Appendix 1

Cambridgeshire and Peterborough Economic Growth Strategy 2022

Contents

Our Economic Growth Strategy

Cambridge and Peterborough has a unique combination of world class natural assets, businesses and research institutions. Our goal is to ensure that we continue to use them to tackle global problems in health and life sciences, high tech food production and climate change, and in doing so create good jobs and healthy lives for all our residents.

Whilst we continue to recover strongly from the impact of Covid-19, we also face an escalating crisis of rising costs for living and doing business, and a turbulent outlook for global trade and supply chains. The devolution deal between Government and Cambridgeshire and Peterborough established a programme of investment in our economic future, aimed at doubling the size of the economy and creating more good jobs. This economic strategy takes account of very significant changes since that deal, including Covid-19 and Brexit, and establishes an increased focus on environmental impacts and health and wellbeing as the backbone of a strategy for economic growth.

The primary objective of this growth strategy is, therefore, to reduce inequality between and within Greater Cambridgeshire, The Fens and Greater Peterborough, whilst increasing productivity and output to create the jobs and higher wages needed to do so. Our three sub-economies have different strengths which reinforce each other when harnessed effectively, which is this strategy's intention. We are fortunate to have assets and expertise which are at the forefront of global and UK efforts to tackle environmental change, reduce emissions, reinvigorate natural capital and biodiversity and improve health and wellbeing. Our aim is to bring these to bear on local as well as global challenges.

In Cambridgeshire and Peterborough good growth and good investment choices go together. This strategy sets out how we can invest in growing our economy to raise both productivity and the quality of life and our environment, reflecting the Mayor's values of Compassion, Cooperation and Community. Without good growth we won't have the resources we need to tackle inequality and protect our natural capital. Local Authorities, businesses, universities and a wide range of partners have worked together extremely closely during the Covid-19 pandemic. This strategy continues that approach, setting out a clear vision and priorities, based on the Six Capital model of sustainable development agreed by local Leaders.

To deliver growth across all six elements of capital we need to integrate investment in People, Climate and Nature, Infrastructure, Innovation, Reducing Inequalities and our Institutions. Many of the actions in this strategy are already underway, including investment in our Growth Works programme, a new University in Peterborough, business led sector strategies, funding through the devolved adult education budget, courses for reskilling and support for people returning to work. Others will be significantly further developed in the months ahead.

This Economic Growth Strategy is complemented by a range of other strategies and plans with complementary objectives for Cambridgeshire and Peterborough. Many of the actions we need to take are set out in detail in other strategies, including Local Plans, the Employment and Skills Strategy and local actions on active travel and enterprise. Meanwhile, the Cambridgeshire and Peterborough Independent Commission on Climate Change released their first full report in October 2021 with an action plan to follow in 2022. In addition, over the course of 2022 the CA and its partners will be developing an updated C&P Local Transport Plan, a new Health and Wellbeing Strategy and a new Work and Health Strategy, which will also set out the detail of specific priorities and projects. We view this Economic Growth Strategy as the 'golden thread' which ties other strategies together, positioning thriving businesses at the heart of good growth for Cambridgeshire and Peterborough.

In coming months we will also be taking decisions on funding, including for the UK Shared Prosperity fund, prioritising future Levelling Up fund bids and CPCA Gainshare funding.

Our Vision

Cambridgeshire and Peterborough is the place where unique business, natural and research assets tackle world problems whilst creating good jobs and healthy lives for all our residents in all our places. We are globally leading and competitive, and also more equal and sustainable.

1 Our economy in 2022

A UK global asset

Cambridgeshire and Peterborough is a major growth engine for the UK. Our economy is the most innovative and fastest growing in the UK outside London. We have recovered faster from the impact of the Covid-19 pandemic than the rest of the country, with employment and economic activity higher now than before the pandemic. Cambridgeshire and Peterborough is a net contributor to the UK exchequer and our future success is vital for global Britain and the UK public purse. Our most innovative companies in our priority sectors lead the world, and will be fundamental to future advances in healthcare, life sciences, food security, climate change and the digital revolution.

Greater Cambridge is a jewel in the crown of the UK economy and is the country's driving force for discovery in human science and digital fields, with the world-renowned University of Cambridge as the economy's anchor. It is also a global hub of advanced manufacturing, which increasingly extends into Huntingdonshire, Ely and the Fens with growing investment by supply chain firms seeking well connected locations with sufficient space to grow.

Greater Peterborough is one of the fastest growing cities in the UK by business and population metrics, and is home to an expanding cluster of green engineering and manufacturing firms, with important supply chain links to the wider Midlands automotive and engineering cluster.

The Fens is at the forefront of global and UK climate change adaptation, high tech agriculture and environmental management. The Fens is a diverse area playing several roles in the broader C&P economy.

Three overlapping but different economies

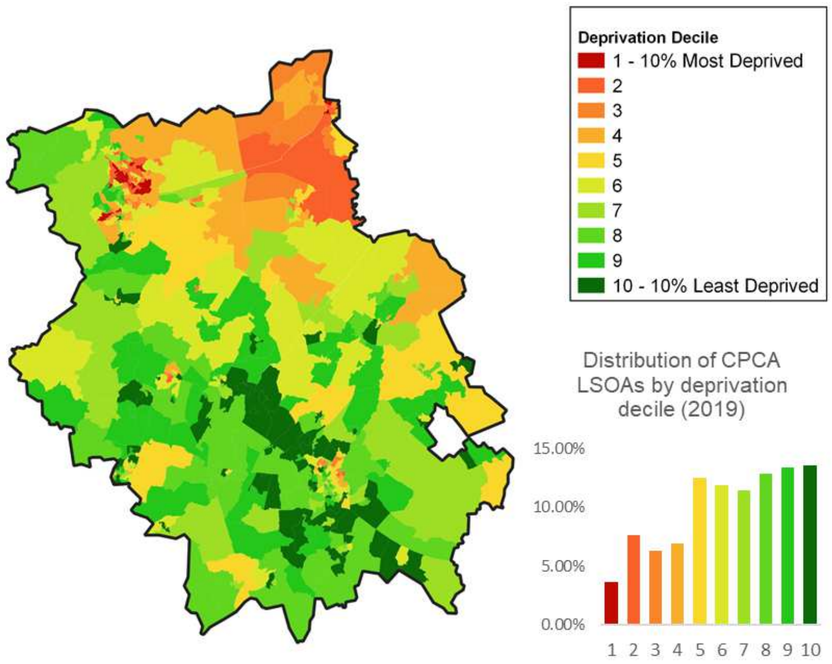
Greater Peterborough, Greater Cambridge and The Fens are three distinct but overlapping and interconnected economies. Each has very different strengths, opportunities and challenges. Our strategy is designed to ensure that each can thrive - for the benefits of their own communities and the economy as a whole.

Figure 1. The three interconnected sub-economies of C&P

Inequalities and barriers to growth

In many ways Cambridgeshire and Peterborough is a microcosm of the wider UK economy, with strong economic growth in the south and a context of lower wage jobs and lower qualifications in the north. As well as these differences between our three economies we also see major inequalities in health, wealth and wellbeing within our towns and cities, with concentrations of deprivation in Peterborough and The Fens but also within Cambridge. In our most deprived neighbourhoods healthy life expectancy is below the retirement age. Recent high overall economic growth has not changed the picture for our poorest communities. We have a long-standing levelling up challenge.

Figure 2. C&P Index of Multiple Deprivation 2019



Elsewhere the barriers to future growth and maintaining our success represent increasingly complex challenges. In Greater Cambridge high housing costs coupled with congestion and low public transport connectivity make it harder for people to enjoy the high quality of life that they could expect from local high productivity, and for businesses to attract highly skilled people.

The pandemic has reinforced this challenge, with rapid house price rises that have deepened the household wealth disparities between renters and owner-occupiers. Rising rents depress living standards for renters and diminish spending in the local economy. The pandemic put key workers front and centre of the national response, but without local affordable housing acting as critical infrastructure, those on low wages (especially in the south of the region) cannot afford to live where they undertake their essential work.

At the same time, the pressures on our environment in terms of water management and supply, biodiversity and habitat loss and climate change have changed people's perception of growth and its benefits.

Residents and businesses are navigating a post-pandemic period of rising costs of living and doing business, facing a very different labour market and a new global trading and supply chain environment. High costs of energy and food staples, which are likely to be sustained in the medium-term, represent a greater proportionate loss of income for more deprived residents.

Decisions about where people and business locate have been affected by emerging new ways of working and concerns about supply chain resilience. Climate change mitigation necessitates forward planning in the more flood prone areas to enable stable growth, while familiar barriers to growth remain, such as the high cost of power connectivity and coverage in potential development sites, and poor digital infrastructure outside urban centres.

