
CAMBRIDGESHIRE &  
PETERBOROUGH MAYOR

# **Cambridgeshire & Peterborough** **Local Economic Recovery Strategy (LERS)**

**November update**

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## ACKNOWLEDGEMENTS

This recovery strategy has been a collaborative process strengthened by significant co-ownership and broader business community, education and public consultation. It is designed to be a living document, that evolves as the immediate and longer term impact of Covid 19 evolves. This Local Economic Recovery Strategy is a co-created product of the Covid-19 Local Economic Recovery Sub-Group, consisting of Local Authority economic development officers in partnership with representatives of all the key local business organisations. All Local Authority and business representatives have played an active role in shaping this strategy, within a highly collaborative and very positive environment. The vision and interventions developed by this group have been subsequently workshopped and developed by a sub-group of the CPCA's Business Board and undergone a local consultation process with 100 businesses.

The Local Authority officer, business representative and individual business leader input that has created the proposed strategy is recommended for adoption by the Business Board. As the longer term implications of Covid 19 emerge it will continue to be updated, alongside other strategies such as the Arc Prospectus, CPCA Investment Prospectus and CPCA LIS. Individual Local Authorities are expected to present this "whole of economy" recovery strategy to their cabinets for endorsement during October and November, which will lead to local recovery plans being developed in alignment, on the basis that it will evolve as the economic situation unfolds

The strategy is further underpinned by a common understanding that to lead the region to economic recovery, behaviours will also need to change in order to support the interventions proposed. All those involved in the creation of this strategy share a steadfast drive to make things happen and do things in new and innovative ways that are more collaborative and more impactful than ever before, setting the Cambridgeshire & Peterborough economy as a trailblazer and exemplar of sustainable and sustained economic recovery and renewal for the rest of the UK.

Contributors to development of the Cambridgeshire & Peterborough Local Economic Recovery Strategy include:

- Cambridgeshire & Peterborough Combined Authority & Business Board
- Cambridgeshire County Council
- Cambridge City Council
- Huntingdonshire District Council
- Fenland District Council
- East Cambridgeshire District Council
- South Cambridgeshire District Council
- Peterborough City Council
- Greater Cambridge Partnership
- Public Health England
- Police Commission
- Cambridgeshire Chambers of Commerce
- Federation of Small Businesses
- Opportunity Peterborough
- Cambridge Network

## FOREWORD

Since March, employers and employees have had to encounter unforeseen challenges and we have seen incomparable levels of adaptability and resilience. The economy has begun to reopen following the end of the national lockdown, but the recent upsurge in cases nationally and globally, and further restrictions (so far outside the CPCA area) have continued to have a severe impact on people and businesses. As we seek to continue to reopen whilst managing the ongoing public health response in the weeks and months ahead, residents and employers will continue to meet a series of challenges and obstacles head-on to ensure survival before they can consider resuming on a new and very different journey of growth. We will also need to support those effected by the mental and physical health impacts.

Many employers in our region have also been directly involved in the national and international fight against the disease, from the global development and testing of vaccines, to uncovering effective medical treatments, through to the design and engineering of new ventilators for hospitals. In a time of crisis, this has highlighted the importance of rapid commercial innovation to our own economies and of the UK.

Our region's employees will also face huge challenges in the future. Many are already facing huge uncertainty with the very real threat of redundancy or, at least, a seismic change in their job looming. The future workers in our region, our young students, face the daunting prospect of entering a severely contracted jobs market that is now newly congested with competition from experienced talent who have found themselves jobless.

The huge and unprecedented response by National and Local Government has provided vital lifelines to residents, business leaders and entrepreneurs. This strategy sets out the actions needed now and the longer term. The investment and interventions it sets out are crucial if we are to avoid a situation in which recovery will be longer, less inclusive and the gaps between our sub-economies will widen.

We are determined to do better than just recover. The CPCA area is absolutely central to the UK's renewal and future growth. The major strategic investments that underpin our leading contribution to the UK's transition to a zero carbon, more sustainable economy, are set out in the Ox-Cam Arc Economic Prospectus and CPCA Spending Review submission.

We have been influential in ensuring that the five primary requests for funding in the Ox-Cam Arc Economic Prospectus were centred on innovation. Three are focused on net zero technology development. Cambridgeshire & Peterborough innovators are significant in those projects. We have also prioritised green recovery in the CPCA Spending Review submission, in which of the nine requests for funding, we have four that are about getting people out of cars and into bus or rail and two that are about developing new net zero technology. This means that 60% of the ideas we have set out for recovery across the OxCam Arc, and 77% of the CPCA's major initiatives are climate focused.

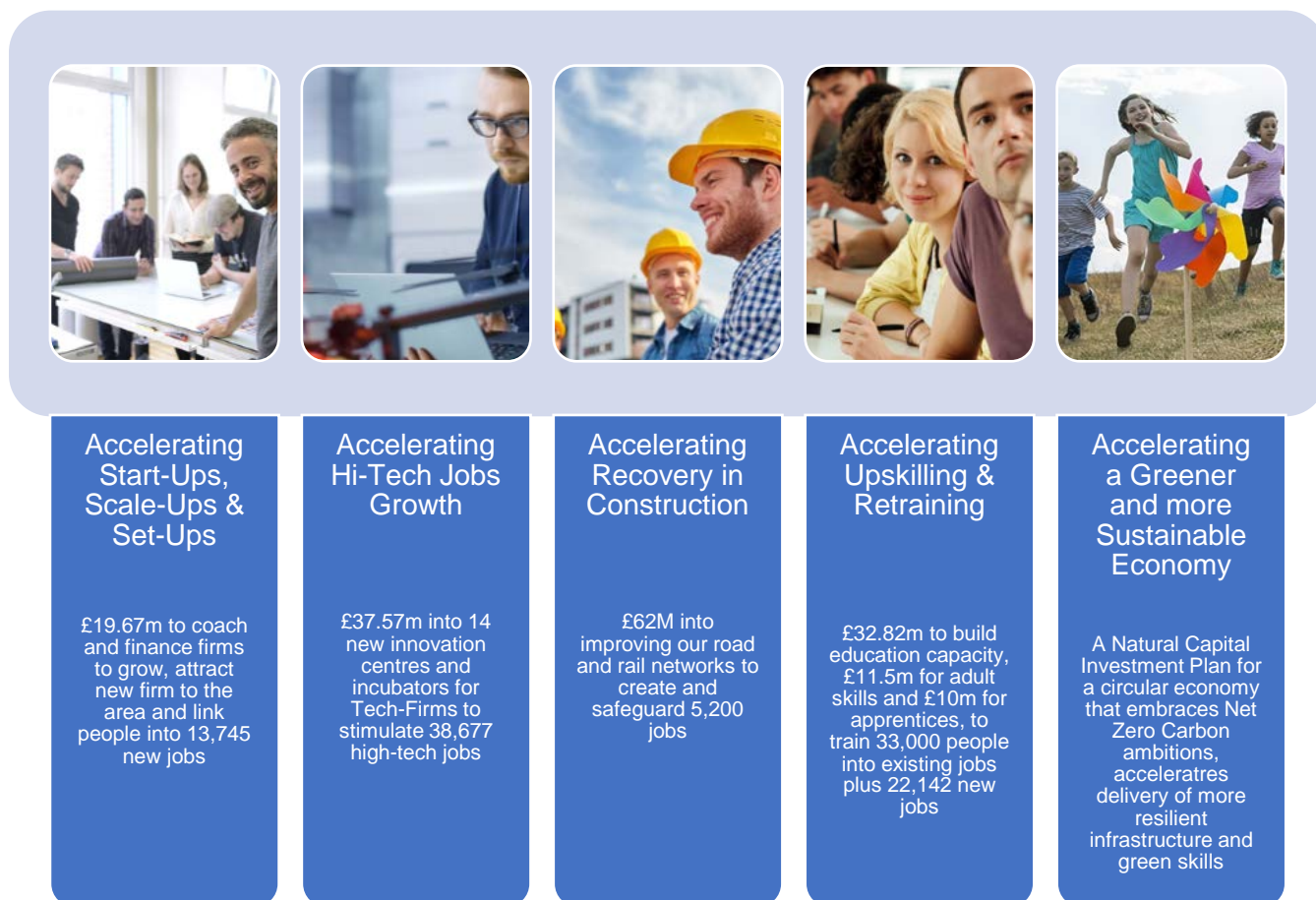
## 1. THE RECOVERY MISSION & TOP-LEVEL STRATEGY

### 1.1 The Mission

Our region is focussed on providing sustainable and healthy places in which to live and work. The core mission of our Covid-19 Economic Recovery Strategy is to:

***“To lead the nation out of recession - by accelerating the recovery, rebound and renewal of our economy and achieving our ambition to double GVA by 2042 - in a new and more digitally enabled, greener, healthier and more inclusive way than ever before.***

Accelerating recovery will be achieved through strengthening our businesses’ and workforce’ capacity for rebound and regrowth. Our local strategy is constructed to address the three phases of recovery and has 5 Pillars of delivery:



These 5 pillars align with and reflect the aims of the Local Industrial Strategy:

- People:** Through local collaboration and strong leadership, deliver a fair and inclusive economy by empowering local people to access the education and skills needed to meet the needs of the local economy and business, both now and in the future.

- **Ideas:** Ensuring that the area's economic base grows by harnessing innovation, enhancing Cambridge's position nationally and globally, especially around life science, artificial intelligence and data technologies, whilst bringing innovation-based growth to Peterborough and the Fens too.
- **Business Environment:** Accelerating and sustaining higher levels of business growth in start-ups and scale-ups, whilst attracting new and more knowledge intensive firms to our economy, to drive both growth and productivity.
- **Infrastructure:** Enhancing the current transport and housing infrastructure that is hampering growth in the south, whilst investing in commercial infrastructure to bring inclusive growth to the north.
- **Place:** Tailoring interventions to meet the needs of our cities and districts at local level.

The CPCA economy was in a very strong position at the start of the Covid 19 shock. We have the ability, track record and potential to lead the UK's recovery:

- Prior to Covid 19 the Cambridge City region was the fastest growing economy in the UK and is arguably the most likely to rapidly reverse the impacts of Covid 19 on overall output and regain its previous growth trajectory, which is vital for the UK's sustainable economy.
- One of a very few net contributors to the Treasury, with the potential to regain that position to aid Government in the recovery period.
- Breadbasket of England –over 50% of the UK's grade 1 highest quality land for food growing in the country, which is critical to sustainable food production and future food security in the UK. The Fens are also considered one of the country's greatest natural assets and wet ecosystems.
- A microcosm of the UK as a whole – with the potential to harness the strengths of the three local economies to demonstrate best practice in recovery.
- Global leadership in Life Sciences, Agritech and Education with 16% of the UK's knowledge intensive business services, with high potential for productivity and growth in recovery.
- Cambridge has more patent applications per 100,000 population than any city in the UK and more than western EU countries put together. Peterborough is another leading area for innovation - in top 15 UK Cities for patent applications, so the area leads in innovation.
- Peterborough has a major cluster in environmental technologies supporting the drive for green recovery.
- Peterborough and Cambridge are “smart cities”

## 1.2 The Strategy in Summary

Our recovery strategy includes the interventions that will have the most positive impact over the near/medium term whilst at the same time laying the road for longer term and sustainable recovery. Covid 19 has effected all sectors and communities, so our economic response is core to supporting people effected and ensuring we minimise the long term health and wellbeing impacts, working in parallel and supporting wider needs based public services locally.

Cambridgeshire and Peterborough is an industrially diverse region, made up of three connected but distinct sub-economies. This recovery strategy reflects our commitment to respond effectively to the specific needs of Greater Peterborough, the Fens, and Greater Cambridge – whilst building the connections and relationships that will unlock the full economic potential of the whole region.

Our interventions for medium-term recovery over the next 12-18 months will help ensure the C&P economy rebounds faster and with growth that is more inclusive, greener and sustained longer at higher rebound rates than would have naturally occurred. This also includes a specific focus being placed on those sectors and places in most need and with the longest forecast recovery rates so they start to recover sooner.

Planning for longer-term recovery by making strategic investments that enable greater future resilience, strengthen our economic assets, and address the inherent disparities across sectors and place, that have presented barriers to greater inclusive growth in the past, including:

- Skills deficits and lower quality employment in the north of the economy.
- Broadening the base of our knowledge intensive companies so that economic opportunities in resilient growth sectors are brought to more Cambridgeshire and Peterborough communities.
- Maintaining our standing as a world-leading centre for innovation – ensuring that international businesses continue to choose to grow or relocate here, and in doing so create inclusive opportunities.
- Providing an attractive commercial, housing and quality of life offer across our Cities and Market Towns for businesses and people relocating from major cities like the capital.
- Ensuring that the economies of the CPCA are developed sustainably to actively contribute to tackling Climate Change and adapting to its impacts.

Supporting appendices:

Details on all our proposed interventions can be found in **Appendix 1: LERS Interventions Explained.**

Details on proposed intervention priorities and actions at local level can be found in **Appendix 2: City, Districts and Town Level Recovery Strategies.**

In addition, of course, are the many other, powerful interventions and initiatives of the Business Board, the wider Combined Authority and its key partners, that make up the 5 Pillars of our COVID 19 Local Economic Recovery Strategy. Details on Business Board LGF investments that will support economic recovery by creating 50,644 new jobs to 2042 can be found in **Appendix 3: Business Board LGF Investments.**

## 1.3 The Interventions in Summary

We have categorised our recovery projects into three groups: **Primary**, **Secondary** and **Tertiary**.

**Primary interventions** are those which have been approved for funding and have clear cost benefit data, showing how money spent links through to jobs, skills, and other outcomes.

**Secondary interventions** are those which are either approved in principle but don't yet have clear cost and benefit data; or those which have cost benefit data but where lobbying for funding is ongoing.

**Tertiary interventions** are those which neither have clear cost-benefit data nor are formally approved.

### Impact assessment methodology

We have given an indicative assessment of the impact of each intervention in the three different phases - Recover, Rebound and Renew. 1 is lower impact and 3 is higher. It is important to note that many projects have higher impact in some phases than others. This should be a strength not a weakness. It means they are targeted at a specific need or opportunity. Some projects also score relatively low, simply because they were immediate recovery projects and relatively small scale - but again, that does not mean that they were not worth doing.

## PRIMARY INTERVENTIONS

App. 1 ref	Description	Funding	Cost per job/outcome	Impact on Recover	Impact on Rebound	Impact on Renew	Risks in a worst case scenario
A1	A TOTAL OF £29M INVESTMENT INTO NEW BUSINESS GROWTH SERVICE TO DELIVER REBOUND & GROW COACHING SERVICES	BGS APPROVED AND FUNDED	£2,264 per job	3	3	3	If the economy remains in survival mode for a prolonged period, the growth service may have to focus on helping firms access financial support ahead of ambitions for long-term growth
A2	£4M OF TARGETED INVESTMENT INTO NEW INWARD INVESTMENT SERVICE TO ATTRACT MORE FIRMS	BGS APPROVED AND FUNDED	£3,000 per job	1	3	3	While the outlook remains uncertain, firms may be cautious about making major new investments
A3	£18M EQUITY INVESTMENT INTO THREE NEW LIFE SCIENCE AND TRANSPORT TECH-ACCELERATORS	LGF APPROVED AND FUNDED	£827 per job	1	2	3	Tenants could be at higher risk due to Covid uncertainty, increasing the risk of funding spent on empty buildings



## NOT GOVERNMENT POLICY

App. 1 ref	Description	Funding	Cost per job/outcome	Impact on Recover	Impact on Rebound	Impact on Renew	Risks in a worst case scenario
A4 + A5	£500K OF CAPITAL GRANTS & START-UP ADVICE FOR EMPLOYEES TRANSITIONING TO ENTREPRENEURSHIP	BGS APPROVED AND FUNDED	Capital Grants - £4,000 per job created.  Growth advice - £2,264 per job.	2	3	3	If there is another significant economic downturn, new entrepreneurs will be facing a very harsh environment
A6	FOCUSING RECOVERY & GROWTH WHERE IT CAN IMPROVE HEALTH & WELLBEING MOST	EXPANDED ACTIVITY WITHIN BGS	£2,264 per job	1	1	3	-
A7	£30M INVESTMENT INTO A NEW UNIVERSITY FOR PETERBOROUGH (PHASE 1) PLUS FURTHER £20M INVESTMENT INTO R&D CENTRE (PHASE 2)	APPROVED AND FUNDED BY CPCA, LGF, ARU AND PCC	£3,000 per skills outcome  £2,142 per job	1	3	3	Many of the courses offered will not be easily deliverable online, so virus resurgence may challenge delivery
A8	£2.5M INVESTMENT TO INCREASE SKILLS CAPACITY IN THE CONSTRUCTION SECTOR TO SUPPORT A BOOST IN INFRASTRUCTURE INVESTMENT	LGF APPROVED AND FUNDED	Entry level: £550 per learner Level 1: £600 per learner Level 2: £2,000 per learner	2	3	2	-
A9	CONNECTING DISPLACED TALENT	BGS APPROVED AND FUNDED	£1,428 per individual skills outcome	3	2	1	-

## NOT GOVERNMENT POLICY

App. 1 ref	Description	Funding	Cost per job/outcome	Impact on Recover	Impact on Rebound	Impact on Renew	Risks in a worst case scenario
A10	£125K INVESTMENT INTO MORE RESOURCES INTO SCHOOLS TO BETTER CONNECT LEAVERS WITH JOBS	BGS AND CAREERS AND ENTERPRISE COMPANY – APPROVED AND FUNDED	£120 per learner	3	2	1	-
A11	LEVERAGING THE ADULT EDUCATION BUDGET TO IMPROVE DIGITAL SKILLS	AEB APPROVED AND FUNDED	£1,100 per enrolment	3	2	1	-
A12	£450K OF INNOVATE TO GROW GRANTS FOR SMALL FIRMS WITH BIG IDEAS	BGS APPROVED AND FUNDED	£6,000 per job	3	3	2	-
A13	£5M INVESTMENT INTO NEW MANUFACTURING & AGRI-TECH INNOVATION LAUNCH PADS	£5M LGF APPROVED AND FUNDED  £20M APPROVED AND FUNDED BY GBF, PCC AND PHOTOCENTRIC	£2,350 per job	2	3	3	-

## NOT GOVERNMENT POLICY

App. 1 ref	Description	Funding	Cost per job/outcome	Impact on Recover	Impact on Rebound	Impact on Renew	Risks in a worst case scenario
A14	£715K INVESTMENT INTO A SMART MANUFACTURING ASSOCIATION IN THE NORTH OF THE ECONOMY	LGF APPROVED AND FUNDED	£2,173 per job	1	1	3	-
A15	£100M INVESTMENT IN STIMULATING THE HOUSING MARKET	CPCA APPROVED AND FUNDED	Peterborough: £35k per 'Shared' unit / £45k per 'Affordable' unit. Cambridge: £50k per unit. Based on 2,000 units. For £100k Homes & Community Land Trust – zero net cost per unit	1	1	2	Possible developers may have a lower appetite for trying new products if pessimistic about the future
A16	£13.9M OF INVESTMENT TO SUPPORT FOR CITY & TOWN CENTRE FIRMS TO REBOUND	CPCA APPROVED AND FUNDED	£7,000 per job (target)	3	3	1	Town centre recovery may be delayed due to future restrictions on non-essential retail, and a resurgence of the virus will damage consumer confidence
A17	£145K INVESTMENT TO SUPPORT FOR THE VISITOR ECONOMY TO RECOVER & ADAPT	ERDF APPROVED AND FUNDED	£1,160 per job (retained)	1	2	1	This scores low simply because of the scale of the intervention.  Restrictions on travel may limit the ability of the visitor economy to recover

**SECONDARY INTERVENTIONS**

App. 1 ref	Description	Funding	Cost per job/outcome	Impact on Recover	Impact on Rebound	Impact on Renew	Risks in a worst case scenario
A18	A £500M LIFE SCIENCE INNOVATION NETWORK TO PRODUCE A NEW GENERATION OF UNICORNS	PROPOSED ACTIVITY ACROSS OXCAM ARC SUBMITTED IN OXCAM CSR	£10,000 per job	1	1	3	-
A19	GUARANTEED TRAINING & INTERVIEWS FOR JOBS IN HEALTHCARE & CONSTRUCTION (SECTOR BASED WORK ACADEMIES PILOT)	DFE APPROVED AND FUNDED	No data or forecast available	3	2	1	-
A20	NEW FUNDING FOR TRAINING FOR SCHOOL & COLLEGE LEAVERS UNABLE TO FIND A JOB	DFE APPROVED AND FUNDED	No data or forecast available	3	1	1	-
A21	£80.1K INVESTMENT INTO LOCAL PILOTING OF A NEW RETRAINING SCHEME	DFE APPROVED AND FUNDED	No data or forecast available	3	2	1	Some uncertainty as to new growth sectors and professions post-covid

## NOT GOVERNMENT POLICY

App. 1 ref	Description	Funding	Cost per job/outcome	Impact on Recover	Impact on Rebound	Impact on Renew	Risks in a worst case scenario
A22	£1M CPCA DIGITAL INFRASTRUCTURE PROGRAMME "KEEPING EVERYONE CONNECTED"	CPCA APPROVED AND FUNDED	No data or forecast available.	2	2	1	N/A

## TERTIARY INTERVENTIONS

App. 1 ref	Description	Funding	Cost per job/outcome	Impact on Recover	Impact on Rebound	Impact on Renew	Risks in a worst case scenario
A23	£50M INVESTMENT IN RECOVERY AND DEVELOPMENT OF THE CREATIVE ECONOMY	PROPOSED ACTIVITY BY CAMBRIDGE CITY & GCP - FUNDING TBD	No data or forecast available.	1	2	3	Social distancing into the longer term may make it very challenging for the creative sector to recover
A24	FRAMEWORK FOR SUSTAINABLE ECONOMIC DEVELOPMENT	PROPOSED BY CAMBS COUNTY COUNCIL - FUNDING TBD	No data or forecast available.	1	2	3	-
A25	RESOURCE AND WASTE CIRCULAR ECONOMY BUSINESS MODELS	PROPOSED BY CAMBS COUNTY COUNCIL - FUNDING TBD	No data or forecast available.	1	2	3	-
A26	£20M OF LOCALLY INTEGRATED FUNDING FOCUSING ON ALL POST-16 VOCATIONAL EDUCATION TO SUPPORT RETRAINING OF WORKERS IN TRANSITION ACROSS SECTORS	PROPOSED BY CPCA – FUNDING TBD	No data or forecast available	1	2	3	There is some uncertainty around which sectors will emerge as winners after the pandemic, and therefore where retraining efforts would be best focused.
A27	ADVANCED DIGITAL INFRASTRUCTURE DEPLOYMENTS TO SUPPORT ACCELERATORS AND INCUBATORS	PROPOSED ACTIVITY BY CONNECTING CAMBRIDGESHIRE – FUNDING TBD	No data or forecast available.	1	1	2	-

## NOT GOVERNMENT POLICY

A28	ADAPTING COMMERCIAL SPACE PROVISION TO REMOTE WORKING	PROPOSED ACTIVITY BY SOUTH CAMBRIDGESHIRE & CAMBRIDGE AHEAD – FUNDING TBD	No data or forecast available.	1	1	3	-
A29	LOCAL AUTHORITY PLANNING ADAPTIONS FOR HOUSING & SCHOOLS RENEWAL	PROPOSED ACTIVITY BY CAMBRIDGE CITY COUNCIL – FUNDING TBD	No data or forecast available.	1	1	2	-
A29(a)	£155M INVESTMENT INTO DEVELOPMENT OF NEW COUNCIL HOMES (CASE INVESTMENT)	PROPOSED ACTIVITY BY CAMBRIDGE CITY COUNCIL – FUNDING TBD	No data or forecast available.	1	1	2	N/A

## **2. THE DATA: *UPON WHICH WE BASE OUR DECISIONS***

Partners in the CPCS area have put in place a robust and evolving approach to understanding the emerging impacts of Covid-19 across a wide range of economic and social indicators and how they impact on communities, services and business.

Our approach has two main elements. Firstly, we have carried out a number of point in time analysis reports, to take stock at different phases of the crisis so far. This includes external analysis from Hatch and Metro Dynamics in July and October 2020 respectively, regular business surveys and a September analysis of the impact on needs based services carried out by Cambridgeshire County Council's Research Group.

These analysis reports sit alongside a new dashboard of local economic and social impact data and analysis of its implications that is updated monthly and will be expanded as new relevant data sets become available.

### **2.1 The Backdrop: Rising Covid Cases**

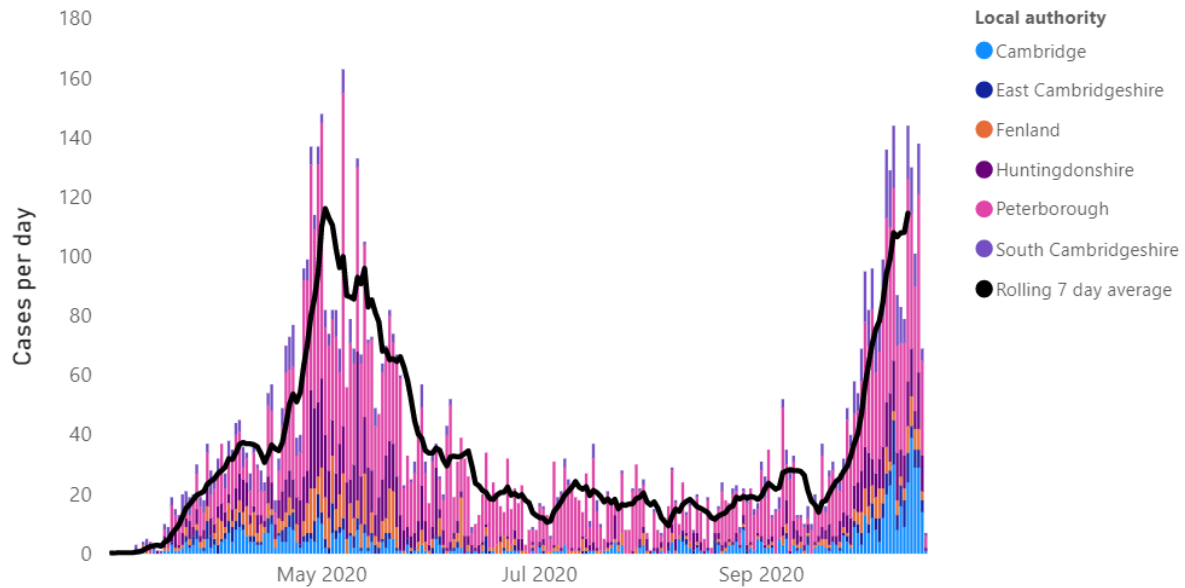
Since the first version of this recovery plan was prepared it is clear that cases are rising again across the CPCA area.

