

# Huntingdonshire Employment Land Study



Prepared by: .....  
Richard Jones  
Associate Director



Checked by: .....  
Tom Venables  
Director

MidCityPlace, 71 High Holborn, London WC1V 6QS  
Telephone: 020 7645 2000 Website: <http://www.aecom.com>

Job No 60272853

Reference Huntingdonshire ELS

Date Created December 2013

This document has been prepared by AECOM Limited for the sole use of our client (the "Client") and in accordance with generally accepted consultancy principles, the budget for fees and the terms of reference agreed between AECOM Limited and the Client. Any information provided by third parties and referred to herein has not been checked or verified by AECOM Limited, unless otherwise expressly stated in the document. No third party may rely upon this document without the prior and express written agreement of AECOM Limited.

# Table of Contents

<b>Executive Summary</b> .....	<b>2</b>
<b>1 Introduction</b> .....	<b>10</b>
<b>2 Planning context</b> .....	<b>15</b>
<b>3 Socio-economic context</b> .....	<b>28</b>
<b>4 Property market</b> .....	<b>57</b>
<b>5 Views of local businesses and organisations</b> .....	<b>72</b>
<b>6 Current supply of employment land</b> .....	<b>83</b>
<b>7 Established Employment Areas - recommendations</b> .....	<b>91</b>
<b>8 Additional employment land - growth forecasts and recommendations</b> .....	<b>95</b>
<b>9 Additional employment land - recommendations</b> .....	<b>100</b>
<b>10 Other recommendations</b> .....	<b>103</b>

## Appendices

<b>Appendix 1</b>	<b>List of consultees</b>
<b>Appendix 2</b>	<b>Potential allocations and strategic expansion locations – survey findings</b>
<b>Appendix 3</b>	<b>Established employment areas – survey findings</b>
<b>Appendix 4</b>	<b>Survey questionnaire</b>
<b>Appendix 5</b>	<b>Detailed growth forecasts</b>
<b>Appendix 6</b>	<b>Location of Established Employment Areas and Potential Employment/ Mixed-use Allocations</b>

## Executive Summary

### Introduction

This report, carried out on behalf of Huntingdonshire District Council, provides an economic and employment land study for the district of Huntingdonshire. The Study involves an overall assessment of the employment and economic environment within Huntingdonshire, as well as an analysis of employment land and premises demand, supply and need across the district to 2036. It provides a robust evidence base that will underpin and inform the Council's Local Plan.

The Study is primarily concerned with employment land uses included within the Planning Use Class B: B1 (business, offices / light industrial); B2 (general industrial); B8 (storage and distribution) and appropriate sui generis uses including recycling and the environmental industry. It comprises five main elements:

- A review of the scale and distribution of employment land and premises in Huntingdonshire district
- A review of economic growth forecasts for Huntingdonshire district, over the period to 2036
- An assessment of the district's economy that informs the amount, location and type of employment land and premises required to facilitate its development and growth
- Projection of employment land and premises requirements, by scale, sector and nature, to 2036
- Recommendations on the future allocation of employment land and premises, the protection and delivery of existing areas and any employment areas which could be considered for alternative (i.e. non-employment) forms of development.

### Method

The study has involved a range of research techniques, including site visits, interviews with property market stakeholders (inc. developers and agents), a telephone survey of 100 local businesses, consultation with the district's major private sector employers and key public sector agencies, and desktop analysis of national, regional and local reports, strategies and available secondary socio-economic datasets. The Study has also made use of the East of England Forecasting Model to understand likely future patterns of employment land need.

The study is consistent with current guidance including the Employment Land Review: Guidance Note (ODPM 2004) and the Employment Land Reviews: Guidance Manual (East of England, 2008).

### Study Area

The study covers the district of Huntingdonshire, which is strategically located between Cambridge, Peterborough and Bedford on the East Coast mainline railway, the A1 and A14 trunk roads. Approximately half of the population live in the district's four main towns. Employment and residential land uses are closely linked and several of the district's major employers are located in, or on the edge of, predominantly residential areas.

## **The Planning Context**

The Employment Land Review incorporates a review of national, regional and local reports and strategies of relevance to employment land and premises. This review was undertaken to ensure that the study is strategically aligned with relevant policies and strategies and the study recommendations follow the general principles set by them. The study has identified a significant amount of analysis and policy direction completed to date to support the Employment Land Review and the review has highlighted that the district is clearly well placed to create new jobs and deliver economic growth.

Findings from this review highlight that the Council should plan positively for employment growth by focusing commercial development on the district's current strengths, such as building on its strategic location and good transport links, and planning positively for employment clusters. It should deliver critical infrastructure improvements to enhance the connectivity of the district further and attract further inward investment.

The Council should also diversify the business base and unit size, which is currently polarised between micro/small and larger units established businesses, and focusing on increasing the significance of new emerging sectors. It should also avoid the long-term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for the purpose.

In relation to Alconbury Enterprise Zone, the council should seek to maximise its impact while minimising displacement from within the district. Finally, the Council should build on the economic success of Cambridge by seeking to provide a complementary, yet distinctive, employment offer.

## **Socio-economic Context**

A review of secondary socio-economic datasets was undertaken to assess the size and strengths of the local economy and the characteristics of businesses located in the district (including where they are located), and the local labour market. Recognising the interaction between Huntingdonshire and its neighbouring local authorities, the analysis covered Huntingdonshire, its surrounding district, the remaining districts located in Cambridgeshire and a number of larger comparator geographies.

Huntingdonshire is home to almost 170,000 residents and experiences relatively low rates of unemployment. However, pockets of higher unemployment could be found in parts of Huntingdonshire, St Neots, St Ives, and Ramsey.

Overall, more than 70,000 people were employed in Huntingdonshire in 2011 and there were 7,800 VAT registered businesses. The local economy is skewed towards manufacturing industries compared to adjoining districts, and a relatively low proportion of workers are employed in higher skilled trades and professional occupations. Consequently, while earnings are fairly high compared to the wider region, they are lower than the county average.

Within the district employment space is largely focused within the district's Spatial Planning Areas: Huntingdon SPA; St Neots SPA; St Ives SPA; and Ramsey SPA. These areas accommodate 79% of the district's workplace

employment (including 41% in Huntingdonshire SPA), with the Key Service Centres accommodating a further 18%.

If Huntingdonshire is to maximise its strengths, additional land may need to focus on Huntingdonshire SPA, whereas the data suggests that any future growth in St Neots SPA and the key Service Centres is more likely to be successful if focused on industrial space.

Overall there is a net outflow of workers from the district, largely to the office markets of Cambridge, South Cambridgeshire, Peterborough, and London. This commuting broadly follows the direction of the A1, A14 and East Coast Mainline. Conversely, as the employment offer in districts to the west and north-east of the district is relatively weak and workers are more willing to travel into the district from these areas.

While levels of commuting are reasonably well-balanced, the overall level of net out-commuting highlights that additional housing, without additional employment in the district, could lead to unsustainable development and even greater levels of out-commuting flows.

### **Property Market**

The property market assessment comprised a review of the vacant supply of units within Established Employment Areas (EEAs) along with information on general national property and business trends, to understand the supply and demand for property which is a key driver affecting the market for employment land. This involved identifying a schedule of vacant floorspace being marketed within EEAs from site visits, a trawl of major commercial agents' website and consultation with agents. This was supplemented with a review of Valuation Office Agency (VOA) data.

The review identified an undersupply of industrial floorspace in Huntingdonshire. While there is vacant industrial stock within the district, one unit accounts for 21% of the districts existing vacant stock. Higher levels of vacancy within St Neots SPA may be due to the relatively high proportion of large and aging industrial units in this location.

Overall the demand for industrial floorspace is increasingly departing from heavy manufacturing unit towards smaller, higher quality units. There is also demand for large warehousing and distribution units.

Conversely there is an oversupply of office floorspace in Huntingdonshire, notably within St Ives. The typical and emerging requirements for office space is for fairly small high quality office space with a reasonable density and good quality access to either road or rail links. As much of the vacant supply in St Ives meets these criteria, it suggests that developers may have over-estimated short-term demand levels.

### **Views of Local Businesses and Organisations**

The Employment Land Study has been underpinned by extensive stakeholder consultation, including a survey of 100 businesses and stakeholder interviews.

Local companies are generally satisfied with their current premises, with those unsatisfied most likely to identify the size and / or price of the facility to be the main issue. However, the survey identified churn in the local market, with 27% of businesses considering moving in the next three years.

Factors considered when seeking alternative accommodation include cost, location, power supply, and accessibility to major roads. Proximity, to suppliers, local shops and public transport links are not seen as particularly important.

### *Industrial and Warehousing*

Huntingdon and Alconbury were identified as the most popular locations for industrial premises and industrial businesses have a greater desire to remain in their local area than office based businesses.

While there is demand for a range of industrial sizes and quality, respondents identified a general lack of high quality, small and medium sized industrial units (0-1000sqm) and the primary focus should be on new high quality industrial sites in accessible locations.

There was also significant concern that the existing manufacturing offer in St Neots could decline further if the appropriate investment in new sites and infrastructure is not provided.

### *Office*

Huntingdon and St Ives are the only office locations within the district that consultees actively stated as their preferred future location and some respondents stated that they would accept an offer outside of Huntingdonshire.

No interest in budget office accommodation was identified in the sample survey, only moderate or high-quality.

Overall, the survey and stakeholder interviews identified that local businesses require a range of business types and locations, with a focus on accessibly, moderate-high quality, small-medium sized facilities that are spread through the district. It is therefore important not to focus the offer too heavily on Alconbury Enterprise Zone at the expense of other settlements.

### **Current Supply of Employment Land**

The district needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to market conditions, changing business conditions and working practices, including higher technology operations.

The historic land take-up across the district since 1999 has averaged 5.94 per annum. This has been weighted towards development near to the A1 and A14, where a total of 119.1 ha of land has been developed since 1999 on land that was not previously in business use. Over the same period 41.9 ha of employment land has been lost to non-business uses; of which 60% (25 ha) was previously in B2 industrial use.

The net completions per year show strong average growth between 1999 and 2008, with a notable poor performance between 2002 and 2004. However the completion rate has been significantly lower since the 2008 recession began, with net losses in business land. The trend data does show an improving picture since 2011, largely due to strong growth at Eagle Business Park in Yaxley which benefits from a prominent position, close to Peterborough, with good road links to the A1.

Concerning the extent of available employment land in adjoining districts:

- All adjoining local authority areas allocated (or are in the process of allocating) a level of employment land that exceeds the level of demand set out in the respective employment land reviews.
- Development in Bedfordshire and Central Bedfordshire is focussed on land with good access to the A1 and A421.
- East Northamptonshire, East Cambridgeshire and Fenland are taking a particularly flexible approach to future employment land, allocating significant amounts of land (relative to their forecast demand) to help stimulate the local economy and reduce out-commuting levels.
- Allocated land in Cambridge and South Cambridgeshire is relatively constrained, but planning permission has recently been granted for 100.3ha of employment land across these areas and up to 40,000sqm at North West Cambridge.
- There is a major expansion on the southern urban edge of Peterborough, in close proximity to Huntingdonshire, which could provide up to 65ha of employment floorspace as part of a major mixed use extension.

### **Established Employment Areas - Recommendations**

AECOM has reviewed a total of 36 Established Employment Areas (EEA) across Huntingdonshire, which were identified in the Stage 3 draft Local Plan. Each area has been appraised and assessed through a combination of site visits, local intelligence and the views of those involved in the local property market.

The areas were inspected and their suitability for employment uses assessed. The assessment broadly covered: Accessibility by strategic and local roads; Accessibility by public transport; Adjoining uses that might constrain employment uses; Site size, character and critical mass; and Attractiveness to the market, including vacancies.

No EEAs were considered appropriate for entire release as no sites had a severe lack of developer interest, high vacancy and services environmental impacts from their operations. Whilst some EEAs appeared weak because of poor accessibility and low quality buildings, these are not always requirements for all firms and do not necessarily mean that such areas are not meeting employment needs.

However, five EEAs contain sub-areas that are not-adequately performing their intended function and a boundary review is recommended. These sites are located at St Peter's Industrial Area (Huntingdon), Stukeley Meadows Industrial Estate (Huntingdon), Alpha Drive Business Park (St Neots), Needingworth Industrial Estate (St Ives), and Parsons Green Business Park (St Ives).



In addition 29.4ha of vacant or underused employment land has been identified in the EEAs, which represents an opportunity for additional development.

### **Additional Employment Land – Growth Forecasts and Recommendations**

In order to assess the future requirements for employment land, AECOM assessed the employment land demand implications of five forecasting models. None provided a definitive answer, but they are influences to be considered.

The models considered factors such as historic land take-up, the baseline level of economic and employment growth predicted by the East of England Forecasting Model and three scenarios which assess the employment impacts of the Alconbury Enterprise Zone under a range of assumptions.

The models findings suggest that there is limited demand for additional employment land beyond that at Alconbury Enterprise Zone. However, it is important to recognise that this finding is based purely on the outcomes of economic modelling which cannot consider, for example, the success of Alconbury Enterprise Zone in terms of job creation and development brought forward by 2036 and the effect of demand for employment land arising from a projected loss in certain type of employment outside of Alconbury.

Furthermore, the model does not consider the specific environment business are operating in, such as: (i) while land may become vacant it may not be immediately suitable for alternative uses; and (ii) the fact that there will be a need to maintain choice of supply by size, type, location, and quality of sites and premises for businesses at differing levels of their maturity.

Consequently, based on the assessment of future employment land AECOM therefore recommend that the Council plan for a gross requirement of employment land, in addition to the delivery of 8,000 jobs at Alconbury EZ, of up to 42-46ha. Whilst the success of growth at Alconbury EZ and the effect of declining industries could significantly reduce this demand, as noted above, it is worth noting the aims of the NPPF, which seek to encourage economic growth. The risk of an under-provision of employment land may therefore be greater than over-provision.

