

CA
CAMBRIDGE
AHEAD

BRIEFING

An update on our work for the City Region

DEVOLUTION IS KEY FOR GROWTH

FOREWORD

Cambridge has achieved great things. Cambridge will continue to achieve great things but it may not achieve all of the great things it could achieve without substantial investment in infrastructure. That is how I concluded the launch event of *The Case for Cambridge* on 9th October.

OUR PURPOSE

We exist to make Cambridge a place where business can thrive, to help ensure a high quality of life to the city's inhabitants and workers, whilst preserving the unique nature of our city.

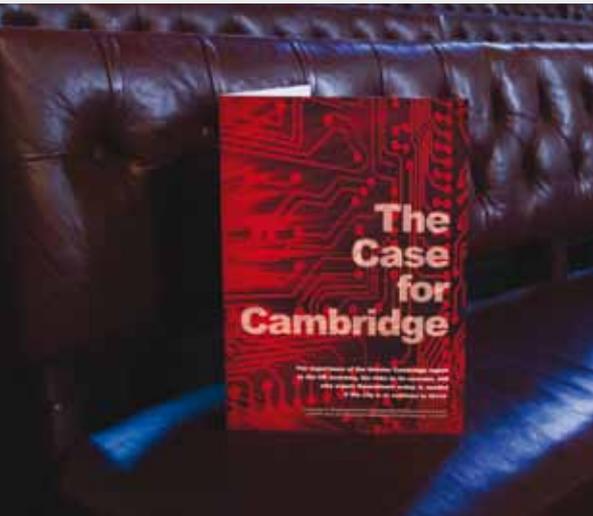
It is fortunate for Cambridge and the wider region that there is a collaborative engagement between the local authorities, business and academia. This is the force which drives the Northern Powerhouse. It is the same force which is behind *The Case for Cambridge* – a belief that by working together we can convince Government of the value to UK PLC of investing in this region. What is increasingly clear is that if this region is to gain greater powers from Central Government to raise revenue for investment there needs to be a new approach to our local government structure. We are somewhat down that road with the City Deal Board and Assembly where the City, South Cambridgeshire District, and County Councils have joined together to make the best use of the initial instalment of £100m. The Board should be given due credit for moving forward with the first projects.

It is likely though that a more unified structure will be needed to satisfy the demands of HM Treasury. We urge the Council leaders to make every effort to find a way of working that can unlock greater powers to help this region achieve all of the great things it can achieve. This will not only benefit Cambridge – but it will help the wealth created here to spread to much poorer parts of the region by providing high value jobs that are accessible.



Ian Mather
Chairman





CEO STATEMENT

It has been an extraordinary two years with an ever increasing pace of activity at Cambridge Ahead. This is evident from the project updates, including *The Case for Cambridge* – a direct ask to Central Government for a constructive dialogue to build the infrastructure to support our buoyant economy.

The Case for Cambridge comprises of a partnership between 11 organisations including the University of Cambridge, Anglia Ruskin University, groups from the business community such as the LEP and Chambers of Commerce, and our three local councils. It was launched successfully at a

breakfast seminar on 9th October at the Cambridge Union and we were delighted that our three MPs, Heidi Allen, Lucy Frazer QC and Daniel Zeichner were able to attend and talk about their own aspirations for Cambridge and the wider region in support of the case. Other speakers included Lewis Herbert, Leader of the City Council, alongside university and other business leaders.

Our steps are clear: we need to engage with Government and put forward a compelling case for investment. This could involve private funding for infrastructure, recognising that in the current political climate, further public funding will be limited beyond the City Deal secured by our Councils in 2014. The initial response from Government has been warm. We need to build on that.

The Case for Cambridge underpins all of the project work we are undertaking in the areas of housing, transport infrastructure, skills, and funding for our schools. For more information, please visit www.thecaseforcambridge.uk where there is also a short video summarising the launch event. In our project updates in this

briefing, we offer an overview of activity which we will be taking forward into next year from each group and which also shows the progress we have made in 2015.

I want to take this opportunity to thank the Chairs of our project groups, Matthew Bullock, Richard Powell, Alex Plant, Dr Tony Raven, Faye Holland and Professor Mike Thorne and the individuals involved who have given us so much of their time and effort to help move our agenda forward so effectively and quickly.

