

CAMBRIDGESHIRE & PETERBOROUGH
LOCAL ECONOMIC RECOVERY STRATEGY: APPENDIX 1 –
INTERVENTIONS EXPLAINED

Pillar 1: Accelerating Start-Ups, Scale-Ups and Set-Ups

The key message for all businesses is to find ways to capture what they have learned from the unforeseen and forced Covid-19 experience. Over a very short timeframe, businesses had to rapidly adopt new technologies to facilitate, amongst other things, mass home working. They have reviewed supply-chains and many will have moved into new markets. Returning to “business as usual” may not be the best strategy. Asking the right questions will be key as will acting on the answers. Not only will this help companies recover from the economic shock to their systems, it will also build and embed resilience against future shocks whatever their source.

1. A New Rebound & Grow Coaching Service

Ready for launch in October this service will be harnessed to strengthen the “business bounce” in our economy by targeting and engaging our highest potential growth firms into **Rebound & Grow Coaching**. To adapt the service for the rebound phase of recovery, the coaching offerings are being redesigned around the “ROAR” approach to regrowth, comprising four elements: Recover–Orient–Adapt–Regrow:

- **Recover:** Rebooting and rebuilding the corporate systems and management processes that enable the core customer acquisition and service fulfilment of the company. Rebuilding new, and possibly lower, steady state revenue lines and adjusting the organisations costs base to them.
- **Orient:** taking time to fully understand the longer-term shifts in markets and customer behaviours –
 - **Reduced customer access** brought about by a more permanent shift in behaviours towards online and distance buying.
 - **Extended and fluctuating periods of social distancing** impacting productivity and causing supply chain consolidation & localisation
 - **New opportunities for faster growing product and service lines** and more efficient and cost-effective modes of delivery and working practices.
- **Adapt:** Harnessing the medium and longer-term shift in the business environment to create new product and service differentiation and organisational strengths.
- **Regrow:** Harnessing an accredited pool of experienced entrepreneurs and business coaches to help local business leaders to orient & adapt to the

permanent shifts in their business and identifying and capture regrowth opportunities, including supporting micro and SME's with toolkits and advice that can help them thrive in an increasingly digital and e-commerce landscape. A potential further £20m of growth grants and investment to businesses.

2. Innovate to Grow Service for Small Firms with Big Ideas

The CPCA will introduce a new £500,000 Innovation Grant Scheme to help our highest potential businesses enlist external expertise that in turn secures UK & European R&D Grant Funding of £1m upwards for the development of new and innovative products and services.

Accommodated within the Business Growth Service, this Grant scheme will fund up to 50% of external R&D Grant Application writing experts. Due to the rich creative spirit within our economy, we have the ambition to increase this fund five-fold over the next three years.

3. Capital Grants & Start-Up Advice for Employees Transitioning to Entrepreneurship

Post Covid-19 labour market conditions, created by a significant increase in displaced workers coupled with a contraction in job opportunities will produce fierce competition for new, re-growth jobs. However, large-scale re-employment could also be supported by encouraging entrepreneurialism and self-employment with both young adults as well as mature, displaced workers.

Whilst there are many layers of existing support for potential **company start-ups** and the **self-employed sole traders**, the landscape needs to be simplified and localised to the specifics of our sub-economies and market towns to address and harness local opportunities. Both types of new entrepreneur can be supported through mentoring, grants, incentives and leveraging other programmes such as the National Skills Fund and AEB Funding to design specialised courses for aspiring entrepreneurs.

From a financing perspective, Young Adults over recent years have faced similar challenges to establish themselves on the Housing Market but have successfully done so through programmes such as Help to Buy/Shared Ownership/Parental Guarantees etc. With this in mind, similar models could be explored and developed locally, in partnership with HMG and HMRC to grant finance start-ups, alongside local interventions such as business rate discounts and local capital equipment grants.

More mature displaced workers, who are some years short of retirement and keen to explore entrepreneurship, might also be encouraged to embark on a start-up venture through finance unlocked from their home-equity, through tax breaks or early access to pension pots. Each of these cohorts of potential entrepreneurs, offer an exciting

mix of talent, attributes, and experience, and should be proactively harnessed for the benefit of local economies.

The CPCA will refocus its Growth Hub to encourage potential entrepreneurs to start new businesses and provide 50% grants to fund the capital costs of start-up and professional advice to help them scale-up, from successful entrepreneurs and business consultants.

4. Entrepreneurship and Business Growth

An expected area for further employment post Covid-19 and key to the economic recovery is start-up and entrepreneurial businesses.

Working with the already established British Library's Business and Intellectual Property Centre in Peterborough and Cambridge Library., support can be given to entrepreneurs and small businesses to successfully launch, develop and grow their business.

This support is designed to be easy to access and offers valuable market research & data using an extensive range of free software, online business resources, business support and e-learning. Though this partnership there are also further free British Library business information, tips, resources and training.

5. A New Inward Investment Service to Attract More Firms

A new service to strengthen the economic "bounce" in our economy by targeting and engaging not just international foreign investors, but also national firms. These businesses are currently adapting to greater remote working, and downsizing their premises requirements (in both terms of space and costs). This possibly permanent shift to more remote working, will create a large population of firms in transit, between premises and potentially towns and cities.

These will include high potential firms, that we should engage and build tailored packages of support for, based on the many elements of this recovery strategy. This will be a free of charge service to SMEs and offered commercially to large international investors to: "Attract, Develop, Deliver and Support firms to relocate into our economy. This £4m investment from the CPCA, will replace a much smaller, pre-Covid-19 service that operates only in Peterborough, and will operate a tiered model to attract regional relocations into The Fens, national relocations into Greater Peterborough and global relocations into Greater Cambridge. The Covid-19 adapted service is expected to generate over 1,200 new jobs during the rebound phase of recovery.

This Inward Investment service will work together with the Department for International Trade, to develop and promote a strong brand for our two core cities that represent our unique proposition. It will set out how our individual industry clusters work together to create a whole that is significantly greater than the sum of its parts. This brand will also promote the area's quality of life offer, the diversity of

towns and cities, and the opportunities for communities and businesses to locate here.