### **Additional employment land – recommendations**

AECOM reviewed the suitability of a total of 21 Potential Allocations (employment and mixed-use) identified in the Stage 3 Local Plan. All of these sites have been graded using a standard scoring system that consists of objective measures (as far as possible). Each site has been scored for its attractiveness to the market and for how well it meets planning policy objectives. The categories include: location, prominence, public transport, sequential test, planning status, environmental setting and availability.

A conclusion is reached in the appendix in relation to each site, highlighting the likelihood of it meeting employment needs within the Local Plan period. The conclusions conform to the direction of the NPPF, which

states that areas should not be allocated for employment use where there is no reasonable prospect of it being used for that purpose.

The sites are categorised based on their likelihood of meeting employment needs based as follows:

<p><b>High likelihood of meeting qualitative or quantitative employment need</b> <i>Recommendation: proceed with planned allocation</i></p> <ul style="list-style-type: none"> <li>• Alconbury Enterprise Zone</li> <li>• Eastern Expansion, St Neots</li> <li>• George Street/ Ermine Street, Huntingdon</li> <li>• West of Railway, Brampton Road, Huntingdon</li> <li>• Park View Garage, Brampton</li> <li>• Land adjacent Bicton Industrial Estate, Kimbolton</li> <li>• Huntingdon Street, St Neots</li> <li>• Former Regional College and adjoining land, St Neots</li> <li>• Former Dairy Crest Factory, Fenstanton</li> <li>• RAF Upwood and Upwood Hill House, Ramsey</li> <li>• Giffords Farm, St Ives</li> <li>• Yax Pak, Yaxley</li> </ul>
<p><b>Medium likelihood of meeting qualitative or quantitative employment need</b> <i>Recommendation: proceed with planned allocation but consider reducing the amount of employment land</i></p> <ul style="list-style-type: none"> <li>• Wyton Airfield and Wyton on the Hill</li> <li>• RAF Brampton</li> <li>• Bearscroft Farm, Godmanchester</li> </ul>
<p><b>Low likelihood of meeting qualitative or quantitative employment need</b> <i>Recommendation: consider not proceeding with planned allocation</i></p> <ul style="list-style-type: none"> <li>• North of Ermine Street, Huntingdon</li> <li>• East of Brookside, Sawtry</li> <li>• North of Black Horse Industrial Estate, Sawtry</li> <li>• Bill Hall Way, Sawtry</li> <li>• South of the Foundry, Factory Bank, Ramsey</li> </ul>

### Other recommendations

All recommendations in this report have had full regard to the requirements of the NPPF to encourage and deliver growth through the planning system:

- **Focus on high quality industrial units:** Development should ensure that there is a range of employment floorspace available for use, particularly in the industrial sector.
- **Proactively promote larger sites through the planning process:** working to prepare a development brief or masterplan for a site can increase investor confidence and encourage developers, as can a flexible approach to S106 and CIL contributions. Where sites in Huntingdonshire already have this in place, they should be regularly monitored and reviewed. Where large mixed-use sites are planned but

not yet committed, it is advisable in the current market for policies to seek to link delivery of new employment space to the delivery and phasing of the other uses on the site.

- **Target specific sectors:** growth in the district should target: chemicals; pharmaceuticals; metals manufacturing; electronics; waste and remediation; telecoms; computer related activity; professional services; research and development.
- **Monitoring and review:** Huntingdonshire should review its employment land portfolio at intervals of around three years. This is broadly in accordance with the NPPF, which recommends regular monitoring and review of the local land supply to ensure a robust evidence base.

AECOM recommend that the Council plan for a gross requirement of employment land, in addition to the delivery of 8,000 jobs at Alconbury EZ, of up to 42-46ha. However there is an ongoing role for monitoring and review, considering the quality and quantity of available land and premises, trends in take-up and availability; as well as economic indicators linked to economic growth, sectoral performance and skills. These should be considered alongside recordings of completions and losses of employment land and floorspace. Decision-making on future employment provision and losses of sites should be informed by a plan, monitor and manage approach.

This is considered to be particularly important given the major effect of the amount and type of development at Alconbury Enterprise Zone on the demand for employment allocations across the district.

# 1 Introduction

- 1.1 This report provides an economic and employment land study for the district of Huntingdonshire (the district). It has been carried out on behalf of Huntingdonshire District Council (the Council).
- 1.2 The Study has been commissioned to provide an overall assessment of the employment and economic environment within Huntingdonshire district and to provide robust evidence to underpin and inform the Council's Local Plan. The Study will also analyse employment land and premises demand, supply and need to 2036.
- 1.3 AECOM and Deloitte Real Estate have compiled this report, with input from England Marketing. It was carried out during 2013.
- 1.4 The Study comprises five main elements:
- A review of the scale and distribution of employment land and premises in Huntingdonshire district
  - A review of economic growth forecasts for Huntingdonshire district, over the period to 2036
  - An assessment of the district's economy that informs the amount, location and type of employment land and premises required to facilitate its development and growth
  - Projection of employment land and premises requirements, by scale, sector and nature, to 2036
  - Recommendations on the future allocation of employment land and premises, the protection and delivery of existing areas and any employment areas which could be considered for alternative (i.e. non-employment) forms of development.

## Background

- 1.5 This Employment Land Study will form part of the evidence base for policies and proposals in the Huntingdonshire Local Plan. As part of the plan preparation process, the Council is required to review and assess the level and quality of its existing employment sites and premises to help ensure an adequate supply of appropriate sites has been identified over the plan period.
- 1.6 Land and premises need to reflect the changing requirements of businesses and local economies. The Study will therefore help to assess the suitability of sites, indicating which sites might be best safeguarded for employment uses, any sites that appear no longer suitable for employment uses at least in their present form, and any need for new allocations. Planning policies are intended to intervene in the market to ensure amongst other things an appropriate balance between housing and employment uses in the district.
- 1.7 The Study covers all industrial, warehousing and distribution uses, as well as offices. It does not refer to all uses that provide jobs, but to the above group of uses, which tend to share certain locational and physical characteristics. The Study is primarily concerned with those uses included within the planning Use Class B: B1 (business offices/light industrial); B2 (general industrial); B8 (storage and distribution); and, appropriate sui generis uses including recycling and the environmental industry.

## Methodology

- 1.8 Research methods used include site visits, interviews with property market stakeholders such as developers, investors and their agents. A telephone survey of 100 local businesses has been undertaken.
- 1.9 Consultation with the district's major private sector employers was undertaken and key public sector agencies. Desktop analysis of national, regional and local reports and strategies has been undertaken, accounting for recent planning policy changes such as the introduction of the National Planning Policy Framework (NPPF).
- 1.10 The property market in the local authority areas adjacent to Huntingdonshire district was also reviewed. This has been undertaken through discussions with officers from the relevant Councils, combined with desktop analysis of the Employment Land Studies and Core Strategies (where applicable) of those local authorities. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing their impact on the district's land and property market.
- 1.11 Finally the land supply has been assessed against forecast data to understand future land need. This is then developed into a series of economic development recommendations that cover not just land, but also premises.
- 1.12 At Appendix 1 we have included a schedule of all consultees.

## Study Area

- 1.13 The district of Huntingdonshire (population 169,500, as of the 2011 Census) is a largely rural area covering approximately 350 square miles in the west of Cambridgeshire, encompassing the highest provision of commercial and industrial floorspace in Cambridgeshire. The district is strategically located between Cambridge, Peterborough and Bedford on the East Coast mainline railway, the A1 and A14 trunk roads. Approximately half of the population live in the district's four main towns: Huntingdon, St Neots, St Ives and Ramsey. Much of the district lies between the two large floodplains of the rivers Nene to the north and the Great Ouse that runs through the central areas of Huntingdonshire. Many of the district's major settlements are located adjacent to the River Great Ouse and its tributaries.

Figure 1 – Huntingdonshire District



Source: ONS 2011

- 1.14 The strategic A1 passes through the district, connecting Huntingdonshire with London, Peterborough, the North and Edinburgh. The town of Huntingdon sits around 5 km east of the A1(M). It is linked by the A14, which also connects to St Ives, Cambridge, the M1 and the M6. Ramsey is accessible from the A1, via the B660.
- 1.15 The A421 (and A428) run east and west of St Neots, linking the town with settlements such as Cambridge, Bedford and Northampton.
- 1.16 In the more rural areas of the district are Buckden, Fenstanton, Kimbolton, Sawtry, Somersham, Warboys and Yaxley.
- 1.17 Employment and residential land uses are often closely linked and several of the district's major employers are located in, or on the edge of, predominantly residential areas. A high proportion of Huntingdonshire district's existing employment premises comprise older buildings. The largest group of Established Employment Areas (EEAs) in the district is in Huntingdon, comprising Ermine Business Park, Hinchingsbrooke Business Park, St Peter's Road Industrial Area and Stukeley Meadows Industrial Estate located off the A141.

### **Employment Land Review: Guidance Note (ODPM 2004)**

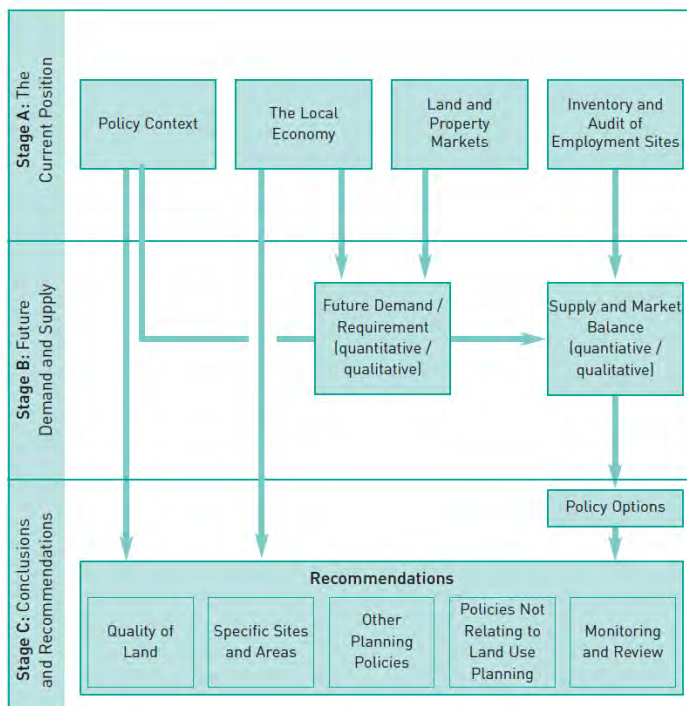
- 1.18 The Employment Land Review: Guidance Note promotes a three-stage process, and provides the framework for this study. Although this document is now nine years old it has not been amended or superseded by more recent statements of national policy and remains the only national guidance document for the production of Employment Land Studies.
- 1.19 **Stage One:** take stock of the existing situation including an initial assessment of 'fitness for purpose' of existing allocated employment sites. The objective is to identify the best employment sites to be protected; identify employment sites to be released and prepare an effective brief for stages two and three of the review. The outcome of this stage is to understand key employment land supply issues and generate a portfolio of potential employment sites to take forward for more detailed review.
- 1.20 **Stage Two:** understand the future quantity of land required across the main business sectors; to provide a breakdown of that analysis in terms of quality and location and provide an indication of 'gaps' in supply through economic forecasting, consideration of recent trends and/or assessment of local property market circumstances. The outcome of this stage is to provide broad quantitative employment land requirements across the principal market segments covering the Local Plan period and an analysis of the likely 'gaps' in supply that need to be filled.
- 1.21 **Stage Three:** entails a qualitative review of all significant sites (and premises) in the existing portfolio in order to: confirm which of them are unsuitable for/unlikely to continue in employment use; to establish the extent of 'gaps' in the portfolio; and if necessary, identify additional sites to be allocated or safeguarded. The outcome will be the completion of the employment land review, to be taken forward in the Local Plan. The Huntingdonshire Employment Land Study is prepared in compliance with this advice.

### **Employment Land Reviews: Guidance Manual (East of England, 2008)**

- 1.22 The East of England Development Agency, East of England Regional Assembly and Government Office for the East of England have produced a good practice guidance manual to complement the Government Guidance Note, provided for the day-to-day reference of local planning authorities and their consultants in preparing Employment Land Studies. The manual states that Employment Land Studies need to:
- 1.23 Assess how much land will be required for employment during the plan period, based on market conditions and policy objectives;
- Audit the supply of land already identified for employment;
  - Compare requirement with supply both quantitatively and qualitatively;
  - The study should consequently make recommendations about:
    - Any further land that should be identified for employment;
    - Any existing or committed employment sites that should be released for other uses;
    - Other planning policies relating to employment land as appropriate;
    - Economic development and regeneration policies that bear on employment land.

1.24 An overview of the recommended stages and elements are set out in Figure 2:

Figure 2 – Recommended Employment Land Study methodology



Source: Employment Land Reviews: Guidance Manual (East of England, 2008)



## 2 Planning context

### Introduction

- 2.1 This section focuses on national, regional and local reports and strategies that have a relevance to the allocation of employment land and premises. An understanding of the strategies and reports contained in this review is needed to show strategic alignment and a holistic approach to promote sustainable development. The consultants' recommendations follow the general principles set by them.

### National

*National Planning Policy Framework (Department for Communities and Local Government, 2012)*

- 2.2 As part of ongoing reforms of planning policy, the Department for Communities and Local Government has published the National Planning Policy Framework (NPPF). The NPPF sets out the Government's economic, environmental and social planning policies for England, articulating the Government's vision of sustainable development. It provides a framework for the production of local and neighbourhood plans, and has replaced all the previous Planning Policy Statements and Guidance Notes.
- 2.3 Paragraph 21 states that investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including a poor environment or any lack of infrastructure, services or housing. Local planning authorities should therefore:
- Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;
  - Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated requirements over the plan period;
  - Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate requirements not anticipated in the plan and to allow a rapid response to changes in economic circumstances;
  - Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries;
  - Identify priority areas for economic regeneration, infrastructure provision and environmental enhancement;
  - Facilitate flexible working practices such as the integration of residential and commercial used within the same unit.