Currently, the area has been spared some of the much higher rates seen in other parts of the country, and every district is in the Government's "Tier One" of having lower restrictions. However, this will not necessarily remain the case. Many cities have seen outbreaks at local universities, and students at Cambridge University have returned later than in most other cities. It should also be noted that cases of Covid-19 have been much higher in Peterborough than elsewhere in the Combined Authority.

Google Mobility data shows that the steady return to leisure and retail spaces dropped off as cases began to rise again during September. This suggests that, even in Tier 1 areas, the rule of six and general concerns are having an impact on consumer behaviour and that support for affected businesses and workers will continue to be needed for longer than Government had originally planned. This is reflected in the 22nd October announcement of further support for Tier 2 area businesses.



## Daily Covid cases by District in CPCA since beginning of March



**8,373**

Total cases

**84**

cases (rolling 7 day average)

**1,650**

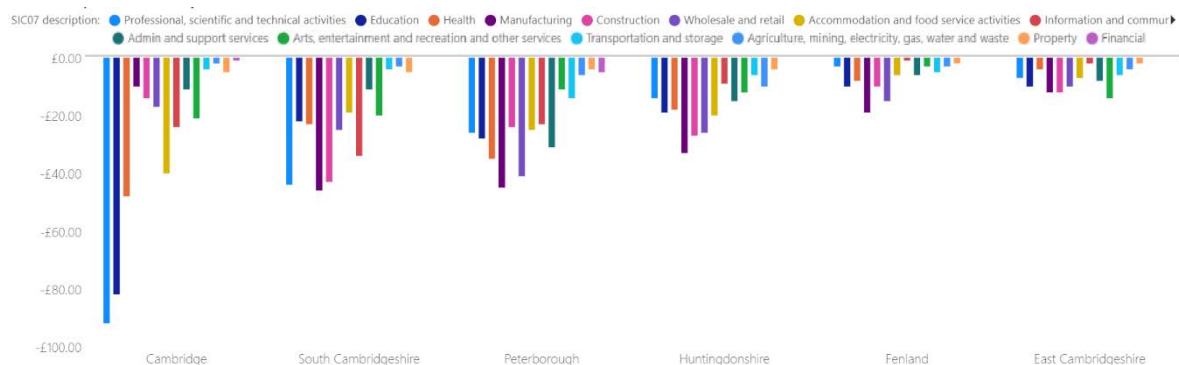
tests (rolling 7 day average)

Source: Metro Dynamics Dashboard, data up to the 21<sup>st</sup> October. Cases in the last few days should be disregarded due to reporting delays.

## Immediate Economic Impact

Applying ONS GDP impact numbers to local sectors suggests that in quarter 2 of the year, our area experienced a £1.3bn loss in output. While this is less severe than previous analysis suggested, it is still a big impact, which has been felt especially in Cambridge.

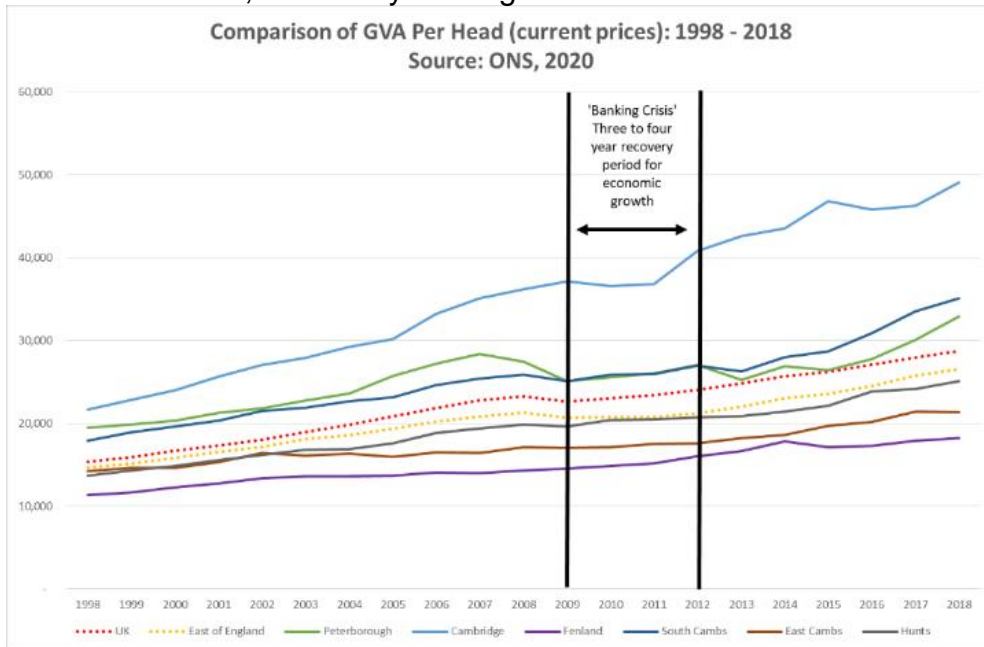
### Q2 sector impact across CPCA



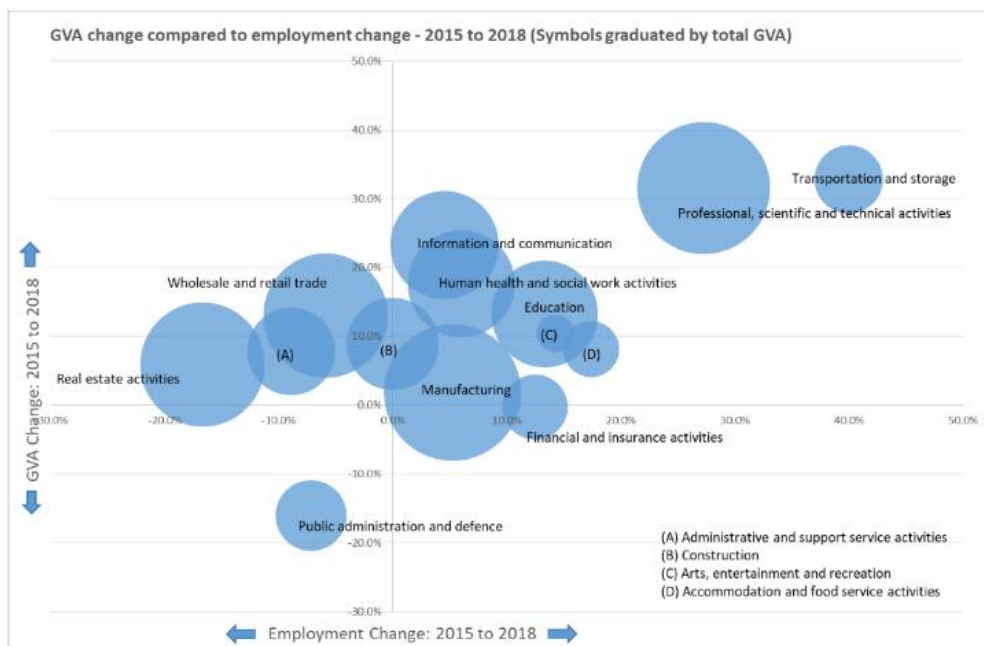
Source: Metro Dynamics analysis of ONS GDP Quarterly Estimates

Extracted from Metro Dynamics dashboard

The long-term (1998 – 2018) trend in Gross Value Added (GVA) broadly illustrates that the 2008/09 'Banking Crisis' recession led to a three- to four-year (depending on district) stagnation in economic growth before a very strong recovery led primarily by Cambridge and South Cambridgeshire and latterly by Peterborough. Indeed, Cambridge recovered the economic value lost during the 2008/09 recession much quicker than other areas, effectively leading the UK out of recession.



The sectors leading both employment and GVA growth over the previous three years (2015 – 2018) for the CPCA area have been Professional, Scientific and Technical Activities (based in the Greater Cambridge area), Information and Communication, Education, Transport and Storage, and Human Health and Social Work Activities.



Interestingly, sectors expected to be worse hit by the current crisis have grown alongside the sectors mentioned above, e.g. Accommodation and Food Services, but contribute a relatively low proportion of the area's GVA. Indeed, whilst employment in the Accommodation and Food sector is high, approximately 27,000 employee jobs, productivity is low (approximately £20k GVA per job compared to £54k per job in the Professional, Scientific and Technical sector). Alongside this, the level of skill (measured in terms of average qualification levels) is also relatively low in the areas most at risk of further redundancies. This underlines the potential 'skills challenge' that the area faces; can people losing work in one sector be supported to transfer to higher skilled and more productive work in another sector?

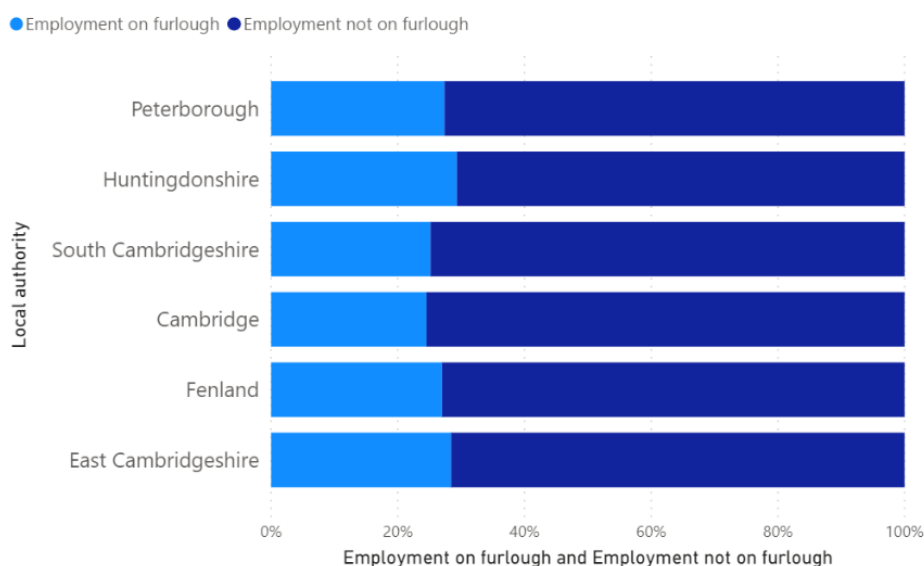
## 2.2 Impact on Businesses

Survey data nationally and locally shows that businesses have continued to reduce immediate overheads where possible. Some have successfully pivoted to new approaches and markets, but where consumer demand is down, there is little that firms can do apart from try to survive. Recent upward trends in cases, the rule of six, 10pm rule and further restrictions in Tier 2 and 3 areas have further dampened confidence in affected sectors. There is growing anecdotal evidence that both manufacturing and service firms who have now had people on furlough for a number of months have found technology-based work arounds and will not look to bring them all back.

Across the UK economy, 62% of those in the construction sector who had been furloughed at the peak of furloughing were back at work by the end of July. Much lower rates were seen in the professional, scientific, and technical sector (34%) and the information and communication sector (29%). This suggests that where work is less hands on, people are being brought back more slowly, and *may* precipitate a white-collar unemployment increase, although this would also arguably see a long heralded increase in service sector productivity driven by more rapid technology adoption.

At the end of July, rates of furlough were fairly constant across Cambridgeshire and Peterborough, ranging between 24% in Cambridge and 29% in Huntingdonshire.

## Furloughing rates by local authority at July 31st



Source: *Extracted from Metro Dynamics dashboard*

Firms are also continuing to review supply chain resilience, particularly as firms turn their attention to Brexit, having been focussed on Covid 19. The longer-term effects on the commercial property market are still unclear, although shared workspaces and city centre commercial space nationally have seen declining occupancy rates in the short term. Demand for lab space and technical production and research space has not shown any evidence of significant decline.

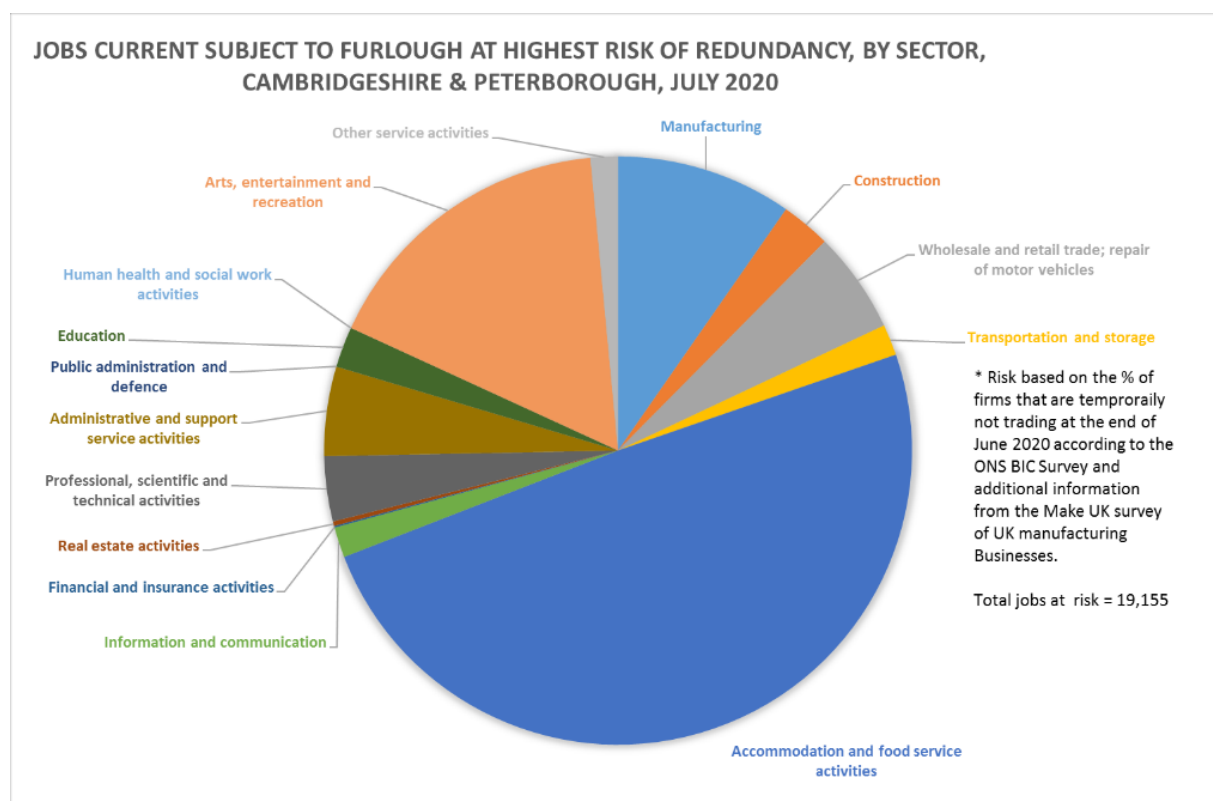
We will continue to monitor the development of trends in commercial property space, homeworking and travel patterns, recognising that these are long term in nature and that we are still in the early stages of this pandemic.

Early research in July 2020 combined local and national surveys and showed that around half (46%) of business respondents reported that they had effectively shut down during the Covid-19 lockdown and more than 17% reported that there 'was a good chance' that the business wouldn't recover. Local business surveys have continued as the crisis has evolved – for example Enterprise East Cambridgeshire are conducting a Business Recovery Survey for which the results will be available imminently.

Businesses have also consistently reported their plans to reassess supply chain resilience following the disruption. This has led to discussion of a possible increase in onshoring to boost resilience – though the end of the transition period with the European Union is likely to be more significant. Businesses are likely to reassess both the cost and the use of commercial property space, with some downsizing premises to take advantage of the acceleration of homeworking. Impacts on further education could possibly see an increase in the rate at which the labour market demands higher, level three or above, qualifications. Infrastructure demands are also likely to be different, focusing on the roll out of digital connectivity and changes in usage patterns for public transport.

The number of claimants is still much lower than the reported (HMRC August 2020<sup>1</sup>) 115,000 jobs (27% of all jobs) in the CPCA area that are currently protected by the Job Retention Scheme. With the scheme changing from the end of October it is likely that further redundancies will occur. It is still too early to tell how many jobs will be affected and how the January 2021 job retention bonus will affect or delay redundancies.

One way to provide a sense of relative risk by sector is to consider the national profile of businesses temporarily closed according to the on-going ONS Business Impact of Covid-19 (BIC) Survey<sup>2</sup> and combine this with the furlough profile<sup>3</sup> and local employee data<sup>4</sup>. The assumption being that the risk of further redundancies is far greater for sectors where many businesses are still paused (as at end June 2020) compared to those that have a proportion of workers on furlough but are also continuing some business activity. This provides a first estimate for Cambridgeshire and Peterborough of approximately 17% of jobs currently being protected by furlough possibly becoming redundant when the scheme ends; materially, this would double the current claimant rate. Approximately half the jobs at risk are in the Accommodation and Food sector with a further 18% in Arts and Entertainment and 6% within Retail.



Commentary from Cambridge Econometrics<sup>5</sup> supports this assumption with an anticipated transition from economic problems centred upon 'production' (the

<sup>1</sup> <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-august-2020>  
<sup>2</sup> <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-july-2020>

<sup>3</sup> <https://www.ons.gov.uk/economy/economicoutputandproductivity/output/datasets/businessimpactofcovid19surveybicsresults>

<sup>4</sup> Local Profile has been requested from HMRC, Eastern Region Profile has been used 17<sup>th</sup> July 2020.

<sup>5</sup> Employee Jobs, 2018, Source NOMIS

<sup>6</sup> <https://www.camecon.com/blog/the-economics-of-the-coronavirus-pandemic/>

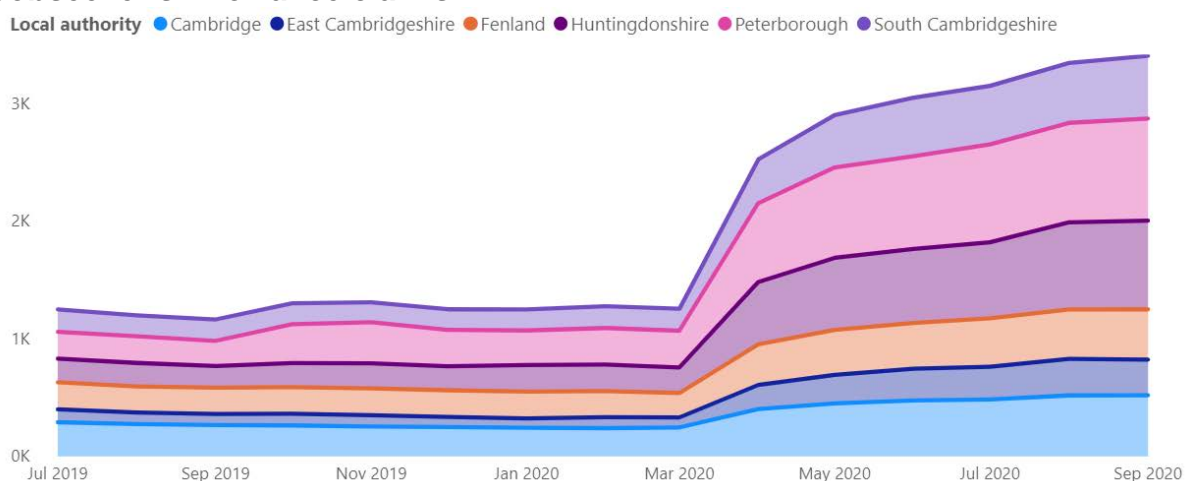
lockdown impacting supply chains and the creation of economic value) to problems of ‘consumption’; in particular a contraction in demand for consumer goods and services.

We will continue to build in to our evidence and assessment of potential business impacts new surveys or studies that emerge. For example, we have incorporated a more specialist survey from MakeUK of manufacturing businesses, which reports that 53% of manufacturing firms with some staff on furlough expect to make redundancies for the most part affecting up to 25% of the workforce. Applying this to our local profile for furlough employees implies that around 1,800 local manufacturing jobs are at risk.

## 2.3 Impact On People And Jobs

Claimant rates have more than doubled across CPCA. While the biggest jump was between March and April, rates have continued to climb. There is a suggestion of some levelling off between August and September, but an uncertain economic outlook means further significant rises should not be discounted.

### Jobseeker’s Allowance claims



*Extracted from Metro Dynamics dashboard*

The extent to which these high numbers persist will depend on the ‘shape’ of the recovery (discussed in later paragraphs). It should be noted though that whilst Cambridgeshire and Peterborough returned to economic growth in 2012, relatively high claimant rates persisted through into 2015. Unemployment in general is a lagging indicator, but the unique nature of this recession means it isn’t clear how quickly it will contract.

The increase in claimants has exacerbated the sub-regional inequalities identified within the CPIER<sup>6</sup>. *Peterborough’s claimant rate has worsened significantly compared to that of Great Britain* whereas areas in the south of the Cambridgeshire and Peterborough region have seen relatively low increases in claimant count

<sup>6</sup> Cambridgeshire and Peterborough Independent Economic Review

compared to the country as a whole. Fenland has seen a slight worsening compared to Great Britain but may have been partly insulated from the economic shock due to the relative importance of the food production and processing sectors in the area which have continued to operate during the lockdown.

## Social Impacts and Needs Assessment

Effective support for those who could potentially ‘fall out’ of the job market in the same way as a result of the current recession is key to minimising the long term damage experienced by people and society. So too is support for people affected by shorter term restrictions on economic and social activity. We estimate that a possible 19,000 adults could develop anxiety and 59,000 develop depression (a 104% increase) from the impacts of social and economic restrictions alone with 18% of people experiencing unemployment developing mental ill health as a result.<sup>7</sup>

Youth unemployment has also risen dramatically, with our young people overrepresented in sectors at risk and entering a labour market in which they are likely to be both less entry level opportunities and opportunities for progression into higher wage roles.<sup>8</sup>

The numbers of JSA claimants aged 16-24 has risen from 95 by 263% to 290 between March and September, compared to 186% nationally. If we combine this with the number of young people claiming Universal Credit and seeking work then the figure for September was **5,400 claims** from 16-24 year olds, with a growth of **143.8%** since March compared to nationally **121.9%**.<sup>9</sup> There is ample research to show that this is likely to have a long-term negative impact on these young people’s future employment outcomes, which will have ramifications for the local labour market for decades to come.

## 2.4 The Possible Shape of Recovery

Since the September version of the LERS, the incidence of the virus has begun to increase steadily again, with concentrated clusters seen particularly in the North West and large cities with big student populations. As a result, the idea that the economic hit of Covid-19 was a one-off event from which the economy is now recovering has been thrown into doubt. It is therefore important to refresh thinking about possible forward paths for the next few quarters. We have developed three scenarios for the future growth of output:

- 1. Best realistic case: a quick return to old growth rates.** In this scenario, the recovery continues to level off, but the economy quickly regains its rhythm, with growth rates (if not overall levels) returning to pre-crisis normal. In Cambridgeshire and Peterborough virus rates are kept under control through

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<sup>7</sup> Impacts of Covid 19 in Cambridgeshire and Peterborough Needs Assessment September 2020

<sup>8</sup> As above

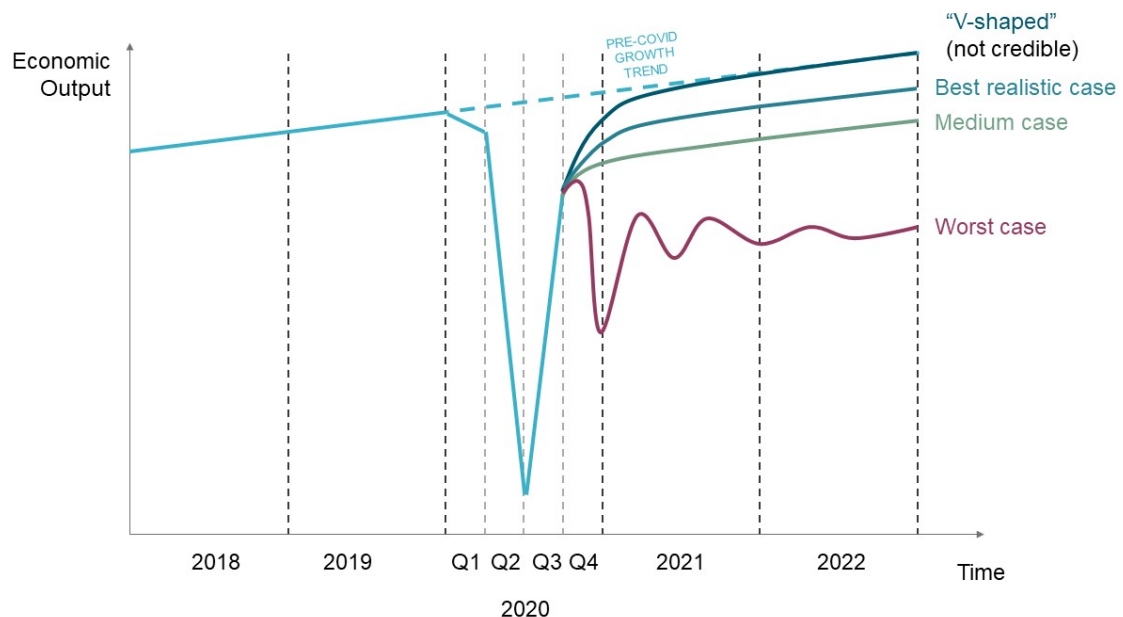
<sup>9</sup> Metro Dynamics analysis of DWP data



generally high adherence to social distancing norms, meaning further economic curbs are not necessary and consumer confidence returns. Pre-pandemic output levels are regained by the end of 2022.

