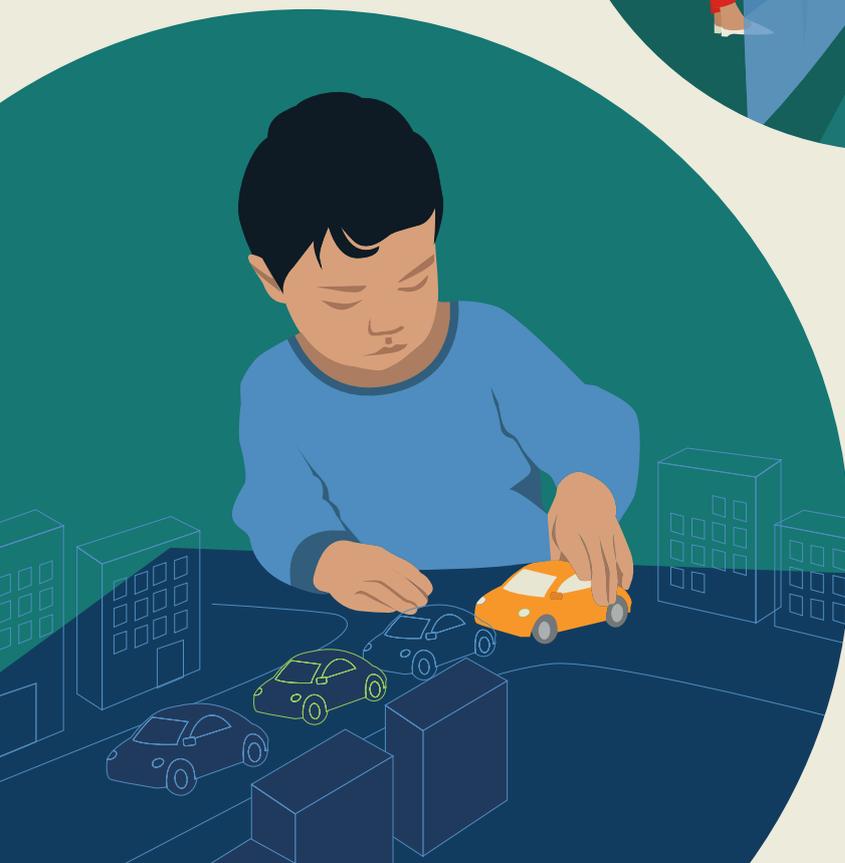
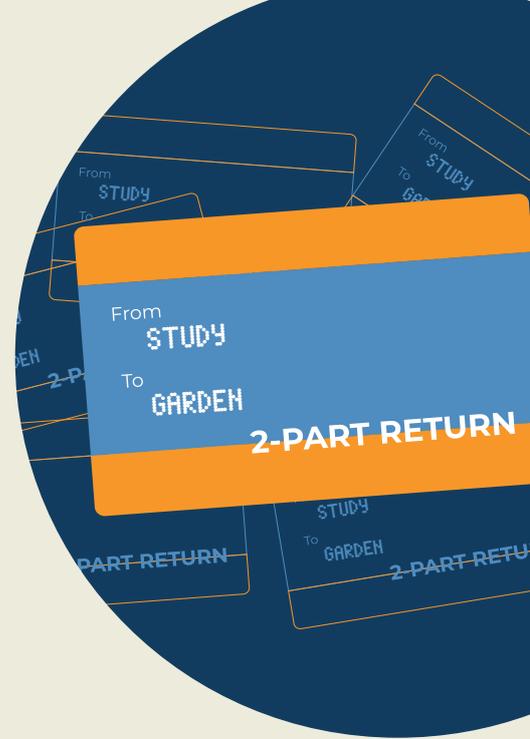


A New Era for the Cambridge Economy

Spring 2021 Members' Meeting



Introduction



Harriet Fear MBE
Chair

Harriet expressed how delighted she was to see so many Cambridge Ahead Members at the Spring Meeting and was honoured to welcome the Vice-Chancellor of the University of Cambridge as our Guest of Honour and keynote speaker.

The engagement of our Members indicates the importance attached to the work Cambridge Ahead does with and for the membership.

Harriet explained the hard work undertaken to ensure that Cambridge Ahead is fit for purpose in a very tangible way, starting with our influencing work being rooted in evidence and data.