- 2.4 Paragraph 22 states that planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.
- 2.5 Paragraph 28 states that planning policies should support sustainable economic growth in rural areas by taking a positive approach to development that supports the sustainable growth and expansion of all types of businesses and enterprise in rural areas. This includes promoting the development and diversification of agricultural and other land-based rural businesses.
- 2.6 Paragraph 51 makes clear that local planning authorities should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate.
- 2.7 Paragraph 160 states that local planning authorities should have a clear understanding of business needs within the economic markets operating in and across their area. To achieve this, they should:
- Work together with county and neighbouring authorities and with Local Enterprise Partnerships to prepare and maintain a robust evidence base to understand both existing business needs and likely changes in the market; and,
  - Work closely with the business community to understand their changing needs and identify and address barriers to investment, including a lack of housing, infrastructure or viability.
- 2.8 This should then be used to assess:
- The needs for land or floorspace for economic development, including both the quantitative and qualitative needs for all foreseeable types of economic activity over the plan period, including for retail and leisure development;
  - The existing and future supply of land available for economic development and its sufficiency and suitability to meet the identified needs. Reviews of land available for economic development should be undertaken at the same time as, or combined with, Strategic Housing Land Availability Assessments and should include a reappraisal of the suitability of previously allocated land;
  - The role and function of town centres and the relationship between them, including any trends in the performance of centres;
  - The capacity of existing centres to accommodate new town centre development;
  - Locations of deprivation which may benefit from planned remedial action; and,
  - The needs of the food production industry and any barriers to investment that planning can resolve.

## Local

### *Huntingdonshire Employment Land Review (2007)*

- 2.9 An Employment Land Review (ELR) was produced in October 2007 for Huntingdonshire District Council. The ELR looked in detail at the driving factors that would affect the amount and location of land that would be needed for employment development in the Core Strategy plan period. Two scenarios were drawn up; a 'New Usual for Business' scenario based on established and foreseeable trends and a 'Low Carbon Future' scenario anticipating more radical drives to address climate change and reduce carbon emissions.
- 2.10 The Employment Land Review concluded that the most sustainable and preferred option is the provision of at least 66ha of additional employment land by 2026, under the Low Carbon Future Scenario. Past development has been at various densities and the move to more efficient use of land and the nature of the locations that will be identified (less warehousing land for instance) indicate that it will be possible to meet demand for employment land at reasonably high job densities. The alternative scenario identified a demand for land of 96.1ha, based on a continuation of current job densities.
- 2.11 Following a thorough analysis of available sites, land in the locations set out below were recommended:
- Huntingdon Town Centre
  - Huntingdon West Area
  - RAF Brampton
  - North of Ermine Business Park
  - East of St Neots and the East Coast Main Line
  - Opposite Broadway Business Park, Yaxley (Eagle Business Park)
  - Ramsey Gateway
- 2.12 These sites provided 43.4ha of employment land in Central Huntingdonshire, 14.6ha in South Huntingdonshire and 4.5ha in North Huntingdonshire (62.5ha in total).

### *Huntingdonshire Adopted Core Strategy (2009)*

- 2.13 The Core Strategy was informed by the Huntingdonshire Employment Land Review (2007).
- 2.14 The objectives of the Core Strategy include:
- To enable required growth to be accommodated in locations which minimise the need to travel and maximise the use of sustainable transport modes, while catering for local needs.
  - To facilitate business development in sectors that have potential to meet local employment needs and limit out commuting.

- To enable business development in rural areas, in locations and on a scale which helps to provide local jobs, limits commuting and minimises or mitigates against adverse environmental impacts.
- To make best use of existing infrastructure and provide a framework for securing adequate land and infrastructure to support business and community needs.
- To enable and prioritise the efficient reuse of sustainably located previously developed land and buildings and minimising the use of Greenfield land.

2.15 As stated above, the Employment Land Review aspires towards the 'Low Carbon Future' approach and recommends that at least 66ha of additional land is identified for employment growth in the period up to 2026. Under an alternative scenario, 96ha of additional land is required. The Core Strategy recognises need to retain flexibility and ensure an adequate supply of deliverable land in locations where significant housing growth will be delivered, and so a balance between the two scenarios was taken.

2.16 Policy CS7 allocated 'about 85ha' of new land for employment, to be provided before 2026, as set out in Table 2.1 below

*Table 2.1 – Employment Allocation – Huntingdonshire Core Strategy*

<b>Spatial Planning Areas and Key Service Centres</b>	<b>Employment Allocation</b>
Huntingdon Spatial Planning Area	Approximately 51ha employment land, comprising <ul style="list-style-type: none"> <li>- At least 13ha on previously developed land</li> <li>- Approximately 38ha on Greenfield land</li> </ul>
St Neots Spatial Planning Area	Approximately 25ha employment land on Greenfield land
St Ives Spatial Planning Area	Delivery of existing commitments
Ramsey Spatial Planning Area	At least 9ha employment land, comprising <ul style="list-style-type: none"> <li>- At least 2ha on previously developed land</li> <li>- Approximately 7ha on Greenfield land</li> </ul>
Key Service Centres	Delivery of existing commitments

*Huntingdonshire Employment Land Availability Assessment (Draft, 2011)*

2.17 The Employment Land Availability Assessment (ELAA) built on the Employment Land Review (2007) findings, in the context of the development strategy set out in Core Strategy Policy CS 7. It assessed potential employment sites that could meet the employment land development strategy. This document progressed to draft stage before the Local Plan process began.

- 2.18 In the period between publication of the Core Strategy and publication of the draft ELAA (2009-2011), 22.75ha of the Policy CS7 target of 'about 85ha' of employment land had been delivered. Therefore, about 62.25ha of new land for employment remained to be provided before 2026.
- 2.19 The ELAA process assessed two categories of site; previously identified sites and new sites. A total of 18 new sites were put forward through a 'call for sites' process.
- 2.20 Appendix 3 of the ELAA identified all sites that were discounted, alongside the reasons for this decision, which included all sites discounted in the Employment Land Review (2007). This information has not been replicated in this document.
- 2.21 Site surveys were completed in the ELAA, and sites with extant planning permissions were visited to obtain an up-to-date view on development progress. An indicative development capacity was then calculated on each site, using the 'New Usual for Business' scenario from the ELR. This was considered to be an appropriately cautious approach compared with the higher-density 'Low Carbon Future' approach.
- 2.22 The sites were then assessed for suitability against the Core Strategy. Accessibility and flood risk levels were taken into account, as were special designations such as proximity to Ramsar or conservation areas.
- 2.23 The ELAA identified a total of 113.1ha of land across 13 new sites that could meet the Core Strategy requirement for employment land. The indicative capacity in terms of floorspace was also calculated and jobs density figures applied, which showed that the target from policy CS 7 was likely to be achievable from these sites. The sites comprised:
- Huntingdon SPA, 8 sites
  - St Neots SPA, 2 sites
  - Ramsey SPA, 1 site
  - Key Service Centres, 2 sites
- 2.24 The ELAA also identified a total of 478.68ha of land across 41 pre-existing undeveloped sites (including Alconbury Airfield at 393.15ha), which comprised:
- Huntingdon SPA, 11 sites
  - St Neots SPA, 7 sites
  - St Ives SPA, 7 sites
  - Ramsey SPA, 4 sites
  - Key Service Centres, 8 sites
  - Smaller Settlements, 4 sites

*Environmental Capacity Study – Stage 3 Consultation (ECS, 2013)*

- 2.25 The Environmental Capacity Study (ECS) was first drafted in 2012 and then updated in 2013. It demonstrates how, where and to what extent development can be undertaken responsibly, without giving rise to irreversible damage to Huntingdonshire's environment. Its aim is to guide the preparation of the Local Plan towards a sustainable solution to meet local needs.
- 2.26 The study assessed potential new sites identified through the Local Plan 'call for sites' process and incorporates allocations and the Alconbury Enterprise Zone.
- 2.27 The draft Employment Land Availability Assessment (ELAA) was a key baseline document for the ECS and the source of employment sites. It has also been a key information source for the emerging Local Plan and this Employment Land Study. The sites included were assessed through a two-stage process:
- An assessment of constraints affecting the capacity of broad areas adjacent to each settlement studied, leading to the identification of areas with potential capacity for development.
  - Detailed assessment and sustainability appraisal of the specific sites identified, and sites within the existing built-up area to calculate an indicative deliverable capacity figure for each.
- 2.28 The names of some newly identified employment sites in the ELAA were changed in the ECS, as follows:
- Ferrars Road/ St Johns Street, included in George Street/ Ermine Street
  - North of Spittals Way, included in Alconbury Weald
  - East of Railway, included in Eastern Expansion St Neots
  - Former RAF Upwood, included in RAF Upwood and Upwood Hill House
- 2.29 The following 7 additional sites were considered suitable for B-class employment uses (in part):
- Former Regional College and adjoining land, St Neots
  - Former Dairy Factory, Fenstanton
  - Land adjacent to Bicton Industrial Estate, Kimbolton
  - East of Brookside, Sawtry
  - North of Black Horse Industrial Estate, Sawtry
  - Bill Hall Way, Sawtry
  - Giffords Farm, St Ives

*Huntingdonshire Draft Local Plan to 2036 – Stage 3 Consultation (May, 2013)*

- 2.30 The Spatial Vision for the Draft Local Plan states the following for economic development; by 2036 Huntingdonshire will:
- Be home to a successful Enterprise Zone and foster a culture of enterprise by supporting the existing business base, encouraging investment from businesses in high value sectors and encouraging

entrepreneurship at an early age. Superfast broadband will be available across the district supporting wider economic growth.

- Attract and retain a flexible and resilient workforce and support the educational attainment and skills needed to realise the district's economic potential, including development of university level qualification capability.
- Have thriving, distinctive town centres which meet 21st century needs and have established their own niche to compete and survive as retail centres.
- Retain its thriving countryside blending agriculture, strategic green space, rural businesses and tourism whilst maintaining the distinctive character of the rural areas.

2.31 The Objectives that support the Vision are:

- To promote economic growth and resilience and diversify the range of businesses active in the district that can add greater value to the local economy.
- To maximise the advantages offered by Huntingdonshire's strategic location to develop complementary sector specialisms, supply chains and business accommodation.
- To increase the proportion of economically active residents in the district and promote education and skills that meet the future needs of the local economy.
- To enhance the role of Huntingdon, St Neots, St Ives and Ramsey's town centres helping them to adapt to modern retail trends and focusing commercial developments towards the most accessible locations.
- To support agriculture, farm diversification, estate management and rural tourism that will support the function and character of the countryside and its communities.

2.32 Policy LP 8 defines the four Spatial Planning Areas in Huntingdonshire:

- Huntingdon Spatial Planning Area comprises Huntingdon, Brampton and Godmanchester as well as the Strategic Expansion Location of Alconbury Weald. Huntingdon is the primary settlement within this SPA.
- St Neots Spatial Planning Area comprises St Neots and Little Paxton. St Neots is the primary settlement within this SPA.
- St Ives Spatial Planning Area comprises St Ives(18). St Ives is the primary settlement within this SPA.
- Ramsey Spatial Planning Area comprises Ramsey and Bury(19). Ramsey is the primary settlement within this SPA.

2.33 In addition to these, the following Key Service Centres were identified: Buckden, Fenstanton, Kimbolton, Sawtry, Somersham, Warboys and Yaxley.

2.34 Policy LP10 defines the Small Settlements in Huntingdonshire: Abbotsley, Abbots Ripton, Alconbury, Alconbury Weston, Alwalton, Bluntisham, Brington, Broughton, Buckworth, Bythorn, Catworth, Chesterton, Colne, Conington, Covington, Diddington, Earith, Easton, Ellington, Elton, Farcet, Folksworth, Glatton, Grafham, Great Gidding, Great Gransden, Great Paxton, Great Raveley, Great Staughton, Great Stukeley,

Hail Weston, Hamerton, Hemingford Abbots, Hemingford Grey, Hilton, Holme, Holywell, Houghton and Wyton, Keyston, Kings Ripton, Leighton Bromswold, Little Stukeley, Molesworth, Needingworth, Offord Cluny, Offord D'Arcy, Oldhurst, Old Weston, Perry, Pidley, Pondersbridge (part), Ramsey Forty Foot, Ramsey Heights, Ramsey Mereside, Ramsey St Mary's, Southoe, Spaldwick, Stibbington, Stilton, Stonely, Stow Longa, Tilbrook, Upton, Upwood, Wansford (part), Waresley, Water Newton, Winwick, Wistow, Woodhurst, Woodwalton, Wyton-on-the-Hill, and Yelling.

2.35 Policy LP 19 states that areas of land and buildings that contribute to the local economy and provide on-going strategic employment opportunities have been designated as EEAs. Within EEAs a proposal will be required to show how:

- It affects the role and continuing viability of the EEA in providing for employment opportunities and as an attractive and suitable location for employment uses;
- It affects the range, availability and suitability of land and buildings for employment uses in the nearest Spatial Planning Area or Key Service Centre that the EEA relates to, considering market issues including existing and potential demand and lead-in times; and
- The extent to which the use or mix of uses proposed can give greater benefits to the community than the current or most recent use.