We are also delighted to welcome three new member organisations, *Mott Macdonald*, *Sapura*, and the *Wellcome Trust Sanger Institute*; and two new individual members, Dr Darrin Disley of Horizon Discovery and Harriet Fear of One Nucleus. This enhancement to our already formidable list of members gives us greater influence and weight, and further helps towards realising our vision – to make Cambridge the pre-eminent, small city in the world.

Wishing everyone a very, very successful 2016.

Jane Paterson-Todd
CEO



OUR AGENDA

1. TRANSPORT

The Transport Group approach has been to pursue a mixture of short to medium term gains and longer-term strategic influencing goals. We seek to be constructive partners, working with the councils, LEPs and central Government to deliver the best possible outcomes for Greater Cambridge.

In the short-term, we have met with bidders for the Greater Anglia franchise to set out the key economic priorities, and worked with the New Anglia and GCGP LEPs to amend the transport strategy for the east to reflect our priorities. Alex Plant has accepted an invitation to join the West Anglia Rail Taskforce, under the chairmanship of Sir Alan Haselhurst MP, and we are helping to develop plans for a new station at Addenbrooke's.

We are delighted that the *Route R* bus service from Trumpington P&R to the rail station is now carrying 1,400 passengers per week – the fastest growing bus route outside of the busway that Stagecoach has seen.

Our conversations with the major private schools and Stagecoach continue as we seek to reduce congestion around school opening times. Finally, we have commissioned WSP to carry out analysis of the possible future economic function of the east of Cambridge.

In the longer term, we are engaging with the councils and local MPs to consider future funding sources and strategic options. We aim to develop proposals to work with councils to set up a Transport for Greater Cambridge body as a means of pooling powers and revenues that currently sit variously across the councils and DfT and providing focus on driving transport solutions forward.

We are linking up with the Growth team on spatial planning, to ensure transport opportunities support sustainable economic and housing growth. For instance, better road and bus links to Haverhill would support more jobs there; improved rail services east through Newmarket would allow more housing sites to be viable along that rail corridor.

All options on traffic management need to be considered, including congestion charging, and we are pleased to hear the City Deal Board is open-minded. As part of *The Case for Cambridge* initiative we are developing proposals for an Infrastructure Investment Fund that could blend funding from a range of sources to support infrastructure investment.

Finally we are taking forward feasibility work on solutions for a high quality integrated transport system for a Greater Cambridge area twenty or so years from now.

Transport Team Members:

Alex Plant

*Project Leader
Programme Director Market Reform
and Head of Policy & Regulatory Strategy
Anglian Water*

David Ball

Chairman, David Ball Group

Andy Campbell

MD, Stagecoach East

Stephen Hamilton

Corporate Finance Partner, Mills & Reeve

Professor Peter Landshoff

*Fellow of Christ's College and Professor Emeritus
University of Cambridge*

Ian Mather

*Chairman, Cambridge Ahead
and Head of Office, Mills & Reeve*

Duncan McCunn

Corporate Director, Barclays

Jane Paterson-Todd

CEO, Cambridge Ahead

Sally Standley

*Director
Cambridge University Hospital Partnership*

Sven Topel

Chairman, Brookgate

Christopher Walkinshaw

*Group Corporate Communications Director
Marshall of Cambridge*

Image: Abellio Greater Anglia





Computer-generated image of the North West Cambridge Development

Image: University of Cambridge

2. GROWTH

The Growth Project has three phases:

1. Measuring the growth and make-up of the Cambridge cluster each year.
2. Carrying out a bottom-up forecast of future growth, based on the combined views of the major companies in the cluster.
3. Considering what that growth might look like spatially, and what infrastructure investment would those different options require. In these latter phases, we will be working closely with the Transport and Housing Project groups to develop a shared vision of the options.

We are now just completing the second 'draw' of information about the growth of the cluster in 2014/15 under Phase 1. The results will be published in early January 2016. From January to July 2016, the project will be focused on

Phase 2 – the forecasting work – using a survey and interview program with our large member companies and others. This will compile their view of how their sectors are likely to grow in the area over the next 10 years, and comparing this with the top-down forecasts used by the planning authorities. We also hope to begin to identify the key infrastructure investments needed to underpin and possibly enhance that growth.