Cambridge Ahead has grown the membership over the last year, with a warm welcome to First Base at this meeting.

We also welcomed three new Board Members, Dr Richard Anthony from Jesus College, Kirsty Gill from Arm, and Christopher Walkinshaw from Marshall of Cambridge.

Rory Landman, former Bursar of Trinity College, has also joined as an Honorary Member of Cambridge Ahead.

Harriet thanked all Members for their continued support for and involvement in Cambridge Ahead.

Cambridge: The city we want to see



Professor Stephen Toope
Vice-Chancellor of
the University of
Cambridge

Professor Toope was very pleased to be asked to share some of his thoughts with Cambridge Ahead Members. He started by establishing that we are all here for the same reason. We love this city. We want this city to continue being a success story. We want this city to continue to be a beacon – for ideas, for talent, for business.

What Cambridge Ahead does – its role as a convenor, as a sounding board, as an amplifier – is essential to ensuring that Cambridge has a strong vision and a strong voice.

What matters most to us as individuals, as members of an organisation, as neighbours and residents, as citizens?

There were three points flagged by the Vice-Chancellor, chosen because he believes these to be areas in which the collegiate University can make a difference, working with others.

First – wanting Cambridge to be a city that is open and inclusive, and that is known for its openness and inclusiveness.

Second – asking how the collegiate University contributes to local education.

Third – when thinking about the Cambridge we want, and the University's role in achieving it.

Professor Toope asked this “how do we enhance, post-pandemic, the future of the city centre?”

The Vice-Chancellor concluded by remarking that he had spoken about the city we want to see. The bigger question though is what kind of city do our younger residents want to see? Here, again, Cambridge Ahead is doing some very important work through its Young Advisory Committee.

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How do we enhance, post-pandemic, the future of the city centre?

Headlines and Highlights from our Programme

Cambridge Ahead's strategy for this year is to maintain momentum against our existing priorities, whilst crucially establishing an authoritative understanding of the changes ahead. Across the last six months we have seen major progress on both fronts.



Dan Thorp
Director of Policy
and Programmes

The Cambridge Cluster Insights data we publish as a continuation of the Cambridgeshire and Peterborough Independent Economic Review is referenced in emerging spatial plans for Greater Cambridge as well as the OxCam Arc. In recent months we have also established new commissions with the Greater Cambridge Partnership and Huntingdonshire District Council, finding more ways that the data gathered by the Centre for Business Research can inform and shape local economic development.

in January, and subsequent data collection, has revealed the extent to which poor mobile connectivity is harming the global reputation of Cambridge and the productivity of our workforces. Conversations have been opened with Government and mobile operators to make the case for further investment into our region. The Technology Group is also horizon scanning the technological trends and disruptions which we – as a cluster and as a place – should be preparing for.



Lawrence Morris
Policy and
Programme
Manager

Quality of life is our core principle and a major workstream. As we conclude our research into quality of life with RAND Europe, we are bringing this principle to life. In our own work programme, evidence from the quality-of-life research is supporting important initiatives – such as the Cambridge Nature Network, with our research revealing that access to nature is fundamental to quality of life across communities in the Cambridge city region. Our research is also supporting Local Authorities to pilot new inclusive growth measures to guide their investment, and for employers too we are uncovering the ways in which corporate actions can improve quality of life in Cambridge.

Our Housing Group is producing data and making important representations to inform both national and local decision making. We have made substantive submissions on a series of proposed national planning changes, inputting a valuable understanding of the impact that those proposed changes would have within a city like Cambridge. Alongside that we have submitted responses to local consultations, including the Greater Cambridge consultation on Build-to-Rent and a Cambridge City consultation on homelessness and rough sleeping.

Our Technology Group is under the new leadership of Jem Davies, from Arm, and is refocussed on our connectivity needs. A roundtable

The Housing Group has this year begun producing a housing dashboard, to track a series of key indicators as they relate to supply, demand, and homelessness so that it can better monitor and consider appropriate responses to market trends.

The Skills Group has been working to respond to the recommendations produced by research published last year on the quality of career education in Cambridgeshire and Peterborough's schools. In particular, working with our Local Authorities, MPs, the Careers and Enterprise Company and others to make the case to Government for dedicated careers funding within schools. Alongside that we are working locally to strengthen the links between businesses and schools to deliver a stronger understanding of issues around career education.