Figure 3. Change in IMD 2015-19

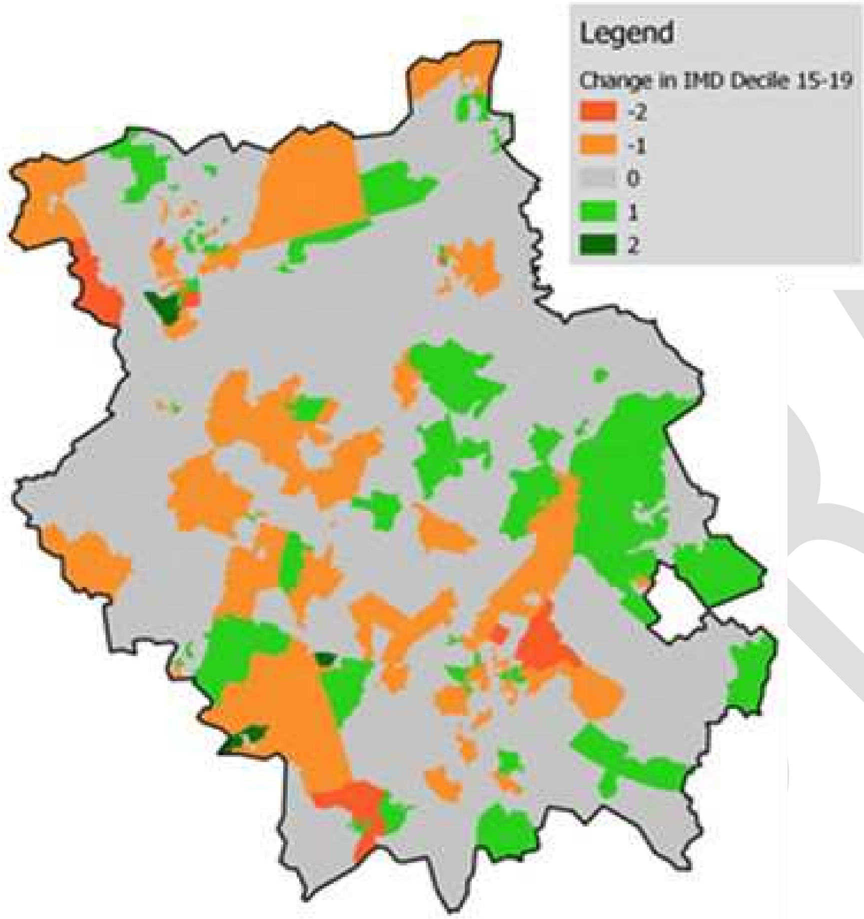


Figure 4. Mean House Price by MSOA

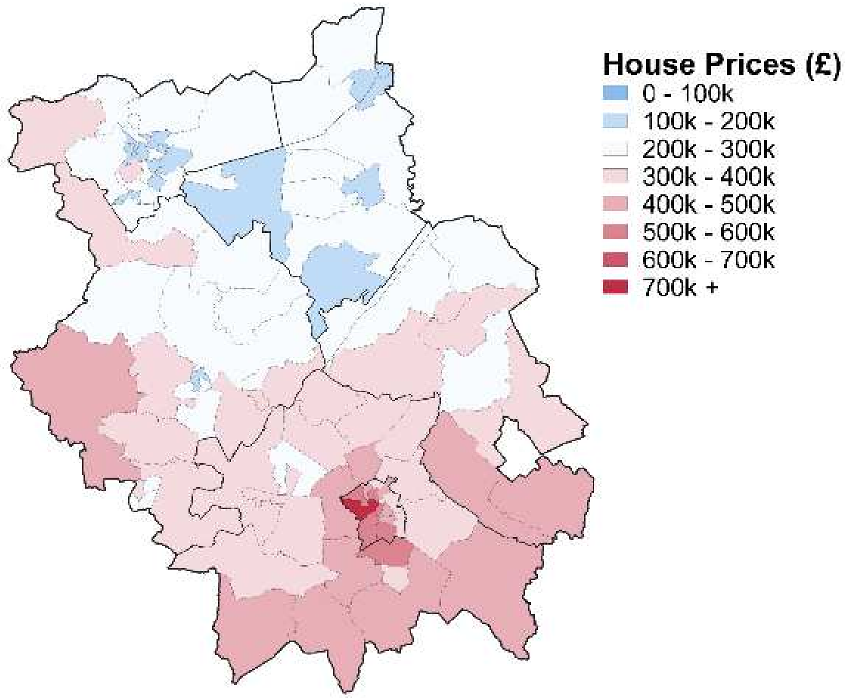


Figure 5. Inequalities across the sub-economies[1]

	Greater Cambridge	Greater Peterborough	The Fens
Deprivation	*Low, with concentrated pockets*	*High, with pockets of severe deprivation*	*Moderate to high*
Cost of living	*High and increasing*	*Low and increasing*	*Moderate and increasing*
Healthy green space access	*Low*	*Low*	*Moderate*

[1] Assessments relative to UK averages

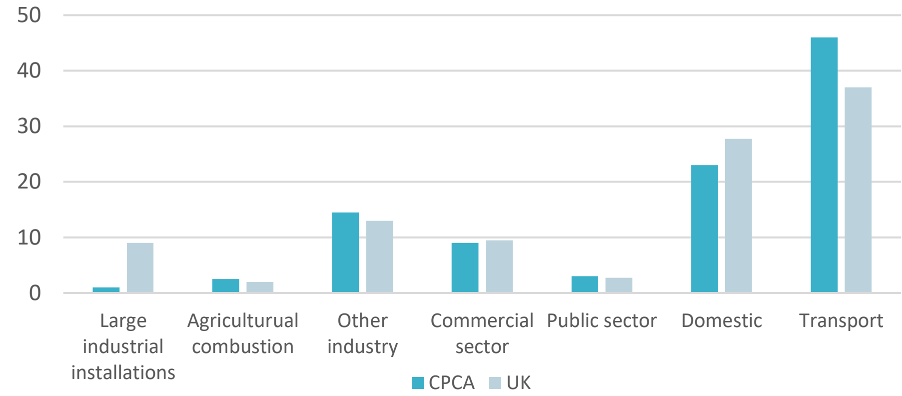
Climate, natural capital and our zero carbon ambitions

Climate change poses a serious threat to the region but the Net Zero transition also presents opportunities for local people and business. The C&P Independent Commission on Climate's report[2] makes it clear: greenhouse gas emissions in the Combined Authority region are 25% higher per person than the UK average, largely due to high transport emissions, and the region is at high risk from the changing climate, with particularly acute risks in flooding, high summer temperatures, water shortages, damage to natural capital and biodiversity loss. Significant investment, at scale, is urgently required.

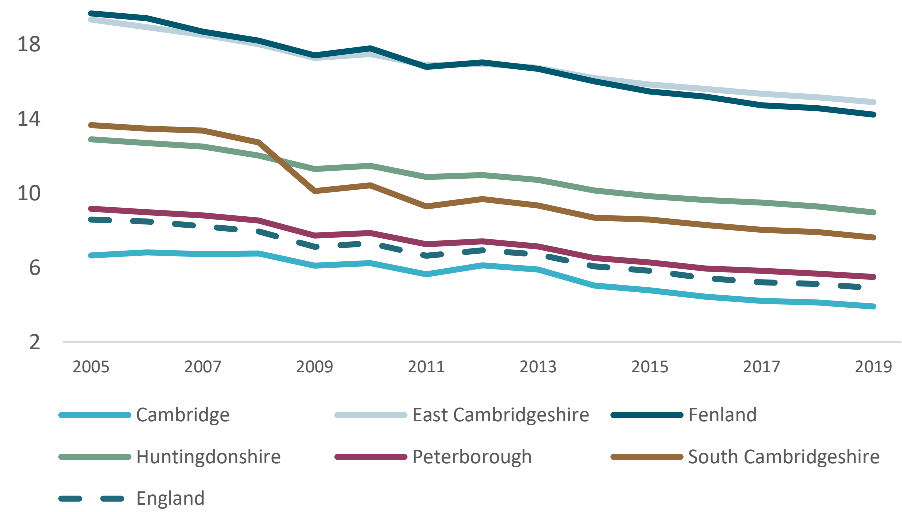
In this investment there are opportunities to spur good growth that supports stronger communities. In C&P 350,000 homes will need to be converted to low carbon heating, while the 500,000 cars in the region will need to be zero emissions vehicles by 2050. The C&P ICC estimates an investment requirement of around £700m each year throughout the 2020s to meet local decarbonisation goals. While the public sector inevitably has a vital role to play (the Greater South East Energy Hub is a significant regional asset in this) much of this investment must come from the private sector. There are substantial opportunities for C&P's high-tech and innovative businesses to catch the wave and make a key contribution to the region and the UK achieving net zero goals.

However, if the transition to a zero carbon future is not managed in the right way it will widen inequalities and harm communities. A just transition is required: one in which policies are designed to benefit communities and help overcome the other challenges we face.

Figure 6. CO2 emissions in the CPCA area and UK, 2019 breakdown by sector (%)



Total emissions (kt CO2) per capita, 2005 – 2019



[2] Cambridgeshire and Peterborough Independent Commission on Climate: Fairness, Nature and Communities: addressing climate change in Cambridgeshire and Peterborough (2021)

Business Growth and Innovation

Businesses have largely weathered the pandemic and are returning to strong growth trajectories, but now face new challenges in logistics, rising input costs, labour shortages and market access.

