



East Cambridgeshire
District Council

Employment Land Report

November 2017

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1. Introduction

- 1.1 East Cambridgeshire District Council is reviewing its adopted Local Plan. This is an important document as it will determine what East Cambridgeshire will look like in the future and how it will become an even better place to live, work and visit.
- 1.2 The new Local Plan will replace the Local Plan (and all the policies within it) adopted in April 2015. It will not replace any adopted Minerals and Waste plans.
- 1.3 The job growth target for the Local Plan is based forecasts by the East of England Forecast Model (EEFM). The EEFM 2014 suggests that Local Plan should (between 2014-36) be planning for 7,100 jobs (total jobs, including part time), whereas the EEFM 2016 suggest 4,820 jobs.
- 1.4 Economic (and job) forecasts are notoriously difficult to predict with any accuracy, and forecasts can change wildly from one year to another. Forecasting is not an exact science and is even more difficult to accurately undertake than projections for population growth. How the economy might perform over two to three years is uncertain, and this degree of uncertainty is exacerbated when looking over a period of 20+ years. The Planning Practice Guidance (CLG, 2014, National Planning Practice Guidance – Housing and Economic Needs Assessment)¹ sets out that in undertaking assessments of housing and economic development needs, plan-makers should make an assessment of the likely job numbers based on past trends and/or economic forecasts.
- 3.3 Taking the last two available forecasts, a mid-point of around 6,000 jobs would appear to be sensible, and aligns with the dwelling / population growth being planned. The primary purpose of this report is to set out the evidence in support of the East Cambridgeshire Local Plan, namely that approximately 6,000 jobs can be facilitated by an appropriate provision of employment land allocations.

2. East Cambridgeshire Context

- 2.1 Ely is the district's main centres for retail, employment and business. The Main Settlements of Littleport and Soham also provide important economic centres. In addition, levels of out-commuting are high. There are also a number of business parks across the district (eg at Sutton and south of Fordham), as well as numerous enterprises relating to agriculture/horticulture and the horse racing industry.
- 2.2 East Cambridgeshire is home 87,800 people and 60.4% are of a working population (aged 16-64) compared with 63.1% nationally (nomis 2016). This working population will increase with growth in homes and households, generate a need for employment land to be developed to provide jobs for people. The purpose of the Local Plan is to ensure enough employment land is allocated to cater for the anticipated job growth.
- 2.3 Education levels of the local workforce might also provide some indication as to the type of employment land that needs to be provided. By providing the right type of employment land will help to attract companies that can meet the skill set of the local workforce. With Cambridge about 17 miles away from Ely, East Cambridgeshire is well placed to benefit from any company that may wish to relocate from Cambridge or want to be near Cambridge.

¹ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

Table 1 - Qualifications (Jan 2016-Dec 2016)

	East Cambridgeshire (level)	East Cambridgeshire (%)	East (%)	Great Britain (%)
NVQ4 and above	18,300	33.5	34.9	38.2
NVQ3 and above	30,600	56.0	53.5	56.9
NVQ2 and above	43,000	78.6	72.4	74.3
NVQ1 and above	49,400	90.4	85.9	85.3
Other qualifications	#	#	6.5	6.6
No qualifications	#	#	7.6	8.0

Source: ONS annual population survey

Sample size too small for reliable estimate

Notes: For an explanation of the qualification levels see the definitions section.

Numbers and % are for those of aged 16-64

% is a proportion of resident population of area aged 16-64

- 2.4 Table 1 shows that the district and wider region has a reasonably strong pool of qualified people, especially those with some form of qualification (NVQ1 and above). With close proximity to the world famous University of Cambridge and regionally important Anglia Ruskin Campus employers and students have access to some of the best higher educational facilities in the world.
- 2.5 Anglia Ruskin University is one of the largest universities in the East of England and home to over 35,000 students across three campuses in Cambridge, Peterborough and Chelmsford. It was named UK Entrepreneurial University of the Year at the Times Higher Education Awards in November 2014.
- 2.6 The table 2 below shows East Cambridgeshire is highly adept with a large proportion of those in employment (51.1%) occupying managerial, professional and technical positions. Nearly 27% of the resident workforce is employed in administrative, secretarial and skilled trades. The remainder of the resident workforce (30%) is employed in care, leisure and service occupations including process plant and machine operatives.

