

“Ready to Recover”

Economic Growth Strategy For Huntingdonshire District

2020-2025



- Respond to COVID-19 and Brexit
- Re-boot our sectors and skills
- Re-invigorate our economy and return to growth

Huntingdonshire – “Ready To Recover”

2020 will go down in history for the global impacts of the Coronavirus Pandemic, a once in a century event which has devastated lives, communities, jobs and businesses.

Our residents and businesses have been tested to their maximum during this difficult and challenging year. The pandemic has changed so many elements of our lives. It has encouraged people to work and shop more locally and to seek out our attractive open spaces. Our market towns have become preferred shopping destinations compared to cities and a greater sense of community has been fostered as we look out for the vulnerable and elderly in our neighbourhoods.

Our district and residents have shown resilience, naturally accommodating the “new normal”. Our district has also been fortunate, recording lower infection and mortality rates, than many other areas.

Of course, we must acknowledge the loss of loved ones, the lost businesses, the redundancies, and how COVID-19 has discriminated against different groups. Public health and economic outcomes have not been fair or equal.

To compound the immense challenge that businesses have faced, the UK will formalise its exit from the European Union meaning a new trading relationship with Europe will emerge in 2021. There will be further and perhaps difficult challenges that lie ahead, but there will also be future opportunities during the life cycle of this growth strategy. These will help expand our interests, increase international trade and attract more inward investment opportunities.

And so despite the adversity and the challenges that we face, we have every right to be confident and optimistic about what the future may hold for our district.

The anticipated return to a more “normal life” during 2021 will provide a welcome fillip to people’s sense of health and wellbeing as well as a boost to the national and local economy. There will be a huge re-building job to do. Many of our workers will need to develop and learn new skills to offer employers. Our sectors will need strengthening and some like the hospitality and events industry will need even greater support. The task of re-building our economy will be of a bigger scale than after the 2008 financial crisis. However, I am certain that our people and businesses will be equal to the task.

Manufacturing as a sector is a significant driver of GVA across Cambridgeshire, it is the engine of our economy and one of several natural strengths our district possesses. We also have an economy underpinned by a great number of amazing small businesses and at the other end of the scale larger flagship companies and public sector employers.



The pillars of our economy offer natural strengths which will certainly play a full and starring role once again, enabling Huntingdonshire to recover faster and experience growth once again.

Huntingdonshire is “Ready to Recover” and we relish the challenge to recover faster to create economic growth once again, as part of the UK’s pledge to build back better.

Councillor Ryan Fuller - Executive Leader,
Chairman of the Cabinet and Executive Councillor
for Housing and Economic Development

Executive Summary

There are a wide range of factors that contribute to a vibrant and thriving economy and the aim of this Strategy is to set out the priorities and actions for the next five years.

The Local Plan objectives to 2036 set out in 2019 stated our ambition to build an additional 20,100 houses and create 14,400 new jobs. Despite the effects of COVID-19, our aspiration is still to meet these objectives.

The Strategy is accompanied by an Economic Growth Plan which contains further context and detail including our priorities for the next 12 months. Key themes are:-

- **Inward investment**
- **Conditions for growth**
- **Fuelling our economy**
- **Maximising our skills**
- **Vibrant town centres**
- **Supporting our business sectors**

In 2013 Huntingdonshire District Council published an Economic Growth Plan covering the period 2013-2023. The document set out some ambitious plans to “go for growth”, and an economic vision based around a strong and stable economy following the recovery from the financial crash of 2008. It can be argued that this was the right approach at the time. GDP per head grew by 88% between 1998-2018 and Huntingdonshire has much to be proud of. Great opportunities for future growth lie ahead with key developments such as the newly completed A14 and the longer-term proposals for the OxCam Arc.

But the global health crisis sprung by the COVID-19 pandemic has eroded cash reserves and levels of resilience within Huntingdonshire’s businesses. Greater, and potentially more significant challenges will lie ahead as businesses transition to a new trading relationship with the European Union and other markets. The turbulence that businesses have



experienced and will experience, suggests that a new short-term strategy should be adopted to help the businesses in our district recover, ready to grow again.