The results of this Phase 2 work are likely to be published next Autumn. The third 'draw' of the Phase 1 Growth data will take place August-October 2016.

Building work in CB1

Image: Cambridge News



Growth & Commercial Space Team Members:

Matthew Bullock

Growth Project Leader - Master, St Edmund's College, Cambridge

Dr Tony Raven

Commercial Space Project Leader
CEO, Cambridge Enterprise

Christopher Pratt

Senior Bursar, Jesus College, Cambridge

Dr Ying Jin

Director of Studies
Fellow Robinson College, Cambridge

Dr Robin Pellew OBE

Chairman, Cambridge Past Present & Future

Mike Derbyshire

Head of Planning, Bidwells

Graham Budd

COO, ARM

Roger Taylor

Director of Estates Strategy
University of Cambridge

Chris Bartram

Chairman/Partner
Orchard Street Investment Management

Bill Wicksteed

Founder & Senior Advisor, SQW

Andy Cosh

Assistant Director, Centre for Business Research, Cambridge Judge Business School

Christine Doel

Director, SQW

Graham Hughes

Executive Director of Economy Transport & Environment

Jane Paterson-Todd

CEO, Cambridge Ahead

Christopher Walkinshaw

Group Corporate Communications Director
Marshall of Cambridge

Johnny Vincent

MD, Pace Investments

Jeanette Walker

Project Director
Cambridge Biomedical Campus

David Gill

MD, St. John's Innovation Centre

Rob Sadler

Head of Cambridge Office, Savills

Martine Dougherty

CEO, The Wellcome Trust Sanger Institute

Dick Wise

Partner, Bidwells

3. COMMERCIAL SPACE

Cambridge, as Europe's leading technology cluster, is experiencing a period of exciting economic growth across the city and region. The continued generation of new high-growth companies in the cluster, the growth of our own large companies, and the increasing influx of global technology companies such as AstraZeneca, Apple and Illumina continue to put pressure on commercial space. Demand for, and take up of, commercial space is at record levels, rents are rising across the city and region and availability continues to fall.

The Commercial Space group has three projects to better understand the Cambridge commercial property market and inform debate.

1. The first is to investigate the dynamics of incubation space supply and demand in the region. There is a severe shortage of incubation space with waiting lists at both St John's Innovation Centre (SJIC) and Babraham Research Park.

The group worked with SJIC, Babraham Bioscience Technologies and an intern from Cambridge University's Department of Land Economy to better understand what is happening with incubation space and incubatee companies in the region. That work has completed and a draft report is under review.

2. Currently, the headline figures on commercial space are dominated by a few large projects e.g. the ARM expansion on the Fulbourn Road and the arrival of AstraZeneca in the Biomedical Campus. The second project is therefore to disaggregate the supply, demand and build figures for commercial space to reveal the underlying dynamics of the different sub-groups – new start-ups, growth companies, large home-grown companies and in-movers – and to understand what happens to unsatisfied demand. This work is ongoing in partnership with Bidwells and Savills.
3. The final project, which is currently pending, is to explore the financing of particularly early stage space. While commercial investment in larger builds on long term leases is well established, for early stage and particularly incubation, space where short lease terms are required by small growing companies, commercial investment is difficult and the sector is dominated by Government investment (Babraham) or that of the University/ Colleges (SJIC, IdeaSpace).

New models have emerged such as the financing of the Future Business Centre for Cleantech companies in Kings Hedges with a £4m charitable bond. This third project will explore the investment economics of early stage incubation and growth space.

Image: Chesterford Research Park



4. EDUCATION

To follow up on the pre-election contact with prospective Parliamentary Candidates, meetings have been held with the three elected Members of Parliament for Cambridge City, East Cambridgeshire and South Cambridgeshire to discuss the long-term underfunding of local schools.

As a result, Heidi Allen MP (South Cambs) held a meeting with key education stakeholders, including Cambridge Ahead, to discuss how funding imbalance can be addressed. Heidi also attended the Cambridge Ahead Education Committee meeting on this issue.

Following conversations with both Heidi Allen and Lucy Frazer QC MP (East Cambs), we wrote to the Education Secretary Nicky Morgan in advance of the Chancellor's Autumn Statement. Our letter outlined our concerns about the

30-year old school funding model and the economic impact this continued lack of investment has on our region as schools struggle to keep up with the demand for placements. We also asked for the Government to consider options to ensure teachers within our region can afford to continue to live and work in Cambridgeshire.

