HUNTINGDONSHIRE

Economic Growth Plan 2020-2025





Contents

- 3 What is the Economic Growth Plan?
- 4 Positioning
- 5 Improving Inward Investment
- 7 Strategic Themes Conditions for Growth
 - 8 Digital Connectivity
 - 8 Transport Links
 - 9 Environment and affordable housing
 - 10 Land and buildings as part of "good" growth
 - 11 Branding and Promotion
 - 11 Business Support targeting

13 Fuelling Economic Growth

- 13 Digital as a theme
- 13 Innovation as a theme
- 14 Utilising networks to encourage knowledge exchange

15 Skills Strategy to Maximise Human Capital Potential

- 15 A Partnership Approach to Adult re-training & skills support
- 16 Next Generation a 2025 Vision
- 17 Bidding for skills programmes

18 Vibrant Town Centres

20 Supporting Huntingdonshire's Business Sectors

- 20 A Sectoral Framework
- 21 Advanced Manufacturing
- 22 Digital
- 22 Agri-tech
- 23 Logistics & Distribution
- 24 Construction & Utilities
- 25 Health & Care & Lifesciences
- 26 Creative
- 26 Public Sector
- 26 CAM-OX-Arc
- 27 Understanding Huntingdonshire's Strengths
- 29 About this report

What is the Economic Growth Plan?

The economic growth plan is a paper that sits behind Huntingdonshire District Council's Economic Growth Strategy 2020-25. The plan is designed to intentionally rationalise and expand on the principles set out in the main strategy paper. The development of this plan has enabled our thinking in each section of the document. There are a series of actions which will be necessary to help realise our future economic ambitions.

As a result, you can see a list of these actions, set out (in bold), throughout this plan which will be initiated or delivered in the twelve months following the approval of the Economic growth strategy by the Council's leadership.

Positioning

Huntingdonshire is situated at the centre of the three sub economies in Cambridgeshire and Peterborough. The proximity to the internationally renowned innovation hub, academic and economic powerhouse of Cambridge is also a distinct advantage. The southern fringe sits on the area dedicated to the development of the CAM-OX-ARC, a crossgovernment initiative that supports planning for the future of the five counties including Cambridgeshire up until 2050.

The district lies on a key north-south, east-west axis of physical infrastructure, including the A1(M), the newly refurbished and realigned A14, the M11 and the East Coast Mainline, with a regular 50 minute direct rail service to London Kings Cross from several of our stations.

Our district possesses world class design, research & development and a manufacturing base supporting over 12,300 jobs – over 20% of its workforce. According to the Centre for business research at the Judge Business School, the value of the Huntingdonshire economy in 2018-19 was more than £10 Billion. We have over 7,000 businesses situated within our district with the average business employing slightly under 10 employees. 24 businesses are classed as large businesses which naturally means the vast majority, sit within the small to medium business size.

The Local Plan objectives to 2036 set out in 2019 stated our ambition to build an additional 20,100 houses and create14,400 new jobs. It is to be seen if the effects of Coronavirus will inhibit either of these long-term ambitions, however, our aspiration is still to meet these objectives.

This document aims to set out our strategy to enable local businesses to progress their growth plans and achieve their job creation ambitions. Our strategy aligns with our place and planning ambitions for Huntingdonshire and we intend to work effectively with local stakeholders such as the Cambridgeshire and Peterborough Combined Authority, Cambridge Ahead and the Greater Cambridge Partnership.

Nurturing Skills & Talent Pipelines for local businesses will be a key strand of work, we aim to work with specialists in the skills arena, such as the Cambridgeshire and Peterborough Combined Authority Talent Hub, EDGE and Cambridgeshire Skills.

We thank our stakeholders for their contributions to this document and for helping shape the content and the approach that this document takes.

Improving Inward Investment

Businesses like certainty and predictability, they do not like the instability or the unknown. Most businesses want to thrive and grow where they are situated. However, if future growth can be better served in another location or geography, then a business may look to re-locate. In both cases, it is sensible to help create conditions within a local eco system that will encourage business growth.

Pre-pandemic the Huntingdonshire economy was valued by the Centre for Research at the Judge Business School at approximately £10 Billion p.a. It has been a strong and growing economy since the financial crash of 2008 and as such, there is every reason to be optimistic about our chances of recovery and future growth following Coronavirus and during the next five years.

Being aware of all the likely factors that may affect the eco-system of the Huntingdonshire economy will enable us to create a useful environment for businesses to recover, grow and thrive once again.

Partners

The Cambridgeshire & Peterborough Combined Authority's growth company are on the cusp of deciding their preferred supplier to drive Inward investment activity throughout Cambridgeshire & Peterborough. This contract is far bigger than the pilot which was awarded last year.

Our Economic Development (ED) team will work hard to establish a positive working relationship with the winning contractor.

Sectors

(ACTION 1)

Economic Development will spend the first 12 months of this strategy building a sectoral framework (ACTION 2), starting with Advanced Manufacturing and then working through each sizable business sector, to create an offering which will compliment and strengthen the value offered by the growth company's contract. Our goal is to ensure our district stands out positively and offers unique selling points beyond what would normally be expected by businesses, both in situ and those considering relocation.

Each sectoral strategy will take a bespoke approach. The Council will seek to exploit funding opportunities, knowledge transfer and relevant business programmes from academic institutions, respected industry bodies and all tiers of Government to ensure that the conditions for growth are in place for the Huntingdonshire Economy (ACTION 3). Each sectoral offer will be packaged, communicated, and made visible to the business community. This approach will be used to support our inward investment activities.

The Economic Development Team will use intelligence gathering and data analysis to inform our decision making for the benefit of our local businesses. This will include utilising business database software to track business movements and capitalise on any beneficial trends. (ACTION 4)

Sites

There are several important and strategic commercial sites in our district which are significant strengths for attracting businesses who wish to re-locate or scale up.

There are sites where development is already under way and there will be other sites of interest where planning permission has not been granted. Because the district already possesses sites of scale, any strategic development sites not referenced in our local plan, will only be considered for development, in accordable with planning policy, and only

if this can demonstrate significant long term economics for the district.

The next five years will be very important for the Enterprise Zone at Alconbury Weald and the growing development at Wintringham Park. The Council will work with all Master developers in our district to ensure the commercial space offer, matches the expectation of businesses (ACTION 5).

Huntingdonshire District Council and Economic Development will be interested to understand the results of study, commissioned by Urban & Civic and undertaken by Quod which will be completed by the Spring of 2021. We understand that this study will inform Urban & Civic of the post COVID direction of the Enterprise Zone at Alconbury Weald. Given the tax benefits of being tenanted at UK enterprise zones ceases in March 2021, we look to engage with the compelling vision recognising the impacts of COVID-19 for Alconbury Weald and how Urban & Civic plan to raise the profile of Alconbury for inward investment purposes.

In the wake of Coronavirus the requirements of business are changing and we should be

aware, informed and ready. We have learned since the pandemic, that while London is our country's economic powerhouse, our capital has an Achilles heel due to the reliance on public transport and the rail networks that enable commuters to travel in. Should London based companies be looking to relocate into the proximity of Huntingdonshire, we must be ready to accommodate any such enquiries. Mary Portas commented recently that the effects on the high street of Coronavirus may mean that we may have less retail on our high streets as a result but we also understand that some Stella brands which historically have been associated with London, will look to branch out to other areas, as a reaction to COVID.

It remains to be seen exactly how all businesses will react in the wake of Coronavirus but we must be alive to any changing nature of demand for commercial sites within our district. It will be important for Economic Development and Planning colleagues to work collaboratively, to create commercial space offerings that aligns with the demands of businesses in a post COVID, recovery world.

Strategic Themes -Conditions for growth

Digital Connectivity

Without the correct infrastructure, the economy cannot grow. A significant benefit of Huntingdonshire is the excellent road and rail infrastructure and further developments will follow in the shape of the A428 upgrade and East West Rail.

The technological acceleration in digital cannot be ignored or denied. If the infrastructure for an effective economy were described as the seat upon a three-legged stool, road and rail would be two of the legs underpinning the stool but only to a point. Digital infrastructure is the third leg of the stool enabling and underpinning the whole of the economy.

5G and full fibre must be the aspiration for our towns, and we must do all we can in semirural and rural settings to ensure that our rural business and homeworkers are not left behind.

