



East of England

All Party Parliamentary Group

Co-Chairs Peter Aldous MP and Daniel Zeichner MP

Vice-Chairs Baroness Janet Cohen, Jonathan Djanogly MP, Matt Hancock MP, Lord Alan Haselhurst, Rachel Hopkins MP, Lord Stewart Jackson, Gagan Mohindra MP, Priti Patel MP, Andrew Rosindell MP, Giles Watling MP

Secretary Clive Lewis MP

Treasurer Dr Dan Poulter MP

How the Innovation Region will Help Deliver Economic Growth, Levelling Up and Net Zero in the East of England

High Level, Invitation Only Roundtable

14:00 to 15:30 on Monday October 30th

NON-VERBATIM MINUTE – RECORDING [HERE](#)

Welcome and introductions - Peter Aldous MP, Co-Chair, East of England APPG

- *Thanked all attendees for joining the meeting online rather than in Parliament*
- *Before we start a couple of updates: first, there has been the welcome announcement that finally funding for improving Ely and Haughley Junctions has been allocated*
- *Suggested that the Group should push to ensure preparatory work is begun sooner rather than later.*
- *Second, the Levelling Up Delivery Partnership – established by the APPG and ELGA in conjunction with DLUHC – has its first two working group meetings (on skills and on housing) shortly and there will be a report back next meeting.*
- *Now to innovation – with a certain justification we can describe ourselves as **the** innovation region: this will help deliver economic growth, levelling up and net zero*
- *You should have all had the excellent background paper that Lawrence from the University of Cambridge has compiled with the help of a number of the APPG's partners.*
- *This sets out opportunities and ends with some recommendations and I am delighted that the Minister, a great champion for the East of England, is here to reflect on those and make some wider opening remarks.*
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Keynote speaker: George Freeman MP, Minister for Science, Research and Innovation

- *Very pleased to be here as this APPG is an important group*
- *I would like to share some headlines and then a few specifics which are relevant for the East*
- *The Government have made a big commitment to shift from a service economy with science in silos and pockets of brilliant innovation – and Cambridge is an excellent example of a deep and rich pocket – to a strategic, science, research, technology and innovation economy*

- *This is not just my vision but now locked into Government thinking. It is referenced in the Integrated Review which starts by saying we see ourselves as a science, research, technology and innovation economy*
- *In fact, many of the 'soft' conflict issues across the world – shortages of food, pandemics, climate change etc – are ones that science will/can address*
- *The pace of science and technology will disrupt to some existing industries but also bring huge benefits especially if we are in the lead*
- *This is not just a Greater South East agenda. Clusters are already giving benefits all across the country*
- *Resources are being deployed nationally to serve this shift. We have a new Department of Science, Innovation and Technology and more importantly a National Science and Technology Council to mirror the National Security Council*
- *Public R&D is increasing from £15bn to £20 bn in 24/25 – DSIT responsible for 78% that but many other Departments have an increased responsibility for science within their Departments including DHSC and DfT*
- *The Science and Technology Framework sets out all the things that must be done to make this ambition real. for example procurement, regulation, better deployment of resource.*
- *Coming to the East, soon to be released data will show there is no region outside London that is generating more growth . And this is not just Cambridge but across the piece*
- *I see our ambition to be a Science Superpower as a global agenda. The Innovation Nation agenda is the domestic part which we must get right.*
- *The global need for technology solutions is creating a wall of demand and investment opportunities but we must be better at positioning ourselves at providing those solutions.*
- *To be a science superpower we have to have five things: 1. World class science. 2. Solutions not just analysis 3. Attracting more R&D investment 4 Attracting and nurturing the best talent. And 5. Defending the rules of global scientia. Cannot just be an academic power.*
- *How do we do this? Support the catapult network for better public private engagement; back the right businesses and research skills; use procurement rules; set standards – not a race to bottom but race to top.*
- *Innovation does not happen in response to a Government strategy. It depends on organic eco systems – if we can encourage clusters then that is probably the single biggest thing the Department can do*
- *I have been doing deep dive cluster visits across the country. I did one outside of Cambridge for the ABCD (Agri, Bio, Clean tech, Digital) cluster – Lincolnshire, Cambridgeshire, Norfolk, Suffolk, Stevenage and Herts, which is a very important cluster which sometimes gets forgotten.*
- *Personally think the agri food, bio med health and energy clean tech pieces come together in a very exciting way and our region is doing more than any other on these for example take Norwich Research Park - where looking at bio fuels, gene edited agriculture, gluten free pea snacks, the vertical farming, and more.*
- *Exciting opportunity to grow this economy and link to Cambridge cluster and then we have something very world class.*
- *There are two upcoming important initiatives regarding agri-tech and engineering biology. An agri-tech strategy was developed with David Cameron and now many projects are coming out of the incubator. We are 'leaning in' to support this sector and for example DSIT is minded to create an agri-tech catapult.*