Our Skills Group has also focussed on the way in which skills and education provision has had to shift rapidly within the context of the pandemic to digital and remote learning. We have compiled a series of case studies from schools, colleges, universities, and employers to understand what the implications of that have been, what elements providers expect might retain moving forward and how policy-makers should respond.

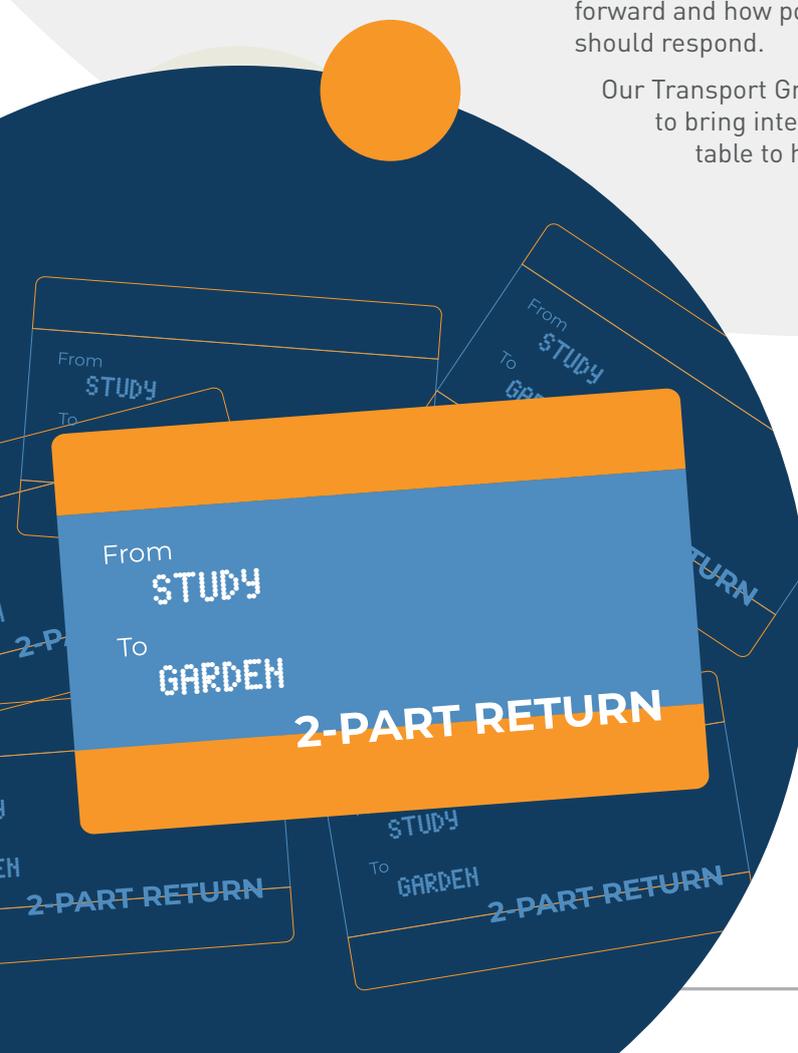
Our Transport Group continues to bring intelligence to the table to help promote a

modal shift away from the private car, whether that is through our technical input to the CAM Metro programme or a comprehensive survey to understand employee and residents' priorities for investment in cycling infrastructure. In particular, the group recognises the need to improve market town connectivity across different transport modes to places like Newmarket, Haverhill and Soham. We have also contributed to consultations on other major infrastructure schemes including Cambridge South Station and we are currently looking at the consultation on East West Rail.

The Young Advisory Committee held a very successful event in November 2020 presenting a vision for the city they wish to inherit to leaders from businesses, academia, and local Government. They will continue to focus on the priorities they identified at that event around the future of flexible working, meeting the housing needs of young people and the Cambridge Nature Network. In addition, the Committee has also committed itself to doing more to engage with and reflect upon a wider range of views of young people from across the Cambridge community.

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Our strategy is to maintain momentum against our existing priorities whilst crucially establishing an authoritative understanding of the changes ahead.



A new era for the Cambridge economy



Jane Paterson-Todd
CEO

Jane opened with two quotes pertinent to our exploration of the future for the Cambridge economy:

'If you don't know where you are going, you might wind up someplace else.' – Yogi Berra, American Baseball Player.