As an organisation, Huntingdonshire District Council will endeavour to explore avenues with stakeholders such as Connecting Cambridgeshire, the Cambridgeshire & Peterborough Combined Authority and commercial providers to ensure all funding streams, partnerships and business opportunities are fully exploited for the benefit of our local economy.

One such scheme which is currently available is the <u>Gigabit Voucher scheme</u> which helps rural homes, and small and medium sized enterprises use vouchers worth £1500 -£3,500 to help obtain faster and more reliable broadband connectivity. The Council will work to enable further enhancements to full fibre and broadband schemes for businesses and home workers within our district and look at ways of bringing communities together

to provide the numbers required to be of commercial interest. (ACTION 6)

Transport Links

Road

One of the undoubtable strengths of Huntingdonshire is the road and rail connectivity with strong and fast links to London, The Midlands, The North, The Ports and more locally to Cambridge and Peterborough.

The completion of the new A14, ahead of schedule has the potential to power further economic growth. More goods being imported and exported to and from our district due to consistent flowing traffic, shorter journey times improving commercial and personal productivity.

The old A14, now known as the new A1307 will provide opportunities for further growth. which also opens up access across the district. This road, which is now underutilised can support more local traffic, which will help serve business parks in St Ives, Godmanchester and Huntingdon.

The early completion of the A14 development has been a welcome fillip for our district. The next major Highways England project in the district, the A428 extension from Caxton Gibbet to the Black Cat roundabout (due to complete by 2026), sits in part of the development area of what will hopefully be another major advantage for Huntingdonshire – the CAM-OX-ARC.

The next stage of the A141 and St Ives study was also considered at the Cambridgeshire and Peterborough Combined Authority,

Cambridgeshire County Council and Huntingdonshire District Council in September 2020. This provides the potential for longer term capacity improvements. If public transport is more of a risk post-pandemic, then the importance shifts to a capable road network to take any heavy lifting necessary to support a local economy as well as improved and connectivity by walking and cycling. These are the simple but effective characteristics which we think will help our district respond well economically to the pandemic.

Rail

Rail connectivity has always been a historical strength and the district is fortunate to possess two commuter stations at Huntingdon and St Neots. Before coronavirus both stations carried a combined total in excess of 3 Million Passengers according to the figures from 2018/19. The current difficulties following COVID are impacting passenger numbers, highlighted in the earlier commentary about London and how COVID has changed patterns of working.

Nevertheless, Huntingdonshire has much to look forward to, the announcement earlier in 2020 on the East-West rail link route, entwined with the CAM-OX-ARC project which will certainly benefit St Neots. Any major strengthening of national road and rail infrastructure happening in Huntingdonshire, can only have a positive, long term effect on our district.

Cambridge Autonomous Metro (CAM)

The Cambridge Autonomous Metro (CAM) is one of the flagship policies of the Cambridgeshire & Peterborough Combined Authority. During the lifetime of this strategy document, the CAM (which is referenced on page 32 of the Huntingdon Prospectus for growth report should see the first tranche of development. The work on the CAM, will eventually create a comprehensive metro system for Cambridgeshire enabling greater connectivity from Cambridge to the Market

towns. Assuming public transport numbers can recover, the benefits of the first economic gains provided by the CAM and long term should come forward with this ambitious infrastructure project helping to realise Huntingdonshire's future economic potential.

The Council's Transport commitment

The Council will work hard to influence the timing and routing of new infrastructure, particularly the A428 Dualling and East West Rail to ensure that it enables accessible local movement and facilitates sustainable growth (whist also seeking to maximise opportunities with the Combined Authority to improve the local connectivity between towns and villages, particularly cycling choices).

Environment and affordable housing

Environment

We know that one of the great challenges of ours and future generations is the environmental health of our planet. It is one issue throughout coronavirus which has been brought into sharp focus. Businesses and employees have recognised the value of their working environment and the ability to balance work and local access to the countryside/market town offer in Huntingdonshire remains very attractive.

National lockdowns across the globe temporary reduced emissions from many heavily polluting industrial nations, resulting in less freight movements by air, road, rail and sea. The Aerospace industry has suffered greatly commercially, but the silver lining has been the huge reduction in carbon emissions. Of course, in our day to day lives, many people have travelled less by car during lockdown, particularly true of the large swathes of people now working from home. An international team of scientists estimated the global reduction to be approximately 17% globally which equates to 17 million tonnes of carbon dioxide. These

factors explain why sustainability is a key priority for UK businesses as we aim to achieve the <u>Government's carbon neutral target by</u> 2050.

The UK Government's ten point plan for a green industrial revolution outlines the programmes and workstreams that will help the UK achieve this target which will aim to create 250,000 jobs. And the Green jobs taskforce goes even further, outlining plans to create an ambitious two million green jobs by 2030.

While we await further details of these ambitious policies to understand how the impacts will be felt locally, there are several existing programmes and organisations who can assist local businesses.

Economic Development will house current information and actively signpost our local businesses to programmes and organisations (ACTION 7) such as:

UEA Low Carbon Fund

BEECP

We will need to be alive to further developments as activity in this area gathers pace, whether it be further programmes for business or more structured and active activity around the "Circular Economy" as noted in the Combined Authorities' recovery strategy. Horizon scanning and aligning with the Government's "green recovery" ambitions will be good for sustainability, employment and the local economy.

One of the key drivers to our future economy and recovery will be the supply of housing but as part of a green recovery. Proposals made at a National Level by the Confederation of British Industry ask the Government to bring forward the £3.8bn social housing decarbonising fund which was part of the Conservative manifesto. This will by proxy, enable local jobs to be created through local authorities and social housing providers which has been captured in the government's ten point plan. & Green jobs taskforce

Affordable Housing

As a result of the pandemic and according to the Department for Work and Pensions*, like many authorities we have seen Universal Credit and Job Seekers Allowance claims in Huntingdon increase substantially. These figures are likely to place more pressure on the need for affordable housing in our district.

The Combined Authority has identified that following the 2008 crash the economic recovery of businesses took until approximately 2012, unemployment claims did not come down significantly until several years after that.

Job Seekers Allowance numbers have also seen a large increase** and may see a further increase once again when the Job retention scheme ends. MAKE UK's own manufacturing monitor states that 53% of their members may make redundancies in the next 6 months. This would equate to 250 of Huntingdonshire's manufacturing businesses making redundancies.

Up until July 2020, Huntingdonshire's workforce was heavily reliant on the Government's furlough scheme, in August this reduced substantially, giving future concern to unemployment numbers and a potential rise in homelessness numbers. One factor that DWP point out which may delay this expected rise, is the annual, seasonal recruitment activity carried out by the retail sector in preparation for Christmas.

We know that the Cambridgeshire & Peterborough Combined Authority is looking to support those attempting home ownership through initiatives like 100K homes . Stakeholders across local government and social housing providers such as Chorus Homes must work together, leveraging policies, funding and programmes from local and central government across many disciplines to ensure our residents are supported and thus feel able to contribute economically once again.

The Council is working to deliver more affordable housing and looking at bringing forward a several sites that are in Council

ownership for development. The aspiration for more people to live, shop and work locally will be dependent on affordability of housing as well as the provision of affordable housing. On the former the Council is also well placed with * average house prices matching the UK average house price value as of August 2020. Also, there are strong links between this Strategy and the Housing Strategy to 2025 which was agreed by the Council in September 2020.

Land and buildings as part of "good" growth

As a local authority, Huntingdonshire District Council has a natural responsibility to ensure we develop our district in a responsible manner.

Our district has many locational features that are attractive to developers both from a commercial and residential perspective. We have a number of high-profile and strategic locations across our district which have the potential to unlock significant economic growth across the district. They include:

- Alconbury weald
- Wintringham
- CAM-Ox-Arc development corridor / A428 development
- A1307 spatial corridor from Huntingdon to Cambridge

There is a desire and ambition to further regenerate our town centres through the master plans for growth including longer-term development plans for Huntingdonshire District Council owned land in both St Ives & Huntingdon.

We will have to ask the unavoidable question of how businesses will view office and commercial space in the wake of the pandemic. Will the lack of resilience in places like London due the high reliance on public transport be beneficial to places such as Huntingdonshire which has renewed and improved connectivity for car drivers following the A14 upgrade? Will the evolving nature of the high street provide

opportunity for better and more experience lead retail but perhaps less retail overall which is the view of Mary Portas.