2.36 The EEAs are listed as:

- Alconbury Hill - Crossways Distribution Centre
- Alwalton - Minerva Business Park
- Earith - Earith Business Park
- Fenstanton - Lakeside Technology Park
- Great Gransden - Sand Road Industrial Estate and Hardwicke Road Industrial Estate
- Great Paxton - Harley Industrial Park
- Godmanchester - Cardinal Park and the Chord Business Park/ Roman Way Centre
- Houghton and Wyton - Upland Industrial Estate
- Huntingdon - Ermine Business Park, Hinchingsbrooke Business Park, St Peter's Road Industrial Area and Stukeley Meadows Industrial Estate
- Kimbolton - Bicton Industrial Park/ Harvard Industrial Estate
- Little Staughton - The Airfield Industrial Estate
- Needingworth - Needingworth Industrial Estate
- Ramsey - Highlode Industrial Estate and Upwood Air Park
- Sawtry - Brookside Industrial Estate and Black Horse Business Park
- Somersham - West Newlands Industrial Estate



- St Ives - Meadow Lane Business Park, Marley Road Industrial Area, Parsons Green Business Park and Somersham Road Industrial Area, and Compass Point Business Park
- St Neots - Station Road Industrial Area, Cromwell Road Industrial Estate, Colmworth Business Park, Howard Road Industrial Estate, Little End Industrial Estate and Alpha Drive Business Park
- Warboys - Warboys Airfield Industrial Estate
- Yaxley - Broadway Business Park and Eagle Business Park

2.37 In addition to the EEAs, the draft Local Plan identifies potential allocations to support future sustainable employment or mixed use growth:

- Alconbury Weald
- Eastern Expansion, St Neots
- Wyton-on-the-Hill
- North of Ermine Street
- West of railway, Brampton Road
- George Street/ Ermine Street
- RAF Brampton
- Park View Garage
- Bearscroft Farm
- Huntingdon Street, St Neots
- St Mary's Urban Village
- Former Regional College and Adjoining Land
- Giffords Farm
- South of the Foundry, Factory Bank
- RAF Upwood and Upwood Hill House
- Former Dairy Factory, Fenstanton
- Land adjacent to Bicton Industrial Estate, Kimbolton
- East of Brookside, Sawtry
- North of Black Horse Industrial Estate, Sawtry
- Bill Hall Way, Sawtry
- Yax Pak

2.38 These potential allocations will constitute the potential land supply to meet employment demand identified in this study. A detailed plan showing the location of these sites within the district is set out in Appendix 6.

2.39 A key output of this Employment Land Study is the review and assessment of the EEAs and potential allocations.

*Huntingdonshire Local Economic Assessment (2012)*

- 2.40 The Huntingdonshire Local Economic Assessment (LEA) presents an analysis of the structure of the Huntingdonshire economy, the historic and future trends in key sectors and sets out the implications of these trends on the people and business within Huntingdonshire. The key sectors are: Chemicals; pharmaceuticals; metals manufacturing; electronics; waste and remediation; telecoms; computer related activity; professional services; research and development. The section follows the broad structure of the LEA.

*People and Communities*

- 2.41 The working population is aging and the proportion of the workforce aged 65 and over is expected to increase to 25% of the total population, from 16% in 2010.
- 2.42 Unemployment is below the national average, but unemployment has increased over the recessionary period and the workforce is also becoming less active at a faster and greater rate than the regional and county metrics.
- 2.43 Huntingdonshire has a strong academic performance, with strong levels of the working age population being educated to NVQ 4, although this proportion has declined in recent years.
- 2.44 The LEA also highlights that workplace earnings, while increasing, are lagging behind resident based earnings, suggesting that residents are commuting out of Huntingdonshire to access better paid opportunities elsewhere.

*Business and Enterprise*

- 2.45 Over the 10 years to 2010, the District has increased its job density metric. The total number of jobs has increased, as has the proportion of the working age population, suggesting that job creation has therefore been at a higher rate than working age population growth.
- 2.46 In addition, by 2011 headline GVA had recovered beyond its pre-2008 levels. However the East of England Forecast Model data suggests this is due to productivity increases, rather than higher levels of employment.
- 2.47 The LEA also identifies that the Huntingdonshire business base is polarised between micro/small and larger, established businesses. It highlights that this may present a weakness in the future, particularly as many of the larger businesses are skewed towards more traditional industries and may be more greatly exposed to the predicted contraction of UK manufacturing.
- 2.48 This is reinforced by business survival data. Business survival rates in the district are strong for businesses aged over ten years. While a generally positive finding, the LEA suggests that this is due to a number of well established businesses operating in more traditional industries (including manufacturing, processing and food and drink), which may be more exposed to structural changes in the future.

- 2.49 Focusing on specific sectors, the LEA identifies that the reduction in manufacturing employment has been less pronounced than the UK average, but the losses remain significant. It also highlights that employment in banking, finance and insurance has increased faster than all other Cambridgeshire districts, apart from Fenland.
- 2.50 In relation to the future HDC Economic Growth Plan, the LEA highlights that support for manufacturing may include the development of new innovative modern practices within established businesses, which may further reduce employment in the sector. It also highlights that, although there has been a rapid increase in the number of professional and scientific business units, the data does not demonstrate any sector strengths in new or emerging technologies on which to build capability.
- 2.51 In relation to Alconbury, the LEA highlights that as much of the activity that takes place at Alconbury as is possible should be additional to the area. Investment should be new and from external sources or should provide new accommodation to local enterprises suffering from capacity constraints with space to grow. If this is not achieved, there is a risk that development at Alconbury will simply redistribute existing activity in the area which is not 'additional' in economic terms.

#### *Sustainable Economic Growth*

- 2.52 According to the LEA, the housing market in Huntingdonshire has 'emerged strongly from the recession', with the highest number of starts and completions in Cambridgeshire. Huntingdonshire remains one of the more affordable locations in the county.
- 2.53 However, deprivation statistics highlight issues in relation to barriers to housing and services in the more deprived parts of the district, suggesting that some affordability issues may be hidden within the district level data. The LEA also identified the local areas of Alconbury and the Stukeleys and St Neots Eaton Ford as scoring poorly in the IMD Barriers to Housing domain.
- 2.54 In relation to commercial property, Huntingdonshire remains more affordable than other locations, such as Cambridge City. However LEA highlights that across the county negative rental growth has been most pronounced in Huntingdonshire and yields continue to soften and delivering new floorspace in the district will continue to present viability challenges.

#### *Forecasting Scenarios*

- 2.55 The East of England Forecasting Model (EEFM) provides a series of employment forecasts for Huntingdonshire. These are described in Section 8 which sets out the economic growth forecasts in more detail. However the key issues identified in the LEA include:
- GVA and productivity per worker are both set to grow on a steady basis in Huntingdonshire over the next 25 years.
  - Although the sector profile in Huntingdonshire is diverse, Chemicals are currently the stand out sector for Huntingdonshire in relation to sector productivity.

- Professional Services is the largest employer in sectoral terms in Huntingdonshire and is expected to grow at an average of 1.8% per annum. Along with healthcare, which is expected to grow at 0.5% per annum, these sectors will account for the majority of the net increase in jobs between now and 2031 in the baseline economic forecasts.

#### *Business Conversation*

- 2.56 In developing the LEA, HDC engaged with businesses within a ten mile radius of the district to seek their views on what issues should be prioritised in the Huntingdonshire Economic Growth Plan. Key issues identified through this engagement were that the future strategy should:
- Focus on the strengths of district and focus on its assets, rather than seeking to overcome market failure.
  - Be open and non-protectionist. For example, Cambridge should be seen as an opportunity which Huntingdonshire should complement.
  - However, while being complementary, it should also be distinctive.
  - Consider the significant opportunity to grow and develop the micro / small business sector and attract investment into the area for medium sized businesses.

#### *Huntingdonshire Economic Growth Plan (2013)*

- 2.57 The Economic Growth Plan states that the district benefits from a number of key strengths. It is well connected, with excellent road and rail links and significant plans for improving highways and rail infrastructure further. It is economically stable, with a strong small business sector and many well established companies. Also, residents are typically well educated, highly skilled and often working in managerial and professional occupations.
- 2.58 However, there are also a number of local structural challenges. The proportion of the population who are of working age in Huntingdonshire is reducing, which means there are fewer economically active people living in the district.
- 2.59 The Growth Plan sets out a number of key objectives to deliver their Vision that relate to skills improvement, business support and fostering the right environment. The key actions to support this are to:
- Promote Alconbury Enterprise Zone as a key inward investment location and employment driver.
  - Deliver new mixed use development, including new homes, business accommodation, retail and leisure space, new strategic open space and other recreation opportunities in defined spatial planning areas, including Alconbury Enterprise Zone.
  - Deliver critical infrastructure improvements, including improvements to the A14, planned rail improvements and super-fast broadband.

## Key findings

- 2.60 There is a significant amount of analysis and policy direction completed to date to support this study and the district is clearly well placed to create new jobs and deliver economic growth. The information in this section highlights that the Council should:
- Provide for the appropriate amount of new employment floorspace by planning positively for employment clusters and avoiding the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose;
  - Focus commercial developments on the district's current strengths and maximise the advantages offered by its strategic location and good transport links;
  - Deliver critical infrastructure improvements to enhance the connectivity of the district and attract further investment;
  - Seek to maximise the impact of Alconbury Enterprise Zone, whilst minimising displacement from within the district;
  - Focus on increasing the significance of new emerging sectors;
  - Diversify the business base and unit sizes, which is currently polarised between micro/small and larger, established businesses. This may present a weakness in the future, particularly as many of the larger businesses are skewed towards more traditional industries and may be more greatly exposed to the predicted contraction of UK manufacturing;
  - Treat the economic success of Cambridge as an opportunity, by providing a complementary yet distinctive offer.

### 3 Socio-economic context

- 3.1 It is important to understand the nature of the economy in Huntingdonshire in order to provide suitable employment opportunities to facilitate sustainable growth.
- 3.2 This section, therefore, considers the size of the economy, where the businesses are, and what type of businesses they are. By appreciating these aspects it is easier to facilitate economic development by allocating land and premises in the correct locations and of the right type. The profile is a result of secondary research, drawing together a number of existing data sources. It also uses demographic data to build the picture, given that there are no readily available answers to some of the key questions included within this section.
- 3.3 Data in this section is presented for Huntingdonshire and its neighbouring local authorities. When appropriate Huntingdonshire is also compared to authorities within Cambridgeshire, the county, the Greater Cambridge and Peterborough LEP, plus the region and Great Britain.

#### Demographics and Labour Market

##### *Population*

- 3.4 As Table 3.1 shows, the population of the district as of the 2011 Census was 169,508 residents. This was more than 27% of the total population of Cambridgeshire. This was the largest in Cambridgeshire by a significant margin, and larger than any of its neighbours with the exception of Peterborough.
- 3.5 While the largest district in terms of population, Huntingdonshire has been growing more slowly than other districts in Cambridgeshire. Between 2001 and 2011 Huntingdonshire grew by some 8% while the other districts in Cambridgeshire all grew by 14%. Bedford is the only district of the comparators to grow more slowly than Huntingdonshire, while growth in Central Bedfordshire was in line with Huntingdonshire.

Table 3.1 – Population: Huntingdonshire and Comparators (2001 and 2011)

Area	Population		% Growth (2001-11)	% of Cambridgeshire Total (2011)
	2001	2011		
<b>Cambridgeshire</b>				
<b>Huntingdonshire</b>	<b>156,964</b>	<b>169,508</b>	<b>8%</b>	<b>27%</b>
Cambridge	108,856	123,867	14%	20%
East Cambridgeshire	73,233	83,818	14%	13%
Fenland	83,523	95,262	14%	15%

South Cambridgeshire	130,109	148,755	14%	24%
<b>Other Neighbours</b>				
Bedford	147,908	157,479	6%	
Central Bedfordshire	233,654	254,381	9%	
East Northamptonshire	76,553	86,765	13%	
Peterborough	156,059	183,631	18%	

Source: Census 2001 and 2011

#### Deprivation

- 3.6 Deprivation is not a significant issue in Huntingdonshire. Huntingdonshire is ranked as the 274<sup>th</sup> most deprived local authority area in England (out of 326 local authority areas) in the national Index of Multiple Deprivation (IMD, 2010). This means Huntingdonshire ranks within the top 16 percent least deprived local authorities in England.
- 3.7 As table 3.2 below shows, Huntingdon's ranking for deprivation is better than neighbouring Bedford and Northamptonshire, and significantly better than Peterborough which is the 71<sup>st</sup> most deprived in England. However, it is worse than neighbouring districts in Cambridgeshire (East Cambridgeshire and South Cambridgeshire).

Table 3.2 – IMD 2010, Cambridgeshire (and South Cambridgeshire) Local Authority Average Ranking\*

Area	Ranking
<b>Huntingdonshire</b>	<b>274</b>
Bedford	159
Central Bedfordshire	269
East Cambridgeshire	280
East Northamptonshire	225
Fenland	112
Peterborough	71
South Cambridgeshire	322

Source: English Indices of Deprivation 2010

\* Rank of Average Scores for English LAs. Each is ranked out of 326, with 1 being the most deprived authority in England (Liverpool) and 326 the least deprived (Hart District).

- 3.8 In 2010, only five of Huntingdonshire's 106 Lower Level Super Output Areas (LSOAs) were in the top 30 percent most deprived in England. Of these, four were in Huntingdon and one was in St. Neots.
- 3.9 In comparison, 69 of Huntingdonshire's LSOAs were in the top 30 percent least deprived in England, and 13 were in the top five percent. The latter group included parts of Huntingdon and St Neots and Somersham.

*Key findings*

- Huntingdonshire has the largest population in Cambridgeshire, but a relatively slow rate of growth over the last decade.
- There are generally low rates of deprivation, but they are higher than some nearby areas such as South Cambridgeshire and Cambridge.

**Economy and Business Base**

3.10 As of late 2012, 79 percent of Huntingdonshire's working age population was in employment (85,500), which was ahead of the average across Cambridgeshire and the East of England (75.4 and 74.6 percent respectively), and all of its neighbours with the exception of South Cambridgeshire.