2. **Medium case: a cautious road back to growth.** In this scenario, the recovery peters out rather more quickly, as new restrictions “put the brakes on”, with the return of consumer and business confidence stunted. However, the majority of economic activity currently happening is able to continue in a Covid-secure manner, allowing growth rates to return, but starting from a lower base.
3. **Worst case: Oscillations, scarring, and long-term damage.** In this scenario, a strong resurgence of the virus, combined with less public willingness to follow guidelines, leads to strict curbs on economic life, with several sectors shut down again. While this does not return the economy to levels seen in Q2 of the year (as a better understanding of the virus allows more activity to continue), the fall in GDP is large by historic terms. Continued reopening and closing during the wait for a vaccine leads to an oscillating growth pattern, which becomes more muted over time. However, the damage of economic “scarring” to the supply side means long term output is significantly below pre-crisis levels, with growth stagnant.

*Illustrative scenario diagram*

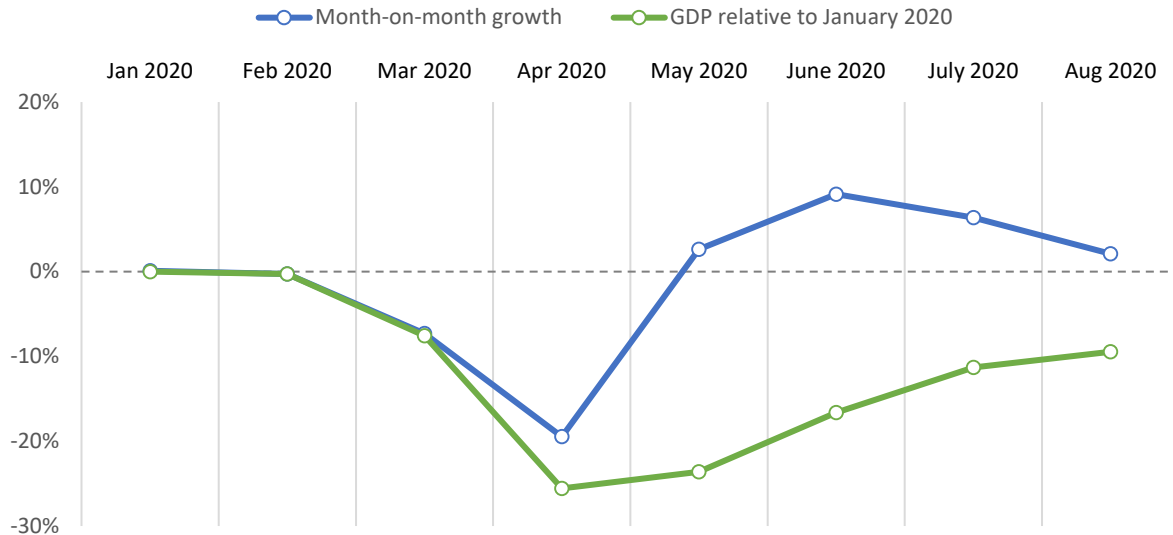


We also include a “V-shaped” scenario, where the economy returns to its pre-covid growth trend in 2021. However, we do not deem this to be credible, and it is important to acknowledge this. Although at first glance the economy has rebounded quickly in the third quarter of 2020, when you examine the *monthly* data it becomes clear that economic growth is already stalling. While GDP has grown every month from May onwards, the rate of growth has been slowing, meaning that *overall* GDP is levelling out while it is still almost 10% lower than at the start of the year. August’s GDP was only 2.1% higher than July’s, in spite of the widespread take up of the Eat Out to Help Out scheme in that month. If month-on-month growth continues to fall,



the economic recovery will stop fairly abruptly. The focus of most recent Government intervention is to prevent recent output in recovery from slipping back to far, as the infection rate rises again.

### *Monthly GDP growth begins to stall*



Source: Metro Dynamics analysis of ONS monthly GDP data

## 2.5 The Impact of Brexit

As of October 2020, the outcome of the post-Brexit trade talks between the EU and the British Government remain uncertain. A deal still remains possible and is perhaps still the most likely outcome. According to the Bank of England the positive side of an outcome being reached in the talks is the 'reduction in drag' on investment; whereby investment that is currently 'on hold' is made in the UK once its trading position becomes clear. Set against this is the potential for additional trade barriers with the EU hampering business activity.

The London School of Economics (LSE) is one of the first organisations to produce a combined analysis of Covid-19 and Brexit<sup>10</sup>. Their analysis shows that sectors affected by Brexit are generally different to those currently impacted by Covid-19. When comparing the effect of Covid-19 with the predicted impact of increased trade barriers with the EU, there is some evidence that those less hit by Covid-19 are likely to suffer more from Brexit e.g. Electrical and Optical Equipment and Chemicals and Chemical Products.

That is not to say there will be a 'double whammy' rather the impact of Brexit will overlap, or possibly be partially masked by Covid-19. For example, the Institute of Economic Affairs suggests that "any costs from a change in our relationship with the EU are likely to be trivial compared to the impact of Covid-19 on GDP". The worst scenarios for Brexit (UK Government, 2018) suggested an 8% reduction in GDP over

<sup>10</sup> <https://www.lse.ac.uk/News/Latest-news-from-LSE/2020/g-July-20/Brexit-hit-looms-for-industries-that-escaped-worst-of-pandemic>

a period of years whereas the Covid-19 crisis is already estimated to have reduced UK GDP by 13.8% in a single year.

Regardless of the outcome of talks it is evident that the resources expended in responding to Covid-19 has set back planning for Brexit at both a government and business level. The transition period ends on 1<sup>st</sup> January 2021, so business adaptation may now necessarily be hurried. This is where the most important local policy response lies, in supporting businesses with rapid adaption as the position for January 2021 becomes clear.

### 3. THE STRATEGIC APPROACH

#### 3.1 The Opportunity

The Cambridgeshire & Peterborough economy is already home to a high concentration of high-growth firms and a highly skilled and entrepreneurial workforce. We are one of a small number of regional economies that provide a net contribution to the Treasury and offer the potential to play an important role in leading national economic recovery from the impacts of Covid-19. The regions strength comes from:

**Greater Cambridge** which is the UK's fastest growing economy and the most likely part of the county to recover quickest to help regain the £3.7bn GVA lost. It gives us Global Leadership in life sciences and education and has the largest share (16%) of the UK's knowledge intensive business services. It generates more patents per head of population than any city in the UK and more than all the EU put together.

**Greater Peterborough** which has reinvented itself as a Smart City, with leading levels of digital connectivity and a major cluster in environmental technologies. It is home to a high-tech manufacturing base that has grown whilst the sector has shrunk nationally, now representing 18% of its businesses, compared to 9% nationally.

**The Fens** which are considered one of the country's greatest natural assets and contain over 50% of the UK's grade one, highest quality, land for food growing.

However, there is still much untapped potential and, as markets recover to a new norm and permanent shifts in customer behaviours and workforce practices, offers a fantastic opportunity to support our brightest firms to adapt to grow faster, longer and more sustainably, given the right support and investment. Successful implementation of this Economic Recovery Strategy, with the right investment from our partners in Central Government, will enable this national powerhouse economy to return quicker to our previous growth trajectory and our previous contribution of £5bn pa to Treasury to help finance recover in other areas of the UK, especially in the midlands and north. The spine of our strategy focuses on solutions based on:

- **Primary Interventions** - programmes already planned within the LIS, for mobilisation in the 3rd quarter of this year, adapted to post Covid-19 recovery conditions.
- **Secondary Interventions** - entirely new interventions funded through combinations of local and national funding.
- **Tertiary Interventions** – wider policy changes and local tailoring and facilitation of national programmes to take account of our specific economy and communities, optimising them for local conditions and amplifying their impact

All of this is underpinned by a focus on sustainability and building future economic resilience, which is prioritised in the CPCA and OxCam Arc approaches to Government for future long term investment.

### 3.2 The Challenges

To double the size of our economy, and prior to Covid-19, GVA growth needs to average at 2.8%, a challenging target which requires growing both employment and productivity. To meet this challenge, the Business Rebound & Growth Service was tasked by the Business Board, to stimulate business growth in firms to generate an additional 5,890 jobs, measured over the 3 years the Service's delivery and the following 3 to capture the delayed effects between intervention and jobs growth realisation. This would have produced a net-impact on additional jobs growth of 982pa, substantially contributing to the required 1,254pa to enable the doubling of our economy. In addition, there are the many other, powerful interventions and initiatives of the Business Board, the wider Combined Authority and its partners such as GCP, that make up the five pillars of our Covid-19 Local Economic Recovery Strategy. Both the original and a future revised Local Industrial Strategy and Local Economic Recovery Strategy will support our businesses and people to rebound and regrow to still meet and beat our target to double our economy by 2042<sup>11</sup>.

In this unprecedented situation, it is difficult to predict over what period recovery can occur, but, subject to new waves of virus, we have experience from other economic recessions, where local economies bounced back faster than in some other areas of the country, to reset their net contributions and to support the area's growth. Critical to recovery in this case is activity which supports the retention of current employment, supports businesses to restructure where required, supports skills development and transfer for those transitioning employment, but as importantly, supports the creation of new jobs and related infrastructure. Further strengthened by a strong innovation and skills base, this gives Cambridgeshire & Peterborough a differentiation from other areas in the UK.

Even before Covid-19, the CPIER (2018), had already identified challenges to such growth in particular with infrastructure around housing as well as transport. In addressing both of those, the recovery approach needs to continue an evolving paradigm around housing. Changes in employment practice resulting in more flexibility in working from home for some, the demographic changes which see us living for longer but having changing needs in housing as we age, as well as evolving demands for younger generations, will see developing requirements for different tenures. The desired trajectory towards net zero carbon homes, the use of innovative automation to make our lives easier, reducing the need to travel or promoting easy public, pedestrian and cycle access, and increasing the part the environment for the housing plays in supporting health and wellbeing as well as amenity space etc, are all increasingly important. This to build upon the fact that Cambridgeshire & Peterborough have one of the lowest ratios of greenspace/rich wildlife areas.

Establishing and delivering the appropriate community development and social cohesion from the earliest stages is also vital. Ensuring we provide those things through a tenure-blind approach for all those who need them in as close proximity to their employment and facilities as possible is critical.

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<sup>11</sup> Cambridgeshire & Peterborough Combined Authority Growth Ambition Statement

### 3.3 The Phases of Recovery

- **Recover:** Mitigating local labour and property market scarring, in terms of retraining for those who have lost jobs and maintaining house building and sales. We have set plans for this phase to run between October 2020 and September 2023, this being the horizon for funding most partners have for the typical interventions required. Should recovery take longer this strategy will be revised.
- **Rebound:** Accelerating regrowth, ensuring firms are supported to adapt and regrow, with effective access to new staff and skills to maximise the bounce in our recovery. This phase is subject to scenario forecasts between two quarters and two years. Our strategy is designed to accelerate rebound whilst being able to adapt to delays.
- **Renew:** Investing in critical infrastructure that will reduce the barriers to growth for our hardest hit and slowest recover places, whilst ensuring future growth is greener. In the main, the types of intervention that produce a genuinely renewing impact will be agreed and planned now, but launch and run over the next five to ten years, some like the CAM, even longer

### 3.4 The Priority Sectors

The LIS identified four priority sectors upon which to focus our strategy for long-term, innovation-based growth. These included:

- **Life Science:** Consolidating Greater Cambridge as a Global Centre for discovery and connecting it across the Arc to create a Global Player in diagnostics markets.
- **Digital & AI:** Establishing Greater Cambridge and the Arc as the preferred base for firms across the world to create and adopt the technologies of tomorrow.
- **Agri-Tech:** Strengthening the university spin-out culture and capability in Cambridge and developing a scale-up and tech-transfer capacity in Peterborough and the Fens.
- **Advanced Manufacturing & Materials:** Expanding the Greater Cambridge science base northward to rejuvenate Peterborough's manufacturing heritage to establish a manufacturing innovation eco-system to spread high-value, inclusive growth.

These sectors will continue to provide the largest scope for long term growth. However, Covid 19 has effected a much wider set of sectors, including those that employ a far higher number of our residents than our growth sectors. To support short and long term recovery, we must therefore balance support for our hardest hit sectors, with investment into those with the greatest potential for long-term growth. Our recovery strategy therefore includes these wider sectors, will embrace additional sectors as a priority upon which to focus the interventions we design and develop to drive recovery and support regrowth. Post Covid-19 there may be new and emerging sectors and we need to be able to rapidly respond to these as and when they materialise. Currently, the identified sectors and our recovery priorities for each include:

- **Retail, Hospitality and Leisure:** Helping firms to deal with the continuing and long-term social distancing and behaviour change, especially in the Visitor Economy.
- **Construction:** Helping firms to adapt to a new commercial market as businesses adopt remote working longer-term, helping developers stimulate demand in the homeowner market and creating new demand through infrastructure investments.
- **Transport:** Helping operators to shift current public perception of mass-transit safety that threaten a structural shift in the commercial operation of public transport
- **Education:** Supporting HE and FE to transition permanently towards greater digital delivery for remote learning, embracing more business model innovation to harnesses blended learning to embed more of the curriculum in businesses.
- **General Manufacturing:** Helping firms deal with the disruption in their supply chains, the slow recovery in demand and the potential impacts of a no deal Brexit.

**Health & Care:** Early indications were that there was likely to be greater demand for health care professionals, potentially on the back of more people being supported in the community and greater use of technology – trends that were well evidenced in health care pre Covid but which are likely to now accelerate, potentially creating additional health and care jobs, construction and education roles (associated with retraining).

## 4.1 The Need for Partners in Government to Invest

The CPCA Investment Prospectus and OxCam Arc equivalent make a clear and integrated case to Government for major, long term investment that priorities putting the transition to a zero carbon, more sustainable economy at the heart of future growth. These will deliver a combination of improved inclusivity in our growth, levelling up within the CPCA economy, strengthening Peterborough and the Fens, whilst protecting and enhancing Greater Cambridge's position as a global player in life sciences and digital technologies, as part of our partnerships across the OxCam Arc.

Locally, this will include the continuation of Combined Authority Gainshare funding to enable many of the commitments made within this strategy, but also a small number of strategic investments into key long term infrastructure projects, requested from Government, through a future Spending Review, such as:

- Delivering the Cambridge Autonomous Metro Phase 1 implementation by 2030
- Delivering Cambridge to Ely A10 enhancements by 2025
- Dualling of the A47 by 2028
- 1,000 more £100k homes by 2026 through an expanded £100m loans fund
- Delivering Peterborough University expansion to 10,000 students by 2030
- Delivering Peterborough Station Quarter commercial district by 2028

Whilst the major road schemes above will not have an impact on short term recovery, they remain important for the long term growth of the different CPCA economic areas.

Regionally, this will include a vision for the Arc that amplifies the themes in our Recovery Strategy, to bring together greater levels of resource to ensure recovery here and across the Arc is built on growth that is:

- Innovative and based future of industries.
- Greener through a transition to net zero carbon emissions.
- Small business based, backing start-ups, scale-ups and unicorns.
- Inclusive, levelling up economic performance and skills.
- Global, open for business and international.

## **4.2 The Partnership between the CPCA, Local Authorities & GCP**

Locally, councils and the GCP have or have planned to produced city, town or district recovery plans and each of these partners has worked to co-create this strategy to ensure it complements theirs, and adds value to them through the additional resources that the Combined Authority can bring to bear, both directly and through the influence of the Mayor in central government and through the M9.

Local recovery plans will focus on the various themes such as the social, community, economy and environment needs within an area and these objectives will need to align with the other recovery plans that are geographically based for example around the Oxfordshire-Cambridge Arc, Cambridgeshire and Peterborough Combined Authority and Cambridgeshire County Council all of which will have received specific funding to support the recovery process. Within local areas the engagement with town councils particularly on reopening the high street and parish councils on supporting local communities will be important.

Whilst there are many ways that the recovery work can be cut the alignment between the different layers of the Local Resilience Framework will also be critical. Various thematic groups have been established including the Business Recovery Group that oversees this work and whilst the focus of each group will be thematic there will also be many cross-cutting themes such as unemployment, skills, travel, safety and funding that will be captured and aligned wherever possible.



## **CAMBRIDGESHIRE & PETERBOROUGH LOCAL ECONOMIC RECOVERY STRATEGY: APPENDIX 1 – INTERVENTIONS EXPLAINED**

We have categorised our recovery projects into three groups: **Primary**, **Secondary** and **Tertiary**.

**Primary interventions** are those which have been approved for funding and have clear cost benefit data, showing how money spent links through to jobs, skills, and other outcomes.

**Secondary interventions** are those which are either approved in principle but don't yet have clear cost and benefit data; or those which have cost benefit data but where lobbying for funding is ongoing.

**Tertiary interventions** are those which neither have clear cost-benefit data nor are formally approved or funded. This includes policy priorities for a post-covid world, which will be vitally important in the long-term but don't have a formal programme of action thus far.

## Primary Interventions

### 1. A New Rebound & Grow Coaching Service

Ready for launch in October this service will be harnessed to strengthen the “business bounce” in our economy by targeting and engaging our highest potential growth firms into **Rebound & Grow Coaching**. To adapt the service for the rebound phase of recovery, the coaching offerings are being redesigned around the “ROAR” approach to regrowth, comprising four elements: Recover–Orient–Adapt–Regrow:

- **Recover:** Rebooting and rebuilding the corporate systems and management processes that enable the core customer acquisition and service fulfilment of the company. Rebuilding new, and possibly lower, steady state revenue lines and adjusting the organisations costs base to them.
- **Orient:** taking time to fully understand the longer-term shifts in markets and customer behaviours –
  - **Reduced customer access** brought about by a more permanent shift in behaviours towards online and distance buying.
  - **Extended and fluctuating periods of social distancing** impacting productivity and causing supply chain consolidation & localisation
  - **New opportunities for faster growing product and service lines** and more efficient and cost-effective modes of delivery and working practices.
- **Adapt:** Harnessing the medium and longer-term shift in the business environment to create new product and service differentiation and organisational strengths.
- **Regrow:** Harnessing an accredited pool of experienced entrepreneurs and business coaches to help local business leaders to orient & adapt to the permanent shifts in their business and identifying and capture regrowth opportunities, including supporting micro and SME’s with toolkits and advice that can help them thrive in an increasingly digital and e-commerce landscape. A potential further £20m of growth grants and investment to businesses.

## **2. A New Inward Investment Service to Attract More Firms**

A new service to strengthen the economic “bounce” in our economy by targeting and engaging not just international foreign investors, but also national firms. These businesses are currently adapting to greater remote working, and downsizing their premises requirements (in both terms of space and costs). This possibly permanent shift to more remote working, will create a large population of firms in transit, between premises and potentially towns and cities. These will include high potential firms, that we should engage and build tailored packages of support for, based on the many elements of this recovery strategy. This will be a free of charge service to SMEs and offered commercially to large international investors to: “Attract, Develop, Deliver and Support firms to relocate into our economy. This £4m investment from the CPCA, will replace a much smaller, pre-Covid-19 service that operates only in Peterborough, and will operate a tiered model to attract regional relocations into The Fens, national relocations into Greater Peterborough and global relocations into Greater Cambridge. The Covid-19 adapted service is expected to generate over 1,200 new jobs during the rebound phase of recovery. This Inward Investment service will work together with the Department for International Trade, to develop and promote a strong brand for our two core cities that represent our unique proposition. It will set out how our individual industry clusters work together to create a whole that is significantly greater than the sum of its parts. This brand will also promote the area’s quality of life offer, the diversity of towns and cities, and the opportunities for communities and businesses to locate here.

## **3. Three New Life Science and Transport Tech-Accelerators**

A total of £7m of CPCA investment will form part of an £18m bundle of public and private sector growth funding in the form of equity investments for our highest potential and fastest growing small firms. This innovative public-private sector partnership will share risk with global and local investors in growing 80 new technology-based spin-outs and start-ups in Cambridge, and contributing 2150 new jobs to accelerate our economies rebound potential. This includes:

- A Start Codon Tech-Accelerator to invest equity and mentor high potential life science firms supported by the Start Codon team at the Milner Institute on Cambridge Biomedical Campus. This will create 1700 jobs over investment period of 5 years through investing and mentoring 45 companies.
- An Illumina Genomics Tech-Accelerator to support and mentor high potential start up med tech firms at Granta Park, providing financial investment in equity shares of £100k per company for accelerated development of research and technology in genomics applications. This will create 400 jobs from 30 companies mentored.
- An Ascendal Transport Tech-Accelerator to create a Special Purpose Vehicle for the testing and proof of concept development of future transport technology options just off the A14, north of Cambridge. This will initially support 9 start-up or early stage companies with technologies that require real-world testing and commercialisation through this programme. This will create 200 jobs.

#### 4. Capital Grants & Start-Up Advice for Employees Transitioning to Entrepreneurship

Post Covid-19 labour market conditions, created by a significant increase in displaced workers coupled with a contraction in job opportunities will produce fierce competition for new, re-growth jobs. However, large-scale re-employment could also be supported by encouraging entrepreneurialism and self-employment with both young adults as well as mature, displaced workers. Whilst there are many layers of existing support for potential **company start-ups** and the **self-employed sole traders**, the landscape needs to be simplified and localised to the specifics of our sub-economies and market towns to address and harness local opportunities. Both types of new entrepreneur can be supported through mentoring, grants, incentives and leveraging other programmes such as the National Skills Fund and AEB Funding to design specialised courses for aspiring entrepreneurs. From a financing perspective, Young Adults over recent years have faced similar challenges to establish themselves on the Housing Market but have successfully done so through programmes such as Help to Buy/Shared Ownership/Parental Guarantees etc. With this in mind, similar models could be explored and developed locally, in partnership with HMG and HMRC to grant finance start-ups, alongside local interventions such as business rate discounts and local capital equipment grants.

More mature displaced workers, who are some years short of retirement and keen to explore entrepreneurship, might also be encouraged to embark on a start-up venture through finance unlocked from their home-equity, through tax breaks or early access to pension pots. Each of these cohorts of potential entrepreneurs, offer an exciting mix of talent, attributes, and experience, and should be proactively harnessed for the benefit of local economies. The CPCA will refocus its Growth Hub to encourage potential entrepreneurs to start new businesses and provide 50% grants to fund the capital costs of start-up and professional advice to help them scale-up, from successful entrepreneurs and business consultants.

#### 5. Support for Displaced Workers to Transition into Entrepreneurship

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## **6. Focusing Growth Where it Can Improve Health & Wellbeing Most**

Community Learning, a funding stream that has a remit to support those furthest away from learning and work, is also a route to support social wellbeing and the skills required to live healthier and longer lives. It is the conduit on which to engage people into learning and move them towards more economic sustainability. Working with Think Communities and the LA Adult Education providers, a Community Learning strategy will be developed to help develop skills that support sustainable and adaptable communities. This will also include initiatives that remove the barriers to work, help address low pay and in-work poverty, give access to wider education and develop the skills needed for parents to support their children in school resulting in improved social and economic well-being. Furthermore, Public Health England (PHE), Cambridgeshire County Council and Peterborough City Council will partner with the CPCA's Skills Brokerage to promote to learners, schools, colleges and employers the important link between having access to "good work" and improving health and wellbeing in individuals and communities. These partners will work together to build evidence and understanding around the links between economic growth, skills, employment, and health outcomes, and to what extent these are fairly and inclusively distributed across our cities, towns and villages.

They will use this expanded understanding to progressively focus the work of the CPCA and its partners onto the places in which increased economic growth, skills and access to employment will have the greatest impact on health and wellbeing improvements for specific communities and groups, such as those with health conditions or disabilities. The partners will also work to develop health and wellbeing programmes for employers to implement, along with a scheme for accreditation for employers to aspire to and attain. This scheme, once developed, will be rolled out through the CPCA's business Growth Service, which will engage 15,000 firms over the next three years. In the longer-term, and as part of the Levelling-Up Agenda, they will work through the Mayor and the M9 group of Mayors to influence central Government and establish a joint call for a more comprehensive measure of prosperity that goes above and beyond traditional metrics such as GDP, to include economic growth inclusivity and its impacts on health and wellbeing of places.

## **7. A New University for Peterborough**

### **Phase 1**

The establishment of a new university in Peterborough to remove the higher education cold spot, that has contributed to the Post-COVID economic vulnerability of the City and will make it more difficult to recover in the longer term. In comparison to the average city in the UK, and within a workforce of 103,000, Peterborough needs be able to mobilise 17,000 more workers at these higher skills levels, to become competitive as a place, and arrest four decades of decline in prosperity and health outcomes and be able to recover from the COVID economic in the longer term. The CPCA has procured Anglia Ruskin University to deliver a new university for Peterborough. The university phase 1 building will enable delivery of a curriculum matched to the growth needs of local businesses, providing new opportunities for communities to gain access to higher level skills, better paid employment and enhanced life-chances.

The core strategy has been developed to tackle the current market failure in HE in Peterborough include:

- A clear focus on under-represented groups and those “left behind” i.e. those who cannot or will not travel to existing providers.
- A solution based on a limited physical experience and a relatively modest campus development with 60% off-campus teaching provision.
- A phased approach which evolves with the needs of the region and is facilitated by successive successful phases of development
- An effective and collaborative relationship between education providers in the city to build a clear pipeline of students and raise aspirations

The CPCA, ARU and PCC will invest £30m to create a facility to deliver 3,000 graduates per annum and 14,000 jobs over a decade. Although the new University will help to address the higher level skills gap we have in the north of the County, it is critical that pathways to HE exist for local residents to access these opportunities by develop their skills and qualification levels thus creating a pipeline of University students. Therefore, working with the Local Authority, T-Levels and Access courses for adults will be developed to ensure that the opportunities offered by the new University can be maximised to the benefit of local business and people.

## **Phase 2**

The establishment of a Place based, and integrated university and innovation eco-systems that act as a focus for sector-cluster development have been developed successfully around the world, and ours will be based on the Franhofer Model for Technical Universities. It has been chosen for its powerful partnership approach between the university itself, and a co-located independent Research Institute. This will provide the platform for a high value manufacturing innovation eco-system with a Technical University at its core. This in turn will drive place-based, sector cluster, growth founded in technological innovation, that will transform the knowledge intensity of products, services and jobs, which will in turn, arrest four decades of decline in prosperity and reset Peterborough’s potential rate of recovery. The research centre will be operated by a partner with a global manufacturing sector network of 700 research and technology customers, across 4500 sites in 80 countries, with combined revenues of £35bn and an annual R&D activity of £1.5bn pa. In addition, residing in the Research Centre, there will be 6 academic partners operating 8 University Innovation Centres to create a Multi-University Research Super-Hub.

