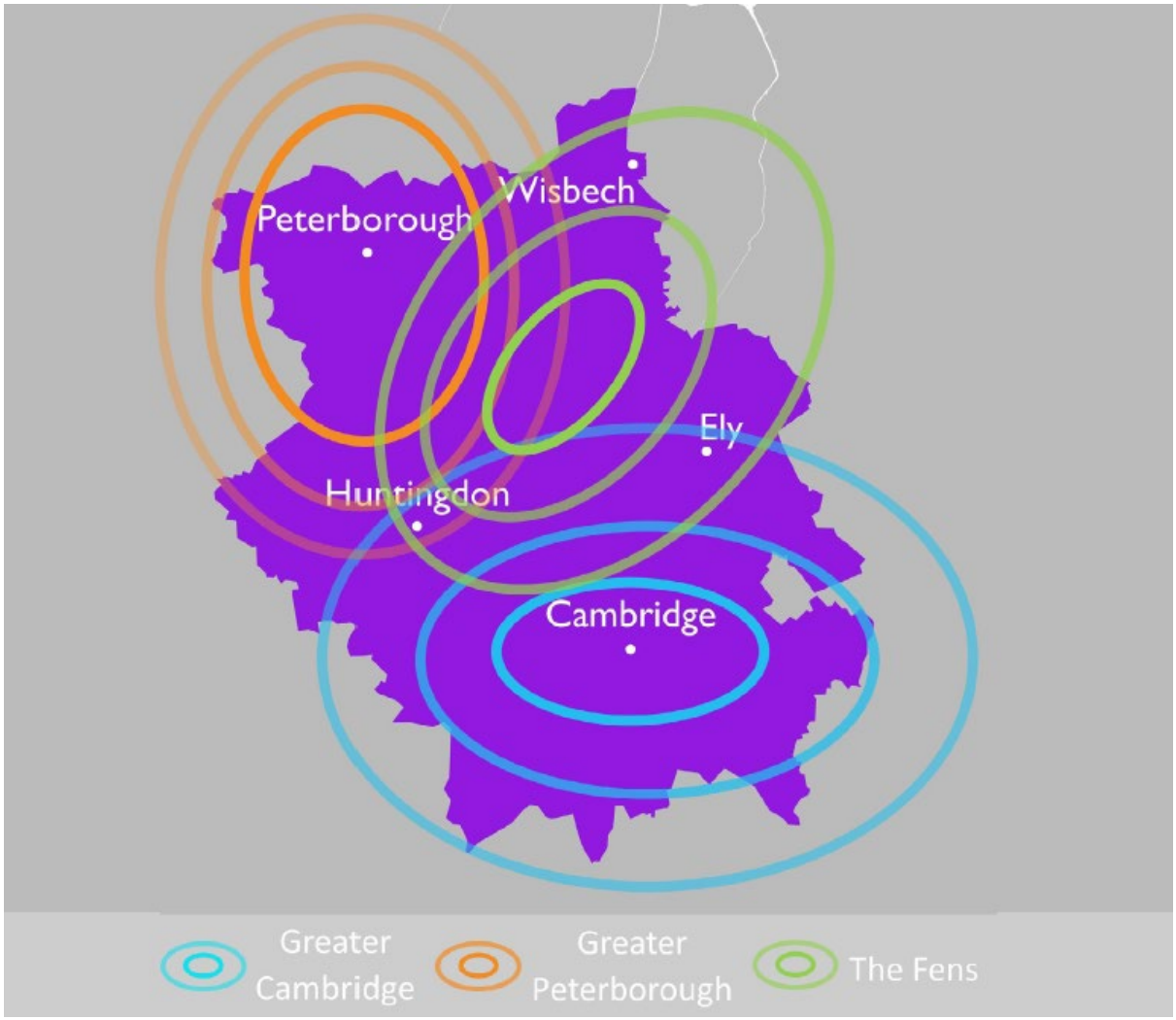
Cambridgeshire & Peterborough

Local Economic Recovery Strategy (LERS)

March 2021 Update



The three interconnected economies of Cambridgeshire and Peterborough

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EXECUTIVE SUMMARY

Our goal is to make a leading contribution to the UK's recovery from the Covid-19 pandemic and to its future success, accelerating the recovery, rebound and renewal of our economy and achieving our ambition to double GVA by 2042 in a digitally enabled, greener, healthier and more inclusive way.

Why our economy matters

Cambridgeshire and Peterborough is core to the UK's future growth, competitiveness and zero-carbon transition. We are a major economic engine of the national economy and the Oxford to Cambridge Arc and in normal times a net contributor to the public finances of the UK.

Our Independent Economic Review (2018) identified three, interdependent sub-economies across our geography. Each has distinctive strengths and challenges, but the global competitiveness of our area depends on the future success of all.

In the South, Greater Cambridge is a global centre for life sciences, technology, AI and advanced manufacturing. It hosts some of the best-known names in those fields, along with world-renowned research institutes and laboratories. It generates more patents than the next three cities in the UK combined[1]. In the north, Peterborough is a fast-growing hub of green engineering and manufacturing, part of the supply chains of the Midlands and the energy and agri-food sectors of the East of England. It too performs strongly in innovation, ranking 13th among UK cities for patents registered per capita. And linking them together is The Fens, which reinforces the global potential of our economy with a world-leading agri-tech sector and innovative micro businesses, alongside the most productive agricultural land in the UK. The Enterprise Zone at Alconbury, Huntingdonshire, is a focus for growth in our economy and the towns and villages of the Fens are also home to many who work in Cambridge and Peterborough.

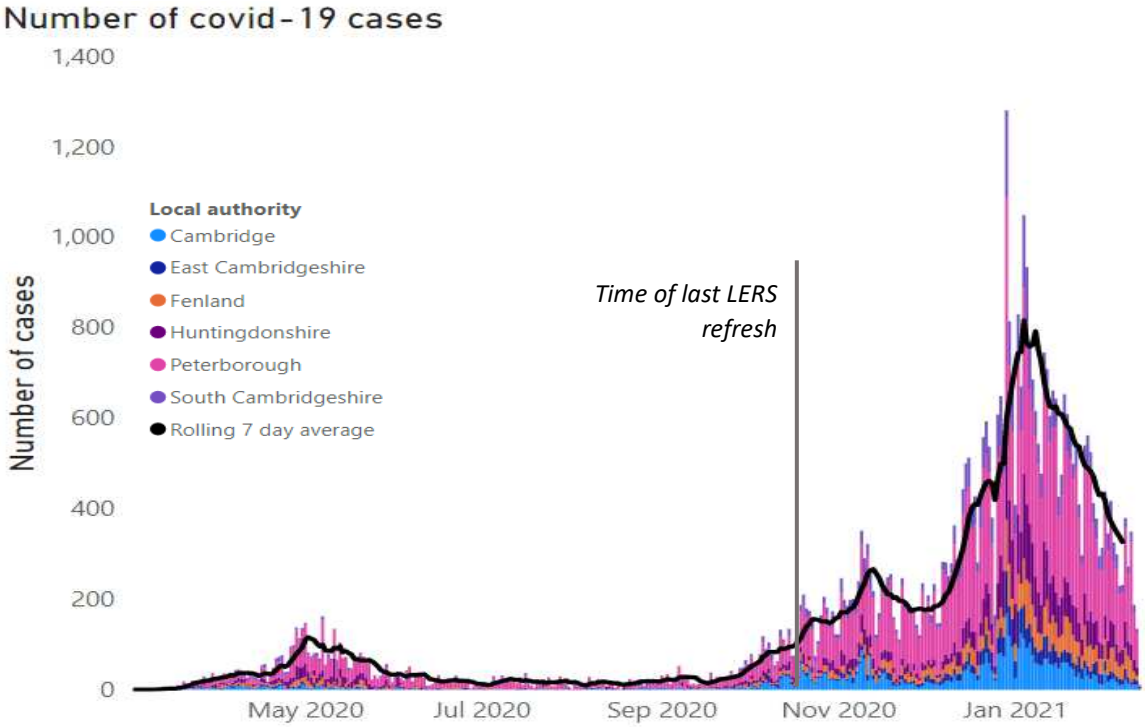
Covid-19 Impact and Response

With the rest of the world, since March 2020 residents and businesses across our economy have had to manage the unprecedented restrictions to business and movement introduced to manage the threat to public health from Covid-19.

The health impacts of the winter 2020 Covid-19 spike were particularly severe across the Cambridgeshire & Peterborough, with case numbers peaking in early January 2021.

[1] https://www.centreforcities.org/city-monitor/?path=table&themes=business-dynamics,productivity,industrial-structure

Figure 1: Number of Covid-19 cases by local authority district, March 2020 - February 2021



Source: Metro Dynamics Dashboard, data up to 16th February. Cases in the last few days should be disregarded due to reporting delays

Alongside the impacts on individuals of the virus itself, the economic impacts on our population have been severe and concentrated on the most vulnerable. The evidence suggests that people in Cambridgeshire and Peterborough have been harder hit than elsewhere. Whilst the Government's extensive employment support schemes have protected jobs, Universal credit claims increased by a further 2.7% in December, with an overall increase across Cambridgeshire & Peterborough from March 2020 of 117.6% compared to 96% across the UK. Our young people have been most effected, with the claimant count rising by more than 115% for 18-29 year olds between January 2020 - 21. Women and older people are also more at risk, particularly to longer term loss of roles in the service sector due to further automation and retail decline.

Businesses based here, such as AstraZeneca, have been at the forefront of the national and international fight against the disease, through uncovering new medical treatments and equipment to developing and testing vaccines. Across the wider business population many more adopted new technology and approaches to maintain and improve productivity and resilience. Data from the State of Small Business Britain 2020 (ERC) suggests that most SMEs now see introducing new processes and digital technologies as higher priority because of the pandemic.

The Trade and Cooperation Agreement reached between the UK Government and European Union in December 2020 has further changed the business landscape in terms of trade, supply chains and the labour market. Businesses will need to continue to adapt as the UK and EU economy reopens.

Strong Recovery Potential

We have the right mix of innovation, knowledge and assets to recover quickly. But the right interventions must be in place to ensure this Before the pandemic, the Cambridgeshire & Peterborough economy had been growing faster than the UK since the 2008/09 recession. Cambridge in particular recovered the economic value lost during the 2008/09 recession much faster than other areas, with further very strong growth in South Cambridgeshire and Peterborough from 2015/16 onwards. The circumstances of the post Covid-19, post-Brexit era are different to the aftermath of 2008/09. There are new opportunities for growth. For example, demand for laboratory space in Cambridge is at a five-year high[2], but the economic potential of this will only be realised with new facilities.