- *We have identified five strategic technologies - AI, semi conductors, future telecoms, quantum and engineering biology. Of these engineering biology offers great opportunities for the East of England and a roadmap will soon be set out with between £1 and £2 billion of funding*
- *So there are three Cs that are important here. Clusters is the first and Cambridge is the second. I have been asked to bring DSIT lens to DLUHC plans for Cambridge so not just a housing project. It's very important that there is a quality of life dimension and therefore the housing has to support the strategic growth of the cluster.*
- *Connectivity is the third C. The Cambridge cluster needs to breathe and also to be better linked east and west and to the north (links to the south are quite good) including better digital connectivity. Pleased the Oxford to Cambridge Railway has now been approved but more needs to be done eg links to Peterborough and to Norwich and Ipswich*
- *I am very keen as Minister for Innovation to be backing this great region.*

Questions and contributions

- **Peter Aldous MP** said the 3 Cs are now firmly embedded in my mind. Also commented that Rail connectivity needs to extend east of Norwich and Ipswich to Lowestoft, Yarmouth, Sheringham, Cromer and Lynn
- **Daniel Zeichner MP** asked about structures of Government and Lord Sainsbury's comment that he wasn't certain that each Department having a responsibility for science was the best way forward
- **Jo Churchill MP** thanked the Minister and said that there is a need to build platforms so that companies that require support are supported and start ups that are set to expand are not bought up by foreign competitors. How can we be smart about scaling up?
- **John McGill, Associate Director, UK Innovation Corridor**, we await the relocation of Health Security Agency to Harlow being confirmed
- **Professor Andy Neely, Senior Pro-Vice-Chancellor (Enterprise & Business Relations) University of Cambridge and Steering Board Member of Innovate Cambridge**, said my 4th C is commons – shared commons such as events and spaces that bring people together. All see these as important but no-one responsible for funding them!
- **Roz Bird, Chief Executive, Norwich Research Park**, welcomed the acknowledgement that there are **real opportunities** for bioengineering in Norwich but pointed out that the Levelling Up funding considers East of England as part of Greater South East. However, much needs to be done at a more granular level to link innovation to levelling up for example more employment zones, more jobs, more career advice and skills (and bus services). These would help scaling up as well as levelling up. **Peter Aldous MP** added that this was his key concern
- **Steven Wilson, Head of Innovation & Inward Investment, Freeport East**, said he was delighted the Minister visited the Freeport East and we are keen to support levelling up as well as the innovation cluster. Want to spread benefits into Clacton and Harwich. This initiative would like to work as partner with the Government and not treated as an SME
- The Minister responded. Told **Daniel** that he is drawn to model of 6 big departments – although probably utopian he thinks that this will need to be addressed at some point.
- Regarding how we support clusters he said to **Jo** that the government mapping tool will help investors see where to focus; it will also help those clusters without a Mayor find a structure. For example he would relish it if we could create a Cambridge Norwich Development

Corporation; third, there is something about net zero – the PM said we need to go from top down to bottom up and a localised and micro approach is necessary.

