
TITLE: CAR PARKING REGULATIONS

Committee: Development and Transport Committee

Date: 20th November 2012

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[M143]

1.0 ISSUE

1.1 To approve the new East Cambridgeshire Off Street Parking Places 2012 Order, to create additional parking spaces in Barton Road and permit the parking of Motor Home vehicles in Fisherman's Car Park.

2.0 RECOMMENDATIONS

2.1 Members are recommended to approve the changes made to the new 2012 order.

3.0 BACKGROUND

The Development and Transport Committee approved the resolution at its meeting on 2nd October 2012 :

- i) to provide additional daily public car parking spaces in Barton Road Car Park
- ii) to accommodate motor homes in Fisherman's Car Park to provide a long stay parking option in Ely
- iii) to agree the draft East Cambridgeshire Off Street Parking Places Order 2012 for consultation.

4.0 ISSUES

4.1 The Notice of the proposed order was advertised in the press and objections to the proposed Order were invited in writing. Two objections were received in response from members of the public with none being received from any of the statutory consultees that were consulted.

4.2 Both letters were in objection to the early morning restriction on Fisherman's Car Park and have been considered as part of this consultation. However, changes to the order have not been made as the early morning restriction should remain in place in order to provide sufficient spaces throughout the day for a range of users and the objectors will be notified of the reason for the decision.

5.0 CONCLUSIONS

5.1 Members are asked to approve the order to come into force on 23rd December 2012, subject to a final statutory period for notice of making.

6.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

6.1 Minor signage and infrastructure improvements resulting from these changes will be met from within the current Car Parking Budget.

6.2 No INRA required.

7.0 APPENDICES

7.1 Appendix 1 – East Cambridgeshire (Off Street Parking Places) Order 2012

Background Documents

Location

Contact Officer

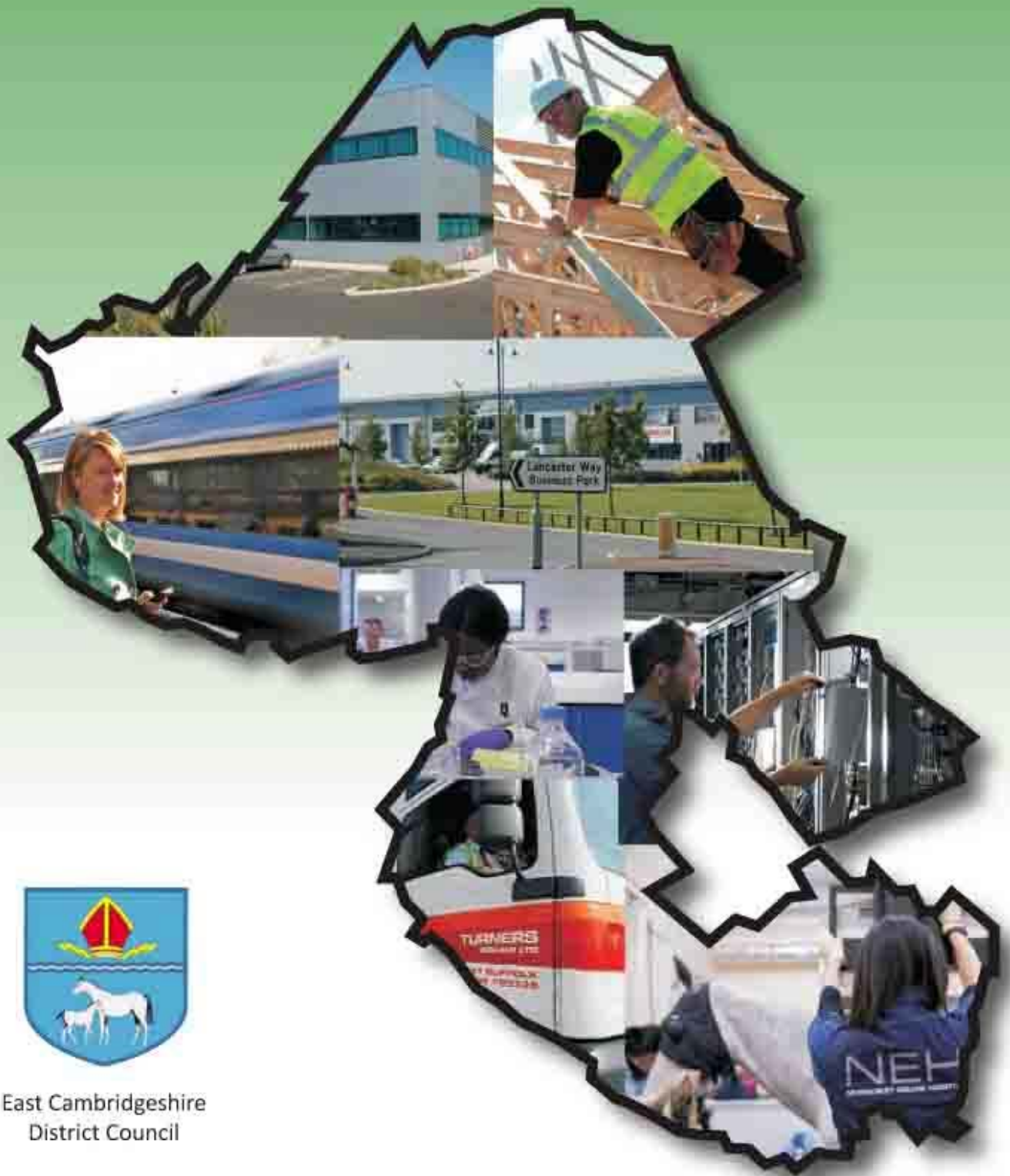
None

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JOBS GROWTH STRATEGY 2012 - 2031

Driving Forward Growth in
East Cambridgeshire



East Cambridgeshire
District Council

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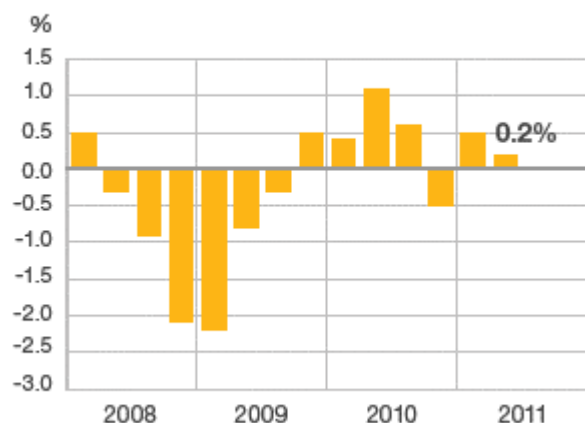
1. INTRODUCTION AND CONTEXT

National Context

The UK economy has experienced some extremely difficult times since the onset of the financial crisis at the end of 2007 and the subsequent recession that followed between 2008 and 2009. Even at the end of 2011, the UK economy is still showing signs of weak growth with the ongoing crisis in the Eurozone, the US economy faltering and a general lack of confidence having a detrimental effect on financial markets across the world. Although the possibility of a further recession is now less likely it remains to be seen whether the recent announcements in the budget will help to kick-start the UK economy.

Figure 1: UK GDP Growth Q1 2008 to Q2 2011

UK GDP growth, quarter on previous quarter Q1 2008 to Q2 2011



Source: ONS

Employment estimates from the 2010 Business Register and Employment Survey (BRES) were released on the 30th September 2011 providing an overview of jobs growth between 2009 and 2010 across England and Wales. This data provides the most comprehensive and up to date insight into how employment trends have responded as the UK emerged out of recession and captures changes that occurred during the first few months of the Coalition Government. There were 25.4 million jobs in England and Wales in September 2010, a fall of 0.3% or 83,600 jobs compared with 2009. Just under two thirds of local authorities saw an overall decline in the number of total jobs between 2009 and 2010. A recent report by business information services group Experian however, has identified East Cambridgeshire as a major driver of economic growth in the eastern region and has ranked the district 14th in national league tables for business growth. (Source East Anglian Daily Times, 22nd March)

Since the new Coalition Government came to power in 2010, their first priority has been to try and restore the nation's economy to health by taking decisive action to tackle the national debt. Their ambition is to foster prosperity and economic growth in

all parts of the country and to look to rebalance the economy from one focused predominantly on financial services to one where growth is spread amongst a wider range of sectors and prosperity is shared.

The White paper, "Local growth, realising every place's potential" presented to parliament last year set out this vision and highlighted some of the measures which were to be taken in order to achieve this goal. The Regional Development Agencies have now been replaced by new Local Enterprise Partnerships to bring together civic leaders and business to set the strategy and take decisions to allow their area to prosper.

For East Cambridgeshire specifically this has resulted in the creation of the new LEP for Greater Cambridge and Greater Peterborough (GCGP LEP) that will help to tackle issues such as planning and housing, local transport and infrastructure as well supporting small business start-ups.

The geography of the GCGP LEP covers the cities of Cambridge and Peterborough together with the neighbouring market towns of East Cambridgeshire, Fenland, Huntingdonshire, and South Cambridgeshire Districts which make up the core local authority sponsors. Beyond these administrative boundaries, the real economic geography extends into parts of North Hertfordshire, Uttlesford, St Edmundsbury and Forest Heath; South Kesteven, South Holland, Rutland, Kings Lynn and West Norfolk. The LEP's overall mission is to create an additional 160,000 new jobs by 2025 in an internationally significant low carbon, knowledge-based economy.

Why a jobs growth strategy for East Cambridgeshire?

The current predicament of the national economy as well as the emphasis on jobs growth for the Greater Cambridge/Greater Peterborough LEP has placed greater importance on the need for a local jobs growth strategy for East Cambridgeshire.

The District has seen a large increase in overall employee jobs between 2000 and 2010 (24,000 to 29,000) and despite the uncertain short term outlook, it is likely that the District will attract significant numbers of jobs again in the future as part of its recent transformation from a post-agricultural economy.

However despite this growth, the number of employee jobs has failed to keep pace with the increase in resident population over the period resulting in a low job density ratio of 0.54 (Total employment to resident population aged 16 to 64) resulting in higher net out-commuting within the district.

Table 1: Commuting by main occupation group, East Cambridgeshire 2008/09 to 2010/11 average

Occupation sector	Employed residents	Workplace population	Net commuting
Managers & senior officials	5,400	5,000	300
Professionals	9,100	4,400	4,700
Associate professionals	5,400	2,900	2,500
Administrative & secretarial	3,200	2,100	1,100
Skilled trades	6,000	5,000	1,100
Personal services	4,300	3,000	1,200
Sales & customer service	2,600	1,700	1,000
Plant & machinery operatives, drivers	2,400	1,500	900
Elementary	4,400	2,800	1,600
Total	42,800	28,400	14,300

Source: APS - ONS (Note: Occupations are classified by SOC 2000)

Table 1 shows that overall net out-commuting is estimated to be around 14,300, equivalent to 50% of the workplace population and 33% of employed residents. Net out-commuting is highest amongst residents working in professional and associate professional/technical occupations. There is, however, net out-commuting amongst all occupation groups, including elementary and semi-skilled occupations. The relatively low out-commuting amongst 'managers' reflects the fact that many self-employed people - who often work from home - are so classified.

Table 2: Commuting by broad industry group, East Cambridgeshire, 2008/09 to 2010/11 average

Industry sector	Employed residents	Workplace population	Net commuting
Agriculture	2,200	2,600	-400
Energy & water	600	200	300
Manufacturing	6,000	4,200	1,800
Construction	3,400	3,100	300
Distribution hotels & catering	5,900	3,700	2,200
Transport & communications	1,200	700	500
Finance & business services	8,600	3,900	4,700
Public administration, education and health	12,400	7,300	5,200
Leisure & other services	2,500	2,700	-300
Total	42,800	28,400	14,300

Source: APS - ONS (Note: Occupations are classified by SIC 2003)

Table 2 shows that net out-commuting is highest amongst employed residents working in financial and business services and public administration, education and health. There is also relatively high net out-commuting amongst people working in manufacturing industries and distribution, hotels & catering. Two sectors record net in-commuting to jobs in the district; agriculture and leisure & other services.

The above tables show that net out-commuting is highest amongst the skilled trades and knowledge workers and so there may be scope to target the promotion of selective policies to attract further 'high value' industries and occupations to reduce net out-commuting in the district.

The District Council is also revising its Core Strategy Document that was approved by an independent inspector in 2009, with the intention of publishing a new Local Plan for the District in 2013. This jobs growth strategy will provide an evidence base for this document and particularly for the future allocation of employment land in the

District.

The revision of the Council's Core Strategy follows significant changes at a national level with the new draft national planning policy framework, the withdrawal of regional housing targets and the increased focus on localism. In addition, the Local Plan will look to incorporate the recent Masterplans that have been produced for Ely, Soham and Littleport together with the plan that is currently being developed for Burwell. The District Council has undertaken these plans in order to carry out significant local consultation on growth delivery for the District and how this can be best managed in the future.

The jobs growth strategy has an important role in seeking to balance population and housing growth with new jobs, local services and infrastructure, with the overall objective being the delivery of more sustainable communities in the future and a reduction in net out-commuting by both industry sector and occupation.

2. OVERVIEW OF THE EAST CAMBRIDGESHIRE ECONOMY AND ITS ECONOMIC DRIVERS

This section looks at East Cambridgeshire's economy and the key economic drivers and barriers to growth. It begins by examining the local economy in terms of the following economic drivers:

- Industrial Structure (diversity of industrial structure, high value added industries, strategic accessibility and labour supply)
- Productivity (Innovation and enterprise, technology and competition)
- Economic Activity (employment levels, skills base and earnings, health)

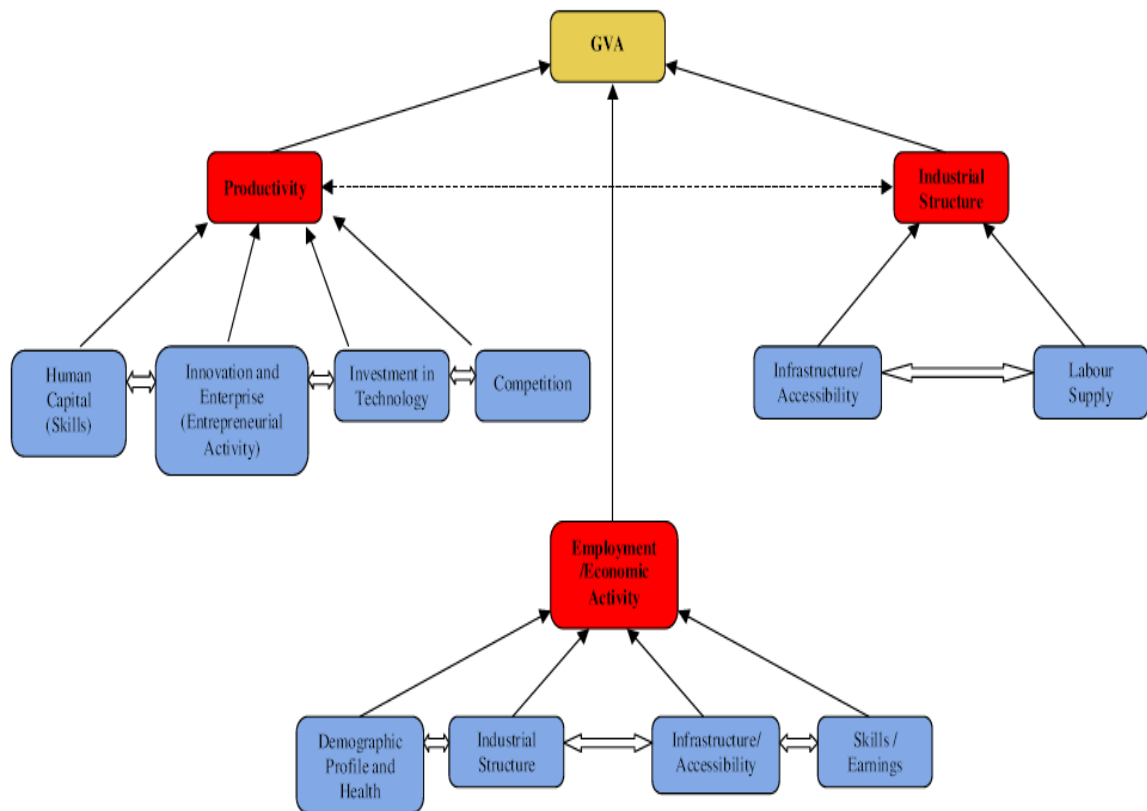


Figure 2: Drivers of Economic Performance

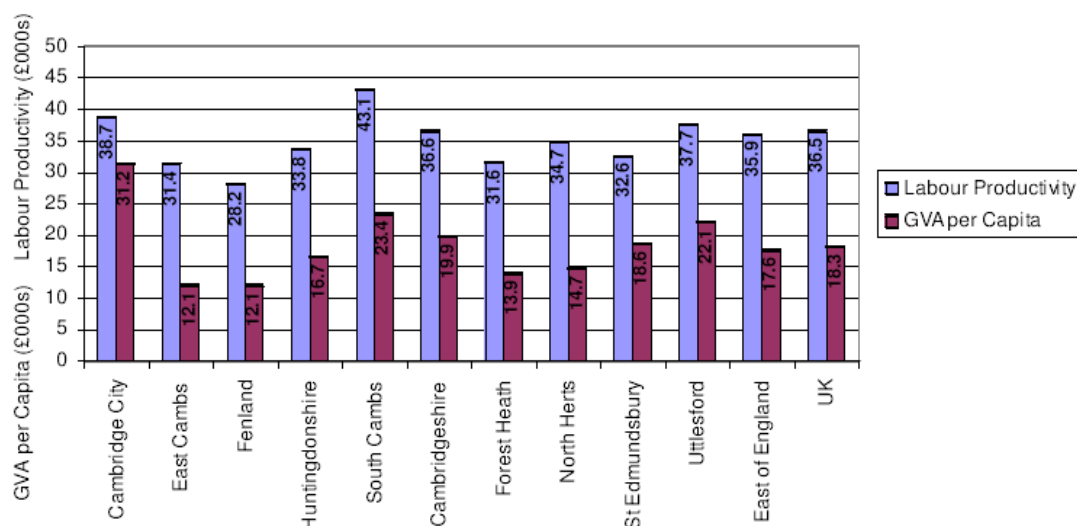
Measuring Economic Performance

GVA

Productivity of the economy is measured by GVA (Gross Value Added), and GVA per head. Calculated on a workplace basis East Cambridgeshire has the second lowest level per capita GVA (£12,100 in 2010) across Greater Cambridge (functional economic area including the Cambridgeshire districts, Uttlesford, North Herts, Forest Heath and Bury St Edmunds) and also lags behind the East of England and UK averages (East of England £17,600, and UK £18,300) Source: East of England Forecasting Model Autumn 2010 Baseline Forecast). However, it is important to note

that GVA figures are workplace based. Hence areas with high out-commuting of the workforce such as East Cambridgeshire can show disproportionately low GVA.