When Alice from Alice in Wonderland asked the Cheshire cat where she should go, the cat replied, "That depends on where you want to end up." Alice in Wonderland – Lewis Carroll

Jane established that we are in a place that has fundamentally questioned our direction of travel and its influence on our economy and other city economies across the globe. As businesses adapt, so are their people. The longer this has continued, habitually people have developed new ways to balance work with life and vice versa.

This change in behaviour could have a profound impact on city economies. It will depend on how sticky this observed behavioural change becomes as the gates are fully opened.

Digitisation has now given us choices and these choices may shift the power over to the demand side (people) and away from the supply side (organisations) – simply put, competition for talent may depend largely on the flexibility of the employment offer.

Jane stated that it is vital for Cambridge Ahead to understand how Member's businesses will be adapting and fundamentally how will this affect the economy in the mid to long term.

Jane put forward the types of question we will be asking:

- What strategies for change will you be putting in place and how will this affect your business model?

- How will this change the architecture and culture of your organisations?
- Will this affect the relationships with your clients and supply chains?
- Will you need to reconsider the scope and scale of your commercial premises?
- Where will your talent pool come from and has the world become that much smaller?
- Will global business travel reduce with a greater degree of on-line meeting opportunities?
- Will housing demand change as location choices widen?
- How will transport systems adapt and operate?

We will conduct a series of themed workshops to observe the degrees to which change-over-time across the year is happening. The workshop discussions held at this Members' Meeting will form the foundation of our research over coming months. We will hold a series of roundtables across the community to take a deeper look into behaviour as life opens again. Dr David Cleevly has agreed to Chair this new working group 'NECE', A New Era for the Cambridge Economy.



New working practices led by Jane Paterson-Todd

What are employers doing to introduce new working practices?

The survey conducted ahead of the meeting asked organisational leaders: "If your employee can work from any location, how prescriptive will you be on how often they come into a central workplace?"

The results showed great variation across organisations and job roles.

- Some described a very flexible approach allowing the individual to take a decision based on their preference and job requirements – as long as the employee is meeting their team and their business needs.
- A significant number of organisations described a 50/50 or 2/3 day in the office approach. Others went further describing a requirement to be on site 'at least one day a week' or an employee spending '10%-40%' of time in an office location.
- Others plan a more prescriptive requirement for employees to be in the office most of the time. Sometimes this was seen to be a more effective way of working and in other cases it related to requirements to access certain equipment or laboratory space.

The group agreed that this will be an evolving discussion over the months and years ahead. It will take time for employers to identify and refine how business need can be met and for employees' preferences to settle. Individuals' views right now, as we emerge from a period of crisis, may end up being quite different to what they will want in the longer term. All of this presents a challenge for HR professionals who are under pressure to outline policy and practice now and are having to navigate tensions around the principles, rules, and requirements for the return to the workplace.

The key challenges identified by the group were, first, how to ensure that people feel engaged and included in their business, fostering a workplace culture that matches the needs and wants of the organisation. Second, to ensure that 'alpha' individuals and managers are not able to mandate policy for the entire workforce. And third, to preserve or to create spaces for collaboration and spontaneity, and to ensure colleagues who have a less suitable home environment for working are well supported.

A principle rather than a policy lead approach has been used by some employers focusing on what works at a team level. This can be empowering for employees, but also disorientating. There is a need for clear expectations setting and definitions around what is actually meant by 'agile' and 'flexible' working. This may be a point of anxiety in the future where employees who opt to work from home feel they are missing out on opportunities for promotion and development. In particular, the group identified the risk of a growing gap between experienced staff and new hires, who may find it more difficult to integrate into the workplace and its culture in a more flexible environment.

From a cost perspective there are trade-offs to consider. Whilst there are cost savings from closing an office there are additional costs associated with supporting good quality home working and teleconferencing equipment. Consideration also has to be given to the staff who need to work in person, who can often be junior or low-wage staff, who then end up shouldering much of the burden of additional costs such as commuting.

Workshop

Trends for commercial spaces led by Matthew Bullock and Lee Daniels

What are organisations doing to adapt their workspaces, and what are the long term trends we are anticipating for commercial space?



There was a strong sentiment from the group that the pre-existing trend towards a more flexible and collaborative office has been accelerated by the pandemic. Resistance to this shift, which was being experienced in some quarters, has been surpassed as employers now fast-track plans and investment to adapt office spaces.