- *Said to **John** that Harlow point was really well made. HSA announcement important and he hadn't realised it was stalled. He promised to look into it.*
- *Regarding **Andrew's** point about 'Commons' he agreed that accessibility is important – can be stuck if in a rural village. There is a case for an East Anglian skills passport that provides travel as well as opportunities. There is also much spare land that could be used.*
- ***Roz** – good point regards East not being part of Greater South East. Also agreed that bus services should be improved and perhaps could by using digital be more demand led.*
- *To **Steven**, he accepted that the East is net energy provider but also acknowledged that the bgrid is 'patchy'. There is a great opportunity for Freeport East to become a blue/green hydrogen hub.*

- ***Peter** and **Daniel** both thanked the Minister for his contributions and made clear that a follow up letter will be sent following the meeting.*

Panel responses

- **John McGill, Associate Director, UK Innovation Corridor (UKIC)**

- *Background geography & numbers: UKIC area bordered by East Coast Mainline and West Anglia Mainline; economy £183 billion (2019); growth trend 2.9% since 1998 (fastest growth in all London corridors)*
- *Collective ambition is to be one of the world's leading knowledge economies therefore main targets would be US Projected economy of £350 billion by 2050 with 200,000 homes by 2035*
- *Currently output low compared to other innovation clusters eg Boston i128 £300bn; San Francisco £550bn*
- *Output per person is low: UKIC £40,000; Boston i128 £62,000; San Francisco £80,000*
- *Growth (2018 - 2020) UKIC 1.9%; Boston i128 4%; San Francisco 5.8%*
- *Of course, these are averages and the variations are quite large between Cambridge compared with Harlow, Stevenage and North London. However, some major positives:*
 - *Major growth is on main rail routes*
 - *International airport has headroom to expand*
 - *Relatively large proportion degree qualified*
 - *Cohesive partnership across the Corridor which is positive about growth with provisos*
- *However, growth scenarios predict bottlenecks: without spreading the momentum of growth from the current hotspots, the growth trajectories are likely to be unviable in the medium term*
 - *House prices become more unaffordable*
 - *Employment (lab) space becomes more unaffordable*
 - *Commuting patterns become unsustainable*
- *creating high productivity jobs around the current hotspots, particularly along the rail lines, would greatly improve job access as well – such spreading should start from the current anchor locations, and post 2031, go on to the rest of the corridor*
- *good jobs in currently deprived areas should then drive the demand for skills training in the local communities*
- *rise in overall productivity in the corridor will then help to make high rates of growth within the environmental and housing capacities of the corridor*

- *Key 'asks' are core funding to develop four strategic programmes which have the support of senior leaders from along the Corridor*
 - o *Strategic place-making - to connect and leverage the collective investment*
 - o *Skills - raise skill levels*
 - o *Access to jobs - ensure all communities can benefit from regional growth*
 - o *Strengthen the ecosystem - support private sector to develop supply chains*
- *The UK Innovation Corridor is focussed on five Strategic Anchor Locations:*
 - o *Knowledge Quarter in London*
 - o *Lee Valley*
 - o *Stevenage*
 - o *Harlow*
 - o *Cambridge South*
- *In terms of urgent priorities, one view from the front line is that affordable growth space is key as it is very difficult for tech start-ups to afford commercial rents in the south-east unless subsidised. It is quite scary each time small companies are faced with expanding to full commercial premises, especially since many are heavily reliant on innovation grant funding, that typically covers direct costs but with very little contribution towards overheads/infrastructure. This is why Harlow and Stevenage are so important*
- *Skills: 80% of CVs are from non-British applicants. Because the cost of living is so high, entry level jobseekers are more likely to take a job up north where they have more spending power. STEM subjects are important but so is housing affordability.*
- *Finance: In the UK, our investors are risk averse and we have high levels of bureaucracy to raise relatively small amounts of funding, whereas one can reach out to overseas investors and raise much more funding by jumping through fewer hoops. So we have good British science, but the benefits from our new innovations are taken up abroad, as the financing comes from overseas*
- *Joining the dots in the innovation ecosystem - by that I mean timings of all the things start-ups need. e.g. there are lots of disjointed initiatives, grant funding, SEIS/EIS investments, Accelerators, KTN, LEPs etc. More flexibility in all these initiatives, plus joined up activities like combining private/public financing through e.g. UKRI investment accelerators etc would be good for these situations.*
- *Also, other countries manage innovation by making longer term investments e.g. 7-10 years, rather than the typical 1-3 years for UK innovation grants. Our government thinks short-term although the reality is life science tech is a longer term investment*
- *My key message is that policymakers and business leaders need to focus on people, places, products and processes in equal measure, and pledges regarding the importance of (bio)tech need to be backed up with policies and financial incentives to turn the tide.*
- **Professor Andy Neely, Senior Pro-Vice-Chancellor (Enterprise & Business Relations) University of Cambridge and Steering Board Member of Innovate Cambridge**
 - *This is an important discussion and the briefing paper set out very well how the East is a real powerhouse for innovation.*
 - *I look at everything to do with innovation including spin out and start ups. We did economic impact analysis and found the University of Cambridge created £30bn of innovation growth of which £23bn was spin outs and start ups*
 - *We have spent some time looking at other clusters and how they grow. We found others were being more deliberately nurtured and cultivated. Same should apply to our innovation eco-systems. That is why we set up Innovate Cambridge.*