It would certainly be prudent for stakeholders to continually gather intelligence or commission studies to create the evidence for planners to make decisions fit for a post COVID world. In Huntingdonshire it would make sense to understand if growth is being inhibited or if opportunity could be further realised by understanding the commercial property needs of sectors such as Advanced Manufacturing or Agri tech. There will be a need for greater digital skills and may also be an increased need for people with advanced digital skills to work within production and manufacturing environments as recognised by MAKE UK and the CBI amongst others.

Incubator spaces and buildings

The Huntingdonshire economy was one full of dynamism pre-COVID. According to the Judge Business School, the number of knowledge intensive (KI) businesses has increased 17% since 2012 and revenue from this sector has jumped by 32% over the same period.

According to the Judge Business School, these are the sizes of the KI sector's in some of our neighbouring districts:

Area	Businesses	Turnover (£)
Peterborough	576	£4.1 bn
Huntingdonshire	940	£1.4 bn
East Cambridgeshire	357	£0.467 bn
Fenland	199	£.0162 bn

Given the growth of our Knowledge Intensive sector in recent years, the overall size of our economy (£10bn) and average size of business in Huntingdonshire - which is less than 10 employees across all businesses it would make sense to create more environments where small and dynamic businesses can start, scale and grow.

Spaces should facilitate a rounded offer with a business toolbox to help businesses through their formative stages which will ultimately help accelerate growth and achieve success. Economic Development can help research the component parts needed to ensure any future projects will succeed and fuel growth for the district.

Given our natural agglomeration of knowledge intensive and advanced manufacturers in the district, it would make sense for Huntingdonshire to explore the possibility of further incubator and maker spaces, utilising established networks and consultancies which link into academia, to give our future KI businesses the very best foundations for growth.

Over the next few years, we will match this ambition by creating an environment which will become a natural choice for progressive and dynamic businesses from the KI sectors to thrive. (ACTION 8)

Branding & Promotion

It will be important to continually learn more about our economy demonstrated by the recent study conducted by Cambridge Ahead to understand more about our Huntingdonshire businesses and how the Cambridge economy interacts with the Hunts economy.

Understanding more about our economy, our businesses, our sectors, our infrastructure, our advantages, and our strengths allows us to formulate our story, which in turn forms part of our promotional activity to further enhance our brand.

The Council will produce a promotional document, which businesses and residents will recognise, which will in turn attract and create growth for businesses and housing. (ACTION 9)

Within 12 months, a new website will be developed by Economic Development to help reflect this strategy and our future ambitions, as well as serving the day to day needs of our businesses. (ACTION 10)

We will reference case studies from businesses and residents that tell "the story of our district" and we will develop a unique brand which will be attractive to future businesses and residents. Economic development will back up the branding with economic metrics and an annual report. This will tell our own story of how we will develop wider knowledge networks and a sectoral strategy for each agglomeration. This activity will create our own core offers and this narrative will be used in a supporting role. Places are nothing without their people and it is the "human" story of our district that will create the desired impact.

Business Support Targeting

There are around 8,000 businesses in Huntingdonshire, each at their own place on their own individual journey, many still getting to grips with the current challenges. Some of these challenges created by Coronavirus and for those who trade internationally, there may be even greater challenges looming in the next 6 months.

It is of course imperative that our Economic Development department and other colleagues who support businesses in Huntingdonshire work efficiently to support these businesses.

During the Pandemic - Economic Development were continually engaged on a daily basis with the big 5 business organisations, the British Chambers Of Commerce, the Institute of Directors, MAKE UK, the Federation of Small Businesses and the Confederation of British Industry collecting information and themes at a high level that would be relevant to businesses in Huntingdonshire. On a local level we engaged with local representatives of the above organisations including the Combined Authority's Growth Hub Service. Nurturing and maintain these relationships are key to our future intelligence gathering activity and support to local businesses. The wider network across the Combined Authority and away from the growth hub should be nurtured, both horizontally and vertically.

We set up a COVID-19 business hub, sent tens of thousands of timely emails to our businesses informing them of when and how they could use the vital support of schemes such as the Job Retention Scheme and Business support grant scheme – the latter paying out over £31M. We also established efficient methods of messaging to businesses, an example of which being the capital grant scheme funded by the Combined Authority (CA) which by timely communications, helped secure an additional £1.6 million of funding for Huntingdonshire businesses, helping guarantee hundreds of local jobs at a much needed time.

Acquiring and sending the right information at the right time, will be central to how we inform our local businesses.

We will attempt to segment our sectors and businesses in more detail so that we can communicate much more effectively with local businesses. But Economic Development may need specialist marketing support to ultimately achieve this objective.

Deciphering how national and local issues and programmes affect our businesses in

Huntingdonshire will be a key factor for when our approach is proactive or if applicable, more passive.

We have a limited resource and so we must work efficiently yet effectively.

Economic development will work using various channels and means to gather and push our information while nurturing and developing stakeholder networks (ACTION 11).

In the12 months following this strategy the Council will develop a Business Engagement Strategy, firstly for our biggest businesses who have a natural and vested interest for our economy to do well. This group of 24 businesses will be serviced by a cross section of council officers at a technical and senior level, as well as politicians. The end objective will be more effective two-way communication. (ACTION 12)

Where possible, all business interactions across the council will tracked within a new Customer Relationship Management (CRM) tool to help evidence and support our professional approach to businesses within Huntingdonshire.

Fuelling Economic Growth

Given the make-up of our local businesses, it would make sense to play to our strengths to help our businesses recover and to enable them to be well placed, to achieve future economic growth.

Over 25% of the Huntingdonshire economy is embedded within the local manufacturing base. To enable these and all our businesses to increase their turnover and profit, they all will need to be more productive. We have identified both digital and innovation as the key themes to removing any glass ceilings which currently inhibit our levels of productivity.

Digital + Innovation = Productivity gains

Digital as a Theme

Huntingdonshire District Council will champion and support all business activity which supports digitisation for all Huntingdonshire businesses. From the digital infrastructure of 5G and full fibre, to programmes that promote innovation and funding and specialist support. Global consultancy McKinsey & Co observe that Huge growth economies such as China are digitizing as a result of COVID-19 on both a business to consumer (B2C) and business to business (B2B) basis.

Economic development will support our businesses. Whether they be traditional manufacturers looking to experiment with digital innovation for the first time on a shoestring, or one of our many small businesses looking to use local grants from the Combined Authority to help offer further opportunity.

As an authority we will horizon scan for information or interventions to further enhance the digital and online offering which may assist local businesses. Our high streets are likely to offer a stronger retail offering as a result of the development of their **online offering**, designed to complement the physical, high street experience led retail.

As a result of digital advancements, there will need to be an infrastructure which is fit for purpose. There will need to be people with appropriate digital skills and a pipeline of talent from schools and colleges to fill the digital and technology jobs of the future. There will be companies ready to supply the market and employ people with higher digital skills and looking to develop their businesses in geographies that provide opportunity to support growth.

Cambridgeshire and Peterborough and more specifically Huntingdonshire can be that place but there needs to be appropriate political support from the Treasury, Department for Business, Enterprise and Industrial Strategy (BEIS) and the Combined Authority if we are to take the lead of China which according to the world bank will suffer the second lowest contraction in gross domestic product (GDP) growth in their economy, in the world in relation to the effect of COVID.

Innovation as a theme

The Coronavirus pandemic brought out the best, in some of our brilliant businesspeople and the businesses they run.

The CBI commissioned a survey of their members to understand how businesses reacted to the pandemic - the results were as follows:

- 28% were described as Hibernators They chose to halt operations or had to pause due to Government guidance. There was an appetite to innovate amongst this group but a question mark against their ability or desire to fund any potential innovation.
- 32% were Survivors they had the same business but sadly demand had gone.
- 21% were Pivoters a group we heard a lot about during the pandemic, they changed

their services or channel with a clear appetite to innovate their offer. There would have still been a question mark over the ability to fund. Would they have pivoted further with more available funds?

- A minority of businesses were the Thrivers,
 7% of these businesses did very well during
 Coronavirus.
- 12% said that nothing had changed, and their business was standing still which clearly, was still a healthy place to be, given the scale of disruption for many less fortunate businesses.

Given these findings, we can see that during Coronavirus, almost 50% of affected businesses had an appetite to innovate their offer which would have been between 3,000 and 4,000 businesses in Huntingdonshire. But there were clear barriers.

Therefore it is imperative that Economic development amplify the theme of innovation, working with stakeholders such as <u>Innovate</u> <u>UK</u> and offering a birds eye view to local businesses about <u>current innovation funds</u>

Local stakeholders will help flush out businesses that champion innovation to help us build further understanding to this crucial ingredient to local economic growth.