As set out above, our three economies are home to globally important business and research clusters. Our largest businesses are crucial to local economies and supply chains, and help stitch our sub-economies together. The table below shows how the supply chains for our core clusters of IT, Life Sciences, Agri Tech and Advanced Manufacturing operate across and within our three economies. For example, IT and life science related manufacturing is expanding in Huntingdonshire and raising demand for business services and employment land in Ely in East Cambridgeshire. In Fenland the long-term growth in value of the Peterborough engineering economy and links to the broader Midlands engineering supply chain will create markets for construction and environmental management.

Figure 7. Core Business sectors by Local Authority Area[3]

	Cambridge	South Cambridge	East Cambridge	Peterborough	Fenland	Huntingdonshire
1st	IT & Telecoms	Life sciences & healthcare	Agriculture and food	Equipment and machinery Manufacturing	Agriculture and food	IT and health related manufacturing
2nd	Other science and research	Other science and research	Business Services	Insurance, Reinsurance an pension funding	Construction & utilities	Construction & utilities
3rd	Education, arts, publishing	Manufacturing – health and IT	Transport & travel	Construction and Utilities	Distribution	Business services

These high performing sectors continue to drive our economy but are far from immune from the challenges this strategy identifies and will need continued support, particularly around energy, land, digital and transport infrastructure, and ensuring talent can be recruited and retained.

Meanwhile, our foundation sectors like health, education, food production, retail and construction provide 80% of employment and provide opportunities to increase the value of goods and services we produce, as well as providing opportunities for new entrepreneurs.

Figure 8. Business specialisms, concentrations and growth across sub-economies

	Greater Cambridge	Greater Peterborough	The Fens
Sector strengths	*Life sciences + tech*	*Advanced manufacturing*	*Agri-Tech + Adv. Manufacturing*
Business density	*High, concentrated*	*Moderate*	*Low*
Business growth (last 2 years)	*High*	*Moderate*	*Moderate*

The number of businesses and business start-up and survival rates varies significantly, with businesses concentrated in our cities, science parks and enterprise zones. Recent data suggests[4] that affordability and commercial space issues have reduced the number of successful start-up and business locations in Greater Cambridge.

[3] Metro Dynamics Analysis of ONS, Business and Employment Register (2021)

[4] Legatum Institute. *Prosperity Index.* (2021)

Figure 9. Business Density in Cambridgeshire and Peterborough[5]

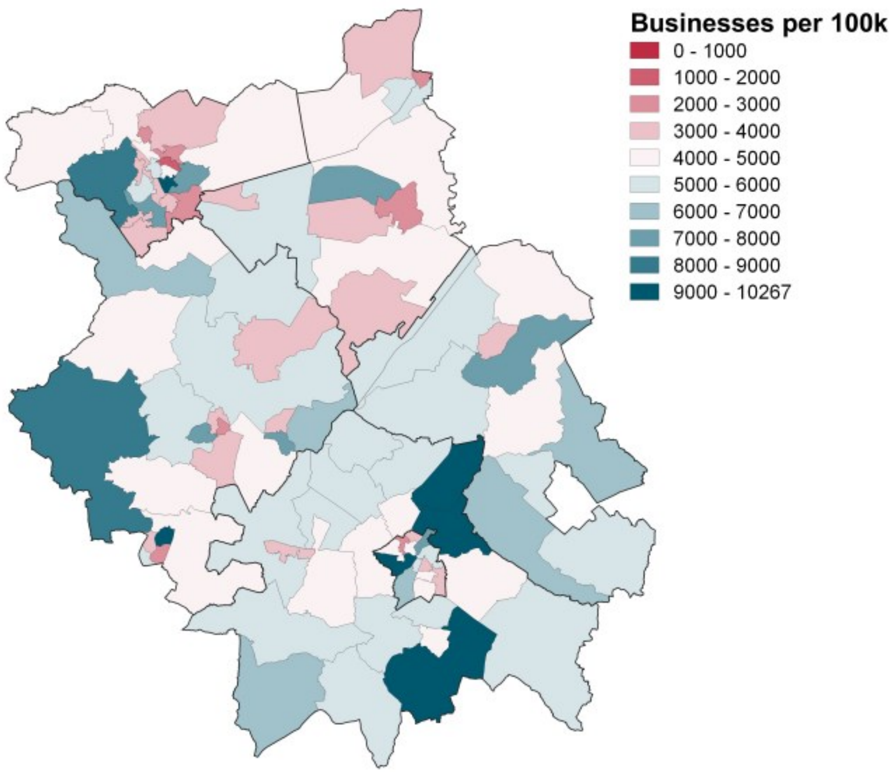
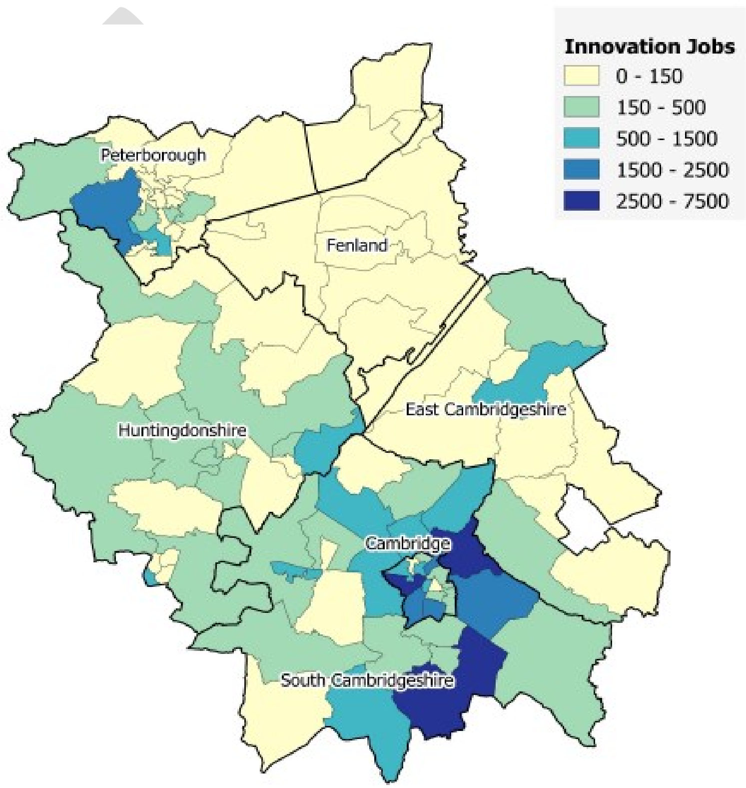


Figure 10. Innovation Jobs in Cambridgeshire and Peterborough[6]



Innovation jobs are heavily concentrated in Greater Cambridgeshire, which contains the highest share of employment in scientific research and development in the country. Innovation jobs are growing in number in Peterborough's engineering cluster and there is an increasing presence in and around Ely in East Cambridgeshire.

Changing global market conditions, working patterns and investment availability present real opportunities for us as places that combine globally competitive innovation, research and manufacturing with a very high-quality natural environment and quality of life. Continuing to prioritise inward investment and retaining flourishing businesses in all our sectors will be a major part of future sector and cluster success.

[5] Metro Dynamics Analysis of ONS, Business Counts (2021)
[6] Metro Dynamics Analysis of ONS, Business and Employment Register (2021)

The maps below show concentrations of employment across C&P in the region's four 'priority' sectors[7]: Agri-Tech, Advanced Manufacturing and Materials, Life Sciences, and Digital & IT. Jobs exist across C&P but these maps also highlight the significance of the Greater Cambridgeshire economy.

Figure 11. Employment in the priority sectors identified in the C&P Independent Economic Review

Agri-Tech

16,000 jobs in the sector across C&P. Employment is spread throughout the region but the sector has a notably strong presence in East Cambridgeshire, Fenland and Huntingdon.

