

# North East Cambridge Area Action Plan Proposed Submission

Topic Paper: Skills, Training and Local Employment Opportunities

Greater Cambridge Planning Service

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### Introduction

The proposed development of North East Cambridge (NEC) plays a significant role in meeting future employment needs for the Greater Cambridge area. Greater Cambridge is internationally recognised as a global leader for its knowledge and innovation in a range of sectors including life sciences, engineering, and creative industries. As a result, there is a need for a development of skill bases that ensure young people and businesses can find employment and contribute to the economic growth within Cambridgeshire.

NEC is anticipated to provide highly accessible employment opportunities to a significant labour pool in the city with short and sustainable modes of commuting, including via Cambridge North Station. NEC is also in close proximity to existing employment clusters with well established technology centres located at Cambridge Science Park, St. John's Innovation Park and at the Cambridge Business Park. Some of these partner organisations are already involved in skills and other community initiatives. NEC also includes several other employment areas that are discussed within the Employment Topic Paper.

The aim of this paper is to set out Cambridge City Council's (CCC) and South Cambridgeshire District Council's (SCDC) joint commitments to ensuring that there are opportunities to access skills, training, and local employment within Cambridgeshire. The paper will highlight the current initiatives in place that may have impact on the North East Cambridge development and potential for further delivery of initiatives and training.

## **Key Documents**

- National Planning Policy Framework (2021)
- Skills for Jobs: Lifelong learning for opportunity and growth (2021)
- Cambridgeshire and Peterborough Skills Strategy (2016-2021)
- Cambridge City Council Corporate Plan (2019-2022)
- South Cambridgeshire District Council Business Plan (2021-2022)
- Cambridge City Council Local Plan (2018)
- South Cambridgeshire District Local Plan Policy (2018)

- Social Mobility Commission Adult Skills Report (2019)
- Cambridge County Council, The Research Group Demographic and Socioeconomic Report (2011)
- Cambridge City Council Anti-Poverty Strategy (2020-2023)
- Greater Cambridge Local Plan Strategic Spatial Options Assessment:
   Employment (2020)
- Greater Cambridge Employment Land and Economic Needs Study (2020)

### **NEC Evidence and Topic Papers**

- North East Cambridge Typologies Study and Development Capacity Assessment (2021)
- NEC Commercial Audit and Relocation Strategy (2021)
- Mixed Use Development: Overcoming barriers to delivery at North East Cambridge (2020)
- Anti-Poverty and Inequality Topic Paper (2021)
- Employment Topic Paper (2021)

### **National Planning Policy Framework (2021)**

The National Planning Policy Framework <sup>1</sup>(NPPF) discusses several issues related to the themes of skills, training, and employment. It discusses the need to build a strong, competitive economy that proactively encourage sustainable growth (Paragraph 81). In order to achieve a prosperous economy, the NPPF states that "significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future." The NPPF addresses need for local employment opportunities, with skills and training being an important component of this.

<sup>&</sup>lt;sup>1</sup> National Planning Policy Framework 2021

# Department for Education Skills for Jobs: Lifelong Learning for Opportunity and Growth (2021)

The Department for Education White Paper<sup>2</sup> outlines how the Government will support people developing their skills in order to find good jobs. The paper includes measures to allow employers to be involved in the development of skills training by committing to implementing a national system of employer-led standards by 2030 and introducing a new Skills and Productivity Board for expert advice on the labour market. The Department for Education have also put forward a tailored plan to meet local skills needs and investment in local skills priorities to improve access to training and skills for all. The paper highlights the new £2.5 billion National Skills Fund delivered as part of the Prime Minister's Lifetime Skills Guarantee to reverse the decline in the number of adults participating in further education by providing higher level technical skills, improvements to funding and support for educational facilities including colleges and improving apprenticeships.