*Table 3.3 – Employment Rate: Huntingdonshire and Comparators (2012)*

	<b>Total Employment (16-64)</b>	<b>Employment Rate (16-64)</b>
<b>Districts</b>		
<b>Huntingdonshire</b>	<b>85,500</b>	<b>79.0%</b>
Bedford	81,200	77.0%
Cambridge	70,800	75.8%
Central Bedfordshire	122,600	74.2%
East Cambridgeshire	41,000	75.3%
East Northamptonshire	41,700	77.4%
Fenland	33,500	61.0%
Peterborough	78,400	69.5%
South Cambridgeshire	73,400	79.3%
<b>County and LEP</b>		
Cambridgeshire	304,200	75.4%
Greater Cambridge & Greater Peterborough LEP	637,100	75.0%
<b>Regional and National Comparators</b>		
East	2,770,200	74.6%
Great Britain	27,604,700	70.7%

*Source: ONS Annual Population Survey, 2012*

*\*Percentage of working-age population*



- 3.11 Unemployment was also low, with 5.2 percent of the economically active population in Huntingdonshire unemployed. This was lower than in all its neighbours, and below the average in Cambridgeshire (7 percent) and across the East (6.7).

Table 3.4 – Unemployment Rate: Huntingdonshire and Comparators (2012)

	Total Unemployment (16-64)	Unemployment Rate (16-64)
<b>Districts</b>		
<b>Huntingdonshire</b>	<b>4,700</b>	<b>5.2%</b>
Bedford	5,500	6.3%
Cambridge	3,400	4.6%
Central Bedfordshire	8,300	6.3%
East Cambridgeshire	3,900	8.6%
East Northamptonshire	3,900	8.6%
Fenland	6,600	16.5%
Peterborough	7,300	8.5%
South Cambridgeshire	4,300	5.6%
<b>County and LEP</b>		
Cambridgeshire	22,900	7.0%
Greater Cambridge & Greater Peterborough LEP	44,800	6.6%
<b>Regional and National Comparators</b>		
East	199,900	6.7%
Great Britain	2,412,900	8.0%

Source: ONS Annual Population Survey, 2012

\*Percentage of economically active population.

- 3.12 Table 3.5 shows the number and proportion of residents in employment and unemployed in 2011 Wards across Huntingdonshire.<sup>1</sup> This shows that economic activity is relatively even across the district, with few wards having employment or unemployment rates that are substantially above average.
- 3.13 Above-average unemployment is found in the urban centres of Huntingdon, St Neots, St Ives and Ramsey. Rural areas generally had below-average unemployment. In comparison, higher employment rates are found in a variety of areas including St. Ives East, Huntingdon West and Fenstanton.

<sup>1</sup> Note that these figures and rates are within the 16-74 age range, whereas the Annual Population Survey (APS) data quoted above is within the 16-64 age range. This reflects the fact that the 2011 census defines the working-age population as 16-74.

Table 3.5 – Employment and Unemployment Rate in Huntingdonshire Wards (16-74 population), 2011

2011 ward	In Employment		Unemployed	
	number	% of working-age population (16-74)	number	% of economically active population (16-74)
Alconbury and The Stukeleys	1,866	66.9	47	2.5
Brampton	3,386	60.5	155	4.4
Buckden	1,558	66.4	57	3.5
Earith	3,226	70.5	92	2.8
Ellington	1,582	67.7	47	2.9
Elton and Folksworth	1,335	66.1	58	4.2
Fenstanton	1,786	73.5	45	2.5
Godmanchester	3,517	71.4	172	4.7
Gransden and The Offords	2,338	70.0	74	3.1
Huntingdon East	4,661	66.3	248	5.1
Huntingdon North	3,137	65.8	314	9.1
Huntingdon West	4,172	75.9	190	4.4
Kimbolton and Staughton	1,621	67.1	56	3.3
Little Paxton	1,671	68.6	58	3.4
Ramsey	4,191	66.7	231	5.2
Sawtry	3,370	70.0	132	3.8
Somersham	3,183	71.9	98	3.0
St Ives East	3,973	74.4	178	4.3
St Ives South	3,183	67.5	160	4.8
St Ives West	1,418	66.2	67	4.5
St Neots Eaton Ford	3,568	70.0	124	3.4
St Neots Eaton Socon	2,850	67.4	163	5.4
St Neots Eynesbury	5,448	68.7	326	5.6
St Neots Priory Park	4,001	68.4	236	5.6
Stilton	1,612	70.3	50	3.0
The Hemingfords	2,850	64.7	86	2.9
Upwood and The Raveleys	1,832	73.3	74	3.9
Warboys and Bury	3,227	68.7	126	3.8
Yaxley and Farcet	5,645	69.5	293	4.9
<b>Average</b>		68.8		4.4

Source: ONS Census 2011

### Resident Qualifications

- 3.14 Table 3.6 shows the level of National Vocational Qualification (NVQ) attained by the working age population of Huntingdonshire. 37.6 percent of Huntingdonshire's residents are qualified to NVQ Level 4 and above (which includes tertiary qualifications). This is lower than the Cambridgeshire average, however this reflects in part Cambridgeshire's particularly high qualification rates. This rate was roughly in line with the average across the LEP area (37.9 percent), and ahead of the East of England average (32.9 percent).
- 3.15 The proportion of Huntingdonshire residents with no qualifications was 8.7 percent, which was higher than all of its neighbours with the exception of Peterborough, Fenland, and Central Bedfordshire, but roughly in line with the average across the LEP (8.2 percent) and the East of England (8.5 percent).

Table 3.6 – Qualifications of Huntingdonshire's Residents, 2012

	NVQ4 and above	NVQ3 and above	NVQ2 and above	NVQ1 and above	Other Quals	No Quals
<b>Districts</b>						
Huntingdonshire	37.6%	57.7%	74.7%	84.7%	6.6%	8.7%
Bedford	41.7%	64.4%	79.5%	89.0%	4.8%	6.3%
Cambridge	65.8%	74.8%	80.9%	89.0%	5.6%	5.4%
Central Bedfordshire	32.8%	54.7%	72.7%	86.0%	4.4%	9.6%
East Cambridgeshire	35.2%	59.6%	71.3%	82.2%	9.9%	7.8%
East Northamptonshire	32.4%	56.8%	76.3%	89.8%	3.1%	7.1%
Fenland	18.7%	33.3%	58.3%	76.6%	9.4%	14.0%
Peterborough	26.1%	46.4%	61.7%	78.1%	10.5%	11.4%
South Cambridgeshire	47.1%	70.6%	85.7%	92.3%	3.7%	4.1%
<b>County and LEP</b>						
Cambridgeshire	43.4%	61.5%	75.9%	86.0%	6.5%	7.5%
Greater Cambridge & Greater Peterborough LEP	37.9%	57.0%	72.7%	85.3%	6.4%	8.2%
<b>Regional and National Comparators</b>						
East	32.9%	53.7%	72.0%	85.5%	6.1%	8.5%
Great Britain	34.4%	55.1%	71.8%	84.0%	6.3%	9.7%

Source: ONS Annual Population Survey 2012

*Resident Occupations*

3.16 Table 3.7 illustrates the breakdown of employment among Huntingdonshire's residents by main occupation group (a more detailed table providing the occupational profile by subsector is provided in the appendices). Overall, the occupational profile of Huntingdonshire residents is broadly in line with County, regional and national averages. However, the proportion of people employed in professional and associate professional occupations, and skilled trades is below the County and LEP average. The proportion employed in process, plant and machine operatives is above both regional and national averages.

*Table 3.7 – Employment by Main Occupational Group, 2012*

	Huntingdonshire	Cambridgeshire	Greater Cambridgeshire & Peterborough LEP	East	Great Britain
<b>Managers, directors and senior officials</b>	<b>11%</b>	<b>10%</b>	<b>11%</b>	<b>11%</b>	<b>10%</b>
Corporate managers and directors	6%	5%	7%	8%	7%
Other managers and proprietors	5%	5%	4%	3%	3%
<b>Professional occupations</b>	<b>26%</b>	<b>28%</b>	<b>23%</b>	<b>19%</b>	<b>19%</b>
Science, research, engineering and technology professionals	7%	10%	7%	6%	5%
Health professionals	4%	4%	3%	3%	4%
Teaching and educational professionals	8%	7%	7%	5%	5%
Business, media and public service professionals	7%	7%	5%	5%	5%
<b>Associate professional &amp; technical occupations</b>	<b>13%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>14%</b>
Science, engineering and technology associate profs	2%	4%	3%	2%	2%
Health & social care assoc. professionals	*	1%	1%	1%	1%
Protective service occupations	1%	2%	2%	1%	1%
Culture, media and sports occupations	2%	2%	2%	2%	2%
Business & public service assoc. professionals	7%	7%	7%	8%	7%
<b>Administrative and secretarial occupations</b>	<b>10%</b>	<b>9%</b>	<b>10%</b>	<b>11%</b>	<b>11%</b>
Administrative occupations	6%	7%	8%	9%	8%
Secretarial and related occupations	3%	3%	2%	3%	2%

	Huntingdonshire	Cambridgeshire	Greater Cambridgeshire & Peterborough LEP	East	Great Britain
<b>Skilled trades occupations</b>	<b>8%</b>	<b>8%</b>	<b>9%</b>	<b>11%</b>	<b>10%</b>
Skilled agricultural and related trades	*	0%	1%	1%	1%
Skilled metal, electrical and electronic trades	4%	3%	4%	4%	4%
Skilled construction and building trades	3%	3%	3%	4%	3%
Textiles, printing and other skilled trades	*	2%	2%	2%	2%
<b>Caring, leisure and other service occupations</b>	<b>8%</b>	<b>8%</b>	<b>8%</b>	<b>9%</b>	<b>9%</b>
Caring personal service occupations	7%	6%	7%	7%	7%
Leisure, travel and related personal service occupations	1%	1%	1%	2%	2%
<b>Sales and customer service occupations</b>	<b>8%</b>	<b>7%</b>	<b>7%</b>	<b>8%</b>	<b>8%</b>
Sales occupations	5%	6%	6%	6%	6%
Customer service occupations	2%	1%	1%	2%	2%
<b>Process, plant and machine operatives</b>	<b>8%</b>	<b>5%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>
Process, plant and machines operatives	3%	2%	3%	2%	3%
Transport & mobile machine drivers/ operatives	5%	3%	3%	4%	4%
<b>Elementary occupations</b>	<b>9%</b>	<b>10%</b>	<b>11%</b>	<b>10%</b>	<b>11%</b>
Elementary trades and related occupations	1%	2%	2%	2%	2%
Elementary administration & service occupations	7%	9%	9%	8%	9%

Source: ONS Annual Population Survey 2012

\*Data suppressed by ONS due to small sample size

- 3.17 At the sub-regional level, within professional and associate professional occupations Huntingdonshire is under-represented in science, engineering and technology associate professionals. Within plant and machine operatives Huntingdonshire is over-represented in transport and mobile machine drivers / operatives.

### Earnings

- 3.18 Table 3.8 shows that the gross median full-time weekly pay of residents of Huntingdonshire is £552. This is in line with the average for Cambridgeshire (£551), but above average for the East of England (£531) and across Great Britain (£508).
- 3.19 The average wage of Huntingdonshire residents was also higher than the median gross full-time pay of workers employed (but not necessarily living) in Huntingdonshire, which was £489. This is below the Cambridgeshire average (£529), as well as the East of England and British average. It was higher than the majority of Huntingdonshire neighbours, including Bedford, Central Bedfordshire, East Cambridgeshire, East Northamptonshire, Fenland, and Peterborough. It was significantly below the average for Cambridge (£586) where many of the regions highest paying jobs are located.

Table 3.8 – Average Weekly Earnings (Median Full Time Wages), 2012

	Average Weekly Pay (Analysis by place of residence)	Average Weekly Pay (Analysis by place of work)
<b>Districts</b>		
<b>Huntingdonshire</b>	<b>£552</b>	<b>£489</b>
Bedford	£517	£474
Cambridge	£619	£586
Central Bedfordshire	£560	£458
East Cambridgeshire	£537	£446
East Northamptonshire	£513	£446
Fenland	£425	£416
Peterborough	£445	£480
South Cambridgeshire	£614	£606
<b>Wider Comparators</b>		
Cambridgeshire	£551	£529
East	£531	£495
Great Britain	£508	£508

Source: ONS Annual Survey of Hours and Earnings (Workplace and Resident Analysis) 2012

*Workplace Employment*

- 3.20 As table 3.9 below shows, in 2011 Huntingdonshire provided 70,237 jobs. This represented around 14.5 percent of total jobs in Cambridgeshire. In comparison, neighbouring Bedford and South Cambridgeshire provided similar numbers of jobs, but Peterborough and Cambridge City provided more. Neighbouring East Cambridgeshire and East Northamptonshire provided substantially fewer jobs.
- 3.21 This demonstrates that while Huntingdonshire has a smaller employment base than the City of Cambridge, its workforce is significant for Cambridgeshire.

*Table 3.9 – Workplace Employment: Huntingdonshire and Comparators (2011)*

Area	Workplace Employment	Proportion of Cambridgeshire, percent
<b>Cambridgeshire</b>		
Huntingdonshire	70,237	14.5
Cambridge	90,520	18.7
East Cambridgeshire	26,588	5.5
Fenland	31,508	6.5
South Cambridgeshire	71,335	14.7
<b>Neighbours</b>		
East Northamptonshire	28,244	
Bedford	69,190	
Peterborough	97,180	

*Source: ONS Business Register and Employment Survey 2011*

*Employment Density*

- 3.22 As table 3.10 shows, the employment density of Huntingdonshire in 2011 was 0.74, meaning that the workplace employment in the district was 74% of the size of the working age resident population. This is below the British average (0.78) suggesting that Huntingdonshire is under-represented in terms of the number of jobs accommodated within the district, given the size of its population.
- 3.23 The employment density in Huntingdonshire is significantly lower than for Cambridge (1.08) where workplace employment is 8% larger than the working age population, but it compares favourably to a number of neighbouring districts and is marginally above the regional average (0.76). Clearly there may be opportunities to improve levels of employment retention within the district by growing the local employment base.