Table 2 - Employment by occupation (Apr 2016-Mar 2017)

	East Cambridgeshire (numbers)	East Cambridgeshire (%)	East (%)	Great Britain (%)
Soc 2010 major group 1-3	24,300	51.5	46.1	45.5
1 Managers, directors and senior officials	5,200	11.1	11.5	10.7
2 Professional occupations	12,000	25.4	20.2	20.4
3 Associate professional & technical	7,100	15.1	14.2	14.2
Soc 2010 major group 4-5	12,700	26.9	21.6	20.7
4 Administrative & secretarial	4,400	9.2	10.9	10.2
5 Skilled trades occupations	8,300	17.7	10.6	10.4
Soc 2010 major group 6-7	7,100	15.1	16.3	16.7
6 Caring, leisure and Other Service occupations	5,900	12.5	9.3	9.1
7 Sales and customer service occs	#	#	6.9	7.5
Soc 2010 major group 8-9	#	#	16.0	17.1
8 Process plant & machine operatives	#	#	6.0	6.3
9 Elementary occupations	#	#	10.0	10.7

Source: ONS annual population survey
Sample size too small for reliable estimate
Notes: Numbers and % are for those of 16+
% is a proportion of all persons in employment

2.7 Weekly pay (Table 3) of a full-time worker in East Cambridgeshire is higher than the national average and so is full-time worker hourly pay. With skilled work force earning above average income will help the local economy to expand as it provides services and facilities to local residents, workers and visitors.

Table 3 - Earnings by place of residence (2016)

Gross weekly pay	East Cambridgeshire (£)	East (£)	Great Britain (£)
Full-time workers	564.6	569.4	541.0
Male full-time workers	606.3	613.3	581.2
Female full-time workers	449.9	496.9	481.1
Hourly pay - excluding overtime			
Full-time workers	14.32	14.30	13.66
Male full-time workers	15.14	15.00	14.25
Female full-time workers	11.89	13.12	12.84

Source: ONS annual survey of hours and earnings - resident analysis

Notes: Median earnings in pounds for employees living in the area

3. Employment Land Completions and Loss

- 3.1 In this report, employment land is defined as the land used within the B-uses as shown in table 4. Not all the jobs created will be on allocated employment land as other uses such as retail and leisure amongst others will also create jobs.

Table 4 – B-class Employment Land definitions

B1 (a) Business	Offices other than in a use with Class A2
B1 (b)	Research and Development – laboratories and studios
B1 (c)	Light Industry
B2	General Industry including manufacturing
B8	Storage or Distribution

- 3.2 Table 5 records completions of B uses in East Cambridgeshire between 1999 and 2016. As is common, a high proportion of floorspace is by B8 use. As online sales increase, it is likely more warehouses will be required for storage and distribution of the goods ordered online.
- 3.3 It is noticeable, however, that there has also been considerable completions in B1 (a) and B1(c) floorspace. This will help match the skills of local workforce. B2 use makes up nearly a third of the completions. This past completions over the last 17 years provides us with some guidance as to what future trend in B uses is likely to be.
- 3.4 As shown in table 6, the floorspace completions for the past 17 years among the B-uses are fairly evenly distributed. It is assumed that this trend will continue over the plan period, i.e. we are assuming B-uses delivery as being B1-33%, B2-27% and B8-40%.

Table 5 – B-class Completions in East Cambridgeshire (1999-2016) (sqm)

	1999-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Total
B1 – Unspecified	0	0	0	0	210	0	0	270	772	0	186	0	0	0	636	2,074
B1a – Offices	6,026	2,808	504	1,018	578	1,577	2,641	5,378	1,417	2,355	189	924	1,855	544	5422	33,236
B1b – Research	1,984	0	0	0	322	0	0	2,115	0	0	0	0	1,020	104	307	5,852
B1c – Light Industry	18,784	3,104	5,978	990	1,088	3,500	446	472	326	456	1,262	780	2,100	475	763	40,524
B2 – General Industry	14,416	4,041	4,181	1,754	2,545	8,634	5,095	9,916	1,675	2,047	0	2,776	1,105	2,643	6536	67,364
B8 – Storage and Distribution	23,378	6,918	1,612	2,479	17,149	7,930	1,319	1,891	7,619	0	3,912	632	3,666	13310	5405	97,220
Total ²	64,588	16,871	12,275	6,241	21,892	21,641	9,501	20,042	11,809	4,858	5,549	5,112	9,746	17,076	19,069	246,270