## 8. Increasing Skills Capacity in the Construction Sector

The Combined Authority will increase the prioritisation of its Local Growth Fund's to focus more on capital investments to grow local FE capacity to raise skills quality and volumes in the construction sector. Resulting from the forecast upsurge in infrastructure investment locally and across the OxCam Arc, the forecast local labour demand is for 108,500 by 2022 with around 61% of these being employed in skilled trades. This is to support a £1.3bn housing market and a £764m roads investment, set to rise further with the planned upgrading of the A428, A47, A10, A505 and A428 OxCam Expressway. Construction, therefore, is forecast to grow over the coming period, during which several other sectors will struggle to recover - notably retail, leisure and hospitality. As a result, significant labour flows are predicted between these sectors, creating the need for reskilling of workers in transit between sectors. The CPCA intends to respond to this through £2.5m of capital investments in an FE Construction Hub in Huntingdon, with further, similar investments targeted for Wisbech and Peterborough.

## 9. Connecting Displaced Talent into Re-Skilling & Jobs Faster

Skills Brokers will specifically target, through our partners in Job Centre Plus, those displaced workers from the hardest hit sectors. They will, for each displaced worker, create a bespoke pathway into retraining and on into a job. This will include spreading funding more effectively across businesses using the Apprenticeship Levy Pooling Mechanism to fund older workers and job seekers for apprenticeships. Skills Brokers will also connect employers and job seekers with the new additional funding to pay the costs of training including:

- **Apprentice Bonus Scheme** to pay employers to create new apprenticeships, providing between £1,500 and £2,000 to support salary costs of apprentices, paid in addition to the existing £1,000 payment for new 16-18 year old apprentices, and those aged under 25 with an Education, Health and Care Plan.
- **£2bn Kickstart Scheme**, potentially delivered through the CPCA, providing an average of £6,500, to cover 100% of the relevant National Minimum Wage for 25 hours a week, plus the associated employer National Insurance contributions for new jobs created that include training for 16-24-year olds at risk of long-term unemployment.
- **Traineeship Bonus Scheme** to pay employers to create new traineeship placements, providing a one off payment of £1,000 for trainee work placements of over 70 hours.

## 10. More Resources into Schools to Better Connect Leavers with Jobs

As well as supporting the “Class of 2020” into employment right now, we need to build for the future by much better connecting careers guidance in schools to the local labour market. Young people coming through school need to be provided with a clear line of sight to the range of options available to them, and employers need a better pipeline of homegrown talent ready to fill the jobs that our local economy will be generating. The improvements and enhancements to careers advice in schools in this strategy, are drawn from the Cambridge Ahead report<sup>1</sup>. This research finds that there is significant disconnect between career guidance in schools and the workplace. If not addressed this disconnect will continue to undermine recovery. Addressing the disconnect needs to focus on the capacity of schools themselves, and the ways providers and employers can support schools to do more. More resources will be channelled into schools to better connect leavers with jobs through:

- **Increasing funding for the engagement and coordination** of employers to provide Careers Advice into schools in partnership with the Careers Enterprise Company. This will be co-funded by the GCP and the CPCA in Greater Cambridge and the CPCA alone, elsewhere, and available from October 2020.
- A Greater Cambridge pilot for the wider economy to **encourage more large local employers to generate more active engagement with schools**, leading to more work mentoring, work experience, and industry placements. Cambridge Ahead will deliver this pilot through its 48 Members across the Greater Cambridge sub-economy.
- The Mayor will carry forward local demands into government for **dedicated budgets for schools to build their in-house capacity, as the foundation for better and more balanced career education**, and to enable lasting connections to be built with local employers. This will include the potential to devolve pilots or such interventions, co-designed between the M9 Mayors and Ministers

The three interventions above will be specifically focused on addressing recommendations set out by the Cambridge Ahead report, namely:

- To ensure all schools to have a dedicated careers leader to coordinate career guidance and access to funding for improved guidance.
- To raise awareness and understanding amongst teachers and staff of technical education pathways for learners, giving them equal emphasis.
- To facilitate more engagement with employers, building closer relationships between providers, schools and businesses, to improve learners understanding of the skills required in the labour market locally.

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<sup>1</sup> [https://www.rand.org/pubs/research\\_reports/RR4491.html](https://www.rand.org/pubs/research_reports/RR4491.html)



- To engage more employers through regular events to highlight the benefits associated with school engagement and to work with Government, through the Mayor, to develop potential tax or business rates incentives around schools engagement.
- To encourage more mentoring by employers, of older learners relating to job demands and working life, enabled through a significant increase in high quality industry placements.
- To engage more parents in helping learners make key career decisions by integrating them into and strengthening their role in the career guidance process and activities.
- To make the Department for Education's Career Enterprise Company (a whole owned subsidiary of the DfE) the default partner for schools for the provision of information about providers of career guidance, through an online portal offering a comprehensive list of providers available, a clear and comprehensive comparison of their services and the cost associated with them (including funding where available).
- To use the DfE's Career Enterprise Company to establish sector-wide measures of quality for career advice in schools and monitor local providers of against them, including schools and employer feedback to continue to improve provision.
- To use Ofsted to review the effectiveness of the Gatsby Benchmarks and to develop new standard metrics to assess and monitor the quality of career guidance provision as an integral part of the Ofsted evaluation of all secondary schools.

## 11. Leveraging the Adult Education Budget to Improve Digital Skills

In 2019 the government announced Digital Skills as an area for skills development and announced the introduction of full funding for adults who need them to take basic digital skills courses, mirroring the level of the English and Maths legal entitlements. Adults will have the opportunity to undertake improved digital courses based on new national standards setting out the digital skills people need to get on in life and work. The new qualifications will be available for free to anyone over the age of 19 from August 2020 through the existing provider base. They have been designed to help adults learn the essential skills, such as sending emails, completing online forms or using a tablet, skills that many people take for granted.

While digital inclusion and connectivity is critical to underpinning growth, productivity and an inclusive economy, the importance of this agenda has grown significantly through the emerging impact of Covid-19 on people, of all ages and backgrounds. The requirement to stay at home, coupled with social distancing measures upon peoples return to work, has meant that the connectivity, hardware and skills to be digitally included are critical to maintaining any form of social and family connection, education, and financial security – beyond this many services essential to the wellbeing and support of residents have had to shift to online channels.

Underspends from the first year of devolved Adult Education Budget are being matched with Local Growth Fund in a new £660,000 Innovation Fund that aims improve digital access, connectivity and devices for those that need it most, along with a call for innovative new ways of delivering the education and skills in a changing environment. This fund is to be used by the existing AEB Adult and Community Learning (local authority), colleges and independent training providers to finance the costs of digital transformation within FE delivery, through capital grants for IT equipment, as well as revenue funding for additional staff to adapt courses for remote delivery:

- **Recover** - Innovation fund that improves digital access and connectivity to learn remotely. Data analysis to plug skills gaps and show participation trends.
- **Rebound** - Target areas of need such as Peterborough and the Fens and disadvantaged learners. Industry specific skills needs with sectors that are expanding.
- **Renew** - New courses and practices such as distant learning, remote learner support or online interviewing.

## 12. Innovate to Grow Service for Small Firms with Big Ideas

The CPCA will introduce a new £500,000 Innovation Grant Scheme to help our highest potential businesses enlist external expertise that in turn secures UK & European R&D Grant Funding of £1m upwards for the development of new and innovative products and services. Accommodated within the Business Growth Service, this Grant scheme will fund up to 50% of external R&D Grant Application writing experts. Due to the rich creative spirit within our economy, we have the ambition to increase this fund five-fold over the next three years.

### **13. New Manufacturing & Agri-Tech Innovation Launch Pads**

These will be innovative co-investments between local firms and the CPCA's Local Growth Fund into buildings and equipment to deliver town and city-based innovation centres. Each will comprise all or some of the key features of; apprenticeship academies, technology research centres and spin-out or scale-up incubators. The CPCA's £20m of funding will enable 4 centres to be built across Cambridge, Peterborough and The Fens, all complete by spring 2021. In the meantime, they will provide vital construction employment to support short-term recovery, along with new technology, products, skilled workers and incubated firms, contributing 1000 new jobs and 350 Apprenticeships to accelerate rebound.

The centres will include:

1. A Metalcraft Advanced Manufacturing Launchpad to create incubator space within Chatteris and the redevelopment and expansion of the Apprenticeship training facility currently on site for advanced manufacturing businesses across Fenland. This centre will create 50 new jobs and 300 Apprenticeships
2. A Photocentric Additive Manufacturing Launchpad in Peterborough to create a new head office including R&D space focusing on the development of new 3D printing technology. This centre will create 1000 jobs over next 4 years and 50 Apprenticeships.
3. A NIAB Agritech Launchpad in Cambridge to create start-up business space for AgriTech firms, offering access to labs and scientific support. This centre will create 50 new jobs and new opportunities for collaboration amongst Agri-Tech businesses and Academics/Scientists.
4. Composites, Chatteris – establishment of a composite repair centre to complement the main composite development, design and build business.

### **14. A Smart Manufacturing Association in the North of the Economy**

Manufacturing is a key sector in Cambridgeshire/Peterborough's economy, as recognised within CPIER/Local Industrial Strategy. Manufacturing produces 13% of the economic output, was responsible for 13% of the area's economic growth (2010-2016), and provides employment for 40,500, (9% of workforce). The CPCA Advanced Manufacturing and Material Sector Strategy identifies as one of its key recommendations the creation of a sector-focused network as vital to the future growth and competitiveness of this sector. The Smart Manufacturing Association (SMA) strategically aligns the region to the:

- East of England Science & Innovation Audit through focusing on advanced manufacturing and identifying cross sector opportunities with developing sectors such as Agritech.
- Make UK AME Growth through focusing on accelerating productivity and innovation, and through providing businesses with the individual support they need as each business moves along its journey.

- Clean Growth Strategy in considering the opportunities and implications in growing in a sustainable and viable manner. Supporting businesses move from embracing green behaviours to smart technologies and ultimately develop low carbon products and services.

Delivered in partnership with Opportunity Peterborough, the SMA will focus on providing members with specific benefits including:

- Supporting businesses to identify and adopt Industry4.0 technologies such as IoT, automation, and digitisation, as well as new business models such as Circular Economy and Product as a Service, to drive innovation, productivity, and competitiveness.
- Better connecting and strengthening relationships between industry, universities, researchers, training providers, centres of excellence, and schools in a coordinated and collaborative cluster to drive sector growth.
- Sharing of knowledge, best practice, and ideas. Providing benchmarking, training workshops, and learning programs to develop better informed leaders and a higher skilled workforce.
- Providing evidence-based analysis to promote the development of supporting infrastructure such as Launchpads, incubators, innovation labs and maker spaces, as well identifying comparative advantages and supply chain opportunities to help attract new investors to the area.
- Supporting the development of place-based maker communities to achieve more effective networking and sharing of best practice and build stronger collaborations and supply chains at the local level.
- Promoting career opportunities in the sector to young people, challenging perceptions to help inspire and inform the future workforce.

## **15. Stimulating the Housing Market - £100k Homes**

The Centre for Economics and Business Research think tank predicted in early June that 'house prices will fall by 13 per cent by the end of the year' due to the pandemic. It has revealed that the effect will vary across the country depending on how badly a region's workforce was hit. The think tank predicts that house prices in Yorkshire and the Humber and Northern Ireland will fall most. In these regions the main industries of manufacturing, construction, retail and hospitality have been hit the hardest - 'Although the government have offered up a vast package of support, this lack of demand will mean some businesses cease to operate,' explains the CEBR, many workers will lose their jobs and a lot more will face a cut in incomes.' 'Housing is the single biggest expenditure item for most households, which means that the shortfall in incomes has a tremendous potential to disrupt the UK's housing markets,' the CEBR adds". The May 20 Nationwide housing data showed a month on month fall in house prices of 1.7%, further evidence of an ongoing market decline. To forecast the potential impact going forward, there is merit in looking at previous recessions and house price crashes, the most recent and significant being 2007. From Jun 2007 to Dec 2008, prices dropped 20% and recovered only after 6 years. New home sales declined from the beginning of the recession in December 2007 and failed to fully recover until 2012. This resulted in a significant loss of economic housing output and capacity.

As the market for private sale units shrank with higher risk and uncertainty about the volume of sales, anticipated sale prices and any profit that might be achieved, housebuilders downsized their operations to match. The effect was the loss of capacity and production. However, the CPCA's current £100k Homes programme could be expanded and harnessed to encouraging housebuilders to keep building at higher rates, at least temporarily for 1-2 years to build majority or wholly affordable housing schemes instead of market housing. This would allow developers the opportunity to complete (and still start) building market units and convert them to a shared ownership or affordable rental tenure. Such a scheme would maintain developers cashflows, contractors' workloads and provide continuity for the housing market whilst simultaneously increasing the overall long-term pool of affordable housing and maintaining overall economic activity from the housing sector, avoiding the worst excesses of a contraction of the housebuilding industry. An even more powerful stimulus is being pursued by the CPCA to deliver potentially three new garden towns linked to the Mayors proposed Cambridge Autonomous Metro scheme. Each scheme could deliver approximately 6,000 new houses, including affordable houses & commercial space, all connected by the CAM. This would require around £20m over the next few years to harness the delivery expertise and leadership of the private sector and demonstrating public-sector commitment to attract private investment.

## **16. Support for City & Town Centre Firms to Rebound**

**City Centres** - a new city centre improvement fund, provided by the CPCA Business Board, through its Local Growth Fund to support the regeneration of the City Centres moving to outside entertainment and socialising. The applications will follow the LGF process and will be required to meet the outputs and outcomes identified in LGF increasing jobs, safeguarding jobs and improving the estate grades and access to the City Centres. Furthermore, local authority partners are actively looking at longer term assessments on change of use from retail to other use.

**Town Centres** - an adaption of the existing Market Towns Fund provided by the CPCA through its devolved Gainshare Funding as a ringfenced fund will enable a co-ordinated approach to the changes required post Covid-19 to management of people meeting and socialising, maintaining the retail, leisure, hospitality and environmental sectors in town centres. A commitment was made by the CPCA to work in partnership with district and town councils to produce masterplans for key towns.

## **17. Support for the Visitor Economy to Recover & Adapt**

Growth Advisors will link firms with potential for strong rebound, within the visitor economy of Cambridge, into the new £145,000 Grant Scheme for revenue grants of between £1000 - £3000 for equipment and support to help evolve, adapt and implement new processes and technologies to capture the evolving remote "virtual visitor" experience and marketplace.

## Secondary Interventions

### 18. A Life Science Innovation Network for a New Generation of Unicorns

As part of the OxCam Arc Investment Prospectus, the CPCA and University of Cambridge will be working with partners across the Arc to secure £500m within the Comprehensive Spending Review to establish of an OxCam Arc-wide life science innovation network to produce a new generation of unicorns in Cambridge and Oxford.

In the longer-term, transformative growth and renewal of our economy, is likely to be delivered through innovation-based growth and a greater knowledge intensity of our firms' offerings and the jobs that help produce them. Whilst medium-term rebound is most enabled through small and medium-sized firms, able to be supported scale rapidly, the Cambridge science base and innovation eco-system, has demonstrated it is capable of producing billion-dollar start-ups, the so-called Unicorns. More unicorns have been created between Oxford and Cambridge than in the rest of the UK's cities put together.

By working across the OxCam Arc, to link the innovation eco-systems of Oxford and Cambridge, focussed onto the key technologies and sectors, within which the two cities are already globally pre-eminent, we could create the opportunity to become an innovation growth economy to rival San Francisco, Toronto, Boston or Seoul. To achieve this, all three LEPs and our Combined authority would need to partner with Government to invest together in such a global undertaking.

The scientific community's response to the challenge of developing a vaccine and anti-body therapy to Covid-19, has demonstrated, that unprecedented achievements can be made through collaboration and breaking down perceived barriers to the integration of resources. Harnessing the two cities' scientific leadership in life sciences, data analytics and artificial intelligence, through the integration and coordination of their laboratories and testbed facilities could deliver as much economic success as we have seen in the fight against the pandemic.

The Arc Universities Group (AUG) should be given the opportunity to develop and propose, to both local and national government, an ambitious vision for Arc scientific integration, from discovery, to testbeds and production scale-up and spin-outs. New investment as well as collaboration and sharing of resources, will be needed to overcome the current inefficiencies in converting science into marketable medical devices, therapies and vaccines. This will require new capital infrastructure as well as revenue funding to create the human links in the chains and networks that will need to be built.

This would be an ambitious undertaking requiring hundreds of millions of pounds and a long-term commitment over at least a decade. However, what could result is one or even several more unicorn, billion-dollar businesses able to generate not just economic growth, but long-term economic sustainability through a greener and more knowledge intensive economy.

## **19. Guaranteed Training & Interviews for Jobs in Healthcare & Construction**

Building on the already successful £5m pilot of the DWP funded Health and Care Sector Work Academy, that the Local Authority deliver on behalf of the CPCA, other Sector Work based academies will be developed. These will be aligned to geographically based employment sectors to ensure local business needs are met. The Government's additional Sector Based Work Academies initiative will be used to increase the number of sector-based work academies in our area. One example of the planned academies is the planned Construction & Infrastructure Work Academy will involve partners including the CITB, and will provide training for Town planners, Construction managers, Fire safety engineers, Electrical installation engineers, Domestic appliance engineers, House builders.

## **20. Training for School & College Leavers Unable to Find a Job**

Local facilitation of the Government's High Value Courses initiative through a £150k pilot to support school and college leavers into work and enabling them to gain the skills they need to get jobs. The new service will do this by helping leavers access the Government's additional funding for selected level 2 and 3 qualifications in specific subjects and sectors in response to Covid-19. It will work with local FE colleges and independent providers to create proposals to retain young people in a high value training. The one-year offer will enable 18 and 19-year-olds leaving education and training who are unable to find employment or work-based training.

## **21. Local Piloting of a New National Retraining Scheme**

The CPCA will fund an £80k pilot for adults to retrain into better jobs, and be ready for future changes to the economy, including those brought about by increasing automation or have been disrupted due to Covid-19. The Pilot aims to meet the needs of businesses to create a multi-skilled workforce for the future. We will work with employers who have identified skills needs within their workforce, or future recruitment needs as their businesses adapt to changes within the working environment. We will develop bespoke support package of workforce training for each of the business we work with. Key Growth Sectors for the Retraining Scheme will be:

- **Engineering/ Advanced Manufacturing** - Working with Marshall Cambridge and their supply chain to create **50 Apprenticeships and 30 Adults** retraining in Engineering.
- **Health and Care** - Working with Cambridgeshire & Peterborough NHS Trusts to create **300 – 400 new entrant jobs** for those displaced to retrain into Health and Care sector.

The pilot will support and retrain individuals at risk of their jobs changing or disappearing as a result of automation, and Covid-19. It will facilitate individuals gaining the skills they need to move into a new occupation or move into more stable, higher value - more productive job.

## **22. CPCA Digital Infrastructure Programme “Keeping Everyone Connected”**

This workstream encompasses both initial response and recovery from the Covid-19 pandemic in the context of digital infrastructure, helping to support businesses and communities as well as public service delivery. This workstream includes:

- Disseminating information to businesses, communities and public agencies to ensure continued access to digital connectivity in early stages of Covid-19 crisis. Limiting the delays and disruption to digital infrastructure roll-out during lock-down by close liaison with telco's and highways and planning teams.
- £500k CPCA funding to be matched with residual ERDF funds to provide grants to SMEs to support greater take-up of technology in businesses adapting to new ways of working.
- Top up provision for the government's rural gigabit voucher scheme to help support businesses and communities in some of the most hard to reach areas of Cambridgeshire and Peterborough assessing gigabit capable digital connectivity – supporting remote working, education and training, access to healthcare and social inclusion.



## **Tertiary Interventions**

### **23. Recovery and Development of the Creative Economy**

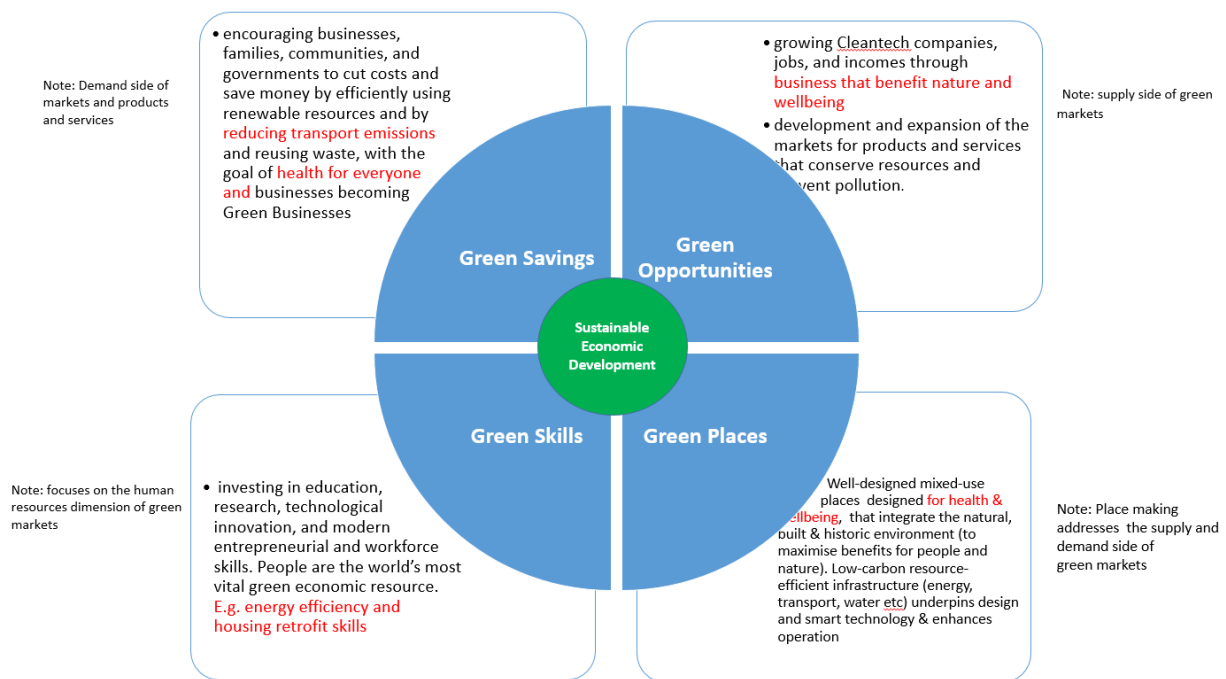
Develop Greater Cambridge Vision as a leader in creative industries. As part of that work, the City Council would be keen to lead a plan for £50m major capital redevelopment of current facilities, to deliver an enhanced mixed economy of creative businesses, flexible event, studio, incubation and exhibition space for current and new creative tech and start-up companies within the city and surrounding communities. This would be supported by talent development and management and monitoring support networks.

### **24. A Framework for Sustainable Economic Development**

Sustainable recovery policies offer several advantages in spurring growth during economic downturn. In comparison to traditional fiscal stimulus, which maintains business-as-usual GHG emissions, green projects can create more jobs, deliver higher short-run fiscal multipliers and lead to higher long-run cost savings.

Similarly, construction projects, like insulation retrofits and building wind turbines, are less susceptible to offshoring than traditional stimulus measures. In the long term, as the operation and maintenance of more productive renewable technologies makes them less labour intensive, they generate higher long-run multipliers arising from energy cost savings; with obvious flow-on effects to the wider economy.

This means reducing greenhouse gas emissions, phasing out the burning of fossil fuels and other high polluting sectors, building resilient infrastructure (e.g. energy, water, digital, housing and transport) that is adapted to climate change impacts and at the same time significantly increasing the efficient use of resources and productivity whilst making space for nature in everything must be central to how we plan a thriving economy for the 21<sup>st</sup> Century.



## 25. Resource and Waste Circular Economy Business Models

The Government's 2018 Resource and Waste Strategy (RAWS) sets a clear direction towards a more circular economy in managing waste and how it can deliver the double benefit of contributing to managing the climate crisis and deliver economic opportunity.

It will see us keeping resources in use as long as possible, so we extract maximum value from them by recovering and regenerating products and materials whenever we can, giving them a new lease of life. Circular economy business models may be of particular benefit to restate and reinvigorate in the post Covid-19 economic environment as the flows of waste production have shifted to households during lockdown. It should form a key element of a green led economic recovery from Covid-19 reviewing, testing and pursuing the possibility of new revenue streams, markets and product lines.

Opportunities should be taken to shape new policy, for example second stage consultations on three areas of proposed waste and recycling legislation (a deposit return scheme (DRS) for drinks packaging in England, extended producer responsibility (EPR) for packaging and consistency in recycling collections) are set to take place in early 2021 so the new legislation can be rolled out from 2023. Not only will the RAWS reduce the amount of waste generated, minimise the depletion of natural resources, increase recycling and reduce our carbon emissions, it also aims to stimulate innovation, create new job opportunities and boost economic activity which can form a key element of a green led economic recovery from Covid-19.

## 26. Local Integration & Focussing of All Post-16 Vocational Education to Support Retraining of Workers in Transition Across Sectors & into Regrowth

The Mayor will carry forward local demands into Government for Post-18 Vocational Education Budgets to be better focused onto the retraining of people in transit between sectors impacted by Covid-19 to differing extents.

Various forecasts put the local Post Covid-19 increase in unemployment at above 50,000 workers, many of whom will be unable to find new roles in the badly hit sectors they have previously resided. This in turn will create the requirement for retraining between sectors, necessitating the rapid configuration, accreditation and mobilisation of retraining programmes, matched to the inter-sector labour flows locally in each sub-economy.

Through the devolution of AEB, and the introduction of the business-led Skills Advisory Panels (SAP's), the Combined Authority has already demonstrated the ability to take on education budgets and apply them in a more business-growth-focused, agile and flexible way to achieve sector and local skills transformation.