We are delighted that the Spending Review did indeed include an undertaking to overhaul the funding of schools in England to remove big regional differences in levels of per pupil funding. The new national funding formula will be introduced from 2017 and we welcome this as a positive step forward in addressing the funding imbalance.

We still hope to meet the Education Secretary and her team to discuss our remaining concerns and work with us on finding solutions to these key issues.

Image: Alamy



5. SKILLS

In October 2015 a new enterprise *Form the Future CIC* was appointed by the Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGP LEP) to provide an enhanced employer engagement program for the schools in and around Cambridge. The enterprise is headed by Anne Bailey who will continue the work that she has achieved on bridging the gaps between schools and businesses and developing career choices amongst young people.



Form the Future

Form the Future grew out of the Employer Links project run by the Cambridge Area 14-19 Partnership. Anne and her partner, Michaela

Eschbach, set up a new social enterprise in response to changes in funding and to expand their work into other schools, including primaries and independent schools.

In the last newsletter, we announced the intention to set up a new website that will facilitate enhanced connections between schools, colleges and employers, improving the employability of students through active engagement with employers in the Cambridge area.

The STEP UP website, which is funded by Cambridge Ahead and the GCGP LEP, will be launched in early 2016 as part of *Form the Future's* activities to build links between schools and businesses.

The purpose is to help foster a broader recognition of the skills and qualifications required for a plethora of career opportunities, particularly in the strategically important STEM sectors. Giving young people opportunities in making career decisions is a vital part of local skill development.

Image: 123rf



Education & Skills Team Members:

Professor Mike Thorne

*Education Project Leader
Vice-Chancellor, Anglia Ruskin University*

Johnnie Sam

*Skills Project Leader
Chairman, Ridgeons*

Andrew Daly

Principal, Swavesey Village College

Stephen Davison

Political Affairs Advisor, University of Cambridge

Jill Duffy

Curriculum Development, Pearson

Shirley Jamieson

Head of Marketing, Cambridge Enterprise

Heidi Mulvey

*Head of Community Engagement
Cambridge University Press*

Tim Oates

*Group Director Assessment, Research & Development
Cambridge Assessment*

Linda Sinclair

Head, Hills Road Sixth Form College

Martin Wade

*Schools Finance Manager
Cambridgeshire County Council*

Anne Bailey

Director, Form the Future CIC

Neil Darwin

*CEO, Greater Cambridge
Greater Peterborough LEP*

Simon Humphrey

Corporate Responsibility Manager, ARM

Jane Paterson-Todd

CEO, Cambridge Ahead

Vicki Sanderson

HR Director, Marshall of Cambridge

Christopher Walkinshaw

*Group Corporate Communications Director
Marshall of Cambridge*



Housebuilding in Orchard Park

6. HOUSING

Feeding off the excellent work of the Growth and Transport groups the Housing group has four key priorities:

1. To promote a far-sighted view of what sort of place Greater Cambridge will be in 50 years so that our actions today will influence its continued long term success.
2. To understand and have our own view on the demand and affordability constraints on homes in Greater Cambridge.
3. To promote the supply of

homes that are affordable (focusing on location, density, typology and tenure).

4. Using the unique features of the Cambridge market to support pilot projects that seek to innovate in tenure and funding.

Expertly set up by Matthew Bullock, the group is now chaired by Richard Powell with an extensive and inclusive group of professionals from the property industry, local businesses, the university and colleges, and local and regional government.

Using the skills of the group the short-term focus is to review and analyse the outputs from the Growth group, to analyse and consider the outputs from the Local Plan Examination in Public, and to find pilot projects in Cambridge to test our thinking on innovative funding structures and sources.

