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Young Advisory Committee (YAC)  
Future of Work Project

# People and Place: Securing Cambridge's Growth Through Workforce and Housing



## Cambridge needs to attract, retain and support young workers to succeed in the long-term

# Growth Needs People

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It reflects the city's deep-rooted legacy of scientific excellence and discovery, stretching back centuries. Anchored by the University of Cambridge, this legacy underpins what is widely referred to as the 'Cambridge Phenomenon': the emergence and rapid expansion of a globally significant cluster of research institutions, spinouts, and high-growth firms<sup>1</sup>.

Seminal reports such as the Mott Report (1969), SQW Consulting's reviews in 1985 and 2010, and more recent publications by the Bennett School of Public Policy have documented this trajectory, positioning the city as a case study in how discovery, entrepreneurship, and collaboration can shape a region's economic destiny.

It is therefore unsurprising that successive governments have prioritised Cambridge in their economic strategy. In 2025, the Prime Minister and Chancellor reaffirmed the city's role in the national growth agenda, with a focus on knowledge-intensive, tradable sectors such as life sciences, deep tech, artificial intelligence, and advanced materials – that are

concentrated in Greater Cambridge. As part of this, Peter Freeman has been appointed to lead the Cambridge Growth Company, supported by a £400 million initial investment package to which is accelerate the city's physical and economic growth<sup>2</sup>.

Yet one aspect of this debate that is rarely explicitly addressed is that Cambridge's growth depends to a significant extent on the city's ability to retain and attract talent. **Growth needs people.** In particular, Cambridge's ability to attract, retain, and support young workers (those under 35) will be critical to its continued success. Younger workers are widely seen by employers as a valuable asset to the future of research and innovation. A large majority believe that they bring fresh ideas (70%) and are more comfortable with technology than previous generations (86%), reflecting distinct skills and attributes that mark them out in the workplace<sup>3</sup>. Young people are also highly mobile at the start of their careers, making them a key group for cities like Cambridge that seek to attract and grow knowledge-intensive sectors at pace<sup>4</sup>.

Still, the presence of young workers is not guaranteed and their preferences with respect to ways of working and living conditions remain poorly understood.



This report seeks to fill that gap. Drawing on a survey of young workers working in Cambridge, alongside a roundtable discussion with major regional employers and stakeholders, it examines how this critical segment of the workforce experiences living and working in the city. What do young workers value? What are they willing to trade off — and what are

they not? What would it take to keep them here?

In short, what does it take to grow — and keep growing — the human capital on which Cambridge's future depends?



## Informing Policy and Practice on the Future of Work

# About the research

The Future of Work project from Cambridge Ahead's Young Advisory Committee (YAC) explores how work is evolving for professionals under the age of 35 in the Cambridge region.

Since the COVID-19 pandemic, we have conducted surveys and roundtables to investigate key themes, including hybrid working preferences, learning and development challenges, commuting habits, the impact of artificial intelligence, productivity, social capital, and economic pressures.

Our research consistently highlights the importance of flexible work models for young workers in Cambridge – although working preferences and realities continue to shift year on year.

In May 2025, we conducted our sixth survey, focusing on current working arrangements and what matters most to young workers in their roles today. To better understand how to recruit and retain talent in Cambridge, we also explored the challenges that they face in both working and living in the region.

The survey was open to individuals aged under 35 years old whose primary work location is Cambridge. It was distributed through Cambridge Ahead member organisations and shared more broadly via social media. A total of 61 responses

were received. While the study's sample is both limited and self-selecting, the findings are consistent with our previous surveys. This should be seen as the latest datapoint and analysis reinforcing the need for policymakers and employers to engage with this topic.

We also hosted a roundtable discussion with employers and regional stakeholders on 24 July 2025 to explore the survey findings in more depth. The session provided an opportunity to hear directly from employers and stakeholders about their interpretations of the data, their expectations for the future of work, and the initiatives that they are implementing to support young workers in Cambridge.