*Table 3.10 – Employment Density: Huntingdonshire and Comparators (2011)*

<b>Employment Density</b>	
<b>Districts</b>	
Huntingdonshire	0.74
Bedford	0.79
Cambridge	1.08
Central Bedfordshire	0.65
East Cambridgeshire	0.55
East Northamptonshire	0.58
Fenland	0.59
Peterborough	0.87
South Cambridgeshire	0.86
<b>County and LEP</b>	
Cambridgeshire	0.80
Greater Cambridge & Greater Peterborough LEP	0.80
<b>Regional and National Comparators</b>	
East	0.76
Great Britain	0.78



*Employment Sectors*

- 3.24 Table 3.11 below gives a breakdown of the composition of employment in Huntingdonshire and comparators by broad sector. The sector classifications are consistent with the UK Standard Industrial Classification 2007 (UK SIC 2007).

*Table 3.11 – Workplace Employment by Broad Sector (2011)*

	Proportion of employment (%)				
	Huntingdonshire	Cambridgeshire	Greater Cambridgeshire and Peterborough LEP	East	Great Britain
Agriculture and primary industries*	2.0	1.5	1.3	2.8	3.0
Manufacturing	13.2	11.0	11.5	9.1	8.5
Construction	4.7	4.5	4.9	5.7	4.8
Motor trades, wholesale and retail	17.6	15.7	17.4	18.9	16.1
Transport and storage	5.0	5.0	5.2	4.9	4.5
Information and communication technologies (ICT)	2.6	4.5	3.3	3.1	3.8
Professional, scientific and technical services	7.2	10.1	7.7	6.9	7.5
Finance and insurance, property, and business administration	9.9	9.9	12.3	12.9	13.5
Public administration, education and health	28.0	28.4	26.1	24.9	27.0
Other services	9.9	9.4	10.2	10.6	11.4

*Source: ONS Business Register and Employment Survey 2011*

*\*Excludes farm based agriculture.*

- 3.25 The manufacturing sector is a relatively important contributor to employment, accounting for 13.2 percent of total jobs. This is ahead of the Cambridgeshire and LEP averages (11 percent and 11.5 percent respectively), which are themselves ahead of the national average.

- 3.26 Within the general manufacturing sector, some key local sub-sectors include the 'manufacture of rubber and plastic products' (employing 1,397, or over 60% of Cambridgeshire's total employment in this sector); the 'manufacture of computer, electronic and optical products' (employing 1,215, or 30% of the Cambridgeshire total); and the 'manufacture of fabricated metal products' (employing 1,003, or 36% of the Cambridgeshire total).
- 3.27 Other locally important manufacturing sub-sectors included the 'manufacture of paper and paper products' (employing 639, or 46% of the Cambridgeshire total); and the 'manufacture of furniture' (employing 611, or 66% of the Cambridgeshire total). Within the Utilities sector (classified within the Agriculture and Primary Industries Category in table 3.11) 'Water collection, waste treatment and supply' employed 921 people out of 1,061 across Cambridgeshire.
- 3.28 In comparison, the professional, scientific and technical services sector accounts for 7.2 percent of employment, which is lower than the figure across Cambridgeshire (where this sector is prominent), but similar to the regional and national average. The financial and business services sectors account for 9.9 percent of employment, which is below the national average, but the same as the figure across Cambridgeshire. The information and communication technologies (ICT) sector is small compared to both the Cambridgeshire and national averages.
- 3.29 Within the professional, scientific and technical services sector, 'scientific research and development' provided 302 jobs, compared to 9,018 across Cambridgeshire. However, 'architectural and engineering activities' were a large employer, providing some 2,309 jobs or 27% of the Cambridgeshire total.
- 3.30 Within the financial and business services sector, the financial services themselves were relatively small, contributing only 384 jobs (16 percent of the Cambridgeshire total). However, real estate was a relatively large employer, contributing some 2,309 jobs, or 32 percent of the Cambridgeshire total<sup>2</sup>.
- 3.31 Public sector employment – including administration, education and health – was relatively strong in Huntingdonshire, accounting for 28 percent of jobs. This was similar to the average across Cambridgeshire (28.4 percent), and ahead of the average in the East of England (24 percent) and across Great Britain (27 percent).

---

<sup>2</sup> Real Estate captures the sectors: Buying and selling of own real estate, renting and operating own or leased estate (including Housing Associations, Conference and Exhibition Centres, and other real estate), and the operating and management of real estate on a fee or contract basis.

Table 3.12 – Agricultural Land and Employment: Huntingdonshire and Comparators

	Total farmed area (Hectares)	Agricultural Labour	% change in agricultural labour (2007- 2010)
Bedford	36 463	886	12
Cambridge & South Cambridgeshire	70 015	1 774	- 13
East Cambridgeshire	51 837	1 347	- 20
East Northamptonshire	39 281	808	- 10
<b>Huntingdonshire</b>	<b>70 786</b>	<b>1 323</b>	<b>- 18</b>
Peterborough	24 786	466	- 3

Source: DEFRA Structure of the Agricultural Industry (2010)

- 3.32 Agriculture, forestry and fishing employ only 0.1 percent of the district's population. However, farm based agricultural employment is excluded from BRES. As an alternative measure, the Department of Environment, Food and Rural Affairs June 2010 Survey of Agriculture and Horticulture (latest available data at the local authority level) indicates that in that year there were 70,786 farmed hectares in Huntingdonshire, employing some 1,323 agricultural workers.
- 3.33 Just over 50 percent land was used to farm cereals, 31 percent for other crops including fruit and vegetables, and 12.7 percent as grassland to support livestock. Together, these farms employed 845 full- or part-time farmers, 60 salaried managers, 314 regular full- or part-time workers, and 105 casual workers.
- 3.34 As the table above shows, in 2010 Huntingdonshire had more farmed land than any of its neighbours (narrowly ahead of South Cambridgeshire), and employed the third-largest agricultural workforce (narrowly behind East Cambridgeshire). However, the number of people working in agriculture had decreased by 18 percent in the years 2007-2010, faster than in all of Huntingdonshire's neighbours with the exception of East Cambridgeshire (which fell by 20 percent). However, it should be noted that the 18 percent drop is from a small base and equates to 200 jobs. Bedford is the only comparator to show a percent increase in agricultural labour between 2007 and 2010.

*Business Base*

*Table 3.13 – Population: Huntingdonshire and Comparators (2001 and 2011)*

<b>Area</b>		<b>Proportion of Cambridgeshire total, percent</b>
<b>Cambridgeshire</b>		
<b>Huntingdonshire</b>	<b>7,770</b>	<b>26.9%</b>
Cambridge	5,850	20.2%
East Cambridgeshire	4,020	13.9%
Fenland	3,675	12.7%
South Cambridgeshire	7,615	26.3%
<b>Other Neighbours</b>		
Bedford	6,600	
Central Bedfordshire	11,180	
East Northamptonshire	3,745	
Peterborough	6,455	

*Source: ONS Business Demography 2011*

- 3.35 As of mid-2011 there were 7,770 VAT/PAYE registered businesses in Huntingdonshire (This figure may exclude very small companies operating below the minimum financial threshold). This was 26.9% of the Cambridgeshire total, and more than any of its neighbours and every other Cambridgeshire district – despite the fact that some of these districts provided more total jobs.

3.36 82.8 percent of businesses in Great Britain employ less than ten people (micro businesses), and overall 96.5 percent of all businesses are classified as small (up to 49 employees). Business sizes in Huntingdonshire generally follow sub-regional, regional and national averages. As Table 3.14 shows, 97 percent of businesses in Huntingdonshire employ less than 50 people, compared to 96.7 percent across Great Britain. 84.6 percent employ less than ten people (micro businesses), marginally ahead of the average across Great Britain (82.9 percent).

Table 3.14 – VAT/PAYE Registered Businesses by Size: Huntingdonshire and Comparators

Districts	0 - 4	5 - 9	10 - 19	20 - 49	50 - 99	100 - 249	250+
<b>Huntingdonshire</b>	70.4	14.2	7.5	5.0	1.7	0.8	0.3
Cambridge	73.2	13.4	6.7	3.5	1.2	1.4	0.7
East Cambridgeshire	73.8	12.8	7.2	4.2	1.4	0.5	0.1
Fenland	76.6	13.3	5.5	2.9	1.0	0.6	0.2
South Cambridgeshire	72.4	12.9	7.5	4.4	1.6	0.8	0.5
<b>Other Comparators</b>							
Bedford	68.7	13.9	8.0	5.8	2.0	1.1	0.5
Central Bedfordshire	79.4	11.5	4.9	2.7	0.7	0.4	0.3
East Northamptonshire	74.4	13.1	6.7	3.7	1.2	0.7	0.3
Peterborough	61.8	16.4	10.0	6.5	2.9	1.4	0.9
<b>County and LEP</b>							
Cambridgeshire	69.3	14.2	8.0	5.1	2.0	1.0	0.4
Greater Cambridgeshire and Peterborough LEP	68.5	14.8	8.2	5.2	1.9	1.0	0.4
<b>Regional and National Comparators</b>							
East	69.8	14.3	7.8	5.1	1.8	0.9	0.4
Great Britain	68.0	14.9	8.4	5.4	1.9	1.0	0.5

Source: ONS Business Demography 2011

3.37 Huntingdonshire has a lower proportion of micro businesses (84.6 percent) than its neighbours with the exception of Bedford and Peterborough. It has a marginally higher proportion of micro businesses than the average across Cambridgeshire (83.5 percent), the LEP (83.3 percent), and Great Britain (82.9 percent).

3.38 The total number of VAT registered businesses can be broken down further by industry sector. The largest numbers of businesses in Huntingdonshire are in the motor trades, wholesale and retail sector (17.4 percent), followed by the professional, scientific and technical services (14.9 percent) and the financial and business services (14.9 percent). Huntingdonshire has proportionately more businesses in manufacturing, construction, and transport and storage than the Cambridgeshire and regional averages. In comparison, it has a smaller proportion of businesses in public administration, education and health.

*Table 3.15 – VAT/PAYE Registered Businesses by Sector, percent (2011)*

	percent				
	Huntingdonshire	Cambridgeshire	Greater Cambridgeshire and Peterborough LEP	East	Great Britain
Agriculture and primary industries	6.6	7.0	6.8	4.6	5.0
Manufacturing	7.2	6.2	6.5	6.1	5.8
Construction	11.6	11.4	11.3	12.9	10.4
Motor trades, wholesale and retail	17.4	16.4	17.8	18.3	18.7
Transport and storage	4.0	3.3	3.3	3.6	3.2
Information and communication	7.4	8.0	6.7	6.8	6.6
Professional, scientific and technical services	14.9	15.5	14.3	14.2	14.5
Finance and insurance, property, and business administration	12.1	11.5	12.4	12.7	13.0
Public administration, education and health	7.8	8.9	8.6	8.5	9.4
Other services	11.1	11.7	12.3	12.3	13.5

*Source: ONS Business Demography 2011*

*Business Creation and Survival*

- 3.39 According to ONS statistics on Business Demography, 705 new companies were formed in Huntingdonshire in 2011. This is an 8% increase on 2010 and the highest figure since the start of the recession in 2008. However, the number of new companies created annually has not yet matched the level in 2007, the last year before the recession. Likewise, 655 companies were dissolved in Huntingdonshire in 2011. This is a decrease on the last two years, but still remains higher than the figure before the recession in 2007.
- 3.40 In 2011, 50 more businesses were formed in Huntingdonshire than dissolved. This represents the first net increase in businesses since 2008. However, the rate of net business formation remained significantly lower than the figure in 2007, of 255.

*Table 3.16 – Company Creation and Dissolution, 2007-2011\**

<b>Year</b>	<b>New Companies Registered</b>	<b>Companies Dissolved</b>	<b>Net Change</b>
2011	705	655	+50
2010	650	675	- 25
2009	665	785	-120
2008	695	630	+65
2007	845	590	+255

Source: ONS Business Demography 2011

\*Data obtained from the Huntingdonshire 2011 Annual Business Confidence Report

3.41 Table 3.17 below shows the rate of business formation and dissolution as a percentage of the total businesses in Huntingdonshire and comparators. As this shows, the number of new businesses formed in 2011 was equivalent to 9.1 percent of the existing business base, similar to broader averages, but slightly ahead of the average across Cambridgeshire and the LEP. Likewise, 8.4 percent of the business base was dissolved in 2011, similar to broader averages. In 2011, Huntingdonshire's business base grew by a net 0.6%, which was in line with the average in South Cambridgeshire, and across the LEP, but less than half the average rate across Great Britain.

*Table 3.17 – Company Creation and Dissolution: Huntingdonshire and Comparators (2011)*

<b>Districts</b>	<b>Businesses formed as % of total business population</b>	<b>Businesses dissolved as % of total business population</b>	<b>Net change in business population, %</b>
Bedford	9.0	8.0	1.0
East Cambridgeshire	8.5	7.3	1.1
East Northamptonshire	10.1	8.5	1.6
<b>Huntingdonshire</b>	9.1	8.4	0.6
Peterborough	10.1	9.7	0.4
South Cambridgeshire	8.9	8.3	0.6
<b>County and LEP</b>			
Cambridgeshire	8.8	8.0	0.8
Greater Cambridgeshire and Peterborough LEP	8.8	8.2	0.6
<b>Regional and National Comparators</b>			
East	9.8	8.9	0.9
Great Britain	10.2	8.9	1.3

Source: ONS Business Demography 2011

#### *Key findings*

- There is a high proportion of working age residents and low rates of unemployment, although there are pockets of higher unemployment in parts of Huntingdon, St Neots, St Ives and Ramsey
- The local economy is skewed towards manufacturing industries compared with adjoining districts. There is significant manufacturing of products including rubber, plastic, furniture and electronic components. However there is a relatively low proportion of workers in more skilled trades and professional occupations, including ICT and finance. Consequently, whilst earnings are fairly high compared to the wider region they are lower than the county average.