Figure 3: GVA per capita and labour productivity in Greater Cambridge by district in 2009



Source: Insight East – East of England Forecasting Model Autumn 2010 Baseline Forecast; GVA per Capita (£000s per head of population); Labour Productivity (£000s per total of employees and self-employed)

Cambridgeshire's GVA is forecast to grow by 45% between 2009 to 2021. East Cambridgeshire is forecast to see around a 40% increase in GVA over the same period to 2021.

Jobs Growth

The district has seen an increase of 5,000 jobs between the year 2000 and 2010 to a total of 29,000 jobs. There has been considerable variation over this period as shown in the following table particularly between the years 2002-2003 and 2007-2009 when the current recession first started to impact but this should not detract from the fact that overall the local economy has been growing.

Table 3: Jobs Growth and jobs density 2000-2010

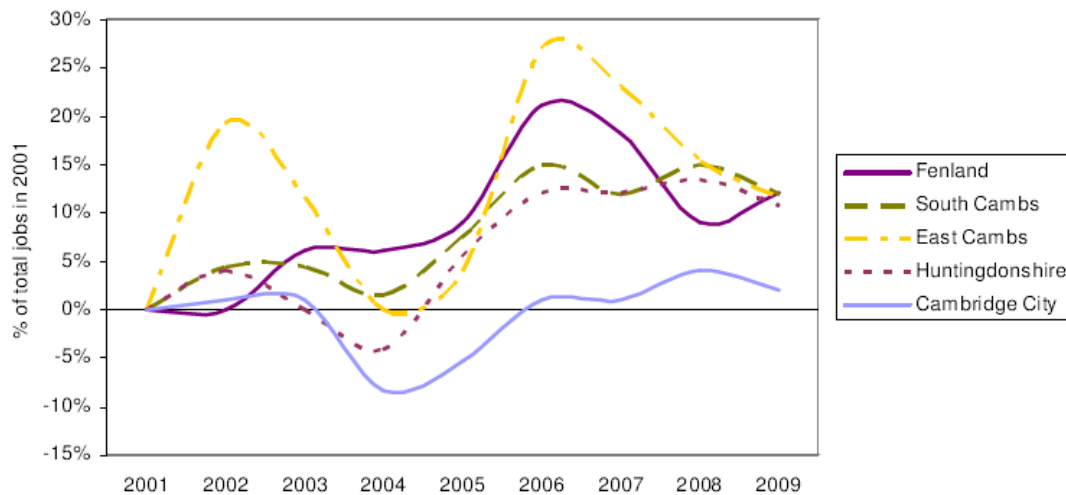
Date	Total jobs	Jobs density
2000	24,000	0.52
2001	26,000	0.57
2002	31,000	0.64
2003	29,000	0.60
2004	26,000	0.52
2005	27,000	0.55
2006	33,000	0.65
2007	32,000	0.62
2008	30,000	0.57

2009	29,000	0.54
2010	29,000	0.54

Source ONS 2011 Jobs Density

Averaging around 450 jobs per year the district has experienced significant jobs growth over the past decade and in some cases has out performed its neighbouring Cambridgeshire districts in terms of percentage increase. Taking a rolling three-year average of employment 2000/02 to 2008/10 to take account of sampling errors the district has seen an increase of 291 jobs per year between 2002 and 2010.

Figure 4 Change in total jobs since 2000 in Cambridgeshire by district



Source: ONS- Jobs Density

However, it is widely recognised that this level of jobs growth has not been sufficient to match the increase in population locally leading to a jobs density ratio (Total employment to resident population aged 16-64.) of 0.54, just over half a job for every person of working age within the district.

East Cambridgeshire Economic Drivers

1) Industrial Structure

The industrial structure of the economy is a vital contributor to its overall economic performance.

1a. Industry Mix and Diversity

Firstly, it is important to have a well-balanced mix of industries. An economy that is well represented across the industrial sectors reduces the over-dependency on a small number of industries, thus reducing the relative economic impact of any industry-specific slow down.

The below Location Quotients table¹ shows the district has current strengths in the transport and storage (1.6), manufacturing (1.47), property (1.43) construction (1.37) and agriculture (4.62) sectors all with a LQ value that accounts for a higher share of employment than in the comparator area (England and GCGP LEP).

With a LQ close to 1.0 when compared to national and local comparators there may be further basis to build on the districts share of professional, scientific and technical services as a potential growth sector.

The diversity and good balance of the economy is shown in the range of sectors and number of employee by industry sector with no sector accounting for more than 13% of the total employees.

Table 4 : Location quotients of employees by industry sector (SIC 2007), East Cambridgeshire compared with GCCP LEP and England 2010

Industry sector	East Cambs 2010	% of all	LQ England (inc agriculture)	LQ GCCP Lep (excluding agriculture)
1 : Agriculture, forestry & fishing (A)	700	3.0%	4.62	n.a.
2 : Mining, quarrying & utilities (B,D and E)	500	2.0%	1.78	1.78
3 : Manufacturing (C)	3,100	13.0%	1.47	1.17
4 : Construction (F)	1,400	5.9%	1.37	1.52
5 : Motor trades (Part G)	600	2.3%	1.33	1.33
6 : Wholesale (Part G)	1,100	4.4%	1.01	0.78
7 : Retail (Part G)	2,400	9.8%	0.96	0.97
8 : Transport & storage (inc postal) (H)	1,800	7.5%	1.60	1.78
9 : Accommodation & food services (I)	1,500	6.3%	0.94	1.12
10 : Information & communication (J)	400	1.5%	0.39	0.52
11 : Financial & insurance (K)	200	0.9%	0.23	0.40
12 : Property (L)	500	2.1%	1.43	1.08
13 : Professional, scientific & technical (M)	1,800	7.6%	1.07	0.99
14 : Business administration & support services (N)	2,200	9.3%	1.14	1.19
15 : Public administration & defence (O)	500	2.1%	0.37	0.45
16 : Education (P)	2,100	8.7%	0.90	0.83
17 : Health (Q)	1,900	7.8%	0.61	0.67
18 : Arts, entertainment, recreation & other services (R)	1,400	5.7%	1.23	1.38
Total employees	24,100	100%		

Source: BRES – ONS; (Note: Agriculture employees sourced from Defra Farm Survey 2010. All employment rounded to nearest 100 (as required by BRES publication rules).

The below analysis shows there were 3,940 business units in East Cambridgeshire in 2011. The sectors with most units include construction, (605, or 15.4% of units), professional, scientific & technical services, (525 or 13.4% of units) and agriculture (465 or 11.8% of units)

Table 5: Business Units in East Cambridgeshire 2011

¹ (A LQ compares an area's share of employees in an industry sector with the share of employees in a larger area. An LQ of above one accounts for a higher share of employment than in comparator area and below one a lower share than comparator area)

Industry sector	Business units	% of all
1 : Agriculture, forestry & fishing (A)	465	11.8%
2 & 3 : Production (B,C, D and E)	245	6.2%
4 : Construction (F)	605	15.4%
5 : Motor trades (Part G)	150	3.8%
6 : Wholesale (Part G)	185	4.7%
7 : Retail (Part G)	310	7.9%
8 : Transport & storage (inc postal) (H)	170	4.3%
9 : Accommodation & food services (I)	155	3.9%
10 : Information & communication (J)	215	5.5%
11 : Financial & insurance (K)	55	1.4%
12 : Property (L)	115	2.9%
13 : Professional, scientific & technical (M)	525	13.3%
14 : Business administration & support services (N)	250	6.3%
15 : Public administration & defence (O)	30	0.8%
16 : Education (P)	85	2.2%
17 : Health (Q)	125	3.2%
18 : Arts, entertainment, recreation & other services (R,S,T and U)	255	6.5%
Column Total	3,940	100.0%

Source: ONS Business Demography (Note: Data covers VAT-Registered and PAYE enterprises. Other self-employed businesses are excluded)

Secondly, it is important to be well represented in high value added industries. High value added industries are those that typically require relatively smaller inputs for larger outputs. Advanced business services are a typical example of a high value added industry. The value of the input (typically labour) is relatively small, however, the value of the output (for example, stock market transaction) produced generates significantly higher levels of value added, relative to more labour and capital-intensive sectors.

The number of high tech manufacturing and engineering businesses in the district can be seen through a more detailed analysis of BRES manufacturing employment in East Cambridgeshire. The BRES data show that there are a number of specialist sectors providing over 200 jobs including rubber & plastic products, paper products, metal goods, computer hardware, electrical & electronics machinery and other machinery.

In addition Cambridgeshire County Council has produced a database of 'hi-tech community' employers. The updated 2010 estimate show a small increase of jobs from 1,720 in 2007/08 to 1,750 in 2009/10 across the district. Overall the hi-tech community accounted for 6.2% of all jobs in 2009/10, with the hi-tech share of all manufacturing jobs significantly higher at 21.7% and lower for services, 4.6% of all.

Table 6: Hi-tech 'community' in East Cambridgeshire, 2007/08 and 2009/10, employment and business units

Hi-tech sector	Employment		No. businesses	
	2007/08	2009/10	2007/08	2009/10
Chemicals	93	91	6	4
Specialist mechanical engineering	258	258	7	7
Computers & office machinery	20	24	3	3
Electronics engineering	250	207	10	7
Aero engineering	0	0	0	0
Instrument engineering	219	297	11	11
Electronic publishing	20	20	1	1
All other manufacturing	18	16	2	2
Specialist wholesaling	131	52	10	10
Specialist retailing	55	62	4	3
Telecommunications	17	20	3	3
Technical services & consultancy	306	430	13	13
Computer services	173	144	29	23
Education & training	8	8	4	4
Research & Development	133	101	13	10
Other services	21	19	7	6
Total	1,722	1,749	123	107
Manufacturing	878	913	40	35
Services	844	836	83	72

Source: Cambridgeshire County Council Research Group (Note: Industry sector based on SIC 2003)

Although the proportion of businesses within knowledge sectors has increased by 3.7% between 1998-2008 the percentage of knowledge driven employees within East Cambridgeshire has fallen by 0.46% between 1998-2005.

This fall in knowledge driven employment can be seen within the creative industries sector that has seen a decrease of -1.5% in employee numbers between 1998-2005. However, the tourism sector has seen a 24% increase in employee numbers in the period between 1998 – 2008.

Thirdly, it is important to be well represented across all sizes and ages of businesses providing a spread of growth and employment opportunities for the district. High growth firms are particularly important in driving employment growth within an area.

The OECD define a high-growth firm as any firm with a minimum of ten employees at the beginning of a three-year period that achieves an average annualized employment growth greater than 20 per cent over that period. High growth companies represent only 6% of all UK firms employing ten or more people but account for more than half the growth in jobs. Within East Cambridgeshire examples of high growth firms can be seen with Turners of Soham, DS Smith and Michell Instruments.

East Cambridgeshire has a significantly higher proportion of 'micro' enterprises (87.2%: 0-9 employees) than the national average.

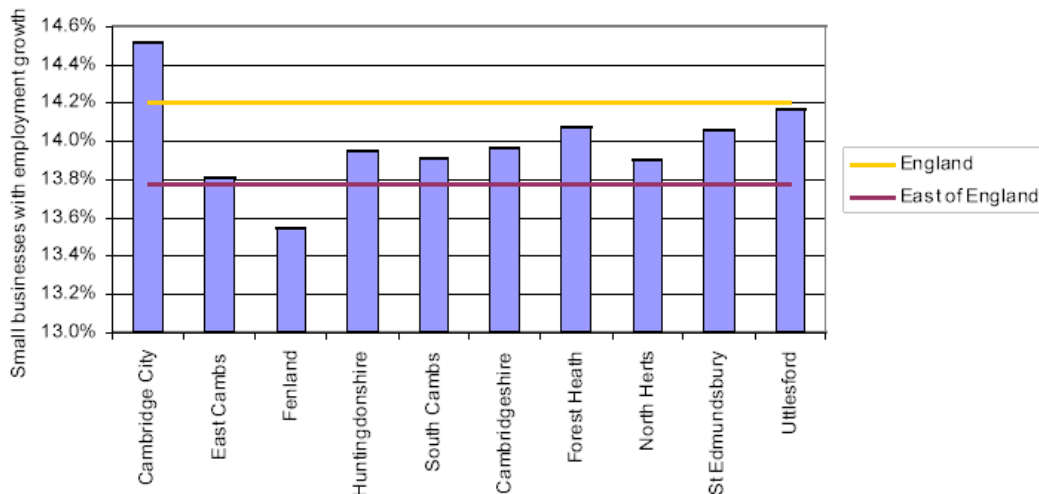
Table 7: Businesses in Greater Cambridge by district in 2011 at local unit (site) level

Area	Local Units	Employment Size			
		% 0 - 9	% 10 - 49	% 50 - 249	% 250 +
Cambridge City	5,660	76.9%	16.9%	5.6%	0.6%
East Cambridgeshire	3,940	87.2%	11.0%	1.6%	0.1%
Fenland	3,625	84.6%	12.4%	2.5%	0.6%
Huntingdonshire	7,660	85.0%	12.2%	2.5%	0.3%
South Cambridgeshire	7,510	85.5%	11.5%	2.5%	0.5%
Cambridgeshire	28,395	83.8%	12.8%	3.0%	0.4%
Forest Heath	2,585	82.0%	14.5%	3.1%	0.4%
North Hertfordshire	6,410	86.1%	11.7%	2.0%	0.2%
St Edmundsbury	4,940	81.4%	14.9%	3.1%	0.6%
Uttlesford	5,015	87.5%	10.1%	2.2%	0.2%
Greater Cambridge	47,345	84.1%	12.7%	2.8%	0.4%
Greater Cambridge					
Greater Peterborough	61,505	83.5%	13.2%	2.9%	0.4%
East of England	249,990	84.1%	12.8%	2.8%	0.4%
England	2,161,190	83.0%	13.5%	3.0%	0.5%

Source: ONS – UK Business: Activity, Size and Location

However, the proportion of enterprises with less than 50 employees showing employment growth was just under 11% in 2011, very similar to regional figures but below the national averages and behind the majority of the Greater Cambridge

Figure 5: Percentage of small businesses in Greater Cambridge showing employment growth in 2008 by district



Source: BIS - Data for National Indicator 172 (discontinued)

1b. Strategic Accessibility and Business Infrastructure

Strategic accessibility and business infrastructure refers to the location of the area, and the quality of the transport infrastructure, commercial premises and communications serving it. East Cambridgeshire is relatively well placed in terms of

strategic accessibility, although transport connections within the sub-region need improvement, particularly links to the major sub-regional centres. The district benefits from good rail links to London and the HavenPorts play a vital role in access to global markets. The strength of the distribution sector within East Cambridgeshire is a sign of the relative strength of the district in terms of strategic accessibility.

It is a basic requirement that businesses have access to suitable land and business premises. These locations are made viable by having good access to an efficient transport network. Good transport infrastructure has the potential to reduce transport costs, improve access to raw materials and improve access to skilled labour. Insufficient or inadequate transport infrastructure capacity can act as a brake on development.

Commercial Stock

East Cambridgeshire has the lowest total number of commercial properties across the county accounting for just 10% of Cambridgeshire's commercial stock. This figure falls to just 7.6% of Cambridgeshire's office units.

Table 8: Commercial and industrial properties in Greater Cambridge by property type and district in 2008.

Area	All Bulk Classes	Retail Premises	Offices	Factories	Warehouses	Other Bulk Premises
Cambridge City	3,269	1,277	1,294	305	285	108
East Cambridgeshire	1,568	433	325	378	321	111
Fenland	2,272	849	369	496	448	110
Huntingdonshire	3,758	980	882	943	747	206
South Cambridgeshire	3,397	479	1,396	681	613	228
Cambridgeshire	14,264	4,018	4,266	2,803	2,414	763
Forest Heath	1,583	535	359	350	270	69
North Hertfordshire	3,404	1,074	884	746	550	150
St Edmundsbury	2,844	826	630	641	620	127
Uttlesford	2,229	477	775	452	394	131
Greater Cambridge	24,324	6,930	6,914	4,992	4,248	1,240
East of England	136,889	47,007	32,623	27,547	23,077	6,635
England	1,346,547	516,809	334,713	245,263	194,572	55,190

Source: CLG – Commercial and Industrial Floorspace and Rateable Value Statistics

In terms of total business floorspace in 2008, East Cambridgeshire had one of the highest proportions of warehouse and factory space of all Cambridgeshire districts with nearly 80% of all business floorspace allocated for these uses. This can be seen in the industrial structure of the district translating to strengths in warehousing, transport, distribution and manufacturing. Supply of office space is low, however, with just 325 office premises accounting for only 7.6% of the total office stock in Cambridgeshire as a whole.

Although 97 ha of employment land is currently available in East Cambridgeshire and the district has seen net gains in business floorspace of around 70,000 sqm between 1999-2011 this has not been matched across the district. Since 1999 there has been an overall loss of business floorspace within Soham and Burwell and larger employment sites within Littleport have struggled to attract interest.

An area of relative weakness for the district is the availability of good quality sites and premises. Barker, Storey Matthews in their 2011 update of the Employment Land Study comment that ‘the fact that there has been unsatisfied demand suggests that existing available premises are undesirable.’ The low quality/quantity of the existing stock of business premises, has undoubtedly restricted economic growth across the district and the locations/sizes/investment costs to bring forward some of the employment land sites has resulted in an oversupply of land.

1c. Labour Supply

It is important that the local labour supply can match the needs of businesses in the area, as different industries demand different levels of skills in order to operate effectively and efficiently.

Labour supply is itself a function of a number of variables, namely:

- demographic profile and health;
- infrastructure/accessibility;
- earnings;
- human capital (skills).

The demographic profile of the district will influence labour supply to a large extent. Demographic trends, in particular in terms of the ageing of the population, are likely to have a significant effect on labour supply within East Cambridgeshire.