There is a consensus that offices are becoming about

“moments that matter.” Research from JLL has highlighted the types of space that are being prioritised in offices to facilitate this shift (see below).

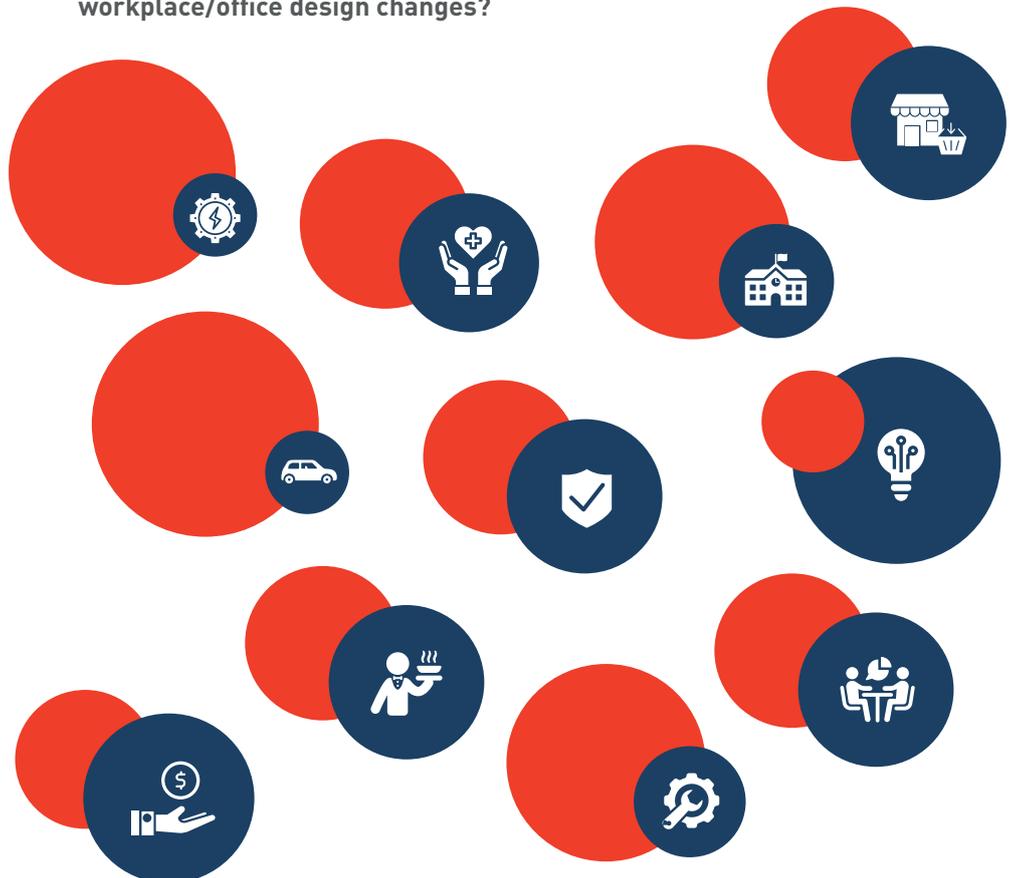
However, it was noted that the commercial space market in the Cambridge region has a substantial share of non-office space, such as R&D and manufacturing, where remote working is not possible. Demand for these spaces has not been as significantly shifted by the pandemic, and the market for these spaces in Cambridge has grown over the last 18 months.

List of sectors

0% 100%

-  Technology
-  Financial institutions
-  Professional and business services
-  Insurance and pension funds
-  Entertainment, media and hospitality
-  Consumer goods and retail
-  Healthcare, biotech and pharma
-  Public institutions, not-for-profit and education
-  Manufacturing
-  Energy, utilities and chemicals
-  Automotive and transport

Is your organisation actively planning permanent workplace/office design changes?



Potential impacts on the housing market led by Dr Gemma Burgess and Tom Fraser

What impacts are we anticipating on the housing market, and how quickly are we expecting them to materialise?

This discussion considered changing trends within the housing market. If remote working is becoming more common does this change what we want from our homes? Will it change the geography of housing demand and how should we respond in terms of supply?

The group agreed that there has been an observable shift in what people are generally prioritising when looking for a house, including a desire for more outdoor space, consideration of space for home working and accessibility of Wi-Fi. However, the group was also clear that the situation is still very much in flux.