We set an ambitious, achievable, goal of doubling GVA by 2042 whilst leading the transition to a zero-carbon economy[3]. Making sure that our places and communities do more than just recover is therefore a national as well as local imperative. Pre-Covid-19 growth was led by the four priority sectors identified in our Local Industrial Strategy: **Life Sciences, Digital and AI, Advanced Manufacturing and Materials and Agri-Tech.** All these sectors are central to the UK's strategy of building back a better, greener economy post Covid-19, and all forecast strong future global growth. This strategy sets out the interventions we need to regain this leading growth trajectory as quickly as possible.

At the same time, the sectors that have been hardest hit are also those that provide most of our jobs and are having to adapt fast to trends in consumer habits, market structure and technology. These include **Retail, Hospitality and Leisure, Health and Care, Education, Construction, Transport and wider manufacturing.** For example, prior to the pandemic, 50% of UK internet retail sales were tied to visits to brick-and-mortar shops through 'click and collect' and in-store ordering. Restrictions on movement have lessened this dependency as the share of online in retail grew from 20% by value in January 2020 to 36% by January 2021[4].

Our recovery plan recognises that, for all of our communities to benefit, we must connect them to the opportunities of the post-pandemic age, such as changing patterns of work; new business models and markets; new job openings. It takes a wider view than our Local Industrial Strategy, including wider support for business and people needing to adapt, innovate and develop new skills as the whole economy moves to a greener, different future. But it also addresses the serious labour market impacts of this crisis and the new hardships many across our area now face.

Recovery Phases and Objectives

In common with many major economies in the UK and globally we have identified three phases of action, based on the evolving impacts of the public health response.

[2] NEED REF FROM CAMBRIDGE AHEAD

[3] Cambridgeshire and Peterborough Independent Economic Review (2018)

[4] CACI (2019); ONS Retail Sales data (February 2021)

The timing of each will overlap and alter depending on the course of the pandemic. We have agreed our overall mission for each phase and set clear objectives against which we have prioritised interventions. These are summarised in figure 1 below:

The **Response** phase will last well into 2021. Our mission in this phase is to help people and businesses manage the impact of the pandemic, and to adapt to both temporary changes and emerging new norms in employment, sectors and markets. Our objectives include minimising redundancies and viable business closures and ensuring high quality advice and immediate support is available for people and businesses, through delivering Government and locally designed and funded schemes. Businesses will be supported in understanding where and how staff can be tested and how to operate in a Covid-19 safe way.

The **Recover and Rebound** phase is likely to begin with reopening of the economy in 2021 and accelerate through 2022/23. **Renewal and Future Growth** will follow from 2023 onward. Our missions for these phases are to:

- Help people at risk of unemployment by accelerating retraining and upskilling
- Build back faster by accelerating start-ups, scale ups and set ups
- Build back better and greener by accelerating hi-tech jobs and cluster growth, focussing on green, digital and net zero technologies.

We have set objectives for each of these missions and phases, including reopening our retail, tourism and hospitality businesses and increasing footfall in repurposed town and city centres; revitalising FE and HE provision for new ways of learning. As we look to the renewal phase our objectives include building Peterborough as a leading centre for net zero tech and advanced manufacturing and consolidating Greater Cambridge as a global centre for science and technology.

Interventions and Investment

This strategy sets out the interventions and investment we are taking now and the investment and interventions we will need in the future. In our response phase Local Authorities have led the delivery of a wide range of Government and locally funded support and grants for businesses and individuals effected. Together, we have also established new business coaching and investment programmes, reinforced our inward investment service to new employers, upskilled volunteers to help people made unemployed through local job clubs, continued to deliver major transport investment and put in place a new start up and entrepreneur support programme

In the recovery and rebound phase, for example, we will invest in repurposing and regeneration plans for 11 Market Towns; major affordable housing and transport infrastructure in Greater Cambridge, new learning for displaced employees or people having to adapt to new technology in their existing or new careers. We will invest in a new Green Skills FE centre in Peterborough and new Construction Skills centres in Hunts and Wisbech.

Funding

This strategy builds on the Ox-Cam Arc Economic Prospectus, and the CPCA submission to the postponed 2020 Spending Review, which set out the major strategic investments needed to underpin our leading contribution to the UK's zero carbon future.

Local Authorities and the CA are using existing funding alongside central Government support to deliver the interventions that are already in place or confirmed. Our Future High Streets Fund (FHSF) and Town's Fund schemes are also core to delivering recovery and renewal. Looking ahead, this strategy also shows how Levelling Up, Shared Prosperity Fund and FE Capital Transformation Fund investment, alongside a potential growth deal for the OxCam Arc is needed to deliver renewal and transition in Cambridgeshire & Peterborough.

OUR APPROACH - WORKING TOGETHER FOR RENEWAL

The immediate response to Covid-19 has involved partners across Cambridgeshire & Peterborough working collaboratively and with huge determination to help residents and businesses. We are now all taking this same spirit of joint effort and endeavour into our recovery and renewal work, working together to monitor impact and update our economic recovery plans as the situation develops. This is a living document that will evolve with the progress of the pandemic. It has been co-created and maintained by the Covid-19 Local Economic Recovery Sub-Group, comprising Local Authorities and representatives of all major local business organisations. Strategy development has also involved a sub-group of the CPCA's Business Board and the CPCA Employment and Skills Board. See [link] for full list of organisations that contributed to the LERS and its ongoing development.

The strategy is further underpinned by a common understanding that economic recovery will require many organisations and behaviours to continue to change. The combination of Covid-19, the imperative of climate change and continuously evolving technology will mean major changes to the way that our economy functions and how business and people approach life and work. All those involved in our economic recovery share a steadfast commitment to working together to take the action that is needed if we are to take the opportunities and make the changes necessary. We are determined that all the Cambridgeshire & Peterborough economy will be a trailblazer and exemplar of sustainable and sustained economic recovery and renewal for the rest of the UK.

As the longer-term implications of Covid-19 emerge our plan will continue to be updated, alongside other strategies from local authorities across Cambridgeshire & Peterborough; the Ox-Cam Arc Prospectus and UK Innovation Corridor; LEPs across the wider region (the Arc and neighbouring counties); the CPCA Investment Prospectus and LIS.

Timeline

Infographic (to be designed) overlaying history of:

- Coronavirus lockdown rules in England[5]:
    - Phase 1 (late March – mid May 2020): first national lockdown
    - Phase 2 (mid May – mid September 2020): staggered transition to minimal lockdown restrictions
    - Phase 3 (mid September – early November 2020): reintroduction of stricter social distancing rules, new controls on hospitality venues, tiered local restrictions
    - Phase 4 (early November – early December 2020): second national lockdown
    - Phase 5 (early December 2020 – early January 2021): reintroduction of tiered local tiered restrictions
    - Phase 6 (early January – present): third national lockdown

[5] House of Commons Library, A history of English lockdown laws (January 2021)

- LERS development, publication and review
    - Published: September 2020
    - First update: November 2020
    - Second update: March 2021

Monitor, review, update cycle for LERS:

Graphic showing committee cycle + strategy development process (to be designed):

Economic Recovery Sub Group → Skills Committee → Business Board → Leaders → Combined Authority Board

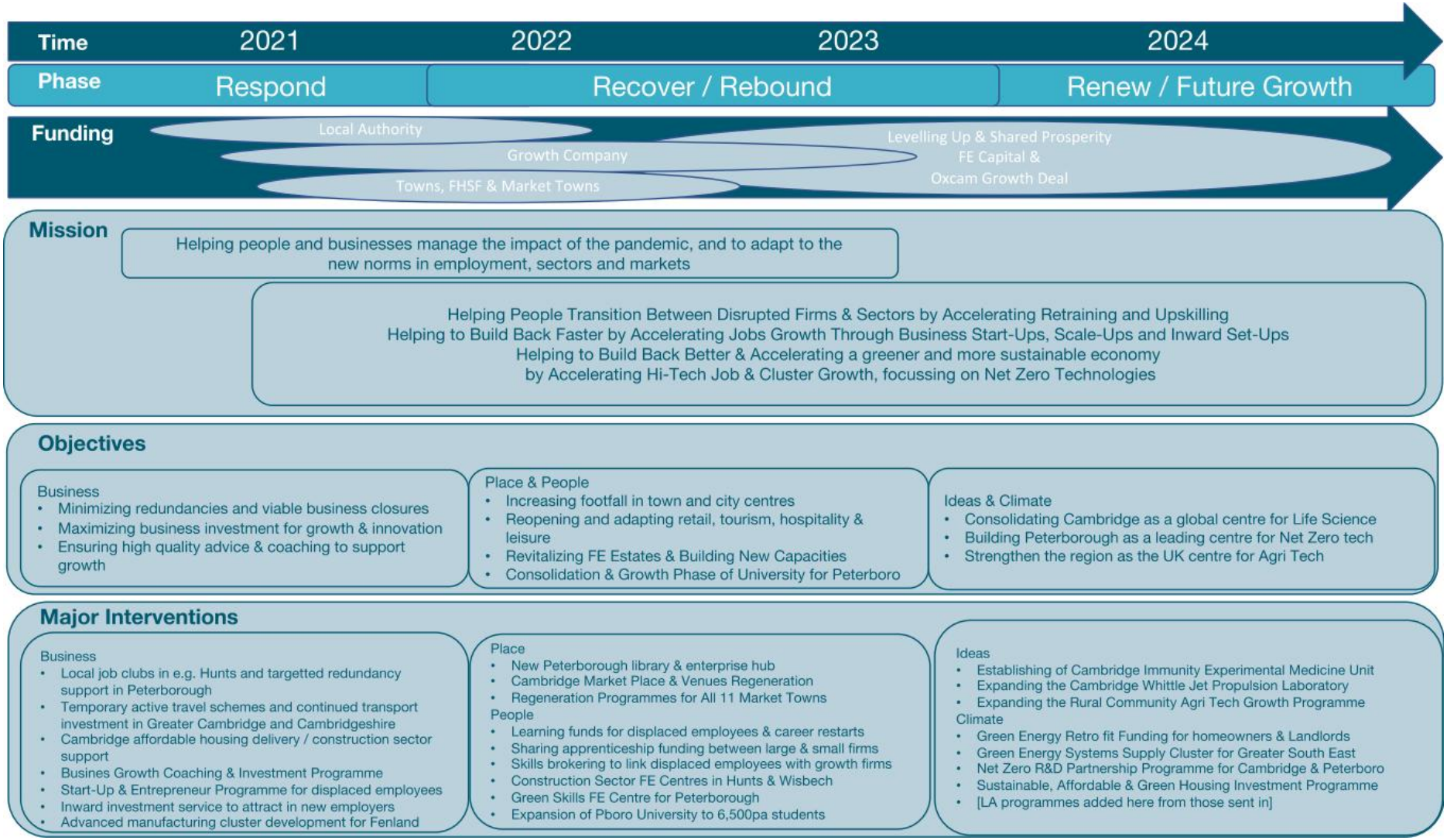
We have also drawn on insights from national and global experience and research:

- Local economic recovery planning across the UK: Mayoral Combined Authorities; LEP Network; M9 group of elected Mayors; Local Government Association; national business groups

- UK-based think tanks and research programmes: Institute of Economic Development; Enterprise Research Centre; What Works Centre for Local Growth; Centre for Cities; Productivity Insights Network

- Best practice from across the globe: OECD LEED programme; US Economic Development Administration; Economic Development New Zealand

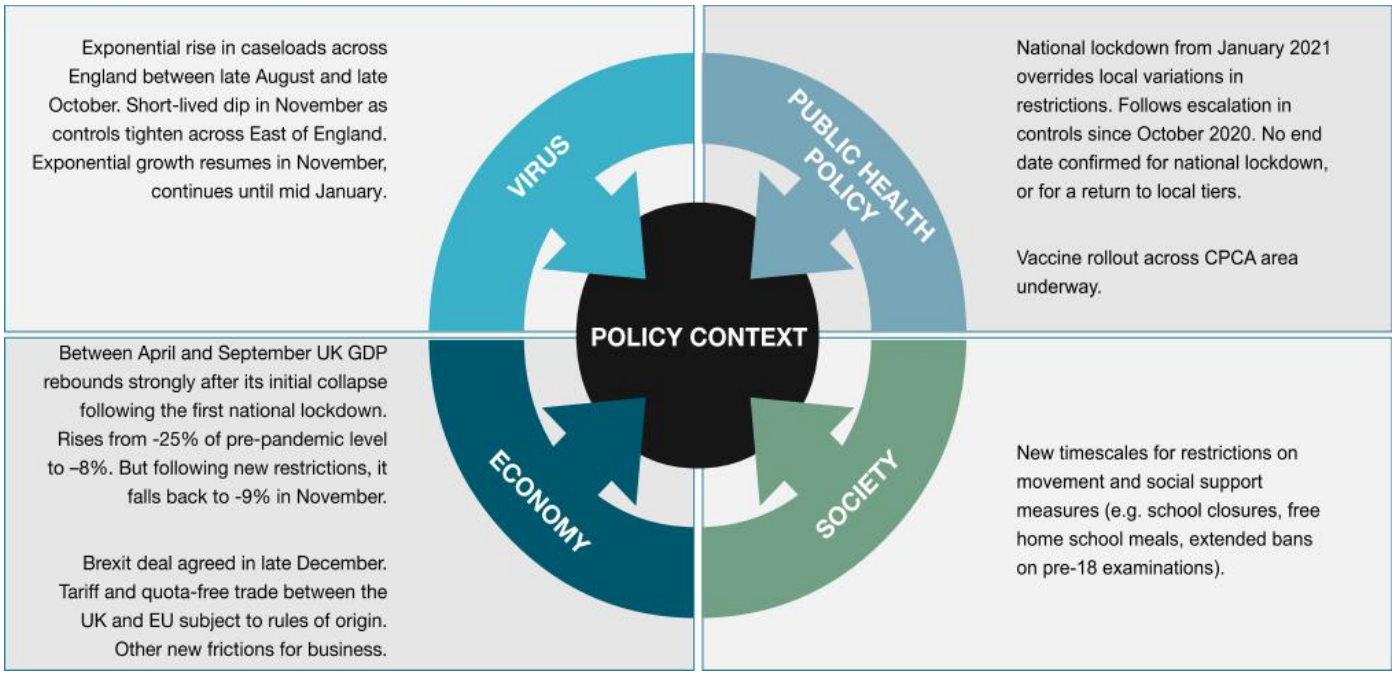
OUR RECOVERY STRATEGY IN SUMMARY:



1. CONTEXT AND DATA – WHERE WE ARE NOW

1.1 A changing context for our recovery plan

The national and local context has changed significantly since we last revised the LERS in November 2020. These changes are summarised below. The latest data is then explored in more detail in the following sections and in the Appendices.



1.2 Public health

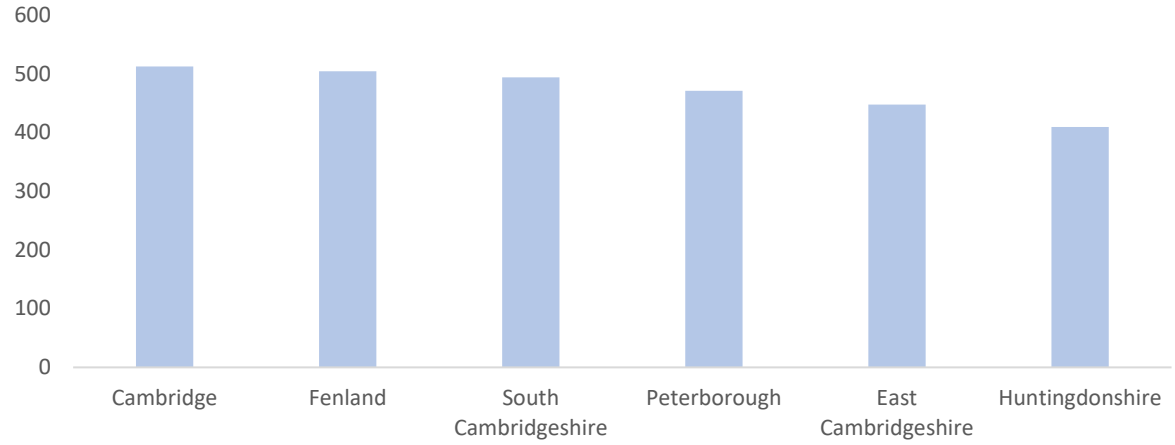
When the LERS was refreshed in November 2020 a total of 8,373 Covid-19 cases had been recorded in the Combined Authority, and all districts were in ‘Tier 1’ of the regional restrictions. In the three months since there have been an additional 43,000 cases recorded, reaching a total of 51,000 cases – a five-fold increase in the cumulative case load.

Daily cases reached a new peak in early January at a sustained level above 800 new cases each day, although the national lockdown has since reduced the number of new cases. As of 16 February 2021, the 7-day rolling average of new cases across Cambridgeshire & Peterborough sits at 224 cases per day, a 72% decline from the January peak.

Peterborough has had the largest number of cases overall (26,218), accounting for just over half the total for Cambridgeshire & Peterborough. East Cambridgeshire has had the lowest number of confirmed cases at 2,731.Mass testing for positive Covid-19 cases continues to be a central part of the public health response to the crisis. Across the Combined Authority testing levels are reasonably consistent, from a high

of 513 individuals tested per 100,000 population in Cambridge, to 410 individuals tested per 100,000 population in Huntingdonshire.

Figure 2: Individuals tested per day per 100,000 population, February 2021

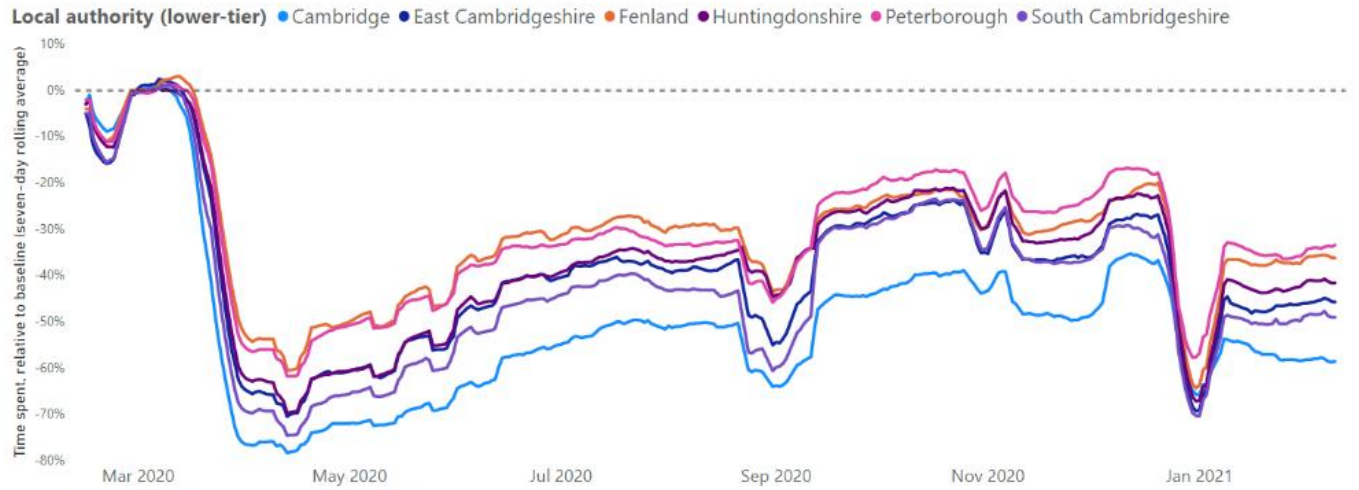


National and regional lockdowns introduced since March 2020 have substantially reduced the movement of people from pre-pandemic levels, as shown in the charts below. The first chart tracks the movement of people for retail purposes, while the second chart shows movement of people into workplaces. The charts show the particular effects of the three national lockdowns which have occurred – in March 2020, November 2020 and again in January 2021. Each time the lockdowns have resulted in a substantial reduction in movement, with gradual returns to pre-pandemic levels of movement each time a lockdown is lifted.

