



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

AUDIT & GOVERNANCE COMMITTEE	AGENDA ITEM No: 8
27th September 2019	PUBLIC REPORT

UPDATE ON THE PRIORITIES AND OBJECTIVES OF THE BUSINESS BOARD

PURPOSE

- 1.1. To provide Committee Members with an update on the priorities and objectives of the Business Board

<u>RECOMMENDATION</u>	
Lead Officer:	John T Hill – Director of Business & Skills
The Audit & Governance Committee are recommended to note the priorities and objectives of the Business Board	

2.0 BACKGROUND

- 2.1. The Business Board is the newly formed Local Enterprise Partnership for Cambridgeshire and Peterborough. It replaces the previous Greater Cambridge, Greater Peterborough Local Enterprise Partnership (GCGP LEP)
- 2.2. The Business Board was constituted in September 2018. Its accountable body is the Cambridgeshire and Peterborough Combined Authority.
- 2.3. The Business Board gives commerce a strong voice in strategy development and decision making relating to the Combined Authority. It is committed to advising the Combined Authority with its 2030 Ambition to become a leading place in the world to live, learn and work. It ensures that a clear business perspective is brought forward as the Combined Authority seeks to be at the frontier of accelerating delivery and securing new investment models, with and across Government, the private sector and the local area.
- 2.4. Its priorities and objectives are set out in the following sections.

3.0 IMPLEMENTATION OF THE LOCAL INDUSTRIAL STRATEGY

3.1. The Business Board supports the Combined Authority's vision to double our economy, with the **specific goals**;

- (a) To scale growth further to benefit the whole area, building on Cambridge's World class assets to create INCLUSIVE growth across our economy
- (b) To deliver a shared growth ambition across the OxCam Arc to become a global economy able to rival those of Toronto, Boston, Helsinki and Seoul

3.2. Its **strategic approach** in achieving this is to:

- (a) **Improve the long-term capacity for growth in Greater Cambridge** to support the expansion of this innovation powerhouse and, crucially, reduce the risk of any stalling in the long-term high growth rates that have been enjoyed for several decades.
- (b) **Increase sustainability and broaden the base of local economic growth**, by identifying opportunities for high growth companies to accelerate business growth where there is greater absorptive capacity, beyond the current bottlenecks to growth in Greater Cambridge.
- (c) **Do this by expanding and building upon the clusters and networks** that have enabled Cambridge to become a global leader in innovative growth, creating an economy-wide business support eco-system to promote inclusive business growth

3.3. Its **key interventions** to deliver this strategy include:

- (a) **A growth coaching service** targeted towards our highest potential medium sized businesses to accelerate growth in the businesses already here and provide them with capital growth finance;
- (b) **An inward investment service** to target and attract firms to relocate here to raise productivity and provide higher value jobs;
- (c) **Innovation Launchpads** to increase the number of higher value businesses and jobs, by replicating across the economy, the support infrastructure, incubators and product innovation common in Cambridge;
- (d) **Improved adult education** to raise mid-level skills, in the north and east of the economy, to improve productivity and support business growth there;
- (e) **A levy marketplace and skills brokerage** to recover and scale apprenticeship levels to better meet business needs
- (f) **A new university for Peterborough** to fill the higher-level skills gap in the north and east and enable business growth, especially in higher value jobs.

4.0 A BUSINESS GROWTH SERVICE

4.1. A vehicle for delivery of a number of the key interventions, is the Business Growth Service, illustrated within the strategic portfolio of interventions below in the darker blue.



4.2. This Business Growth Service has been developed in consultation with officers in the seven local authorities, in order to tailor the services to the specific needs of the three sub-economies. The results of this consultation process have identified the importance of several key features in how the Business Growth Service should be delivered, including that;

- (a) Firms should be engaged into all the services available through a “single front door” to avoid business leaders being contacted multiple times by sales teams promoting different services;
- (b) Firms should be provided with an integrated offer and not be required to navigate new and existing services in a piecemeal manner. The offer should be in the form of a bespoke package able to meet diverse customer needs, over each firm’s growth journey;
- (c) Firms should be provided with growth funding alongside growth advice to coinvest in innovation, relocation and the capital costs of growth;
- (d) Firms in each sub-economy should experience the service in a manner appropriate to the sectors and firms present and their differing needs. Appendix 1 shows how each service is tailored to meet these needs.

5.0 INVESTING THE LOCAL GROWTH FUND TO DELIVER THE LIS

5.1. An important tool for mobilising many elements of the LIS Delivery Plan, is the Local Growth Fund, currently containing over £50m of capital. A call for proposals is live and seeks projects from the constituent local authorities, businesses and skills providers to co-invest in creating important elements of the LIS Delivery Plan, such as;

- (a) Innovation Launchpads in our cities and towns to better develop and commercialise new ideas to create business growth and increased exports;
- (b) New products and processes in the Agri-Tech Sector;
- (c) New employment space, incubators and scale-up accelerators for firms.