Working practices are going to be the central driver that effect housing choice and, as we don't yet know what they will look like, it is hard to predict how and where housing

preferences will settle. It is possible that current trends, such as the flight to the countryside, may continue but they may also run out of steam. The group therefore agreed that we shouldn't be fixing any decisions within planning policy at this stage, for fear that they may quickly become outdated.

The group discussed how developers are looking at what they offer and how it can better meet evolving demand. House builders are likely to review their 'standard house types' to try and make them more suitable for changing needs, such as by identifying space for homeworking within them. Some are looking at building in plans for work-hubs as part of housing developments, professional communal environments within walking distance of people's homes. The group considered whether this kind of change would be enough or whether shifts in individual preference could fundamentally call into question the typical small house type with limited garden which is common at the moment.

Preferences around housing location also seem to



have changed, with prime urban living and rural locations in particularly high demand. But the changing geography of demand will mean very different things for different groups. Some are fortunate to be in a position to choose where they live but others do not have this luxury.

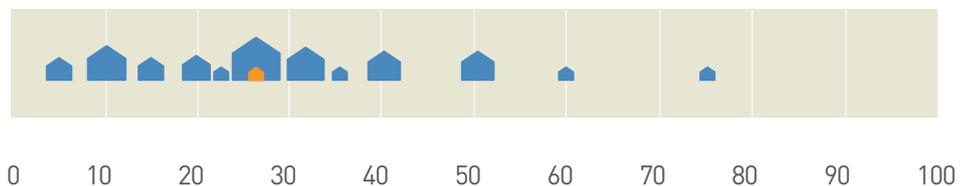
The group felt that there was a risk that those getting pushed further and

further away from the city are not always those who want to be and are often not those who are able to work remotely, for example, key workers like nurses and teachers, those working in hospitality, delivery, or cleaning. People moving from London to Cambridge and its surrounds may be pushing more of these people out of the city.



Preferences around housing locations seem to have changed, with prime urban living and rural locations in particularly high demand.

What percentage of employees do you feel would be prompted to reconsider their housing choice because of the pandemic?

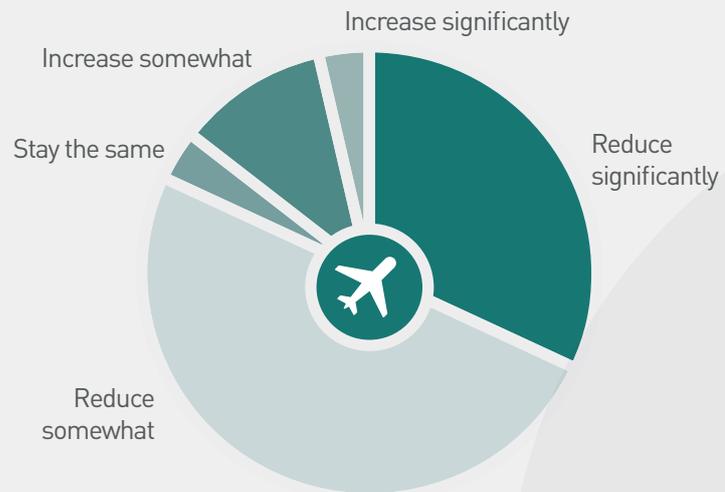


The answers were extremely varied from just 5% right up to as many as 75%. Most responses came in the 20-40% range and the average answer was 27%.

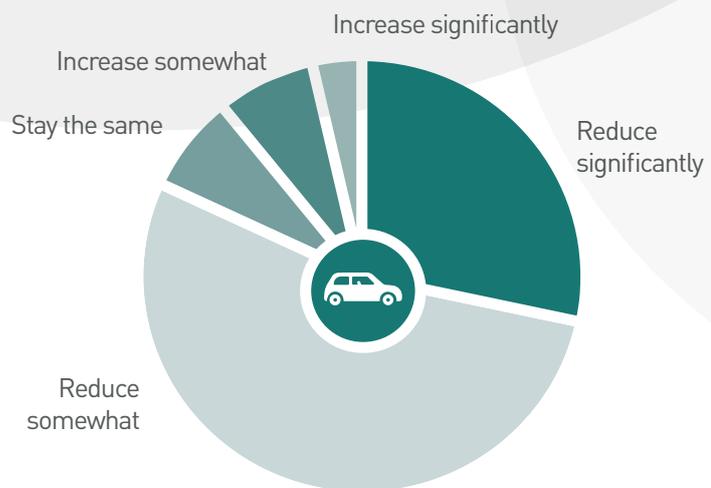
Changes in travel patterns and preferences led by Dr David Braben and Mike Emmerich

How will travel patterns and preferences change, and will these be what we want to see?