6. Support for the Visitor Economy to Recover & Adapt

Growth Advisors will link firms with potential for strong rebound, within the visitor economy of Cambridge, into the new £145,000 Grant Scheme for revenue grants of between £1000 - £3000 for equipment and support to help evolve, adapt and implement new processes and technologies to capture the evolving remote “virtual visitor” experience and marketplace.

7. Recovery and Development of the Creative Economy

Develop Greater Cambridge Vision as a leader in creative industries. As part of that work, the City Council would be keen to lead a plan for £50m major capital redevelopment of current facilities, to deliver an enhanced mixed economy of creative businesses, flexible event, studio, incubation and exhibition space for current and new creative tech and start-up companies within the city and surrounding communities. This would be supported by talent development and management and monitoring support networks.

8. Support for Displaced Workers to Transition into Entrepreneurship

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9. Support for City & Town Centre Firms to Rebound

City Centres - a new city centre improvement fund, provided by the CPCA Business Board, through its Local Growth Fund to support the regeneration of the City Centres moving to outside entertainment and socialising. The applications will follow the LGF process and will be required to meet the outputs and outcomes identified in LGF increasing jobs, safeguarding jobs and improving the estate grades and access to the City Centres. Furthermore, local authority partners are actively looking at longer term assessments on change of use from retail to other use.

Town Centres - an adaption of the existing Market Towns Fund provided by the CPCA through its devolved Gainshare Funding as a ringfenced fund will enable a co-ordinated approach to the changes required post Covid-19 to management of people meeting and socialising, maintaining the retail, leisure, hospitality and environmental sectors in town centres. A commitment was made by the CPCA to work in partnership with district and town councils to produce masterplans for key towns.

10. Adapting Commercial Space Provision to Remote Working

The Covid-19 pandemic has potentially changed the way that many organisations will look at their need for, and use of workspace. Although many will return to the workplace once the situation is more clear, many will use the opportunity to review their requirements, and to plan their futures around more flexible and agile workforces, and the adoption of technology and digital platforms to improve efficiency and productivity, adapt to market demands, support staff, and increase their sustainability. This means that commercial space needs will change and there is a need to support adaptation of buildings to future needs, and to reduce the potential voids. A programme to include the planning and land-use, business and skills support will be developed. Understanding changes in demand for commercial space, and tapping into opportunities

Across many industries and types of location new trends for commercial space are already emerging. Understanding immediate demand changes as well as longer-term substantive changes will be a core success factor for local recovery strategies. Changes in demand across office space, laboratories, logistics, manufacturing and the make-up of city and town centres have been instigated or accelerated by the pandemic. In Cambridgeshire and Peterborough the particular dynamics of these changes will vary across the three sub-economies and individual towns and cities. Inevitably this will present challenges and difficulties to local economies, but it can also present opportunities. For example, in relation to strong demand for laboratory space or for well-connected market towns as certain commercial activity moves out of the capital.

It is therefore important to this Local Economic Recovery Strategy that Local Authorities work closely with industry to gain early insight into these changes, and use this insight to consider ways in which place-leaders can mitigate challenges and tap into opportunities. This will be focussed in particular in the medium/long-term needs of the Priority Sectors identified in this Strategy, and for Market Towns. At an appropriate point in the implementation of this Strategy, a commercial space demand analysis will be produced for each Priority Sector and for Market Towns.

Pillar 2: Accelerating Hi-Tech Jobs Growth

11. A New University for Peterborough

Establishment of a new university in Peterborough to remove the higher education cold spot, that has contributed to the Post-COVID economic vulnerability of the City and will make it more difficult to recover in the longer term. In comparison to the

average city in the UK, and within a workforce of 103,000, Peterborough needs be able to mobilise 17,000 more workers at these higher skills levels, to become competitive as a place, and arrest four decades of decline in prosperity and health outcomes and be able to recover from the COVID economic in the longer term.

The CPCA has procured Anglia Ruskin University to deliver a new university for Peterborough. The university phase 1 building will enable delivery of a curriculum matched to the growth needs of local businesses, providing new opportunities for communities to gain access to higher level skills, better paid employment and enhanced life-chances. The core strategy has been developed to tackle the current market failure in HE in Peterborough include:

- A clear focus on under-represented groups and those “left behind” i.e. those who cannot or will not travel to existing providers.
- A solution based on a limited physical experience and a relatively modest campus development with 60% off-campus teaching provision.
- A phased approach which evolves with the needs of the region and is facilitated by successive successful phases of development
- An effective and collaborative relationship between education providers in the city to build a clear pipeline of students and raise aspirations

The CPCA, ARU and PCC will invest £30m to create a facility to deliver 3,000 graduates per annum and 14,000 jobs over a decade.

Although the new University will help to address the higher level skills gap we have in the north of the County, it is critical that pathways to HE exist for local residents to access these opportunities by develop their skills and qualification levels thus creating a pipeline of University students. Therefore, working with the Local Authority, T-Levels and Access courses for adults will be developed to ensure that the opportunities offered by the new University can be maximised to the benefit of local business and people.

12. New Manufacturing & Agri-Tech Innovation Launch Pads

These will be innovative co-investments between local firms and the CPCA's Local Growth Fund into buildings and equipment to deliver town and city-based innovation centres. Each will comprise all or some of the key features of; apprenticeship academies, technology research centres and spin-out or scale-up incubators. The CPCA's £20m of funding will enable 5 centres to be built across Cambridge, Peterborough and The Fens, all complete by spring 2021.

In the meantime, they will provide vital construction employment to support short-term recovery, along with new technology, products, skilled workers and incubated firms, contributing 1000 new jobs and 350 Apprenticeships to accelerate rebound.

The centres will include:

- A Metalcraft Advanced Manufacturing Launchpad to create incubator space within Chatteris and the redevelopment and expansion of the Apprenticeship

training facility currently on site for advanced manufacturing businesses across Fenland. This centre will create 50 new jobs and 300 Apprenticeships

- A Photocentric Additive Manufacturing Launchpad in Peterborough to create a new head office including R&D space focusing on the development of new 3D printing technology. This centre will create 1000 jobs over next 4 years and 50 Apprenticeships.
- A NIAB Agritech Launchpad in Cambridge to create start-up business space for AgriTech firms, offering access to labs and scientific support. This centre will create 50 new jobs and new opportunities for collaboration amongst Agri-Tech businesses and Academics/Scientists.
- Endurance Transport Technologies, Hunts - creation of an innovation launchpad focused on future mobility, logistics and clean energy. The launchpad will provide support for start-up businesses, deliver high level skills and will focus on major innovations in the sector.
- Composites, Chatteris – establishment of a composite repair centre to complement the main composite development, design and build business.