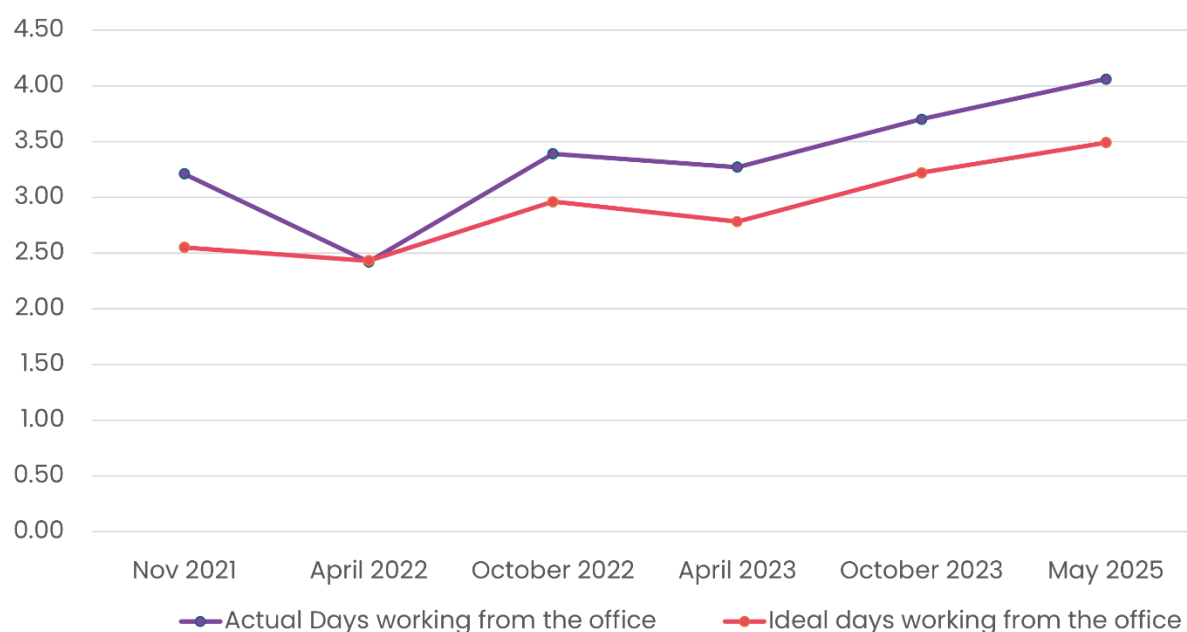
This research was conducted and the report prepared by members of the Cambridge Ahead Young Advisory Committee: Josie Beal – Birketts LLP, Dr Nina Jörden – Bennett School for Public Policy and Dr Ed Bryan – RAND Europe. Thanks to those that contributed to the survey and participated in the roundtable.

## Office attendance is rising among young workers

# Working Lives in Cambridge

In-person office attendance appears to be increasingly common among early-career professionals in Cambridge, albeit still often forming part of broader hybrid work patterns or preferences.

Respondents to the latest YAC Future of Work survey spent just over four days per week in the office on average – a rise from averages of around 3.3 days per week in April 2023 of 2.5 days per week in April 2022. This sits marginally above ideal expectations for office attendance, which came to an average of 3.5 days among those who took part in the 2025 survey.



Marking a further departure from previous YAC research, **none of the respondents to the most recent survey stated that they work completely remotely**. There are a number of possible explanations for this finding. As explored in further detail below, a growing number of Cambridge-based employers seem to be adopting more structured hybrid working patterns, including specifying a minimal number of days or certain activities that individuals need to attend in-person. The

employment profile of survey respondents is also likely to have contributed, with professions requiring access to specialist facilities/equipment (e.g., life sciences, research) as well as direct in-person engagement (e.g., education) among the most represented.

Yet informal expectations could similarly be amplifying this trend. **There is a reportedly widespread belief<sup>5</sup> among Cambridge's young workers that being**

**visible in the office supports career progression.** Particular emphasis is placed on the enhanced opportunities for peer-to-peer learning, greater efficiency, and informal socialising with colleagues that maintaining a physical presence in the workplace potentially affords.

***“Naturally, people have come back into the office more post-COVID. We feel that this trend can be accounted for by a desire to develop and enhance learning, with an underlying assumption that these opportunities will be greater in-person.”***

– Head of Resourcing & Communications;  
Engineering Firm

This assumption is supported by recent research, with studies<sup>6</sup> showing that physical proximity can lead to improved professional development and faster career advancement. For early-career professionals, the perceived value of in-person working therefore creates a strong incentive to be present in the office, even when formal policies do not require it. The consequence is that hybrid work, far from decentralising the workforce, may be reinforcing the importance of living locally, particularly for those at the beginning of their careers.

Reflecting the appetite among young workers for maintaining at least a partial office presence and the potential value that doing so affords, hybrid models are becoming more structured in Cambridge. Many organisations have now introduced fixed in-office days or activity-based attendance expectations, particularly for tasks involving collaboration, training, or client work. The result is that the idea of being in the office four or five days a week – whether by choice or expectation – is gaining momentum again.

A ‘return to the office’ in Cambridge has a number of important implications. Physical proximity has been identified<sup>7</sup> as a critical driver of innovation in high-growth sectors, raising questions about how rising office attendance can support the Cambridgeshire and Peterborough Local Growth Plan’s<sup>8</sup> ambition to boost economic growth across the combined authority. There are also numerous logistical considerations – most notably the need for housing and transport options that can satisfy a growing demand for more frequent office attendance amid the financial pressures that many young workers in Cambridge face.

## Housing affordability is creating challenges for young workers and employers

### Housing and hybrid

For young workers in Cambridge, the cost and availability of housing is not just a personal frustration: it is a defining feature of their experience in the city.

In the YAC Future of Work survey, **77% of respondents identified the cost of rent as a major challenge**. Many also reported difficulties in finding housing that is not only affordable but suitable in terms of size, quality, and location.