Advanced Manufacturing and Materials

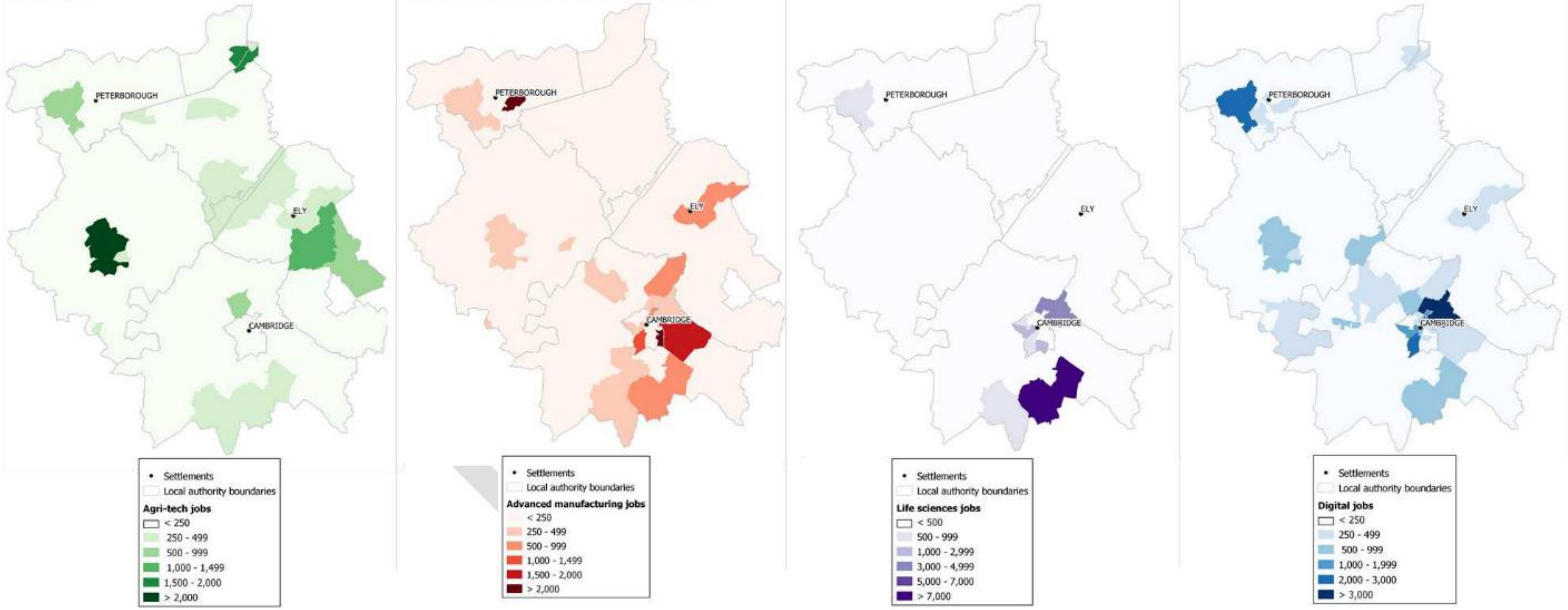
20,700 jobs in the sector across C&P. Jobs are spread throughout the sub-economies, linked into Midlands engineering supply chains in the north and into med-tech and other life science sectors in the south.

Life Sciences

20,000 jobs in the sector across C&P. Most jobs are located in Greater Cambridge, which is a world leader in the sector.

Digital and IT

25,000 jobs in the sector across C&P. Jobs are largely concentrated in the northern region of South Cambridgeshire (30%), Cambridge (30%) and Peterborough (20%).



[7] As defined in the Cambridgeshire and Peterborough Independent Economic Review

Skills and Employment

Qualification levels and skills reflect the location of our sectors and businesses, and vary significantly across (and even within) districts. We have seen recent employment growth in places which host our higher value sectors and education. At the same time, businesses report increasing problems recruiting across all skills levels. High-level skills growth is slowing, and school leavers across the area are more likely to go straight into work than on to education or training, risking people missing out on upskilling and further career progression.

There are lower than average rates of progression from school into Higher Education, Further Education *and* apprenticeships, with variation across places – some places deliver more apprenticeships, while in others there is higher uptake of academic routes. Fewer students are studying vocational courses ages 16-18, with falls across each district between 2016 and 2019, and the region as a whole has seen a sharper decline in apprenticeship starts than the UK following the Apprenticeship Levy.[8]

There is a clear link between skills and wages, with lower than average levels in Peterborough and Fenland, with a lack of good jobs that provide routes for progression and a lack of support and opportunity for enterprise. While skill support is crucial to ensuring that workers are well equipped to take opportunities when they emerge, expanding the supply of good jobs in places across the region is equally important to reducing inequalities in wages.

Figure 12. Skills Indicators across Cambridgeshire and Peterborough (coloured by relative ranking)[9]

RAG Indicator	NVQ4+	NVQ3	NVQ2	NVQ1	Occupation skill level 4	Occupation skill level 3	Occupation skill level 2	Occupation skill level 1	Pupils progressing into HE	Employed 16-64	Economically inactive 16-64	Household Income
Peterborough	32%	18%	21%	12%	25%	26%	32%	17%	32%	74%	22%	£24k
Huntingdonshire	42%	18%	19%	15%	38%	19%	32%	6%	36%	77%	19%	£29k
Fenland	27%	25%	24%	8%	14%	17%	32%	18%	29%	70%	25%	£24k
East Cambridgeshire	38%	19%	25%	8%	28%	20%	28%	7%	25%	83%	17%	£27k
Cambridge	60%	12%	8%	6%	54%	13%	14%	10%	41%	77%	20%	£32k
South Cambridgeshire	56%	16%	14%	7%	46%	25%	18%	7%	21%	76%	22%	£31k

Covid-19 has reinforced the differences between and within our area, and it has also highlighted how critical workforce health and wellbeing is. Whilst overall employment levels appear to have recovered faster than the UK as a whole, the young, old, unwell and disadvantaged have been disproportionately affected. Overall economic activity levels were falling before the pandemic, as particularly older people left the workforce earlier and young people found it harder to access employment and enterprise.

In Fenland, for example, self-employment has risen alongside a drop in employment levels, with more people working in lower occupational levels, reinforcing the need to protect and increase the value of foundation sectors, and support new job creation and business growth. Foundation sectors are also seeing recruitment demand issues as a

[8] Metro Dynamics Analysis for CPCA. *CPCA Employment and Skills Strategy.* (2021)

[9] ONS. Annual Population Survey 2020

result of Covid-19 – across Cambridgeshire and Peterborough, retail and hospitality vacancies rose by 40.2.% and construction by 25% from February 2020 to May 2021, with employers reporting that difficulties filling vacancies have intensified since then.[10]

A recent rise in economic inactivity and claimant counts as a result of Covid-19 means that support for people in and outside of the DWP system could be strengthened to support people into and between work, and to shift employers' perceptions on the role of health in work. This, with the raft of changes facing employers in Covid-19 recovery, Brexit, transition to net zero and Industry 4.0, point to a need for life-wide and lifelong learning and careers support, along with strengthened links between employers and providers to support careers advice and education beyond school and outside an educational setting, and a redoubled focus on health and wellbeing.

Figure 13. Labour market characteristics across sub-economies

	Greater Cambridge	Greater Peterborough	The Fens
Skill attainment	*Very high*	*Moderate*	*Moderate to low*
Labour market engagement	*Moderately high*	*Moderately high*	*Concentrated long run disengagement*
Economic activity rate	*Increasing*	*Decreasing*	*Stable/increasing*

Figure 14. Economic Activity Rates by Local Authority[11]

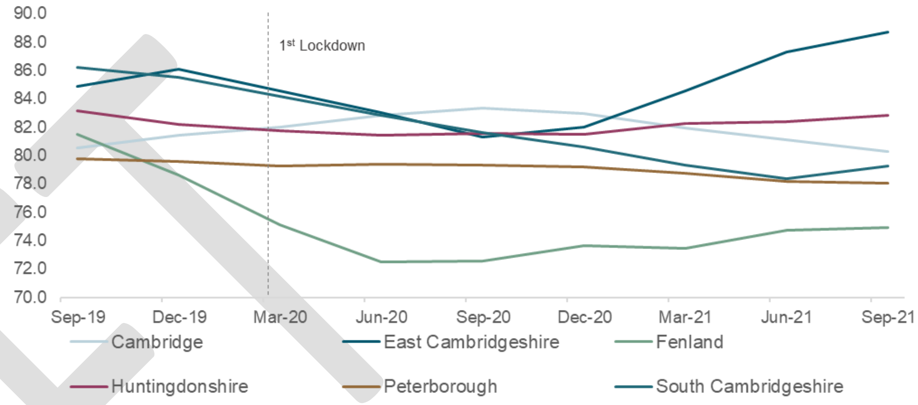
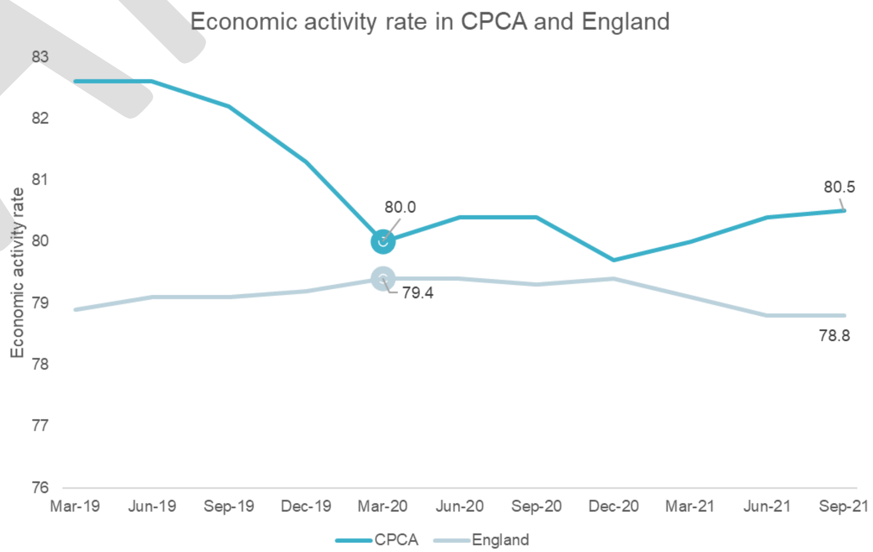


Figure 15. Economic Activity – Cambridgeshire and Peterborough



[10] Cambridgeshire County Council analysis of Burning Glass vacancies data (2021).