13. Three New Life Science and Transport Tech-Accelerators

A total of £7m of CPCA investment will form part of an £18m bundle of public and private sector growth funding in the form of equity investments for our highest potential and fastest growing small firms.

This innovative public-private sector partnership will share risk with global and local investors in growing 80 new technology-based spin-outs and start-ups in Cambridge, and contributing 2150 new jobs to accelerate our economies rebound potential. This includes:

- A Start Codon Tech-Accelerator to invest equity and mentor high potential life science firms supported by the Start Codon team at the Milner Institute on Cambridge Biomedical Campus. This will create 1700 jobs over investment period of 5 years through investing and mentoring 45 companies.
- An Illumina Genomics Tech-Accelerator to support and mentor high potential start up med tech firms at Granta Park, providing financial investment in equity shares of £100k per company for accelerated development of research and technology in genomics applications. This will create 400 jobs from 30 companies mentored.
- An Ascendal Transport Tech-Accelerator to create a Special Purpose Vehicle for the testing and proof of concept development of future transport technology options just off the A14, north of Cambridge. This will initially support 9 start-up or early stage companies with technologies that require real-world testing and commercialisation through this programme. This will create 200 jobs.

14. A Manufacturing Innovation Eco-System in the North of the Economy

A £18m investment to establish the first independent R&D centre for Peterborough, to create the core for an Innovation Eco-System. This will generate significantly greater growth in high-value, knowledge intensive jobs in the north of the economy.

As for a number of cities in the UK, the establishment of a university and associated innovation eco-system could produce the knowledge engine to drive the increased worker skills to raise business productivity, innovation, and knowledge intensity, capable of shifting the gradient of the economic recovery rate, in these left-behind towns.

However, replicating the “Cambridge Phenomenon” that has taken decades to organically evolve and develop requires a specifically designed and long-term programme of interventions that balance supply of improved human capital with the demand for it. Filling the higher-level skills gap in Peterborough and The Fens, will have limited impact without effective measures to significantly grow the business and industrial demand for those skills. This will require, concurrent development of the innovation and business support eco-system to grow indigenous high-value firms and attract new ones to the city.

Place based, and integrated university and innovation eco-systems that act as a focus for sector-cluster development have been developed successfully around the world, and ours will be based on the Franhofer Model for Technical Universities. It has been chosen for its powerful partnership approach between the university itself, and a co-located independent Research Institute. This will provide the platform for a high value manufacturing innovation eco-system with a Technical University at its core. This in turn will drive place-based, sector cluster, growth founded in technological innovation, that will transform the knowledge intensity of products, services and jobs, which will in turn, arrest four decades of decline in prosperity and reset the city’s potential rate of recovery.

The research centre will be operated by a partner with a global manufacturing **sector network** of 700 research and technology customers, across 4500 sites in 80 countries, with combined revenues of £35bn and an annual R&D activity of £1.5bn pa. In addition, residing in the Research Centre, there will be **6 academic partners** operating 8 University Innovation Centres to create a Multi-University Research Super-Hub.

15. Advanced Digital Infrastructure Deployments to Support Accelerators and Incubators

Emerging technologies and advanced data techniques which can fuel innovation and high value growth in areas such as transport, life sciences, healthcare and Agri-Tech are critically dependent on having leading edge digital connectivity infrastructure and services readily available for small businesses and research institutes as well as larger more established businesses. All new accelerators and incubator spaces require leading edge digital infrastructure services.

This includes gigabit capable full fibre infrastructure for all new buildings established as part of these workstreams (7,18,19) and the installation of 5G networks in all locations to support testing, trials and innovation. These include the provision of private 5G networks where required, integrated with commercial 5G deployments as needed.

16. A Life Science Innovation Network to Produce a New Generation of Unicorns

As part of the OxCam Arc Investment Prospectus, the CPCA and University of Cambridge will be working with partners across the Arc to secure £500m within the Comprehensive Spending Review to establish of an OxCam Arc-wide life science innovation network to produce a new generation of unicorns in Cambridge and Oxford.

In the longer-term, transformative growth and renewal of our economy, is likely to be delivered through innovation-based growth and a greater knowledge intensity of our firms' offerings and the jobs that help produce them. Whilst medium-term rebound is most enabled through small and medium-sized firms, able to be supported scale rapidly, the Cambridge science base and innovation eco-system, has demonstrated it is capable of producing billion-dollar start-ups, the so-called Unicorns. More unicorns have been created between Oxford and Cambridge than in the rest of the UK's cities put together.

By working across the OxCam Arc, to link the innovation eco-systems of Oxford and Cambridge, focussed onto the key technologies and sectors, within which the two cities are already globally pre-eminent, we could create the opportunity to become an innovation growth economy to rival San Francisco, Toronto, Boston or Seoul. To achieve this, all three LEPs and our Combined authority would need to partner with Government to invest together in such a global undertaking.

The scientific community's response to the challenge of developing a vaccine and anti-body therapy to Covid-19, has demonstrated, that unprecedented achievements can be made through collaboration and breaking down perceived barriers to the integration of resources. Harnessing the two cities' scientific leadership in life sciences, data analytics and artificial intelligence, through the integration and coordination of their laboratories and testbed facilities could deliver as much economic success as we have seen in the fight against the pandemic.

The Arc Universities Group (AUG) should be given the opportunity to develop and propose, to both local and national government, an ambitious vision for Arc scientific integration, from discovery, to testbeds and production scale-up and spin-outs. New investment as well as collaboration and sharing of resources, will be needed to overcome the current inefficiencies in converting science into marketable medical devices, therapies and vaccines. This will require new capital infrastructure as well as revenue funding to create the human links in the chains and networks that will need to be built.

This would be an ambitious undertaking requiring hundreds of millions of pounds and a long-term commitment over at least a decade. However, what could result is one or even several more unicorn, billion-dollar businesses able to generate not just economic growth, but long-term economic sustainability through a greener and more knowledge intensive economy.