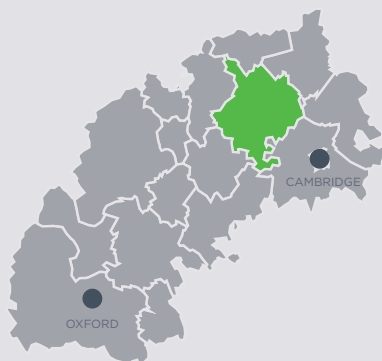
Our sectors will need greater support to help them re-build or build back better after COVID-19. Strengthening our clusters will help optimize the performance of those businesses here in Huntingdonshire and will help build ecosystems to attract new businesses. We may also need to assist businesses who wish to import and export after January 2021.

One of our biggest challenges will be the skills landscape. Many workers and residents have recently lost their livelihoods. Some will need to seek new skills and training opportunities in order to re-enter the workplace. We will need businesses and education providers to work closer together so that our local population are equipped and ready to add value to the employers in our district.

This Strategy sits alongside other documents as part of the Council’s strategy and planning framework supporting and creating a strong and vibrant local economy.

Huntingdonshire's District Economy

- 1 Alconbury Weald & Stukeley Business Sites
- 2 Abbotsley Area Business Sites
- 3 Eagle Business Park in Yaxley
- 4 Godmanchester Business Sites
- 5 Huntingdon Business Sites
- 6 Kimbolton Area Business Sites
- 7 Lakes Business Park St Ives
- 8 Ramsey Business Sites
- 9 Sawtry Business Sites
- 10 Somersham Business Sites
- 11 St Ives Business Sites
- 12 St Neots Business Sites
- 13 Upwood Business Sites
- 14 Warboys Business Sites
- 15 Yaxley Business Sites



Sitting within the OxCam Arc – home to 2 million jobs and £111 Billion of Economic Output



An economy worth **£10 Billion*** p.a



Completion of the A14 upgrade in 2020
A £1.5 Billion infrastructure investment further improving connectivity



20% increase of Knowledge Intensive businesses since 2013



86,000 employees - 2nd highest district in the Cambridgeshire and Peterborough area



An agglomeration of **150 Advanced Manufacturing Businesses**



A manufacturing sector with an economic output of **£2.7 Billion*** p.a



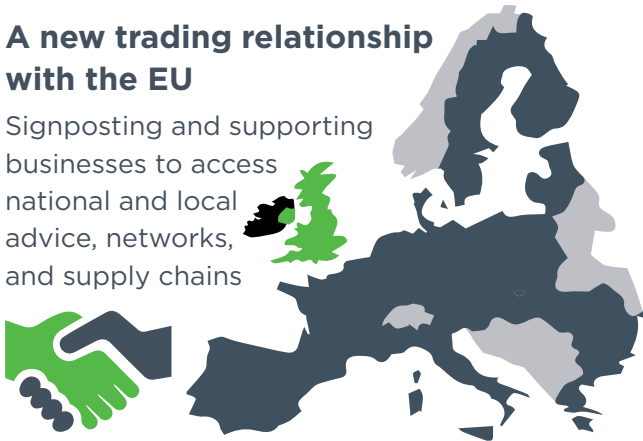
Sizable representation in Construction, Utilities & Wholesale Sectors

Conditions for Growth

Creating the right conditions for sustainable economic growth in the district

A new trading relationship with the EU

Signposting and supporting businesses to access national and local advice, networks, and supply chains



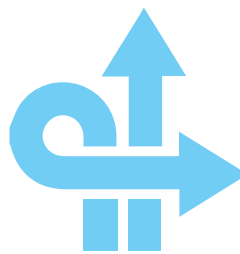
Inward investment

Creating attractive investment opportunities and driving economic growth through partner organisations including the Cambridgeshire and Peterborough Combined Authority



Digital Connectivity

Greater 5G and full fibre investment and expanding rural connectivity to improve productivity



Transport Links by Road and Rail

Maximising the value from the A14 upgrade and improved transport links via the A428, East-West Rail and Cambridge Autonomous Metro

Good growth

Showcasing opportunities at key sites including Alconbury Weald and Wintringham Park for businesses to relocate and grow in the district



Environment and affordable housing

Delivering a green recovery and continuing to provide attractive places as people spend more time living and working locally



Business Support

Looking out to the big 5 business organisations and providing a link into 8,000 local businesses

Branding and Promotion

At the centre and feeding into the three sub-economies in Cambridgeshire and Peterborough



Vibrant Market Towns

Keeping our town centre economies relevant by leveraging technology, data and business funding



Fuelling **Economic Growth**

We need 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 which currently inhibit our levels of productivity.