Within 12 months, dedicated web content will be produced on this theme and housed within the newly created website (see earlier **ACTION** 10).

Utilising networks to encourage knowledge exchange

Some of the best innovation and business progression occurs from leveraging networks. Whether this, be by means of business networking or more structured knowledge exchange programmes.

There are a great number of resources and means in which local businesses can acquire more knowledge and Huntingdonshire District Council through the Economic Development Team will help establish a number of online and offline resources where businesses can find the best environment and networks for their needs.

Whether bringing business people together from sectors such as Agri-tech, digital or manufacturing or based on themes such as innovation or supply chain resilience as we did earlier this year, we will leverage the very best knowledge at our disposal to include, Academia, public and private sector and business groups where appropriate. We will be flexible in approach utilising online and offline techniques focusing on a qualitative outcome for Huntingdonshire businesses.

There are current examples within our local area such as the St Neots Manufacturing Club who encourage knowledge transfer by bringing the towns manufacturing businesses together. Such organisations can create a combined voice which can helpfully describe the sector's needs, especially when talking about key themes such as digitisation and skills.

Within 12 months, each sectoral framework created on our website, will list appropriate networks which businesses may wish to engage with (ACTION 13).

A Skills Strategy to Maximise Human Capital Potential

A Partnership Approach to Adult re-training & skills support

The Combined Authority's economic recovery strategy (which provides a regional perspective) notes that taking a "business as usual approach" may not be the best strategy for organisations moving forward. Sadly, as a result of Coronavirus, the jobs that many were used to and performed, in some cases, for many years, do not exist in the same numbers any longer due to the financial hardship and tough decisions businesses have had to make.

Huntingdonshire District Council's Coronavirus Business Impact Survey commissioned in May 2020 uncovered many of the themes we had heard nationally but provided a local perspective. Younger people, and people in roles such as Customer Services, Sales and Administration were at greater threat of redundancy. We have also highlighted earlier in this strategy, MAKE UK's own manufacturing monitor stating that 53% of their members would make redundancies in response to the Coronavirus pandemic. This would equate to 250 of Huntingdonshire's manufacturing businesses.

So the problem is twofold - how do we support people that have previously held positions where they relied on their people skills, or their administration or their technical / manufacturing skills to find future employment?

But crucially how do we understand what are "coveted" skills that employer's value and are now looking for?

Huntingdonshire District Council and the Economic Development Team are clearly

not skills providers so we must work with a spectrum of third parties and stakeholders to ensure our local economy has a pipeline of talent that aligns with what business need now and into the future.

What we can do is to help create the evidence base by speaking to local businesses as part of our engagement to understand what skills they value now and which skills will fuel future growth. In the 12 months following this paper, we will work with Key Employers to understand the Skills & Training needs in each Sector. We will consider an annual skills survey as part of our annual report to help understand if the skills needs of our businesses are being met by the various further education (FE) and higher education (HE) & Adults skills providers. (ACTION 14)

This evidence can be used to hold providers to account and to put forward the needs of Huntingdonshire businesses in a more meaningful way.

We will promote to all of our businesses, programmes which we know are landing well with employers such as the Government's plan to help employ an apprentice. And newer schemes such as Kickstart (ACTION 15)

We must horizon scan for Government initiatives such as the <u>green jobs taskforce</u> which will not only look to develop longer term higher skilled jobs but also help contribute to hitting the the <u>Government's carbon neutral</u> target by 2050.

We will work closely with all third-party skills providers in the FE/HE and Adult skills arena to help bring businesses and skills providers closer together. We will also work closely with the Combined Authority's STAR HUB, Talent Portal and Growth hub to actively promote the

interventions that will work for our businesses and the local economy. (ACTION 16)

We would encourage the Combined Authority to ask Cambridgeshire skills to explore how they may develop the skills pathways work beyond the health & health care sector to align with other sectors within our economy and in line with the needs of businesses.

We will work with institutions such as ARU across their various programmes to ensure high calibre placements are accessible for local businesses. (ACTION 17). This will be the start of a long term relationship and we will need to develop many internal relationships with Anglia Ruskin University prior to the University of Peterborough coming online in 2022

We should challenge the Framework under which EDGE operates, to understand if more activity can be produced in more areas and again, aligned with more Huntingdonshire business sectors. With the S106 money coming to an end in 2021, we will help EDGE's partners understand and re-imagine how the brand may be useful and be fit for purpose. But the fundamental question of funding will need to be answered. And most likely by Huntingdonshire District Council and Urban & Civic with the support of other partners.

There is a gap in skills and business activities in Huntingdonshire primary and secondary schools. This will include consideration of programmes such as the Peter Jones

Foundation as a way to establish a presence in local schools? We are also very aware that community networks and capacity to support each other has been enhanced in the past twelve months. This has been factored into the Council's wider recovery work, particularly registered organisations and community groups that are helping people get back into work and looking at equipping them with new skills.

An ambition in this strategy, should be not only take an approach for the benefit of our businesses of today but to nurture the skills and talent currently in our communities for the benefit of the businesses of tomorrow. This is an ambitious step, but we must find a way during the next five years, to further capture the dynamism of the Huntingdonshire economy and inspire people to want to stay and contribute to our local growth.

Next Generation a 2025 Vision

Part of this Strategy is to help level up our local economy by providing exciting opportunities for our future generations.

To establish an effective presence in the following settings to support and inspire future generations:

- Primary schools
- Secondary Schools
- Sixth Form
- FE
- HE Inc New University Of Peterborough
- Adult Education

Organisations such as Form the Future develop careers and skills programmes but use volunteers from business to actively engage local school children. This can be empowering for all parties.

Indeed, the research carried out by RAND Europe on behalf of the Cambridgeshire and Peterborough Combined Authority and the Greater Cambridge Partnership highlighted the importance of career guidance in schools in creating a pipeline of homegrown talent for our local economy. This research particularly identified opportunities in Secondary Schools and FE.

And organisations such as <u>Speakers for</u> <u>schools</u> can help inspire and raise aspiration in our young people to fire the ambition of Huntingdonshire's next generation of Entrepreneurs, Managers & Employees

In conjunction with local businesses starting with our biggest 24 businesses, **we will**

consider developing a young sector skills strategy. We will be guided by the information we are given by industry but we may wish amongst others to develop skills pathways for some of the following areas which are relevant today:

- Advanced Manufacturing
- Digital
 - Tech for good
 - Gaming
- Zero carbon & Green economy
- Construction
- Helping people
 - Health & Care
 - Education

Where we have identified and evidenced clear growth sectors, we will consider as part of skills provision a future sector model which incorporates the above for delivery in schools. (ACTION 18)

For example, for digital skills we may wish to see continued development of coding clubs or promote schemes such as <u>Cyber first</u>, or for STEM, develop a maker space for school & after school activities.

This will involve working proactively with the County Council and also schools that have academy status through the academy chains or direct.

Bidding for skills contracts

A consideration for Huntingdonshire District Council might be to bid into appropriate skills programmes or programmes to deliver skills activity in Huntingdonshire which align with the values of this strategy. The Council has already bid to be a gateway for the <u>Kickstart</u> scheme.

Kickstart is a paid work placement for 16-24 year olds who have been claiming Universal Credit for a six month period. The scheme will run until June 2022. Because Universal credit is a "means tested" benefit, operating this type of scheme would help contribute to the <u>levelling up ambition</u> of the UK Government as well as getting a better understanding of the skill requirements and provision locally.

Huntingdonshire District Council could actively enter into the skills space by operating a programme or scheme in it's own right. Whilst this would be a positive and bold step change it is not part of the strategy. Whilst it would raise ambitions and could help support the valuable work that community currently undertake in some of our more difficult to reach communities in areas such as Oxmoor it is felt other agencies are much better placed and our role should be one of influence.

Vibrant Town Centres

One of the standout characteristics of Huntingdonshire is the pleasant and scenic market towns. With riverside locations, a mix of independent and national brands they serve several economies. From the bustling Pre-COVID daytime where residents and workers would use the local shops and services, to the night-time economy where locals enjoy hospitality from the many Pubs, bars and restaurants our district has to offer. While visitor economy is not a huge make-up to our district's Economic DNA, there are good local offers in the form of museums and pleasant places for visitors to experience.