Pillar 3: Accelerating Recovery in Construction

17. Increasing Skills Capacity in the Construction Sector to Support a Boost in Infrastructure Investment

The Combined Authority will increase the prioritisation of its Local Growth Fund's to focus more on capital investments to grow local FE capacity to raise skills quality and volumes in the construction sector. Resulting from the forecast upsurge in infrastructure investment locally and across the OxCam Arc, the forecast local labour demand is for 108,500 by 2022 with around 61% of these being employed in skilled trades. This is to support a £1.3bn housing market and a £764m roads investment, set to rise further with the planned upgrading of the A428, A47, A10, A505 and A428 OxCam Expressway.

Construction, therefore, is forecast to grow over the coming period, during which several other sectors will struggle to recover - notably retail, leisure and hospitality. As a result, significant labour flows are predicted between these sectors, creating the need for reskilling of workers in transit between sectors. The CPCA intends to respond to this through £2.5m of capital investments in an FE Construction Hub in Huntingdon, with further, similar investments targeted for Wisbech and Peterborough.

18. Guaranteed Training & Interviews for Jobs in Healthcare & Construction

Building on the already successful £5m pilot of the DWP funded Health and Care Sector Work Academy, that the Local Authority deliver on behalf of the CPCA, other Sector Work based academies will be developed. These will be aligned to geographically based employment sectors to ensure local business needs are met. The Government's additional Sector Based Work Academies initiative will be used to increase the number of sector-based work academies in our area.

One example of the planned academies is the planned Construction & Infrastructure Work Academy will involve partners including the CITB, and will provide training for Town planners, Construction managers, Fire safety engineers, Electrical installation engineers, Domestic appliance engineers, House builders.

19. Stimulating the Housing Market - £100k Homes

The Centre for Economics and Business Research think tank predicted in early June that 'house prices will fall by 13 per cent by the end of the year' due to the pandemic.

It has revealed that the effect will vary across the country depending on how badly a region's workforce was hit. The think tank predicts that house prices in Yorkshire and the Humber and Northern Ireland will fall most.

In these regions the main industries of manufacturing, construction, retail and hospitality have been hit the hardest - 'Although the government have offered up a vast package of support, this lack of demand will mean some businesses cease to operate,' explains the CEBR, many workers will lose their jobs and a lot more will face a cut in incomes.' 'Housing is the single biggest expenditure item for most households, which means that the shortfall in incomes has a tremendous potential to disrupt the UK's housing markets,' the CEBR adds". The May 20 Nationwide housing data showed a month on month fall in house prices of 1.7%, further evidence of an ongoing market decline. To forecast the potential impact going forward, there is merit in looking at previous recessions and house price crashes, the most recent and significant being 2007. From Jun 2007 to Dec 2008, prices dropped 20% and recovered only after 6 years. New home sales declined from the beginning of the recession in December 2007 and failed to fully recover until 2012. This resulted in a significant loss of economic housing output and capacity.

As the market for private sale units shrank with higher risk and uncertainty about the volume of sales, anticipated sale prices and any profit that might be achieved, housebuilders downsized their operations to match. The effect was the loss of capacity and production.

However, the CPCA's current £100k Homes programme could be expanded and harnessed to encouraging housebuilders to keep building at higher rates, at least temporarily for 1-2 years to build majority or wholly affordable housing schemes instead of market housing.

This would allow developers the opportunity to complete (and still start) building market units and convert them to a shared ownership or affordable rental tenure. Such a scheme would maintain developers cashflows, contractors' workloads and provide continuity for the housing market whilst simultaneously increasing the overall long-term pool of affordable housing and maintaining overall economic activity from the housing sector, avoiding the worst excesses of a contraction of the housebuilding industry.

An even more powerful stimulus is being pursued by the CPCA to deliver potentially three new garden towns linked to the Mayors proposed Cambridge Autonomous Metro scheme. Each scheme could deliver approximately 6,000 new houses, including affordable houses & commercial space, all connected by the CAM. This would require around £20m over the next few years to harness the delivery expertise and leadership of the private sector and demonstrating public-sector commitment to attract private investment.

Pillar 4: Accelerating Upskilling & Retraining

20. More Resources into Schools to Better Connect Leavers with Jobs

As well as supporting the “Class of 2020” into employment right now, we need to build for the future by much better connecting careers guidance in schools to the local labour market. Young people coming through school need to be provided with a clear line of sight to the range of options available to them, and employers need a better pipeline of homegrown talent ready to fill the jobs that our local economy will be generating.

The improvements and enhancements to careers advice in schools in this strategy, are drawn from the Cambridge Ahead report¹. This research finds that there is significant disconnect between career guidance in schools and the workplace. If not addressed this disconnect will continue to undermine recovery. Addressing the disconnect needs to focus on the capacity of schools themselves, and the ways providers and employers can support schools to do more.

More resources will be channelled into schools to better connect leavers with jobs through:

- **Increasing funding for the engagement and coordination** of employers to provide Careers Advice into schools in partnership with the Careers Enterprise Company. This will be co-funded by the GCP and the CPCA in Greater Cambridge and the CPCA alone, elsewhere, and available from October 2020.
- A Greater Cambridge pilot for the wider economy to **encourage more large local employers to generate more active engagement with schools**, leading to more work mentoring, work experience, and industry placements. Cambridge Ahead will deliver this pilot through its 48 Members across the Greater Cambridge sub-economy.
- The Mayor will carry forward local demands into government for **dedicated budgets for schools to build their in-house capacity, as the foundation for better and more balanced career education**, and to enable lasting connections to be built with local employers. This will include the potential to devolve pilots or such interventions, co-designed between the M9 Mayors and Ministers

The three interventions above will be specifically focused on addressing recommendations set out by the Cambridge Ahead report, namely:

- To ensure all schools to have a dedicated careers leader to coordinate career guidance and access to funding for improved guidance.
- To raise awareness and understanding amongst teachers and staff of technical education pathways for learners, giving them equal emphasis.
- To facilitate more engagement with employers, building closer relationships between providers, schools and businesses, to improve learners understanding of the skills required in the labour market locally.