The January 2021 lockdown has been particularly effective in subduing movement for retail purposes, as shown by levels of movement that were last seen in June 2020 when the UK was emerging from the first national lockdown. All non-essential retail remains closed and after a spike of activity in the lead up to Christmas, movement appears to have stabilised at levels 60% – 80% below pre-pandemic levels.

In contrast, movement into workplaces has been slightly less subdued by the January 2021 lockdown. Movement has varied by local authority districts but stabilised at levels 40% - 70% below pre-pandemic levels. This potentially indicates that a greater number of workplaces are now able to operate under 'Covid-19 safe' conditions, and the expanding definition of essential workers allowing more workers to operate from their workplaces than in the first national lockdown. Local movement data suggests that Cambridge retail businesses will have been particularly hard hit, due to the reduction in tourist as well as local retail expenditure.

Figure 4: Movement for workplace purposes across Cambridgeshire & Peterborough, March 2020 - February 2021



Source: Metro Dynamics Analysis of Google Community Mobility data

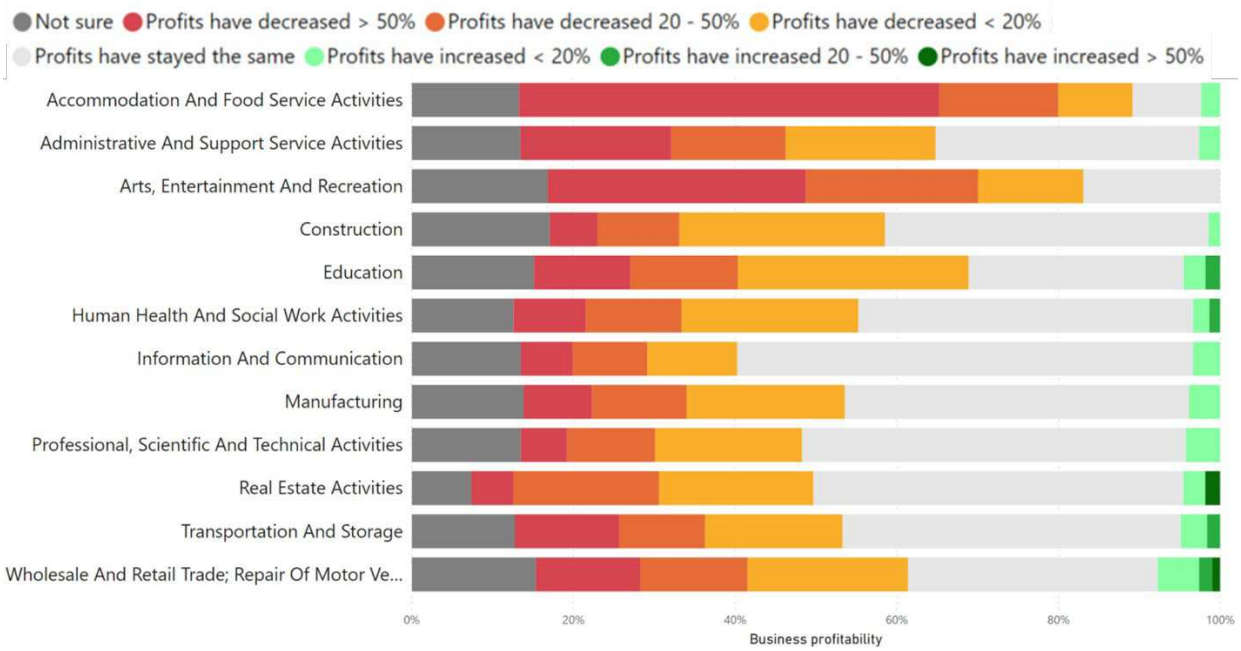
1.3 PEOPLE, BUSINESSES AND JOBS

Nearly twelve months into the crisis the impact on the Cambridgeshire & Peterborough's economy remains acute. The latest data shows that businesses continue to show signs of distress, with extended restrictions eating away at the contingencies in cash and margins that were in place.

75% of Cambridgeshire & Peterborough's businesses are currently trading, down from 90% in October 2020. Most businesses which have paused trading are concentrated in the hospitality, entertainment and retail sectors. Although many of these businesses are likely to have temporarily paused trading rather than to have ceased permanently, upticks in commercial property vacancy rates (driven by increasing volumes of vacant office space in particular) indicate that short-term distress may be translating into longer-term scarring.

The chart below shows business profitability in the first fortnight of January 2021 compared to January 2020. Across most businesses, regardless of sector, profitability has been substantially negatively impacted, with the greatest reductions in profitability in hospitality, entertainment and retail trade businesses. That said, businesses in sectors where remote working has made it more possible to adapt to restrictions (such as in IT and in the professional, scientific and technical sector) and businesses in sectors which have been able to continue trading normally during lockdowns (such as construction and manufacturing) have seen lower proportions of businesses reporting reduced profitability and a higher proportion of businesses which – if not making increased profits – have at least returned to pre-pandemic levels of profitability.

Figure 5: Business profitability by sector in January 2021 compared to January 2020 (BICS data modelled to local area)



In Cambridgeshire & Peterborough's labour markets the extension of employment support schemes (particularly the CJRS and SEISS) have continued to act as an

effective break on increasing unemployment. However, it appears increasingly likely that some structurally higher unemployment is locked in for at least the short / medium term. With subdued activity occurring in job markets (particularly in lower paid / skilled roles) it is likely that some people who have recently lost their jobs, or those whose job is currently supported through an employment scheme (some 10% of the total workforce across Cambridgeshire & Peterborough in January 2021), will remain unemployed for some time to come. One important indicator to watch will be the extent to which the Universal Credit claimant count increases once employment support schemes are eventually wound down.

- Universal credit claims increased by a further 2.7% in December, with an overall increase from March 2020 levels across Cambridgeshire & Peterborough of 117.6% compared to 96% across the UK.

- Online job postings increased by 13.1% in December compared to November 2020, with a total of 10,500 online job postings advertised in the month – a level broadly similar to the five year average of monthly online job postings made throughout Cambridgeshire & Peterborough.

- Furlough numbers saw a spike between October and November rising from 24,000 to 41,800. They have since declined by 3.1% in December to 40,500.

	Claimants	Proportion of labour market		Rate of increase	
District	Total UC claims in November 2020	Workforce	UC claimants per 100 workers	Increase in UC claims since March	+/- % increase since March compared to UK average (+93%)
Cambridge	7,920	109,000	7 : 100	138%	+ 45%
East Cambridgeshire	4,600	33,000	14 : 100	124%	+ 31%
Fenland	9,010	38,000	24 : 100	103%	+ 10%
Huntingdonshire	10,840	79,000	14 : 100	142%	+ 49%
Peterborough	25,560	118,000	22 : 100	88%	- 5%
South Cambridgeshire	7,490	87,000	9 : 100	161%	+ 68%
Cambridgeshire & Peterborough	**65,000**	**464,000**	**14 : 100**	**113%**	**+ 19%**

1.4 RESIDENTS AND BUSINESSES – ADAPTING TO A VERY DIFFERENT WORLD.

The period 2020-21 is most likely to stand out as epoch-defining for the UK. Brexit and the unprecedented impact on economic and social life of the pandemic is the backdrop to this strategy for economic development. These events forced the government, organisations and households to adapt in ways that will shape behaviours, expectations and decisions for many years to come.

The missions, objectives and actions of the LERS respond to these factors, but also recognise then uncertainties surrounding them (see Section 2 on timescales, scenarios and uncertainties).

People and households

People and households face new challenges and opportunities from a changing labour market and disruption to finances. The impacts of these challenges and the ability of people to take the opportunities are unequally distributed, both in terms of income groups and spatially:

- Place of work and learning vs place to live

Enforced working and learning at distance for those able to do it is now reflected in job search behaviours. Job aggregator websites show that after the first national lockdown in 2020 applicants became less likely to make geography a qualifying criterion for roles[6].

- Changing preferences for housing

Increased home working is showing up in real estate markets as increased demand for properties with access to private and public green spaces[7].

- Managing finances for new phases of the crisis

The number of financially-fragile households unable to meet payments rose in the first national lockdown[8]. The later lockdowns will have exacerbated this, but also added to the stock of unanticipated savings from in-work households.

- Reduced job opportunities for young people

Across age groups, 18-24 year-olds are the most likely to have been furloughed. The fall in graduate openings during the first lockdown was almost twice the rate for the job market[9] and apprenticeships appear to have continued to fall in Cambridge and Peterborough faster than the national decline.[10]

- Re-skilling as tech adoption accelerates

[6] Indeed Hiring Lab, May (2020)
[7] Dataloft (May 2020),
[8] Citizens Advice Research (September 2020)
[9] ONS, Labour Market Statistics
[10] INSERT SOURCE TO FINAL AND UOPDATE FULL YEAR FIGURE WHEN AVAILABLE

Surveys show most businesses intend to accelerate their adoption of technology. This will create new opportunities but also displace roles[11]. Research suggests that jobs at most risk of automation are held by young people and women[12].

Businesses

Businesses must manage new lockdown threats to cashflow and survival, while re-fitting for a post Covid-19, post-Brexit world that makes greater use of technology to power sales and operations:

- Brexit

The EU-UK Trade and Cooperation Agreement (TCA) agreed in 2020 brings new rules for cross-border trade. This will focus traders' attention on supply-chain management, business models, new regulatory and fiscal requirements.

- Business continuity in lockdown

For some, national lockdown re-introduced immediate challenges to cashflow from fallen / absent markets. Financial scarring and continued uncertainty will influence capacity planning as the economy reopens.

- Getting 'match-fit' for a post Covid-19 economy

Data from the Enterprise Research Centre's State of Small Business Britain 2020 surveys suggest that most UK businesses see improving processes, cutting costs, developing new products and markets as higher priority post Covid-19.

- Managing disruptions to public spaces and services

As with the staggered exit from the first national lockdown in 2020, a return to pre-pandemic normality in transport capacity, schooling and health services will be gradual. Businesses will need to work around the demands this puts on resource management.

[11] Enterprise Research Centre, State of Small Business Britain 2020
[12] ONS, Research for National Retraining Scheme (2019)

1.5 NATIONAL POLICY CONTEXT

Net Zero

As well as being a leading centre for research, innovation and environmental technologies our area is low-lying and vulnerable to unpredictable weather patterns and rising sea levels. So even before the LERS was first published in 2020, emissions-focused initiatives were central to economic strategies across Cambridgeshire and Peterborough. Over 77% of CPCA's major initiatives are climate-focussed.