- *The Innovate Cambridge Strategy has three strands – first capital, connectivity and skills: everything needed to make the eco system flourish*
 - *Second, make sure local populations see the benefits so not like San Francisco where lots of homeless and drugs. We want Cambridge people to benefit so have come up with the Cambridge Pledge*
 - *Third, ferocity. On any per capita basis Cambridge is as good as anywhere in the world but actually in total only one tenth the size of silicon valley. To grow eco systems we need to make them more porous so linked with other places such as Norwich. Also very pleased that we have just announced a deal with Manchester*
 - *Get those three right and we can grow the innovation eco system even further.*
- **Roz Bird, Chief Executive, Norwich Research Park**
 - *Presented a number of slides – see [here](#)*
 - *One of the largest research clusters in Europe, employing 30,000 people – we are one of five BBSRC research campuses but are unique as three institutes based here. These attract 40% of BBSRC funding. There is also another institute – the Sainsbury Laboratory on site. We also have the Norfolk and Norwich University Hospital and the University of East Anglia.*
 - *not just co-location but collaboration and they share one vision for further expansion of the campus as all key partners are on the AIP board*
 - *Looking to four global markets – agribiotech, food biotech, industrial biotech and medtech. This is confirmed in the Government Office for Science report: life science beyond human health*
 - *Twenty companies are at pre-seed level as a result of the campus wide enterprise strategy. We want these areas of modern industrial biotechnology to realise their potential*
 - *As referred to before, we want to ensure that the cluster plays its part in levelling up and net zero. There are multiplier benefits from innovation generating new jobs in all the support roles from construction to professional services to events and marketing*
 - *In the UK and in the East of England we need to be clear about what we have to offer - the full range of life science activity from traditional drug discovery in Cambridge to modern industrial biotechnology and non-traditional drug discovery in Norwich*
 - *We should work together to better present the East of England offer. Also need to ensure scaling up opportunities stay in this country by supporting new facilities for supply chain, scale up and bio manufacturing so that this activity can be retained in the UK and stop this activity going overseas*
 - *Need to recognise what is going on not just in Norwich but also Adastral, Stevenage, Ipswich, Kings Lynn, Peterborough and Huntingdon.*
 - *Benefitting this cluster, including the development of the Norwich Research Park cluster, will not be to the detriment of Cambridge. Science park development is not a ‘zero sum game’*
 - *Finally big shout out for young people. we want science park campuses and clusters to inspire them to take these jobs of the future and we need to provide better careers education, improved FE provision and improved transport so that when they are inspired to work hard and do their best, and chose a career supported by this high/growth activity, then they will be able to access the right training and employment.*
 - *The private sector should work with FE to look at the courses on offer and look at improving the bus service for the carless and rurally isolated. This would make a massive difference to those individuals and to the performance of the economy on the county.*