Table 9: Population Change forecasts for East Cambridgeshire 2010-2031

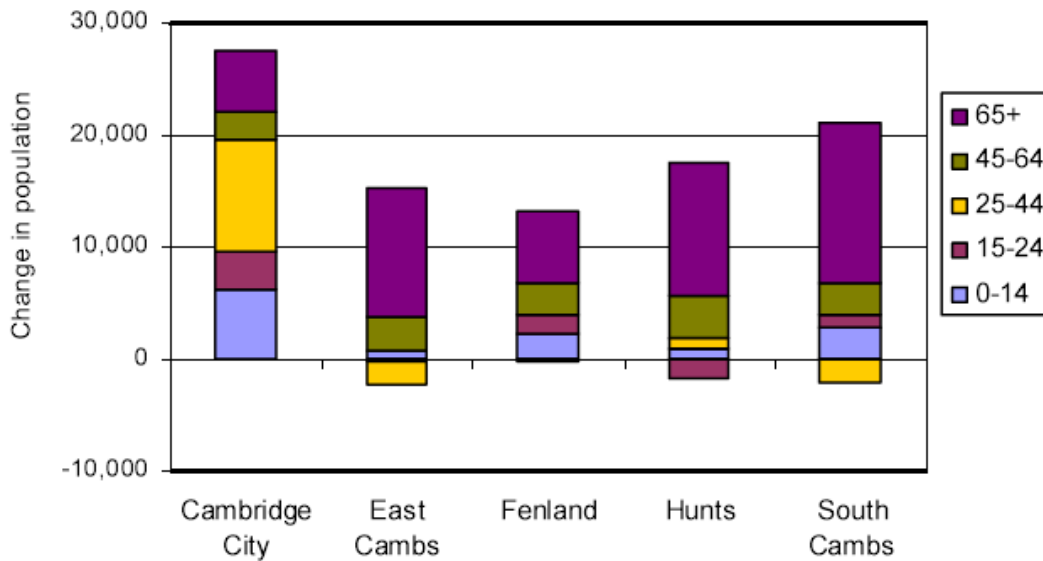
Model	2010	2011	2021	2031	Difference 2011/31
ONS 2010	86	88	104	115	27
CCCRG Nov 2011	80.9	81.4	88	101.8	20.4
ECDC approved housing trajectory model	80.9	81.4	90.9	94.1	12.7

ONS 2010 - based sub-national population projections March 2012; Cambridgeshire County Council Research Group housing policy - constrained population projections November 2011.

Population forecasts to 2021 anticipate a similar rate of population growth to that seen across the region as a whole, with much of this growth anticipated to be in the population aged 45 or over. East Cambridgeshire is likely to gradually age in population profile with the increase in over 45's set against a likely reduction in 25-44 year olds.

Recent population projections by Cambridgeshire County Council based on the Council's approved housing trajectory suggest that the population of East Cambridgeshire will increase to 94,100 by 2031.

Figure 6: Population change by age 2010-2021, Cambridgeshire districts



Source: CCC Research Group 2010-based forecasts

As the population becomes proportionately older, so there is likely to be a contraction in the labour supply although this may be countered by the fact that people spend more of their lives working, for reasons associated with inadequate pensions, increase in the State Pension age and as a response to a shortage of young people in the workforce.

Table 10: Accessibility of employment

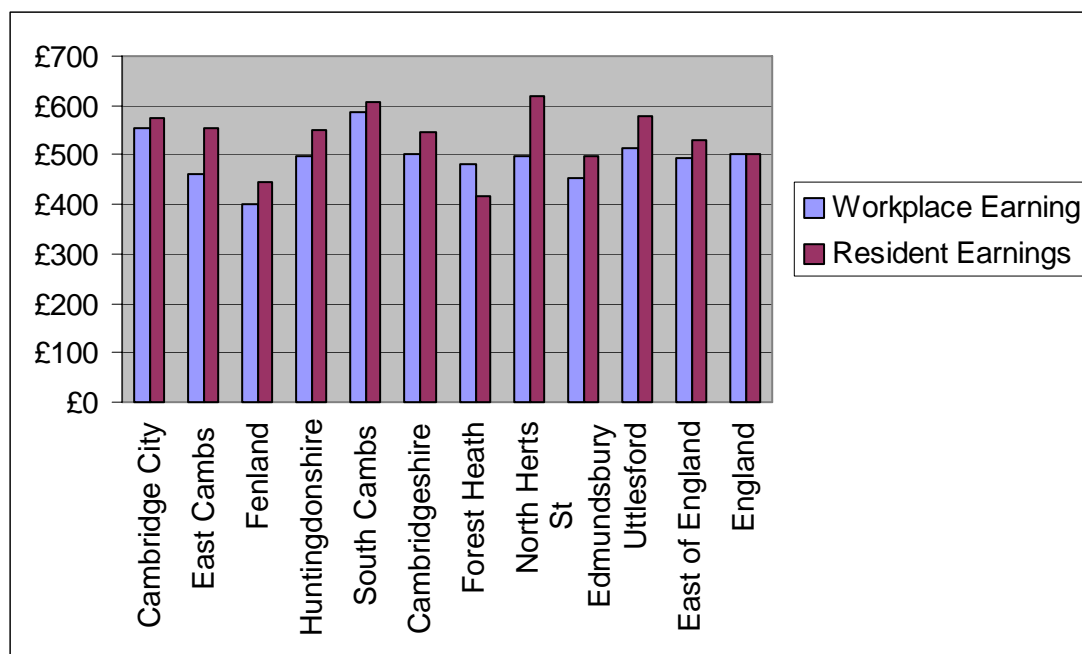
Area	% of working aged people who have access to job by alternative travel mode	% of Jobseekers who have access to jobs by alternative travel mode	Number of jobs accessible by:		
			Public transport or walking	Cycle	Car
Cambridge City	86%	85%	> 5000	> 5000	> 5000
South Cambridgeshire	78%	79%	> 5000	>1000	> 5000
East Cambridgeshire	72%	73%	> 5000	>1000	> 5000
Huntingdonshire	78%	80%	> 5000	>1000	> 5000
Fenland	76%	76%	> 5000	>1000	> 5000
Cambridgeshire	79%	79%			
Forest Heath	80%	82%	> 5000	>1000	> 5000
St. Edmundsbury	79%	81%	> 5000	>1000	> 5000
North Hertfordshire	80%	81%	> 5000	>1000	> 5000
Uttlesford	78%	80%	> 5000	>1000	> 5000
Great Cambridge	79%	80%			

Source: Dft core accessibility data, 2008

Like many other rural counties, accessibility of jobs by public transport, cycling or walking is relatively low across Cambridgeshire but lowest within East Cambridgeshire. This may also reflect the high levels of net out-commuting estimated to be around 14,300.

Median weekly workplace earnings (£462.8 per week) are below the regional and national averages, however the rate of increase in the last five years was the highest in the county. Taking an average from 2009 to 2011 results in median workplace and resident employee earnings of £452.0 and £530.5 respectively.

Figure 7: Median full-time gross weekly workplace and resident employee earnings in Greater Cambridge by district in 2011.



Source: ONS – Annual Survey of Hours and Earnings (Workplace and Resident Analysis)

East Cambridgeshire has one of the highest levels of out-commuting in the Eastern region (50% of the workplace population, which was 4th highest in the 2001 Census). Studies of those out-commuting by train suggest that it is the most highly skilled sector of the workforce which is leaving the District for work, attracted by the higher wages which can be obtained elsewhere and the lower cost of housing available within the District compared to Cambridge City and South Cambridgeshire. This impacts on the labour supply for local East Cambridgeshire high value businesses and may be acting as a barrier to local growth.

Table 11: Workers in high value and knowledge intensive occupations, and workers in public sector and service sector industries, in Greater Cambridge by district in Jul 2010 – Jun 2011²

² Note: 'High value' occupations defined as: managers and senior officials, professions; associate professional & technical, skilled trades; Knowledge intensive – science and technology professionals, health professionals, teaching and research professionals, and science and technology associate professionals; Public Sector – public administration, education and health; Total Services – all service sectors including public sector

Area	Workplace Population	High Value	Knowledge Intensive	Public Sector	Total Services
Cambridge City	118,900	67.1%	25.9%	40.5%	85.7%
East Cambridgeshire	32,300	64.0%	15.6%	27.0%	68.6%
Fenland	30,900	50.1%	10.6%	25.1%	67.0%
Huntingdonshire	78,800	57.9%	13.9%	36.1%	73.6%
South Cambridgeshire	60,800	57.1%	17.3%	25.4%	76.7%
Cambridgeshire	321,800	61.1%	18.8%	33.7%	77.5%
Forest Heath	28,700	58.7%	7.0%	22.6%	76.7%
North Hertfordshire	58,800	51.3%	9.4%	20.6%	72.9%
St Edmundsbury	62,100	59.3%	18.0%	32.2%	75.3%
Uttlesford	34,600	49.6%	12.2%	21.1%	81.1%
Greater Cambridge	505,900	58.7%	16.5%	30.5%	76.9%
Greater Cambridge					
Greater Peterborough	668,200	56.7%	15.2%	30.3%	76.5%
East of England	2,563,200	54.7%	13.2%	29.4%	77.1%
England	24,176,400	55.3%	12.3%	29.9%	79.3%

Source: ONS Annual Population Survey (Workplace Analysis)

House prices will also impact on labour supply. House price levels in East Cambridgeshire are now on average the third most expensive in Cambridgeshire with lower quartile house prices around 5-8 times the lower quartile salary.

Table 12: Average House Prices in Cambridgeshire Jan – Mar 2012

Area	Av Price	Quarter	Annual	Sales
Cambridge	£298,815	-6.1%	2.5%	281
South Cambs	£256,846	-9.0%	-7.8%	458
East Cambs	£199,758	-5.4%	-3.5%	289
Hunts	£194,711	- 3.6%	-4.1%	551
Fenland	£140,049	-2.9%	1.7%	299

Sources: Land Registry of England and Wales

Housing is least affordable in Dullingham Villages and Swaffhams wards and most affordable in Soham North and Littleport East. However, these wards are still significantly above the 3.5 times median annual disposable income to house price ratio that forms the basis of the definition of 'affordable' housing.

Table 13: Summary – East Cambridgeshire Industrial Structure Driver

Strengths	Weaknesses
Diverse and balanced economy	Low number of high added value industries
Resilient to recessions and economic 'shocks'	Low number of businesses exhibiting employment growth
Above average business density	Dependence on manufacturing, processing and construction (Mainly low value)
High proportion of warehouse and factory space	
Available land for business development	Low levels of high tech employment

<p>Good road, rail links to London, the ports and national network</p> <p>High quality life/environment</p> <p>High outcommuting masks potential good labour supply</p> <p>Outcommuters have high skills levels which could boost labour supply for high added value sector</p> <p>Strong presence of hi-tech manufacturing</p>	<p>Congestion and bottlenecks on local roads</p> <p>Poor accessibility by public transport in rural areas</p> <p>Limited commercial building stock</p> <p>Low quality of available commercial building stock</p> <p>High proportion of warehousing (a low jobs generator)</p> <p>Aging population may impact on labour supply</p> <p>Lack of affordable housing may limit labour supply</p>
Opportunities	Threats
<p>Rail freight developments</p> <p>Opportunities to attract 'high value' businesses</p> <p>Key opportunity sites to bring forward new commercial development</p>	<p>Alconbury Enterprise Zone</p> <p>Neighbouring authorities local plan reviews</p> <p>New developments increasing competition Northstowe etc</p>

2) Productivity

Over the long term, productivity improvements are the main driver of economic growth. Factors that drive productivity change include changes in human capital; innovation and enterprise; investment in technology and competition.

2a. Innovation and Enterprise (Entrepreneurial Activity)

Evidence suggests that the highly skilled are more likely to innovate and to be involved in entrepreneurial activity. Innovative and entrepreneurial activity can lead to reductions in costs and increases in output leading to productivity improvements.

Innovation and enterprise is difficult to quantify. Two measures that are used are the rates of business formation and the level of self-employment. East Cambridgeshire as a whole has below average performance in both these measures. A key means of achieving growth would be to develop the support, information and infrastructure to help create an environment where business innovation and enterprise can develop.

Table 14: Enterprise births and deaths in Greater Cambridge by district in 2010

Area	Births of New Enterprises	Deaths of Enterprises	Active Enterprises	Per 100 active enterprises	
				Births	Deaths
Cambridge City	450	495	4,540	9.9%	10.9%
East Cambridgeshire	310	370	3,595	8.6%	10.3%
Fenland	280	370	3,130	8.9%	11.8%
Huntingdonshire	650	745	7,075	9.2%	10.5%
South Cambridgeshire	640	730	7,255	8.8%	10.1%
Cambridgeshire	2,330	2,710	25,595	9.1%	10.6%
Forest Heath	180	245	2,215	8.1%	11.1%
North Hertfordshire	595	675	6,240	9.5%	10.8%
St Edmundsbury	330	460	4,225	7.8%	10.9%
Uttlesford	425	530	4,835	8.8%	11.0%
Greater Cambridge	3,860	4,620	43,110	9.0%	10.7%
Greater Cambridge Greater Peterborough	4,935	6,085	55,250	8.9%	11.0%
East of England	22,580	27,915	233,090	9.7%	12.0%
England	207,520	261,880	2,001,885	10.4%	13.1%

Source: ONS – Business Demography

East Cambridgeshire ranks below the regional and national average in both business births and deaths. Survival rates of business births however, are above average. Of those business units formed in 2005 (see table 15 below) the survival rates outperformed the regional and national comparators in each of the first five years.

Table 15: Births in Units in 2005 and their 5-year Survival Rates

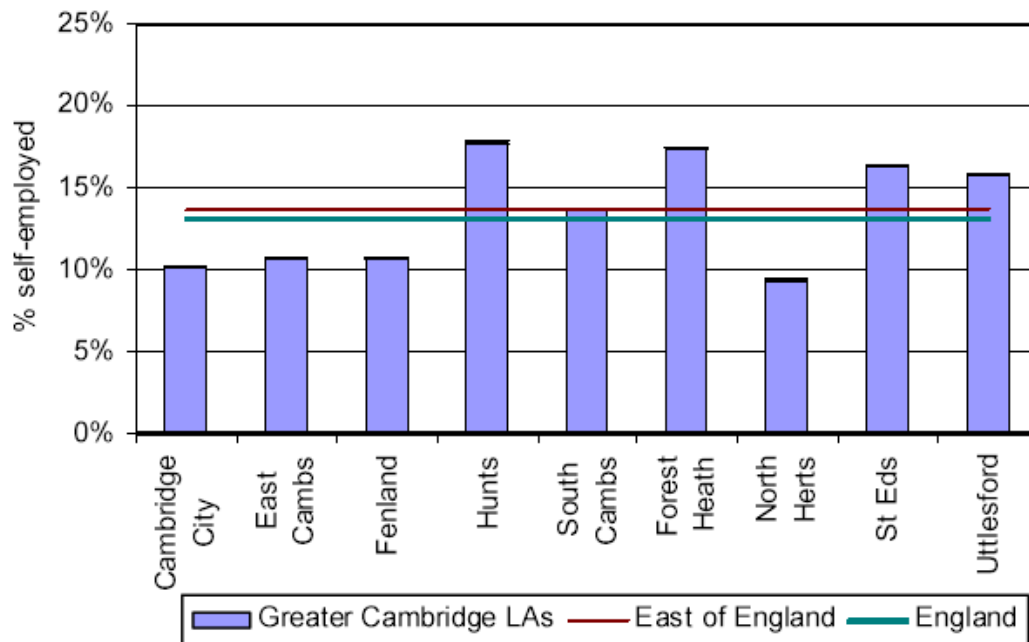
	Births	1 Year per cent	2 Year per cent	3 Year per cent	4 Year per cent	5 Year per cent
Cambridge	555	97.5	84.1	68.1	56.0	44.9
East Cambridgeshire	350	97.4	80.7	69.6	61.1	50.9
Fenland	380	96.3	82.3	68.1	59.6	51.7
Huntingdonshire	790	96.8	84.5	72.8	63.5	53.7
South Cambridgeshire	725	97.7	83.2	68.1	60.0	50.5
East	26,195	95.6	80.5	66.0	55.4	46.1
England	241,410	95.9	79.9	64.6	53.7	44.1

Source: ONS - Business Demography 2010

East Cambridgeshire has a lower level of self employment than the regional and national comparator with self employment at 10.1% of employed residents aged 16+, When taken as a three year average 2008/09 to 2010/11 the district level of self employment is 10.7% compared to 13.7% for the GCGP LEP area (Source: APS from Nomis)

Figure 8: Proportion of employed residents who are self-employed April 2010 –

March 2011



Source: ONS Annual Population Survey

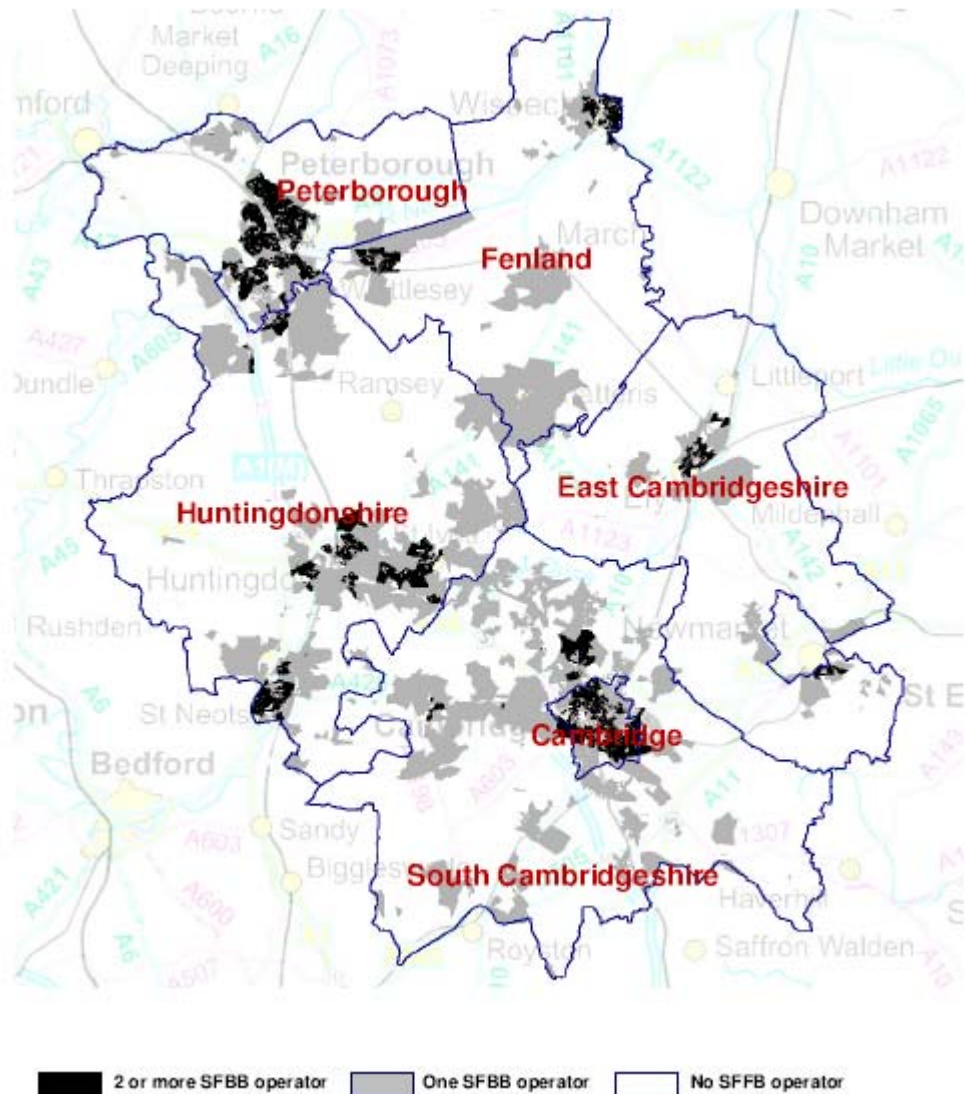
If all 4,600 of the districts self employed residents (the average between 2008/09 to 2010/11) work in East Cambridgeshire they would constitute just over 16% of the district's workplace population (estimated to be 28,400 for this period).