¹ https://www.rand.org/pubs/research_reports/RR4491.html

- To engage more employers through regular events to highlight the benefits associated with school engagement and to work with Government, through the Mayor, to develop potential tax or business rates incentives around schools engagement.
- To encourage more mentoring by employers, of older learners relating to job demands and working life, enabled through a significant increase in high quality industry placements.
- To engage more parents in helping learners make key career decisions by integrating them into and strengthening their role in the career guidance process and activities.
- To make the Department for Education's Career Enterprise Company (a whole owned subsidiary of the DfE) the default partner for schools for the provision of information about providers of career guidance, through an online portal offering a comprehensive list of providers available, a clear and comprehensive comparison of their services and the cost associated with them (including funding where available).
- To use the DfE's Career Enterprise Company to establish sector-wide measures of quality for career advice in schools and monitor local providers of against them, including schools and employer feedback to continue to improve provision.
- To use Ofsted to review the effectiveness of the Gatsby Benchmarks and to develop new standard metrics to assess and monitor the quality of career guidance provision as an integral part of the Ofsted evaluation of all secondary schools.

21. Local Piloting of a New National Retraining Scheme

The CPCA will fund an £80k pilot for adults to retrain into better jobs, and be ready for future changes to the economy, including those brought about by increasing automation or have been disrupted due to Covid-19. The Pilot aims to meet the needs of businesses to create a multi-skilled workforce for the future. We will work with employers who have identified skills needs within their workforce, or future recruitment needs as their businesses adapt to changes within the working environment.

We will develop bespoke support package of workforce training for each of the business we work with. Key Growth Sectors for the Retraining Scheme will be:

- **Engineering/ Advanced Manufacturing** - Working with Marshall Cambridge and their supply chain to create **50 Apprenticeships and 30 Adults** retraining in Engineering.

- **Health and Care** - Working with Cambridgeshire & Peterborough NHS Trusts to create **300 – 400 new entrant jobs** for those displaced to retrain into Health and Care sector.
- **Digital** – Where we have major Skills Gaps and a high need for a trained workforce - identifying the demand in jobs – **50+ jobs**.
- **Life Science** – Where we are currently mapping roles needed to identify the number of jobs that can be created, and the training needed - **50 + jobs**.

The pilot will support and retrain individuals at risk of their jobs changing or disappearing as a result of automation, and Covid-19. It will facilitate individuals gaining the skills they need to move into a new occupation or move into more stable, higher value - more productive job.

22. New Funding for Training for School & College Leavers Unable to Find a Job

Local facilitation of the Government's High Value Courses initiative through a £150k pilot to support school and college leavers into work and enabling them to gain the skills they need to get jobs.

The new service will do this by helping leavers access the Government's additional funding for selected level 2 and 3 qualifications in specific subjects and sectors in response to Covid-19.

It will work with local FE colleges and independent providers to create proposals to retain young people in a high value training. The one-year offer will enable 18 and 19-year-olds leaving education and training who are unable to find employment or work-based training.

23. Local Integration & Focussing of All Post 18 Vocational Education to Support Retraining of Workers in Transition Across Sectors & into Regrowth

The Mayor will carry forward local demands into Government for Post-18 Vocational Education Budgets to be better focused onto the retraining of people in transit between sectors impacted by Covid-19 to differing extents.

Various forecasts put the local Post Covid-19 increase in unemployment at above 50,000 workers, many of whom will be unable to find new roles in the badly hit sectors they have previously resided. This in turn will create the requirement for retraining between sectors, necessitating the rapid configuration, accreditation and mobilisation of retraining programmes, matched to the inter-sector labour flows locally in each sub-economy.

Through the devolution of AEB, and the introduction of the business-led Skills Advisory Panels (SAP's), the Combined Authority has already demonstrated the

ability to take on education budgets and apply them in a more business-growth-focused, agile and flexible way to achieve sector and local skills transformation.

Through example projects like the CPCA Health & Care Sector Work Academy they have also shown they can design and mobilise training programmes to transition workers at-scale between sectors.

Through the CPCA's creation of its Apprenticeship Levy Marketplaces, transferring 25% of levy allocations from larger employers to SMEs, within and across sectors, it has also demonstrated the ability to engage employers into new and innovative forms of the traditional education and training market. Whilst the Local Authorities are also successfully transferring the underspend in their levy fund to support other local businesses to recruit apprentices

The CPCA will continue to develop these market innovation and focus more and more of the local Adult education budget onto skills development that help people transition sectors and find new jobs quickly. However, the Mayor will specifically press Government to:

- Raise the proportion of levy transferrable, on to SME non-levy payers and colleges, from 25% to 40%.
- Devolve and integrate the current Adult Education Budget, National Retraining Scheme, Apprenticeship Levy, National Skills Fund and all other Post-18 funding for vocational education.

The CPCA will map these sector contractions and recovery forecasts, along with the skills needed to enable large proportions of the local workforce to migrate across sectors. Aligning an integrated portfolio of funding to these flows and the development of new and expanded FE provision, will be more effectively achieved through locally devolved commissioning strategies in collaboration with local employers and FE providers, than continuing to be administered at distance from Whitehall. To enable this, the CPCA will establish specialist delivery teams configured by sector and place, that can adapt to an agile model of delivery; utilising our FE colleges and local independent training providers to provide a much more engaging, relevant and purposeful learner experience and impact.

24. Connecting Displaced Talent into Re-Skilling & Jobs Faster

Skills Brokers will specifically target, through our partners in Job Centre Plus, those displaced workers from the hardest hit sectors. They will, for each displaced worker, create a bespoke pathway into retraining and on into a job. This will include spreading funding more effectively across businesses using the Apprenticeship Levy Pooling Mechanism to fund older workers and job seekers for apprenticeships. Skills Brokers will also connect employers and job seekers with the new additional funding to pay the costs of training including:

- **Apprentice Bonus Scheme** to pay employers to create new apprenticeships, providing between £1,500 and £2,000 to support salary costs of apprentices,

paid in addition to the existing £1,000 payment for new 16-18 year old apprentices, and those aged under 25 with an Education, Health and Care Plan.

- **£2bn Kickstart Scheme**, potentially delivered through the CPCA, providing an average of £6,500, to cover 100% of the relevant National Minimum Wage for 25 hours a week, plus the associated employer National Insurance contributions for new jobs created that include training for 16-24-year olds at risk of long-term unemployment.
- **Traineeship Bonus Scheme** to pay employers to create new traineeship placements, providing a one off payment of £1,000 for trainee work placements of over 70 hours.

