



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY GROWTH AMBITION STATEMENT

Introduction

1. The Cambridgeshire and Peterborough Combined Authority has an ambition, set out in our devolution deal, to double GVA over 25 years.
2. The Combined Authority is delivering investments in support of that growth ambition. Within the Authority's first 18 months of operation, these have already generated affordable homes, apprenticeships, the iMET training facility, road improvements in Peterborough and Ely, and station upgrades in Fenland. We are working today to make Cambridgeshire and Peterborough the leading place in the world to live, learn and work.

The CPIER

3. The Cambridgeshire and Peterborough Economic Review was commissioned by the Combined Authority to develop an authoritative evidence base on the economic performance and potential of our area in order to inform choices on policy priorities and strategic investment.
4. The CPIER has endorsed the ambition of doubling GVA over 25 years. It has also said that growth is of strategic importance for the future global competitiveness of a Britain that must prosper outside the EU. And it has emphasised, as the CA does, the diversity of our economy and the difference between the challenges the strongly-growing large cities and other parts of the area face.
5. But the CPIER has also thrown down a challenge by saying that current efforts are not enough to secure that growth. It has highlighted the risk that the Greater Cambridge economy may decelerate unless there is investment in transport infrastructure and housing. It provides clear evidence that we need to do more to develop the productivity of firms, raise skill levels, make home ownership affordable, address health and educational inequalities, and generate revenue to pay for public services in the future.

Growth Ambition

6. This Growth Ambition Statement sets out key principles and priorities, reflecting the CPIER's analysis and recommendations, to guide the Combined Authority in taking its work forward.
7. The Combined Authority restates its commitment to double GVA over 25 years. We recognise that this will require action and investment by both the public and private sectors. It is the role of the Combined Authority to lead and to convene partners in order to make that happen.
8. Partnership will be essential to delivery. The public sector in particular needs to work more closely to leverage all our resources, human and financial. We also need to depoliticise what we do about growth and build a consensus that gives our communities, businesses and central government the confidence that when they make decisions to live, grow and invest in our region they do so knowing there's not a better area in the country to do it.
9. Key and valued local partnerships for the Combined Authority include those with constituent authorities, with the Business Board and employers in the area, with the Greater Cambridge Partnership, and those involving crossborder working with neighbouring councils.

The housing challenge

10. We have not built enough homes in the past. Growth is threatened as a result: homes are becoming progressively less affordable; young people are projected to account for just 10% of future household formation; and commuting is increasing as firms and workers respond to these pressures by relocating, putting extra pressure on transport infrastructure and quality of life.
11. The Combined Authority will therefore lead work to review future housing demand and needs. That review will take place in a way that makes new analysis available to support those of our planning authorities which have committed to review their plans in the near future. This review should test very carefully the CPIER's analysis which suggests housing delivery should rise from the current 3,000-3,500 completions a year to 6,500-8,000 a year. The modelling work should take account of trends in affordability, and in the effect of housing supply on household formation.
12. New homes need to be affordable. The Combined Authority's housing strategy has established a £40 million revolving fund, which aims to allow us to exceed the 2,500 affordable homes committed to in the Devolution Deal. We will also use the Spatial Framework and direct investment in new settlements to encourage extra affordable housing provision, including by developing homes for first time buyers with price target based on earnings.
13. In striking a balance between the different possible patterns for future settlements through the Spatial Framework, the Combined Authority will encourage development along transport corridors and new garden villages. This will include an emphasis on anticipating the future corridors that can be created by the infrastructure the CA is bringing forward such as new rail stations, dualled A roads, and the Cambridge Autonomous Metro.
14. This approach will be based on ensuring, by linking the Spatial Framework and Local Transport Plan, that transport and other infrastructure investment precedes housing development.
15. By linking housing development with transport planning, we will continue to pursue a target of ensuring there are good jobs available within a 30 minutes' journey of home for our residents.

16. To do this effectively, and to ensure that the Combined Authority's Spatial Framework supports local plans most effectively, the spatial framework may need to have greater formal planning weight and we will consider ways of achieving that in partnership with local planning authorities.