2b. Investment in Technology

Long-term growth can be driven by investments in new technology. These investments help the labour force become more productive and therefore help the economy to attain a higher level of aggregate output.

The promotion of superfast broadband and ICT in businesses is a key driver to productivity growth, particularly with the structural shifts in the economy towards higher value added sector activities. If provision is left to solely commercial market forces, it is anticipated that over 50% of East Cambridgeshire wards are at risk of not receiving next generation broadband access. Restricted next generation broadband access across much of the district is likely to affect future business productivity, the ability of residents to work from home, start new businesses and impede the attractiveness of the area as a location for inward investment.

Figure 9: Next Generation Access Black, Grey, White (BGW) map (2012)



Source: Analysys Mason, Operators, BDUK, 2012

Ofcom have highlighted deficiencies with the 3G mobile telecommunication coverage in Cambridgeshire as part of their report on the UK's Communication Infrastructure published in November 2011. Their analysis showed only a 27% geographical 3G coverage and a 50% 3G coverage of premises.

Equality of access is vital to ensure that all businesses across East Cambridgeshire can benefit from the latest technology and business applications. This is particularly true in the rural parts of the district where access to 3G mobile coverage, superfast broadband and the application of ICT can make a crucial difference. East Cambridgeshire District Council is currently working with Cambridgeshire County Council and neighbouring districts to ensure 90% coverage of superfast broadband across the county.

The Cambridge growth engine and world-class universities contribute to the county in different ways including new technologies, knowledge transfer/high-skilled labour,

supporting innovation and entrepreneurship. By 2005, 51 companies had spun-out directly from the University of Cambridge and 250 companies had been created based on knowledge transfer from the University of Cambridge. In 2005 those companies employed 3,990 people and generated revenues of £574m. East Cambridgeshire's close proximity to both the university of Cambridge and Anglia Ruskin University is a significant locational advantage that could be exploited in order to drive future jobs growth across the district.

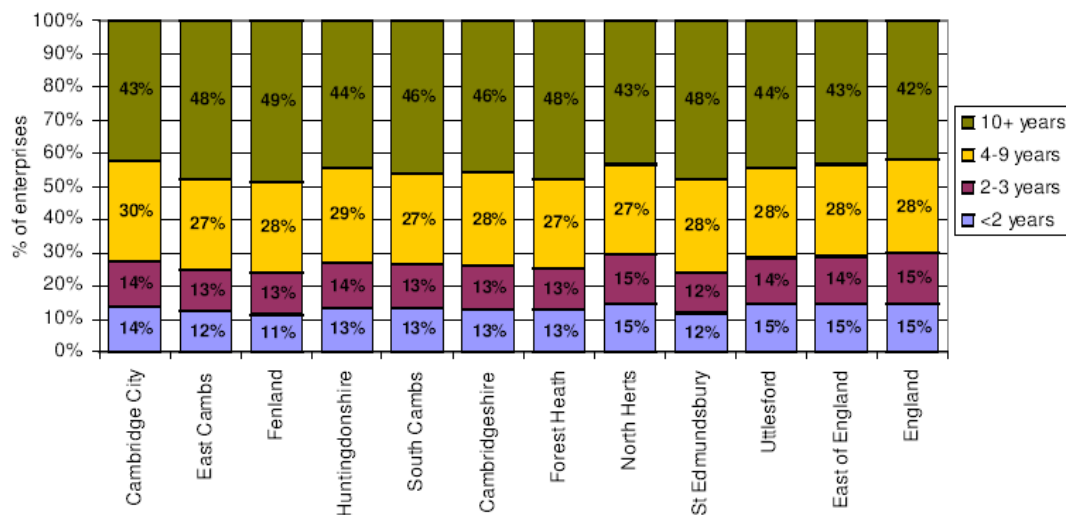
2c. Competition

Competition is a key element for achieving productivity increases. In markets where competition is weak, there are relatively few opportunities to compare performance and therefore firm survival is not immediately threatened by inefficient performance. Thus, slack and the sub-optimal use of factor inputs can persist. As competitive pressures increase, performance comparisons become easier and the risk of losing market share encourages the elimination of inefficient practices.

Despite some strengths in high value manufacturing, productivity amongst East Cambridgeshire employees and the self-employed is amongst the lowest of all Greater Cambridge districts and lower than the East of England and UK average at £31,400 compared to the average of £35,900 and £36,500 for the East of England and the UK respectively.

In East Cambridgeshire the high proportion of long established businesses (48% have been in operation over 10 years) combined with a business birth rate lower than the national average could indicate low 'business churn'. This could suggest a lack of competition, restricted innovation and an absence of drive toward future growth within East Cambridgeshire, although it is also indicative of a stable business base.

Figure 10: Enterprises in Greater Cambridge in 2010 by district and age of business



Source: ONS – Inter Departmental Business Register

Table 16: Productivity Driver Summary for East Cambridgeshire

Strengths	Weaknesses
<p>High levels of business survival rates</p> <p>Stable business base</p> <p>Access to Cambridge University and Anglia Ruskin University.</p>	<p>Below average performance in innovation and entrepreneurial activity</p> <p>Below average levels of business formation</p> <p>Slightly below average self employment levels</p> <p>Potentially restricted next generation broadband access unless public sector intervention occurs</p> <p>Low business churn suggests lack of dynamism in local economy</p>
Opportunities	Threats
<p>Connecting Cambridgeshire Next Generation Access Broadband Project</p> <p>Links with HE/FE colleges</p>	<p>Digital divide</p> <p>Closure of regional business link service</p>

LEP development of early stage business support measures	
Consideration of a new start up business space	

3) Economic Activity

The third main driver of economic growth is employment levels or economic activity. Participation in the labour market is a key indicator of this, together with skills levels and quality of life.

3a Economic Activity Levels

Economic activity levels (People aged 16 and over who are either in employment or unemployed) in East Cambridgeshire are above regional and national benchmarks, with economic activity levels of 85.8%, well above the regional (78.8% and national averages (76.1%). If averaged over three years taking figures from Oct 08 - Sept 09 to Oct 10 - Sept 11 then East Cambridgeshire's economic activity levels are 86.8%.

Table 17: Modelled ILO unemployment and rates, East Cambridgeshire 2004/05 to 2010/11

Date	Unemployment count (model		Unemployment rate (model	
	unemployment count (model based)	confidence interval (+ -)	unemployment rate % (model based)	confidence interval (+ - %)
Oct 2004-Sep 2005	1,300	300	3.0	0.7
Oct 2005-Sep 2006	1,400	500	3.4	1.3
Oct 2006-Sep 2007	1,400	300	3.5	1.0
Oct 2007-Sep 2008	1,400	400	2.9	1.0
Oct 2008-Sep 2009	2,100	500	4.7	1.3
Oct 2009-Sep 2010	2,200	500	4.9	1.3
Oct 2010-Sep 2011	2,200	500	5.0	1.4

Source: ONS on Nomis (Note: Derived from both JSA claimant count and APS data. Unemployment rate relates to economically active residents)

Table 17 indicates that ILO unemployment (covering people who are out of work and actively seeking employment regardless of whether they are entitled to claim Job Seekers Allowance) in the district significantly increased between 2007/08 and 2008/09, but has remained constant thereafter. The ILO trends suggest that employment in East Cambridgeshire may well have fallen between 2007/08 and 2008/09 as the recession took hold.

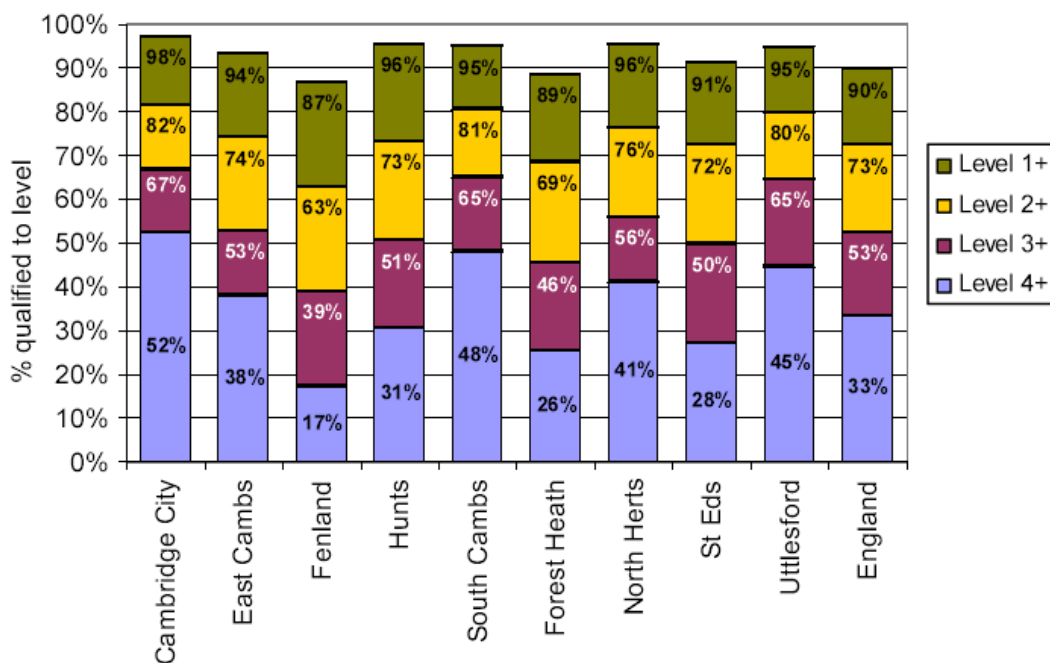
JSA claimant rates for April 2012 show that East Cambridgeshire has claimant levels below the regional and national averages with 2.2% compared to 3.2% in the East and 4.0% in GB. However, significant disparities in JSA claimant rates exist between

the north and south of the district. Littleport East (2.9%) and Littleport West (4.3%) wards show higher levels of claimants than the southern wards Bottisham (1.2%), Burwell (2.0%) and Cheveley (1.5%)

3b Workforce Skills Levels

Workforce skills will impact on economic activity. East Cambridgeshire has a highly skilled workforce in comparison to both the regional and national averages. However the distribution of skills suggests that areas of lower skills still exist to the north of the district, which need to be addressed to ensure that the workforce is capable of meeting current and future needs. As noted earlier a high proportion of the more highly skilled workforce also commute out of the district, which limits the availability of skilled workers for the added value industry sectors.

Figure 11: Qualifications of people aged 19-59/64 population qualified to different NVQ levels in 2010



Source: DUIS derived from ONS Annual Population Survey

If the figures for NVQ skill levels are averaged over a three-year period taking data from Jan 08 - Dec 08 to Jan 10 - Dec 10 then this results in NVQ 1+ (81.5%), NVQ 2+ (67.2%), NVQ 3+ (53.3%) and NVQ 4+ (34.7%).

Skilled trades constitute 14% of employed residents and 17.5% of the workplace population of East Cambs (2008/09 to 2010/11 averages). In comparison the Annual Population Survey analysis for GCGP LEP shows that a much lower level of 11% of the workplace population was employed in skilled trades.

Greater attainment of intermediate and advanced skills will be an increasing requirement and the links to the higher education institutions need to be enhanced so that the local labour force can respond to these business needs.

3c. Economic Wellbeing

Business density (ie. ratio of VAT registered and PAYE firms to the total resident population) within East Cambridgeshire is above the national average, suggesting that levels of economic well being/quality of life are relatively high, as higher business density boosts personal and household income levels as well as tax revenue.

East Cambridgeshire has an excellent quality of life with top rated schools and a range of affordable and attractive housing options. The district was ranked first in the annual Halifax Rural Quality of Life Survey in 2012. The Halifax place survey tracks where living standards are highest in Great Britain by ranking local performance across key 'quality of life' indicators covering the labour market, the housing market, the environment, education and health.

The health of people in East Cambridgeshire is generally good. In comparison with the England average, life expectancy is significantly better in East Cambridgeshire (ECDC: 81.0 years, England: 78.3 years). The area is reasonably affluent, with low levels of deprivation and child poverty. Over the past ten years, rates of death from all causes and rates of early death from cancer and from heart disease and stroke have all improved and are significantly better than the England average. More information is available from "East Cambridgeshire Health Profile 2010" by Association of Public Health Observatories (APHO) at: <http://www.apho.org.uk>

Table 18: Summary - East Cambridgeshire Economic Activity Driver

Strengths	Weaknesses
Low unemployment	Unemployment higher in north of District
High economic activity levels	Limited 2 & 3 intermediate skills base, particularly in north of district
Highly skilled workforce, although some pockets of lower skills in the North of the District	Out-commuting of the more highly skilled workers
High proportion of working age population with NVQ4+ qualifications	Number of small businesses showing employment growth
Significant levels of employment in skilled trades	
High quality of life	
High business density	
Low ILO unemployment	
Opportunities	Threats
Targeting of high growth businesses looking to move on from within Cambridge	Increased competition for higher skilled labour due to housing growth elsewhere
	Lack of HE/FE facilities in the district

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Consultation with Local Business

A series of consultations were held with local businesses during Autumn 2011/Spring 2012 to gather feedback and their perceptions about the local economy, key barriers/incentives to growth, whether East Cambridgeshire is considered a good location for business and what policies they would like to see the District Council adopt in its Local Plan.

Both face-to-face interviews and a questionnaire survey were conducted with 114 small/medium sized businesses across the District including a small representation from the District Council's business centres; e-space north and south. A breakfast event and discussion was organised with larger employers in the District at the end of April. A focus group was held with 10 of the leading commercial agents from across Cambridgeshire and telephone interviews made to 11 local developers and business park owners.

In addition a series of small focus groups were held internally at the District Council with staff who have an outward facing role engaging with businesses across planning, building control, and environmental health regulation areas.

The key messages from this consultation work are summarised in the table 20 below:

Table 19 Feedback from consultation with local businesses 2011/12

Issue	Consultation Feedback
Business Growth	<p>A range of reasons for starting up in business with no common theme</p> <p>Of those companies expecting to grow, a majority would be looking to expand their existing premises rather than move to a new location (which may well reflect business confidence levels in the current recession)</p> <p>SME's reported demand for primarily start up and small size units up to 1,000 sq ft</p> <p>Commercial agents noted a demand for 10,000 – 15,000 sq ft high quality offices/manufacturing hybrid units</p> <p>86% of SME responses supported further business growth in the District</p>
Locational Issues	<p>East Cambridgeshire was frequently referred to as a convenient location</p> <p>The transport infrastructure, with A14 and rail routes were felt to be an advantage.</p>
Barriers to growth	<p>High building and land costs</p> <p>Empty property business rates and capital gains tax</p> <p>Poor local road and public transport</p> <p>Lack of broadband infrastructure</p> <p>Commercial decision making process may be at odds with</p>

	<p>planning process</p> <p>Low levels of speculative development in the district – a reflection of high development costs and business uncertainty in current economic climate</p>
Business Support	<p>High use of ECDC's marketing website by commercial agents</p> <p>Start up businesses particularly welcome business support in areas such as legal, insurance and marketing.</p> <p>Some developers identified a need for a dedicated planning officer for large business sites, with an in depth understanding of business issues</p> <p>Both developers and commercial agents commented on the need for speedier planning decisions on planning applications.</p>
ECDC policy initiatives	<p>High level of support for small, flexible employment sites on the edge of villages to provide greater choice and diversity in the commercial premises market</p> <p>High level of support for resolving the issues at the Ely Crossing</p> <p>Would like to see the District Council adopting a positive welcoming approach to business, identifying what can be successfully achieved, rather than simply reacting through the planning application process which frequently tends to be on a negative basis.</p> <p>Issue of conflict between lorry traffic and residential areas need addressing e.g. through policies such as quiet deliveries, daytime restrictions.</p> <p>More child friendly shops</p>

Conclusion

The East Cambridgeshire Economy is underperforming in the following areas:

- Industrial Structure – Low availability of quality commercial building stock, particularly offices, infrastructure concerns in respect of congestion on key roads and broadband opportunities, ageing population and limited affordable housing which impacts on labour supply.
- Productivity – a lack of dynamism in the local economy with below average performance in innovation, entrepreneurial and business formation activity.
- Economic Activity – outcommuting of the more highly skilled workers

But has relative strengths in

- Industrial Structure – a relatively diverse and well balanced economy, although with a low number of high value added or growth companies
- Economic Activity – a high quality of life, highly skilled workforce, and high economic activity levels.

3 SETTING A JOBS GROWTH TARGET

This chapter examines the relationship between future housing and jobs growth in East Cambridgeshire and seeks to set jobs growth targets for the forthcoming and anticipated major development areas.