- **Steven Wilson, Head of Innovation & Inward Investment, Freeport East**

- Presented a number of slides – see [here](#)
- Freeport East is working with the existing eco-system
- Is a strategic initiative of the PM – we have a green hub and trade investment including green energy – working to develop clusters that support Freeport East
- Freeport Easts has four primary tasks. Increasing public and private innovation spending into the Freeport East area; use innovation as an anchor for attracting new investment; strengthen the physical and virtual places and connections that aid innovation thinking and activity; work to facilitate the deployment of innovations to drive productivity and tackle local social and economic disparities.
- Our focus is not just the immediate area but the whole of the East of England and we also work with a range of partners both nationally and internationally.
- Couldn't agree more with Roz regarding the importance of bus routes
- There is a range of activity underway on the green hydrogen, wind energy, advanced manufacturing, smart logistics.
- On green energy we are working with the other freeports so that synergies are developed.
- Major report has been commissioned on green hydrogen as goal is to be an international hub and, for example, we are working with the Range to encourage EV/H2 bus routes from disadvantaged areas.

Questions and contributions:

- **James Palmer, Eastern Powerhouse** - George has made clear that there is an opportunity for Cambridge and we see this as a regional offer and important that Cambridge uplift benefits the whole of the region. Aiming to deliver a life science strategy for the East of England. Worth noting that 1,100 life science companies and only half of these are in Cambridge. Eastern Powerhouse will lobby on this and also a polycentric vision for the future growth of the region.
- **Prashant Shah, o2h** – there is a great opportunity for the East of England across the world. There is a focus on density and connectivity but also some asymmetry between Cambridge and rest of the region in terms of skills. Telling the narrative of the region is all important
- **Sally-Ann Forsyth, Stevenage Catalyst** – we need to turn innovation into economic benefit for all so need to also look at the supply side
- **Kevin Keable, EEEGR** – careers advice does need to be improved across this region. The region also needs an East of England wide AI strategy.

Next steps:

- Daniel Zeichner thanked the speakers, all attendees, Lawrence for the briefing paper and all the Group's partners as well as Steve from the Secretariat.
- A follow up letter to the Minister will be sent to him in due course.
- He said that the next meeting – on The East of England's vital 'offer' to the UK's progress towards net zero and its 'asks' regarding mitigating climate change – is ON-LINE on Wednesday 6th December from 2 to 330. Steve will send an invitation in due course.

ATTENDEES

Peter Aldous MP	MP for Waveney and Chair East of England APPG
Daniel Zeichner MP	MP for Cambridge, Chair East of England APPG and Shadow EFRA Minister

George Freeman MP	MP for Mid Norfolk and Minister for Science, Research and Innovation
Jo Churchill MP	MP for Bury St Edmunds
John McGill	UK Innovation Corridor
Professor Andy Neely	Senior Pro-Vice-Chancellor (Enterprise & Business Relations) University of Cambridge and Steering Board Member of Innovate Cambridge
Roz Bird	Chief Executive, Norwich Research Park
Saskia Hervey	UEA
Steven Wilson	Head of Innovation & Inward Investment, Freeport East
Adam Thorp	EELGA
Matthew Stewart	EELGA
Lydia Dareheath	Anglian Water
Mark Lucas	Transport East
Emma Green	British Sugar
Lawrence Morris	Cambridge University
Patrick Hall	London Stansted Airport (Manchester Airports Group)
Mike Rigby	Eastern Promise
Owen Stratford	Infrastructure Matters
Shaun Pidcock	Lower Thames Crossing
James Palmer	Eastern Powerhouse
Steven Lynch	Eastern Powerhouse
Constance Anker	Cambridgeshire & Peterborough Combined Authority
Kirstie Cochran	University of Essex
Prashant Shah	O2
Sally-Ann Forsyth	Stevenage Catalyst
Biplab Rakshi	IoD
Kevin Keable	EEEGR
Edward Colman	Cambridgeshire and Peterborough Combined Authority
Julian Munson	New Anglia
Steve Barwick	Secretariat for the East of England APPG

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The academic partners of the East of England APPG are the Centre for Public and Policy Engagement at the University of Essex, The University of Cambridge, Anglia Ruskin University and the University of East Anglia.