Before the pandemic, our high streets were declining and, in some areas, this was happening at a sharper rate. National studies showed our towns were performing slightly better when compared to other towns in England in terms of the impact of COVID on the economy. The Council has been horizon scanning for opportunities to leverage funding and to make some direct interventions.

In July 2020 Huntingdonshire District Council's submitted a bid into the **future high streets** fund for St Neots. The bid is an ambitious plan to improve a number of local places in the town centre which include providing greater access to the riverside location, improving the public realm and visitor experience as well as helping to realise some local regeneration needs. A decision will be made late 2020 / early 2021 and should the bid be successful, there will be a number of programmes scheduled and developed, to bring the bid to life for the benefit of the residents of St Neots. But we must also be realistic - the future high streets fund can only solve some of the changes that need to be made in our high streets.

Following Coronavirus, footfall levels are down and for some sections of our community who may be vulnerable, such as our BAME communities, the elderly and those instructed to shield, visiting town centres may not currently be a desirable or realistic activity. Mirroring this, online shopping habits have increased significantly. With 77% of British consumers now doing at least part of their grocery shopping online according to Waitrose. In the same study they concluded that **One in four of us shops online** for groceries at least once a week - that's double the amount in 2019, the rapid rise being the result of the Covid-19 pandemic.

Given the challenge that local businesses will face in town centre locations, it is important to be aware of the helpful additional role, organisations such as business improvement districts (BID) can play. In light of COVID-19, BIDs have received additional Government funding and they provide an additional layer to help represent town centre businesses of all persuasions. Before COVID-19 struck, there were plans to create and implement a BID for the benefit of the businesses of St Neots. The opportunity to create a BID in St Neots will be progressed by Economic Development within the next 12-18 months. (ACTION 19)

The view of retail and high street experts such as Mary Portas, is that we may have to accept that there will be less retail on our high streets. What will be left standing will be better retail, most likely with some sort of online offering to compliment the traditional physical high street offer which is likely to be more "experience lead" to attract people into town centres.

For Huntingdonshire, in addition to these significant challenges (which may also affect the demand for retail and commercial space in our towns), we must be true to the heritage which gives each town and our district a unique identity.

Visitor experience will be highly important, attractive public realm which will encourage "dwell time" with good access. Cycling and walking options will be important features for towns in the next few years.

Advancing digital infrastructure will be important, including projects which are in the cusp of starting such as installing town centre Wi-Fi. Further considerations should be given to the visitor experience of:

- Local residents visiting their town centre
- Business Visitors
- Leisure visitors
- Visitors to Markets and Special events

What Apps or shopping sites could enhance the experience in our towns to make them even more attractive places to visit whilst supporting our local businesses?

Propositions such as **Shopappy** who were mentioned by the CBI could be the answer or potentially further training opportunities for retailers to enable a balance of on line sales direct or sales though global giants like **Amazon**?

Utilising other useful cutting edge technologies such as the LoRaWAN network through stakeholders such as Connecting Cambridgeshire will enable future data collection and analysis, as will developing more footfall data into each town centre, which is currently the case in Huntingdon.

The Council is assembling a Towns Programme which will reflect the significant investment opportunities in each of the four towns and current projects as well as draw on initial capital funding from the Cambridgeshire and Peterborough Combined Authority. (ACTION 20)

In addition to the Masterplan work in St Neots, The Combined Authority's Prospectus for growth project, will help St Ives, Huntingdon and Ramsey develop solutions to the issues that matter to each town over the next few years.

There will be plans which place forward real ambition to regenerate our town centres to include a long-term development plan for the bus station areas in both St Ives & Huntingdon.

In addition, some of the themes mentioned in the reports who were commissioned by the Combined Authority but authored by <u>Metro Dynamics</u> include:

St Ives

- Town connectivity and infrastructure
- Hubs for Innovative Businesses
- Public Realm of the Highest Quality

Huntingdon

- Town Centre Development
- Community development
- Edge of town centre opportunities in Huntingdon
- The development of the Enterprise Zone

Ramsey

- Building on Strengths such as Heritage, the Fen landscape and community spirit
- Tackling Weaknesses such as isolation, connectivity & health

Other Themes Worth Exploration

The National Organisation of Local Economies

has a philosophy of community wealth building built upon five key principles:

- Plural ownership of the economy
- Making financial power work for local places
- Fair employment and just labour markets
- Progressive procurement of goods and services
- Socially productive use of land and property

Some of the themes will not be as relevant as when they were written back in 2018. While the employment market has been severely disrupted as a result of COVID-19. The desire to support our local economy has intensified which will present opportunities.

The Council will look to take a creative and innovative approach where necessary to explore these themes in more detail, to work with town centre representatives and loca groups to understand if there are programmes or behaviours that can be encouraged to support Huntingdonshire's market towns to achieve the continued vibrancy, we all aspire to see and experience in the future. (ACTION 21).

Supporting Huntingdonshire's Business Sectors

A Sectoral Framework

The Combined Authority published the Cambridgeshire and Peterborough Independent Economic Review CPIER report in 2018 followed by the Local Industrial Strategy (LIS). in 2019 which segments the local economy into sectors which both lead and support the local economy. Because national and local industrial strategies focus on sector development, we must also. In response to the pandemic, the Combined Authority has commissioned two further studies, which helpfully detail the impact of COVID-19 to our districts sectors, to help inform our thinking about recovery.

The CPIER and LIS documents outline the Cambridgeshire and Peterborough area possessing three sub-economies with Huntingdonshire spanning across all three. These two reports are certainly significant regional reports, but they do not provide a sufficiently strong narrative for the Huntingdonshire economy

Huntingdonshire District Council commissioned an economic report by EMSI which was delivered in 2018. This report helpfully concluded the growth industries would be in digital and precision engineering. A similar commentary (amongst other growth sectors) is indicated in the Local Industrial Strategy. And we know how many of our high-tech and general manufacturers are in Huntingdonshire thanks to the data delivered annually by the Centre for Research at the Judge Business School. We also have a breakdown of the rest of our businesses by business type and have invested in further business intelligence software.

A recent piece of work by the Centre for Research has provided further insight about how the Huntingdonshire economy interacts with the Cambridge sub-economy and specifically the North West Corridor. We know that growth from the knowledge intensive sectors is coming but has not yet reached Huntingdonshire to a significant extent. We have significant insight about the makeup of business parks across the sub-economy, their spend on research and development and how upcoming developments such at the CAM-OX-Arc may have influenced the movement of certain businesses. We have learned more about the profile of businesses that may move into Huntingdonshire from this sub-economy and our case study work will enable us to gain further insight and give Huntingdonshire a greater sense of identity. Hence there is clear direction and purpose to our role, in the Economic development of our district.

This continued investment means we are much more certain of our position including which agglomerations form part of the Huntingdonshire economy and where some of our opportunities lie.

Within the next 12 months we will begin to map our businesses of significance. Our largest sectors, our biggest employers, our fastest growing businesses, our fast-growing sectors, our new businesses. (ACTION 22)

We knew pre-COVID that Huntingdonshire was a strong and vibrant semi-rural economy. Our intelligence suggests several natural agglomerations that must be supported and nurtured as part of this economic strategy.

In the next 12 months and for each sector we will design a model which incorporates the following (where appropriate) to help support & stimulate sector growth. And to support inward investment enquiries (ACTION 23).

- Academic programmes
- Specialist networks
- Funded programmes
- National, regional & local funding
- Knowledge bridges national, regional & local
- Applying UK economic themes locally where appropriate-
 - Innovation
 - Digital strategy
 - Productivity
 - UK Resilience and local supply chain development
 - Net Zero / Green growth & Circular Economy
 - Levelling up the economy pay / gender / BAME
- Lobby for and support skills pathway development into each sector
- Leadership Programmes
- Experienced mentors and business advisors in each sector

Example - for digital skills we may wish to see continued development of coding clubs, develop a maker space for school & after school activities with partnership from local stakeholders & business.

We will further utilise business databases such as FAME to help understand the business make-up of each sector. To monitor our growth sectors and to help understand future changes at a more micro level (ACTION 24).

Advanced Manufacturing

The priority sector following the development of this strategy for Huntingdonshire must be Advanced Manufacturing. Advanced Manufacturing is referenced in the Local Industrial Strategy, (EMSI as Precision technology) and we know we have a natural agglomeration as demonstrated below. In the most recent data 2018-19 provided by

the Judge Business School this is what we discovered:

Area	Businesses	Turnover (£)	Employment
Peterborough	93	£3.2 bn	7432
Huntingdonshire	155	£0.625 bn	2965
East Cambridgeshire	64	£0.307 bn	1734
Fenland	35	£.0111 bn	499

Already we have started work with Aston University to link local businesses with their Supply Chain Support programme and we hope to work with them in the future to promote their UK Centric programmes.