### Cambridgeshire and Peterborough Skills Strategy (2016-2021)

Alongside CCC and SCDC's targets to promote Skills, Training and Local Employment Opportunities, Cambridgeshire and Peterborough Combined Authority provides an approach to address local need to reduce the skills gap in the Skills Strategy<sup>3</sup> (2016-2021). The strategy document emphasises the need to "take into account the views and needs of businesses, education and learning providers and other stakeholders' organisations and citizens to help increase and develop existing and future workforce". In order to do so the Skills strategy aims to identify the higher-level skills gap, provide targeted skills training for businesses, help young people aged 16-24 into training and employment and enhance opportunities to vulnerable and low-skilled residents.

<sup>&</sup>lt;sup>2</sup>Department for Education: White Paper 2021

<sup>&</sup>lt;sup>3</sup> Skills Strategy for Cambridgeshire 2016-2021

### **Cambridge City Council Corporate Plan (2019-2022)**

Cambridge City Council set out objectives under three key themes in the Corporate Plan<sup>4</sup>. The themes are:

- 1. Tackling poverty and inequality and helping people in the greatest need
- 2. Leading Cambridge's response to the climate change emergency and biodiversity crisis
- 3. Delivering quality services within financial constraints while transforming the council

As part of the first theme the City Council state the need "to plan for the sustainable growth of Cambridge, support the development of new communities and deliver services to our growing population".

### **South Cambridgeshire District Council Business Plan (2021-2022)**

South Cambridgeshire District Council set out four objectives in the Business Plan<sup>5</sup>. These are:

- 1. Growing local business and economies
- 2. Housing that is truly affordable for everyone to live in
- 3. Being green to our core
- 4. A modern and caring Council

As part of the first theme, the Council aims to "support businesses of all sizes, including rural enterprise and farming, to help create new jobs and opportunities near to where people live and support the local economy to recover post-pandemic".

### **Cambridge City Council Anti-Poverty Strategy (2020-2023)**

The Executive Councillor for Finance and Resources approved the first Cambridge City Council Anti-Poverty Strategy in 2015. This first strategy identified a basket of high-level indicators that can be used as a barometer for poverty in Cambridge. While a number of the indicators have improved since 2014, poverty remains a

<sup>&</sup>lt;sup>4</sup> Cambridge City Council Corporate Plan

<sup>&</sup>lt;sup>5</sup> South Cambs District Council Business Plan

significant issue in Cambridge. The most recent Anti-Poverty Strategy<sup>6</sup> 2020-2023 aims to improve the standard of living and daily lives of residents in Cambridge experiencing poverty through several objectives:

- Helping people on low incomes to maximise their income and minimise their costs
- Strengthening families and communities, including supporting groups of people that are more likely to experience poverty
- Promoting an inclusive economy, by raising skills and improving access to a range of employment opportunities for people on low incomes
- Addressing the high cost of housing, improve housing conditions, and reduce homelessness
- Improving health outcomes for people on low incomes.

The Strategy aims to support people into higher paid employment by working closely with local voluntary and community organisations and public sector bodies which provide employment and skills support for residents on low incomes. Schemes include, Signpost2Skills and Apprenticeship Brokerage service. Further, the Council aims to raise aspiration, skills, attainment, and life chances through working with schools and further education colleges.

### **Cambridge City Council Local Plan (2018)**

Further targets set by CCC are incorporated into the Cambridge Local Plan<sup>7</sup> with several strategic objectives set out. These highlight different concerns including the need to "promote and support economic growth in environmentally sustainable and accessible locations, facilitating innovation and supporting Cambridge's role as a world leader in higher education, research, and knowledge-based industries, while maintaining the quality of life and place that contribute to economic success".

Section Five: Supporting the Cambridge Economy discusses the Council's aim to strengthen and diversify the economy in Cambridge. In order to ensure it remains a

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<sup>&</sup>lt;sup>6</sup> Anti-Poverty Strategy - Cambridge City Council

<sup>&</sup>lt;sup>7</sup>Cambridge Local Plan 2018

world leader in the fields of education and research several policies designate areas for employment sites. This section identifies the need to promote Skills and Training to encourage local employment across a range of sectors and not just technology-based industries.