Digital

Ensuring there is good provision of digital infrastructure is a priority and this will be achieved through working directly with providers and through other bodies such as Connecting Cambridgeshire.

The Economic Development Team will support our businesses whether they are looking to experiment with digital innovation or access grants to improve productivity.

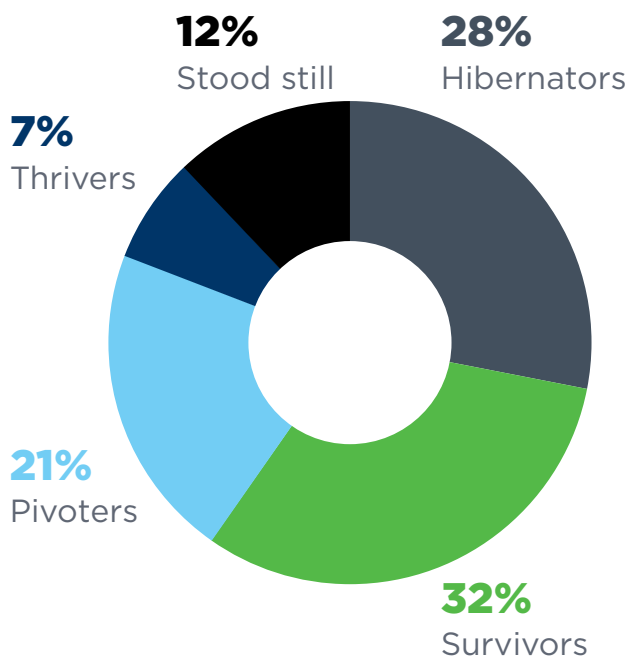
Our high street businesses will continue to improve their online offering, complementing their physical, high street experience led retail.

Digital skills will continue to grow as a core requirement within the workforce and therefore a clear link through to the skills agenda.

Innovation

The COVID-19 pandemic has brought out the best in some of our brilliant business people and the businesses they run.

National business response to COVID_19 (CBI)

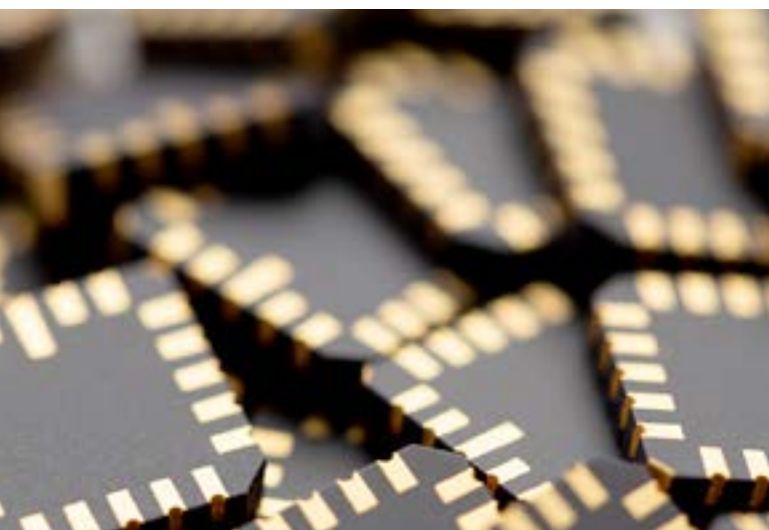


Hibernators had an appetite to innovate but questioned their ability to fund any potential innovation.

Pivoters had changed their service offer and an appetite for further innovation.

Thrivers were doing very well, and so the question is how can they do even better?

Understanding our businesses and particularly our larger businesses and sectors plus working with organisations such as Innovate UK and local business networks will fuel further local growth.



Skills

A Partnership Approach

The Economic Recovery Strategy for Cambridgeshire and Peterborough notes that taking a “business as usual approach” may not be the best strategy for organisations moving forward.

Huntingdonshire District Council’s COVID-19 Business Impact Survey commissioned in May 2020 identified that younger people, and people in roles such as Customer Services, Sales and Administration were at greater threat of redundancy. During the Summer of 2020, MAKE UK Stated that 53% of their members would make redundancies in response to the COVID-19 pandemic equivalent to 250 of Huntingdonshire’s manufacturing businesses.

Supporting people that have previously held positions where they relied on their people skills, or their administration or technical / manufacturing skills to find future employment is vital as well as understanding the “coveted” skills that employers value.