But we know we can promote more work from other centres of excellence around the UK.

There are multiple stakeholder relationships that should be explored which have been helpfully signposted by Charlotte Horobin of MAKE UK. Many of which bring specialist knowledge which will help our community of Advanced Manufacturers. These include:

High Value Manufacturing Catapults -

WMG - University of Warwick

MTC - Manufacturing Technology Centre

<u>AMRC</u> - Advanced Manufacturing Research Centre

Universities

- Cranfield University- Reputable leadership training, Aerospace Technology Institute
- University of East Anglia low carbon & productivity
- Essex University- data analytics
- Aston University Servitization

Other organisations to explore include:

- Millbrook proving ground
- Silverstone Technology Cluster
- Milton Keynes Transport Systems Catapult

Within the next 12 months the Economic Development Team will reach out to each organisation to explore mutually beneficial ways of working, with the aim of helping Huntingdonshire's manufacturing businesses make progress (ACTION 25).

We have also been in touch with the following organisations who we know will offer value to our manufacturing sector over the next five years.

- IFM & Cambridge University Engineering (West Cambridge)
- Hethel Engineering Norfolk, incubator, motorsport / Lotus
- UEA Centre for Digitisation (manufacturing & engineering)
- NAAME New Anglia Advanced
 Manufacturing & Engineering group
- Advanced Manufacturing Programme (Opportunity Peterborough)
- St Neots Manufacturing Club
- CUTEC Cambridge University Technology
 & Enterprise Club

The crucial thing is to ensure we help facilitate these networks which support local manufacturing businesses. We will send timely information and programmes where possible so that they have maximum impact. Within 12 months, we will create a dedicated space on our Economic Development website for sector-based businesses to use, so that they can access the information related to all these networks in one place.

Mid & Low-tech Manufacturing

We should be mindful in addition, that many of our manufacturing businesses sit in the general and mid-tech range. They will need help and support after what has been a challenging time and we should help them find their way to our sector based sections of our website so that they can pick and choose which resources they may need to help progress their business.

A good example will be allowing low tech manufacturers to find the digital manufacturing on a **shoestring** programme run by the IFM in Cambridge.

And given that low and mid-tech manufacturers outnumber advanced manufacturers by 4:1, it is crucial that these businesses have the same and equal access to our sector areas on our website to aid development and to make progress.

The Economic Development Team will ensure that suitable material is included as part of the new website (SEE ACTION 10).

Digital

You will have read so far in this strategy the many themes which link into the digital sector. We need a strong vision, funding and planning to create the necessary digital infrastructure for the future. We need people with continually evolving and improved digital skills, particularly advanced digital skills to help support productivity growth and businesses have had to transform digitally during lockdown with many facilitating home working for their previously office-based workforce.

Digital as a sector has performed impressively in the last few years. According to the Government, the Digital sector contributed £149 billion to the UK economy in 2018 and the Sector accounts for 7.7 per cent of the UK economy as a whole.

Growth in this sector is nearly six times larger than growth across the rest of the economy. With this all said, it's important to state that Huntingdonshire should not try to emulate "Cambridge". Cambridge has an established eco-system, from tech and entrepreneur clubs, angel investor networks and specialist membership organisations such as Cambridge Wireless which serve this community nicely.

However, the recent study from the Centre for Research has suggested that strong, mature, Cambridge based businesses with established networks may naturally gravitate to other areas, where growth can be facilitated at costs that make businesses sense. This is one of the future opportunities for our district's economy. Understanding how to profile such opportunities will be a key objective for Economic Development.

Huntingdonshire does have a presence of tech, gaming companies and a strong presence of IT and Telecoms businesses within its digital sector which is worth between £500-600 Million per annum. Should Huntingdonshire further enhance our reputation of housing an IT / Telecoms agglomeration supporting businesses of all natures, this would be significant given the size of the local economy as a whole, which across the CPCA area amounted to £57.1 bn in 2018-19.

Our case study work has highlighted further benefits. For example - the value that investor lead businesses can feel when choosing Huntingdonshire. The Economic Development Team will network in the Cambridge spaces where possible and practical to highlight the value that Huntingdonshire can bring to the "right investor lead offering" while profiling the businesses who may naturally gravitate to the North & West, as part of their own growth journey. (ACTION 26)

The Economic Development Team will also explore projects such as the Norwich – Cambridge A11 tech corridor to understand the benefits so that we understand if a similar principle could be facilitated north and west of Cambridge. (ACTION 27)

Ultimately, this sector will only flourish in Huntingdonshire if there is a steady stream of companies filled with people with the right skills. Which is why we need to keep a very firm eye on skills development programmes in the next 5 years, looking to key stakeholders such as the CPCA, FE, HE and training providers to be ambitious and to help people of all ages upgrade their digital capability.

Agri-tech

It is clear that the East Of England has a major role to play in the growing, production and movement of food products across the UK and beyond.

The sector is naturally named as one of importance in the <u>Local Industrial Strategy</u>.

7 of the top 25 employers in Huntingdonshire are embedded within Agri and Food production employing an estimated 9000 plus workers in our district. Brands such as Hilton Meats and Hotel Chocolat help raise the Huntingdonshire profile as an attractive place for food production businesses to settle.

We know that our infrastructure is attractive to large scale food producers who look to move high quality, fresh produce around the UK. But we also know that some areas of this sector are susceptible to automation which is starting to become much more commonplace. Whilst great news commercially for the businesses concerned, we must be mindful of the long-term employment prospects when looking at how we expand this sector.

We will look to the sector strategies currently being developed by the Combined Authority and specialist industry insights. Specialist consultancies such as WLP, Networks such as Agri-tech east and funding providers such as Cambridgeshire Acre will be a good place to start for Economic development to develop HDC's sectoral approach for Agri-Tech.

Logistics & Distribution

Huntingdonshire locational connections to London, the Midlands and the North, make it an attractive place for Logistics and Distribution (L&D) businesses to establish themselves. The A14 upgrade and further improvements to the highways in our district can only encourage further interest. The L & D Sector was also recognised as being part of the top 5 fastest growing sectors within the UK in February 2020 and as a reflection of more recent trends,

our Online Shopping habits during lockdown and beyond may be hard habits to break as reported by Sky News.

And now with developments such as <u>Amazon</u> <u>Fresh</u> rivalling the traditional UK supermarket offering, it is clear to understand why this sector will enjoy strong future growth.

As we commented earlier and as a Council, it would be very easy to give a green light to mass distribution centres across the district at a time where this could give a strong boost to business rate receipts. However, a balance must be struck as this is also an industry susceptible to automation. Some of Amazon's distribution centres across the UK are almost entirely automated and we know about the experimentation of Wi-Fi / driverless fleets of HGV's.

There is a clear agglomeration of Logistics and distribution centres in Peterborough and we must be mindful of how we utilise commercial land across the district to ensure we help our residents secure higher skilled jobs which are sustainable as opposed to lower skilled jobs which will be vulnerable to technological advances.

Clearly if they exist, we must embrace good sustainable opportunities that support long-term, good jobs growth within this sector and for the district. The CPCA's recently mooted future fuels and logistics Launchpad will be explored further to understand if this concept can be dovetailed within current strategic sites, such as Alconbury Weald which is well appointed for such a project.

As part of the sectoral development Economic Development will get a greater understanding to inform Huntingdonshire District Council better about industry challenges such as technology advances, data analysis and lowering carbon emissions.

A better understanding may help Huntingdonshire District Council be more aware of how the obvious growth of this sector may better align with the values and future ambitions of the district.

Construction & Utilities

Whilst grouped together for the purposes of this paper, construction and utilities are sectors that react very differently during economic times of growth and contraction.

Construction as an industry is often the first to go into recession and the first to come out, so is often a good indicator of where the economy is headed. During Coronavirus, the Construction industry was one of the first to come out of lockdown, self-setting new guidelines to work to, before the Government offered more formal and structured guidance across many different sectors.

Utilities on the other hand must "keep going" whatever the economic conditions but must be wary of the varied demand for their services. During lockdown, commercial premises would have seen demand for Gas, Electricity and Water lower significantly only for domestic use to hold steady or increase given the time of year that Coronavirus and the subsequent lockdown impacted the UK.