6.0 DELIVERING A UNIVERSITY FOR PETERBOROUGH

6.1. Peterborough has been recognised for many years as a cold spot for Higher Education and the Business Board is keen to find ways to partner with the Combined Authority, Peterborough City Council and an innovative and inspirational Academic Partner to work towards a new independent University for Peterborough.

6.2. Planned to be open for its first cohort of 2,000 students in September 2022, the new University will have:

- (a) A substantial positive economic impact on Peterborough City and the surrounding region such that investment in the new University will generate direct, indirect and induced impacts across a wide range of industries, supply chains and the wider consumer economy;
- (b) A positive regenerative effect to support the transformation of Peterborough itself into a regional centre, improving the experience of all citizens and visitors to the area;
- (c) A transformational effect on the life-chances and well-being of the population of Peterborough, raising aspirations and providing innovative forms of learning;

7.0 PLAYING OUR PART IN THE DEVELOPMENT OF THE OXCAM ARC

7.1. The Business Board has recognised the economic opportunity presented by the Arc as significant, but also that it will not happen by itself. Realising the ambition of the Arc will take concerted and coordinated work by both central government and the local areas to ensure that the Arc becomes a UK economic asset of global standing over the coming decades, whilst retaining and improving a high-quality natural environment for future generations.

7.2. Our Local Industrial Strategy sets out how the Business Board will work with the three LEPs on three priority areas:

7.3. **The development of a single innovation ecosystem**, led by the universities to connect the numerous knowledge assets to deliver higher R&D investment, UK leadership in transformative technologies, and a continued post-EU Exit future as a global centre for research, including:

- (a) Collaborating more intensely across the Arc, identifying and delivering joint R&D projects and providing a pipeline of talent;
- (b) Developing a network of 'Living Laboratories' that both trial technologies Arc and address the Grand Challenges.
- (c) Channelling foreign investment into the knowledge assets and projects that will make the biggest impact on Arc-wide and UK growth.

7.4. **The development of an effective skills ecosystem**, better able to offer communities' access to higher-paid employment and businesses access to the workforce they need to achieve a doubling in our economy, including:

- (a) Working more effectively with local employers to increase apprenticeship uptake across the Arc, supporting employers to optimise use of their Apprenticeship Levy to drive social mobility;
- (b) Working more effectively with local employers to tailor the role of T-Levels using local labour market intelligence;
- (c) Establishing an Arc-wide skills marketplace, connecting businesses with skills providers and people to generate more apprenticeships, STEM skills, T-Levels and technical degrees.

7.5. **The development of a world-leading ecosystem for high-growth businesses** that effectively removes the barriers to growth, particularly in accessing the support firms need to scale-up rapidly, securing the right finance and access to the right commercial premises to grow, including:

- (a) Supporting firms to commercialise technologies, grow to scale, and export more;
- (b) Developing a Global Growth Network of internationally-focused businesses, scale-ups and sectoral clusters, able to foster a breakthrough growth region and a driver for the UK economy.
- (c) Establishing an Arc-wide growth support marketplace that targets the firms that can deliver the biggest shift in growth, productivity and exports across our cities and towns.