### **South Cambridgeshire District Local Plan Policy (2018)**

SCDC's Local Plan<sup>8</sup> also highlights the need to support economic growth by "supporting South Cambridgeshire's position as a world leader in research and technology-based industries, research and education; and supporting the rural economy". Chapter 8: Building a Strong and Competitive Economy discusses how the Council will assist in achieving a strong sustainable local economy with encouragement of 'entrepreneurship, innovation and inward investment'.

### **Key Issues**

### Identifying the need for Skills and Training in Cambridge

In Cambridge approximately 30% of the city's jobs are in the knowledge intensive sector, and the jobs require specialist skills and are highly paid. However, there is a small but significant and growing proportion of jobs in the city that are paid below the Real Living Wage - 13.1% jobs in 2018 (14,000) compared to 11.4% in 2017 (12,000).

Due to the success of the University and the tech sector, there are a large number of high-skilled jobs, some unskilled or low-skilled jobs, but very few jobs requiring mid-level skills compared to other parts of the country. This makes it very difficult for people with limited qualifications or skills to secure jobs with salaries that are high enough to meet the high cost of living and housing in the city.

Within Cambridgeshire there is also an increasing demand for people with higherlevel qualifications highlighting the increasing inequalities between high-level and low-level skill sets. The City Deal conveys the importance of ensuring that

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<sup>8</sup> South Cambridgeshire Local Plan 2018

employment opportunities are provided with appropriate learning and training, reducing the skills gap in Cambridge.

According to the Cambridgeshire County Council's Annual demographic and socioeconomic report<sup>9</sup>, 93.1% of year 11 leavers were continued in full-time education. 1.5% of school leavers in the wards surrounding the NEC AAP development area were Not in Education, Employment or Training (NEET) but were actively seeking one of the three in 2016. The most popular occupation for students leaving secondary schools was within the construction industry (30%) however, 21% of leavers were enrolled in the Entry to Employment Scheme (E2E).

To further illustrate these considerations and demonstrate the need for other types of jobs beyond high-skilled tech jobs, the Cambridge City Council Anti-Poverty Strategy provides the key data set out below.

- In 2018, 64.0% of jobs in the Cambridge economy were in the top 3 out of 9
   Office for National Statistics employment classifications (managers, directors,
   senior officials; professional occupations; and associate professional and
   technical occupations). This is a very much higher proportion than in the rest
   of Cambridgeshire and the UK as a whole.
- The proportion of jobs in mid-level occupations in Cambridge (administrative and secretarial occupations; skilled trades occupations; caring, leisure and other service occupations) decreased from 19.6% in 2014 to 14.9% in 2018.
- There is an educational attainment gap in the city, which impacts on longer term life chances for young people from low income households. In 2015 less than 28.1% of pupils receiving Free School Meals achieved GCSE 5+ grades A\*-C including English and Maths, compared to two thirds (66.4%) of children not eligible for free school meals in the city.
- A high proportion of Cambridge employees have high skills levels. 58.1% of the working age population in Cambridge had higher level qualifications (NVQ Level 4 and above) in 2017, which was the second highest level of any city in the UK (according to the Centre for Cities). Opportunities for higher-skilled,

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<sup>&</sup>lt;sup>9</sup> Cambridge City District Report 2011

<sup>&</sup>lt;sup>6</sup> Anti-Poverty Strategy - Cambridge City Council

higher-paid employment may be limited for young people who have lower qualifications in Cambridge, because they are competing for jobs with people from across the UK and the globe who have high skill and qualification levels.