Meeting the new national target to reduce greenhouse gas emissions by at least 68% by 2030, getting to net zero by 2050, demands an even greater focus on measures that deliver economic growth through sustainable choices, business models and jobs. The LERS embeds the UK's environmental ambitions across all three phases of the strategy with actions including:

- Green Skills FE Centre for Peterborough
- Construction Sector FE Centres in Hunts & Wisbech
- Net Zero R&D Partnership Programme for Cambridge & Peterborough

Levelling-up, delivering for left behind communities.

The LERS builds on the established evidence base of the Cambridgeshire and Peterborough Independent Economic Review (CPIER). The CPIER identifies the spatial disparities across our area and (also within) the three distinctive, but overlapping economies of Greater Cambridge, Greater Peterborough and the Fens.

The interventions in this Recovery Strategy, alongside our 2019 Local Industrial Strategy, seek to release the full potential of the region's economy by targeting disparities within our three economies as well as our spatially-diverse strengths: Peterborough's rapid growth, Cambridge's global leadership in life sciences, technology and research, and the innovative micro and agricultural businesses of the Fens. At the core of the LIS were interventions aimed at better linking up the region economically: the LERS delivers on this ambition by prioritising actions that best achieve 'levelling-up' across the three phases of the strategy, including:

- Advanced manufacturing cluster development for Fenland
- Targeted retraining, upskilling and employability support
- Expansion of Peterborough University to 6,500 students per annum
- Revitalizing FE Estates & Building New Capacities

Increasing the rate of investment in R&D (2.4%)

This strategy aims to position our area to benefit from the increased focus on technology development in public policy, such as planned new Advanced Research and Innovation Agency (ARIA). It also capitalises on the increased appetite of businesses to invest in new processes, products and markets with programmes to support business expenditure on R&D across the three phases of the strategy.

These will complement the interventions of partners, such as Innovate UK, and include:

- Busines Growth Coaching & Investment Programme
- Establishing an Immunology Centre in Cambridge with Astra Zeneca
- Expanding the Cambridge Whittle Jet Propulsion Laboratory

2. OPPORTUNITIES, CHALLENGES AND TIMESCALES

2.1 OPPORTUNITY AND CHALLENGES

Cambridgeshire and Peterborough is core to the UK's future growth, competitiveness and zero carbon transition. We are a major economic engine of the national economy and the Oxford to Cambridge Arc and in normal times a net contributor to the public finances of the UK.

Many of the UK's most important knowledge, research and business assets are located here. The UK has major opportunities and challenges as it positions itself for success in a post-Brexit and post Covid-19 world. The implications of very different global power structures, markets, emerging technology and behaviours are only just beginning to be understood. Climate change is now widely accepted as not only the greatest challenge effecting humanity but also one that requires increasingly urgent and radical change.

The Cambridgeshire & Peterborough Independent Economic Review (2018) identified three, interdependent sub-economies across our geography. Each has distinctive strengths and challenges, but the global competitiveness of our area depends on the future success of all: Greater Cambridge, Greater Peterborough and The Fens. Together, they form arguably the only part of the UK with all the natural assets, research strengths and business expertise needed to secure future success, whilst also being a global location of choice for the most talented and somewhere everyone can succeed on a global scale

Greater Cambridge is a globally leading centre for education, life sciences, technology, and advanced manufacturing. It 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. Before Covid-19, the CPIER had identified a number of investment requirements to sustain the continued growth of Greater Cambridge and its continued success as a world-leading centre of innovation and a global business location. CPIER put a particular focus on housing, including affordable housing across all tenures, and transport, over and above that which was currently in the pipeline at the time.

Greater Peterborough is a major high tech manufacturing cluster that has grown and become more concentrated, representing 18% of its businesses, compared to 9% nationally. Core to this success is a growing sub-cluster of green and environmental innovative engineering businesses, focussing increasingly on zero carbon technology.

The Fens supports the global potential of our economy by playing a dual role. It is a global centre for agri-technology and environmental management, with 50% of the UK's highest productivity agricultural land. It is home to innovative micro businesses and the Enterprise Zone at Alconbury, Huntingdonshire, is a new focus for growth in our economy. But the towns and villages of The Fens are also home to many who work in Cambridge and Peterborough.

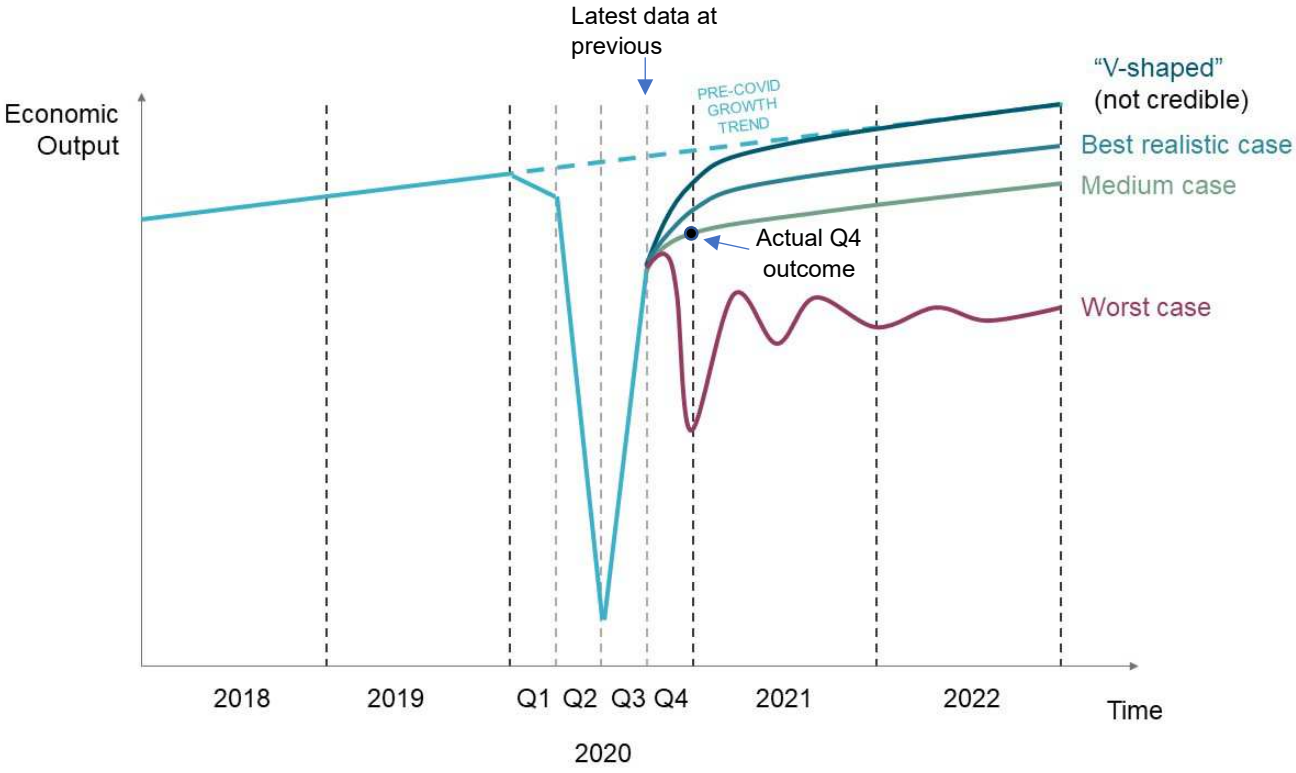
Both Peterborough and Fenland have lower levels of highly skilled jobs and lower wages overall. Core to all our investment and the actions in this plan is the aim of ensuring at all three areas of our economy succeed in the future.

As described above, the context within which people and business are taking decisions about location and lifestyles are changing.

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.

2.2 SCENARIOS

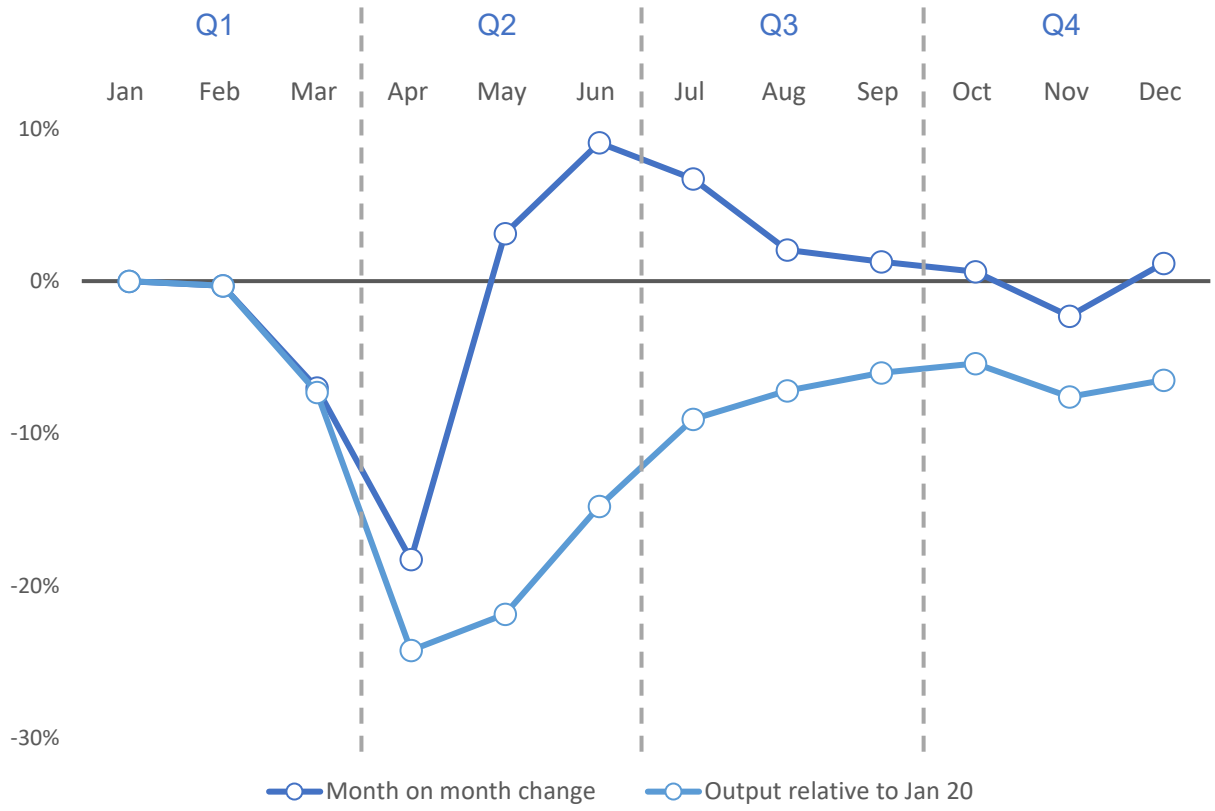
In the November response and recovery plan we set out three economic scenarios:



Source: November update of the Cambridgeshire & Peterborough Local Economic Recovery Strategy

We ruled out the V-shaped scenario of sort term return to trend output levels given tightening restrictions. **The eventual position in the fourth quarter of the year was closest to our medium case prediction.** Although quarter four included four weeks of lockdown (largely in November), and the introduction of tier four at the end of December, this didn't appear to dent output as much as might have been feared – and certainly not to the levels of the first lockdown. But it did put an end to the recovery as

is shown by looking at *monthly* output data for the UK (not reliably available at a more local level):



Source: Metro Dynamics analysis of ONS quarterly GDP data

The light blue line shows the output position for each month, relative to January. Since April, this had been consistently recovering, with the month-on-month change (dark blue line) always above zero. However, even before the second lockdown, in October, growth was slowing, (shown by the blue line returning to zero) while output was still over 5% below the start of the year. During this time, many areas, including part of Cambridge and Peterborough, were subject to escalating Tier based restrictions.

In November, growth turned negative again as the second lockdown reduced activity. The impact, however, was less severe than in April. December brought a small recovery, likely driven by Christmas sales.

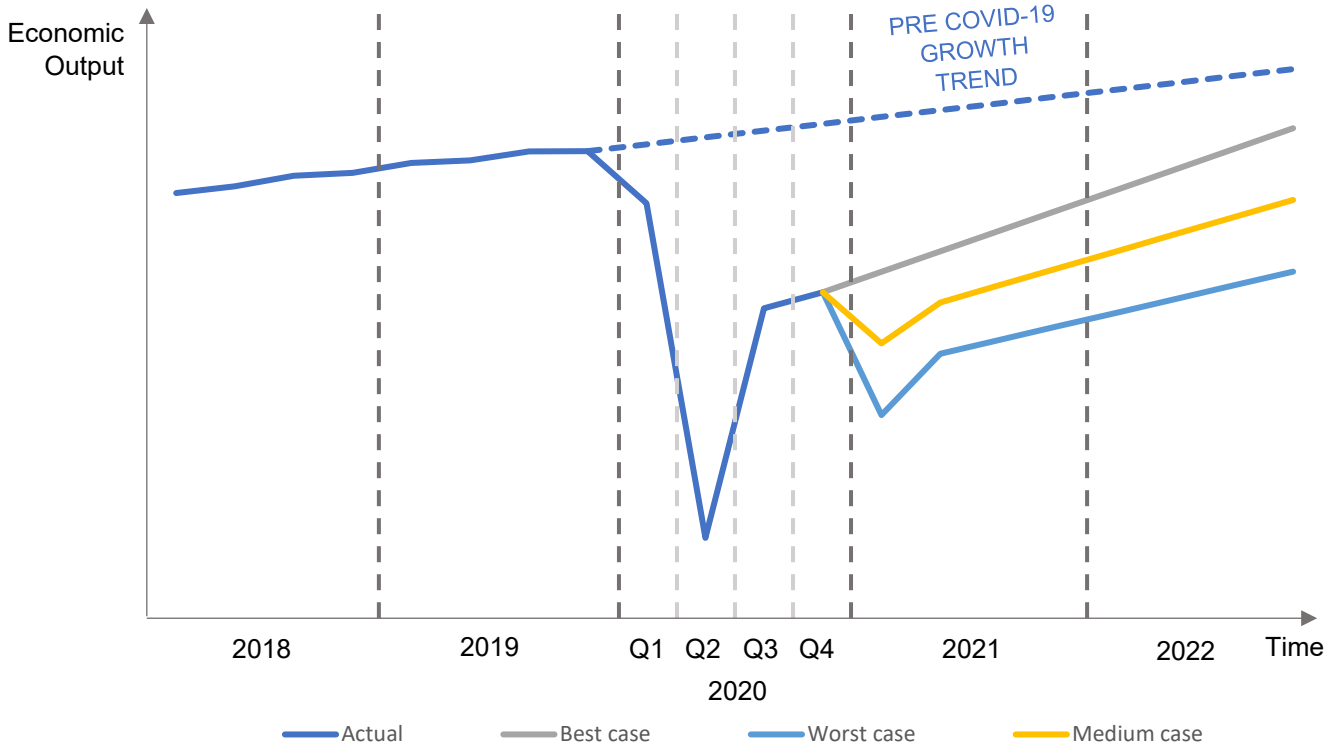
There is still much uncertainty over the future and the overall impact of the most recent restrictions and the successful vaccination programme. To reflect changes since November we have used three revised scenarios:

Best case: An accelerating recovery. In this scenario, the growth seen between Q3 and Q4 2020 continues. The vaccine rollout is successful in covering most of the adult population, and effective in reducing transmission of the virus, encouraging the Government to move faster than their original plan. Because of the spare capacity in

the economy, this growth is significantly faster than the pre Covid-19 growth trend rate, beginning to close the gap. Spurred by strong business and consumer confidence, by the end of 2022 output is higher than it was at the end of 2019, though still below the pre-crisis growth trend – indicating this is not a V-shaped recovery (an outcome that seems even more unlikely given recent data).

Worst case: Tumbling consumer confidence dents recovery. In this scenario, the three months of heavy restrictions at the start of the year depress output significantly. The outcome is still not as bad as Q2 2020, due to businesses having adapted to new ways of working. But on the demand side, concerns about new variants cause people to refrain from economic activity, having a more dampening effect than the second lockdown. As Spring arrives and moves into Summer, the virus begins to ebb, but cases of resurgence cause Government to be slow in lifting restrictions, and the continued scarring of the economy reduces overall capacity.

Medium case: A cautious return to growth. The lockdowns in Q1 and concerns about new variants cause a fall in output, but not in such a severe way as was envisaged in the worst-case scenario. As the vaccine rollout takes place, the Government moves at the pace set out in the original roadmap, with sectors of the economy opening gradually. However, by the end of 2022, output has still not caught up with levels at the end of 2019.



2.3 PHASES OF RECOVERY AND INTERVENTION

We have defined three phases of action. These will overlap and different sectors and parts of our economy may experience elements of each phase at different times. This will depend on the progress of the pandemic and the situation in different national and global markets and trading arrangements, as other countries manage their own responses.

Respond:

This phase covers our immediate response to the economic impacts of the virus itself and associated restrictions on our people and businesses. It will have lasted from March 2020 through to at least Summer 2021, as restrictions are cautiously lifted from March 2021 onwards.

Recover and Rebound:

This phase covers our reopening of the economy in stages and supporting people and businesses to continue to adjust to both the impacts of the restrictions and the changes in behaviour, markets and business models that have happened and will continue to emerge as a result. It will involve us reopening high streets, the visitor, leisure, hospitality, education and cultural sectors and encouraging safe public transport use. It is likely to last from March 2021 through into 2023.

Renewal and Future Growth:

In this phase we expect to see returns to pre Covid-19 Growth rates well established, but with significant progress towards zero carbon and the transition to new skills and technologies associated with a cleaner, more inclusive future growth.

2.4 UNCERTAINTIES

We are clear that there are major uncertainties ahead for the local, national and global economy:

Short/Medium Term (Respond and Recover / Rebound phases of LERS)

Economy	**Society**
• Pathways for transition out of publicly funded financial support measures for businesses, employees and households • Path of government spending, investment and borrowing	• Impacts on economic, social and spatial inequalities • Disruptions to public spaces and services as they return to 'new normal' patterns of regular operation (e.g. school terms, examinations, public transport timetables)

• Continued caution by households vs running down excess savings as economy reopens • Business and consumer adaptation to UK's changed trading relationship with the EU and other global partners	
Coronavirus • Mutations in the virus • Global progress in controlling the pandemic • Development of new vaccines, therapeutics, protective equipment	**Public health policy** • Duration and nature of social distancing measures • Restrictions on sales, trading, movement, and international travel