Current job levels in East Cambridgeshire

East Cambridgeshire currently has a total of 29,000³ jobs within the district (a three-year average of APS data gives a workplace population of 28,400.) The resident population aged 16 to 64 is 53,300⁴ people giving a jobs density ratio of 0.54. This means that for every person of working age within the district there is only just over half of a job available within the local economy. This figure is one of the lowest ratios in the Eastern region and reflects the current high levels of out-commuting to Cambridge in particular where the jobs market is much stronger.

An analysis of jobs density ratios across the Cambridgeshire area shows that the average figure is 0.75 with the highest performing local economies being Cambridge City (1.00) and South Cambs (0.87) and Huntingdonshire (0.78). Even Fenland has a higher overall jobs density ratio at (0.60) than East Cambs. As a result, we believe that the long-term target for East Cambs should be to reach the average jobs density figure by 2031.

Map 1a (see appendix) illustrates the current distribution of jobs across East Cambridgeshire on a Neighbourhood Panel area (these neighbourhood panels are groupings of parishes within the East Cambridgeshire District, which are increasingly being used by the District Council in examining trends in different parts of the area).

Of the 29,000 total jobs within the district 13,000 employee jobs are provided within the three main market towns of Ely, Soham and Littleport. This accounts for 45% of the total jobs figure. These towns overall have experienced the largest housing and population growth over the last 10 years and planning policy has recognised this by allocating significant areas of employment land in these areas in order to keep employment provision as close as possible to housing developments. The total number of employee jobs in the district is in line with the latest data from BRES 2010 of 23,400.

Table 20: Total Number of Jobs in East Cambridgeshire

Location	Total Jobs
Ely	8000
Soham	3500
Littleport	1500
Sub total	13000
Rest of District	10,500
Total Employee Jobs	23,500
Other Jobs (Self	5,500

³ ONS 2009

⁴ 62.7 % of the total population

employment jobs, Government- supported trainees, HM Forces)	
Total Jobs	29000

Source: Employees (From annual business inquiry 20010), Self-employment jobs (From the annual population survey), Government supported trainees (from Dfes and DWP) and HM Forces (From MoD)

36% of the total number of jobs in East Cambridgeshire however, are provided away from the three largest market towns reflecting the diverse nature of the district's economy and in particular the stronger commercial property market towards the south of the district due to the influence of the A14 corridor and access to the eastern region ports.

The final 19% of the jobs within the district is made up of self-employment, government-supported trainees and HM Forces. The majority of this comes from self-employment with around 5,000 people accounting for self-employment jobs.

Future Jobs Growth

There are a number of sources of information available to help predict future jobs growth for East Cambridgeshire with each source having some degree of uncertainty particularly given the current global economic outlook.

One source is to calculate future jobs growth through available economic forecasting models which are trend based but incorporate some assumptions on future economic prospects and growth within particular sectors.

Alternatively, another approach is to look at past jobs growth trends within the district over a period of time and to use this as a useful barometer as to what is likely to be achieved in the future. For the purposes of this report, we will look at the period 2000 and 2010 as the most recent comparable periods in order to determine what is likely to happen over the next 20 years.

Forecasting Model Projections

These include the East of England Forecasting Model (Oxford Economics-Spring 2012) and the Cambridge Econometrics SQW model (Spring 2012). The East of England Forecasting Model was produced by Oxford Economics and provides economic forecasts for local authorities in the region. It was originally commissioned by the East of England Development Agency to inform the Regional Spatial Strategy and has since been licensed to Cambridgeshire County Council. The Cambridge Econometrics model was first commissioned by Cambridge Horizons and districts in 2008 to inform strategic planning for the future growth of Cambridgeshire and has also recently been re-run including both low growth and high growth scenarios.

Table 21: An overview of both the East of England (EEFM) model and Cambridge Econometrics Model for jobs growth within East Cambridgeshire between the period 2011-2031

Model	Number of jobs	Jobs growth between	Number of jobs in	Jobs per year	Jobs Density
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	in 2011	2011-2031	2031		Ratio
Cambridge Econometrics/SQW Baseline	29,500	7,900	37,400	395	0.71
Cambridge Econometrics/SQW High Growth scenario	29,500	10,500	40,000	525	0.76
Cambridge Econometrics/SQW Low Growth Scenario	29,500	4900	34,400	245	0.66
EEFM Baseline	34,200	7,680	41,800	384	0.80

Source: SQW/EEFM Models May 2012

The above table shows that the SQW low growth and baseline forecasts would fall below our target figure of 0.75. Although the East of England forecasting model baseline figure results in the highest jobs density ratio, the starting figure for jobs in 2011 does not equate to current ONS/BRES data and therefore the jobs density ratio is inflated by the higher starting and finishing points rather than the jobs growth total overall.

Historical Jobs Growth trends

Table 22: Jobs and Jobs Density in East Cambridgeshire 2000 - 2009

Date	Total jobs	Jobs density
2000	24,000	0.52
2001	26,000	0.57
2002	31,000	0.64
2003	29,000	0.60
2004	26,000	0.52
2005	27,000	0.55
2006	33,000	0.65
2007	32,000	0.62
2008	30,000	0.57
2009	29,000	0.54
2010	29,000	0.54

Source ONS

Table 22 shows the total number of jobs in East Cambridgeshire between 2000 and 2010. It is clear from the table that there has been significant jobs growth within the District between this period from 24,000 in 2000 to 29,000 in 2010 a linear increase of 5,000 jobs over an 11-year period. (454 per year). Jobs peaked at 33,000 in 2006. An analysis of three-year rolling averages between 2002 and 2010 however, would suggest that most of the district's jobs were created in the period 2005 to 2007 with a marked slow down since the onset of the financial crisis and the worldwide recession. It is widely recognised that this level of growth has not been sufficient to match the increase in population locally, as illustrated by [Maps 2a and 2b](#) (see appendix). The

current jobs density ratio of 0.54 should therefore be improved to 0.75 on in order to create more sustainable growth in the future.

Table 23: Jobs Growth by ECDC Ward

2003 CAS ward	2003	2004	2005	2006	2007	2008	2009	2010	2003-2010
	number	number	number	number	number	number	number	number	
Bottisham	1,000	900	1,000	1,200	1,200	1,200	900	1,000	0
Burwell	1,100	900	1,000	1,200	1,200	1,200	1,000	1,100	0
Cheveley	600	500	600	600	600	600	500	600	0
Downham Villages	500	500	500	700	700	700	600	600	100
Dullingham Villages	400	400	500	600	600	600	500	900	500
Ely East	5,200	5,500	5,600	5,300	5,000	5,100	5,100	4,900	-300
Ely North	1,500	1,300	1,500	2,000	1,400	1,400	1,500	1,500	0
Ely South	700	600	700	800	800	800	800	800	100
Ely West	600	500	600	800	900	900	800	800	200
Fordham Villages	1,700	1,700	1,900	2,300	2,700	2,500	2,800	2,600	900
Haddenham	900	900	1,300	1,400	1,300	1,200	1,200	1,200	300
Isleham	400	400	400	500	500	500	400	500	100
Littleport East	800	800	800	800	800	700	700	700	-100
Littleport West	400	300	500	700	700	700	700	800	400
Soham North	1,300	1,400	1,000	1,900	2,000	1,600	1,800	2,000	700
Soham South	1,500	1,400	1,500	1,800	1,700	1,700	1,600	1,500	0
Stretham	600	500	600	800	700	700	700	700	100
Sutton	700	600	700	700	700	700	800	900	200
The Swaffhams	300	300	400	500	500	400	400	400	100
Total	20,200	19,400	21,100	24,600	24,000	23,200	22,800	23,500	3,300

Source Cambridgeshire County Council Research Group/ ABI BRES (Note: All estimates have been rounded to the nearest 100)

Table 23 shows all jobs growth excluding self-employment, HM forces and Government supported trainees for all East Cambridgeshire wards between 2003 and 2010. Although the figures should be treated with some caution due to the strength of the data and the likelihood of sampling errors, they do provide an interesting snapshot of jobs growth across the district.

From the figures presented, it is evident that most of the jobs growth has come from Fordham ward (900) followed by Soham North (700) and Dullingham (500). Littleport West, Haddenham and Sutton have also been considerable drivers of employment growth.

Sutton has seen an increase of 200 new jobs between 2003 and 2010 for an overall increase of floor space of 20,000 sq m reflecting increases primarily in warehousing space.

Soham North conversely has lost 36000 sq m of floorspace but gained 700 employees due in large part to the growth from the farming community at Barway and Greens of Soham.

Although Ely has seen a population growth of 4190 between 2001 and 2010, it has actually not seen any employment growth overall across its 4 wards between 2003-2010. This is in part due to some major re-locations and closures in the Ely East Ward including Thermo- Fisher Scientific and Ely Chemical Company and zero growth in Ely North Ward. Only Ely West (200) and Ely South (100) which includes Lancaster Way Business Park have seen employment growth. Ely West's growth could be largely due to growth within the education sector.

Ageing Population Considerations

The District's ageing population is likely to have a significant impact on the resident working population.

Table 24: Population change in East Cambridgeshire 2011 to 2031

Model	2011	2031	Pop Change
Cambridge Econometrics/SQW	86,000	109,200	23,200
EEFM	86,600	114,700	28,100
CCCRG Housing trajectory model	81,400	94,100	12,700

Source: SQW/EEFM models May 2012 and CCCRG

The District Council's housing trajectory figure of between 8400 new homes by 2031 has recently been incorporated into population projections by Cambridgeshire County Council (CCC). CCC are projecting that with this level of housing growth in East Cambridgeshire this will translate into a total population figure of approximately 94,100 by 2031. This figure is much lower than the population totals forecast in both the East of England Forecasting and SQW Cambridge Econometrics Models. In addition, the number of people over the age of 70 is likely to increase from 10,400 in 2012 to 19,100 in 2031, an increase of 8,700. The District's working age population (16-65) is forecast to increase by only 700 people from 51,700 in 2012 to 52,400 in 2031.

An analysis of the jobs growth forecasts presented in table 21 reveals that all of the scenarios presented will lead to an increase in jobs density in the District by 2031 assuming that the CCCRG housing trajectory population and working age population totals by 2031 hold true.

Correlation between employment land and jobs growth

Map 3 (see appendix) sets out the employment land allocations included in the East Cambridgeshire Local Plan in 2000. An analysis of the employment land either still available or partially developed/planning permission granted shows that there are currently 56 hectares of land available across the district for commercial development excluding the recent extension granted to Lancaster Way Business Park (+41 hectares). When this total land availability (97 hectares) is translated into jobs using a ratio (111 jobs per hectare for light industrial) an overall jobs total of 10,767 is reached. Obviously this is a crude way of measurement as some sites will include lower densities for warehousing (37 jobs per hectare) or higher densities for office

development (321 jobs per hectare) but using light industrial as average this represents an interesting comparison nonetheless. This analysis is expanded upon in chapter four to take into account losses of employment land over a planned period, as well as displacement from other key employment sites across the County. It also introduces the knock-on effects of increases in jobs from sectors that do not traditionally require employment land as well as increases in productivity from existing businesses.

4. ACHIEVING THE JOBS GROWTH TARGET

This chapter examines the challenge of how the jobs growth target can be achieved in East Cambridgeshire.

Barker, Storey and Matthew in their Employment Land Study Update 2011 on behalf of the District Council state that simply providing allocations for large scale modern business development in the district is not a sufficient encouragement – business location and growth decisions are a complex mix of a range of factors including transport links for customers, suppliers and staff, skills, availability of staff, quality of premises, and affordable rents/capital. It is notable that large amounts of employment land have been allocated in previous Local Plan documents but still remain undeveloped for a variety of reasons.

Whilst everyone agrees that more jobs are needed in East Cambridgeshire, there is much less clarity on how this jobs growth is to be achieved. Spatial provision of employment land needs to be planned in conjunction with a range of other growth support mechanisms. Natural market trends need to be clearly recognised and assessed in terms of sustainability. There must also be a strong cohesiveness between spatial employment land allocations and the Council's broader housing, infrastructure and jobs growth strategies, so that each one is reinforcing the others.

These questions are explored in the following sections by examining:

- Past trends in employment land take up.
- Key development sites in the District and what these may contribute to jobs growth
- The sectors with the most potential for jobs growth in the District and strong growth sectors in the wider GCGP Lep area.
- Other economic development tools to promote growth (building business confidence, skills development, links with FE/HE colleges)

Past Employment Land Take Up

Patterns of take up of employment land in East Cambridgeshire have varied significantly over the last decade.

Table 25 examines employment land take up trends over the period 1999 – 2011, and this shows that there has been an overall net gain of employment floorspace in the District of some 68,000 sq m. (approx 15,538 sq m gross pa and 5,701 sq m net pa).

Both B1 uses (light industrial) and B8 (warehousing) have seen increases in floorspace, but B2 (general industrial) have declined. The loss of the sites Clarke and Butcher at Lion Mills in Soham, D S Smith at Burwell and sites in Lisle Lane to retail uses have been major contributors to this loss in B2 floorspace. Levels of B1b Research and Development uses are relatively low.

It is also apparent that there are high levels of employment land for which planning approval has been given, but which has not been taken forward and developed (approximately 2/3 of sites have not come forward for employment uses). Sites fail to come forward because of various factors – landowners have different aspirations for the site (residential use provides better return), higher development risk in more marginal property markets, site infrastructure costs.

Table 25 Amount of additional employment floorspace approved and built, by type, 1999 – 2011

	Planning approval given (sq m)	Completed Floorspace (sq m)	Outstanding – still to be developed (sq m)	Employment floorspace lost (sq m)	Net gain/loss in employment floorspace (sq m)
B1a office	111,184	24,039	87,145	-5,417	18,622
B1b research and development	4,546	4,421	125	-59	4,362
B1c Light industrial	56,751	34,688	21,638	-11,854	22,834
B2 General industrial	59,697	53,014	6,683	-76,124	-23,110
B8 Warehousing	84,210	70,295	13,915	-24,592	45,703
Total	316,388	186,457	129,506	118,046	68,411

Source CCCRG

An analysis of the geographical spread of new commercial floorspace (B1, B2 and B8 business uses excluding retail) over the last decade is shown in [Maps 4a, and 4b \(see appendix\)](#).

These indicate that the Soham/Fordham area has made the greatest contribution to employment development completions in terms of new floorspace overall. It has also suffered the most losses of commercial floorspace however, principally due to the amount of floorspace lost at the Lion Mills site in Soham, but it is clear that over the last decade it is the developments in Fordham area, which have added significantly to the commercial stock in the District. Fordham has a close proximity to the A14 which may have been a significant influence on business location decisions.

Other areas which have performed well in terms of additional gross floorspace are Littleport Parish (27,465 sq m) and Sutton Parish (25,181 sq m).

The contributions from the three market towns have been at lower levels. Ely in particular, is much lower than might have been expected given the high levels of housing growth which the City has seen. The area to the west of Ely has made a more significant contribution, however, principally reflecting the developments at Lancaster Way.

This raises the question of whether the current planning policies of seeking to focus employment on the District's three market towns are working in practice. Soham itself has in fact declined in terms of commercial space available.

It is also worth noting that for the South Neighbourhood Panel area there has been a net loss in commercial floorspace, probably as a result of tighter planning control

policies in this principally rural area, and the more restricted opportunities as a result of the dominance of the horse racing industry. Burwell Parish in particular has experienced a loss in commercial floorspace, probably due to the closure of the D S Smith site in the village.

Table 26: Contributions to District Floorspace 1999 - 2011

Neighbourhood Panel Area	Gross Contribution to Commercial Floorspace 1999 - 2011		Net Contribution to Commercial Floorspace 1999 - 2011	
	Sq m	%	Sq m	%
West	40314	22.8	26744	40.2
Littleport	27465	15.04	14472	21.8
Ely	31624	17.32	21984	33.0
Soham & East	63337	34.7	5598	8.42
South	19831	10.86	-2299	-3.46
Key Towns and Villages				
Ely	31,624	17.32		
Littleport	27,465	15.04		
Soham	10,882	5.96		
Fordham	43,459	23.8		
Sutton	25,181	13.79		
Burwell	8,685	4.75		

Source: CCCRG reports

This pattern reinforces the distribution of new jobs found across the district. The largest number of new jobs have been seen in Fordham matching the biggest contribution to new floor space within the district (900 jobs: 43,459 sqm of additional floorspace). However, although the other areas with large gains in floor space have seen increases in job numbers (Littleport: 300, Sutton: 200) Ely does not follow the trend with an increase of 31,624 sq m bringing forward a net change of zero jobs across the Ely wards.

Overall in the previous local plan/LDF period only 1/3 of employment land sites were delivered and brought forward for employment uses. It is hoped that through the masterplanning and local plan review this ratio will be significantly improved in the future by focusing on sites around key growth hot spots and transport interchanges and the potential for smaller sites on the edge of village envelopes. Some existing sites will also be brought forward through more flexible employment uses.

Key Future Development Sites

Table 27 provides an overview of the key business sites within the District where planning permission has been given for employment use or where employment land allocations have been made, and therefore where it would be reasonable to anticipate further jobs growth in the future.

It estimates that, if all the development sites allocated or in receipt of planning consent were brought forward, then some 12079 (gross) new jobs could be created

in the District. Historically ECDC has over-allocated for employment land to allow choice and flexibility in the market and applying this approach to future jobs growth does result in very high levels.

The jobs target has been set lower than the potential number of jobs which can be achieved on each site to take into account the need to provide for an oversupply to enable diversity of choice in sites available, and the likelihood that not all sites will come forward for development.