### Closing the Skills Gap

### **Social Mobility Commission (2019)**

Publication from the Social Mobility Commission<sup>10</sup> (2019) states that current initiatives are focussed on education and development of skills for young people but there is an increasing need to focus on the adult skills gap. Types of training would include induction, health and safety training, professional/occupational training in order to improve career prospects for lower-skilled or qualified people.

Additionally, the document highlights that 47% of the poorest adults have not received training since leaving schools and are more at risk of losing their jobs due to increased use of technology in low-skilled roles. As a result, the report highlights the need to improve social mobility through three key aims:

- Increased employer spend on lower-skilled, low-paid workers
- Government support for increased availability of, and access to, free courses for those who cannot pay themselves
- Increased quality of training in terms of earning gains, and improved careers,
   education, information, advice, and guidance.

# Greater Cambridge Employment Land and Economic Development Evidence Study (2020)

According to the Greater Cambridge Employment Land and Economic Development Evidence Study access to appropriately skilled labour was identified as a critical factor across all the key sectors. The study states "stakeholders emphasised that there is a skills gap in Greater Cambridge caused by house price affordability; this was identified specifically in relation to technicians employed by life sciences businesses, but it is a more general challenge. Whilst there is a strong pool of scientists with higher qualifications (and salaries), technicians are in demand and filling these positions is

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<sup>&</sup>lt;sup>8</sup>Adult Skills Report 2019

currently a challenge". The study further explains that employment and training of local populations supports the economic growth across Greater Cambridge and can be particularly beneficial in higher deprivation areas.

### **Responding to COVID-19**

### **Greater Cambridge Employment Land and Economic Needs Study (2020)**

According to the Greater Cambridge Employment Land and Economic Needs Study, homeworking trends as a result of COVID-19 can affect the requirement for employment floorspace. The Study states that office-based sectors achieve 12-13% of jobs 'typically homeworking' and 20-30% 'occasionally' working from home. Evidence gathered as part of the study in spring 2020 was limited in suggesting this was likely to increase significantly in the future, however, COVID-19 is likely to see an ongoing move towards home working.

# **Initiatives and Employment Opportunities**

### The Construction Industry Training Board (CITB)

The CITB supports the British construction industry in developing skills, training standards, and addressing future challenges in the sector. The CITB<sup>11</sup> are partnered with the Construction Industry Council (CIC) and work alongside the Sector Skills Council for Construction (SSCC) also known as Construction Skills, made up of many organisations to provide over 100 construction-based apprenticeships, while also supporting employers in the process. The CITB funds 58 local Training Groups that support a variety of employers across different trades in local areas. The local Training Groups help employers access training that meets their needs, with Convert Training Ltd leading on training in Peterborough and Cambridgeshire.

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<sup>&</sup>lt;sup>11</sup> CITB Apprenticeships - CITB

### **Cambridgeshire and Peterborough Combined Authority**

In 2017 the Cambridgeshire and Peterborough Combined Authority<sup>12</sup> was established as a Mayoral Combined Authority for the Cambridgeshire and Peterborough area. The Combined Authority works with local councils, the Business Board (Local Enterprise Partnership), local public services, Government departments and agencies, universities, and businesses to grow the local and national economy. The Combined Authority set out key ambitions, these include:

- Business Support: "The Combined Authority's key goal is to drive and improve
  economic growth across Cambridgeshire and Peterborough. The Business
  Board is the Local Enterprise Partnership for our region, and helps to
  overcome key barriers to growth, from infrastructure challenges through to
  helping create an appropriately skilled workforce of the future".
- Skills: "The Cambridgeshire & Peterborough Combined Authority is committed
  to giving local people the skills and training they need to improve their life
  chances and drive inclusive regional growth. We are working with local
  businesses to understand their skills needs and to identify the most prominent
  skills gaps across our three regional sub economies".

The Combined Authority (CA) are currently submitting a Strategic Development Fund bid with the College of West Anglia focusing on green construction skills. Funding will cover capital funding, engagement, careers advice and guidance, pathways mapping, capacity building for colleges, new industry professionals and teacher training. The CA will still get £50,000 even if their bid is not successful.