[11] ONS. Labour Force Survey (2021)

Connectivity

Figure 16. Connectivity infrastructure across sub-economies

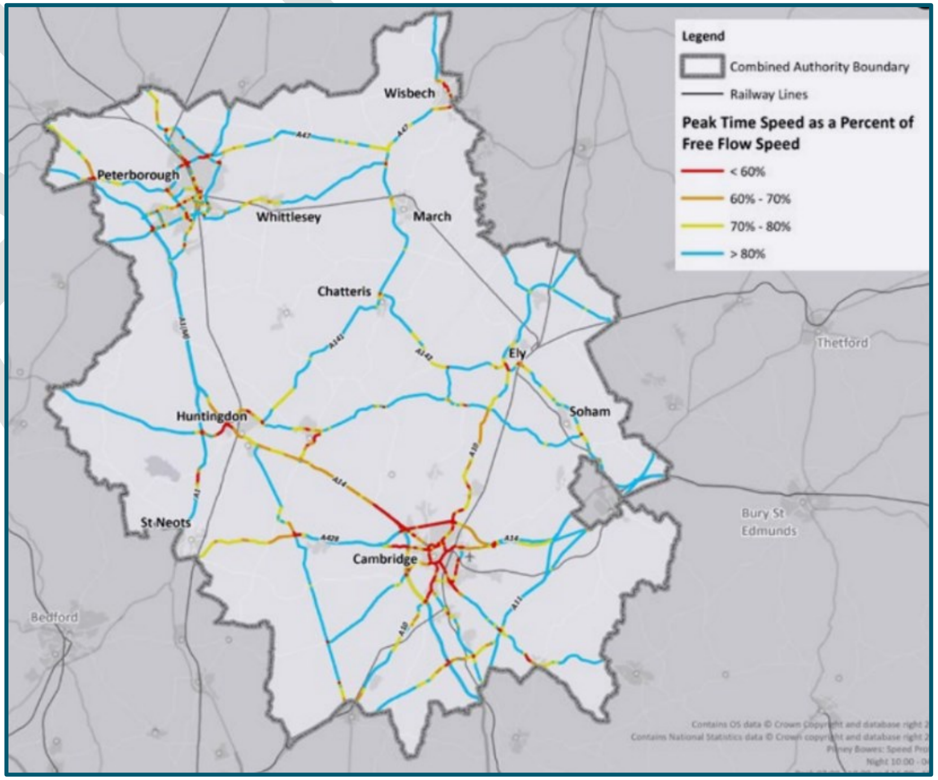
	Greater Cambridge	Greater Peterborough	The Fens
Congestion	*High*	*Moderate*	*Low*
Public transport links	*Moderate*	*Moderate to weak*	*Weak*
Digital infrastructure	*Strong*	*Moderately strong with weak pockets*	*Weak*

Cambridgeshire and Peterborough faces high demand on existing transport infrastructure, with the CPIER in 2018 recognising the long term barriers to growth and wellbeing caused by transport congestion and low public transport access. Road congestion is a major issue in Cambridge, with major air quality and related health consequences. Lack of accessibility to employment centres by public transport and prohibitive journey times are especially noteworthy issues in Cambridge and Peterborough. The quality of road infrastructure limits connectivity across towns and rural areas, particularly in the east of the region. In Greater Cambridge poor transport infrastructure has contributed to high housing costs, given the lack of an effective wider public transport travel to work area.

Innovative multi modal transport solutions, reducing carbon emissions and providing more responsive journey times for commuters are key priorities, alongside local level active travel schemes, better bus networks and infrastructure.

Major improvements to some elements of the rail network are therefore a priority, including capacity improvements around Ely and the long term completion of East West Rail, which would boost connectivity to other major economic centres. However, connectivity between towns, especially more remote urban areas like Wisbech, and connectivity between urban and rural places, is essential for strengthening economic inclusion. For much of the region, improvements to the capacity and quality of the bus network is the primary way to boost access to opportunity.

Figure 17. Journey speed across Cambridgeshire [12]



[12] Steer. *Cambridgeshire and Peterborough Local Transport Plan.* (2019)

The pandemic has seen an acceleration of work trends towards hybrid remote work, which offers a chance to increase high quality employment outside Cambridge and to benefit from relocations and inward investment from London and elsewhere in the long run. However, it also risks exclusion for places without strong public transport and active travel connections.

While Greater Cambridge (especially Cambridge itself) performs strongly for digital connectivity, download speeds and phone reception are weaker in rural places and market towns across the region, particularly in The Fens. The region's connectivity infrastructure will need to be upgraded where it is weak in order to increase connectivity and economic activity, and to promote social inclusion.

Figure 18. Accessibility to Major employment sites by public transport in 2018 [13]

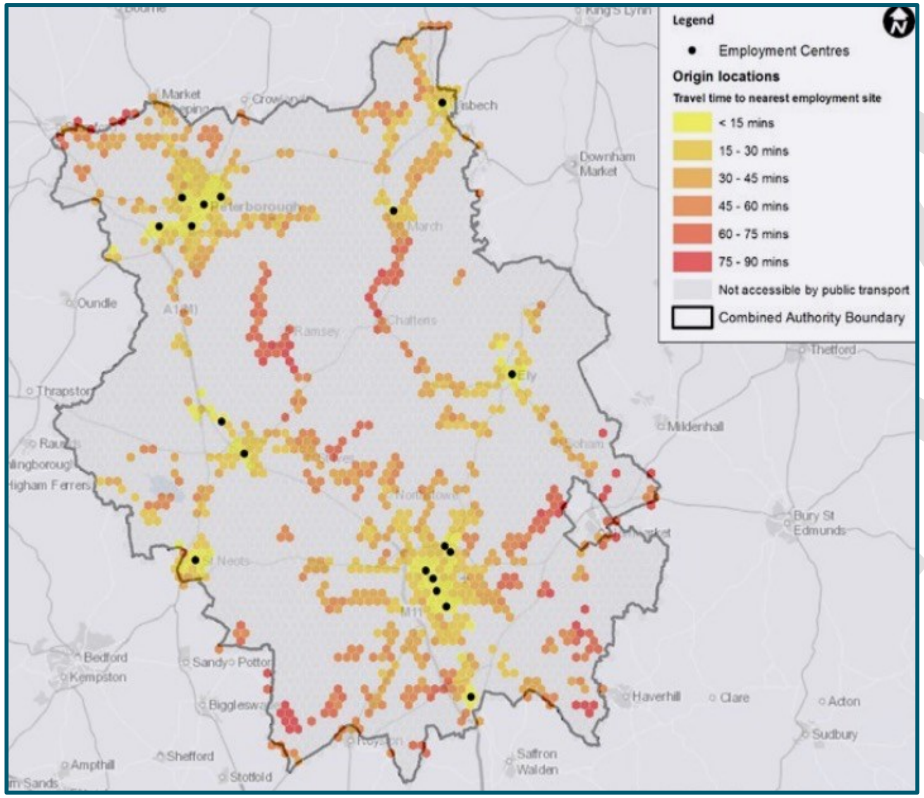
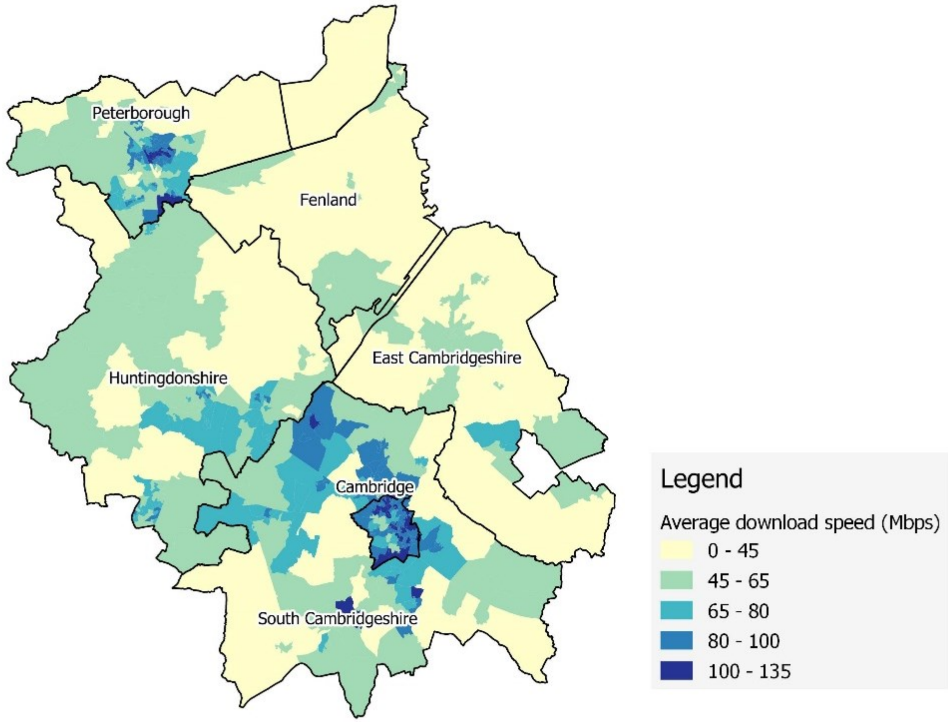