Through example projects like the CPCA Health & Care Sector Work Academy they have also shown they can design and mobilise training programmes to transition workers at-scale between sectors.

Through the CPCA's creation of its Apprenticeship Levy Marketplaces, transferring 25% of levy allocations from larger employers to SMEs, within and across sectors, it has also demonstrated the ability to engage employers into new and innovative forms of the traditional education and training market. Whilst the Local Authorities are also successfully transferring the underspend in their levy fund to support other local businesses to recruit apprentices

The CPCA will continue to develop these market innovation and focus more and more of the local Adult education budget onto skills development that help people transition sectors and find new jobs quickly. However, the Mayor will specifically press Government to:

- Raise the proportion of levy transferrable, on to SME non-levy payers and colleges, from 25% to 40%.
- Devolve and integrate the current Adult Education Budget, National Retraining Scheme, Apprenticeship Levy, National Skills Fund and all other Post-18 funding for vocational education.

The CPCA will map these sector contractions and recovery forecasts, along with the skills needed to enable large proportions of the local workforce to migrate across sectors. Aligning an integrated portfolio of funding to these flows and the development of new and expanded FE provision, will be more effectively achieved through locally devolved commissioning strategies in collaboration with local employers and FE providers, than continuing to be administered at distance from Whitehall. To enable this, the CPCA will establish specialist delivery teams configured by sector and place, that can adapt to an agile model of delivery; utilising our FE colleges and local independent training providers to provide a much more engaging, relevant and purposeful learner experience and impact.

## **27. Advanced Digital Infrastructure Deployments to Support Accelerators and Incubators**

Emerging technologies and advanced data techniques which can fuel innovation and high value growth in areas such as transport, life sciences, healthcare and Agri-Tech are critically dependent on having leading edge digital connectivity infrastructure and services readily available for small businesses and research institutes as well as larger more established businesses. All new accelerators and incubator spaces require leading edge digital infrastructure services.

This includes gigabit capable full fibre infrastructure for all new buildings established as part of these workstreams (7,18,19) and the installation of 5G networks in all locations to support testing, trials and innovation. These include the provision of private 5G networks where required, integrated with commercial 5G deployments as needed.

## **28. Adapting Commercial Space Provision to Remote Working**

The Covid-19 pandemic has potentially changed the way that many organisations will look at their need for and use of workspace. Although many will return to the workplace once the situation is more clear, many will use the opportunity to review their requirements, and to plan their futures around more flexible and agile workforces, and the adoption of technology and digital platforms to improve efficiency and productivity, adapt to market demands, support staff, and increase their sustainability. This means that commercial space needs will change and there is a need to support adaptation of buildings to future needs, and to reduce the potential voids. A programme to include the planning and land-use, business and skills support will be developed. Understanding changes in demand for commercial space, and tapping into opportunities

Across many industries and types of location new trends for commercial space are already emerging. Understanding immediate demand changes as well as longer-term substantive changes will be a core success factor for local recovery strategies. Changes in demand across office space, laboratories, logistics, manufacturing and the make-up of city and town centres have been instigated or accelerated by the pandemic. In Cambridgeshire and Peterborough the particular dynamics of these changes will vary across the three sub-economies and individual towns and cities. Inevitably this will present challenges and difficulties to local economies, but it can also present opportunities. For example, in relation to strong demand for laboratory space or for well-connected market towns as certain commercial activity moves out of the capital.

It is therefore important to this Local Economic Recovery Strategy that Local Authorities work closely with industry to gain early insight into these changes, and use this insight to consider ways in which place-leaders can mitigate challenges and tap into opportunities. This will be focussed in the medium/long-term needs of the Priority Sectors identified in this Strategy, and for Market Towns. At an appropriate point in the implementation of this Strategy, a commercial space demand analysis will be produced for each Priority Sector and for Market Towns.

## 29. Local Authority Planning Adaptions for Housing & Schools Renewal

Across the CPCA area, the combined Local Plans/Housing Strategies identify the need for thousands of new homes within the next 11 years. In the last two weeks the Government have announced a desire to “build, build, build” as a driver for economic recovery. The House of Commons Housing, Communities and Local Government Committee’s “Building more social housing; Third Report of Session 2019–21” report issued on the 20th July 2020, identified the need for 90,000 homes a year to be completed in order to meet demand and to drive stability into house prices.

The CPCA area is well poised to help support the national and local economic drive in this regard. In order to do that, however, and to collaborate in leading a coordinated approach at national and local level in evolving the paradigm, we need support through a number of underpinning measures:

### Planning

- We welcome the proposed reforms of the planning system designed to encourage high quality homes to be developed where required without undue delays (through e.g. extension of delegated decisions) , by expanding PDR and by consideration of major schemes through NSIP – type procedures.
- Welcome the recognition that the changes in work patterns that may be seen post Covid-19 in the use of office space could open opportunities for conversion to housing where appropriate.
- Development of new local design guidelines for the construction of schools/ community facilities etc moving from single or two storey layouts with traditional playing fields etc towards more innovative designs.
- Review of CIL/S106 to establish future improved support for infrastructure.

Skills - requires a national programme for promoting planning careers in schools and colleges to stimulate shortfall. Reset planning curriculum to incorporate fit-for-future innovation in urban design and land use planning.

### Infrastructure –

- Develop UK/Local resilience and supply chain by supporting the development of UK / local manufacturing facilities for MMC / sustainability excellence.
- To work with Government to support the wider development of City/country wide expanded Green grid infrastructure.

Development Finance - whilst it is critical to support new homes development, there is often potential for redevelopment of aged housing / current council housing with the broader aim of delivering more overall homes on the site at higher quality and sustainability which will render them fit for purpose for many years to come, support improved quality of life outcomes for tenants and help reduce the increasing maintenance costs of older housing.

**Case Investment: New Council Homes Development (£155m)** - Cambridge City Council has utilised funding from Government to optimise use of its own and assembled land to develop nearly 1000 new homes of which over half are Council owned homes rented in line with LHA.

The Council is currently developing a new programme for delivery from 2022 – 2032. With the aim of developing a further 1000 council rented homes, the programme will deliver over 2000 additional homes in total. The review of Cambridge's Sustainable Housing Design Guide will enable the development of the programme along a trajectory to net zero carbon. Working with the Cambridge Investment Partnership, the programme will include a tenure mix to meet additional housing demand and support the affordable product development, as well as regeneration of current aged homes and wider opportunities for housing reinvestment. The programme will create and safeguard jobs, develop sustainable design and construction skills and provide homes for many of the 2000 people currently on the housing register, as well as innovative opportunities for those who fall outside the highest need groups but have been unable to afford to live near their employment owing to house price gaps. The plan will include redevelopment opportunities for current homes which will deliver high quality, sustainable replacement and additional homes faster and more efficiently than research suggests that complex retrofit schemes can achieve in many cases.

Cambridge City is a 2020 national award for its partnership approach to effective management of homelessness, and the programme will promote and support the re-establishment of a more stable lifestyle for the homeless through the use of Housing First and other products such as Foundation 200 homes. These homes, designed by local housebuilder Hill, will be offered to people with a history of homelessness as a stepping-stone to re-establishing a stable lifestyle. They are built in a British factory and delivered fully furnished to each site. They are designed with safety and security in mind, with steel frames and walls, and have acoustic and thermal insulation that exceeds building regulations. The homes were designed in partnership with leading homelessness charity St Martin's In The Fields to ensure that they can meet the needs of homeless clients who may not have had continuous accommodation for some years.

## Kickstart Scheme

To: Business Board

Meeting Date: 10 November 2020

Public report: Yes

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director of Business and Skills

Key decision: Key Decision for Combined Authority Board on 25th November 2020

Forward Plan ref: 2020/066

Recommendations: The Business Board is asked to:

Recommend the Combined Authority Board:

- a) Approve the Business Growth Service to act as a Gateway Organisation to administer the Kickstart Scheme for the Cambridgeshire and Peterborough area; and
- b) Approve the Business Growth Service as the primary referral partner for any Kickstart requests via the CPCA.

## 1. Purpose

- 1.1 The Kickstart Scheme was launched in September 2020 as an intervention to support economic recovery and offer young people the opportunity of gaining valuable work experience via a 6-month placement.
- 1.2 The Business Board are being asked to recommend that the Combined Authority Board approve the request for the Business Growth Service to act as a Gateway organisation and CPCA primary referral partner for the Kickstart Scheme.

## 2. Background

- 2.1 As part of the “Plan for Jobs 2020” speech, the Chancellor announced the £2bn Kickstart Scheme, a jobs creation programme with the intention of creating up to 350,000 jobs for young people.
- 2.2 The scheme is a Department for Work & Pensions (DWP) initiative offering six-month high-quality work placements designed to get long-term unemployed young people, aged 16-24 into employment and gaining valuable work experience with the ambition of ongoing sustainable employment.
- 2.3 Businesses in the area can access resource at little or no cost to themselves which will support their economic recovery whilst offering support to a young person displaced by the pandemic. The scheme was launched in September 2020 and is set to run for 12 months
- 2.4 Employers can bid for funding based on offering 30 placements. Where individual organisations cannot offer 30 placements, they are being directed to Gateway Organisations who will coordinate placements and tender for funding in batches of 30.
- 2.5 DWP are encouraging organisations who have experience of managing partnership arrangements and have robust financial and governance structures to play a coordinating role as a Gateway Organisation to support the initiative.
- 2.6 To ensure a coordinated regional approach it is proposed that the Growth Hub acts as a representative organisation via the Business Growth Service. This aligns with BEIS strategic desire that Growth Hubs are used as the main touchpoint for regional businesses and a visible conduit for business engagement
- 2.7 Initial engagement with Local Authorities, Chamber of Commerce and FE Colleges confirm that local partners are supportive of a central and coordinated role being played by the Growth Hub via the Business Growth Service in becoming a Kickstart representative for Cambridgeshire & Peterborough.

## 3. Significant Implications

- 3.1 Without a coordinated approach, the CPCA risk having multiple representatives across the economy, of sub-critical size individually and of variable capability. This might give rise to reputational risk for the programme and the CPCA due to varying levels of service offered and the potential of delaying applications to the scheme if the approach is uncoordinated and cannot flex resource across a larger team to meet peaks in demand.



- 3.2 Due to the timing of the launch of the Business Growth Service, it is recommended that all Kickstart finances are channelled through this route rather than via the CPCA to reduce the time it would take for funding to reach the employing organisations.

## 4. Financial Implications

- 4.1 Administering the Kickstart Scheme will require funding to be passed through the Business Growth Service from DWP to the organisation hosting the placement.
- 4.2 Payment profiles are still at policy stage with DWP; however it has been confirmed that wages will be paid by the employer and claimed back in arrears via the gateway organisation.
- 4.3 Funding for the Scheme is paid as follows:

Activity Per Placement	Received	Amount
Start Payment - onboarding, training etc.	Month 1	£1,500
Gateway Organisation Payment	Month 1	£300
25 hours per week @ National Minimum Wage for 6 months	TBC – in arrears	max £5330

- 4.4 To ensure payments can be made in a timely manner, it is proposed that all funding runs via the Business Growth Service directly and not the CPCA in the first instance.
- 4.5 Regionally, there is the potential of securing 700 placements. Kickstart could potentially generate revenue of £472,500 p.a, which would fund a team of sufficient critical mass. The team would be able to operate locally in each city and town (with team members assigned to each of our 6 local authority areas) but work as a coordinated team to share best practice and resource to meet the demand presented in each area.
- 4.6 At present, Growth Hub funding runs through the CPCA and used to facilitate the operation of the Growth Hub, Once the Growth Hub is assigned to the Business Growth Service, the funding will be passed onto the delivery partner via the Business Growth Service. This transfer of funding will lead to delays in passing monies to the employers however.
- 4.7 It is proposed that once the delivery of the Growth Hub is transferred to the Business Growth Service and is operated by the delivery partner, Kickstart Funding would be better placed to run directly to BGS rather than via the CPCA to ensure monies are passed to participating businesses in a timely manner.
- 4.8 Should this proposal be agreed, this will result in there being no financial implications for the CPCA as there will be no inflow or outflow of funding.

## 5. Legal Implications

- 5.1 There are no legal implications



## Business Board Annual Report and Delivery Plan

To: Business Board

Meeting Date: 10 November 2020

Public Report: Yes

Lead Member: Austen Adams, Chair of the Business Board

From: John T Hill, Director for Business & Skills

Key decision: No

Recommendations: The Business Board is recommended to:

- a) Approve the Business Board Annual Report for 2019-20 & Annual Delivery Plan for 2020-21; and
- b) Recommend the Combined Authority Board approves the Business Board Annual Report for 2019-20 & Annual Delivery Plan for 2020-21, and for these to be published and formally submitted to the Department for Business, Energy & Industrial Strategy (BEIS).

## 1. Purpose

- 1.1 The Business Board, as the region's Local Enterprise Partnership, are required to publish an Annual Report on their activities in the previous 12 months alongside a Delivery Plan setting out their ambitions for the coming year.
- 1.2 The Annual Report & Delivery Plan focuses on aspects for which the Business Board is responsible, including Local Growth Funds, Local Industrial Strategy, Sector Strategies and Enterprise Zones. However, as the work of the Business Board is integrated fully into the Combined Authority, the Annual Report & Delivery Plan covers all aspects of the Business and Skills Directorate delivery, including the University of Peterborough, Adult Education and Market Towns. Therefore, approval is also being requested from the Combined Authority Board for the documents to be published and formally submitted to BEIS.
- 1.3 Normally this report and plan would be presented at the Business Board's Annual General Meeting in May however, due to COVID, this was delayed to November while the approach to crisis response and recovery was developed so as not to present an immediately outdated plan.
- 1.4 The Business Board Annual Delivery Plan for 2020-21 is included as Appendix 1 and the Annual Report for 2019-20 is included as Appendix 2 to this report.

## 2. Background

- 2.1 The Business Board is required to produce an Annual Report & Delivery Plan each year in line with the National Local Growth Assurance Framework. This was a new requirement for the 2019-20 financial year and so the Business Board approved its first Annual Delivery Plan in May 2019.
- 2.2 This is therefore the first year to include an Annual Report, setting out how the Business Board has performed against the plan for 2019-20, alongside the Annual Delivery Plan for 2020-21.
- 2.3 The Business and Skills Annual Report & Delivery Plan has been delayed from their usual agenda slot at the May Annual General Meeting due to the COVID crisis and the ensuing need to review and re-prioritise the Business Board's interventions.
- 2.4 The Business Board's officers queried with BEIS whether the report should be extended to cover 2021-22, given the delay in publication of the Plan, but were informed that the report should continue to cover only 2020-21 and that a new report and plan should then be presented in line with the normal timescales in May 2021.

## Significant Implications

## 3. Financial Implications

- 3.1 There are no direct financial implications.

## 4. Legal Implications

4.1 There are no direct financial implications.

## 5. Other Significant Implications

5.1 There are no other significant implications.

## 6. Appendices

6.1 Appendix 1 – Business Board Annual Delivery Plan 2020-21

6.2 Appendix 2 – Business Board Annual Report 2019-20

## 7. Background Papers

For Information - Business Board Annual Delivery Plan for 2019/20:

<https://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Cambridgeshire-Peterborough-Annual-Delivery-Plan-2019-20-002.pdf>





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**JAMES PALMER**  
CAMBRIDGESHIRE &  
PETERBOROUGH MAYOR



**THE BUSINESS BOARD**

## **Cambridgeshire and Peterborough Business Board Annual Delivery Plan 2020-21**

### **SUMMARY**

Achieving our collective ambition of ***Cambridgeshire and Peterborough being the leading place in the world to live, learn and work*** depends upon a thriving local economy.

The Business Board and Combined Authority have aligned to create one integrated programme that is more powerful in growing our economy and spreading prosperity further. The Business and Skills team within the Combined Authority is responsible for delivering this integrated programme on behalf of both Boards. This remit includes:

- **Development of key strategies** – including the Local Industrial Strategy, the Skills Strategy, and Local Economic Recovery Strategy
- **Management and delivery of strategic funds** – including Local Growth Funds, European Funds, and Combined Authority capital investments into Business and Skills
- **Direct support to businesses** – to help them grow, become more productive, and more international – through the Business Growth Service
- **Business space provision and management** – including the existing Enterprise Zones and new LaunchPad investments
- **Commissioning and management of skills programmes** – including the devolved management of the Adult Education Budget, and other investments to increase attainment and boost apprenticeships

Delivering this within the Combined Authority structure means that not only can these services be more effective by being delivered collectively, but they can also be more efficiently deployed alongside other functions. For example, infrastructure and housing are major constraints to economic growth – and the work above can be planned in line with the Local Transport Plan and the Housing Strategy at the CPCA. The Business and Skills remit includes providing executive support to the function of the Business Board as the Local Enterprise Partnership for the area.

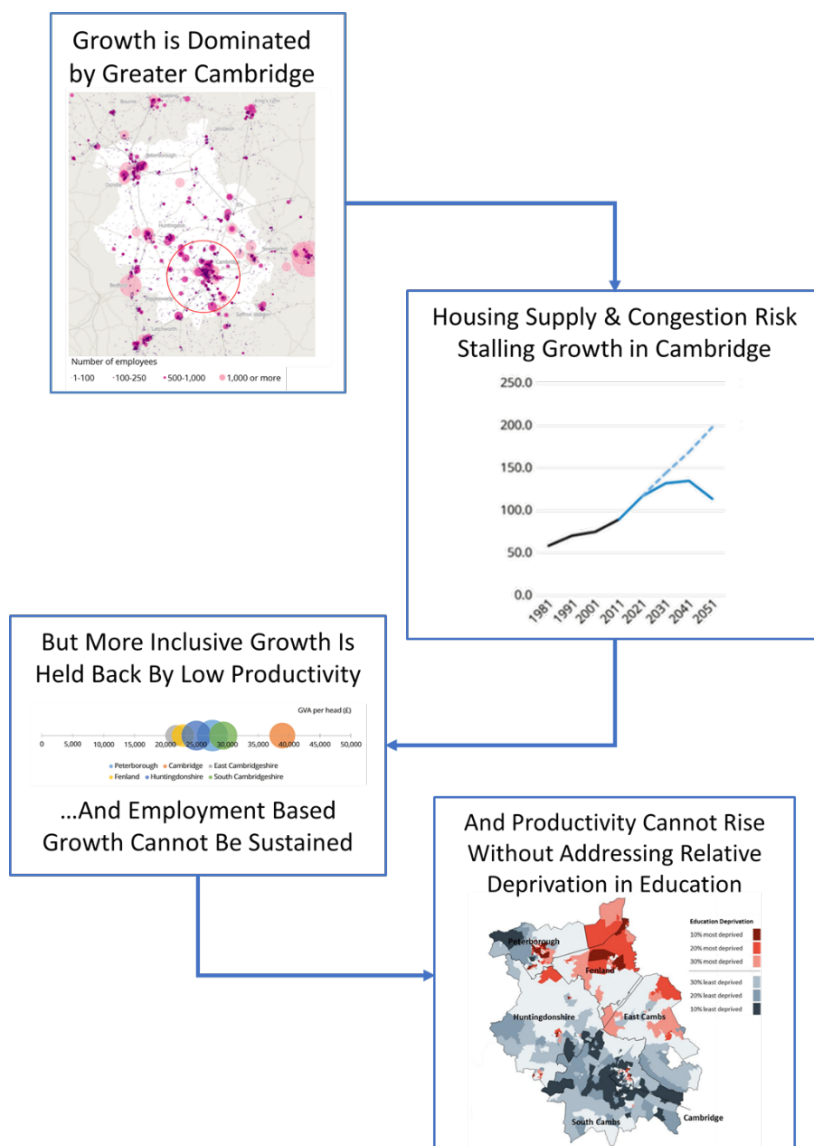
### **STRATEGIC OBJECTIVES**

Historically, growth and especially the quality of growth across our cities and towns has not been inclusive and has led to high levels of health, wellbeing, and prosperity disparity, with pockets of both urban and rural deprivation.

The Local Industrial Strategy and the subsequent Business Rebound & Growth Service is an opportunity to address the inequalities that undermine economic growth and vision to become a leading place in the world to live, learn and work. An inclusive growth strategy which improves

absolute standards of living is vital for the long-term economic sustainability of our economy; as such it represents a risk mitigation strategy as well as an opportunity.

The Key Messages from the CPIER that have informed our Local Industrial Strategy (LIS), and driven the need for more inclusive, and knowledge intensive, jobs growth are summarised as follows:



The policy response set out in LIS to meet this need, in the shortest timeframe, to create medium term impacts, was the Business Growth Service. This has been augmented to address the immediate requirement to help businesses in our economy to recover from the impacts of COVID-19.

The Service will deliver across the specificities of our three sub-economies as an integrated single-front-door offering for high-growth start-ups, scale-ups and set-ups. Central to the idea is building a network of growth companies that, when connected through innovation, skills and growth support, become more than the sum of their parts. Key areas of focus will be to better enable our local academic ideas to be more rapidly commercialised and spun-out, whilst ensuring our most



exciting entrepreneurs are supported to scale-up here which will also encourage the world's brightest firms to locate here.

### **OPERATIONAL DELIVERY**

To enable the doubling of the economy in a way that increases inclusivity cannot be done through more of the same quality and quantity of business support. The volume of engagement with firms must be increased along with the intensity of that support and the ambition for the quality and quantity of job impacts.

To support this, we need an approach to targeting firms and offering growth support to them, tailored to the very different needs of our three sub-economies and each individual customer. To do this we will need to:

- **Transform the Growth Hub - a new Growth Coaching Service** to proactively engage and support our highest potential firms to speed their growth, build their capacity for growth, sustain their period of growth, or all three, **to create 3,498 jobs**. This will be a growth outcome-based service, capable of assessing the growth ambitions and barriers to success, of our most exciting 3,000 firms, diagnosing their needs for support and providing over 1,000 of them, with access to more than £9m of growth coaching from the private sector to help them achieve growth and create higher value jobs, spread more evenly across our economy.
- **Create a world-class inward investment service - an Inward Investment Service** to better connect us into global markets, to engage and persuade firms to locate into our economy or invest in our strategic projects, **to create 1,328 jobs**. As well as attracting firms across the world and the UK to relocate into our economy, we will connect into overseas investor networks to promote our strategic investments in transport infrastructure and higher education.
- **Transform the current small-scale schools career advice service - a Skills Brokerage Service** to link learners and those retraining for new jobs, to employers and skills providers to improve the supply of skills to our growth sectors, **to provide 3,505 people with better skills for new jobs, including 1,600 apprenticeships** into a skills marketplace. This will be where young people and those looking to retrain can find jobs and training to provide our growing businesses with the right skills at the right time in the right place.
- **Create a world-class growth capital investment eco-system - a Capital Growth Investment Fund** to help SMEs, grow through organic expansion, offering an integrated range of grants, loans and equity products unavailable commercially, **to create 1,500 jobs**. This will be where start-ups, spin-outs and scale-ups can find coaching to attract investors, grants and loans to bridge the current gaps in the commercial marketplace and from an eco-system that attracts more investors into the whole of our economy – not just the high value sectors within Cambridge.

The Business and Skills directorate within the Combined Authority will also be responsible for delivering the following direct functions and services over the course of 2020/21:

- **Delivery of the Growth Hub** – the CPCA GROWTH HUB function has been supporting approx. 1,800 businesses per year. During 2020/21 this service will continue to provide support under the umbrella of the Business Growth Service, whilst also offering help and guidance on Covid-19 resilience and EU Exit Transition including import and export advice, fulfilling the BEIS

criteria for funding, and delivering the various BEIS grant funding schemes that will become available throughout the year.

- **Adult Education Budget** - during the 2019/20 academic year the Combined Authority has completed its first year of Adult Education budget devolution. Following a successful open tender procurement in 2019, the Authority contracted with 5 Independent Training Providers (value of c.£2million) and 12 grant funded providers: FE colleges and Local Authority providers (value of c.£9million). Now moving into the second year, Officers undertake quarterly management meetings and regularly review performance of the providers against their delivery plans and measure participation among Cambridgeshire and Peterborough residents.
- **Opportunity Area** – through our contract with the Careers and Enterprise Company, we support schools in the Fenland and East Cambridgeshire Opportunity Area, to raise aspiration and educational attainment in one of our most challenged areas.
- **Apprenticeships** - the CPCA have established a fund of £4m to support non levy paying employers to access funding for Apprenticeships via Levy Transfer in the region. Over the next 3 years it is the ambition to create a further 1800 Apprenticeship opportunities to benefit both individuals and employers
- **Skills Brokerage** - activities have been delivered in the region to develop relationships between businesses, schools, providers and learners to ensure those entering the labour market are equipped with the tools they need to succeed. Over the next 3 years we will align our brokerage activities to support the economic recovery from Covid-19.
- **Health and Social Care Progression Academy** - a £5m DWP pilot programme delivered by City College Peterborough to support progression within and across the priority sector. To date 636 learners have started a programme of learning with the academy which will support them in entering the health and social care sector.
- **Further Devolved Skills Funding** - as a result of having a devolved Adult Education Budget, we have received additional allocations of over half a million pounds to support 16-24 year olds to give them the skills needed to enter the labour market and for adults that are need to retrain.
- **Careers and Enterprise Company** - a total of 4 enterprise coordinators work alongside employers, schools, colleges, and providers, to provide high impact careers and enterprise support to young people (12-18yrs) that is responsive to individual pupil needs and underpinned by the internationally recognised Gatsby Career Benchmarks.
- **Enterprise Zones** – the Business Board is responsible for the Alconbury and Cambridge Compass Enterprise Zones, covering 6 sites across the region. These EZs are at various stages of development and capacity, so the focus of this activity is to ensure the right investment and focus to realise new jobs on these sites.
- **Market Towns Programme** - the CPIER noted the need to ensure that each market town had its own plan but that these were part of a clear story about how each might contribute to the LIS without duplication or omission. It also said that plans had to be enacted and that this would require prioritisation and resource. The CPCA has been working closely with local authority partners to deliver 11 market town masterplans, the implementation of which is hoped to contribute to the future prosperity of market towns. The masterplans, which have been funded by CPCA Investment Fund / Gainshare, provide an evidence base and a set of priorities for the market towns to consider in order to realise their future economic growth

potential. Following approval of each masterplan, the CPCA Board will consider proposed interventions for each town against a £10m capital investment to mobilise the masterplans.