Table 6 – Distribution of Completions in B-class Uses

	Total	% of Total	B Uses
B1 – Unspecified	2,074	0.8	33.1%
B1a – Offices	33,236	13.5	
B1b – Research	5,852	2.4	
B1c – Light Industry	40,524	16.4	
B2 – General Industry	67,364	27.3	27.3%
B8 – Storage and Distribution	97,220	39.5	39.5%
Total	246,270	100	100%

² Source: <https://www.cambridgeshire.gov.uk/business/planning-and-development/planning/monitoring-planning-policies/>

Employment land losses

- 3.4 Over the plan period some employment land will be lost to other uses. This is inevitable and by looking at what was lost in the past years will give some guidance as to how much is likely to be lost in the future. Table 7 shows the employment land that was lost to other uses in East Cambridgeshire over the past 17 years. By calculating the annual loss in the past and assuming the same trend will continue, this can help to calculate what allowance needs to be made for the loss of employment land to other uses during the plan period. The Local Plan period, for employment purposes, is 1 April 2014 to 31 March 2036.
- 3.5 Using the monitoring data, it is assumed that the rate of employment land lost to other uses will continue to be -0.98ha per annum. On the assumption that this rate holds for the period 2014-2036, this means that a total of 21.56ha of employment land would be lost to other uses. This needs to be considered as part of the calculations, to ensure the jobs growth forecast / target can still be met.

Table 7 – Loss of Employment Land

Losses of Employment Land: 1999 - 2016 ³	"LOSSES"		Annual losses	
	Land (ha)	Floorspace (sqm)	Land (ha)	Floorspace (sqm)
B1 unspecified	0.00	0.00	0.00	0.00
B1a	-3.60	-960.00	-0.21	56.5
B1b	-0.13	-3878.00	- 0.01	228.1
B1c	-1.64	-6273.00	-0.1	369.0
B2	-10.04	-67778.00	-0.59	3986.9
B8	-1.27	-11876.00	-0.07	698.6
TOTAL	-16.68	-90765.00	-0.98	5309.1

³ <https://www.cambridgeshire.gov.uk/business/planning-and-development/planning/monitoring-planning-policies/>

Employment Land Allocations

3.6 The following table (Table 8) captures the allocations in the Local Plan (proposed submission version).

Table 8 –Employment Land Allocated in the Local Plan

Ref.	Site Address	Area (ha) (undeveloped)	Floorspace (where given) sq.m			Additional Information/ Assumptions
			B1	B2	B8	
BOT.E1	Extension to Turnbridge Lane Business Park, Bottisham	0.9				
BUR.M1	Former DS Site, Reach Road, Burwell	0.5				Mixed use site
BUR.E1	Land at Reach Road, Burwell	2.8				
ELY.M1	North Ely	3.1				Information contained in the land-use table in the SPD. B1,B2 &B8
ELY.M4	Station Gateway, Ely	3.4				It is assumed 30% of the total site (11.4 ha) will be used for employment (B1 and B2 only) based on the indicative land use budget table in the Ely Station Gateway SPD.
ELY.M5	Octagon Business Park, Angel Drove	3.9	5,046		1,509	Based on information provided in the Planning and Retail Assessment report as part of the current planning application, 30% of the total site (13.1 ha) will be used as employment land
ELY.E1	Ely Road and Rail Distribution Centre, Queen Adelaide Way	11.2				B1, B2 and B8 allocations
ELY.E2 (a-c)	Lancaster Way Business Park	52.0				B1, B2 and B8 allocations. The parcels include the small part of existing business park, the Enterprise Zone and undeveloped land south of Lancaster Way.
FRD.M1	Scotsdale Garden Centre, Market	1.5				Housing led development with small amount of land used for employment

	Street					uses. Assumed 1.5ha for B1, B2 and B8
FRD.E1	Employment Cluster, South of Fordham.	27.0				83.2 ha of land allocated for B1, B2 and B8. Most of the is developed, only undeveloped land is counted.
HAD.E1	Land at Haddenham Business Park, Station Road	0.8				Allocated for B1, B2 and B8 only
ISL.E1	Land adjacent to Hall Barn Road Industrial Estate	0.8				Allocated for B1, B2 and B8
LIT.M2	Land south of Grange Lane, Littleport	1.0				As per policy Littleport6. Assumed a small element of employment land, as part of much wider (65.9ha) site.
LIT.E1	Land at north of Wisbech Road Business Park	13.0				Most of the Business Park is developed and about 13ha remains to be developed. Allocated for B1, B2 and B8.
LIT.E2	Land west of 150 Wisbech Road	1.5				Allocated for B1, B2 and B8.
SOH.M1	Eastern Gateway	0.5				B1 and B2 only
SOH.M2	Land north west of The Shade	1.0				Site to provide small low impact employment B1/B2 units
SOH.M3	Land off Station Road	0.5				Small amount of employment land provided.
SOH.E1	Land east of A142 bypass	10.8				Allocated for B1, B2 and B8 only
SUT.E1	Elean Business Park	17.0				34.7ha is total are of the Business Park and 17ha remains to be developed.
SWP.E1	Land at East of Goodwin Farm, Heath Road, Swaffham Prior	1.1				Allocated for B1, B2 and B8.
Total land allocated		154.3	50.9	41.7	61.7	