Both sectors combined represent approx. 25% of the value of the Huntingdonshire economy with 15% from Utilities and 10% from Construction.

Utilities

Anglian Water alone turnover approximately £1.35bn which equates to approximately 13.5% of the Huntingdonshire economy. They employ approximately 4,700 employees which equates to over 5% of the Huntingdonshire workforce.

It will be important to understand the challenges of our major employers including Anglian Water. There are mutual vested interests toward the growth of our local economy and encouraging multi stakeholder engagement from the Council. Specialists, senior officers and politicians will ensure key relationships are nurtured as our economy recovers and places itself ready to grow once again. (see earlier ACTION 12)

Construction

The UK Construction industry and local agglomeration of businesses is vital to the performance of the national and local economy. Without a healthy and vibrant construction industry we will not achieve our housing targets or develop commercial properties to meet the future needs of residents and businesses.

The industry as a whole has had a problem for a few years addressing challenges of an <u>ageing</u> <u>workforce</u> with more workers set to retire than ioin the industry.

Fortunately we are well served in this locality with the <u>Construction Industry Training</u>
<u>Board Peterborough</u>, <u>EDGE Sharper Skills</u>
<u>for Construction</u> based at Alconbury Weald, courses offered by <u>Cambridge Regional</u>
<u>College</u> and plans for a Construction
Infrastructure work academy being developed by the Combined Authority.

It is also heartening to see new initiatives such as the New Re-Training Scheme from the Combined Authority which is offering employer lead training solutions.

We are also well served from a network perspective with the <u>Cambridgeshire Chambers</u> of <u>Commerce Construction sector</u> which for many years (pre-COVID) met 15-18 times a year in Peterborough and Alconbury Weald.

It will be the aim of Economic Development to bring together all of these useful developments into one location as part of our own sectoral approach to ensure our Construction businesses are well served, whatever their future training and growth needs may be. (ACTION 28)

And clearly, as Construction cuts across many themes which include: Net Zero carbon, sustainable practices, the green economy, digital infrastructure and the Internet of things to name but a few we will need to ensure these themes are promoted and highlighted to the Huntingdonshire construction industry.

Health & Care & Lifesciences

Health & Care has been a growing industry in our geography and is a broad sector. From our **NHS Hospital at Hinchingbrooke** and our primary care providers to our growing number of care homes across the district who provide comfort to our elderly residents.

Before Coronavirus, we saw a growth in demand in areas such as care homes and in response, there has been some effective development work focusing on career pathways by **Cambridgeshire Skills** enabling adults to enter the sector and follow pathways that could eventually lead them into higher skilled work within care or eventually into the NHS.

Of course, the care sector has performed superbly during Coronavirus, carrying out sterling work in extremely difficult circumstances and protecting some of the most vulnerable groups in society. Indeed, Care England have labelled their sector the second frontline.

Life Sciences

Following the initial wave of Coronavirus, the needs of the sector have evolved very quickly. There is a <u>race for a vaccine</u> with Cambridge based AstraZeneca involved in a high-profile collaboration with Oxford University. Due to social distancing requirements this has placed huge pressure and demand for significantly more lab space. Information which has been confirmed to us from both Inward Investment contacts and Cambridge Ahead

Given our proximity to Cambridge and how strongly the Life Sciences sector has grown pre & post COVID there may be natural opportunities for more life sciences businesses to find a home in Huntingdonshire and as an Authority we should be permissive and allow this natural growth to take place. The sector is recognised strongly in the recently published Arc Economic Prospectus

The demands on both of these sectors are likely to evolve greatly throughout the time of this Strategy and it would be wise for Economic Development to seek out key contacts and stakeholders in local NHS settings, the care sector and specialist membership organisations associated with Life Sciences, such as One
Nucleus to understand the key factors affecting each sector in order to provide the correct value where appropriate.

Creative

With a cluster of creative businesses situated in our biggest market town St Neots, it makes sense to recognise both the challenges and opportunities that may await this sector in the future. The Creative industry has been hit significantly by COVID, this has been highlighted in the Creative industries federation report 2020 - Oxford Economics which states a predicted £74bn loss for the UK.

However, pre-pandemic the Digital marketing and advertising industry had grown for 21 consecutive quarters in the UK and was placed within the top 5 fastest growing sectors within the UK according to the open business council

The creative industry is less likely to be significantly impacted by the UK exit from the EU meaning the effects of the pandemic will be temporary but it will depend on the shape and speed of recovery as to how quickly this sector may bounce back. A heartening sign is the sector's recognition in the recently published Arc Economic Prospectus.

Public Sector

Huntingdonshire has a natural population of public sector organisations who employ a great number of people. This will increase again in 2021 when <u>Cambridgeshire County</u> <u>Council</u> move their Offices from Cambridge to Alconbury Weald saving the public purse a reported £45 Million.

In addition to the County Council, we have NHS Hospital at Hinchingbrooke,

Cambridgeshire Fire & Rescue Head Quarters a significant Police station in Huntingdon and Huntingdonshire District Council

As <u>Government debt hits £2 trillion as part of</u> the response to <u>Coronavirus</u> it would be naïve to think that these levels of debt will not affect the Public Sector. Especially once the public health and economic landscapes have begun to stabilise.

All the organisations will be looking to reduce the financial risks in the longer term by further diversifying their incomes, independent of Central Government, business rates and current income streams. Organisations such as This Land, the arms-length development company of Cambridgeshire County Council use a variety of Non-Exec directorships in addition to the skills of it's own people, to bring a wealth of additional expertise for the benefit of the organisation.

There are reported opportunities in areas such the **green economy** which would deliver wider social benefits as well as some of the growth sectors already mentioned in this paper, such as life-sciences, digital and advanced manufacturing.

CAM-OX-Arc

According to the regional prospectus drawn between the three LEP's and Universities, the growth of the CAM-OX-Arc will be built upon 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.

Clearly, as we write this paper, the Arc is in it's infancy. This is a hugely ambitious project with heavyweight support from Government, which

will be developed over the next 30 years.

By the time the next Economic growth strategy is written for the benefit of Huntingdonshire businesses, these themes by then should have been developed further.

Understanding Huntingdonshire's Strengths

As part of this paper, we have sought to understand what makes Huntingdonshire special and our strengths. Some places would deem these unique selling points, however, to be unique you need to be the only one. Here are some of strengths that were identified.

Work is progressing on the development of the Place Strategy to 2050 and some of the key themes that have been identified to date have been:-

- The green spaces and local environment
- The accessibility and attractiveness of the market towns
- The road and rail connectivity to the rest of the country
- The variety and number of small businesses

The Place Strategy to 2050 will be published in 2021 and is still at an early stage of development with wider and meaningful public engagement to take place in the Spring. Some further context from the business community is set out below.

Why do businesses choose Huntingdonshire?

As mentioned previously in this paper, most businesses have evolved here because the business owners live locally, we have researched some case studies which highlight the following useful observations.

Pico Technology

Pico are extremely positive about being in St Neots and consider it to be the "jewel in the crown" of the Huntingdonshire district. The combination of maintaining the character of the market town and the convenience of its location, both in its proximity to London and Cambridge and its rail and road transport links, provide a perfect location from which to operate. In addition, the development of the Wintringham site is seen as further evidence that St Neots is a thriving area which has the potential for further growth in the future. St Neots offers Pico the benefits of much lower property costs over Cambridge whilst the rural charms of the town itself supports them in attracting talented people.

Cambridge Software

We were one of the first few companies to select the Lakes Business Park, situated next to the new A1307 and close to St Ives. It was a strategic decision for our business. There were several factors we considered for the decision which included:

- Cost We were a Cambridge based business and without stating the obvious, the costs were not comparable making The Lakes business Park unit an excellent choice when considering our business costs.
- Location As an IT services business, we must travel across Cambridgeshire and beyond. The location is ideal for us gaining quick access to Cambridge, Huntingdon, Peterborough, and the surrounding areas.
- Infrastructure for a business like ours, connectivity is key and fast fibre internet connectivity was available in the building.

 Premises - We like the parks approach of building warehouses with large office spaces and the flexibility in using the buildings which will help support our future growth ambitions as a business.

Bio Bean

"Bio-Bean has been located at Alconbury Weald since it's start-up days. The flexibility, space and excellent road links that the site affords has allowed us to refine and develop our business considerably over the past 4 years and enable bio-bean to become the world's largest recycler of spent coffee grounds, all from the Alconbury Weald."