Do you expect levels of business travel to reduce across your workforce after lockdown restrictions have passed?



Do you expect levels of commuting to reduce across your workforce after lockdown restrictions have passed?



Fundamentally the group agreed that there was still a need for people to move around the city to their work. However, there is an increased desire from staff to work from home two or three days a week. This makes it more important than ever that we have access to detailed underpinning data to inform transport investment and business model development. We do not presently understand how people make their decisions about commuting, and we do not measure at the granular level who is using what transport and at different times of day.

This sort of information is essential for decisions around the CAM Metro but equally for consideration of cycling infrastructure and use of e-bikes as well as the financial viability of the bus network.

Transport models and decisions around the future network for the city should create a framework for human ingenuity to shine through.

For example, the group considered the disruptive role that can be played by electric vehicles, including the use of the CAM Metro and electric cars for storage and selling back to the grid. The network should also be responsive to need across different geographies. Cycling is the obvious solution for transport within a small city like Cambridge but for getting across the city from the region it is a different conversation and complex structures such as the CAM Metro become necessary. Finally, the group noted the importance of the need for a coordinated governance structure for transport in Cambridge. So that decision-making and consideration around how and where to direct public funding is coordinated.



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Transport models and decisions around the future network for the city should create a framework for human ingenuity to shine through.

Workshop

Are young people an untapped resource led by Rob Carter and Jeremy Newsum

The survey conducted ahead of the meeting asked organisational leaders:

“What risks do you see in relation to younger people in the post-pandemic workplace?”

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Competition for roles will be heightened - it will now be worldwide not local.

This discussion considered three key questions regarding the role of younger people in the post-pandemic workplace. What risks do you see in relation to younger people in the post-pandemic workplace? What plans do you have to address any concerns? And what do you see as your role in promoting the things that your younger workers value outside of the workplace?

risk identified as we come out of lockdown was unemployment, where the younger population has been worst affected. The role of employers over coming months is how to manage this and how to provide pathways to employment. The group also discussed the risks around mental health, and the impact remote working has had on this.

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Reduced interaction with experienced staff could low/limit development and career progression.

In terms of the greatest risks for young people, the group identified the potential impact of long-term remote working on their development, interaction, and training. It was felt that

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Social isolation - younger people tend to move to a new area for work and may make fewer social connections through work.

the development of young people has slowed down due to full time home working and that it needs to be a priority to give that back to young people. The other major

The group felt that there may be a gap between what people say they want as compared to what is good for their developmental needs. There is a role for employers in finding the balance between people's desire for “freedom” and the elements they might miss in a couple of years' time, but are not yet able to appreciate. Young people want other attributes to their career development that can really only be provided in an office environment, so businesses need to create an office that is exciting and inviting.

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The home working environment will be worse for younger people.

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Disappointment/unrest - caused by the difference between what is desired and what will be offered.

For young people, values, both within and beyond work, are important. They are making active choices to work for organisations which share their purpose and their desire to deal with wider societal problems, including sustainability and inclusion. Businesses must find a way to respond to this whilst maintaining the performance of the company.

Concluding remarks by Dr David Cleevely

David remarked that the feedback from the groups underlined that now is not the time to be rigid. We are experiencing a major discontinuity and we are no longer able to rely on incremental change.

We need to think about the way in which work, housing, transport, education, and health are going to evolve in the future. What is an office for? Are we seeing the workplace evolve as a space for meeting and facilitation of “moments that matter”? Why do we gather together?

Cambridge Ahead needs to put itself in a position to create and share insight, facilitating an approach that is driven by data. But this is not something we can do alone, we need a mechanism to tap into the insight

and experience of others.

In order to achieve this, David reported that we will organise a series of roundtables over the Summer and early Autumn. Drawing on Member expertise as well as intelligence from outside of the city. We will also invite people to submit their vision of what “Cambridge 2036” might look like.

By late Autumn we will report back against this work with a series of findings and recommendations.

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We will invite people to submit their vision of what “Cambridge 2036” might look like.