Figure 19. Median Broadband Speed, 2019[14]



[13] Steer. *Cambridgeshire and Peterborough Local Transport Plan.* 2019

[14] Metro Dynamics Analysis of Ofcom (2021)

2 The Opportunity

Our three economies have different strengths. We are fortunate to have assets and expertise which are at the forefront of global and UK efforts to tackle environmental change, reduce emissions, reinvigorate natural capital and biodiversity and improve health and wellbeing. Our aim is to bring these assets to bear on local as well as global challenges. Done well, we will be able to grow a more inclusive, healthier and greener economy, whilst tackling the biggest challenges facing the UK and the world.

Figure 20. Summary of strengths and opportunities

Employment across C&P is higher now than in March 2020

Employment and economic activity has recovered faster than UK as a whole. 6,600 more people are employed now than in March 2020 – a 1.6% increase in total employment. Some falls in self employment*

Peterborough is one of the UK's fastest growing cities

Among the UK's top 15 cities for business start-ups and patents, with 20% of turnover in high-tech manufacturing compared to 9% nationally

Cambridge is as an internationally renowned centre of excellence

Employment in Cambridge's knowledge-intensive sectors grew by +8% in 2021, including growth of +11.9% in Life Sciences and Healthcare

Our high value sectors are doing world-changing things which are core to UK's global success

20% of employment and ~35% of GVA are in the four priority sectors:

- *Digital / AI*
- *Life Sciences*
- *Agri-Food*
- *Advanced Manufacturing*

Strong demand for skilled people in growing foundation sectors

80% of employment in the region's foundation sectors, e.g.:

- *Education*
- *Health and care*
- *Construction*
- *Hospitality*

Post-Covid opportunities to reshape places, market towns and high streets

Creating new growth centres for the region, and attracting businesses into town centres to provide good local jobs and a higher quality of life for residents

*November 2021, latest figures

Tackling stubborn challenges

These opportunities, coupled with an increased focus by investors, Government and businesses in creating a fairer, more sustainable economy, give us a real opportunity to tackle the stubborn challenges that remain.

Figure 21. Summary of challenges and threats

3 A Model for Good Growth

Taking this opportunity means we must invest to build up all aspects of our capital, using our existing strengths, reflecting the different needs of our places and communities, whilst also being agile enough to reflect rapid changes in the wider national and global economy and environment.

Employment and a good wage are key determinants of health and wellbeing. Increased productivity is fundamental to driving up wages and employment opportunities whilst using resources in a more sustainable way. In driving growth, we have to ensure that prosperity makes life better, healthier and fairer and does not exhaust the resources our children will need for the future. Improving business productivity is therefore absolutely core to achieving not just growth, but good growth.

The Combined Authority has adopted a **six capitals** approach to investment, summarised below. The actions in this strategy align with this model.

- **Reducing inequalities**: investing in the community and building social capital to complement improved skills and connectivity as part of the effort to narrow the big gaps in life expectancy and people's income between places
- **Climate and Nature**: restoring the area's depleted natural capital and addressing the impact of climate change on our low-lying area's particular vulnerabilities around water use and flooding, and encouraging businesses to come up with solutions
- **People:** building human capital – the health and skills of the population – to raise both productivity and the quality of life so that that people in our region are healthy and able to pursue the jobs and lives they want
- **Infrastructure**: from digital and public transport connectivity, to water and energy, buildingout the networks needed to support a successful future
- **Innovation**: building on our reputation for new thinking, new technology and new ideas in Cambridgeshire and Peterborough in order to ensure this area can continue to be one of the most dynamic and denseknowledge economies in Europe
- **Financial and systems**: improving our institutional capital and ability to attract inward investment.

Figure 22. 6 Capitals of the Cambridgeshire and Peterborough Sustainable Growth Model

The vision we have agreed for economic growth is set out below, with objectives to deliver against the six forms of capital.

The Vision

Cambridgeshire and Peterborough is the place where unique business, natural and research assets tackle world problems whilst creating **good jobs and healthy lives for all our residents in all our places**. We are globally leading and competitive, and also more equal and sustainable.

The Objectives and Priorities

Reduce inequality

Reduce the inequalities in health, wealth and opportunity experienced across all C&P's people and places
Target investment across all objectives on the cohorts and places that need it most

Ensure transition to green, low-carbon economy

Build on global strengths in water & utility management, green engineering, agri-tech and environmental management & restoration to catalyse green growth and enhance natural capital
Support low carbon, green technology transition in all sectors
Invest in low carbon transport and build biodiversity and natural capital gains into all new development

Good quality jobs in high-performing businesses	Better quality skills via a world-class skills system	Accelerate local placemaking and renewal	Accelerate business growth
Deliver good quality, well-paid, high-skilled jobs in an innovative, globally competitive business environment **Support high-growth priority sectors** (Agri-tech, AI Digital, Life Sciences, Advanced and Green Manufacturing) Protect **opportunities in our foundation sectors** (Education, Health and Care, Retail, Leisure and Agri-food)	**Support learners and workers to acquire the skills they need** through an inclusive, world-class local skills system that matches the needs of employers, learners and communities Enhance **pre-work learning** and formal education and support life-wide and **life-long learning** **Improve employer access to talent**, supporting employment in high-value jobs in priority sectors and **protecting employment in foundation** sectors **Support into and between work,** including supporting learners and workers to acquire skills for a low-carbon economy	Tackle inequalities in investment and opportunity, as well as barriers to growth, to maintain and enhance **C&P's competitive advantages** as a great place to live, work and run a business **Revitalise town and city centres** with better spaces for businesses and people, improved public realm, supporting culture and creativity, and making better green space more accessible **Bringing forward employment land, including in Market Towns**, to support new supply chains and inward investment opportunities, delivering good jobs **Improve digital and mobile phone infrastructure particularly where it is** poor and support inclusive access	Ensure that all parts of Cambridgeshire and Peterborough have the **ecosystem needed to support high growth businesses** across all sectors Supporting **increased trade and exports, inward investment**, wraparound enterprise support including for innovation

4 Action

We will deliver the objectives and priorities above through investment in major programmes of activity. Broadly, this strategy groups these programmes under three headings depending on the main target: **Business**, **People**, and **Infrastructure & Place**.

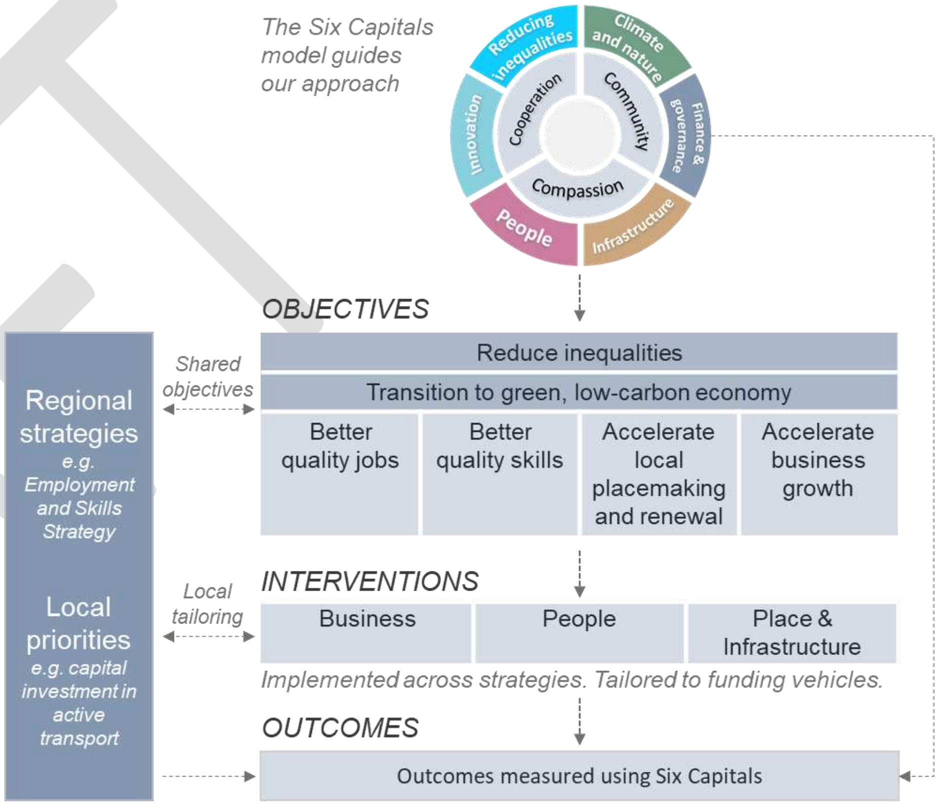
Some actions are already underway, and others will be further developed as new funding becomes available through the UK Shared Prosperity Fund and future rounds of Levelling Up Fund.