New homes on Glebe Farm Drive at Great Kneighton



Housing Team Members:

Richard Powell

Project Leader

Executive Director, Grosvenor Britain & Ireland

David Ball

Chairman, David Ball Group

Liz Bissett

Director of Community Services

Cambridge City Council

James Buxton

Executive Chairman

Pigeon Investment Management

Terry Fuller

Executive Director, East and South East

Homes & Communities Agency

Andy Hill

Group CEO, Hill Partnerships

Jane Paterson-Todd

CEO, Cambridge Ahead

Mike Shaw

Director of Strategic Development, Savills

Bill Wicksteed

Founder & Senior Advisor, SQW

William Jewson

Development Director

Howard Ventures

Matthew Bullock

Master, St Edmund's College

Mark Fardell

Vice President of Legal and

Business Affairs, Jagex

Jon Wooles

Group Finance Director

Brookgate

Richard Howe

Wing Project Leader

Marshall Group Properties, Cambridge

Alex Colyer

Deputy Chief Executive

South Cambridgeshire District Council

7. CONNECTING CAMBRIDGE

As Cambridge continues to lead the field in innovation across many industries, so too should it look to improve the level of connectivity it offers to its residents, students, businesses and visitors.

Since Spring 2015, the Connecting Cambridge Group has been working on defining a set of projects aimed at making Cambridge a significant hyper-connected city. This will cover a 25 mile radius to ensure our plans and recommendations are inclusive and reflect the work already undertaken by the Council's *Connecting Cambridgeshire* broadband rollout project. By end-2015 we will have delivered a connectivity matrix aimed at educating the Cambridge community on the types of connectivity options that are available and appropriate to their needs.

In order to make the right recommendations for improvements to the connectivity infrastructure – whether wireless, fixed broadband, mobile or even ‘other’ – we need to really understand where any points of weakness are. And for that we have signed an agreement with OpenSignal. Open Signal specializes in wireless coverage mapping by crowdsourcing data on carrier signal quality and Wi-Fi usage. Cambridge residents can download an app for their device which will run in the background and send anonymised data for tracking purposes. The campaign will launch early in 2016 but we are already encouraging everyone in the Greater Cambridge area to download the app so that we can start to increase the quality of data immediately. By mid-2016 we should start to have enough quantitative input to then work with the carriers and providers to determine any infrastructure improvements.

Our final initiative is looking at where the group can support the broader *Case for Cambridge* and City Deal by ensuring that connectivity forms a key part of infrastructure development and innovation in the future. More on this will follow in 2016. The nature of the group means it is specialist and we encourage participation from network engineers and architects as well as infrastructure businesses who are invested in the improvement of Cambridge. Please do not hesitate to let us know if you think you may be able to contribute.

Connectivity Team Members:

Faye Holland

*Project Leader
Founder and Director, Cofinitive*

Dr David Cleevely CBE

Chairman, Cambridge Wireless

Charles Cotton

Founder and Author, Cambridge Phenomenon

Noelle Godfrey

*Head of Digital Infrastructure
Programme Director Connecting
Cambridgeshire, Cambs County Council*

John Holgate

Head of Network, University of Cambridge

Jane Paterson-Todd

CEO, Cambridge Ahead

David Whale

*Software Engineer and IET Schools
Liaison Officer
Institution of Engineering and Technology*