Huntingdonshire District Council must work with a spectrum of third parties to ensure our local economy has a pipeline of talent that aligns with what business need now and into the future.

Government Schemes

We will support local jobs by promoting national programmes which we know employers are finding beneficial, such as apprenticeships and Kickstart for which the Council is a Gateway Provider. We will support small and medium sized enterprises through other initiatives such as the Green Jobs Taskforce.

Third party providers

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. Local providers include Cambridge and Peterborough regional colleges regional colleges, the Combined Authority’s STAR HUB, Talent Portal and Growth Hub, Anglia Ruskin University and and Peterborough University when open.





Over 80% of the businesses in Huntingdonshire are small and medium sized enterprises. The Council recognises that the leaders of those businesses are also going to need additional support as they transition over the coming months, particularly in making difficult choices and supporting their workforce. Wherever possible the Council will be working with third party providers to link up on mentoring and peer to peer support as well as dedicated training for business leaders.

School and community provision

There is a gap in skills and business education in Huntingdonshire primary and secondary schools. Community networks and capacity to support each other has been enhanced in the past year. This has been factored into the Council's wider recovery work, particularly registered organisations and community groups that can help people get back into work, equipping them with new skills.

Pathways

Part of our strategy is to provide exciting opportunities for our future generations and to establish an effective presence in a variety of learning settings and locations. We will look to develop skills pathways in some of the following areas with our largest employers including:

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

Our Town Centres

The Geography of Huntingdonshire is based around four market towns linked to smaller villages. The economic success of our towns is central to the success of the district. A mix of independent and national brands serve these economies.

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 direct interventions.

In July 2020 Huntingdonshire District submitted a bid into the **Future High Fund** for St Neots. The bid is an ambition to improve a number of local places centre which include providing great to the riverside, improving the public and visitor experience as well as help realise some local regeneration need packages for the other three towns v developed by March 2022 which will potential uses of space and the town offer in the future.

Following COVID-19, footfall levels are down and online shopping habits have increased to double the amount in 2019. Short term interventions on the Opening of the High Street and capital investment of £1.5M by the Cambridgeshire and Peterborough Combined Authority will be made by Council through to March 2022.

A Business Improvement District is being pursued in St Neots, one is already in Huntingdon.

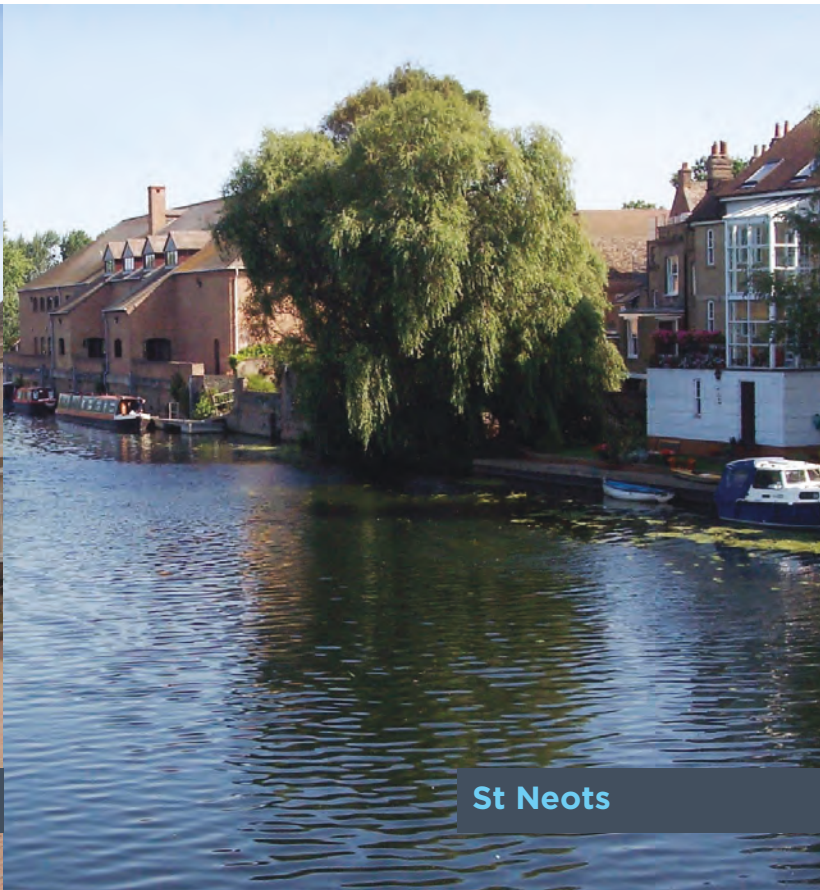
Visitor experience will be highly improved more attractive public realm will encourage “dwell time”. Improved cycling and walking routes will also be developed with the Council.