## STRATEGIC FUNDS

Over the course of 2020/21 we will deliver a range of significant investments made through our strategic funds. This not only includes projects related to delivering Local Industrial Strategy Priorities but also projects supporting businesses, jobs, Apprenticeships, and skills training in light of the impacts of Covid-19.

### **LOCAL GROWTH FUNDS**

To date, over 16 projects have been completed through Local Growth Funds, unlocking 892 new jobs, 400 new homes, and 1,198 new learning outcomes. There will be 26 live projects during 2020-21 plus 5 projects approved but starting later in second half of the year alongside two other potential pipeline projects seeking approval.

Local Growth Fund				
LGF Project	Project status in 20/21	Primary Sector	Region Authority	LGF Spent by 31 March 2021
Ascendal Transport Accelerator	Approved	Transport	South Cambridgeshire District Council	£965,000
Smart Manufacturing Association	Approved	Business Growth	Peterborough City Council	£715,000
South Fenland Enterprise Park	Approved	Business Growth	Fenland District	£997,032
Endurance Skills Training Centre	Approved	Transport	Huntingdonshire District	£2,400,000
Peterborough Café Culture Project	Approved	Retail & Visitor Economy	Peterborough City	£800,000

Terraview Company Expansion	Completed	Advanced Manufacturing	South Cambridgeshire District Council	£120,000
Aerotron Company Expansion	Completed	Advanced Manufacturing	Fenland District Council	£1,400,000
Growing Places Fund Extension	Completed	All	CPCA Wide projects	£65,000
Signpost to Grant - CPCA Growth Hub	Completed	All	CPCA Wide projects	£120,000
TWI Engineering Centre	Completed	Advanced Manufacturing	South Cambs District	£2,100,000
Biomedical Innovation Centre	Completed	Life Science	Cambridge City	£1,000,000
Bourges Boulevard Phase 1	Completed	Transport	Peterborough City Council	£2,100,000
Bourges Boulevard Phase 2	Completed	Transport	Peterborough City Council	£9,200,000
A47/A15 Junction 20	Completed	Transport	Peterborough City Council	£6,300,000
Lancaster Way Phase 1 Loan	Completed	Business Growth	East Cambridge District	£1,000,000
Lancaster way Phase 2 Grant	Completed	Transport	East Cambridge District	£1,455,000
Ely Southern Bypass	Completed	Transport	East Cambridge District	£22,000,000
Manea & Whittlesea Stations	Completed	Transport	Fenland District Council	£395,000
PRC Food Manufacturing Centre	Completed	Food Processing	Peterborough City	£586,000
iMET Skills Training Centre	Completed	Advanced Manufacturing	Huntingdonshire District I	£10,500,000
CITB Construction Academy	Completed	Construction	Kings Lynn & West Norfolk	£450,000

CRC Construction Skills Hub	Live	Construction	Huntingdonshire District	£2,500,000
The Business Growth Service	Live	All	Huntingdonshire District Council	£5,407,000
Illumina Genomics Accelerator	Live	Life Science	South Cambridgeshire District Council	£1,000,000
Startcodon Life Science Accelerator	Live	Life Science	South Cambridgeshire District Council	£3,342,250
Medtech Accelerator	Live	Life Science	South Cambridgeshire District Council	£500,000
Agri-Tech Growth Initiative	Live	AgriTech	CPCA Wide projects	£3,036,252
COVID Capital Growth Grant Scheme	Live	All	CPCA Wide projects	£3,000,000
Hauxton House Incubation Centre	Live	Life Science	South Cambs District	£438,000
Photocentric 3D Centre of Excellence	Live	Business Growth	Peterborough City	£1,875,000
Cambridge Biomedical Campus	Live	Life Science	Cambridge City	£3,000,000
NIAB - AgriTech Start Up Incubator	Live	AgriTech	Huntingdonshire District	£2,484,000
NIAB - Agri-Gate Hasse Fen extension	Live	AgriTech	East Cambridge District	£599,850
Haverhill Epicentre - Jaynic	Live	Life Science	West Suffolk District	£2,600,000
TWI Ecosystem Innovation Centre	Live	Advanced Manufacturing	South Cambs District	£1,230,000
West Cambs Innovation Park	Live	Life Science	Cambridge City	£3,000,000
TTP Life Sciences Incubator	Live	Life Science	South Cambs District	£2,300,000
Aracaris Capital Living Cell Centre	Live	Life Science	South Cambs District	£1,350,000
Whittlesey King's Dyke Crossing	Live	Transport	Fenland District Council	£8,000,000
Wisbech Access Strategy	Live	Transport	Fenland District Council	£6,000,000
Lancaster way Phase 2 Loan	Live	Transport	East Cambridge District	£3,680,000
CAM Promotion Company	Live	Transport	CPCA	£999,000
Soham Station	Live	Transport	East Cambridge District	£1,000,000
Metalcraft Adv Man Centre	Live	Advanced Manufacturing	Fenland District	£3,160,000
University of Peterborough Phase 1	Live	Multi-Sector	Peterborough City	£12,500,000
March Adult Education Centre	Live	Multi-Sector	Fenland District	£400,000
AEB Innovation Grant	Live	Multi-Sector	CPCA Wide	£323,720
Cambridge Visitor Welcome	Pipeline	Retail & Visitor Economy	Cambridge City	£715,000
Northstowe EZ development project	Pipeline	Energy/Cleantech	South Cambridgeshire District Council	£2,000,000

The forecast jobs outcomes (direct and indirect) for all projects being funded through the Local Growth Funding over their agreed contractual outcome timeframes (includes the completed, live and approved) is:

- 17001 Direct Jobs
- 37337 Indirect Jobs

The majority of these Jobs outcomes are being delivered in the period 2020 to 2026 with 892 already created from the completed projects.

### **GETTING BUILDING FUNDS**

Getting Building Fund				
University of Peterborough Phase 2 R&D	Approved	INNOVATION CENTRE & INCUBATOR	Peterborough City	£14,600,000

Getting Building Funding was recommended by the Business Board for approval in October 2020. If subsequently ratified, the project to commence delivery before the end of March 2021 and with a completion date for spend of March 2022. Regular updates on the progress and position of these funds will be provided to both the Business Board and Combined Authority Board during the year.

### **OTHER FUNDING OR GROWTH PROGRAMMES**

#### **UNIVERSITY OF PETERBOROUGH**

The Combined Authority has made a commitment of up to £13.5m capital funding in principle to advance the University of Peterborough project (alongside the Growing Places funding referenced above). The outcomes for this project will include:

- Developing a higher local skill set
- Raising aspirations and participation in HE
- Providing a high-quality curriculum and qualifications fit for the modern workforce
- Attracting talent to a technical/vocational offer leading to better paid jobs

#### **PHASE 1 - OVERVIEW**

- £30 million investment to build a 'signature' building
- Anglia Ruskin University (ARU) are the official higher education partner for a new employment-focused university in Peterborough.
- ARU will deliver the curriculum for the new university, which will be known as ARU Peterborough, until 2028.
- To open its doors to 2,000 students in 2022, with an ambition to offer courses for up to 12,500 by 2030.
- The curriculum will be designed to meet local economic needs; providing both opportunities for local residents to receive a top-class vocational education and a well skilled local workforce for businesses to employ.

The shareholders are Anglia Ruskin University (ARU), Cambridgeshire & Peterborough Combined Authority (CPCA), and Peterborough City Council (PCC). The first four faculties of ARU Peterborough will be:

- The Faculty of Business, Innovation and Entrepreneurship
- The Faculty of Creative and Digital Arts and Sciences
- The Faculty of Agriculture, Environment and Sustainability
- The Faculty of Health and Education

#### **PHASE 2**

The Phase 2 project is to complement the 2020-22 investment of £30.47m from the CPCA, PCC and private sector into a Phase 1 Academic Teaching Building for a new University of Peterborough, to produce 3,000 p.a. graduates.

The Research & Development Centre will be a 2200 sqm build and consist of 3 floors with a mix of high-quality technical laboratory and office space for incubations and start-ups. The £14.6m of

funding for the project has been allocated to the CPCA by MHCLG and the formal application process for our Innovation Delivery Partner, and their partners, to apply for and utilise the funding is currently underway. Planning is due to be approved in Spring with a spade in the ground March/April 21 and completion of the build by 31 January 22. The timeframe on this project is extremely tight with a build programme of 41 weeks following procurement of the main contractor. The building will be built by end of January 2022.

### **ENTERPRISE ZONES**

*Enterprise Zones - Impact of Covid-19:* whilst businesses are operating at reduced capacity due to Covid-19, the uniqueness of businesses (especially on established sites such as Cambridge Research Park and Lancaster Way) means Enterprise Zones have been in a stronger position to withstand recent economic challenges. The specialist nature of operations, including access to technical space and R&D facilities, means businesses are not expected to be overly impacted by Covid-19 and the recent shift to more working from home. To further demonstrate the success development of our Enterprise Zones, there are new developments planned for, or underway across the sites (including Haverhill, Alconbury, Cambridge Research Park, Northstowe and Cambourne).

#### *Enterprise Zones - Site Updates:*

**Alconbury Weald** - a few businesses have changed ways of working and reduced/given up space based on new models of working from home and to save money. U&C have supported a few with delayed rents etc; and have been promoting the CPCA and HDC business support programmes around recovery. MMUK continue to grow and progress the application for a new building on site. U&C are also looking at ways to progress additional new incubator / drop in / shared space to respond to the changing patterns.

**Cambridge Research Park** – 2 existing Enterprise units were let in June, with the remaining 2 units in negotiation. Outline permission consent in place for an additional 245,000 sqft of commercial space on the EZ (phase 1, delivering 85,000 sqft is anticipated by summer 2022) and progressing to Reserved Matters.

**Lancaster Way Business Park** – park currently operating at reduced capacity however businesses are starting to reopen, and employees are returning on site. Although enquiries are down, there are no concerns with the existing business base, with one anchor tenant progressing plans to further expand on site.

**Haverhill Research Park** – new Epicentre underway (LGF funded development - 32,000 sqft of shared/managed workspace). Completion is expected for January 2021 (with an official opening planned for the 21st Jan).

**Northstowe** – SCDC have detailed plans for the development of EZ land (and local centre) to bring forward 17,000 sqft of new commercial space (predominantly B1 use). Investment case in development and a potential start on site of late 2020/early 2021.

**Cambourne Business Park** – similar to Northstowe, SCDC are developing investment plans with U+I on accelerating developments on remaining EZ land.

### **EASTERN AGRI-TECH GROWTH INITIATIVE**

This flagship programme has been supporting businesses within the Agri-Tech sector to innovate and grow for nearly 7 years.

So far in 2020/21, we have received 16 applications for grant funding. Eleven applications were successful. Seven were R&D projects. The total amount of grant awarded was £511,290. The current scheme is due to finish on 31 March 2021.

Since the Growth Deal/Local Growth Fund was created, we have approved 65 Agri-Tech grant applications. The total amount of grant awarded to was £3,093,742. This is forecast to lever in approximately £7.5m of private sector match funding (£8m forecast for the whole programme). OF the successful applicants 43 were R&D projects and 22 were capital projects).

Our support is expected to increased productivity efficiency (GVA/Hour Worked). Our intervention is expected to result in increased UK sales/market share/profitability (the value of the increased sales to be confirmed when programme finishes). We may also see some import substitution opportunities.

### **COVID-19**

In recognition of the dramatic impact that the coronavirus pandemic was having across all sectors of our SME business community, we very quickly devised and launched two grant schemes that made a real difference not just to ensuring survival, but to also help lay the foundations to support recovery and future growth aspirations. As a result of this rapid response from the CPCA Business Board, a total of 260 SMEs were supported across the two schemes, sharing a total of just over £6m.

**COVID-19 Capital Grant Scheme** - Funding available to businesses employing more than 6 people but less than 250 people. The key headlines were:

- 132 businesses supported
- Total grant awarded was £5,506,907
- 809 jobs (of which 287 are forecast new jobs and 522 are forecast protected jobs)
- Positive feedback about the simplicity of the scheme and the help/guidance provided
- Positive media coverage

**COVID-19 Micro Grant Scheme** - Funding available to businesses employing less than 6 people. The key headlines were:

- 128 businesses supported
- Total grant awarded was £500,000

## **STRATEGIC ACTIVITY**

### **LOCAL INDUSTRIAL STRATEGY AND SKILLS STRATEGY**

The Cambridgeshire and Peterborough Combined Authority is undertaking an assessment on the impact of Covid-19 on the CPCA economy. This work is part of a broader programme of work to support CPCA's integrated business and skills insight and evaluation. The analysis will reflect on best understanding of the impact of Covid-19 on the national economy, CPCA and the six local authorities within CPCA.

This work builds on research and analysis already carried out by other organisations to understand the impact of Covid-19 on CPCA, including impact assessments and labour market information



prepared by Cambridgeshire Insights. This approach has been to complement the analysis to add new insight to strategic activity, and to avoid duplicating the analysis wherever possible.

#### **LOCAL ECONOMIC RECOVERY STRATEGY**

In immediate response to the COVID-19 Pandemic, the Economic Recovery Strategy Group (ERSG), as part of the wider Local Resilience Forum, was formed in March 2020 to respond to the Economic and Business Impacts of COVID-19.

The ERSG, comprising of Senior Officers of our Local Authorities together with Representatives of local Business Membership Organisations, committed to developing a joint Local Economic Recovery Strategy (LERS) which lays down a roadmap formed of specific interventions which will aim to accelerate the recovery of our local economy.

The LERS will be a live document through 2020 into 2021 which will be adapted as appropriate to respond when anticipated and known impacts on the local Economy and our Businesses evolve and become clearer. These further insights will principally be gained through our parallel programme of COVID Insight work with Metro Dynamics. Using these insights, we will be better positioned to prioritise our interventions to target support to those impacted groups in the timeliest way, so we accelerate the rebound of our local economy. This will then lay the foundation to grow the local economy on (and beyond) our original growth plans.

## APPENDIX 1: BUSINESS AND SKILLS STRATEGIC DELIVERY PLAN AND SUCCESS MEASURES

Foundation of Productivity	Headline Intervention	Cost	Delivery Metrics		LEP Geography
			Outputs	Outcomes	
People	Adult Education Budget	£11.5m	<ul style="list-style-type: none"> <li>75% of courses have a business or economy focus by 2025</li> <li>Increased % of AEB investment going into geographic areas of need by 20% in 2023</li> <li>2,000 people a year who progress into further training or employment by 2022</li> <li>5,000 leavers satisfied with their course by 2025</li> </ul>	<ul style="list-style-type: none"> <li>Increase number of residents over 16 with a level 3 qualification from 30% in 2011 to 40% by 2031</li> <li>Increase the number of Peterborough residents with a Level 2 qualification from 82% in 2016 to the national average of 85% by 2024</li> <li>Increase the number of learning aims in Science, Maths, Engineering, Manufacturing, Construction, Health &amp; Social Care from 4,328 in 2016 to 5,000 by 2024</li> <li>Increase the number of learners gaining employment outcomes from 29 in 2016 to over 200 by 2024</li> </ul>	All
	University of Peterborough	£13.5m (Phase 1)	<ul style="list-style-type: none"> <li>Increase of higher education provision in Greater Peterborough and the Fens</li> </ul>	<ul style="list-style-type: none"> <li>2,000 students by 2022</li> <li>6,000 students by 2025</li> <li>12,500 students by 2030</li> </ul> <p>Employment outcomes:</p> <ol style="list-style-type: none"> <li>Number of temporary jobs created: 50 in construction</li> <li>Number of jobs created: 33 University staff initially.</li> <li>Number of indirect jobs created: 66 in the</li> </ol>	GP Fens

Foundation of Productivity	Headline Intervention	Cost	Delivery Metrics		LEP Geography
			Outputs	Outcomes	
		£14.6m (Phase 2)		<p>University supply chain rising to 398.</p> <p>d. A further 166 directly employed staff as the University Faculties grow.</p> <p>e. Number of indirect jobs to be created: 14,000</p> <p>f. Number of Apprenticeships to be established:</p> <p>i. Level 6 (over 3 years) – 4,383</p> <p>ii. Level 7 (over 3 years) – 677.</p>	
	Skills Talent and Apprenticeship Hub	<p>C. £3.2m</p> <p>CPCA £1.6m</p> <p>ESF Match £1.6m</p>	<ul style="list-style-type: none"> <li>7,000 Employers engaged through the Skills Talent &amp; Apprenticeship Hub by 2024</li> <li>All 59 Schools and Colleges engaged and fully supported through Brokerage &amp; STA Hub</li> <li>Number of individuals how have successful outcome as a result of using the Hub – 10,000 by 2024</li> </ul>	<ul style="list-style-type: none"> <li>Increased overall number of Apprentices from 3,940 in 2017/18 to 5,000+ by 2021</li> <li>Increased number of 16-18 &amp; 19-24 year olds starting on an Apprenticeship (target TBC)</li> <li>Increased number starting on Higher/ Degree Apprenticeships L 4 – L 7 (target TBC)</li> <li>Jobs filled (non- Apprenticeship) through STA Hub/ Partners: <ul style="list-style-type: none"> <li>50 Employers by 2020</li> <li>100 Employers by 2021</li> <li>150 Employers by 2022</li> </ul> </li> </ul>	All – tailored within areas

Foundation of Productivity	Headline Intervention	Cost	Delivery Metrics		LEP Geography
			Outputs	Outcomes	
				<ul style="list-style-type: none"> <li>○ 200 Employers by 2024</li> </ul>	
Business Environment	Business Growth Service	£18m LGF  <i>£3m Op Fund £5m Loan Fund £10m Investment Fund</i>	<ul style="list-style-type: none"> <li>• 5,000 businesses supported receiving no financial support by 2023</li> <li>• 900 business supported receiving grant by 2023</li> </ul>	<ul style="list-style-type: none"> <li>• 4,692 Indirect jobs by 2023</li> <li>• 1,800 Apprenticeships by 2023</li> <li>• £50,000 GVA/Head</li> <li>• £1.3bn GVA growth</li> </ul>	All
	Capital Growth Grant	£12m	<ul style="list-style-type: none"> <li>• 240 businesses supported receiving grant by 2023</li> </ul>	<ul style="list-style-type: none"> <li>• 1,200 Indirect jobs by 2023</li> </ul>	All
	Enterprise Zone and Peterborough University	TBC	<ul style="list-style-type: none"> <li>• Increased business space related to growth sectors</li> <li>• Increased research space related to growth sectors</li> </ul>	<ul style="list-style-type: none"> <li>• New jobs in high-value growth sectors (target TBC)</li> <li>• New products brought to market (target TBC)</li> <li>• GVA increase (target TBC)</li> </ul>	GP
Ideas	Innovation Launchpads (at least 4 new centres)	£2-3m LGF investment per launchpad	<ul style="list-style-type: none"> <li>• 70,000 – 100,000 sqm of new commercial business space</li> <li>• 15,000 sqm of new commercial research space</li> </ul>	<ul style="list-style-type: none"> <li>• 300-450 new jobs in high-value growth sectors (£45,000 GVA/Head)</li> <li>• £13.5m - £20.25m GVA growth</li> </ul>	Fens GP
	Greater Cambridge Life Sciences Accelerator(s)	£6.342m	<ul style="list-style-type: none"> <li>• 30 start-ups taken through accelerator</li> </ul>	<ul style="list-style-type: none"> <li>• 2,550 direct and indirect jobs within 5 years</li> <li>• 73,750 direct and indirect jobs within 10 years</li> <li>• Galvanise Greater Cambridge as world-leading Genomics hub</li> </ul>	GC

Foundation of Productivity	Headline Intervention	Cost	Delivery Metrics		LEP Geography
			Outputs	Outcomes	
	Eastern Agri-tech Growth Initiative	£1.7m  (£1.2m Business Board, £500k NALEP)	<ul style="list-style-type: none"> <li>Increased numbers of enquiries and successful applications</li> <li>Jobs created and protected: types of jobs &amp; how they equate to NVQ scale and what are salary levels</li> <li>For R&amp; D activity; how may patents have been filed/granted</li> <li>For R&amp;D businesses; how many projects have resulted in products/ideas etc brought to market/implemented by the sector or acquired by other organisations;</li> <li>Support led to collaboration opportunities</li> </ul>	<ul style="list-style-type: none"> <li>100 jobs created and upskilled</li> <li>Increased productivity &amp; efficiency (GVA/Hour Worked)</li> <li>Private sector financial leverage of £8m</li> <li>Increased export</li> <li>Increased FDI</li> <li>Intervention led to import substitution opportunities</li> </ul>	All
	Market Towns Programme	£13.1m	<ul style="list-style-type: none"> <li>Delivery of 11 Market Town Masterplans by 2022</li> </ul>	<ul style="list-style-type: none"> <li>TBC</li> </ul>	

## APPENDIX 2: COMBINED AUTHORITY REVENUE MEDIUM TERM FINANCIAL PLAN 2020 – 2024

Shaded rows are partially, or fully, related to the operations of the Business Board

*N.B. While the Mayor is a member of the Business Board there is no remuneration linked to this responsibility thus his allowance is not considered related for this purpose*

Revenue Income		2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's
Revenue Gainshare		(8,000.0)	(8,000.0)	(8,000.0)	(8,000.0)
Mayoral Capacity Building Fund		(1,000.0)	-	-	-
Growth Hub Grant		(246.0)	(246.0)	(246.0)	(246.0)
Growth Hub Supplementary Grant		(290.0)	-	-	-
LEP Core Funding		(500.0)	(500.0)	(500.0)	(500.0)
Adult Education Budget		(11,513.0)	(11,513.0)	(11,513.0)	(11,513.0)
Transport Levy income		(12,347.6)	(12,594.6)	(12,846.5)	(13,103.4)
Enterprise Zone rates income		(605.0)	(1,209.0)	(1,348.0)	(1,457.0)
CEC grant income		(52.0)	-	-	-
Skills Advisory Panel		(75.0)	-	-	-
COVID Bus Service Support Grant		(439.0)	-	-	-
Better Deal for Buses Grant		(384.0)	-	-	-
<b>Total Revenue Grant Income</b>		<b>(35,451.6)</b>	<b>(34,062.6)</b>	<b>(34,453.5)</b>	<b>(34,819.4)</b>

*Income only includes funds due to be received in-year, not drawdowns and contributions to reserves*

Revenue Expenditure		2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's
<b>Mayor's Office</b>					
Mayor's Allowance		85.0	95.6	97.5	99.5
Mayor's Conference Attendance		10.0	10.0	10.0	10.0
Mayor's Office Expenses		40.0	40.0	40.0	40.0
Mayor's Office Accommodation		77.4	77.4	77.4	77.4
Mayor's Office Staff		254.4	259.5	264.7	270.0
<b>Total Mayor's Costs</b>		<b>466.8</b>	<b>482.5</b>	<b>489.6</b>	<b>496.9</b>

<b>Combined Authority Staffing Costs (inc NI &amp; Pen 'er)</b>					
Chief Executive		288.1	306.4	312.5	318.8
<b>Housing Directorate</b>					
Housing		405.6	413.7	422.0	430.4
<b>Business and Skills Directorate</b>					
Business and Skills		930.6	949.2	968.2	987.6
Growth Hub		159.5	162.7	165.9	169.3
Energy		413.9	422.2	-	-
Energy - RCEF Staffing		-	-	-	-
AEB		245.8	250.7	255.7	260.8
<b>Delivery &amp; Strategy Directorate</b>					
Delivery & Strategy		1240.7	1265.5	1290.8	1316.6
<b>Corporate Services Directorate</b>					
Legal and Governance		585.8	597.5	609.5	621.7
Finance		507.9	518.1	528.4	539.0
HR		147.6	150.6	153.6	156.6
Communications		276.4	281.9	287.6	293.3
<b>Total Combined Authority Staffing Costs</b>		<b>5,201.9</b>	<b>5,318.5</b>	<b>4,994.2</b>	<b>5,094.1</b>
<b>Other Employee Costs</b>					
Travel		100.0	100.0	100.0	100.0
Apprenticeship Levy		19.9	20.3	19.1	19.4
Conferences, Seminars & Training		90.0	90.0	90.0	90.0
Change Management Reserve		208.3	156.7	162.4	158.4
<b>Total Other Employee Costs</b>		<b>418.2</b>	<b>367.0</b>	<b>371.5</b>	<b>367.8</b>

<b>Other Employee Costs</b>					
Travel		100.0	100.0	100.0	100.0
Apprenticeship Levy		19.9	20.3	19.1	19.4
Conferences, Seminars & Training		90.0	90.0	90.0	90.0
Change Management Reserve		208.3	156.7	162.4	158.4
<b>Total Other Employee Costs</b>		<b>418.2</b>	<b>367.0</b>	<b>371.5</b>	<b>367.8</b>
<b>Externally Commissioned Support Services</b>					
External Legal Counsel		100.0	150.0	100.0	100.0
Finance Service		61.4	92.0	93.0	94.0
Democratic Services		90.0	90.0	90.0	90.0
Payroll		8.0	8.0	8.0	8.0
HR		25.0	25.0	25.0	25.0
Procurement		25.0	25.0	25.0	25.0
ICT external support		50.0	50.0	50.0	50.0
<b>Total Externally Commissioned Support Services</b>		<b>359.4</b>	<b>440.0</b>	<b>391.0</b>	<b>392.0</b>
<b>Corporate Overheads</b>					
Accommodation Costs		340.0	340.0	340.0	340.0
Software Licences, Mobile Phones cost		20.0	20.0	20.0	20.0
Communications		40.0	40.0	40.0	40.0
Website Development		38.4	10.0	10.0	10.0
Recruitment Costs		40.0	40.0	40.0	40.0
Insurance		30.0	30.0	30.0	30.0
Audit Costs		85.0	85.0	85.0	85.0
Office running costs		25.0	25.0	25.0	25.0
Corporate Subscriptions		10.0	10.0	10.0	10.0
<b>Total Corporate Overheads</b>		<b>628.4</b>	<b>600.0</b>	<b>600.0</b>	<b>600.0</b>
<b>Governance Costs</b>					
Committee/Business Board Allowances		144.0	144.0	144.0	144.0
Miscellaneous		20.0	20.0	20.0	20.0
<b>Total Governance Costs</b>		<b>164.0</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>
<b>Election Costs</b>					
<b>Total Election Costs</b>		-	<b>1,040.0</b>	-	-
<b>COVID pressures</b>					
<b>Total COVID pressures</b>		<b>120.0</b>	-	-	-
<b>Capacity Funding</b>					
<b>Total Capacity Funding</b>		<b>125.0</b>	<b>125.0</b>	<b>125.0</b>	<b>125.0</b>
<b>Financing Costs</b>					
Interest Receivable on Investments		(726.0)	(280.0)	(152.3)	(152.5)
Interest on Borrowing			1,555.2	1,555.2	1,555.2
<b>Net Financing Costs</b>		<b>(726.0)</b>	1275.2	1402.9	1402.7
<b>Total Operational Budget</b>		<b>6,290.8</b>	<b>9,329.7</b>	<b>8,048.6</b>	<b>8,145.7</b>