The Skills Brokers will also target major employers to connect job seekers into their recruitment programmes including in key sectors such as:

- **Engineering** - Working with Marshall Cambridge and their supply chain to create **50 Apprenticeships and 30 Adults** retraining opportunities.
- **Health and Care** - Working with the local NHS Trusts to create **300 new jobs** for those displaced but seeking to be retained in the sector. Working through the local Health and Care Sector Work Academy to link people into training and a guaranteed interview in the sector.
- **Life Science** – Where the Skills Brokers will map new jobs against displaced workers placing learners into at least **50 jobs**.

25. Helping FE Providers to Adapt to More Remote Learning

To better support the Skills Brokerage, the CPCA will use underspends in its Adult Education Budget, relating to the Covid-19 impact on student volumes, combined with some Local Growth Funds, to create a £320k Adult Skills Digital Delivery Innovation Fund. This will be provided to local, colleges and independent training providers to finance the costs of digital transformation within FE delivery, through capital grants for IT equipment for staff and learners, as well as revenue funding for additional staff to adapt courses for remote delivery. It will improve digital access, connectivity and provide devices for those that need it most to tackle any inequalities and ensure all can take advantage of learning opportunities identified by our Skills Brokers.

26. Revenue Support for Education Providers to Stabilise Finances at Lower Volumes

This requires an adaption of the Adult Education Budget payment procedures to allow Adult Education providers to restart delivery of adult education, at significantly lower learner volumes, without the destabilising impact of having funding cut proportionally. Providing Local Authorities, colleges and independent providers with

the assurance of the continuation of £11m of CPCA funding at pre Covid-19 agreed levels, irrespective of learner volumes, outputs or outcomes.

With the new opportunities for accessing learning that “lockdown” has created, there is a shift to more online or blended learning. However, there is a digital divide which needs to be managed and addressed to ensure that the inequalities gap does not widen or that social mobility does not stall due to some residents lacking technology in the home or the skills required to use it. Therefore a clear focus is needed to support the most disadvantaged as well as the most vulnerable to access these new ways of working and learning, whilst still ensuring that those who can better learn through face to face delivery can still access it but in a safe and accessible way.

AEB can therefore be the vehicle through which our training providers can access the resources they require to deliver on this agenda, whilst driving the confidence needed to truly deliver change and meet employer demand for skills. AEB will prioritise jobs and skills. We will work to support and assist FE Colleges, local authorities and independent training providers through the challenges and face the risks together.

The scale of the crisis is beyond anything any of us have seen before and therefore the need for new creative solutions is immense with new courses, qualifications and accessible learning environments created. There will be a need to upskill, reskill and retrain so that people get back into work. AEB will offer flexible, practical training that leads directly into jobs, whilst developing career pathways which will enhance people work and pay prospects, giving people the skills they need to access sustainable employment, linked to career pathways that will increase their work and pay prospects whilst addressing the skills shortages across the region, thus improving the transition from education and learning to the world of work. We will explore the German style further education system with a stress on high quality qualifications based on employer led standards that respond to local need. However, research also tells us that the employers require from their employees, not just the qualifications to do the job but a wider skills set (Edge Foundation, 2019) that incorporates softer skills, whilst being resilient and having high levels of emotional intelligence.

Through our approach to adult learning as described above, we will help significant numbers of adults to retrain, moving them on from the sectors that are declining to those which might expand or recover more quickly. In addition, higher levels of redundancies are anticipated when the furlough scheme ceases, meaning that retraining will be an area of significant importance for the local economic recovery.

The way in which we work, learn, do business and engage with each other pre Covid-19 was destined, through technology advancement, to have an impact and with the legacy of Covid-19 it will only intensify the pace at which this will happen in the future. Individuals may make different career and lifestyle choices, employers may adopt new business models and skills, training and education providers will have to fully embrace and incorporate technology in the delivery of learning, whilst still maintaining work based and training classroom delivery. As digital becomes the third basic skill, AEB will support basic literacy, numeracy and digital literacy as they become ever more critical in accessing the job market.

Pillar 5: Accelerating a Greener and more Sustainable Economy

27. Improved Learner Access to Digital Skills Development

Poor digital skills make it difficult for people to take up employment, education and training opportunities. Hence, Skills Brokers will signpost workers and those unemployed to greater provision of digital skills to help mitigate against digital exclusion for those most in need of training and in low skilled jobs.

The CPCA will seek to fund increased provision through local devolution and integration of the Adult Education Budget with the National Retraining Scheme, Apprenticeship Levy and National Skills Fund to create more scope for increasing higher level digital provision to ensure our workforce are able to perform in a digitally focused world.

28. Increasing Provision to Improve Digital Skills

Identified as an area for skills development pre Covid-19 was digital, with government identifying it as the third basic skills and a further advantage of local integration is the ability to focus more funding to effectively mitigate against digital exclusion. By starting to address the issue of the digitally disadvantage, especially those that often find employment in low skilled jobs, we can address the impact caused by a reduction in low skilled jobs, and support them to find new opportunities supported by developing career pathways.

While digital inclusion and connectivity is critical to underpinning growth, productivity and an inclusive economy, the importance of this agenda has grown significantly through the emerging impact of Covid-19 on people, of all ages and backgrounds. The requirement to stay at home, coupled with social distancing measures upon peoples return to work, has meant that the connectivity, hardware and skills to be digitally included are critical to maintaining any form of social and family connection, education, and financial security – beyond this many services essential to the wellbeing and support of residents have had to shift to online channels. Removing barriers which make it difficult for people to take up employment, education and training opportunities are paramount if we are to empower our people with the skills and resources, they need to take ownership of their futures.

There is a real risk that digital exclusion through the Covid-19 pandemic will exacerbate already significant and pernicious issues for some communities and groups of residents. This does however, generate positive opportunities for a strategic change in our approach to digital transformation within the education, skills and employment arena – that moves further and faster on an area which was important prior to Covid-19, but has been given a renewed sense of urgency.

While basic digital skills are currently catered for in skills provision that already exists via AEB, there needs to be much more investment, through the local devolution and

integration of the Adult Education Budget with the National Retraining Scheme, Apprenticeship Levy and National Skills Fund to create more scope for increasing higher level digital provision to ensure our workforce are able to perform in a digitally focused world.