- Within Huntingdonshire, there is more than double the amount of industrial space in the Huntingdon Spatial Planning Area (SPA) than any other area. In terms of office space, the figure increases to 4.5 times as much space. Huntingdon SPA is clearly therefore driving the economy of the district.
- The vast majority of commercial floorspace (comprising office and industrial) in St Neots SPA is industrial floorspace (92%), highlighting its reliance on this type of employment. It should also be noted that there is a similar reliance on industrial floorspace across the Key Service Centres (88%)
- Whilst the reliance on industry is even higher in Ramsey SPA (97%), this is more a reflection on the weakness of the office market than the strength of the industrial market.

## Locations, Commuting Patterns and Homeworking

### Employment Locations

3.42 The table below compares the employment and commercial floorspace found in Medium level Super Output Areas (SOAs, a standard statistical geography) corresponding roughly to each of Huntingdonshire's Spatial Planning Areas. Specifically, the table shows the number and percentage of Huntingdonshire's employed residents found in each area; the number and percentage of Huntingdonshire's total workplace jobs found in each area; and the volume of office and industrial floorspace found in each area (in 2008).

Table 3.18 – Resident and workplace employment and commercial floorspace within Huntingdonshire

Area	Residents (16-74) in work		Workplace jobs		Commercial floorspace (2008) (1000s of m <sup>2</sup> )	
	Number	% of Huntingdonshire's working population	Number	% of all jobs in Huntingdonshire	Offices	Industrial Factories and Warehouses
Huntingdon Spatial Planning Area	19,734	22.9%	27,724	41.0%	117	564
St Neots Spatial Planning Area	14,903	17.3%	9,484	14.0%	23	269
St Ives Spatial Planning Area	8,574	9.9%	9,418	13.9%	22	131
Ramsay Spatial Planning Area	7,418	8.6%	2,839	4.2%	4	123
Key Service Centres	24,816	28.8%	12,461	18.4%	26	199
Other Small Settlements	10,762	12.5%	5,629	8.3%	18	92
Total	86,207		67,555		210	1,378

Source: ONS Census 2011

ONS Commercial and Industrial Floorspace 2008

- 3.43 This shows that the Huntingdonshire Spatial Planning Area was the dominant location for employment, providing 27,724 jobs, or 41% of all the jobs in Huntingdonshire. The supply of workplace jobs in Huntingdon exceeded the working population by nearly 8,000. St Neots and St Ives areas were also major employment centres, providing 14% and 13.9% of Huntingdonshire's jobs respectively.
- 3.44 Taken together, the other Key Service Centres provided some 12,461 jobs, or 18.4% of all Huntingdonshire's jobs, more than St Neots or St Ives individually. In contrast, the other small settlements provided around 8.3% of all jobs.
- 3.45 A similar pattern was found in the provision of commercial floorspace. Huntingdon provided by far the most office space (around 117,000 m<sup>2</sup>), with St Neots and St Ives providing significantly less (23,000m<sup>2</sup> and 22,000m<sup>2</sup> respectively). Huntingdon also offered the most industrial space (564,000m<sup>2</sup>), followed by St Neots (269,000m<sup>2</sup>).
- 3.46 St Neots offered proportionally more industrial space in comparison to office space than any of the other areas (11.7 times more industrial space than commercial space, compared to 7.6 times in the Key Service Centres, and 4.59 times in Huntingdon).

#### *Commuting Patterns*

- 3.47 Table 3.19 shows estimated commuting flows in Huntingdonshire and its neighbours based on the Annual Population Survey (2011). As this shows, some 22,474 residents from elsewhere travel into Huntingdonshire to work, accounting for 29.3 percent of the district's workplace jobs. This proportion is significantly lower than in neighbouring East and South Cambridgeshire (63.1 percent and 41.2 percent respectively), although higher than in Bedford and East Northamptonshire.
- 3.48 Meanwhile, some 28,599 residents of Huntingdonshire commuted out of the district to work, equivalent to 34.5 percent of the Huntingdonshire's employed residents. This proportion was significantly lower than in East and South Cambridgeshire.
- 3.49 In net terms, there were 6,125 more residents commuting out of Huntingdonshire than employees commuting in. This is a significantly smaller outflow than most of the district's neighbours, with the exception of Bedford (with a small net outflow of 2,062), Peterborough and Cambridge (with a very large net inflow of 15,389 each).
- 3.50 Together, these figures suggest that compared to its neighbours, Huntingdonshire is relatively less important as a commuting destination, and/or more self-sufficient in terms of resident employment.

Table 3.19 – Commuting Patterns: Huntingdonshire and Comparators

	In-commuters	Percent of workplace jobs held by commuters	Out-commuters	Percent of Residents working outside districts	Net commuting flow
<b>Huntingdonshire</b>	<b>22,474</b>	<b>29.3</b>	<b>28,599</b>	<b>34.5</b>	<b>-6,125</b>
Bedford	22,397	27.9	24,459	29.7	-2,062
Cambridge	67,771	35.4	14,971	23	15,389
East Cambridgeshire	20,371	63.1	31,636	72.6	-11,265
East Northamptonshire	7,815	24.7	20,428	46.2	-12,613
South Cambridgeshire	24,369	41.2	43,265	55.5	-18,896
Peterborough	33,872	35.4	18,483	23.0	15,389

Source: ONS Commuting Flows from Annual Population Survey 2011

3.51 The table below shows the top ten districts in which people employed in Huntingdonshire live. As reflected above, 70.7 percent of people working in Huntingdonshire live in the district itself. The largest external source of commuters was Fenland, from which 4,686 people commuted into Huntingdonshire each day (accounting for 6.1 percent of Huntingdonshire’s employment). This reflects the relatively small supply of local employment in Fenland. Peterborough, East Cambridgeshire and South Cambridgeshire were also important sources of commuters.

3.52 Most of Huntingdonshire’s commuters come from relatively close to the district (30-45 minutes drive). The results indicate that a notable number of commuters also travel from Cherwell, further afield. Cherwell was not within the top 10 sources of commuting flows in 2010 and the level reported in 2011 may be due to sampling variability in the Annual Population Survey. Alternatively, it may be due to links between the RAF site at Wyton and the former RAF site at Cherwell.

Table 3.20 – Sources of Travel-to-Work Trips to Huntingdonshire

	Inward	Percent of all workers
<b>Huntingdonshire</b>	<b>54,261</b>	<b>70.7</b>
Fenland	4,686	6.1
Peterborough	4,094	5.3
East Cambridgeshire	2,431	3.2
South Cambridgeshire	2,049	2.7
Cherwell	1,650	2.2
Bedford	1,640	2.1

East Northamptonshire	1,381	1.8
Cambridge	1,018	1.3
Central Bedfordshire	584	0.8
Stevenage	498	0.6

Source: ONS Commuting Flows from Annual Population Survey 2011

- 3.53 Table 3.21 shows the top destinations of Huntingdonshire residents who commute elsewhere to work. As this shows, the largest destinations are Cambridge City and Peterborough, both major centres of urban employment, which together attract more than 12,000 commuters from Huntingdonshire each day (more than 15 percent of the working population). Nearby South Cambridgeshire also attracts the third-largest number of commuters (4,912), followed by London (3,436). The rest of Huntingdonshire's immediate neighbours (East Cambridgeshire, East Northamptonshire and Bedford) attracted much smaller numbers of commuters (all less than 1,000).

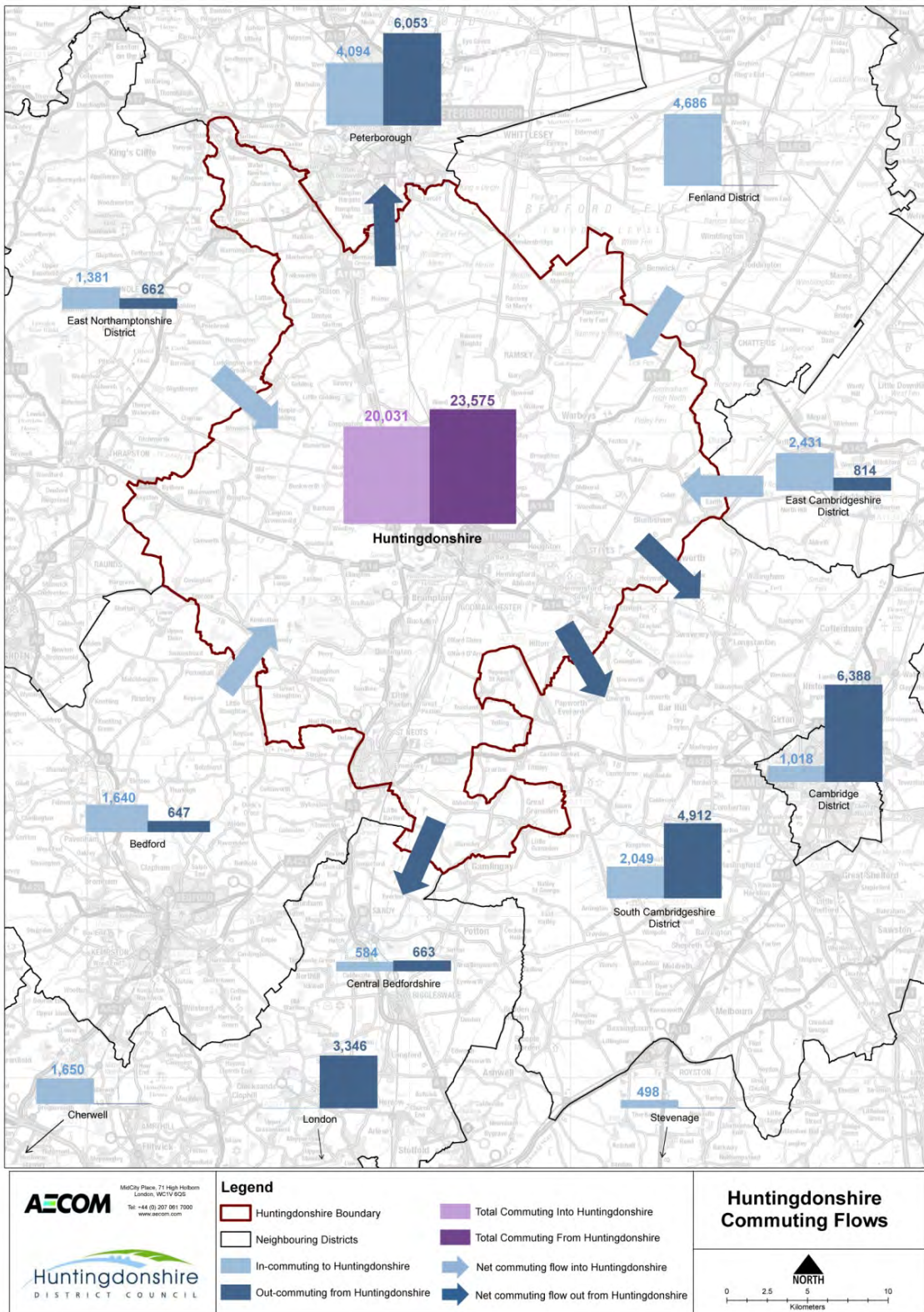
Table 3.21 – Destination of Travel-to-Work Trips from Huntingdonshire

	Outward	Percent of all employed residents
<b>Huntingdonshire</b>	<b>54,261</b>	<b>65.5</b>
Cambridge	6,388	7.7
Peterborough	6,053	7.3
South Cambridgeshire	4,912	5.9
London	3,436	4.1
East Cambridgeshire	814	1.0
Central Bedfordshire	663	0.8
East Northamptonshire	662	0.8
Bedford	647	0.8

Source: ONS Commuting Flows from Annual Population Survey 2011

- 3.54 This is illustrated in Figure 3.1.

Figure 3.1 – Huntingdonshire Commuting Flows



Detailed data on commuting flows *within* Huntingdonshire from the 2011 Census (in terms of origin and destination) was not yet available at the time of writing. However, comparing the number of residents in employment with the number of workplace jobs provided, indicates the net commuting flow from each area. This is presented in the table below according to Middle Layer Super Output Areas (MSOAs) which correspond approximately to Huntingdonshire's Spatial Planning Areas.