8.0 APPENDIX 1

8.1. Sub-Economy customisation of the Business Growth Service

	Greater Peterborough	The Fens	Greater Cambridge
Growth Coaching Service	<p>Customer focus towards a mix of firms as follows: Size focus: 70% <10 emp; 20% 50 emp; 10% <250 emp</p> <p>Sector focus: Logistics, Construction, food and drink, Business Services, Digital, Environmental. Connectivity with proposed Manufacturing Network for improved access to firms</p> <p>Need deliver partners with strong coach connections, sales processes growth barrier diagnostic software</p> <p>Hunts: Sector focus – precision technology, digital, paper and packaging, metal and composite materials manufacturing industries, logistics and e-commerce. Specific support for business in internationalisation and accessing new markets, as well as leadership and management training for SMEs in priority sectors esp if delivered at IMET Building sustainable support networks through coached firms becoming mentors to other firms, and collaborate to build shared capability supply chains in local clusters.</p>	<p>Customer focus: Consider adopting a lower growth threshold for firms in fens</p> <p>Emphasise network building amongst firms and better connecting them into District Councils</p> <p>Focus specifically on Agri-Food Sector Supply Chains</p>	<p>Sector focus: Life Sciences, Digital, Adv Manufacturing</p> <p>Size focus: strong emphasis on micro businesses</p> <p>Recognition of different needs between city and rural firms</p> <p>Strong use of existing business networks inside Cambridge, with clarity for the customer on what is already available and what value the proposed services add to existing support.</p> <p>Careful monitoring of take-up with ability to flex and adapt services and growth ambition thresholds of customers.</p> <p>Need delivery partner, familiar with supply chain growth models such as those used in collaborative R&D, AMSC Sharing in Growth programme and U.S. models such as the Illumina Accelerator</p>
Inward Investment Service	<p>Sector focus: Logistics relocations from Midlands, Prof Services, HMG & NGOs from London, Global foreign direct investors from US & EU</p> <p>Hunts: Single front door sales team must include sector specialists in priority sectors with cross cutting expertise to support on skills (including upskilling) and attracting inward investment. Need to design campaigns to link into Dept for International Trade embassies and posts, in investor markets (countries) most relevant to each sub-economies' priority sectors. Focused Account Management onto existing on-patch inward investors with capability to expand. Targeted Scale-Up Relocation Packages for firms attracted from contiguous economies, incl south to LSCC and west to OxCam, along with Cambridge firms looking to scale-up, where cost of space and labour is key in robotics, medical diagnostics and manufacturing.</p> <p>Connectivity into DIT high value campaigns in sector-market combinations for current and future sectors.</p>	<p>Targeted Scale-Up Relocation Packages for firms attracted from contiguous economies, along with Cambridge firms looking to scale-up, where cost of space and labour is becoming key to operational efficiency.</p> <p>Creation of bespoke packages of support for firms relocating into the Fens, including partnerships with developers to support expansion of business space availability.</p>	<p>Connectivity with local networks and services such as Cambridge &. Linking wider scale-up support elements with inward locating firms and connecting them into clusters and networks</p> <p>Need to operate links with Dept for International Trade with single front door Target investors on to enterprise zone, new towns and new employment sites Packages for South Cambs sites for businesses moving out of Cambridge</p>
Skills Brokerage Service	<p>Connectivity with local networks and services such as Opp Peterborough</p> <p>Sector focus: food and drink, Logistics, Eng, Manufacturing</p> <p>Development of shared sector academies with Launchpad and capital grants</p> <p>Skills focus: Sales, business management, social media marketing, digital</p> <p>Hunts: Connectivity with local networks and services such as EDGE, using the proposed services to add value to, and expand EDGE activity.</p>	<p>Development of apprenticeship courses to better meet business needs, both now and into the future, including STEM.</p> <p>Develop stronger links with CITB on modern method construction</p> <p>Need delivery partner with ability to navigate business needs and educational attainment between local partners, FE/HE providers</p>	<p>Connectivity with local services such as the current GCP-led skills brokerage</p> <p>Development of apprenticeship courses based on CPEIR, Rand & Regeneris research.</p> <p>Importance of Levy marketplace becoming efficient and spreading apprenticeships across sector clusters and supply chains, using strategic FE and independent providers.</p> <p>Developing employment centres such as Waterbeach brokerage</p> <p>Focus on to SMEs, especially those in Life Sciences in second cycle of growth.</p>
Capital Growth Grant	<p>Target customers already supported with advisory, coaching and skills services focusing on investments in the range of £50-£150k grant size</p> <p>Hunts: Grants and loans for rapid growth companies which often struggle to secure finance for newer bigger premises as their financial track record is not long enough. Funding an integrated approach between capital growth grants and firms involved in Launchpads, esp around IMET</p>	<p>Integrate with partners like CBRE to scale employment space investment. Coordinate individual investments to agglomerate into potential Wisbech and Charteris Enterprise Park Projects.</p> <p>Focus onto move-on accommodation particularly Wisbech</p>	<p>Create evaluation processes that focus investment onto firms caught up in a market failure, acting as an investor/lender of last resort, to avoid duplication with a currently buoyant angel equity investor market. Connect capital growth grants to firms supported by launchpad, especially those in new towns.</p>
Innovate & Relocate Grant	<p>Better linking Peterborough manufactures with Cambridge-based new product development consultants, using new and innovation grants to support collaborations. Target contract manufacturers for first own-product development, and traditional firms needing next generation offers.</p> <p>Hunts: focus grants to support innovation and product development onto priority sectors</p>	<p>Create Off-Plan Demand to link with Property Developers</p>	<p>Link firms receiving innovation grants with R&D grant proposal authoring experts in partner organisations such as TWI, ARU, IFM, UoC and Make UK</p> <p>Need delivery partner with experience in proposal writing at high success levels in both UK and EU</p>
Service Integration	<p>Essential for a single front door and fully integrate offering to all customers for all services, create bespoke packages to attract in local firms, relocators, investors and employment site developers</p> <p>Require an integrating partner with experience in >£20m consortium management, tools and techniques – Track record in delivering 100s pa SME engagements and 1,000s of jobs outcomes</p>		

<u>Source Documents</u>	<u>Location</u>