29. CPCA Digital Infrastructure Programme “Keeping Everyone Connected”

This workstream encompasses both initial response and recovery from the Covid-19 pandemic in the context of digital infrastructure, helping to support businesses and communities as well as public service delivery. This workstream includes:

- Disseminating information to businesses, communities and public agencies to ensure continued access to digital connectivity in early stages of Covid-19 crisis. Limiting the delays and disruption to digital infrastructure roll-out during lock-down by close liaison with telco's and highways and planning teams.
- £500k CPCA funding to be matched with residual ERDF funds to provide grants to SMEs to support greater take-up of technology in businesses adapting to new ways of working.
- Top up provision for the government's rural gigabit voucher scheme to help support businesses and communities in some of the most hard to reach areas of Cambridgeshire and Peterborough assessing gigabit capable digital connectivity – supporting remote working, education and training, access to healthcare and social inclusion.

30. Adult Skills a Capital Support for Digital Transformation of Delivery

Adaption of the Adult Education Budget will be required to harness the underspends of this budget due to the Covid-19 impact on student volumes, which can be matched to the Local Growth Fund to create a £320k Adult Skills Digital Delivery Innovation Fund. This is to be used by Adult and Community Learning (local authority), colleges and independent training providers to finance the costs of digital transformation within FE delivery, through capital grants for IT equipment for staff and learners, as well as revenue funding for additional staff to adapt courses for remote delivery. It will improve digital access, connectivity and devices for those that need it most to tackle any inequalities and ensure all can take advantage of future growth. Financial surety and support given to providers will ensure they stay in the skills market and maximise participation for the sector.

In summary, AEB will follow the principles of the Economic Recovery Strategy through:

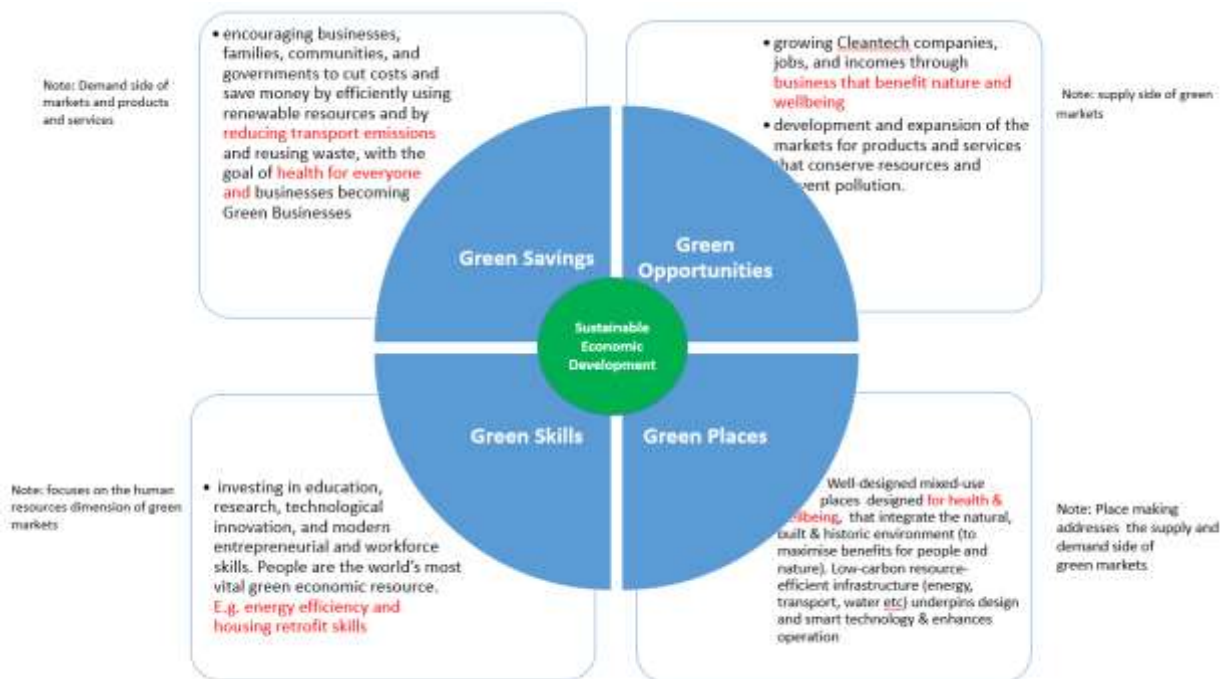
Recover	Rebound	Renew
<p>Innovation fund that improves digital access and connectivity to learn remotely</p> <p>Data analysis to plug skills gaps and show participation trends</p>	<p>Target areas of need such as Peterborough and the Fens and disadvantaged learners</p> <p>Industry specific skills needs with sectors that are expanding</p>	<p>New courses and practices such as distant learning, remote learner support or online interviewing</p>

31. A Framework for Sustainable Economic Development

Sustainable recovery policies offer several advantages in spurring growth during economic downturn. In comparison to traditional fiscal stimulus, which maintains business-as-usual GHG emissions, green projects can create more jobs, deliver higher short-run fiscal multipliers and lead to higher long-run cost savings.

Similarly, construction projects, like insulation retrofits and building wind turbines, are less susceptible to offshoring than traditional stimulus measures. In the long term, as the operation and maintenance of more productive renewable technologies makes them less labour intensive, they generate higher long-run multipliers arising from energy cost savings; with obvious flow-on effects to the wider economy.

This means reducing greenhouse gas emissions, phasing out the burning of fossil fuels and other high polluting sectors, building resilient infrastructure (e.g. energy, water, digital, housing and transport) that is adapted to climate change impacts and at the same time significantly increasing the efficient use of resources and productivity whilst making space for nature in everything must be central to how we plan a thriving economy for the 21st Century.



32. Resource and Waste Circular Economy Business Models

The Government's 2018 Resource and Waste Strategy (RAWS) sets a clear direction towards a more circular economy in managing waste and how it can deliver the double benefit of contributing to managing the climate crisis and deliver economic opportunity.