This is not a new story. Housing pressures have been raised in earlier YAC Future of Work surveys and roundtables, particularly in relation to commuting, retention and quality-of-life issues<sup>9</sup>. What is changing is how closely the housing issue is now intertwined with shifting patterns of work and as a result with employers' ability to recruit, retain, and support the very people Cambridge's growth ambitions depend on.

At the roundtable, employers from across sectors voiced a shared view: **housing has become a workforce issue**. Long commutes are increasingly unsustainable. Several employers noted that new recruits who attempt to live further away, often because they are priced out of Cambridge, rarely stay long-term.

***"People who commute an hour or more – they don't stay"***

– Head of HR; Research Institute

Others described how junior hires, unable to afford local rents, rely on shared accommodation or unsustainable living

arrangements. Even where relocation packages are available, they are often restricted to senior roles. Consequently, most early-career professionals are left to manage housing affordability alone and the housing available to them may not always support effective or comfortable home working arrangements.

The result is a structural constraint on talent retention and economic capacity. Housing affordability is now a major limitation on Cambridge's ability to attract and retain the young and mid-career professionals on whom its future growth depends.

To put this into numbers: The ratio of median house price to median income in Cambridge is currently at 8.8<sup>10</sup>, which is above the UK average of 7.7<sup>11</sup>. For people in the lowest income quartile, this figure rises to 11.5, putting the city well above national affordability standards.

Rental pressures further compound this challenge. With average monthly rents in Cambridge now around £1,774<sup>12</sup>, housing costs absorb a substantial share of income for those not eligible for subsidised housing. While precise local income data for early-career professionals is limited, indicative figures suggest that graduate salaries in Cambridge average around £29,000 per year<sup>13</sup>. At this income level, market rents





leave little scope for savings, stability, or progression, pushing many into shared housing arrangements, often in properties not designed for multiple occupation.

It also increases the risk of losing talent to London given the city's proximity and the similarity in housing costs, compared to the often higher salaries available in London.

Further, Cambridge faces a clear undersupply of smaller, high-quality homes suitable for single professionals on middle incomes. This shortage is not just about quantity, but the mismatch between existing stock and the needs of modern, mobile professionals.

Roundtable participants identified a range of potential responses, including pooled employer-backed housing, short-term accommodation platforms, and better utilisation of vacant or underused university college housing. Most

importantly, however, participants called for action to increase the supply of independent, space-efficient homes within cycling or walking distance of major employment centres. This emphasis reflects earlier Cambridge Ahead research, including the Compact Homes in Greater Cambridge study<sup>14</sup>, the Young Advisory Committee's Housing Tribes work<sup>15</sup>. Without such provision, the housing system risks undermining the city's ability to maintain a stable, diverse, and productive workforce.

There was also a shared sense that Cambridge is well placed to lead on this issue. Several employers expressed willingness to pilot collaborative approaches. While such interventions will require coordinated effort, Cambridge Ahead stands ready to support constructive partnerships between employers, colleges, and planning bodies, and to help identify opportunities for joined-up, locally grounded solutions.



## Policy and Employer Recommendations

# A Call for Action

Cambridge's growth ambitions rest not only on scientific excellence or economic investment, but on the city's ability to house and retain the workforce that delivers them.

This requires integrated responses to housing, transport, and hybrid working patterns — not as separate issues, but as interconnected components of a sustainable growth model.

The evidence presented in this report is clear: hybrid working has not diminished the importance of place. Instead, it has reinforced the need for proximity, connectivity, and community — particularly for early-career professionals. Yet rising housing costs, unsustainable commutes, and a lack of transitional accommodation are placing this talent pipeline under strain.

Cambridge has a unique opportunity to lead. By aligning economic ambition with spatial planning and workforce needs, the city can model a new approach to growth; one that is inclusive, resilient, and future facing.

## Policy Recommendations

1

### **Treat housing as essential economic infrastructure**

Embed the needs of early- and mid-career workers into planning decisions. This includes enabling smaller, high-quality units for single adults on moderate incomes, particularly within walking or cycling distance of employment centres.

2

### **Enable transitional and intermediate housing models**

Support the delivery of short-term and intermediate tenure housing options, including homes priced or rented below full market levels like compact homes, through planning reform, innovative rental models, better use of underutilised housing stock, and partnerships between employers, institutions, and developers.

3

### **Expand commuting options that are affordable and reliable**

Invest in reliable, affordable public transport to better connect surrounding towns and reduce the attrition associated with long-distance commuting.

## Employer Recommendations

1

### **Clarify expectations**

Transparency about workplace attendance and hybrid working policies – including their implications for where employees live – is critical.

2

### **Offer targeted support**

Consider light-touch interventions such as relocation stipends, rental deposit loans, or access to onboarding accommodation, particularly for junior hires.

3

### **Collaborate on shared initiatives**

Participate in collective housing and transport pilots with peer employers and public institutions.

4

### **Contribute to local policy**

Share workforce trends, internal data, and lived insights to strengthen the city's evidence base for housing and infrastructure planning.

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