What makes Huntingdonshire special commercially?

Its geographic location is very special, possessing rapid connectivity to London, while also being close to another of the country's biggest, economic and intellectual assets, Cambridge with its world-renowned University. Cambridge Ahead agree that proximity to such rich national assets create a unique geographic feature with positive economic benefits. The recently refurbished A14 trunk road, plus other proposed major infrastructure improvements along the CAM-OX-Arc ensures that Huntingdonshire is well placed to experience good levels of future growth. We expect further spatial growth because of these developments, particularly around the A1307 and the A428 to St Neots.

What advantages does Huntingdonshire have over other districts or local economies?

We analysed the major characteristics of Huntingdonshire such as the road and rail connectivity to areas such as London, The Midlands and The North. We looked at places with access to both an Enterprise Zone and a major University to understand which other districts around the UK were similar to Huntingdonshire. The results uncovered 12

districts, only two were in close proximity both to London two nd another globally renowned University - Oxford which according to Cambridge Ahead, are two special features to the Huntingdonshire economy.

They are:

South Oxfordshire Council

Cherwell District Council

We wanted to understand how similar councils might sell "their story" for inward investment purposes as both councils have proximity to a University town and London. Both have good road and rail infrastructure and are close to the county's **enterpise zones**. But upon closer inspection, it seems the local **enterpise zone** is signposted more effectively via the Oxfordshire LEP. So something for discussion with the Cambridgeshire and Peterborough Business Board.

The Council will look with the Combined Authority (acting as the LEP) at how the Enterprise Zone can be effectively promoted as part of looking at the promotion of the Huntingdonshire offer. (ACTION 29)

So how can we better tell our story?

Within 18 months of this strategy paper, Huntingdonshire District Council will produce a promotional product which both celebrates our identity and sells our district to businesses who may consider relocation. The importance of the following features will be considered as part of this product and our story. See Action 9.

Economic Growth Plan -Actions log

Improving inward investment

Our Economic Development (ED) team will work hard to establish a positive working relationship with the winning contractor. (ACTION 1) See page 5.

Economic Development will spend the first 12 months of this strategy building a sectoral framework (ACTION 2), See page 5.

The Council will seek to exploit funding opportunities, knowledge transfer and relevant business programmes from academic institutions, respected industry bodies and all tiers of Government to ensure that the conditions for growth are in place for the Huntingdonshire Economy (ACTION 3).

See page 5.

The Economic Development Team will use intelligence gathering and data analysis to inform our decision making for the benefit of our local businesses. This will include utilising business database software to track business movements and capitalise on any beneficial trends. (ACTION 4) See page 5.

The Council will work with all Master developers in our district to ensure the commercial space offer, matches the expectation of businesses (ACTION 5). See page 6.

Strategic themes - conditions for growth

The Council will work to enable further enhancements to full fibre and broadband schemes for businesses and home workers within our district and look at ways of bringing communities together to provide the numbers required to be of commercial interest.

(ACTION 6) See page 7.

Economic Development will house current information and actively signpost our local businesses to programmes and organisations (ACTION 7) See page 9.

Over the next few years, we will match this ambition by creating an environment which will become a natural choice for progressive and dynamic businesses from the KI sectors to thrive. (ACTION 8) See page 11.

The Council will produce a promotional document, which businesses and residents will recognise, which will in turn attract and create growth for businesses and housing. (ACTION 9) See page 11.

Within 12 months, a new website will be developed by Economic Development to help reflect this strategy and our future ambitions, as well as serving the day to day needs of our businesses. (ACTION 10) See page 11.

Economic development will work using various channels and means to gather and push our information while nurturing and developing stakeholder networks (ACTION 11).

See page 12.

In the12 months following this strategy the Council will develop a Business Engagement Strategy, firstly for our biggest businesses who have a natural and vested interest for our economy to do well. This group of 24 businesses will be serviced by a cross section of council officers at a technical and senior level, as well as politicians. The end objective will be more effective two-way communication. Beyond 12 months we will establish a face to face and digital engagement strategy which will reach the whole of the Business community in Huntingdonshire. (ACTION 12) See page 12.

Fuelling Economic growth

Within 12 months, each sectoral framework created on our website, will list appropriate networks which businesses may wish to engage with (ACTION 13). See page 14.

A skills strategy to maximise human capital potential

12 months following this paper, we will work with Key Employers to understand the Skills & Training needs in each Sector. We will consider an annual skills survey as part of our annual report to help understand if the skills needs of our businesses are being met by the various further education (FE) and higher education (HE) & Adults skills providers. (ACTION 14) See page15.

We will promote to all of our businesses, programmes which we know are landing well with employers such as the Government's plan to help-employ-an-apprentice. And newer schemes such as Kickstart. (ACTION 15)

See page 15.

We will work closely with all third-party skills providers in the FE/HE and Adult skills arena to help bring businesses and skills providers closer together. We will also work closely with the Combined Authority's STAR HUB, Talent Portal and Growth hub to actively promote the interventions that will work for our businesses and the local economy. (ACTION 16) See page 16.

We will work with institutions such as ARU across their various programmes to ensure high calibre placements are accessible for local businesses. (ACTION 17) See page 16.

we will consider as part of skills provision a future sector model which incorporates the above for delivery in schools. (ACTION 18) See page 17.

Vibrant town centres

The opportunity to create a BID in St Neots will be progressed by Economic Development within the next 12-18 months. (ACTION 19)

See page 18.

The Council is assembling a Towns Programme which will reflect the significant investment opportunities in each of the four towns and current projects as well as draw on initial capital funding from the Cambridgeshire and Peterborough Combined Authority. (ACTION 20) See page 19.

The Council will look to take a creative and innovative approach where necessary to explore these themes in more detail, to work with town centre representatives and local groups to understand if there are programmes or behaviours that can be encouraged to support Huntingdonshire's market towns to achieve the continued vibrancy, we all aspire to see and experience in the future. (ACTION 21) See page 19.

Supporting Huntingdonshire's Business Sectors

Within the next 12 months we will begin to map our businesses of significance. Our largest sectors, our biggest employers, our fastest growing businesses, our fast-growing sectors, our new businesses. (ACTION 22) See page 20.

In the next 12 months and for each sector we will design a model which incorporates the following (where appropriate) to help support & stimulate sector growth. And to support inward investment enquiries (ACTION 23).

See page 20.

We will further utilise business databases such as FAME to help understand the business make-up of each sector. To monitor our growth sectors and to help understand future changes at a more micro level (ACTION 24).

See page 21.

Within the next 12 months the Economic Development Team will reach out to each organisation to explore mutually beneficial ways of working, with the aim of helping Huntingdonshire's manufacturing businesses make progress (ACTION 25). See page 22.

The Economic Development Team will network in the Cambridge spaces where possible and practical to highlight the value that Huntingdonshire can bring to the "right investor lead offering" while profiling the businesses who may naturally gravitate to the North & West, as part of their own growth journey.

(ACTION 26) See page 23.

The Economic Development Team will also explore projects such as the Norwich – Cambridge A11 tech corridor to understand the benefits so that we understand if a similar principle could be facilitated north and west of Cambridge. (ACTION 27) See page 23.

It will be the aim of Economic Development to bring together all of these useful developments into one location as part of our own sectoral approach to ensure our Construction businesses are well served, whatever their future training and growth needs may be. (ACTION 28) See page 25.

The Council will look with the Combined Authority (acting as the LEP) at how the Enterprise Zone can be effectively promoted as part of looking at the promotion of the Huntingdonshire offer. (ACTION 29)

See page 28.

About this report:

This report has been produced by the Economic Development department at Huntingdonshire District Council with the assistance of members, business representatives and senior officers.

We are particularly grateful for the valuable input to this strategy from the following organisations:

- Cambridge Ahead
- Cambridgeshire & Peterborough Combined Authority
- Cambridgeshire Chambers Of Commerce
- FSB
- MAKE UK
- Urban & Civic
- What Next?

Once adopted, work will start immediately to implement this strategy concentrating initially on the actions listed in appendix item (iv) and then working on the wider themes of this report while reviewing and deploying appropriate interventions on an annual basis until 2025.

If you require further details or if you have any questions or suggestions that will help the Council in delivering this strategy for the District please contact:

Tel: 01480 388074

Email: Economic.Development@huntingdonshire.gov.uk