It will see us keeping resources in use as long as possible, so we extract maximum value from them by recovering and regenerating products and materials whenever we can, giving them a new lease of life. Circular economy business models may be of particular benefit to restate and reinvigorate in the post Covid-19 economic environment as the flows of waste production have shifted to households during lockdown. It should form a key element of a green led economic recovery from Covid-19 reviewing, testing and pursuing the possibility of new revenue streams, markets and product lines.

Opportunities should be taken to shape new policy, for example second stage consultations on three areas of proposed waste and recycling legislation (a deposit return scheme (DRS) for drinks packaging in England, extended producer responsibility (EPR) for packaging and consistency in recycling collections) are set to take place in early 2021 so the new legislation can be rolled out from 2023. Not only will the RAWS reduce the amount of waste generated, minimise the depletion of natural resources, increase recycling and reduce our carbon emissions, it also aims to stimulate innovation, create new job opportunities and boost economic activity which can form a key element of a green led economic recovery from Covid-19.

33. Focusing Recovery & Growth Where it Can Improve Health & Wellbeing Most

Community Learning, a funding stream that has a remit to support those furthest away from learning and work, is also a route to support social wellbeing and the skills required to live healthier and longer lives. It is the conduit on which to engage people into learning and move them towards more economic sustainability.

Working with Think Communities and the LA Adult Education providers, a Community Learning strategy will be developed to help develop skills that support sustainable and adaptable communities. This will also include initiatives that remove the barriers to work, help address low pay and in-work poverty, give access to wider education and develop the skills needed for parents to support their children in school resulting in improved social and economic well-being.

Furthermore, Public Health England (PHE), Cambridgeshire County Council and Peterborough City Council will partner with the CPCA's Skills Brokerage to promote to learners, schools, colleges and employers the important link between having access to "good work" and improving health and wellbeing in individuals and communities.

These partners will work together to build evidence and understanding around the links between economic growth, skills, employment, and health outcomes, and to what extent these are fairly and inclusively distributed across our cities, towns and villages. They will use this expanded understanding to progressively focus the work of the CPCA and its partners onto the places in which increased economic growth, skills and access to employment will have the greatest impact on health and wellbeing improvements for specific communities and groups, such as those with health conditions or disabilities.

The partners will also work to develop health and wellbeing programmes for employers to implement, along with a scheme for accreditation for employers to aspire to and attain. This scheme, once developed, will be rolled out through the CPCA's business Growth Service, which will engage 15,000 firms over the next three years.

In the longer-term, and as part of the Levelling-Up Agenda, they will work through the Mayor and the M9 group of Mayors to influence central Government and establish a joint call for a more comprehensive measure of prosperity that goes above and beyond traditional metrics such as GDP, to include economic growth inclusivity and its impacts on health and wellbeing of places.

34. Local Authority Planning Adaptions for Housing & Schools Renewal

Across the CPCA area, the combined Local Plans/Housing Strategies identify the need for thousands of new homes within the next 11 years. In the last two weeks the Government have announced a desire to "build, build, build" as a driver for economic recovery. The House of Commons Housing, Communities and Local Government Committee's "Building more social housing; Third Report of Session 2019–21" report issued on the 20th July 2020, identified the need for 90,000 homes a year to be completed in order to meet demand and to drive stability into house prices.

The CPCA area is well poised to help support the national and local economic drive in this regard. In order to do that, however, and to collaborate in leading a coordinated approach at national and local level in evolving the paradigm, we need support through a number of underpinning measures:

Planning

- We welcome the proposed reforms of the planning system designed to encourage high quality homes to be developed where required without undue delays (through e.g. extension of delegated decisions) , by expanding PDR and by consideration of major schemes through NSIP – type procedures.
- Welcome the recognition that the changes in work patterns that may be seen post Covid-19 in the use of office space could open opportunities for conversion to housing where appropriate.
- Development of new local design guidelines for the construction of schools/ community facilities etc moving from single or two storey layouts with traditional playing fields etc towards more innovative designs.
- Review of CIL/S106 to establish future improved support for infrastructure.

Skills - requires a national programme for promoting planning careers in schools and colleges to stimulate shortfall. Reset planning curriculum to incorporate fit-for-future innovation in urban design and land use planning.

Infrastructure –

- Develop UK/Local resilience and supply chain by supporting the development of UK / local manufacturing facilities for MMC / sustainability excellence.
- To work with Government to support the wider development of City/country wide expanded Green grid infrastructure.

Development Finance - whilst it is critical to support new homes development, there is often potential for redevelopment of aged housing / current council housing with the broader aim of delivering more overall homes on the site at higher quality and sustainability which will render them fit for purpose for many years to come, support improved quality of life outcomes for tenants and help reduce the increasing maintenance costs of older housing.

Case Investment: New Council Homes Development (£155m) - Cambridge City Council has utilised funding from Government to optimise use of its own and assembled land to develop nearly 1000 new homes of which over half are Council owned homes rented in line with LHA.

The Council is currently developing a new programme for delivery from 2022 – 2032. With the aim of developing a further 1000 council rented homes, the programme will deliver over 2000 additional homes in total. The review of Cambridge's Sustainable Housing Design Guide will enable the development of the programme along a trajectory to net zero carbon. Working with the Cambridge Investment Partnership, the programme will include a tenure mix to meet additional housing demand and support the affordable product development, as well as regeneration of current aged homes and wider opportunities for housing reinvestment. The programme will create and safeguard jobs, develop sustainable design and construction skills and provide homes for many of the 2000 people currently on the housing register, as well as

innovative opportunities for those who fall outside the highest need groups but have been unable to afford to live near their employment owing to house price gaps. The plan will include redevelopment opportunities for current homes which will deliver high quality, sustainable replacement and additional homes faster and more efficiently than research suggests that complex retrofit schemes can achieve in many cases.

Cambridge City is a 2020 national award for its partnership approach to effective management of homelessness, and the programme will promote and support the re-establishment of a more stable lifestyle for the homeless through the use of Housing First and other products such as Foundation 200 homes. These homes, designed by local housebuilder Hill, will be offered to people with a history of homelessness as a stepping-stone to re-establishing a stable lifestyle. They are built in a British factory and delivered fully furnished to each site. They are designed with safety and security in mind, with steel frames and walls, and have acoustic and thermal insulation that exceeds building regulations. The homes were designed in partnership with leading homelessness charity St Martin's In The Fields to ensure that they can meet the needs of homeless clients who may not have had continuous accommodation for some years.