Projects to improve the digital infrastructure are planned, building on the free public WiFi that has been completed in December 2020 in all four towns with support from Connecting Cambridgeshire. Online shopping platforms will also be explored with the town councils and retailers as well as further training opportunities for retailers to enable a viable balance of online and on street sales.





Huntingdon



St Neots



St Ives



Ramsey

Sector Support **and Growth**

The Combined Authority published the Cambridgeshire and Peterborough Independent Economic Review (CPIER) report in 2018 followed by the Local Industrial Strategy (LIS).

The CPIER and LIS documents outline the Cambridgeshire and Peterborough area possessing three sub-economies with Huntingdonshire spanning across all three.

An economic report by EMSI in 2018 concluded the growth industries in Huntingdonshire would be in digital and precision engineering. Many high-tech and general manufacturers are in Huntingdonshire based on data from the Centre for Research at the Judge Business School.

Recent 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. Growth from the knowledge intensive sectors is coming but has not yet reached Huntingdonshire to a significant extent. However, there is more spend on research and development and upcoming developments such as at the OxCam Arc may influence the movement of certain businesses. Pre-COVID-19 there was also a strong and vibrant semi-rural economy.



Main sector theme highlights of this Strategy



Advanced Manufacturing

This is a high priority sector for Huntingdonshire comprising 150 businesses, employing nearly 3,000 people with £1Bn turnover. Work is already underway with the engineering and university sectors including Aston University's UK resilience supply chain programme and MAKE UK.



Mid & Low-tech Manufacturing

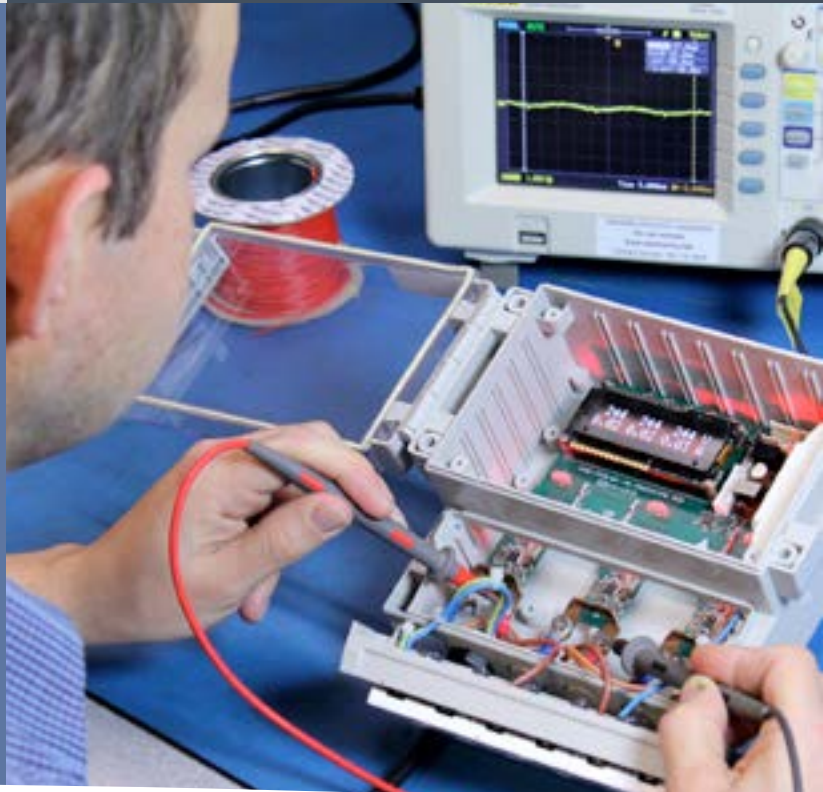
Many of our manufacturing businesses sit in the general and mid-tech range and outnumber the advanced manufacturers 4:1. These businesses will need help and access to support networks including expanding digital systems.



Digital

Many themes link into the digital sector with national growth in this sector nearly six times larger than growth across the rest of the economy. Huntingdonshire has a mix 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.