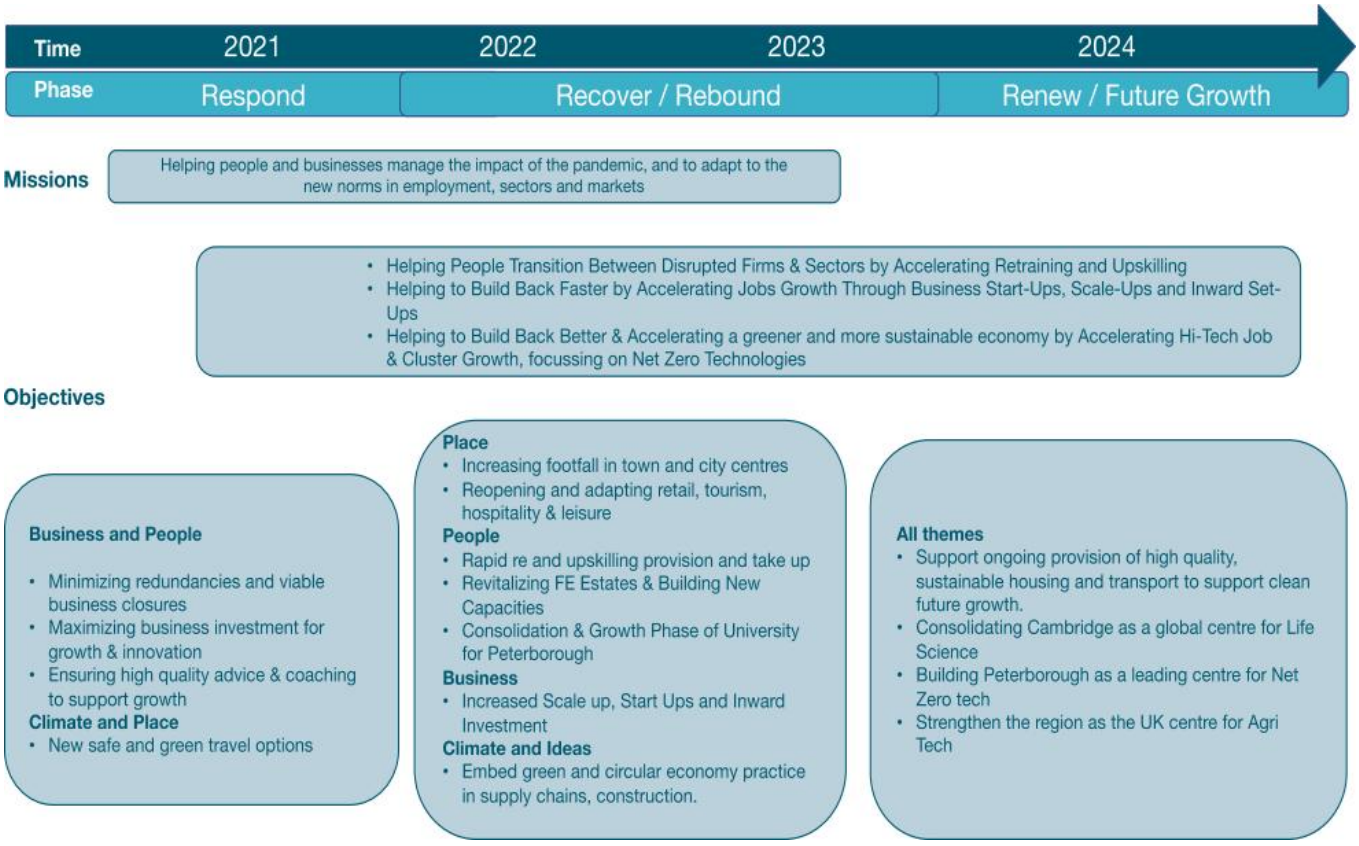
Long Term (Renewal and Future Growth phase of LERS)

Economy • Reversion vs reimagining in economic behaviours (e.g. remote working; online versus high-street shopping; consumption of home-prepared food etc) • Extent to which post Covid-19, post-Brexit conditions drive labour-saving automation • Demand for, and design of employment spaces • Structural unemployment left after output recovers and labour market stabilises • Reliance on contingent labour (freelancers, ZHCs etc) as firms rebuild or change business model • Sector focus of economy (e.g. on-shoring of production, shortening of supply chains, changes to UK state aid rules)	**Society** • Reversion vs reimagining in social behaviours (e.g. housing preferences; attendance at social functions etc) • Post-pandemic fear of contagion – will this drive location of office-based work (and its associated spending) outside town and city centres • Impact on self-employment as a favoured choice of work mode
Coronavirus • Impact of ongoing rules and programmes of activity to manage the disease (hygiene requirements; test and trace; vaccination programmes) • Indirect, delayed impacts from displaced care and self-reporting of health issues during the pandemic	**Public health policy** • Integration with other policy areas (e.g. social policy and welfare) • Public expectations about role and powers of government to support livelihoods and business in a force majeure crisis • Funding models for health and social care

3.WHERE WE WANT TO BE: MISSIONS AND OBJECTIVES

3.1 Our overall goal is to make a leading contribution to the UK's response and future success, accelerating the recovery, healthier and more inclusive way.

We have defined clear missions for the different phases of our recovery plan and specific objectives that will show when and how our missions are achieved. These are set out below. Interventions have then been prioritised for each phase that deliver the highest impact on the relevant objectives.



3.2 LOCAL INDUSTRIAL STRATEGY AIMS.

These objectives 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:** 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.

3.3 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 affected 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-19 but which are likely to now accelerate, potentially creating additional health and care jobs, construction and education roles (associated with retraining).

1. ACTION AND INTERVENTIONS - HOW WE WILL GET THERE

4.1 GOVERNMENT RESPONSE

Across Cambridgeshire and Peterborough, a huge range of actions by partners has already contributed to supporting the economy during the pandemic. Many continue to be important to the 'Respond' and 'Recover/Rebound' phases of the LERS. The actions to deliver this strategy take account of these interventions, either by adding local focus and value to them, or by identifying gaps and opportunities for additional support.

Summary of Government Response:

Wage and income support • Coronavirus Job Retention Scheme (CJRS) • Self-Employed Income Support Scheme (SEISS) • Statutory sick pay support • Tax credits automatic renewal and relaxation of hours rules	Welfare • Universal credit - minimum income floor • Weekly Universal Credit increased by £20 • Weekly tax credit increased by £20 • Employment and support allowance: removing 7 day wait • Local Housing Allowance measures • Stopping all health assessments and job centre appointments • Stopping conditionality reassessments
Business grants • Small business grant schemes • Business rates package • Job Retention Bonus – for employers of furloughed staff brought back to work • Local and Additional Restrictions Grants	Business loans and guarantees • Coronavirus business interruption loan scheme (CBILs) • Coronavirus large business interruption loan scheme (CLBILS) • Bounce Back Loan Scheme (BBLS) • Covid-19 Corporate Financing Facility (CCFF) • Support for start-ups (Future Fund and Innovate UK) Trade credit insurance
Tax • VAT deferral • Temporary reduced rate of VAT for hospitality, holiday accommodation and attractions • Self-assessed income tax deferral • HMRC Time To Pay (TTP) arrangements • Import duty exemptions for medical products • Domestic VAT reverse charge for construction services – delay • Off-payroll working: delay extension of IR35 to private sector by 1 year	Other measures • 'Eat Out To Help Out': vouchers to support spending in food establishments • Apprenticeship Recovery Package: wage subsidies for apprentices • Kickstart - wage, employer NI and pension subsidies for new jobs filled by 16- to 24-year-olds on Universal Credit • Traineeship employer incentives to support a young person access a skills development programme and gain work experience. • DWP Midlife MOT: A service aimed at those age 50+ that will offer information on a range of issues, including health, pensions, retraining and retirement.

4.2 HOW WE WILL GET THERE: OUR INTERVENTIONS

In the November Local Economic Recovery Strategy, we prioritised interventions, focussing on the delivery of those that were funded and had the biggest impact on Covid-19 response and early recovery.

We also identified longer term projects, including those where funding was not in place and the benefits were less certain. Since November we have carried out further development work on those long-term interventions and also delivered the enhanced business support and grant schemes that were put in place by Government and local partners in response to the January 2021 national restrictions.

As we move towards cautious reopening of the economy, we are committed to continuing to invest in the major interventions that will underpin longer term competitiveness, productivity and the transition to zero carbon.

We have therefore now grouped our interventions into two categories:

1. **Actions we are taking now:**

These are interventions which are funded, approved and are either already being delivered or which will be delivered during the Recover and Rebound Phase. We have not included locally led delivery of nationally funded support schemes for the response phase, these are summarised in the table on the previous page.

2. **Longer term:**

These are the interventions which are needed to underpin longer term renewal and future green growth, for which we will need additional Government investment in the period ahead.

Impact assessment methodology

We have further refined our indicative assessment of the impact of each intervention to reflect the longer than originally anticipated response phase and our gradual move during 2021 from a “Response” phase to “Recovery and Rebound” and then, in the longer term to “Renewal and Future Growth” 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.

ACTIONS WE ARE TAKING NOW - FUNDED SHORT AND MEDIUM TERM INTERVENTIONS

No.	Description	Funding / Lead	Impact on Recover and Rebound	Impact on Renew and Future Growth	Delivery Timetable	Comments	Intervention theme / LIS aims
1	A TOTAL OF £29M INVESTMENT INTO NEW BUSINESS GROWTH SERVICE TO DELIVER REBOUND & GROW COACHING SERVICES	BGS APPROVED AND FUNDED	3	3	From February 2021	As the scale of scaring on businesses become clear, the growth service may have to focus on helping firms access financial support ahead of ambitions for long-term growth	Business
2	£4M OF TARGETED INVESTMENT INTO NEW INWARD INVESTMENT SERVICE TO ATTRACT MORE FIRMS GCP WORKING WITH THIS NEW SERVICE THROUGH CAMBRIDGE & TO FURTHER INCREASE IMPACTS ONTO GREATER CAMBRIDGE	BGS APPROVED AND FUNDED	2	3	From February 2021	While the outlook remains uncertain, firms may be cautious about making major new investments. At the same time, competitor areas globally are also ramping up their efforts to secure investors.	Business

No.	Description	Funding / Lead	Impact on Recover and Rebound	Impact on Renew and Future Growth	Delivery Timetable	Comments	Intervention theme / LIS aims
3	£18M EQUITY INVESTMENT INTO THREE NEW LIFE SCIENCE AND TRANSPORT TECH-ACCELERATORS	LGF APPROVED AND FUNDED	2	3	From February 2021		Ideas / Business
4	£500K OF CAPITAL GRANTS & START-UP ADVICE FOR EMPLOYEES & DISPLACED WORKERS TRANSITIONING TO ENTREPRENEURSHIP	BGS APPROVED AND FUNDED	3	3	From February 2021	-	People
5	FOCUSING RECOVERY & GROWTH WHERE IT CAN IMPROVE HEALTH & WELLBEING MOST	EXPANDED ACTIVITY WITHIN BGS	1	3	From February 2021	-	People
6	£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	2	3	From March 2021 (Bid to Government in Spring 2021)	Many of the courses offered will not be easily deliverable online, so delivery will need to virus resurgence may challenge delivery	People

No.	Description	Funding / Lead	Impact on Recover and Rebound	Impact on Renew and Future Growth	Delivery Timetable	Comments	Intervention theme / LIS aims
7	£2.5M INVESTMENT TO INCREASE SKILLS CAPACITY IN THE CONSTRUCTION SECTOR TO SUPPORT A BOOST IN INFRASTRUCTURE INVESTMENT	LGF APPROVED AND FUNDED	3	2	Underway	-	Business
8	CONNECTING DISPLACED TALENT	BGS APPROVED AND FUNDED	3	1	Underway	-	People
9	£125K INVESTMENT INTO MORE RESOURCES INTO SCHOOLS TO BETTER CONNECT LEAVERS WITH JOBS	BGS AND CAREERS AND ENTERPRISE COMPANY – APPROVED AND FUNDED	3	1	Underway	-	People
10	LEVERAGING THE ADULT EDUCATION BUDGET TO IMPROVE DIGITAL SKILLS	AEB APPROVED AND FUNDED	3	1	Underway	-	People
11	£450K OF INNOVATE TO GROW GRANTS FOR SMALL FIRMS WITH BIG IDEAS	BGS APPROVED AND FUNDED	3	2	Underway	-	Ideas/ Business