For example, as current EU funded business support projects end over the course of 2022/23 we will look ahead and review future business support requirements. We are also reviewing the Local Transport Plan during 2022, to ensure that it is fit for post Covid travel and working patterns and our commitments around net zero.

This strategy does not, therefore, set out every action that will be taken. Future funding decisions will be needed to agree between partners, for example, how UK SPF and CA Gainshare funding is used in Cambridgeshire and Peterborough.

The sections below set out the major programmes of activity we are proposing and then shows how they contribute to the delivery of the priorities set out above. Inclusion in this strategy does not imply that funding is secured.

Figure 23. Creating good economic growth in C&P



Intervention Programmes: **Business**

<table>
<tr><th>Objectives and Capitals</th><th>Priorities</th><th>Interventions
(interventions target multiple priorities)</th><th>Potential fund source</th><th>Relevant strategies</th></tr>
<tr><td rowspan="7">


</td><td rowspan="7">Ensure all parts of C&P have an ecosystem which supports high growth businesses across all sectors.
Support increased trade and exports, inward investment, and wraparound enterprise support including for innovation.
Support high-growth priority sectors (Agritech, AI Digital, Life Sciences, Advanced and Green Manufacturing).
Protect accessible and good employment in our foundation sectors (Education, Health and Care, Retail, Leisure and Agri-food).
Integrate health and wellbeing into business and economic growth actions.
Reduce the inequalities in health, wealth and opportunity experienced in all C&P's people and places.
Target investment across all objectives on the cohorts and places that need it most.
Build on green strengths to catalyse green growth and enhance natural capital.
Support low carbon, green technology transition in all sectors.
Invest in low carbon transport and build biodiversity and natural capital gains into all new development.</td><td>Growth Works extension package
A package of Growth Works interventions for the continuation of business support for all businesses, productivity enhancements, and workforce health & wellbeing</td><td>UKSPF + Gainshare + recycled LGF</td><td>Growth Works Delivery Programme (2021)</td></tr>
<tr><td>Business Growth Investment Fund
Flexible business finance to support sustainable, inclusive and green growth in firms, particularly focused on SMEs</td><td>Gainshare</td><td></td></tr>
<tr><td>Inward Investment programme
Co-ordinated inward investment programmes leveraging the global strength of Cambridge's brand to encourage high-value companies to relocate, and supply chain and cluster investment support to encourage complementary business locations in Huntingdonshire, Fenland, and East Cambridgeshire and Peterborough.</td><td>UKSPF</td><td>Priority Sector Strategies</td></tr>
<tr><td>Enterprise and start-up support across sub-economies, including in disadvantaged areas
Interventions to support people to start and grow their own business as a means of creating stronger local supply chains for all our major sectors, and to generate opportunities, wealth and social mobility including in deprived communities</td><td>UKSPF</td><td>C&P Employment and Skills Strategy</td></tr>
<tr><td>Peterborough net zero innovation ecosystem
Establish an ecosystem of innovative firms around the ARU Peterborough campus developing net zero technologies and applications</td><td>UKSPF + private match funding</td><td>ARU Peterborough Programme Business Case (2022)</td></tr>
<tr><td>Energy Hub Supply Chain Programme
Build stronger local supply chains of energy businesses, connecting SMEs with major regional firms</td><td>UKSPF</td><td></td></tr>
<tr><td>Priority Sector Strategies
Implement the sector-specific priorities identified in sector plans for C&P's Priority Sectors</td><td>UKSPF and private investment</td><td>Priority Sector Strategies
CPIER</td></tr>
</table>

Intervention Programmes: **People**

<table>
<tr><th>Objectives and Capitals</th><th>Priorities</th><th>Interventions
(interventions target multiple priorities)</th><th>Potential fund source</th><th>Relevant strategies</th></tr>
<tr><td rowspan="4">


</td>
<td rowspan="4">Support learners and workers to acquire the skills they need through an inclusive, world-class local skills system that matches the needs of employers, learners and communities.
Enhance pre-work learning and formal education.
Support life-wide and life-long learning.
Improve employer access to talent, supporting employment in high-value jobs in priority sectors and protecting employment in foundation sectors.
Support people into and between work, including supporting learners and workers to acquire skills for a low-carbon economy.
Reduce the inequalities in health, wealth and opportunity experienced in all C&P's people and places.
Target investment across all objectives on the cohorts and places that need it most.
Integrate health and wellbeing into business and economic growth actions.</td>
<td>Pre-work learning and formal education
A package of place-specific interventions in the C&P Employment and Skills Strategy to improve careers advice and guidance, widen education inclusion and participation, promote work experience, and invest in capital to support teaching facilities and staff capacity building, including addressing FE cold spots.</td>
<td>UKSPF + Gainshare + recycled LGF</td>
<td>Employment and Skills Strategy (2021)</td></tr>
<tr><td>Employer access to talent
A package of place-specific interventions in the C&P Employment and Skills Strategy to support Covid-19 recovery and net zero transition through upskilling and reskilling, raise HE participation in Greater Peterborough and The Fens, increase employers' influence in education and training, and improve the quality of work.</td>
<td>Gainshare</td>
<td>Employment and Skills Strategy (2021)</td></tr>
<tr><td>Life-wide and life-long learning
A package of place-specific interventions in the C&P Employment and Skills Strategy to improve life-long careers guidance, provide upskilling and reskilling support in places such as through a new Green Skills Centre in Peterborough, increase work-based learning and ensure ongoing inclusive learning and support for disadvantaged people.</td>
<td>UKSPF</td>
<td>Employment and Skills Strategy (2021)</td></tr>
<tr><td>Support into and between work
A package of place-specific interventions in the C&P Employment and Skills Strategy to support unemployed and NEETs into training and employment, support disadvantaged groups to access the labour market, and target Covid-19 recovery for displaced workers.</td>
<td>UKSPF</td>
<td>Employment and Skills Strategy (2021)
Work and Health Strategy (2022)
Cambridge CC Anti-Poverty Strategy</td></tr>
</table>

Intervention Programmes: **Place and Infrastructure**

Objectives and Capitals	Priorities	Interventions *(interventions target multiple priorities)*	Potential fund source	Relevant strategies
	Revitalise town and city centres with better spaces for businesses and people, improved public realm, supporting culture and creativity, and making better green space more accessible. Bringing forward employment land, including in Market Towns, to support new supply chains across our economies and inward investment opportunities, delivering good jobs. Build on global strengths in water and utility management, green engineering, agri-tech and food and environmental management and restoration to catalyse green growth across C&P and enhance natural capital. Invest in low carbon transport and build biodiversity and natural capital gains into all new development. Improve digital and phone infrastructure where it is poor and support inclusive access, ensuring businesses and people are able to access the connectivity they need to support enterprise growth and social mobility.	**Transport** *A package of interventions to be developed in the C&P Local Transport Plan to integrate transport and spatial planning, decarbonise transport, reduce congestion, invest in high quality public realm in town and city centres, provide safe and attractive active travel infrastructure, provide more accessible and frequent public transport, and enhance mobility through innovative new transport modes.*	Levelling Up Fund Gainshare	C&P Local Transport Plan (2022) GCP Sustainable Transport Network
		Digital infrastructure *A package of interventions contained in the Digital Connectivity Strategy 2021-25 to ensure ubiquitous and accessible digital connectivity infrastructure is available to all, supporting effective public service delivery, thriving communities and sustainable business growth*	TBC	Digital Connectivity Strategy 2021-25 (2021) Digital Connectivity Business Case (2021)
		Market Towns and City Centre Revitalisation Programme *A new investment package for Market Towns and City Centres, in line with emerging local masterplans / Local Plans and focussed on getting the right local mix of commercial, housing, green space and leisure – growing businesses and jobs in town centres*	LUF / Gainshare / SPF, Town Deals.	Local Plans Towns Fund Plans
		Enterprise start-up / grow on space in town and city centres *Place-specific interventions to provide quality enterprise start up and grow on space, prioritising bringing activity into city and town centres*	LUF (in Fenland) / Gainshare	Local Plans Towns Fund Plans
		Supporting healthy lifestyles and wellbeing *A package of interventions to improve health and wellbeing as a key determinant of inclusive economic growth*	TBC	Work and Health Strategy (2022) Health and Wellbeing Strategy (2022)
		Protecting and increasing natural capital *A package of interventions to protect and double the amount of natural capital throughout C&P, specifically implementing the recommendations of the C&P Independent Commission on Climate and associated district / county climate change strategies.*	TBC	C&P ICC Climate Action Plan (2022) District / county climate change strategies

5 Linking strategies together

The C&P Economic Growth Strategy is integrated with local plans and other regional strategies.