3.7 Total of 154.3ha of land is allocated for employment uses in the proposed submission Local Plan as shown in table 8.

- 3.8 With regards to converting between floorspace and land requirements, the national guidance⁴ suggests standard plot ratios for different employment uses vary between 0.25 and 0.6, with the small ratio being for business parks and town centre office, and the greatest for warehouses. This evidence report has assumed an average rate of 0.35. Therefore, a site of 1ha would likely accommodate 3,500 sq.m of employment floorspace.
- 3.9 Potential jobs that could be created on the employment land in East Cambridgeshire is shown in table 9. The table shows there is capacity to create 24,954 jobs on allocated land in the Local Plan. These jobs are potentially created only on B1, B2 and B8 allocated land.

Table 9 – Potential jobs created on Allocated Land in the Local Plan

Use Class	Land allocated (ha)	Floorspace to site area ratio	Employment Floorspace (sq.m)	Sq.m/worker	Potential Jobs created
B1	50.9	0.35	178,150	10	17,815
B2	41.7	0.35	145,950	36	4,054
B8	61.7	0.35	215,950	70	3,085
Total	154.3				24,954

- 3.10 Some national and local trends seem to point to there being a reduction in manufacturing jobs and therefore new jobs created on B2 employment could, in the future, be negligible. As such, and as a sensitivity test, B2 land coming forward has been set to 0. Even allowing for this, Table 10 demonstrates there is still potential for 20,900 jobs to be created on the B1 and B8 land identified.

Table 10 – Potential jobs created on B1 and B8 Allocated Land in the Local Plan

Use Class	Land allocated (ha)	Floorspace to site area ratio	Employment Floorspace (sq.m)	Sq.m/worker	Potential Jobs created
B1	50.9	0.35	178,150	10	17,815
B2	41.7	0.35	0	36	0
B8	61.7	0.35	215,950	70	3,085
Total	154.3				20,900

- 3.11 To match something approaching exactly the 6,000 jobs target referred to in the Local Plan, and assuming the same principles apply in respect of B2 land, the following amount of land, as demonstrated in Table 11, would have been 'needed', though this would provide no flexibility to the market and makes no allowance for losses:

⁴ Employment Land Reviews Guidance Note, ODPM, December 2004

Table 11 – Potential jobs created on B1 and B8 Allocated Land in the Local Plan

Use Class	Land allocated (ha)	Floorspace to site area ratio	Employment Land (ha)	Employment Floorspace (sq.m)	Sq.m/worker	Potential Jobs created
B1	14.6	0.35	5.11	51,100	10	5,110
B2	11.9	0.35	4.17	41,700	36	0
B8	17.9	0.35	6.27	62,700	70	896
Total	44.4					6,006

4. Conclusions

- 4.1 The Local Plan needs to make provision employment land to help facilitate the forecast of around 6,000 new jobs in East Cambridgeshire. Not all of these jobs will be on employment land as a number will be created in other sectors such as retail, health, education and leisure. As shown above, there is potential to create at least 20,900 jobs on the proposed allocated employment sites. Even allowing for loss of employment land (estimated 21.56ha, which is equivalent to a loss of around 3,000 jobs), there is, therefore, more than enough employment land allocated to deliver the Local Plan jobs target.
- 4.2 By providing more than a minimum required employment land, this gives potential business and employers a range of sites in different locations to meet their needs. It also allows flexibility for the inevitable considerable swings in employment forecasting. It is worth noting that the vast majority of allocations as proposed have either the benefit of consent, are allocated as an Enterprise Zone, or carried over from the last Local Plan (2015). Very few sites have been added, or extensions to existing sites added, and where such additions have been made, they are based on very local circumstances which better deliver benefits for that area.