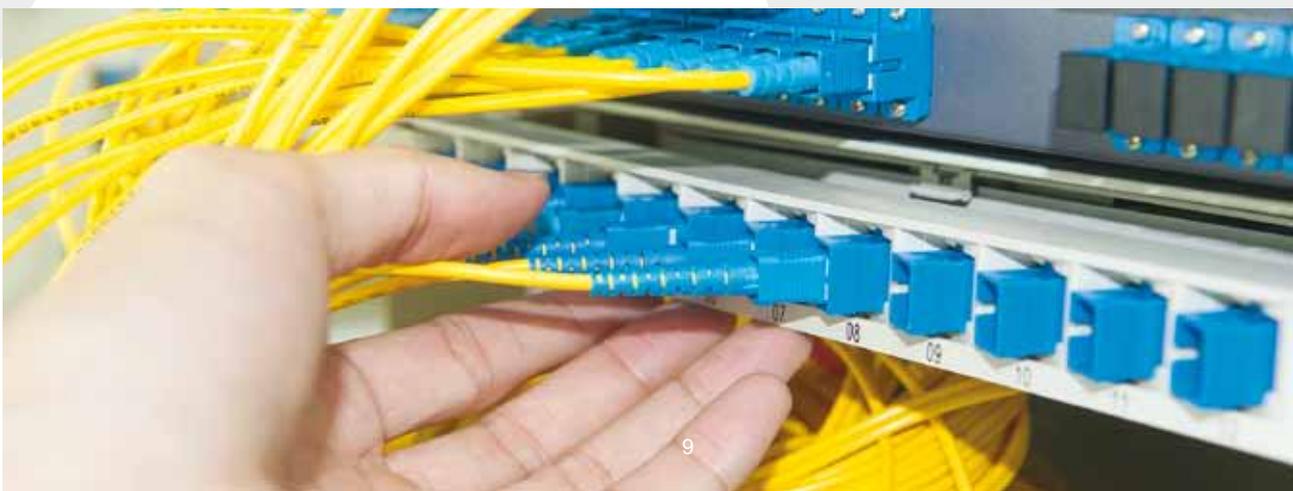
Tim Winchcomb

*Consultant, Technology Strategy
Cambridge Consultants*

Richard York

VP Embedded Marketing, ARM

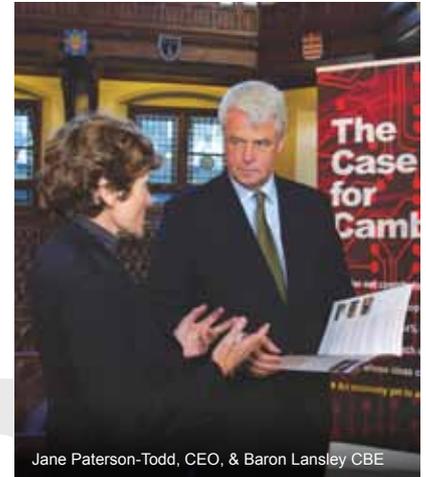
Image: 123rf



The Case for Cambridge

Launch event 9th October

Cambridge has a dynamic economy and a proven track record of high value, accelerated growth. It has exceptional characteristics that make it a leader in the development of prosperity for the whole of the UK. However, the city is at a crossroads – poised for the next wave of growth but held back by a need for infrastructure investment.



Jane Paterson-Todd, CEO, & Baron Lansley CBE

On Friday 9th October, over 150 people attended the public launch of *The Case for Cambridge* at a breakfast event at the Cambridge Union Society. The audience included many leaders and representatives from the 11-member Partnership behind it, as well as from other business, public sector and non-commercial organisations. We were delighted that the three city region MPs were able to lend their support.

The objective of the initiative is to convince central Government that the Cambridge city region, whilst extremely successful, risks having its growth curtailed by inadequate infrastructure, low housing supply with rocketing prices, a paucity of 'Grade A' commercial and R&D

office space, poorly-funded schools and a shortage of skills in key areas.

The first speaker was **Lewis Herbert**, Leader of Cambridge City Council and Chair of the City Deal Board. He gave an overview of the initiative and talked about how the city would benefit from a successful campaign to Government.

This included more local control over tax (currently around 95% of the tax raised here goes to Whitehall), and how private finance could be involved in public sector projects such as funding a new railway station at the Biomedical Campus. He also called for more affordable housing near the city centre, saying, "We don't want to be

a city like the Silicon Valley where people are commuting in over more than 100 miles".

Alex Plant, chair of the CA Transport Project team and previously at HM Treasury and the County Council, built on this. In a reference to Joseph Chamberlain he said that, "We have the right ingredients for growth in the future in the same way that Birmingham did back in the 19th Century".

He called for a new infrastructure investment plan tailored specifically for Cambridge that could generate tens of millions of pounds for local investment. And he suggested this could be done via concessions from Government on business rates, letting local councils borrow against

Dr Jonathan Nicholls, Lucy Frazer QC MP, Heidi Allen MP, Daniel Zeichner MP, Neil Darwin, Ian Mather (chair)

Alex Plant



their housing stock, even keeping some stamp duty generated locally, and agreeing Tax Increment Finance deals (TIFs) which would pave the way for more involvement from the private sector.

In a message clearly intended for Government, he ended saying that if we don't take this "golden opportunity" we risk "slaying the golden goose that has been laying the golden eggs".

Antony Mattessich, Managing Director of Mundipharma International, spoke next to give a *Business View on Obstacles to Growth*. Speaking passionately about the special nature of Cambridge, he highlighted these obstacles, such as the "taking away of the Tier 1 Visa", which is making it very hard to bring in the right people to his company from outside the EU.