This strategy does not aim or purport to be the single comprehensive document laying out our approach to good economic growth in Cambridgeshire and Peterborough. Indeed, many of the actions needed to deliver good growth are set out in other, complementary strategies and plans. Some examples include the C&P Employment and Skills Strategy (2021), the forthcoming C&P Local Transport Plan, sector growth plans and, importantly, Local Plans and economic strategies.

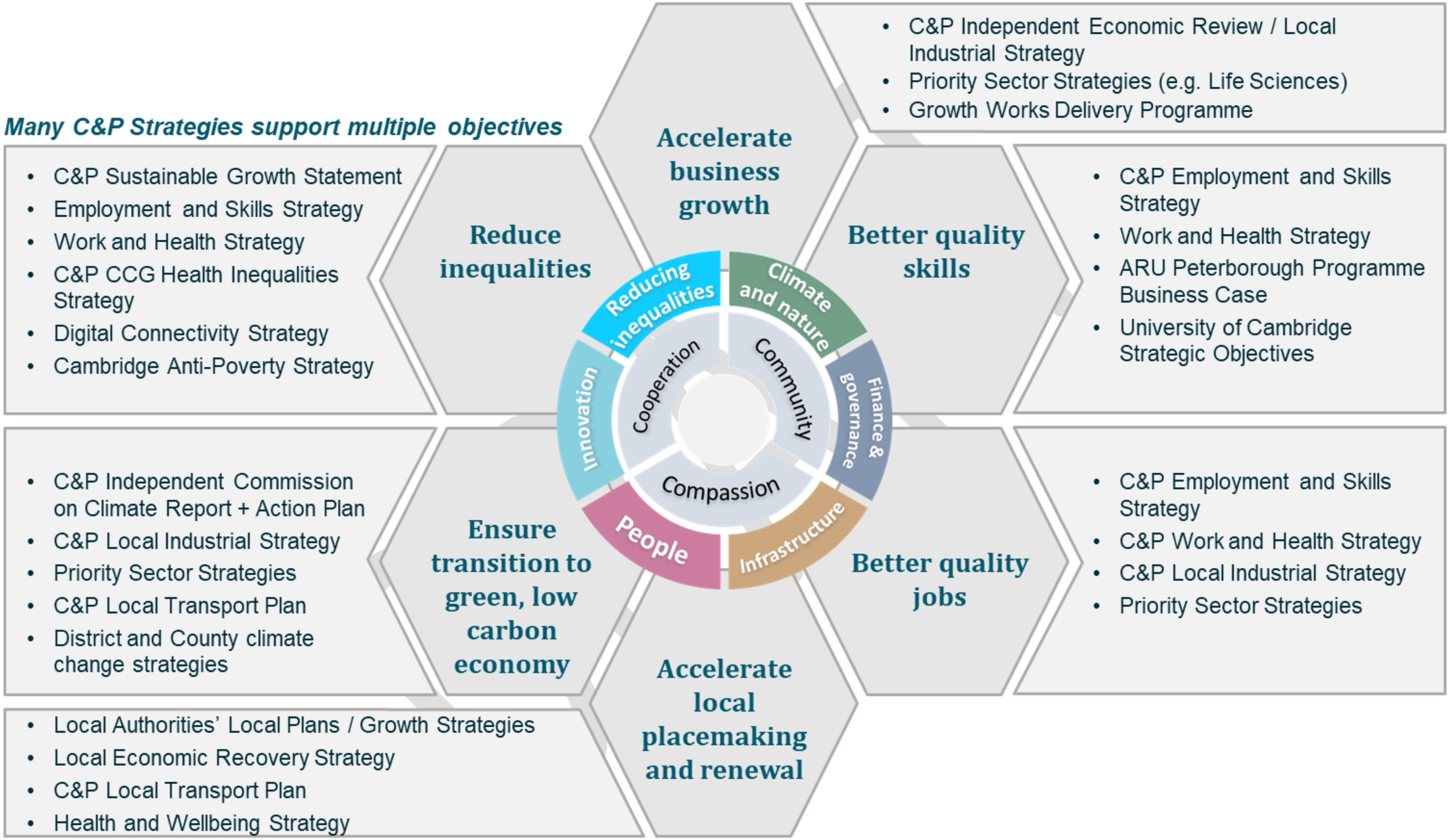
The Economic Growth Strategy avoids duplicating these existing strategies, which provide more detail on interventions and on the evidence which informs them. Instead, the purpose of this strategy is to act as the 'golden thread' which links other strategies together through the lens of supporting good economic growth via thriving businesses across our sub-economies.

The diagram overleaf identifies the major strategies throughout C&P which contribute to the delivery of partners' overall vision. Taken together, these plans set out a comprehensive set of actions to support good growth.

As well as key local and regional strategies and plans, our strategy is informed by national plans and the global context. Our Economic Growth Strategy intentionally adopts a primarily internal focus, but wider economic implications inform our point of view and the interventions proposed in the strategy are intended to capitalise on external opportunities where they exist, such as leveraging Cambridge's international reputation to secure greater flows of inward investment into Cambridgeshire and Peterborough.

Key Government policies which inform our approach are contained in the UK Levelling Up White Paper, the UK Net Zero Strategy, the UK Innovation Strategy and the UK Plan for Growth, national sector strategies and other policies linked to our six capitals. Closer to home, this strategy aligns with the vision for the Oxford-Cambridge Arc, the Economic Strategy for the East of England, the East of England Local Government Association's (EELGA) Economic Development Plan, to name major economic development strategies, and with the strategic ambitions of neighbouring areas where we share complementary objectives.

Figure 24. Objectives of the Economic Growth and Skills Strategy – showing delivery through other C&P Plans and Strategies



6 Funding and metrics

Funding

Funding for the actions in this strategy and other relevant plans could come from a range of sources, including Gainshare investment funding, UKSPF, Levelling Up Funding and other Government and private investment. Decisions have not yet been taken about funding allocations and Cambridgeshire and Peterborough has not yet considered its plan for UKSPF funding or the future of business support and enterprise. So inclusion in this strategy does not imply that funding is available.

Metrics

This strategy establishes a clear link between its goals and objectives, the interventions proposed, and the outcomes we are seeking.

The metrics guiding this strategy are endorsed by the Cambridgeshire and Peterborough Combined Authority in the Performance Management of the Sustainable Growth Ambition Statement (March 2022), which aligns performance management with the Six Capitals approach which the CA has adopted. The purpose of this approach is to measure and manage *how* growth occurs, in favour of supporting our objectives for good economic growth. This means measuring a broader basket of indicators than just economic growth.

Partners will agree the list of metrics but it is likely that a basket of 20 – 35 strategic-level indicators will be chosen, aligned to the six capitals, as suggested in the table below.

As part of the Devolution Deal the C&P Combined Authority has a target to double GVA by 2040 (against a 2015 baseline). There are also targets to double the land area devoted to nature and reduce road-vehicle traffic by 15%. Consistent with the approach agreed by the CPCA Board on Performance Management of the Sustainable Growth Ambition Statement in March 2022 this strategy does not propose new targets beyond these which already exist. Rather, performance could be defined as economic growth being on target with at least 75% of strategic indicators in the Six Capitals showing a positive direction of travel, both across the region as a whole and in each district. This approach is consistent with the CPCA's approach to performance management of the Sustainable Growth Ambition Statement.

Figure 25. Metrics proposed to measure performance of the Economic Growth Strategy

Theme	Headline measure *Measured at CA, county and district levels, and at more granular levels when applicable*
Economic Growth	Gross Value Added (GVA) (balanced)
	Job density (total jobs)
	Employee jobs by district and industrial code
	Business birth and death rate by district
	Productivity (GVA per job (including by industry)
Climate and Nature	Total carbon dioxide emissions
	Carbon dioxide emissions from transport
	Land area providing nature rich habitat (PNRH)
	Publicly available open and recreational space
	Percentage of bus fleet running at near zero emissions
	Mode share for public transport / cycling / walking
Infrastructure	Housing completions
	Affordable housing completions
	Public transport connectivity to town centres
	Cycling connectivity to town centres
	Percentage of population covered by 4G and / or gigabit-capable broadband
Innovation	Total employment in Knowledge Intensive industries
	Total employment in Green Technology industries
	Workforce with a Level 4 Qualification or above
	Patents per 10,000 population
People (Health and Skills)	Health Index for England
	Life expectancy at birth (years lived in full health)
	Number of people killed or seriously injured due to road traffic collisions
	% working population with a level three qualification
	Number of adults obtaining new qualifications funded by AEB
Reducing inequality	Number of small areas (LSOA) in the CPCA in the top% most deprived nationally by IMD
	Percentage of households living in fuel poverty
	Percentage of population claiming Employment Support Allowance / Universal Credit
	Difference in housing income between most deprived and least deprived areas