As part of the CA's devolved flexibilities for the Adult Education Budget (AEB), they provide a 4% Funding Uplift. The purpose of the uplift is to support 'levelling up' by providing additional funds for more deprived areas. The CPCA uplift is based on:

- Top 30% nationally most relatively deprived nationally
- Top 40% most relatively deprived for adult skills nationally

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<sup>&</sup>lt;sup>12</sup> Cambridgeshire & Peterborough Combined Authority

A funding uplift will be provided for an individual's first Level 2 qualification and for an ESOL qualification. There will also be a new opportunity to study for second level 3 qualification. There is a focus on 19-23 year olds, seen as a particular issue in Cambridge City, where there will be a 10% funding uplift for levels 2 and 3. There is also a focus on care leavers and ex-forces. It is important to note that Arbury and Kings Hedges qualify for this uplift, two areas located nearby to NEC.

### **Cambridgeshire and Peterborough Region of Learning**

The Cambridgeshire and Peterborough Region of Learning<sup>13</sup> provides support for those aged 15 to 24 who are seeking work, training, or further education. The project provides mentoring support, coaching, training, and guidance in achieving basic skills qualifications. The project is in partnership with Form the Future and Shift Momentum. It is funded by Anglia Ruskin University, Arts Council England, Cambridgeshire County Council, and the European Social Fund.

According to the Anti-Poverty Strategy annual report for 2020-2021, it has been involved in "Securing £1.6m in funding and in-kind support to implement and deliver the next stage of the Cambridgeshire and Peterborough Region of Learning (previously called the Culture Card project). The project aims to repurpose the existing library card as a 'smart' universal passport to learning. The funding will allow the project to engage a minimum of 1,070 disadvantaged young people aged 15-24 across the Cambridgeshire and Peterborough Combined Authority (CPCA) area in a pilot scheme. The pilot scheme will provide basic skills training, career guidance, transferable skills assessment, and access to additional learning, work experience, mentoring and employment."

### **Greater Cambridge Partnership (GCP)**

Current initiatives in place across Cambridgeshire aim to promote ways of working with local employers, schools, and academies to develop local skills. The GCP will work with Cambridge Regional College and Form the Future CIC to encourage students to secure positions in STEM careers and provide education and training opportunities in schools ranging from primary schools to sixth form and full-time

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<sup>&</sup>lt;sup>13</sup> Cambridgeshire and Peterborough Region of Learning - Cambridge City Council

education. Form the Future's Cambridge Launch Pad, aims to create a number of apprenticeship roles and helps to strengthen connections between education and local businesses by allowing students access to skills, training, and employment opportunities in the region. Form the Future would also like to involve local young people in the development, using it as a learning opportunity. This could mean engaging students in consultation and focus group activities, design challenges, and activities like archaeology, ecology, and marketing. Form the Future are currently doing something similar at Waterbeach Barracks and creating learning resources that bring the school curriculum to life by showing how what they're learning is used in 'real world' applications.

According to Cambridge City Council's Anti-Poverty annual report for 2020-2021, "the GCP contracted with Form the Future in partnership with Cambridge Regional College (CRC) to deliver an Apprenticeship Service from 2019 to 2021. In February 2021 the GCP awarded a new £2m, 4-year contract to Form the Future (in partnership with CRC) to deliver an extended Apprenticeship Service. In 2020 GCP also invested £200,000 to help launch a new training centre to support people who are at high risk of not getting into work, such as those with special educational needs, mental health issues and homelessness."