Transport

17. The Combined Authority's identified key transport priorities reflect a commitment to improve connectivity both East to West and North to South, to reduce commuting times in line with a journey to work target of 30 minutes, and to support future development, for example in Wisbech, at Alconbury and on the Cambridge Biomedical Campus. We are committed to rigorous prioritisation, of the kind recommended by the CPIER, both within this list and among other transport projects included in the devolution deal and under consideration by the Combined Authority for other reasons. This prioritisation will be based on business cases which assess the impact of the projects on future growth.

18. Key projects being prioritised include:

- The Cambridge Autonomous Metro (CAM)
- The A47 corridor
- The A10 corridor
- Huntingdon's Third River Crossing
- King's Dyke level crossing replacement
- Cambridge South Station
- Soham Station
- Alconbury Station
- Wisbech rail improvements

19. The CAM is a strategic transformational project that has the potential to benefit the whole area. The Combined Authority will be developing the project in partnership with the GPC. We will work together to drive the CAM.

20. We will link transport and spatial planning in order to ensure that homes are not built until transport infrastructure is in place and that homes and jobs are linked. We will ensure that the processes of developing the Combined Authority's spatial strategy and local transport plan are carried out as far as possible in parallel with as much alignment of timescales as possible.

21. The CAM will enable the development of new settlements along its route. We will aim to ensure that those new settlements are built as Garden Villages, with a target of providing 20% of the new homes especially for first time buyers at a price set in relation to earnings. New Garden Villages should be sustainable and self-sufficient in energy by using Smart Grid technology.

22. In order to accelerate planning and consent processes to enable the CAM, and to bring forward garden villages swiftly and effectively, it may be desirable to wrap the CAM with a Mayoral Development Corporation. The Combined Authority will consider the advantages of this approach in partnership with member councils.

Funding Infrastructure

23. Bringing transport and spatial planning together around projects like the CAM creates opportunities to fund future investment through Land Value Capture. The Combined Authority will consider acquiring and promoting strategic housing sites along the proposed CAM routes. We will work to develop these as possible future garden villages. By owning and developing these sites

ourselves, or in partnership with private investors, the CA would capture significant value that can be invested in infrastructure, including the CAM itself. We will also engage with the government about utilising Tax Increment Financing models to fund infrastructure so that it can precede development.

Supporting business to raise productivity and export

24. Responding to the growth challenge means public sector interventions to help firms raise their productivity, especially outside the Greater Cambridge area. We will develop a Local Industrial Strategy which reflects the CPIER's recommendations about key sectors and its analysis of the drivers of productivity. That LIS will recognise the different economic roles that different towns play and will be about targeting support to businesses in areas that need it, and not interfering with high performing firms and places. It will focus on improving productivity and encouraging exporting. The Combined Authority will also support digital connectivity for businesses.

Skills

25. One of the paradoxes of our area, highlighted by the CPIER, is the existence of a low level of skills and educational aspiration in some communities, and mismatches with employer needs in the education system, alongside the high-skilled economy of Cambridge. The Combined Authority will continue to prioritise skills interventions, including supporting the establishment of a new University in Peterborough with a course mix driven by local employer demand for skills in both public and private sectors, encouraging apprenticeships, and through the LIS working to activate employer demand and motivate learners and their families to aspire.

Market Towns

26. The CPIER rightly recognised that growing our economy is not just about our two large cities and emphasised the role of market towns. We will continue to support the Market Town Masterplans and will be ready to support proposals for delivery that come out of those masterplans. This will include supporting digital connectivity to help develop the economy of market towns.

Health, education and social mobility

27. Growth, educational attainment, health and social mobility are linked. More skilled, more productive, higher earning market towns will also be healthier. That requires consideration of how public services can best be organised to focus on improving the wider determinants of health and encouraging education aspiration. The Combined Authority has launched an Independent

Commission on public service reform and commissioned work on achieving a stronger health and care system. We will pursue a more devolved, integrated health and care system based on communities in order to improve both health outcomes and address the funding challenges the area's health economy faces.