<b>Feasibility Budgets</b>					
Contribution to A14 Upgrade (DfT)		89.0	96.2	98.5	183.6
Non-Transport Feasibility (unallocated)			917.0	1000.0	1000.0
<b>Total Feasibility Budget</b>		<b>89.0</b>	<b>1,013.2</b>	<b>1,098.5</b>	<b>1,183.6</b>
<b>Recharges to Grant Funded Projects</b>					
Directly Grant Funded Staff		(1,691.2)	(1,725.0)	(1,759.5)	(1,794.7)
Directly Grant Funded Overheads		(248.9)	(253.9)	(259.0)	(264.2)
<b>Total Recharges to Grant Funded Projects</b>		<b>(1,940.1)</b>	<b>(1,978.9)</b>	<b>(2,018.5)</b>	<b>(2,058.9)</b>

<b>Business &amp; Skills</b>					
AEB Devolution Programme		11,205.5	10,948.9	10,948.9	10,948.9
AEB Innovation Fund - Revenue		336.7			
AEB Programme Costs		388.6	388.6	388.6	388.6
National Retraining Scheme		80.1			
Marketing and Promotion of Services		95.0	20.0	20.0	20.0
Careers and Enterprise Company (CEC)		80.5	-	-	-
Energy Hub		822.6	-	-	-
EU Exit Funding		131.5	-	-	-
Growth Hub		246.0	246.0	246.0	246.0
Growth Hub Supplementary Award		290.0			
HAT Work Readiness Programme		52.8	-	-	-
Health and Care Sector Work Academy		3,235.6	232.2	-	-
LEP Capacity Funding		188.0	-	-	-
LIS Implementation		176.3	200.0	200.0	200.0
Local Growth Fund Costs		480.0	480.0	480.0	480.0
Market Town Implementation of Strategies		222.9	200.0	200.0	200.0
Rural Community Energy Fund (RCEF)		2,765.7	314.4	-	-
Skills Advisory Panel (SAP) (DfE)		114.0	-	-	-
Skills Brokerage		107.0			
Skills Strategy Implementation		120.5	150.0	150.0	150.0
SME Observatory		40.0	40.0	-	-
St Neots Masterplan		254.1	83.0	-	-
Trade and Investment Programme		100.0	-	-	-
EZ Funded Growth Company Contribution		230.0	279.0	418.0	-
University of Peterborough		4.2	-	-	-
<b>Total Business &amp; Skills Approved Budgets</b>		<b>21,767.7</b>	<b>13,582.1</b>	<b>13,051.5</b>	<b>12,633.5</b>

<b>Housing</b>					
CLT / £100k Housing		83.4	-	-	-
Garden Villages					
Approved Project Costs		696.2	-	-	-
Subject to Approval		3,000.0	-	-	-
<b>Total Housing Revenue Expenditure</b>		<b>3,779.6</b>	<b>-</b>	<b>-</b>	<b>-</b>



<b>Delivery &amp; Strategy</b>					
<b>A10 Dualling SOBC</b>					
Approved Project Costs	297.1	-	-	-	
<b>A141 SOBC</b>					
Approved Project Costs	350.0				
<b>Bus Review Implementation</b>					
Approved Project Costs	644.0	-	-	-	
Subject to Approval	1,200.0	-	-	-	
<b>Bus Service Subsidisation</b>					
Approved Project Costs	187.0	-	-	-	
<b>CAM Metro OBC</b>					
Approved Project Costs	1,356.4	-	-	-	
<b>CAM Metro Post OBC Tunnels</b>					
Approved Project Costs	200.0	-	-	-	
Subject to Approval	2,300.0	-	-	-	
<b>CAM Innovation Company</b>					
Approved Project Costs	1,200.0	-	-	-	
Subject to Approval	3,215.2	-	-	-	
<b>Climate Change</b>					
Approved Project Costs	125.0	-	-	-	
<b>Covid Bus Service Support Grant</b>					
Approved Project Costs	439.5	-	-	-	
<b>Land Commission</b>					
Approved Project Costs	40.0	-	-	-	
<b>Local Transport Plan</b>					
Subject to Approval	-	100.0	-	-	
<b>Monitoring and Evaluation Framework</b>					
Approved Project Costs	168.7	150.0	34.0	-	
Subject to Approval	-	-	36.0	70.0	
<b>Non-Statutory Spatial Framework (Phase 2)</b>					
Approved Project Costs	71.4	-	-	-	
Subject to Approval	144.9	100.0	100.0	-	
<b>Public Service Reform</b>					
Approved Project Costs	75.0	-	-	-	
<b>Schemes and Studies</b>					
Approved Project Costs	100.0	-	-	-	
<b>Sustainable Travel</b>					
Approved Project Costs	150.0	-	-	-	
<b>Transport Levy CCC</b>					
Approved Project Costs	8,497.7	8,667.7	8,841.1	9,017.9	
<b>Transport Levy PCC</b>					
Approved Project Costs	3,849.9	3,926.9	4,005.4	4,085.5	
<b>Total Delivery &amp; Strategy Revenue Expenditure</b>		<b>24,611.7</b>	<b>12,944.6</b>	<b>13,016.5</b>	<b>13,173.4</b>
<b>Total Revenue Expenditure</b>		<b>55,065.6</b>	<b>35,373.2</b>	<b>33,686.2</b>	<b>33,574.2</b>

Capital		2020/21	2021/22	2022/23	2023/24
<b>Investment in Finance System</b>					
Approved Project Costs		-			
Subject to Approval		150.0			
<b>Total Corporate Capital Projects</b>		<b>150.0</b>	-	-	-
<b>A10 Dualling</b>					
Approved Project Costs		-	-	-	-
Subject to Approval		1,000.0	1,000.0	-	-
<b>A47 Dualling</b>					
Approved Project Costs		40.0	-	-	-
Subject to Approval					
<b>King's Dyke</b>					
Approved Project Costs		8,619.8	9,087.0	-	-
Subject to Approval		2,100.0	-	-	-
<b>A47 Junction 18 Improvements</b>					
Approved Project Costs		-	-	-	-
<b>Active Travel Grant payments</b>					
Approved Project Costs		2,942.4			
<b>CAM Innovation Company Set up</b>					
Approved Project Costs		1,000.0	-	-	-
Subject to Approval		-	1,000.0	-	-
<b>CAM Delivery to OBC</b>					
Approved Project Costs		-	-	-	-
Subject to Approval		-	5,000.0	5,000.0	5,000.0
<b>CAM FBC Preperation</b>					
Approved Project Costs		-	-	-	-
Subject to Approval				1,500.0	1,500.0
<b>Cambridge South Station</b>					
Approved Project Costs		385.3	-	-	-
Subject to Approval		-	-	-	-
<b>Regeneration of Fenland Railway Stations</b>					
Approved Project Costs		1,707.5	-	-	-
Subject to Approval		874.0	1,059.0	-	-
<b>Soham Station</b>					
Approved Project Costs		5,736.7	13,103.5	896.8	-
<b>Wisbech Rail</b>					
Approved Project Costs		341.4	-	-	-
Subject to Approval		987.6	2,000.0	3,000.0	5,000.0
<b>A16 Norwood Dualling</b>					
Approved Project Costs		61.0	-	-	-
Subject to Approval		320.0	730.0	12,000.0	-
<b>A141 capacity enhancements</b>					
Approved Project Costs		978.0	-	-	-
Subject to Approval		-	650.0	5,000.0	3,000.0
<b>A505 Corridor</b>					
Approved Project Costs		422.0	-	-	-
<b>A605 Oundle Rd Widening - Alwalton-Lynch Wood</b>					
Approved Project Costs		792.5	-	-	-
<b>A1260 Nene Parkway Junction 15</b>					
Approved Project Costs		653.8	-	-	-
Subject to Approval		-	7,754.6	-	-

<b>A1260 Nene Parkway Junction 32-3</b>					
Approved Project Costs		517.0	-	-	-
Subject to Approval		4,030.1	3,500.0	-	-
<b>Coldhams Lane roundabout improvements</b>					
Approved Project Costs		409.1	-	-	-
Subject to Approval		700.0	1,500.0	-	-
<b>Digital Connectivity Infrastructure Programme</b>					
Approved Project Costs		-	-	-	-
Subject to Approval		1,940.0	1,867.5	-	-
<b>Ely Area Capacity Enhancements</b>					
Approved Project Costs		2,163.3	-	-	-
Subject to Approval		4,141.4	-	-	-
<b>Fengate Access Study - Eastern Industries Access - Phase 1</b>					
Approved Project Costs		344.1	-	-	-
Subject to Approval		1,000.0	4,890.0	-	-
<b>Fengate Access Study - Eastern Industries Access - Phase 2</b>					
Approved Project Costs		146.6	-	-	-
Subject to Approval		120.0	700.0	1,280.0	-
<b>Highways Maintenance (with PCC and CCC)</b>					
Approved Project Costs		23,080.0	23,080.0	23,080.0	23,080.0
<b>Lancaster Way</b>					
Approved Project Costs		2,633.2	-	-	-
Subject to Approval		-	-	-	-
<b>M11 Junction 8</b>					
Approved Project Costs		-	-	-	-
<b>March Junction Improvements</b>					
Approved Project Costs		1,736.8	-	-	-
Subject to Approval		2,198.0	1,550.0	-	-
<b>St Neots Masterplan Capital</b>					
Approved Project Costs		-	-	-	-
Subject to Approval		-	-	-	-
<b>Wisbech Access Strategy</b>					
Approved Project Costs		5,494.5	-	-	-
Subject to Approval		930.0	3,000.0	-	-
<b>A605 Stanground - Whittlesea</b>					
Approved Project Costs		1,110.2	-	-	-
<b>Total Delivery and Strategy Capital Projects</b>		<b>81,656.4</b>	<b>81,471.6</b>	<b>51,756.8</b>	<b>37,580.0</b>

<b>University of Peterborough - Business Case/Phase 1</b>				
Approved Project Costs	12,300.0	-	-	-
<b>University of Peterborough - LGF investment</b>				
Approved Project Costs	12,500.0	-	-	-
<b>CAM SPV investment</b>				
Approved Project Costs	995.0	-	-	-
<b>COVID and Capital Growth Grant Scheme</b>				
Approved Project Costs	5,993.3	3,000.0	3,000.0	-
<b>CRC Construction and Digital Refurbishment</b>				
Approved Project Costs	2,500.0	-	-	-
<b>COVID micro-grants scheme</b>				
Approved Project Costs	500.0	-	-	-
<b>Eastern Agritech Initiative</b>				
Approved Project Costs	1,695.8	-	-	-
<b>Haverhill Epicentre</b>				
Approved Project Costs	1,162.9	-	-	-
<b>Illumina Accelerator</b>				
Approved Project Costs	1,000.0	2,000.0	-	-
<b>Imet Phase 3</b>				
Approved Project Costs	-	-	-	-
<b>In_Collusion (Digital Sector Skills)</b>				
Approved Project Costs	-	-	-	-
<b>Lancaster Way Phase 2</b>				
Approved Project Costs	-	-	-	-
<b>Living Cell</b>				
Approved Project Costs	-	-	-	-
<b>Market Town Master Plan Implementation</b>				
Approved Project Costs	500.0	-	-	-
Subject to Approval	5,000.0	2,500.0	2,000.0	-
<b>Revenue Recharge to Growth Funds</b>				
Approved Project Costs	-	-	-	-
<b>Sci-Tech Container Village (Loan)</b>				
Approved Project Costs	-	-	-	-
<b>Small Grants Programme</b>				
Approved Project Costs	106.6	-	-	-
<b>Teraview Cambridge (Loan)</b>				
Approved Project Costs	-	-	-	-
<b>Ascendal New Technology Accelerator (Equity)</b>				
Approved Project Costs	965.0	-	-	-
<b>Hauxton House Redevelopment</b>				
Approved Project Costs	215.8	-	-	-
<b>Hauxton House Redevelopment (Loan)</b>				
Approved Project Costs	-	-	-	-
<b>NIAB - Agri-Tech Start Up Incubator</b>				
Approved Project Costs	2,442.2	-	-	-
<b>NIAB - Hasse Fen</b>				
Approved Project Costs	599.9	-	-	-
<b>St Neots Masterplan Capital</b>				
Approved Project Costs	386.0	-	-	-
Subject to Approval	3,100.0	-	-	-
<b>TWI - Innovation Ecosystem (Grant)</b>				
Approved Project Costs	386.0	-	-	-
<b>The Growth Service Company (Equity)</b>				
Approved Project Costs	5,407.0	-	-	-
<b>Photocentric</b>				
Approved Project Costs	1,875.0	-	-	-

<b>March Adult Education</b>					
Approved Project Costs		400.0	-	-	-
<b>AEB Innovation Fund</b>					
Approved Project Costs		323.7	-	-	-
<b>Aerotron Relocation</b>					
Approved Project Costs		847.5	-	-	-
<b>Cambridge Biomedical MO Building</b>					
Approved Project Costs		3,000.0	-	-	-
<b>Endurance Estates</b>					
Approved Project Costs		2,400.0	-	-	-
<b>Metalcraft (Advanced Manufacturing)</b>					
Approved Project Costs		3,160.0	-	-	-
<b>Smart Manufacturing Association</b>					
Approved Project Costs		715.0	-	-	-
<b>South Fen Business Park</b>					
Approved Project Costs		997.0	-	-	-
<b>Start Codon (Equity)</b>					
Approved Project Costs		3,342.3	-	-	-
<b>TTP Incubator</b>					
Approved Project Costs		2,300.0	-	-	-
<b>West Cambs Innovation Park</b>					
Approved Project Costs		3,000.0	-	-	-
<b>Total Business and Skills Capital Projects</b>		<b>80,115.9</b>	<b>7,500.0</b>	<b>5,000.0</b>	<b>-</b>
<b>Wisbech Garden Town</b>					
Approved Project Costs		-	-	-	-
<b>Cambridge City Housing Programme</b>					
Approved Project Costs		21,678.9	7,300.1	-	-
Subject to Approval					
<b>Affordable Housing Grant Programme</b>					
Approved Project Costs		17,999.5	19,236.0	6,759.6	11,714.3
<b>Housing Investment Fund - contracted</b>					
Approved Project Costs		5,677.1	-	-	
Subject to Approval					
<b>Recycled Housing Funds</b>					
Approved Project Costs		3,670.0	7,192.2	1,177.7	
Subject to Approval			-	-	-
<b>Total Housing Capital Projects</b>		<b>49,025.5</b>	<b>33,728.4</b>	<b>7,937.3</b>	<b>11,714.3</b>





**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

**JAMES PALMER**  
CAMBRIDGESHIRE &  
PETERBOROUGH MAYOR



**THE BUSINESS BOARD**

## Cambridgeshire and Peterborough Business Board Annual Report 2019-20

The Combined Authority have created a structure within which collective services can be delivered effectively, working in partnership across directorates to enable growth and prosperity, for example Housing Strategy & Local Transport Plan allow us to plan work to unlock constraint that held back economic growth.

2019/20 saw the following achievements:

- Creation of a new Skills Committee ensuring the CPCA could align nationally and locally managed skills provision
- Creation of the Market town Masterplan and the commissioning framework for funding proposals
- Delivery of the Sector Strategy for Digital & Tech, with Advanced Materials & Manufacturing, AgriTech and Life Sciences to follow in 2020/21

The Business & Skills Directorate have further strengthened the following during 2019/20:

- Delivery of business support through the Growth Hub team
- Built capacity to deliver the devolved AEB
- Developed a number of Enterprise Zones that continue to be supported by the Growth Hub Team
- Created a number of apprenticeship schemes and a Skills Brokerage Scheme
- Delivery of the Local Growth Fund, allocating the majority of the funding by January 2020. Whilst the programme has now allocated all of the £146.7million the outcomes and outputs will be achieved in the future for the majority of the projects.

2019/20 was a successful year for the Combined Authority creating stability, drive and capacity to deliver the ambition of ***Cambridgeshire and Peterborough being the leading place in the world to live, learn and work***

Foundation of Productivity	Headline Intervention	Delivery Metrics	
		Outputs	Outcomes
	Adult Education Budget	<ul style="list-style-type: none"> <li>• 75% of courses have a business or economy focus by 2025</li> <li>• Increased % of AEB investment going into</li> </ul>	<ul style="list-style-type: none"> <li>• Increase number of residents over 16 with a level 3 qualification from 30% in 2011 to 40% by 2031</li> </ul>

Foundation of Productivity	Headline Intervention	Delivery Metrics	
		Outputs	Outcomes
People		geographic areas of need by 20% in 2023 <ul style="list-style-type: none"> <li>2,000 people a year who progress into further training or employment by 2022</li> <li>5,000 leavers satisfied with their course by 2025</li> </ul>	<ul style="list-style-type: none"> <li>Increase the number of Peterborough residents with a Level 2 qualification from 82% in 2016 to the national average of 85% by 2024</li> <li>Increase the number of learning aims in Science, Maths, Engineering, Manufacturing, Construction, Health &amp; Social Care from 4,328 in 2016 to 5,000 by 2024</li> <li>Increase the number of learners gaining employment outcomes from 29 in 2016 to over 200 by 2024</li> </ul>
	Peterborough University	<ul style="list-style-type: none"> <li>Increase of higher education provision in Greater Peterborough and the Fens</li> </ul>	<ul style="list-style-type: none"> <li>Contract for build have been procured</li> <li>Contract for HE provider has been secured</li> <li>Joint Venture partners have been agreed</li> </ul>
	Skills Talent and Apprenticeship Hub	<ul style="list-style-type: none"> <li>5,000 Employers engaged through the Skills Talent &amp; Apprenticeship Hub by 2020 &amp; 7,000 Employers engaged by 2024</li> <li>All 61 Schools and Colleges engaged and fully supported through Brokerage &amp; STA Hub</li> <li>Sector Pilots in all Priority Sectors to support skills demand</li> <li>100% Schools/Colleges offering IAG to ALL students</li> <li>Increased number of SMEs recruiting Apprentices</li> <li>Number of individuals how have successful outcome as a result of using the Hub – 10,000 by 2024</li> </ul>	<ul style="list-style-type: none"> <li>Increased overall number of Apprentices from 3,940 in 2017/18 to 5,000+ by 2021</li> <li>Increased number of 16-18 &amp; 19-24 year olds starting on an Apprenticeship (target TBC)</li> <li>Increased number starting on Higher/ Degree Apprenticeships L 4 – L 7 (target TBC)</li> <li>Jobs filled (non- Apprenticeship) through STA Hub/ Partners:               <ul style="list-style-type: none"> <li>50 Employers by 2020</li> <li>100 Employers by 2021</li> <li>150 Employers by 2022</li> <li>200 Employers by 2024</li> </ul> </li> </ul>
	Mayoral Endowment for Global Growth	<ul style="list-style-type: none"> <li>3,000 businesses engaged by 2024</li> <li>1,000 businesses supported with growth coaching becoming global growth champions</li> </ul>	<ul style="list-style-type: none"> <li>2,600 jobs</li> <li>£50,000 GVA/Head</li> <li>£1.3bn GVA growth</li> </ul>



Foundation of Productivity	Headline Intervention	Delivery Metrics	
		Outputs	Outcomes
Business Environment		<ul style="list-style-type: none"> <li>1,500 businesses supported with growth mentoring through global growth champion alumni</li> </ul>	
	Growth Hub	<ul style="list-style-type: none"> <li>Number of businesses that have received 'light touch' triage, information and/or signposting support (excluding website traffic) - 1,323</li> <li>Number of individuals [1] that have received 'light touch' triage, information and/or signposting support (excluding website traffic) - 1,021</li> <li>Total number of unique visitors to Growth Hub website - 11,796</li> <li>Number of businesses receiving 'medium intensity' information, diagnostic and brokerage support – 475</li> <li>Combined turnover (amount £) of businesses receiving 'Medium intensity' information, diagnostic and brokerage support - £37,767.80</li> <li>Combined employee numbers (FTE) of businesses receiving 'Medium intensity' information, diagnostic and brokerage support - 13,800</li> <li>Number of businesses receiving 'high intensity' support e.g. account management / intensive support directly provided by the Hub or partner organisation – 71</li> <li>Combined turnover (amount £) of businesses receiving 'High intensity' support i.e. sustained support and using significant Growth Hub resource - £27,137.25</li> <li>Combined employee numbers (FTE) of businesses receiving 'High intensity' support i.e. sustained support and using significant Growth Hub resource (tbc)</li> <li>Number of businesses receiving 'Medium' and 'High intensity' support that, have the opportunity, ambition and greatest potential to grow (including Scale-Ups) – 49</li> <li>Total number of individuals who been helped to start a business - n/a</li> <li>Number of businesses referred to a mentoring programme (combined figure for 'Medium' and 'High' intensity interventions only) - n/a</li> <li>Number of businesses referred to a skills or training programme (combined figure for 'Medium' and 'High' intensity interventions only) - n/a</li> <li>Number of businesses referred to a finance and/or funding programme (combined figure for 'Medium' and 'High' intensity interventions only) – 72</li> <li>Number of businesses referred to an innovation and/or R&amp;D programme (combined figure for 'Medium' and 'High' intensity interventions only) – 56</li> </ul>	

Foundation of Productivity	Headline Intervention	Delivery Metrics	
		Outputs	Outcomes
	Inward Investment Programme	<ul style="list-style-type: none"> <li>10-15 businesses locating in the CPCA area per annum</li> </ul>	<ul style="list-style-type: none"> <li>Completed 36 Strategic Account Management Visits (Target 40 )</li> <li>Hunts - 6, Fenland - 6, Peterborough - 19, East Cams - 4, Cambridge - 1</li> <li>Growth Projects - 31</li> <li>These growth projects are all being verified following COVID-19</li> <li>Growth Projects are forecast to create at least over 1100 jobs, and 210 jobs have already landed</li> </ul>
	Enterprise Zone and Peterborough University	<ul style="list-style-type: none"> <li>Increased business space related to growth sectors</li> <li>Increased research space related to growth sectors</li> </ul>	<ul style="list-style-type: none"> <li>LGF has supported the growth in Enterprise Zones: Lancaster way, and Haverhill</li> <li>LGF has supported the development of increased research space; supporting the Milner Institute refit, NIAB start-up space, Ascendal and TTP Incubator</li> </ul>
	Innovation Launchpads (at least 4 new centres)	<ul style="list-style-type: none"> <li>70,000 – 100,000 sqm of new commercial business space</li> <li>15,000 sqm of new commercial research space</li> </ul>	<ul style="list-style-type: none"> <li>The LGF has allocated funding to 11 organisations who are establishing innovation opportunities across the region, 3 of which are specific launchpads for innovation: TWI, West Cambs Innovation Park and Ascendal</li> </ul>
	Greater Cambridge Life Sciences Accelerator	<ul style="list-style-type: none"> <li>30 start-ups taken through accelerator</li> </ul>	<ul style="list-style-type: none"> <li>The LGF has allocated funding to 5 projects focused on life science; Illumina, Medtech Accelerator, Hauxton House, Aracaris and Start Codon</li> </ul>
	Eastern Agri-tech Growth Initiative	<ul style="list-style-type: none"> <li>Increased numbers of enquiries and successful applications</li> <li>Jobs created and protected: types of jobs &amp; how they equate to NVQ scale and what are salary levels</li> </ul>	<ul style="list-style-type: none"> <li>5 applications received, 2 approved. Both were capital projects.</li> <li>Grant awarded £138,191</li> <li>Private sector leverage of £610,374</li> <li>Forecast 10 jobs created and upskilled (final figure to be</li> </ul>

Foundation of Productivity	Headline Intervention	Delivery Metrics	
		Outputs	Outcomes
		<ul style="list-style-type: none"> <li>For R&amp; D activity; how many patents have been filed/granted</li> <li>For R&amp;D businesses; how many projects have resulted in products/ideas etc brought to market/implemented by the sector or acquired by other organisations; can we put a value to this</li> </ul>	confirmed when projects are completed)



## Business & Market Engagement Update

To:	Business Board
Meeting Date:	10 November 2020
Public report:	Yes
Lead Member:	Austen Adams, Chair of the Business Board
From:	Brian Hyland, Deputy Chief Officer of Business & Skills
Key decision:	No
Recommendations:	<p>The Business Board is recommended to:</p> <ul style="list-style-type: none"><li>a) Note the update on recent Business and Market Engagement activity; and</li><li>b) Note the future activities to drive increased engagement with target audiences by raising the profile of ongoing and future workstreams within Business and Skills.</li></ul>

## 1. Purpose

- 1.1 The purpose of this report is to update Business Board members on Business and Market Engagement activities across the Business & Skills Directorate.

## 2. Background

- 2.1 In January 2020, the Skills Committee and Business Board approved the Business & Skills Promotional Campaign to raise the profile of the various services available to their target audiences.
- 2.2 Despite the impact and disruption caused by COVID-19 in early Spring, commitment to this campaign continues. Conversely, COVID-19 has further underpinned the essential need to be connected to these target groups as closely as possible.
- 2.3 This report now replaces the previous Communications Updates and will be a standing item on the agenda for Business Board meetings ensuring that Members are fully aware and engaged with the campaign.