Table 27 Estimate of jobs growth for key business sites across the District

Location	Use	Size	Potential Jobs per hectare (assumption of office 321, light industrial 111, warehouse 37)	Recommended Jobs target (12% of potential jobs figure to meet overall 10,500 district jobs target).
West Neighbourhood Panel Area				
Elean Business Park	Datacentre Existing allocation	17ha	629	554
Haddenham Business Park Extension	B2 Potential new allocation	0.5ha	56	49
Home working				L: 177 M: 285 H: 379
Additional small village sites	B1/B2 Potential new allocation	1ha Assume 50% B1 50%B2	217	191
Sub total				L: 971 M: 1079 H: 1173
Ely Neighbourhood Panel Area				
Octagon Business Park	A1/B2 Existing allocation	9ha Assume 15% B1 5% B2	483	425
Station Gateway	B1 Potential	2.8ha	899	791

	new allocation			
Potters Distribution site, Queen Adelaide redevelopment opportunity	B2/B8 Existing employment use	12ha Assume 90% B8 10% B2	533	469
North Ely	B1/D1/Sui Generis Potential new allocation	7.5ha (3x2.5 ha sites) Assume 50% B1 25% B2 25% D1	1512 (B1&B2 would be 1412 leaving 99 for D1 for 1.875 ha)	1331
Lancaster Way	B2,B8 Existing allocation	40.4 ha Assume 15% B1 25% B2 60% B8	2815	2477
Home Working				L: 185 M: 298 H: 396
Sub Total				L: 5678 M: 5791 H: 5889
Littleport Neighbourhood Panel Area				
Wisbech Road – land to north	B2, B8 Existing allocation	7.4ha Assume 75% B8 25% B2	410	361
Land to rear of Wisbech Rd petrol station	B1/B2 Potential new allocation	1.6ha Assumes 5% B1 95% B2	195	172
Land west of Woodfen Road	B2/B8 Potential new allocation	7ha Assume 25% B2 75% B8	388	341
Mushroom Farm	Sui Generis Existing allocation	11ha	100	88
Homeworking				L: 88 M: 143 H: 189
Sub Total				L: 1050 M: 1105 H: 1151

Soham and East Neighbourhood Panel Area				
East of bypass allocation	B2/B8 Existing allocation	11ha Assume 90%B8 10% B2	488	429
Eastern Gateway	B1/A1 Potential new allocation	0.58 hectares Estimates based on development brief	150	132
Land opposite Turners	B2/B8 Existing allocation	6.4ha Assume 90% B8 10% B2	284	250
Land North of Snailwell Road	B2/B8 Potential new allocation	5.5ha Assume 90%B8 10% B2	244	215
Isleham - site off Hall Barn Road	B2 Potential new allocation	0.5ha	56	49
Soham Station Hub	B1 Potential new allocation	1ha	321	282
North Soham	B2/B8/A1 Potential new allocation	2.5ha Discussions with developers	250	220
Consideration of additional site allocations (Isleham plus new site in Fordham area)	B8/B2/B1 Potential new allocation	8.0 ha Assume 50% B8 40% B2 10% B1	760	669
Home working				L: 177 M: 285 H: 379
Sub total				L: 2423 M: 2531 H: 2625
South Neighbourhood Panel				
Land adjacent to	B1	0.5ha	161	142

Tunbridge Court, Bottisham	Potential new allocation			
Former D S Smith site , Burwell	B2 Existing allocation	3ha	333	293
Reach Road, Burwell	B1,B2 Existing allocation	2.5ha Assume 80% B2 20% B1	383	337
Heath Road, Swaffham Prior	B2 Potential new allocation	0.8ha	89	78
Home working				L: 177 M: 285 H: 379
Sub total				L: 1027 M: 1135 H: 1229
Overall total				L: 11149 M: 11641 H: 12067

B1/B2/B8/D1 employment included only.

A pattern of gross employment distribution is recommended as set out in [table 28](#) below and Maps 5a and 5b which shows the proposed gross job targets for each neighbourhood panel area. These have been based on existing and proposed employment allocations, taking into account and seeking to balance the considerations set out above.

Table 28: Current and future gross jobs by neighbourhood panel area.

	Number of jobs generated from current permissions and allocations	As a % of the total number of jobs generated from current permissions and allocations in the District	Number of jobs generated from current and future permissions and allocations	As a % of the total number of jobs generated from current and future permissions and allocations in the District	Number of new jobs generated by additional allocations	% Change in total jobs
West Neighbourhood Panel area	933	13%	1173	10%	240	26%
Littleport Neighbourhood Panel area	638	9%	1151	10%	513	80%
Ely Neighbourhood Panel area	3298	47%	5889	49%	2591	79%
Soham & East Neighbourhood Panel area	1058	15%	2625	21%	1567	148%
South Neighbourhood Panel area	1168	16%	1229	10%	61	5%
TOTAL	7095	100%	12067	100	4884	69%

The above table suggests that most jobs growth is currently planned to take place in the North of the District, based on the current geographical spread of approved employment allocations and planning approvals. However, as previously indicated the actual current market trend for commercial floorspace development has had a focus around the Fordham area, close to the A14 and only to a lesser extent in the market towns.

This begins to suggest that there may be some disparity between the current planning policies to encourage employment growth in the market towns, on the grounds that this is the more sustainable location in terms of transport provision,

journeys to work, concentrating service provision, and the natural market trend that responds to commercial and locational factors.

The analysis suggests that the District is developing 'growth hotspots' such as those around Fordham, Lancaster Way at Witchford, and the Elean Business Park at Sutton. The question is whether the District wishes to further develop these natural 'growth hotspots' or seek to restrict employment growth more closely to the market towns. A careful balance needs to be achieved between job creation and sustainability.

Deliverability

Tables 27 and 28 provide an overview of total capacity of current and future jobs growth across the district on employment sites, However, past trends have shown that only a proportion of these sites have historically come forward (33%), Also, it is important to consider that a proportion of jobs growth will be achieved via sectors that traditionally do not require employment land (i.e retail, construction, home working, tourism etc) alongside increases in productivity from existing business. In light of neighbouring districts updating their local plans and the proposal for a new enterprise zone at Alconbury airfield in particular we have also included an element of displacement to take into account the potential increased competition for business development across the sub-region. Table 29 below therefore shows the level of jobs growth that can be realistically achieved taking the above factors into account.

Table 29: Estimate of net jobs growth for key business sites across the District

	Low	Medium	High
Gross Estimated Jobs Growth on Current and Future Employment Land Allocations	11149	11641	12067
Net Estimated Jobs Growth	3679	5821	6034
Loss of jobs to competition elsewhere (10%)	(368)	(583)	(604)
Non Employment Land Uses Jobs Growth	1100	1890	2590
Increase In Productivity of Existing Business	295	738	1180
Total Increase in Jobs	4706	7866	9200
Jobs Density Ratio	0.65	0.71	0.74
Jobs per year	235	393	460
SQW Forecasts	245	395	525

Given the increasing emphasis being placed on jobs growth within the District Council's new corporate objectives it is suggested that a figure towards the SQW Cambridge Econometrics High Growth Forecast is pursued as this leads to the greatest increase in actual job numbers overall over the 20 year period. This scenario is also the only forecast above the historical long-term linear average achieved between 2000 and 2010 (454) and is also closest to our target jobs density ratio of 0.75.

Although the maximum forecast level of 525 jobs per annum in table would appear difficult to achieve in light of historical growth rates, we believe that a figure of 9200 additional jobs or (460 per annum) should be set as the Council's preferred jobs growth target. On a broad level this equates to 1.10 jobs created for every new home constructed over the next 20 years and would increase the District's jobs density ratio considerably from 0.54 to 0.74.

Business Development in Villages

Current planning policy allows for support to the rural economy through permission for extensions to existing businesses in the countryside, re-use or replacement of buildings in the countryside, farm diversification schemes and small scale new buildings on the edge of settlements. Whilst data is only available on take up of these for 2010-2011, there appears to be a small but steady take up of opportunities and these should be actively encouraged.

Otherwise planning policy is to encourage business development in the larger settlements, which provide for more sustainability in terms of distance from town/village centre and key services and facilities including public transport services.

In 2011, as part of the Local Plan Community Visioning consultation process undertaken by the District Council, the villages in the District were asked whether they wish to see further employment development in their communities. Five communities indicated that they wished to see further employment growth, at Burwell, Haddenham, Swaffham Prior, Isleham and Bottisham with the results from Fordham expected shortly.

Potential Growth Sectors

Between 2001 and 2010 the biggest increases in jobs in East Cambridgeshire occurred in the following sectors: Education (820), Business services (690), Transport and communications (553), Hotels & Restaurants (323) and Low-tech manufacturing (299).

The Cambridge Econometrics/SQW baseline forecast April 2012 estimates that the sectors that will see the largest increase in jobs will be Construction, Retailing, Land Transport, Computer Services, Professional Services, Other Business Services, Health & Social Work and Misc. Services.

Current planning policy recognises that the economic health of the District is based upon the diversity of the District's businesses, which are primarily SME's, and provides for a supply of employment sites well in excess of estimated demand to ensure that there is a range of choice in types of premises on the market for these businesses.

A review has been undertaken of the literature on sectors in the District where business representation is strong and their potential for future jobs growth.

Agriculture has traditionally been an important sector for this rural district, but one where jobs have been declining. However, in recent years there have been changes in this sector, as reforms to the Common Agricultural Policy have seen less subsidies for products such as sugar beet, together with declining commodity prices. Farmers have diversified from traditional farming to food processing, co-operative enterprises, non-food products such as biofuels and energy products, and potentially life sciences and the biotech sectors. Demand for high quality traceable produce and widening European controls on business process has resulted in food businesses which are advanced businesses in both the technology they adopt and the way in which they do business, and requiring high skills levels. Much production within the food industry is highly automated and increasingly dependent on complex machinery and a skilled workforce.

Developments such as the proposed mushroom farm at Littleport, the straw burning plant at Sutton and the solar farm at Wilburton are recent examples of these in the district, and make an important contribution to the jobs base. These changes will not necessarily increase the number of employees in agriculture, but there are implications for the skills levels required of the local workforce.

The Logistics Sector is one which is important for the District, but it is facing a number of challenges. Barriers to its growth include poor road and rail infrastructure, road congestion which creates delays in moving goods, concerns about fuel costs and the need to achieve low carbon freight emissions. Road freight is extremely competitive. Rail freight is expected to expand by approximately 30% over the next 7 years (Rail Freight Group Oct 2011 forecasts, MDS Transmodal Ltd) for example with the proposed rail freight developments from Felixstowe to Nuneaton, and major supermarkets are investing in rail connected logistics units as part of their supply chain. The District may want to investigate potential for Strategic Rail Freight interchanges as well as tackling road infrastructure and congestion issues.

The Horse Racing Industry is a fundamental part of the economy around the Newmarket area. The training, breeding and racing parts of the industry are inextricably linked relying on each other for their activities and growth. A survey by Smiths Gore in 2009 for Forest Heath District Council identified that 51% of horse racing businesses have been established for less than 15 years, and 49% for more than 15 years. The number of horses kept in training had risen from 1,973 in 1999 to 2,257 in 2008. Nationally a 2006 study identified “a strong consensus view that racing is enjoying a period of sustained prosperity, with many exciting opportunities” and ‘that there is substantial growth potential’ in the industry, although it should be noted that this was a pre recession survey – current anecdotal evidence suggests that the picture is currently less positive. The biggest issues for horse racing industry relate to need of additional paddock land, traffic and horse safety, lack of space for/need for flexibility to accommodate growth.

Office development Employee numbers for the services sector in East Cambridgeshire are more than 10% lower than the average for the UK. In particular the ‘Finance, IT, other business activities only account for 17.9% of employees in the District compared to 21.4 for the region and 22% nationally. Over the period 1999 to 2011 only 12.9% of new commercial floorspace built was for office purposes. The Barker Story Matthew 2011 review of the District’s Employment Land Study identified a fairly consistent demand for B1 office use which exceeded the supply of office

space – however they also identified good office space which has been slow to let. They concluded that the fact that there is unsatisfied demand suggests that existing available premises are undesirable and the District therefore need to consider investing in upgrading existing stock or development of new high quality office accommodation.

Manufacturing has traditionally been a major source of jobs in the East Cambridgeshire District and this trend appears likely to continue. Barker, Storey Matthew in their 2011 review do not consider that large scale development of commercial property will be viable, nor would it automatically create demand from companies wishing to relocate. They believe that more piecemeal development offering a variety of types, sizes, specifications and rents/prices may prove more fruitful. This accords with studies of future trends in the workplace which identify the need for greater flexibility, with the ability to rapidly increase and decrease the size of the workforce, and high quality premises on or close to transport nodes. This flexible approach may also accord with the needs for niche markets in the Cambridge area in the manufacturing sector and hi-tech R&D. These studies note that transport interchange points are becoming the new employment hubs alongside town centres.

Home Working Over 11% of East Cambs resident workforce either work primarily at home or have no fixed workplace – compared to 9.4% for East of England and 9.2% for England. 16.4% of those working in the District are working from home, compared to 9.2% for England and 10.2% for East of England. (2001 census data). Technology developments in the last decade, with advances in both broadband and computer technology, and the use of more flexible working patterns will probably have increased this percentage even more. This is a trend that is likely to continue, and given its reliance on computers and telecommunications, it is essential that the District has access to the latest technologies infrastructure such as broadband.

A new generation of workspace is emerging to assist this homeworking market, known as workhubs, offering working office and meeting space to paid up members on a temporary as and when needed basis. They prioritise networking and collaboration, can offer training facilities, meeting rooms and other facilities and fit well with the concept of self-employment and homeworking. As travel costs increase particularly for people in rural areas we are likely to see increasing demand for this type of facility. Live/work businesses (self-employed homeworkers) are the fastest growing part of the UK workforce increasing by 24% between 2001 and 2010 (Live/work network 2012 Specifically commissioned annual dataset from the ONS Labour Force Survey)

Market town centres – Whilst total retail spend has increased significantly over the last 10 years it is the large format stores and online shopping which have benefited, whilst smaller market town centres have seen a steady decline and their market share is now less than 50% of total national retail spend. The ‘high streets’ struggle to compete with the greater accessibility, availability and pricing offered by the out of town and online stores, and customers are voting with their feet. (BIS report – Understanding High Street Performance Dec 2011). The location of retail spending (and therefore jobs) in communities is moving away from town centres, and a jobs growth strategy needs to recognize and seek to accommodate this.

However, the town centre also has a role as the heart of a community, and in cases such as Ely where there is also huge heritage significance, it is essential that the market town centres are also given support. The BIS report makes the point that a broader, more sophisticated view of the new town centre is needed, including non retail turnover, degree of diversity of business sectors in the town, pubs and clubs,

recreational uses, as well as retail. It recommends that provision is made for a more collective business planning approach to support market town centres.

Common responses to these challenges have been to develop 'place management' initiatives such as town centre management, Business Improvement Districts which focus on tactical delivery of support in more localized areas, the Portas Review suggestion for Town Teams, and Community Interest Companies which offer a more strategic approach across a wider area.

Tourism – according to the Great Britain Tourism Survey 2011, tourism provides for 7% of all employment in East Cambridgeshire, some 5 % of full time jobs and 12% of part time jobs. This compares to 10% of employment derived from tourism nationally. The tourism industry is particularly subject to external influences such as the recession, and the last decade has seen declines in visitor numbers. Towards the end of 2011 however, there was a 9% increase in domestic overnight trips taken in England compared to 2010 together with an increase in overall spend, and business trips are also seeing an increase. Commentators are cautiously optimistic for future tourism growth although fuel price increases impacting on travel costs, both by air and road, remain a substantial concern.

The UK's key tourism strength relates to being 'rich in historic buildings and monuments', an area in which East Cambridgeshire is well positioned.

Implications for the Local Plan

The above sectors will each have their own individual locational, land and premises requirements and consideration should be given to these sectors specifically as part of the Local Plan review. For the business services sectors and finance for example, it will be important that the District Council has sufficient sites available for office development. This could include the Ely Station Gateway and North Ely as well as a range of smaller business parks on the edge of villages that can meet this future need.

Consideration could also be given to additional land allocation close to the A14 corridor in order to meet future demand from wholesale and distribution. The District Council need to look at identifying key opportunity sites within Ely city centre and the smaller market towns for retail development and their specific floor space requirements will be covered in the retail assessment.

It is important to note that currently both South Cambridgeshire and Cambridge City are revising and updating their local plans and that the Alconbury Enterprise Zone is likely to affect business development and jobs growth targets across the entire GC/GP LEP area through a degree of displacement.

Various planning and policy tools can assist in facilitating the bringing forward of development sites. Area action plans, supplementary planning documents and development briefs can highlight opportunities and provide greater certainty for developers, and are tools which the District Council may wish to consider for the Fordham area. S106 and CIL resource could be investigated to address infrastructure restrictions. The District Council will also need to remain flexible to the economic benefits of non traditional employment uses, and capturing the values of mixed uses (such as residential) to help deliver the infrastructure and other improvements that assist the bringing forward of employment sites.

Direct/Indirect Interventions and Initiatives

Spatial provision of employment land needs to be planned in conjunction with a range of other growth support mechanisms.

These can range from direct intervention, such as the approach the District Council took in the early 2000's with the construction of the E Space Business Centres in Ely & Littleport (see attached text box) for occupation by start up/early stage companies, to more indirect methods such as seeking to build business confidence and facilitate skills development. Examples of the more indirect support mechanisms include:

- Destination marketing – to promote East Cambridgeshire as a location for business. East Cambridgeshire has focused on this area of work over the last two years building a successful 360 marketing campaign to encourage location into the District.
- Business support – to enable and encourage existing businesses to grow. There is a gap in this area of support following the reorganisation of Business Link and withdrawal of local advisors.
- Business intelligence – liaison programmes with existing local businesses to ensure that the latest market information is available to the policy decision makers. The Council's economic development section undertake a proactive business liaison programme within the District.
- Skills development – promoting the development of a highly skilled workforce in the District which will be attractive to those considering new investment in the area.
- Place Management Initiatives to support market towns as centres for jobs growth. The recent Portas Review recommended the development of town teams, amongst other initiatives, to focus on place management work.

An increasing number of government initiatives are emerging relating to support for business and the District Council should seek to take advantage of these where resources allow.

e-space case study -

East Cambridgeshire District Council operates two serviced business centres, E Space North and E Space South. These centres provide serviced office accommodation to a wide variety of local businesses with a particular focus on business start-ups and those with growth potential.

E-space South based on the Cambridgeshire Business Park in Ely provides 16 small office areas ranging in size from 150 sq ft to 350 sq ft. E-space North, based in Littleport has 34 small office areas ranging in size from 210 sq ft to 650 sq ft. Services provided to tenants include reception facilities, 24 hours access and security, office services such as photocopying, fax and mail handling, communications and IT, recycling and communal cleaning. E-space North at Littleport also provides conference and meeting room facilities. The E-space centres provide a useful way for companies to take on their first commercial premises by providing flexible 'easy in, easy out' lease terms without the risk associated with long-term contracts.

"The main benefits of e-space north are convenience, cost and the ability to operate as a fully functioning company without all the overheads of a full office facility" Jon Edney, Vice President of Software, Ozmo Devices

These centres make a significant contribution to the local economy. E Space North currently employs 120 people and E Space South has employed up to 43 people when fully occupied. There is also evidence that the companies that have grown and moved out of the E Space centres have taken on commercial premises elsewhere within the district. The E space centres are therefore making a positive contribution to the growth of indigenous businesses in East Cambridgeshire.