No.	Description	Funding / Lead	Impact on Recover and Rebound	Impact on Renew and Future Growth	Delivery Timetable	Comments	Intervention theme / LIS aims
12	£5M INVESTMENT INTO NEW MANUFACTURING & AGRI-TECH INNOVATION LAUNCH PADS	£5M LGF APPROVED AND FUNDED £20M APPROVED AND FUNDED BY GBF, PCC AND PHOTOCENTRIC	3	3	Underway	-	Ideas
13	£715K INVESTMENT INTO A SMART MANUFACTURING ASSOCIATION IN THE NORTH OF THE ECONOMY	LGF APPROVED AND FUNDED	1	3	Underway	-	Business
14	TOWN CENTRE AND HIGH STREET REOPENING, INCLUDING THINK LOCAL PROMOTIONS	LA FUNDED IN HUNTINGDONSHIRE AND FENLAND	3	2	Underway		Place
15	£100M INVESTMENT IN HOUSING MARKET INNOVATION	CPCA APPROVED AND FUNDED	1	2	Underway and ongoing	Possible developers may have a lower appetite for trying new products if pessimistic about the future	Place / Infrastructure

No.	Description	Funding / Lead	Impact on Recover and Rebound	Impact on Renew and Future Growth	Delivery Timetable	Comments	Intervention theme / LIS aims
16	CONTINUED AND ACCELERATED DELIVERY GCP TRANSPORT PROGRAMME, TRANSFORMING TRAVEL AROUND AND TO GREATER CAMBRIDGE	GCP LED. £200M UNLOCKED THROUGH AUTUMN GATEWAY REVIEW	2	1	Underway		Place / Infrastructure
17	SMART CAMBRIDGE PROGRAMME – EMBEDDING DIGITAL TECHNOLOGY TO SUPPORT DEMAND FOR PUBLIC TRANSPORT				Underway		Place / Infrastructure
18	£13.9M OF INVESTMENT TO SUPPORT FOR CITY & TOWN CENTRES TO REBOUND	CPCA APPROVED AND FUNDED	3	1	Underway	Town centre recovery will need to be carefully linked to longer term changes in consumer behaviour and business models.	Place
19	GUARANTEED TRAINING & INTERVIEWS FOR JOBS IN HEALTHCARE & CONSTRUCTION (SECTOR BASED WORK ACADEMIES PILOT)	DFE APPROVED AND FUNDED	3	1	Underway	-	People

No.	Description	Funding / Lead	Impact on Recover and Rebound	Impact on Renew and Future Growth	Delivery Timetable	Comments	Intervention theme / LIS aims
20	NEW FUNDING FOR TRAINING FOR SCHOOL & COLLEGE LEAVERS UNABLE TO FIND A JOB	DFE APPROVED AND FUNDED	2	1	Underway	-	People
21	JOB CLUBS – UPSKILLING VOLUNTEERS TO DELIVER SERVICES AND SUPPORT TO THE UNEMPLOYED ACROSS THE DISTRICT	HUNTINGDONSHIRE	3	2	Underway		People
22	£80.1K INVESTMENT INTO LOCAL PILOTING OF A NEW RETRAINING SCHEME	DFE APPROVED AND FUNDED	3	1	Underway	Some uncertainty as to new growth sectors and professions post Covid-19	People
23	CAMBRIDGESHIRE COUNTY COUNCIL TRANCHE 1 and 2 ACTIVE TRAVEL SCHEME PROJECTS.	AP	2	2	Underway		Infrastructure / Place

No.	Description	Funding / Lead	Impact on Recover and Rebound	Impact on Renew and Future Growth	Delivery Timetable	Comments	Intervention theme / LIS aims
24	GREATER CAMBRIDGE HOUSING STRATEGY AND AFFORDABLE HOUSING DELIVERY ACTIONS.	SCDC AND CITY	3	3	Underway		Infrastructure / Place
25	ESTABLISH NEW BUSINESS SUPPORT AND ECONOMIC DEVELOPMENT CAPACITY IN SCDC AND CITY TO SUPPORT RESPONSE AND RECOVERY / REBOUND	SCDC AND CITY	2	2	Underway		Business
26	CAMBRIDGESHIRE COUNTY – FIBRE DUCTING BY DEFAULT ON ALL INFRASTRUCTURE SCHEMES	CAMBRIDGESHIRE COUNTY			Underway		Infrastructure
27	£1M CPCA DIGITAL INFRASTRUCTURE PROGRAMME “KEEPING EVERYONE CONNECTED”	CPCA APPROVED AND FUNDED	3	1	Underway		Infrastructure

LONGER TERM INTERVENTIONS FOR WHICH WE NEED FURTHER INVESTMENT

No	Description	Funding	Impact on Recover and Rebound	Impact on Renewal and Future Growth	Timescale	COMMENTS	Intervention theme / LIS aims
L1	MAJOR INNOVATION PROJECTS – PROSPECTIVE OXCAM GROWTH DEAL BID 2023-25 INC: EXPANSION OF WHITTLE LAB AT UOC – SUSTAINABLE JET PROPULSION UOC AND ASTRA ZENECA IMNOLOGY CENTRE	PROPOSED ACTIVITY FUNDED FROM OXCAM ARC	1	3	From 2023/24 From 2024/25 From 2022/23	Major opportunities to lock in UK global leadership in Life Sciences and future aerospace. Low impact on recover simply reflects funding timescales.	Ideas
L2	CITY CENTRES AND TOURISM / CULTURE AND LEISURE PROGRAMME	SPF (CPCA, CITY and BID	3	3	Potential bid to Government in 2022-24	Social distancing into the longer term may make it very challenging for the creative sector to recover, but demand likely to be high, including from increased UK based tourism.	Place
L3	NEW MARKET TOWNS RENEWAL PROGRAMME 2023-25.	SPF	3	3	Current Phase underway (new phase potential bid to	Future Funding Certainty will increase confidence in the short term. Evidence some	Place

					Government in 2022-24)	market towns well placed post Covid-19	
L4	PETERBOROUGH STATION QUARTER – NEXT PHASE	LUF	2	3	Potential bid to Government in 2022-24		Place
L5	FENLAND ADVANCED MANUFACTURING CLUSTER	LUF	2	3	Potential bid to Government in 2022-24		Business / Place
L6	WISBECH DEVELOPMENT ENTERPRISE	LUF	2	3	Potential bid to Government in 2022-24		Business / Place
L7	UNIVERSITY OF PETERBOROUGH RESEARCH ASSETS AND EXPANSION	LUF	2	3	Potential bid to Government in 2022-24		Ideas / Business
L8	FE CAPACITY BUILDING PROGRAMME, 2023/25COORDINATED BID FROM FE COLLEGES ESP ON ADDRESSING SKILLS DEPRIVATION IN THE NORTH AND TECHNICAL SKILLS CAPACITY IN THE SOUTH	FE Capital Transformation Fund	3	3	Potential bid to Government in 2022-24	Availability of future FE capital will support wider confidence and skills investment.	People
L9	FRAMEWORK FOR SUSTAINABLE ECONOMIC DEVELOPMENT	PROPOSED BY CAMBS COUNTY COUNCIL - FUNDING TBD	2	3	Ongoing	-	Business / Place
L10	RESOURCE AND WASTE CIRCULAR ECONOMY BUSINESS MODELS	PROPOSED BY CAMBS COUNTY	2	3	Ongoing	-	Business / Place

		COUNCIL - FUNDING TBD					
L11	START UP AND SCALE UP INCUBATOR AND ACCELERATOR PROGRAMME, INCLDING DIGITAL ADOPTION / EZ DEVELOPMENT	SPF	2	3	Potential bid to Government in 2022-24	-	Business
L12	ADVANCED DIGITAL INFRASTRUCTURE FOR ACCELERATORS AND INCUBATORS	SPF	1	3	Potential bid to Government in 2022-24	Low score in Rebound and Recover just reflects timescales for delivery	Business / Infrastructure
L13	BUSINESS EXPANSION AND LANDING PROGRAMME –INWARD AND BUSINESS INVESTMENT SUPPORT – REFLECTING CAMBRIDGESHIRE & PETERBOROUGH GLOBAL COMPETITIVENESS	SPF	3	3	Potential bid to Government in 2022-24	Businesses taking decisions now that will have long term spatial consequences globally. Real first mover advantage with short term impacts as well as longer term	Business

4.3 DELIVERY: THE NEED FOR PARTNERS IN GOVERNMENT TO INVEST

In partnership with the UK Government

Whilst designed for the Cambridgeshire & Peterborough economy, taking into consideration the strengths, weaknesses, opportunities and threats for each of our three sub-economies this strategy recognises that there are complementary challenges and plans above and below our scope of operation.

Centrally, the UK Government has produced its **National Economic Recovery Strategy** and we have worked intensively with Ministers, as well as officials in the Whitehall Economic Recovery Working Group, and partners in the M9 Group of Mayoral Combined Authorities and the LEP Network to input into that strategy.

CPCA and its partners understand that UK-level plans and funding streams for economic development are evolving. The post Covid-19, post-Brexit context is different from when the first national industrial strategy was published in 2017. Events since then have accelerated some existing trends and introduced others. There are new drivers of policy, new opportunities and challenges.

The LERS accounts for this by aligning with the big-picture themes of national focus: from supporting businesses to adapt to new international trade rules to accelerating jobs growth in our technology champions in Life Sciences, Digital, Advanced Manufacturing & Materials and Agri-Tech; from investing more to green our economy to supporting the young people whose career prospects were hit hardest by the pandemic.

In partnership with local authorities and the GCP

Locally, councils and the GCP have or have planned to produce city, town or district recovery plans and each of these partners has worked to co-create the LERS 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. 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.

In partnership with pan-regional partners, the OxCam Arc

Regionally, the OxCam Arc has produced an Arc Economic Prospectus for recovery, and the Combined Authority has been working through the Arc's structures, and especially with the three LEPs and universities group to formulate and agree this. The prospectus, builds on the vision for the Arc, contained within all four constituent Local Industrial Strategies for the Arc, and 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.