Businesses have also had to transform digitally during lockdown with many facilitating home working for their previously office-based workforce. Businesses will need people with continually evolving and improved digital skills, particularly advanced digital skills to help support productivity and growth.





Agri-tech

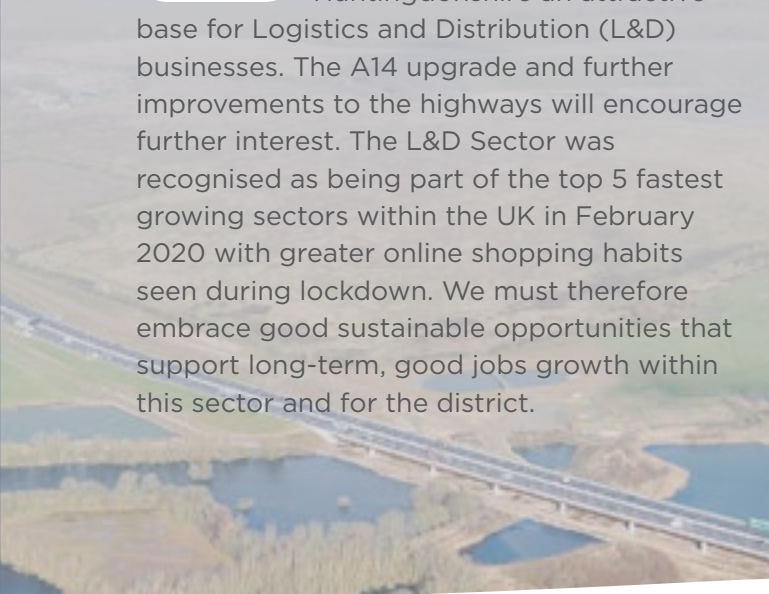
The East Of England has a major role to play in the growing, production and movement of food products across the UK and beyond. Seven of the top 25 employers in Huntingdonshire are embedded within Agri and Food production employing an estimated 9,000 plus workers in our district.

Our transport infrastructure is particularly attractive to large scale food producers who look to move high quality, fresh produce around the UK. Some areas of this sector are susceptible to automation which is starting to become much more commonplace.



Logistics & Distribution

Connections to London, the Midlands and the North, make Huntingdonshire an attractive base for Logistics and Distribution (L&D) businesses. The A14 upgrade and further improvements to the highways will encourage further interest. The L&D Sector was recognised as being part of the top 5 fastest growing sectors within the UK in February 2020 with greater online shopping habits seen during lockdown. We must therefore embrace good sustainable opportunities that support long-term, good jobs growth within this sector and for the district.



Construction & Utilities

Whilst grouped together here, 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. Utilities on the other hand must “keep going” whatever the economic conditions but must be wary of the varied demand for their services. According to the Centre for business research at Cambridge University, around 15% of the Huntingdonshire’s economic output comes from utilities and 10% from construction.

It will be important to understand the challenges for these major employers including addressing the gaps that will be created as a result of an ageing construction workforce.





Life Sciences

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. The Council will look at ways natural growth can take place in a sector that is recognised strongly in the recently published Arc Economic Prospectus



Health & Care

Health & Care is a growing sector in Huntingdonshire that has performed superbly during the Coronavirus pandemic.

Health & Care includes organisations like Hinchingbrooke Hospital, our primary care providers and residential care and nursing homes. One of our challenges is to promote the variety of jobs in this sector and enhance the skill sets of employees



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-19. Pre-pandemic the Digital 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.



Public Sector

Huntingdonshire has an established working population of public sector organisations; this will increase again in 2021 when Cambridgeshire County Council move their Offices from Cambridge to Alconbury Weald.



In Summary

This Economic Growth Strategy highlights what makes Huntingdonshire special and what the Council envisages will be important for continued growth and our priorities for the next five years with a link to further background and our detailed plans for the next twelve months.

The economic climate remains very challenging and whilst plans will no doubt change within this overall strategic framework.

Further context and our targets for the next 12 months can be seen in the accompanying Economic Growth Plan. www.huntingdonshire.gov.uk/economicgrowthplan

The Council is particularly grateful for the valuable input to the Economic Growth Strategy and accompanying Plan from the following organisations:

- Cambridge Ahead
- Cambridgeshire & Peterborough Combined Authority
- Cambridgeshire Chambers Of Commerce
- Federation of Small Businesses
- MAKE UK
- Urban & Civic

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