It will be important that the centres remain competitive – tenants are seeking ever higher quality standards and there is a risk that the facilities will be overtaken by higher quality buildings elsewhere. This will require ongoing investment in maintenance and upgrading, and in particular the centres lack of air conditioning will need addressing.

Both centres are a positive example of what can be achieved in the District through a direct intervention policy. They both continue to meet an identified gap in the commercial property market in East Cambridgeshire and it seems unlikely that the private sector will meet this need in the foreseeable future.

Conclusions

- Past natural market trends have seen most jobs growth take place in the Fordham area near the A14, Ely and Sutton parishes. Some growth has occurred in Littleport, but the amount of commercial space in Soham has decreased.
- Most jobs growth is currently planned to take place in the north of the District, based on the current geographical spread of approved employment allocations and planning approvals.
- It is estimated that if all employment allocations and planning approvals were taken up, then some 12,079 new jobs would be created.
- However, it is apparent that when the spatial spread of these is investigated, the current employment land allocations do not fully align with the locations where natural market forces have encouraged commercial development to take place over the last decade.
- This suggests that future policy decisions will need to be based on the balance sought between sustainability objectives, seeking to locate new employment close to the larger market town and villages, and the need for jobs growth objectives, following the natural market trends for commercial growth locations.
- There is some limited interest in employment growth from the smaller communities in the District, particularly for small office developments which can provide local employment. These also reflect the business sectors with greater growth potential.
- The District's economic base needs to be diverse to maintain its economic health.
- Compared to the national position East Cambridgeshire does not have a high concentration of jobs in the main growth sectors of services such as creative industries, financial services, information services, health and education.

- Sectors: The agricultural sector is changing rapidly to new economic situations which is likely to impact on workforce skills requirements. Rail freight is a growth area which may merit further investigation. The District's stock of office premises needs upgrading, together with ensuring access to the latest broadband technologies. The District's market towns would benefit from place management initiatives.
- In spatial terms the available data suggests that transport interchange points, such as the A14 and rail lines, are becoming increasingly important as jobs growth points and potential employment hubs in the District, particularly for warehouse/distribution uses.
- There is potential for - and likelihood of - employment growth which has no implications for 'traditional' employment land.
- It is important to offset potential 'lost' employment floorspace against new provision.

5. CONCLUSIONS AND RECOMMENDATIONS

Conclusions.

From the analysis carried out in the previous four sections of this report, the following conclusions have been drawn:-

- The District has seen a strong growth in jobs over the last decade, averaging some 450 new jobs per annum. However the jobs density of 0.54 is still low.
- GVA in the District is lagging behind the County average as well as the regional and national average. This is in part a reflection of the high levels of outcommuting from the District so that other areas benefit from the local workforce's productivity.
- The Alconbury Enterprise Zone and updates to neighbouring authorities local plans will provide new challenges and opportunities for business development.
- Industrial Structure – East Cambridgeshire's economy is diverse and balanced, but it lacks high added value and growth industries. Barriers to growth include limited and poor quality commercial stock, poor accessibility in rural areas and congestion on key transport routes, restricted broadband offer and an ageing population.
- Innovation and Enterprise – Whilst the business base is relatively stable, the low business churn together with below average levels of business formation and below average performance in innovation, suggests a lack of dynamism and entrepreneurship in the local economy.
- Economic Activity – A high quality of life, a highly skilled workforce and high economic activity levels are all strengths to build on, but at present the more highly skilled workers in the economy are lost through outcommuting for work.
- Economic forecasts, based on the forward planning housing trajectories which have been identified for the Local Plan project suggest that a target of 9,200 new jobs should be set for the District in the period up to 2031. This equates to 460 jobs per year.
- Both B1 uses (light industrial) and B8 (warehousing) have seen increases in floorspace over the last decade, but B2 uses (general industrial) have declined.
- The level of office provision in the District is very low.
- Over the last decade it is the Fordham area which has added the most floorspace to commercial stock and the most new jobs in the District by a significant margin. Littleport and Sutton parishes have also performed well. Soham has suffered the most losses in floorspace. Development has also been constrained in the southernmost parts of the District, probably due to the predominance of the horse racing industry in this area.
- Despite planning policies seeking to focus business development in the three market towns, their contribution to new commercial floorspace has been lower. Ely in particular is much lower than might have been expected given the high

levels of housing growth which the City has seen, and despite some new floorspace provision Ely has seen a zero change in terms of net jobs levels.

- If all the employment sites currently allocated or in receipt of planning consent are brought forward then this would provide some 12,079 new jobs in the District. Most of these allocations are in Ely and the north of the District rather than in the natural market growth points further south in the Fordham area, closer to the A14.
- Potential growth sectors include services such as financial services, information services, health and education. Other sectors it may be worth exploring are the new agricultural industries which are developing such as non food products and biofuels, rail freight, horseracing industry, home working, tourism and development of the retail, service and cultural role of the market town centres.
- There is both local and commercial interest in development of small quality B1 office developments in or on the edge of smaller village communities.
- There are opportunities to link existing firms with, and attract new firms from, improved links with Cambridge University and technical consultancies in the area.

Recommendations

Simply providing allocations for large-scale modern business development is not sufficient encouragement for achieving jobs growth – business location and growth decisions are a complex mix of a range of factors. Natural market growth trends need to be clearly recognised and assessed in terms of sustainability.

There must also be a strong cohesiveness between spatial employment allocations and the Council's broader housing, infrastructure and jobs growth strategies, so that each one is reinforcing the others.

Policy decisions will need to be based on the balance sought between a) sustainability objectives, seeking to locate new employment close to the larger market towns and villages where new housing and population growth is being concentrated, and b) the need for jobs growth, following the natural market trends for commercial growth locations near transport interchange points, the A14 and the rail lines to promote and facilitate jobs growth which provides the local workforce with opportunities which match their skills levels and reduce the need for long distance commuting. Consultation to date suggests that there is strong support to increase the number of jobs in the District, to better balance the housing growth.

Policy areas which can be explored include:-

- Seek to establish a 'jobs target' for all of the major housing, employment and mixed use developments in the District to enable a better balance between new housing and new employment and improved job density.
- Examination of the opportunity for further employment allocations in the growth point areas, particularly Fordham, and the production of development briefs for these sites.

- Encouragement of development at key transport interchange sites such as the Ely Railway station and the potential Soham station, targeted at the high amenity, high value added business sectors.
- Examination of the potential for rail freight development, for example on the Potter site at Queen Adelaide, as well as seeking measures to improve transport infrastructure and reduce congestion.
- Consideration of the role of Lancaster Way Business Park and other sites as key strategic employment sites for the District and the jobs targets which should be associated with these.
- Consideration of allocation of smaller high quality employment sites, with a variety of building sizes, which agents advise are more attractive to the business market than large employment sites that have high infrastructure and development costs. The suitability of these sites will require careful consideration to avoid disturbance to local areas through additional traffic, lorry movements and traffics and may need to be restricted to B1 uses only.
- Consideration of measures to promote entrepreneurship and start up businesses – potentially through the expansion of the E Space centre concept. Options might include development of a third centre in Soham, extension of the current E Space South, and consideration of linking any new development with the work hub and ‘start up retail units’ concepts.
- Develop links with Cambridge University to identify potential spin-out companies which may be attracted by lower rents than in the City or South Cambridgeshire.
- Development of business support measures for early stage businesses, to supplement the current reduced support mechanisms available nationally.
- Continuation of marketing of the strengths of the District for business i.e. highly skilled workforce, high quality of life, proximity to Cambridge etc
- Examination of ways to assist businesses through the planning process via more effective communication between the business development and planning teams, whilst still ensuring that a high quality of new development is achieved with effective mitigation measures where appropriate.
- Policies encouraging diversification of the agricultural sector into wider areas of production.
- Support to broadband development initiatives to assist both local businesses and facilitate home working.
- Housing – ensuring a good mix of housing, both in terms of size and affordability, to enable inward migration of younger age groups to counteract the aging of the local workforce.
- Seek to establish place management initiatives for the market town centres.

Following consideration of this strategy document, the District Council should set out in a concise Economic Development Action Plan the specific actions, timescales and budgets required to take these recommendations forward.

Implications for Spatial Patterns of Development

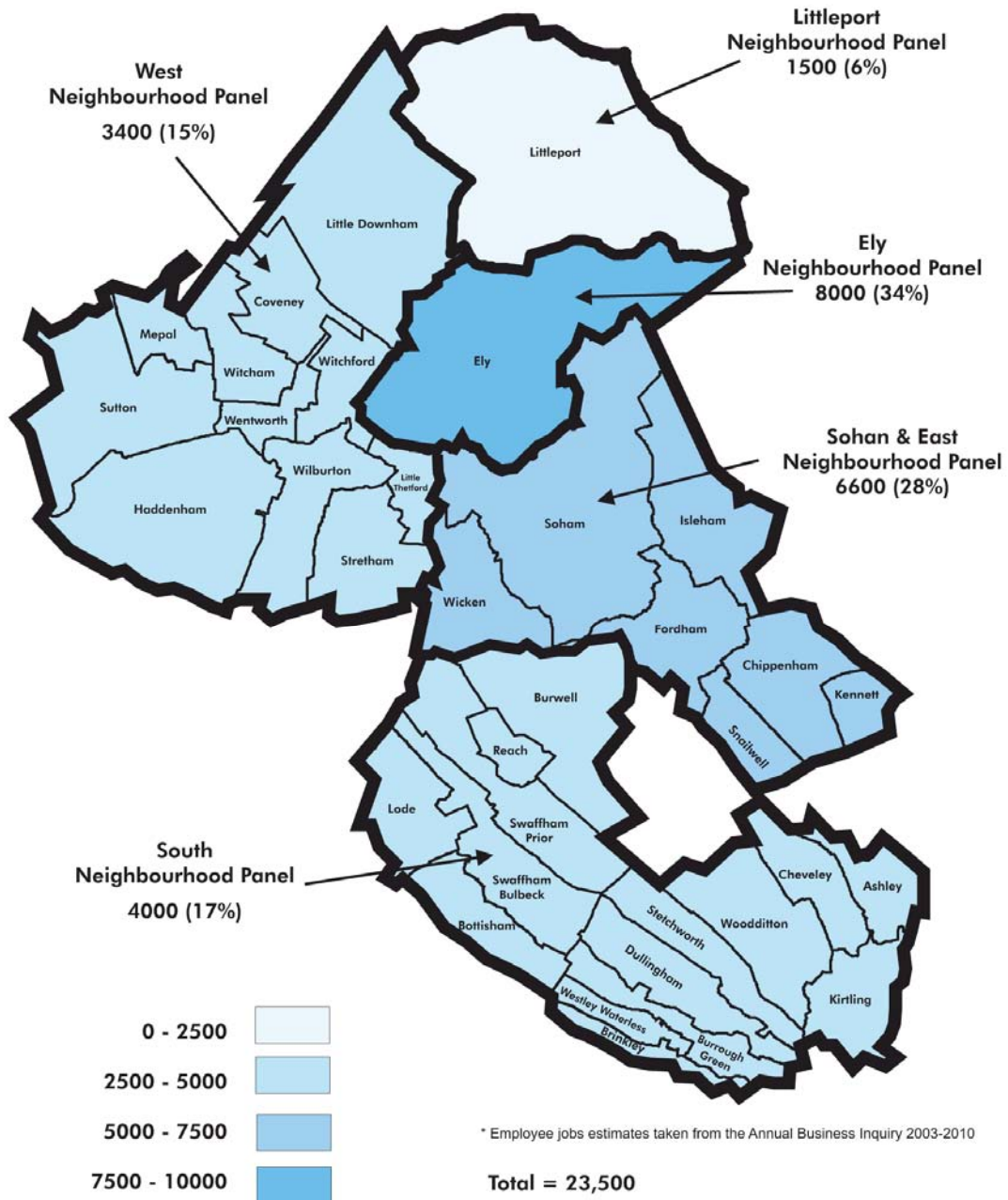
In terms of local plan employment policies and site allocations it is recommended that consideration should be given to a broader pattern of employment development. This should incorporate:-

- A jobs growth target of approximately 9,200 jobs or 460 new jobs per year.
- Focusing employment growth in/near the main settlements, close to where people live and helping to address to significant imbalance between population and jobs growth that currently exists within Ely.
- Allowing new employment development around existing business areas, particularly in the Fordham area, where the commercial market has already been demonstrated to be strong
- Allowing small-scale employment growth on appropriate sites in rural areas and villages. These would be most suited to quality office and light industrial uses and the work hub concept.
- Seek to encourage development of the high value added business sectors which have the most jobs growth potential, particularly in Ely where there are a number of opportunity sites with high quality development potential.
- Seek to facilitate the development of home working, through appropriate housing and spatial planning policies in the Local Plan.

These targets are intended as guidelines only and will need to be regularly monitored and reviewed to reflect actual developments on the ground particularly in light of the ongoing difficulties within the global economy and the Euro Zone and the implications that this has for UK growth overall. However they do indicate a pattern of employment with the best potential for enabling further jobs growth in the District, whilst still taking into account sustainability considerations.

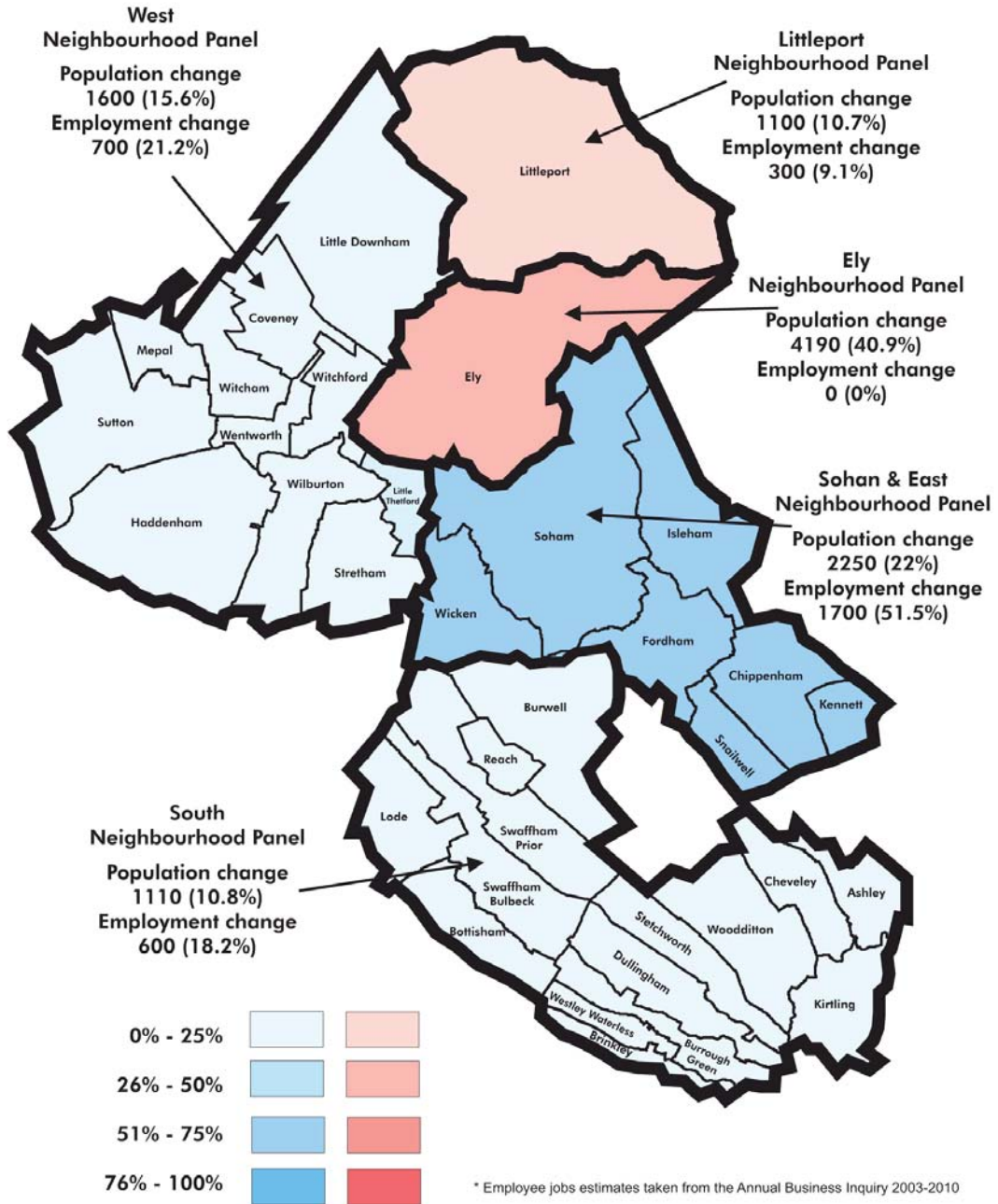
Following consideration of this strategy document, the District Council should seek to develop detailed planning policies, based on the above strategies, for incorporation into the East Cambridgeshire Local Plan.