### **Cambridge Regional College (CRC)**

CRC provides an Apprenticeship Programme working with regional employers in developing skills, and recruitment opportunities. Courses available range in subject areas including AAT, Accountancy & Bookkeeping, Business & Management, Catering & Hospitality, Childcare & Early Years Education, Construction, Engineering, Hair & Beauty, Health & Social Care, IT, Software Programming & Development, Logistics & Warehousing, Motor Vehicle, Marketing & Events, and Science<sup>14</sup>. GCP and Form the Future will be working in partnership in a new programme to boost apprenticeships and retraining for adults in the aftermath of the Covid-19 pandemic from April 2021. The contract funded by GCP will be delivered by Form the Future over the next four years<sup>15</sup> to deliver the extended service while

<sup>&</sup>lt;sup>14</sup> Cambridge Regional College Apprenticeships

<sup>&</sup>lt;sup>15</sup> Ambitious expanded skills programme to launch - Greater Cambridge Partnership

also working with businesses to support them through additional training and apprenticeships.

### **Anglia Ruskin University (ARU)**

To increase employability and for school leavers looking to further their career, Anglia Ruskin University (ARU) has set up degree apprenticeships with a range of employers paying tuition fees alongside Government funding through the Apprenticeship Levy. According to ARU<sup>16</sup> "We currently work with over 330 regional and national employers to offer a wide range of future relevant degree level programmes that have been designed to meet the needs of today's employers and provide exciting career development opportunities for over 2,000 apprentices".

### Other local initiatives and providers

The North East Cambridge development is likely to provide approximately 15,000 new jobs, through a mix of employment opportunities supporting local residents. This alongside promoting ways to work with local employers, schools, and academies e.g., through local work experience, mentoring of young people, apprenticeship schemes and training will reduce the skills gap and support the local community, generating a talent pipeline as a result.

Other current initiatives providers have been approached regarding involvement in the NEC AAP process, these include the following:

- Job Centre
- Cambridge North Academy
- North Cambridge Community Partnership
- Form the Future
- Cambridge University Partnership
- Chamber of Commerce
- Cambridge Network
- Employment Skills and Enterprise, Serco UK & Europe

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<sup>&</sup>lt;sup>16</sup> Degree apprenticeships - ARU

As part of the delivery of the NEC AAP, dialogue with organisations above is welcomed with emerging new initiatives.

## **Preferred approach**

To ensure North East Cambridge development supports the skills, training and employment needs of new communities and existing surrounding communities, the AAP requires a number of considerations.

### Mixed use development

The NEC needs to ensure that mixed use development incorporates housing and employment alongside new schools, amenity space and community facilities, to demonstrate a comprehensive approach that encourages the involvement of a localised workforce and encourages local skills and training opportunities. Policy should require planning applications to demonstrate how they will support the delivery of a new community, including how early residents will be supported through community development, as well as relationship with existing surrounding communities and schools.

### **Supporting Employment and Training opportunities**

A comprehensive and coordinated approach to the development of land and the delivery of area-wide interventions, infrastructure provision, and management regimes, is the only means by which to enable new development to come forward and to optimise the development opportunity of North East Cambridge, in terms of densities, delivery rates, levels of affordable housing, access to new job opportunities, and better place-making.

In order to demonstrate how employment, skills and training opportunities for local people will be provided in the construction phase of development and operational phase for commercial developments, proposals should be accompanied by an Employment and Skills Plan (ESP). The ESP should detail:

 Demonstrate how to maximise a local labour force such as local contractors, apprentices and trainees;

- Explore public/private sector skills and training partnership initiatives with businesses, schools and other organisations to provide training and apprenticeships;
- Show how opportunities will be made accessible to local residents and priority groups including those in existing surrounding communities;
- Propose targets and set out how the delivery of the plan will be monitored.

This will allow for the provision of meaningful employment and training opportunities through a range of mixed employment in North East Cambridge. The ESP deliverables should be agreed with the Councils as part of the planning application process and will be secured through a planning obligation (S106).

#### Governance

Different governance structures for NEC should be explored that can seek to implement, manage, and coordinate these initiatives as the development moves forward and be delivered throughout the construction phase of development and beyond.