## 3. Outputs Delivered: April – October 2020

- 3.1 Appendix 1 of this report provides members with an update of the marketing, communications and engagement activity within Business and Skills since the inception of the programme, along with some associated outputs.
- 3.2. Some of the notable highlights include:
  - (a) Successful recruitment campaign leading to the appointment of a Business & Market Engagement Officer dedicated to the Business & Skills Team.
  - (b) Investment in HubSpot CRM to streamline and automate proactive engagement, campaigns and other strategic communications with target groups.
  - (c) Establishment of a weekly COVID-19 Communications Update, specifically to inform the community of local and national government interventions to the growing database, currently standing at 4010 subscribers.
  - (d) Successful roll-out and distribution of the COVID-19 Capital Grant and Covid-19 Micro Grant, and subsequent positive PR.
  - (e) Rationalisation and rebuild of the Growth Hub website
  - (f) ARU Peterborough Launch and new website, as well as on-going stakeholder engagement
  - (g) Targeted Market Town communications and the setup of Facebook community pages to reach the heart of community engagement.

## 4. Planned Activities: November 2020 – January 2021

- 4.1. Appendix 2 of this report provides a summary of the future opportunities to raise the profile of the Business Board, Business and Skills directorate and future interventions.
- 4.2. Some of the notable plans include:
  - (a) Socialisation and distribution of the final version of the first draft of the Local Economic Recovery Strategy.
  - (b) Comprehensive launch programme for the Business Growth Service (and its constituent service lines) to key target audiences and partners.
  - (c) A high impact EU Transition awareness campaign to help businesses understand and adapt to the future UK-EU trading landscape.
  - (d) Communications Plan for new schemes, including Kickstart and the BEIS-sponsored Peer-to-Peer Network programme.
  - (e) Partnership Mapping to identify all key partners/groups who can help the Business Board to raise awareness of its projects and generate new flows of clients to its activities.
- 4.3. Specific measurables are also being set, against which the effectiveness of the campaign can be gauged, and which will be reported against in future updates. Examples will include:
  - (a) Number of LinkedIn & Twitter followers
  - (b) Number of Social Media Posts / Shares
  - (c) Number of Subscribers to CPCA Business Bulletins
  - (d) Open Rates & Click-Through Rates of CPCA Business Bulletins
  - (e) Results of specific client recruitment campaigns (measured by number of Businesses added to Hubspot CRM)

## 5. PR Strategy – Sharing Good News

- 5.1. The primary purpose of the Business & Market Engagement Strategy is to connect with audiences, raise awareness of the services available to them and engage clients through these services.
- 5.2. However, this upstream client generation activity is already yielding opportunities to share positive news across the community.
- 5.3. By conveying these positive outcomes in the right way, the intention is to further deepen engagement with target groups.
- 5.4. Therefore, Appendix 3 is a PR Grid charting the positive news that has been shared to

date. In addition, the “Planned Activities” under Item 4 in this Board Paper and Appendix 2 represent future opportunities in this respect.

## Significant Implications

### 6. Financial Implications

6.1 There are no direct financial implications arising from the report.

### 7. Legal Implications

7.1 There are no direct legal implications arising from the report.

### 8. Other Significant Implications

8.1 There are no other significant implications arising from the report.

### 9. Appendices

9.1. Appendix 1 – Campaign Outcomes – April-October 2020

9.2. Appendix 2 – Campaign Plans – November 2020 - January 2021

9.3. Appendix 3 - PR Grid



## Campaign Outcomes

April-October 2020

### 1.0 Marketing & Communications Update

#### 1.1 CPCA Business Bulletin Email Updates

In mid-March, when the impacts of COVID-19 were first surfacing we launched our Business & Market Engagement campaign ahead of schedule to provide a flow of vital information to our Businesses and workers in the CPCA area.

We have continued to send out weekly Business Bulletin emails, including updated information from Central Government and signposting to national and local support schemes.

To date we have sent out over 35 bulletins and have grown our subscription list to over 4,000 business leaders from a standing start since the end of March.

Between September 1<sup>st</sup> and October 1<sup>st</sup>, the number of subscribers has risen by 251 to 4,010. But we are aiming to grow this significantly.

Recent examples are:

Date	Subject	Open Rate
09/10/2020	New support for businesses forced to close due to Covid-19.	32.9%
05/10/2020	Can your business claim the Job Retention Bonus?	30.9%
30/09/2020	The Skills Toolkit and Lifetime Skills Guarantee	31.1%
24/09/2020	New measures to protect jobs and support your business	30.5%
17/09/2020	Create a bespoke NHS Track and Trace QR code for your business	32.6%
09/09/2020	Incentives For Hiring New Apprentices	32.6%
03/09/2020	Register your interest in the Kickstart Scheme	27.6%

We will be monitoring open-rates and will take steps to improve these.

## 1.2 Social Media

The Cambridgeshire and Peterborough Combined Authority Growth Hub has its own dedicated social media channels, which previously have not been used to their full potential.

We are committed to using these as a route to our target groups. In the short term, we have already resurrected the reach of these channels by posting relevant business content with a view to increasing our followers and quality of our interactions with the end-reader.



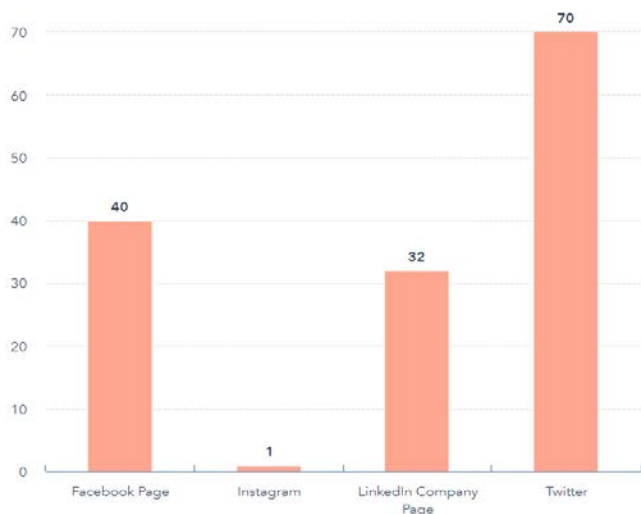
We will also be considering some rebranding in the future – as well as coordinating this activity with our new supplier of the Business Growth Service.

The below charts show the number of posts and shares on this channel from April to September: this will be improved going forward.

### Social Media Analytics BB

Date range: From 1/4/2020 to 30/9/2020

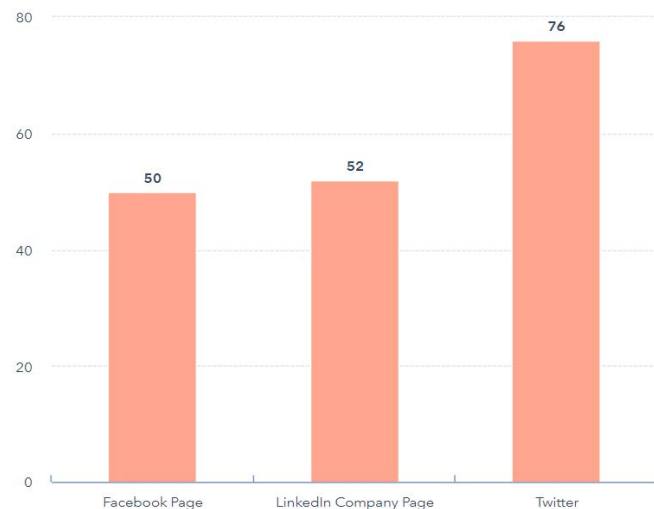
Published Posts



### Social Posts Shares by Network

Date range: From 1/4/2020 to 30/9/2020

Shares



## 1.3 Press Releases

### Business Board / Business and Skills Press Releases Distributed

Month	Number of Press Releases Distributed
April	5
May	2
June	5
July	3
August	2
September	3

More details on the press releases distributed by the Combined Authority are outlined in Appendix 1.

## 1.4 Growth Hub Website

[www.cpcagrowthhub.co.uk](http://www.cpcagrowthhub.co.uk) stats month on month since launch:

	Sessions	Bounce Rate	Average time spent on site
14 Aug - 14 Sep 2020	2,302	46.9%	2:18
14 Sep - 14 Oct 2020	5,201	63.1%	2:04

The above spike has been caused by the launch of two ERDF Grant Schemes on the Growth Hub Website in September.

The Visitor Economy and Restart and Recovery grant forms caused a significant increase in traffic compared to the previous month.

A content audit of the Growth Hub website is ongoing, the aims of this work are to align the content with the objectives of the website and increase relevant SEO traffic to the site.

By using our Google Analytics and Google Search Console we have identified a need to refine our content due to a significant amount of irrelevant traffic.

## 2.0 Mayor Business Visits

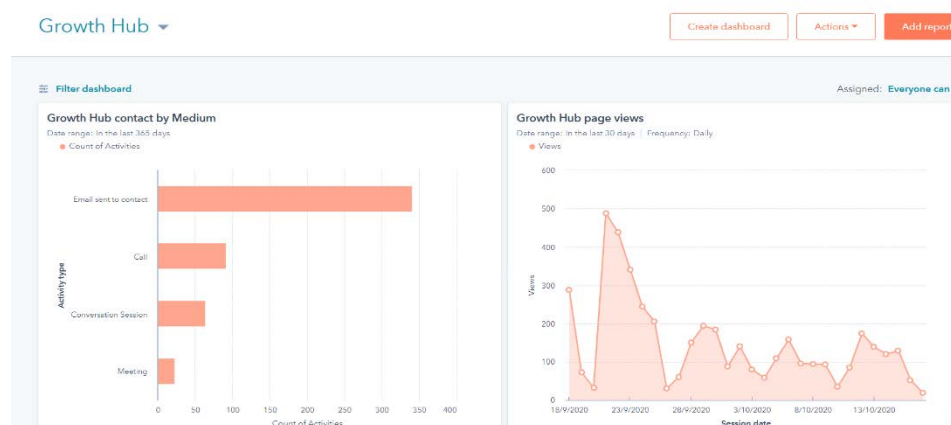
The Mayor of Cambridgeshire and Peterborough has recently visited eight businesses to find out how they have invested CovidCOVID-19 Capital or Micro Grants from the Combined Authority. Some examples are:

Visit to KPC Furniture and Finishing	<a href="https://www.youtube.com/watch?v=th33UIq7jYs">https://www.youtube.com/watch?v=th33UIq7jYs</a>
Visit to Horizon Marketing	<a href="https://www.youtube.com/watch?v=XZF-mVI1wDw">https://www.youtube.com/watch?v=XZF-mVI1wDw</a>
Visit to Airbus Ltd	<a href="https://www.youtube.com/watch?v=v53k0cGMtw">https://www.youtube.com/watch?v=v53k0cGMtw</a>
Visit to Fenland RP	<a href="https://www.youtube.com/watch?v=167XFQuMpCg">https://www.youtube.com/watch?v=167XFQuMpCg</a>
Visit to CAP Air Systems	<a href="https://www.youtube.com/watch?v=czk2A515a4M">https://www.youtube.com/watch?v=czk2A515a4M</a>

## 3. Data Cleansing/Collection & Measuring Traffic

During September we have identified the need to clean the data we have collected for local businesses (and their cContacts) during the CovidCOVID-19 pandemic to allow us to maximise the effectiveness of the CRM system. Work is ongoing to ensure we hold accurate and useful contact information for businesses across Cambridgeshire and Peterborough going forward.

A dedicated reporting dashboard has been built for the Growth Hub which presents key information needed for reporting to the Department for Business, Energy and Industrial Strategy.



We are activity considering other workstreams that would benefit from similar dashboards.

## Campaign Plans – November 2020 – January 2021

DATE	EVENT	DETAILS	COMMS ACTION
November			
	<b>Business Growth Service Launch</b>	Comprehensive plan of comms activity to promote the launch of the BGS service and raise awareness of the Service's ability to have a positive impact for businesses.	TBC – Discussion needed with winning bidder to finalise a comms plan
	<b>Medtech Accelerator</b>	LGF supported project, joint PR opportunity.	Press Release Social Media Stakeholders
	<b>Kickstart Scheme</b>	Promoting the BGS as the recommend intermediary for the Cambridgeshire and Peterborough businesses looking to create placements.	Business Mailing List Press release Stakeholders Webinar (DWP Q&A)
	<b>Peer 2 Peer Network Support Scheme</b>	Attract high quality companies to take part in the scheme.	Business Mailing List Press release Targeted messaging
	<b>REAP 2020 Conference</b>	Agri-Tech Event which the Combined Authority are sponsoring. Opportunity to highlight our committed to the sector and Agri-Tech Growth Initiative.	Press release Target Trades Social Media
	<b>Oxford to Cambridge Arc</b>	Public launch event and the start of a year-long engagement plan.	TBC
	<b>Local Economic Recovery Strategy</b>	Highlighting the interventions within the LERS in a way that demonstrates tangible impact on business leaders, learners and workers.	TBC

DECEMBER			
	<b>Second tranche of Market Town Masterplans</b>	Proposals to be approved at November Business Board with ongoing activity to follow.	Local Community Press release Social Media
	<b>AEB sector-based work academies and high value courses</b>	Follow up on how the Combined Authority has invested £500,000 from DFE with our AEB providers.	Press release Social Media Webinar
	<b>COVID-19 Impacts Insight Data update</b>	To use the findings of these reports (built by Metro Dynamics) to highlight how our proactive support is being targeted.	TBC
	<b>EU Transition Webinars</b>	Promotion of BEIS webinars to support businesses to adapt to the future UK-EU trading relationship.	Business Mailing List Social Media
January			
21 <sup>st</sup> January	<b>Haverhill Epicentre, official opening</b>	LGF project, opportunity to promote the LGF and the Epicentre.	Business Press Press release Social Media
	<b>National Retraining Scheme</b>	Local pilot of the retraining scheme with the NHS.	TBC
	<b>Hauxton House Incubator Development</b>	Official opening, innovative project with great communications potential.	Press Release Target Trades Social

## PR Grid

Date	Workstream	Key Messages	Target Audiences	Content	Status	Comments
September 2020	COVID-19 Capital Grant & Micro Grant Schemes – Mayor's Business Visits	Several successful applicants	Business Leaders and Business Representative Groups	Press Release Case Studies You Tube Social Media	Complete	Case Studies to encourage other Businesses to track CPCA/Business Board for future similar Grant schemes
October 2020	Eastern Agri-Tech Growth Initiative	Antobot Ltd Awarded £40,000 Grant Towards Developing Agricultural Robots	Business Leaders within the Agri-tech sector across the Cambridgeshire and Peterborough LEP Area	Press Release Social Media	Complete	Sent to a newly created agri-tech trade media list as well as relevant local outlets
October 2020	Market Towns	Free Camb Wifi going live in Huntingdonshire market towns	Free public access Wifi is going live in market towns across Huntingdonshire to help residents keep connected and bolster local businesses.	Community Engagement Press Release Social Media	Complete	Excellent engagement through local Facebook community groups and pages.

October 2020	Arc	<p>The Oxford to Cambridge Arc has unveiled its vision in a prospectus that has been submitted to Government.</p> <p>This is a national investment priority.</p>	Business Leaders, Public Sector and Government Stakeholders	<p>Press Release</p> <p>Website Article</p> <p>Social Media</p> <p>BBC Look East Piece</p>	Complete	Communications in partnership with other Arc stakeholders and partners.
October 2020	Skills	<p>£500,000 to support young people</p> <p>Investment is in two schemes, sector-based work academies and high value courses.</p>	Learners, Workers and Education Providers across Cambridgeshire and Peterborough	<p>Press Release</p> <p>Website Article</p> <p>Ongoing Social Media</p>	<p>Ongoing</p> <p>Press release sent and will follow up with AEB providers once commissioned to deliver</p>	Mayor interviews scheduled with Peterborough Telegraph and BBC Radio Cambridgeshire to be
October 2020	Business Board / Growth Hub	<p>A report from Metro Dynamics provides robust data to show the impacts of Covid-19.</p> <p>How the Combined Authority are using this data to inform the support available to business owners.</p>	Business Leaders and Sole Traders	<p>Press Release</p> <p>Website Article</p> <p>Ongoing Social Media</p> <p>Case Study Development</p>	<p>Ongoing</p> <p>Initial press release sent, follow up releases which demonstrate how our support has already helped being developed.</p>	Utilising Mayor Palmer's visits to businesses to capture video content of business leaders discussing the support they have received.



October 2020	Market Towns	<p>Wisbech's proposal for £200,000 for Market Place improvements approved</p> <p>St Ives, Ramsey, and Huntingdon jointly awarded £300,000</p>	Business Leaders, Workers, Learners and General Public	<p>Press Release</p> <p>Website Article</p> <p>Social Media</p> <p>YouTube Videos</p>	Complete	Potential to follow up when money is spent to show the impact that the investment has had in the respective towns
September 2020	Market Towns	Mayor James Palmer tomorrow asks the Board of the Cambridgeshire & Peterborough Combined Authority to approve funding applications from Huntingdon, Ramsey and St Ives.	Business Leaders, Workers, Learners and the General Public.	<p>Press Release</p> <p>Social Media</p>	Complete	Joint PR with Towns and Districts involved.
September 2020	Skills	Launch of the Kickstart Scheme	Business Leaders	<p>Website Article</p> <p>Enacted expression of interest data capture</p> <p>Social Media</p>	Ongoing	Initial article to be followed up when more details emerge
September 2020	Market Towns	Outline of all market town masterplans	Business Leaders, Workers, Learners and General Public	<p>Website article</p> <p>Social media</p>	Complete	Ongoing work with District Councils to promote the opportunities for each Town





**THE BUSINESS BOARD**

# Business Board Forward Plan

Published 2<sup>nd</sup> November 2020

## Business Board Meeting – 10th November 2020 (Public Meeting)

	Report Title	Decision Maker	Decision Expected	Decision	Purpose	Report Author	Lead Member
1.	Minutes of the Meeting Held on 15 <sup>th</sup> September 2020	Business Board	10 <sup>th</sup> November 2020		To approve the minutes of the last meetings as a correct record.		
2.	Budget and Performance Report	Business Board			To provide an update and overview of MTFP funding lines.	<i>Vanessa Ainsworth, Finance Manager</i>	Chair
3.	Local Growth Fund Programme Management Review – November 2020	Combined Authority Board	25 <sup>th</sup> November 2020	Decision	To monitor and review programme performance and risks.	<i>Steve Clarke, Strategic Funds Manager</i>	Chair
4.	Local Growth Fund Project Proposals - November 2020	Combined Authority Board	25 <sup>th</sup> November 2020	Decision	To review and approve the project proposals and make recommendations to the Combined Authority Board for individual project funding.	<i>Steve Clarke, Strategic Funds Manager</i>	Chair
5.	iMET Investment Update and Recovery Recommendations	Combined Authority Board	25 <sup>th</sup> November 2020	Decision	To approve recommendations for the recovery of Local Growth Funding from the iMET project.	<i>Steve Clarke, Strategic Funds Manager</i>	Chair
6.	Cambridgeshire and Peterborough Agri-tech Sector Strategy	Business Board		Decision	To review and approve the Agri-tech Sector Strategy.	<i>Steve Clarke Strategic Funds Manager</i>	Chair
7.	Covid-19 Local Economic Recovery Strategy – November Update	Combined Authority Board	25 <sup>th</sup> November 2020		To update members on the latest version of the Local Economic Recovery Strategy following further evidence-based insight.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair

8.	Kickstart Scheme	Combined Authority Board	25 <sup>th</sup> November 2020	Decision	To review mobilisation plans for the Kickstart Scheme to enhance job creation in Cambridgeshire and Peterborough and make recommendations to the Combined Authority Board.	<i>Laura Guymer, Apprenticeship Levy Advisor</i>	Chair
9.	Business Board Annual Report & Delivery Plan	Combined Authority Board	25 <sup>th</sup> November 2020	Decision	To approve the Business Board Annual Report for 2020-21 and Annual Delivery Plan for 2020-21.	<i>Domenico Cirillo, Business Programmes Manager</i>	Chair
10.	Business & Market Engagement Update	Business Board			To update members on latest PR activity.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair
11.	Forward Plan	Business Board			To note the Forward Plan.	<i>Monitoring Officer for Combined Authority</i>	Chair

## Business Board Meeting – 12th January 2021

	Report Title	Decision Maker	Decision Expected	Decision	Purpose	Report Author	Lead Member
1.	Minutes of the Meeting Held on 10th November 2020	Business Board			To approve the minutes of the last meeting as a correct record.		
2.	Business Board Finance Update	Business Board			To provide an update and overview of MTFP funding lines.	<i>Vanessa Ainsworth, Finance Manager</i>	Chair
3.	Advanced Materials and Manufacturing Strategy Update	Business Board			To provide members with an update on the implications of COVID-19 for the Advanced Materials and Manufacturing sector in Cambridgeshire & Peterborough.	<i>Steve Clarke, Strategic Funds Manager</i>	Chair
4.	Local Growth Fund Programme Management Review – January 2021	Combined Authority Board	27 <sup>th</sup> January 2021	Decision	To monitor and review programme performance and risks.	<i>Steve Clarke, Strategic Funds Manager</i>	Chair
5.	Economic & Skills Insight Dashboard Update	Business Board			To update members on latest performance data.	<i>Alan Downton Senior Interim Programme Manager</i>	Chair
6.	Insight & Evaluation Programme – Strategic refresh and LIS update	Business Board			To update members on progress with the strategy refresh and updating of the LIS.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair

7.	Business Growth Service Mobilisation Update	Business Board			To update members on progress made with mobilising the Business Growth Service.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair
8.	Business & Market Engagement Update	Business Board			To update members on latest PR activity.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair
9.	Local Enterprise Partnership Partnering Strategy Update	Combined Authority Board	27 <sup>th</sup> January 2021	Decision	To approve the Local Enterprise Partnership Partnering Strategy.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair
10.	Coterminous and Strategic Partnership Agreements Update	Combined Authority Board	27 <sup>th</sup> January 2021	Decision	To approve the remaining seven Memorandum of Understanding with the neighbouring Local Enterprise Partnerships under LEP coterminosity.	<i>John T Hill, Director, Business &amp; Skills</i>	Chair
11.	LEP Summary Reports & Benchmarking	Business Board			To update members on recent review and best practice benchmarking against other LEPs.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair
12.	Local Assurance Framework Annual Review	Combined Authority Board	27 <sup>th</sup> January 2021	Decision	To approve updates to the Local Assurance Framework.	<i>Rochelle Tapping, Deputy Monitoring Officer</i>	Chair
13.	University of Peterborough Phase 2: Incorporation of PropCo2	Combined Authority Board	27 <sup>th</sup> January 2021	Decision	To approve the incorporation of PropCo2 for University of Peterborough.	<i>Alan Downton, Senior Interim Programme Manager</i>	Chair

14.	Local Economic Recovery Strategy: Updated refresh	Combined Authority Board	27 <sup>th</sup> January 2021	Decision	To approve the updated refresh of the Local Economic Recovery Strategy for Cambridgeshire & Peterborough.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair
15.	Connecting Cambridgeshire Update	Business Board			To provide members with an update on Connecting Cambridgeshire.	<i>Domenico Cirillo, Business Programmes Manager</i>	Chair
16.	Forward Plan	Business Board			To note the Forward Plan.	<i>Monitoring Officer for Combined Authority</i>	Chair



## Business Board Meeting – 16th March 2021

	Report Title	Decision Maker	Decision Expected	Decision	Purpose	Report Author	Lead Member
1.	Minutes of the Meeting Held on 12th January 2021	Business Board			To approve the minutes of the last meeting as a correct record.		
2.	Business Board Finance Update	Business Board			To provide an update and overview of MTFP funding lines.	<i>Vanessa Ainsworth, Finance Manager</i>	Chair
3.	Local Growth Fund Programme Management Review – March 2021	Combined Authority Board	31 <sup>st</sup> March 2021	Decision	To monitor and review programme performance and risks.	<i>Steve Clarke, Strategic Funds Manager</i>	Chair
4.	Economic & Skills Insight Dashboard Update	Business Board			To update members on latest performance data.	<i>Alan Downton Senior Interim Programme Manager</i>	Chair
5.	University of Peterborough: Update	Combined Authority Board	31 <sup>st</sup> March 2021		To update members with progress on the University of Peterborough.	<i>Alan Downton, Senior Interim Programme Manager</i>	Chair
6.	Business & Market Engagement Update	Business Board			To update members on latest PR activity.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair
7.	Annual Performance Review (APR) Update	Business Board			To update members on the end of year Annual Performance Review (20/21) with BEIS.	<i>Domenico Cirillo, Business Programmes Manager</i>	Chair

8.	Forward Plan	Business Board			To note the Forward Plan.	<i>Monitoring Officer for Combined Authority</i>	Chair
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Business Board Meeting – 12th May 2021							
	Report Title	Decision Maker	Decision Expected	Decision	Purpose	Report Author	Lead Member
1.	Minutes of the Meeting Held on 16th March 2021	Business Board			To approve the minutes of the last meeting as a correct record.		
2.	Business Board Finance Update	Business Board			To provide an update and overview of MTFP funding lines.	<i>Vanessa Ainsworth, Finance Manager</i>	Chair
3.	Local Growth Fund Programme Management Review – May 2021	Combined Authority Board	26 <sup>th</sup> May 2021	Decision	To monitor and review programme performance and risks.	<i>Steve Clarke, Strategic Funds Manager</i>	Chair
4.	Economic & Skills Insight Dashboard Update	Business Board			To update members on latest performance data.	<i>Alan Downton Senior Interim Programme Manager</i>	Chair
5.	Business & Market Engagement Update	Business Board			To update members on latest PR activity.	<i>Brian Hyland, Deputy Chief Officer, Business &amp; Skills</i>	Chair

4.	Forward Plan	Business Board			To note the Forward Plan.	<i>Monitoring Officer for Combined Authority</i>	Chair
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**SUBMIT YOUR COMMENTS OR QUERIES TO BUSINESS BOARD**

Your comment or query:

How can we contact you with a response?  
(please include a telephone number, postal and/or e-mail address)

Name .....

Address .....

.....

Tel: .....

Email: .....

Who would you like to respond?