**Total number of employee jobs in East Cambridgeshire 2010
(excluding self-employed jobs, Government trainees,
HM Forces)**



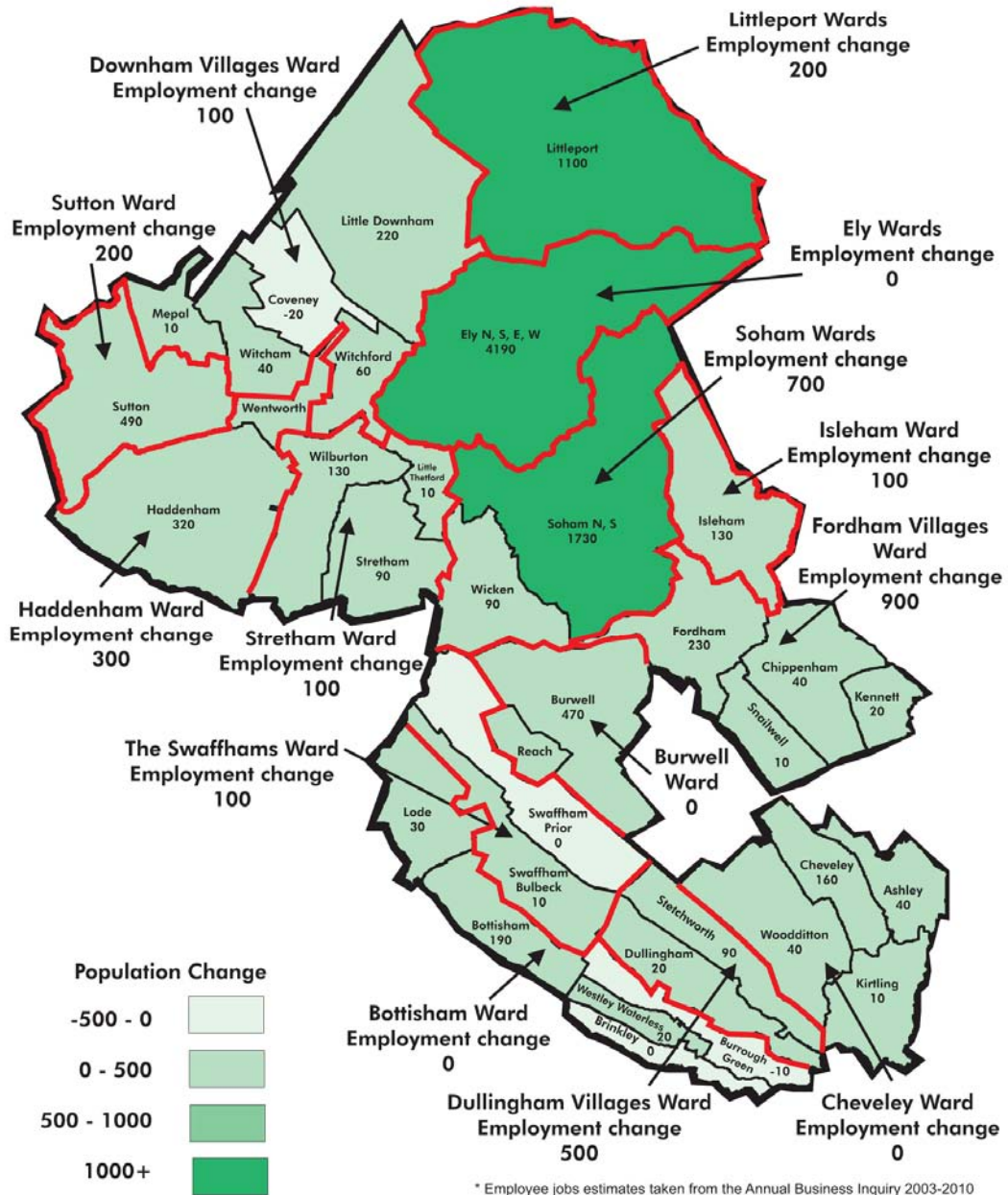
Map 2a

Population and Employment- Increase in population and employee jobs between 2001-2011*

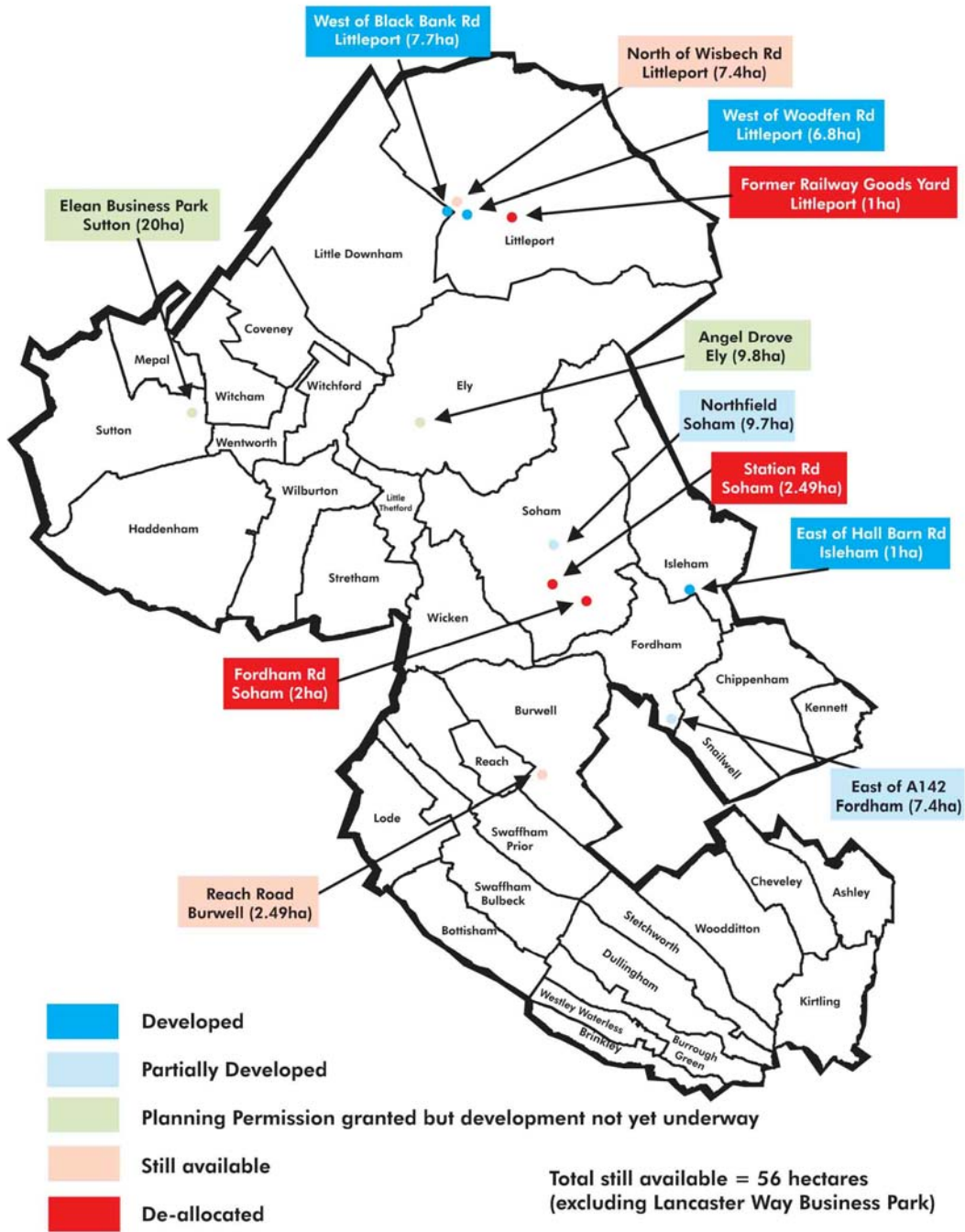


Map 2b

Population and Employment- Increase in population by parish and increase in employee jobs by ward 2001-2011*

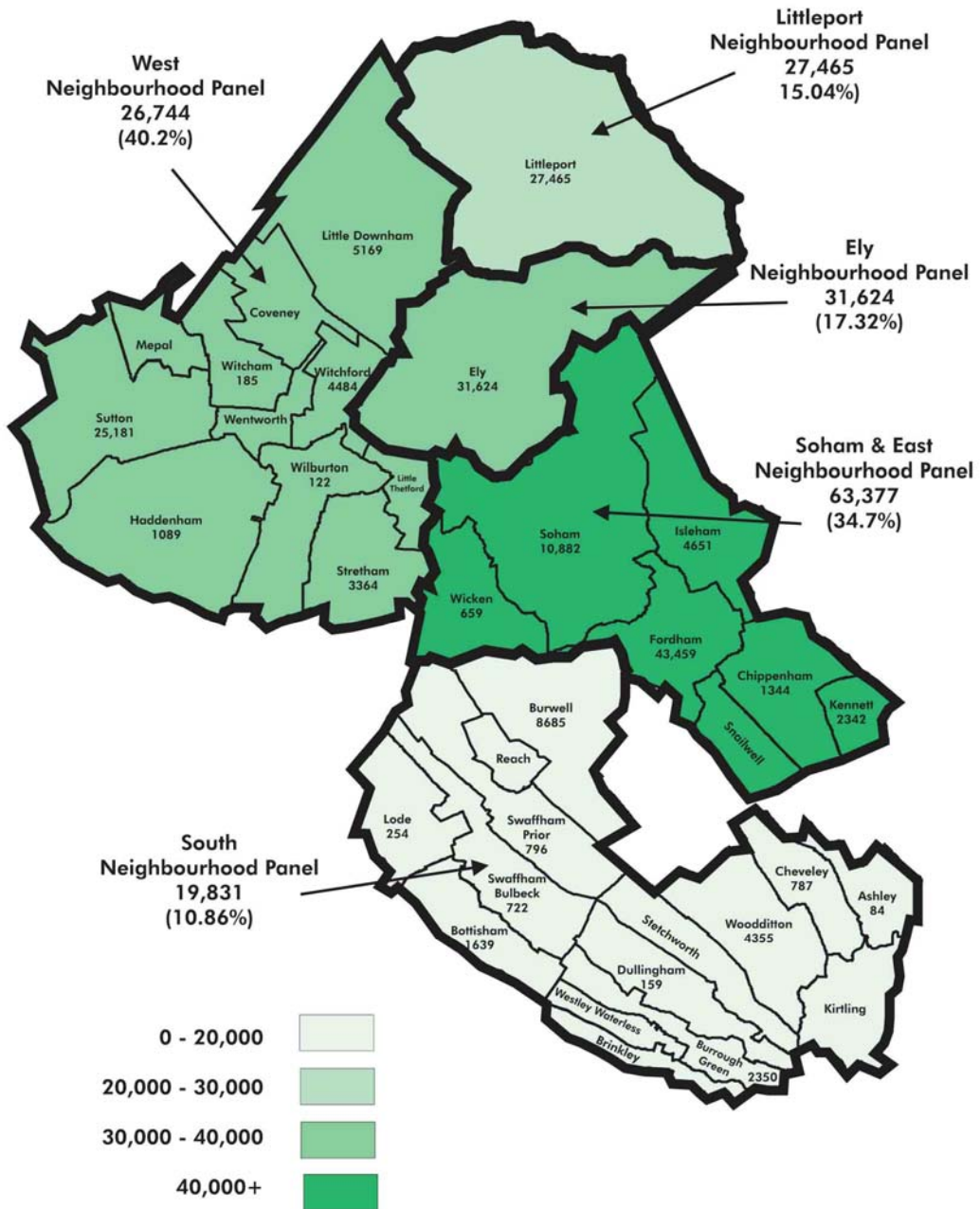


East Cambs Local Plan (2000) employment land developments



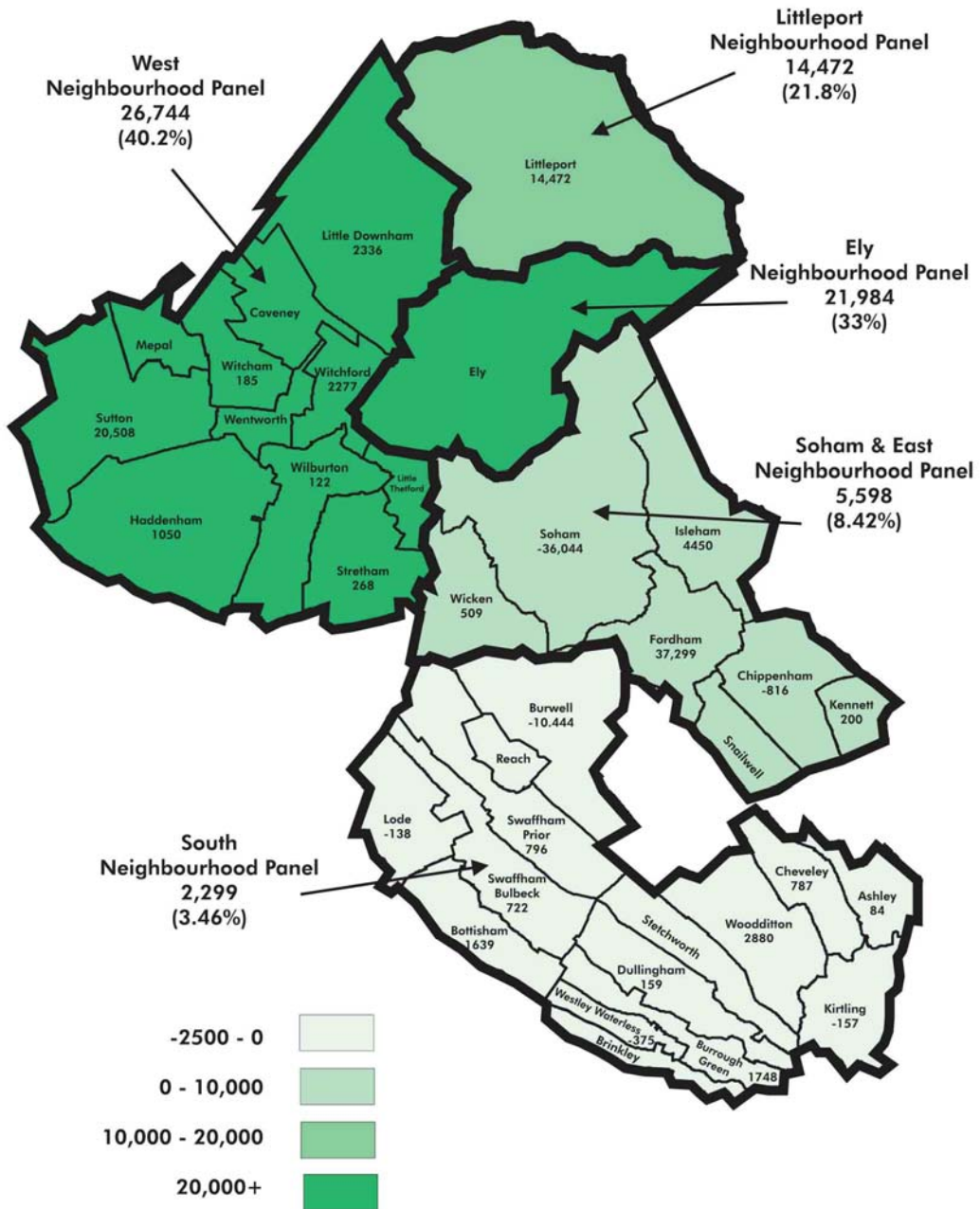
Map 4a

Commercial Floor Space -Gross Amount (sq.m) of New Floorspace built 1999 - 2011



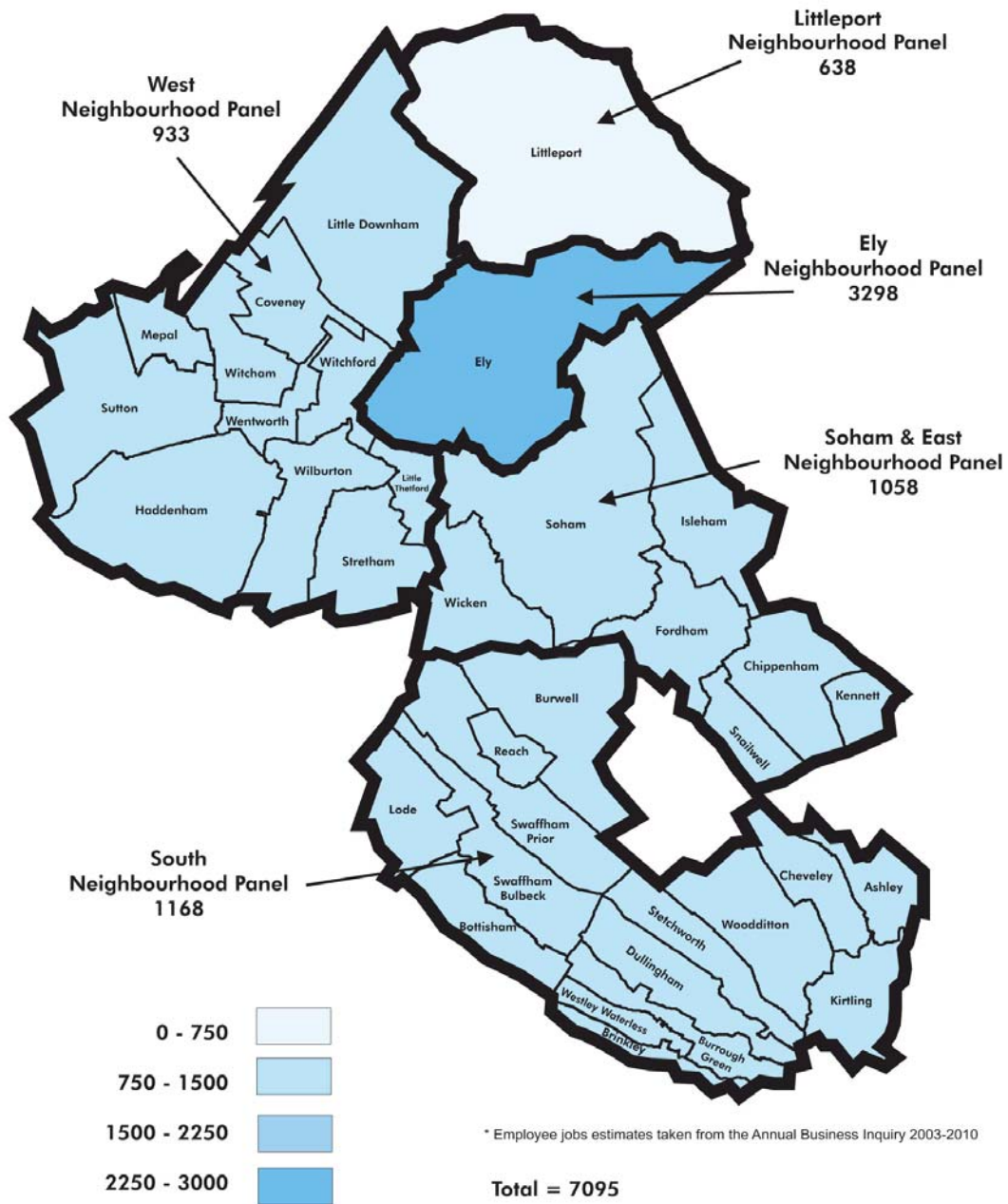
Map 4b

**Commercial Floor Space -Amount of Net (sq.m) of
New Floorspace built 1999 - 2011
(ie taking into account floorspace lost to other uses)**



Map 5a

Potential number of jobs (gross) generated from current permissions and employment land allocations



Map 5b

Potential number of jobs (gross) generated from current & future permission and employment land allocations