"It's not like the old days – you can't tell people where to work", he said. He was losing the argument with people, contributing to a diaspora of employees around the world who he wished could be based in Cambridge: "I have a situation now where my head of R&D is in Germany, my head of Business Development & Licensing is in Boston, my Head of Supply Chain is in North Carolina... I don't want these people to be there".

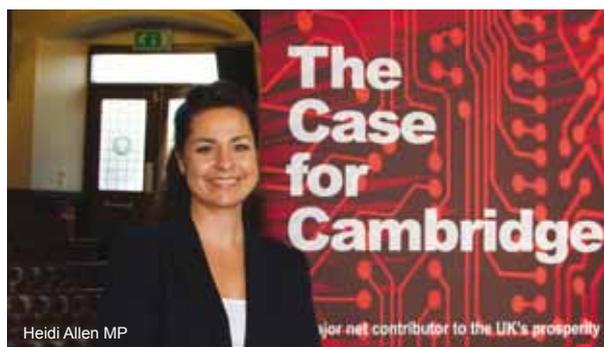
In a message that we are repeating to Whitehall, he emphasised that, "Cambridge is not competing against Manchester or Leeds... it's San Francisco, it's Boston... it's India, it's Indonesia", and ended, "Cambridge can compete successfully – if it has the vision".

Matthew Bullock, a Member of CA, Chair of our Growth Project, and Master of St Edmund's College, pointed to radical changes in the financial sectors, most notably among pension funds, that could drive this private investment. He said these changes were leading pension funds to cast their net wider for long term, safe investments to put their money into, adding, "They know this (the city) is growing faster than China".

There followed an instructive panel discussion entitled, *How do we influence central Government?* The panel comprised **Heidi Allen MP** (South Cambs); **Daniel Zeichner MP** (Cambridge); **Lucy Frazer QC MP** (SE Cambs); **Dr Jonathan Nicholls**, The Registry, University of Cambridge; **Neil Darwin**, Chief Executive, Greater Cambridge Greater Peterborough LEP.

After questions from the floor, including an intervention by Baron Lansley CBE (former MP for South Cambs), this very successful event concluded. Please visit www.thecaseforcambridge.uk for more information and to view the short video.

We are continue making representations to Government and more news will follow in our next briefing.



Current membership:

Anglia Ruskin University
ARM
AstraZeneca
Barclays Bank
Bidwells
Birketts
Brookgate
Cambridge Consultants
Cambridge University Hospitals
Deloitte
Domino Printing Sciences
Gonville Hotels
Grosvenor Britain and Ireland
Hill
HSBC
Howard Group
Jagex
Jesus College
Marshall of Cambridge
Mills & Reeve LLP
Mott MacDonald
Mundipharma International
Pace Investments
Pigeon Land
PWC
RAND Europe
Red Gate
RG Carter
Ridgeons
Sanger Institute
Savills
St John's College
Sepura
TTP Group
The Welding Institute
Trinity College
University of Cambridge
Xaar

Individual Members:

Paul Bailey
Chris Bartram
Matthew Bullock
Dr David Cleevly CBE
Dr Darrin Disley
Harriet Fear

Honorary Vice Chairs:

Lord Alec Broers
Charles Cotton
Dr Hermann Hauser KBE
Professor Peter Landshoff
Jeremy Newsum



Image: Brookgate

About Cambridge Ahead

Cambridge Ahead is a business and academic member group dedicated to the successful growth of Cambridge and its region in the long term. Our 38 member organisations represent a current working population of over 36,000 people in the city and a turnover of over £5billion.

The group aims to represent the city's business community and our partners who share our vision, by offering soundly-based opinion and be an advocate for Cambridge to local and national governments about the opportunities and needs of the region. At any one time we will have no more than 10 specific initiatives with defined objectives and measurable outcomes. We are politically non-aligned.

Our Mission

To represent the city's business community and our partners who share our vision, by offering soundly-based opinion and be an advocate for Cambridge to local and national governments about the opportunities and needs of the region.

Our Vision

For Cambridge to be the pre-eminent, small city in the world, defined by achieving long-term economic growth and a compelling quality of life. It will be a city where business, discovery, creativity, community and culture flourish together.

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