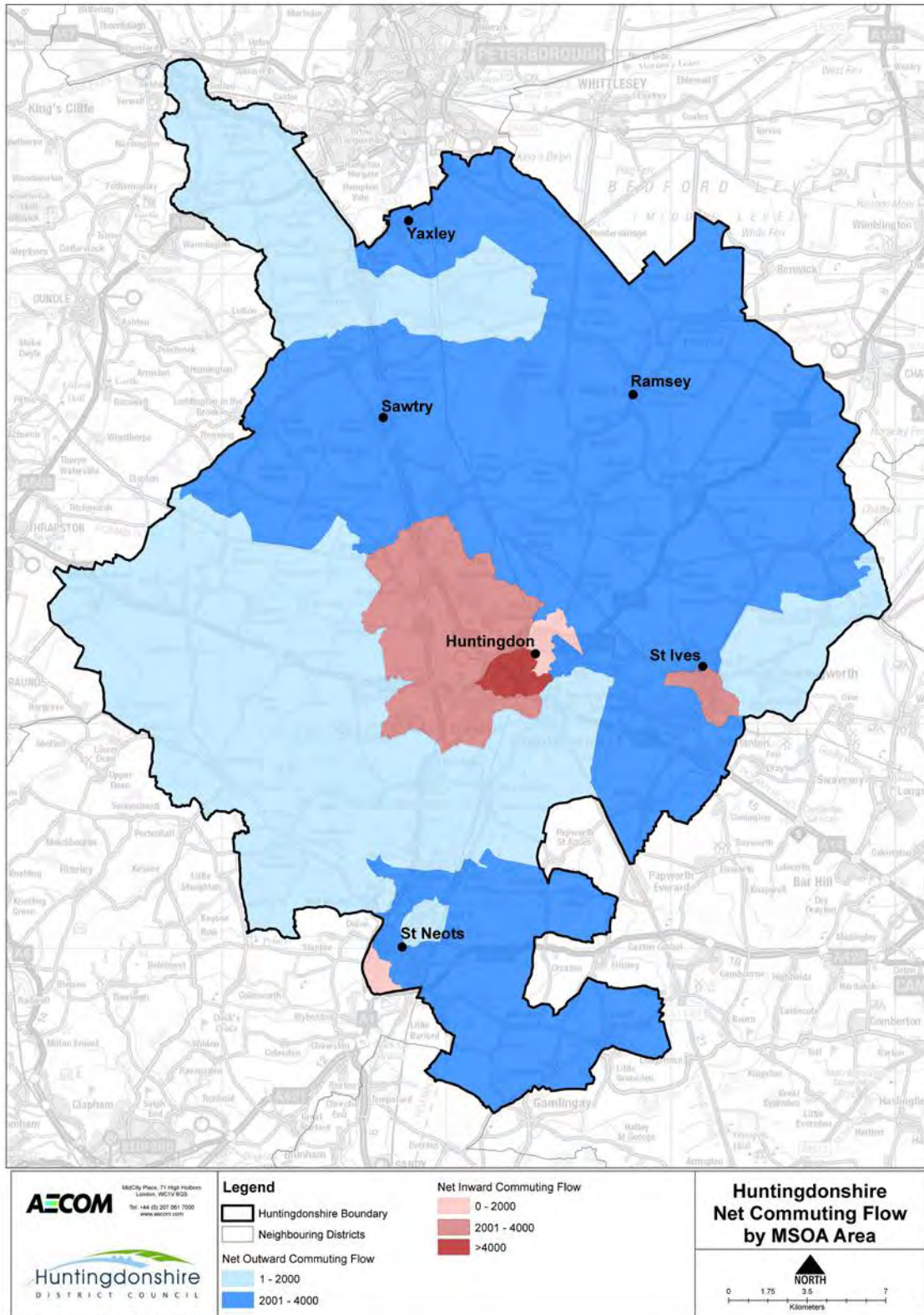
- 3.55 This shows that the Huntingdon Spatial Planning Area provided 27,724 jobs despite having only 19,734 residents in employment. It could thus be expected to have a net inward commuting flow of 7,990 workers. In contrast, St Neots had a net outward commuting flow of -5,419 workers, while St. Ives had a small inward flow of 844 workers.
- 3.56 Taken together, the Key Service Centres are expected to have a net outward flow of 12,355 workers.

*Table 3.22 – Employment provision and estimated net commuting flow within Huntingdonshire*

	<b>Residents (16-74) in employment</b>	<b>Workplace jobs</b>	<b>Net In- commuting flow</b>
Huntingdon Spatial Planning Area (MSOAs Huntingdonshire 08, 09, 10, 12, 14)	19,734	27,724	7,990
St Neots Spatial Planning Area (MSOAs 19, 20, 21, 22)	14,903	9,484	-5,419
St Ives Spatial Planning Area (MSOAs 11, 13)	8,574	9,418	844
Ramsay Spatial Planning Area (MSOAs 03, 05)	7,418	2,839	-4,579
Key Service Centres (MSOAs 01, 02, 04, 06, 15, 16)	24,816	12,461	-12,355
Other Small Settlements (MSOAs 07, 17, 18)	10,762	5,629	-5,133

- 3.57 This is illustrated in Figure 3.2.

Figure 3.2– Main Commuting Flows within Huntingdonshire



*Commuting via the Cambridge Guided Busway*

- 3.58 Cambridgeshire County Council undertook research on usage of the Cambridgeshire Guided Busway in 2012, which has highlighted the following findings:
- There has been a 55 to 60 percent increase in the volume of movement by public transport between St Ives and Cambridge since the Busway was introduced;
  - St Ives Park and Ride is one of the busiest stops on the route;
  - There is a high degree of traffic between St Ives and Cambridge, but relatively few users access the service between Huntingdon and St Ives;
  - Occupancy levels on the service are generally fairly low, but the morning rush hour service from St Ives to Cambridge has a high occupancy, indicating significant out-commuting via this route.

*Homeworking*

- 3.59 5,443 people in Huntingdonshire worked at or mainly from home. As the table below shows, this accounted for 5.6% of Huntingdonshire's employed residents (aged 16-74) at or mainly from home, and 6.3% of the district's jobs. This was similar to averages across the East of England, and nationally. In comparison, a greater proportion of employed residents worked from home in neighbouring East Cambridgeshire (7.2%) and East Northamptonshire (7.8%) of. In terms of the number of jobs located within each district, more than one in ten jobs were based at home in East Cambridgeshire (where 12.7% of the districts jobs were taken by people working from home) and South Cambridgeshire (where the proportion was 10.4), compared to only 6.3% in Huntingdonshire.
- 3.60 In East Cambridgeshire and South Cambridgeshire over 10% of jobs were filled by people working from home.

*Table 3.23 – Home-Working in Huntingdonshire and Comparators*

<b>Neighbours</b>	<b>% of employed residents (16-74) who work from home</b>	<b>% of jobs which are at home</b>
Bedford	6.1	8.1
East Cambridgeshire	7.2	12.7
East Northamptonshire	7.8	9.0
Huntingdonshire	5.6	6.3
Peterborough	3.9	3.7
South Cambridgeshire	6.4	10.4



National and regional comparators		
East	5.7	6.7
England	5.4	5.9

Source: ONS Census 2011, Business Register and Employment Survey 2011

- 3.61 Within the district, the Key Service Centres and Other Small Settlements had the highest proportion of employed residents who worked from home, at 8.2% and 8.1% respectively. In contrast, in the Huntingdon Spatial Planning Area only 4.6% of employed residents worked from home.
- 3.62 Considering the number of jobs located at home, the Ramsay Spatial Planning Area had the highest proportion, with 17.9% of jobs at home. This was followed closely by the Key Service Centres and Other Small Settlements, with 16.3% and 15.4% of local jobs found at home, respectively. In contrast, in the Huntingdon Spatial Planning area only 3.3% of the jobs provided were at home.

Table 3.24– Home-Working within Huntingdonshire

Area	MSOAs	Homeworking		
		Number Homeworking	% of employed residents (16-74) who work at home	% of jobs in area which are at home
Huntingdon Spatial Planning Area	08, 09, 12, 14	912	4.6%	3.3%
St Neots Spatial Planning Area	07, 11, 13	733	4.9%	7.7%
St Ives Spatial Planning Area	19, 20, 21, 22	395	4.6%	4.2%
Ramsay Spatial Planning Area	01, 02, 04, 06, 15, 16	507	6.8%	17.9%
Key Service Centres	01, 02	2,029	8.2%	16.3%
Other Small Settlements	03, 05, 06, 07	867	8.1%	15.4%

Source: ONS Census 2011

### Key findings

- The commuting flows indicate that there is an overall net outflow of workers from the district, with the greatest outflows to the nearby large settlements and office markets of Cambridge, South Cambridgeshire, Peterborough and London.

- Workers are generally commuting in from districts with smaller economies, including East Cambridgeshire, Fenland, East Northamptonshire and Bedford.
- Within the district, Huntingdon SPA has a strong inflow of workers, followed by a relatively small inflow to St Ives SPA. All other areas have a net outflow of workers. This is consistent with the location of higher value office jobs within the district, which highlights that workers are typically more willing to commute further for this type of work.

### **Conclusions**

- If Huntingdonshire is to maximise its strengths, additional employment land may need to focus on Huntingdon SPA.
- Based on current development and existing critical mass, any future growth in St Neots SPA and the Key Service Centres is more likely to be successful if it is focussed on industrial space.
- Compared with Huntingdon SPA, St Ives does not have a large office market and there appears to be significant out-commuting to Cambridge on the Guided Busway.
- Out-commuting is greatest to the north, east and south of the district, which broadly follows the directions of the A1, A14 and East Coast mainline. They are used as commuting corridors and employment that is accessible to these locations may be attractive to employers and commuters.
- Whilst there are significant levels of both in-commuting and out-commuting, when compared together commuting levels are reasonably well balanced.
- The employment offer in districts to the west, north-east and east is relatively weak and workers are particularly willing to travel into the district from these directions.
- Net out-commuting highlights that additional housing without additional jobs, and potentially additional employment land, could lead to unsustainable development with even greater out-commuting flows.

## 4 Property market

- 4.1 This section comprises a review of the vacant supply of units within Established Employment Areas (EEAs) along with information on general national property and business trends. It is important to understand the supply and demand for property, as this is the key driver affecting the market for employment land.

### **Property Supply**

- 4.2 A schedule of the vacant floorspace being marketed within EEAs has been compiled from site visits, a trawl of major commercial property agents' websites and consultations with agents. The marketed space is taken to be a reasonably close approximation to that which is vacant – however it should be noted that the findings will not identify empty units that are not being marketed through major local agents. It is therefore important that the performance of an EEA is not considered on these vacancy rates alone. The analysis will also not identify any occupiers waiting for interest in their property before moving. However, the business survey, which is summarised in Section 5, will give a district-wide approximation of this issue.
- 4.3 This section identifies a total of 191 vacant and marketed premises in the district with a total floorspace of 106,264sqm. As noted above, this figure is likely to under-estimate the total vacancy rate, particularly in EEAs that market vacancies locally or independently. Evidence of this was found on two small EEAs and the total amount of vacant floorspace unaccounted for is expected to be insignificant compared to the district-wide totals. Details of vacancies on individual EEAs are set out in Appendix 3.

### *Industrial and warehousing*

- 4.4 Table 4.1 details that there are 97 available/marketed industrial premises in the district, with a total floorspace of 78,851 sqm. 31 percent of the available floorspace (29 percent of the stock of properties) is located in the Huntingdon Spatial Planning Area, with an additional 31 percent spread across the Key Service Centres.

Table 4.1 – Amount of Vacant Industrial and Warehousing Property in EEAs

Property		Size Band, sqm						Total	
		0-100	101-200	201-500	501-1,000	1,001-2,000	2,001-5,000		5,000+
Huntingdon Spatial Planning Area	Floorspace, sqm	533	1,030	1,772	2,037	3,481	2,706	12,658	24,218
	Number of Properties	8	7	5	3	2	1	2	28
St Neots Spatial Planning Area	Floorspace, sqm	195	189	989	3,503	5,943	5,453	0	16,273
	Number of Properties	2	1	3	5	3	2	0	16
St Ives Spatial Planning Area	Floorspace, sqm	95	169	1,893	1,516	1,327	4,854	0	9,854
	Number of Properties	1	1	6	2	1	1	0	12
Ramsey Spatial Planning Area	Floorspace, sqm	0	130	311	0	0	0	0	441
	Number of Properties	0	1	1	0	0	0	0	2
Key Service Centres	Floorspace, sqm	370	2,134	1,838	3,289	0	0	16,723	24,355
	Number of Properties	8	14	6	4	0	0	1	33
Other EEAs	Floorspace, sqm	0	195	1,103	0	2,413	0	0	3,711
	Number of Properties	0	1	3	0	2	0	0	6
<b>TOTAL</b>	<b>Floorspace, sqm</b>	<b>1,194</b>	<b>3,847</b>	<b>7,907</b>	<b>10,346</b>	<b>13,164</b>	<b>13,012</b>	<b>29,381</b>	<b>78,851</b>
	<b>Number of Properties</b>	<b>19</b>	<b>25</b>	<b>24</b>	<b>14</b>	<b>8</b>	<b>4</b>	<b>3</b>	<b>97</b>

- 4.5 Across the district there is provision in all size bands. 47 percent of the properties comprise mid-sized (201-2000 sqm) units, and these are distributed throughout the district. The largest share of these is in the Key Service Centres. There are only 7 larger units (2001 sqm or more) on the market. They are primarily located in the well established industrial areas of Huntingdon and St Neots, and newer distribution parks on the A1 and A14.
- 4.6 Numerically, in terms of properties rather than floorspace, Stukeley Meadows Industrial Estate in Huntingdon has the most vacancies. There are currently 15 properties available, ranging in size from 59 to 6,621 sqm.
- 4.7 57 percent of the vacant floorspace relates to four developments – Black Horse Business Park (Sawtry, 21%), Stukeley Meadows Industrial Estate (Huntingdon, 14%), Somersham Road Industrial Estate, (St Ives, 12%) and St Peter’s Road Industrial Area (Huntingdon, 9%). The vacancy at Black Horse Business Park relates to a single unit at 16,723sqm.

*Table 4.2 – Location of Vacant Industrial and Warehousing Property by EEA*

<b>Employment Area, Settlement</b>	<b>Number</b>	<b>Floorspace</b>
<b>Huntingdon Spatial Planning Area</b>		
Cardinal Park	2	4,476
St Peters Road Industrial Area	4	7,451
Roman Way Industrial Estate	7	1,030
Stukeley Meadows Industrial Estate	15	11,261
<b>TOTAL</b>	<b>28</b>	<b>24,218</b>
<b>St Neots Spatial Planning Area</b>		
Colmworth Business Park	4	1,962
Howard Road Industrial Estate	2	5,453
Little End Road Industrial Estate	8	4,866
Station Road Industrial Estate	2	3,991
<b>TOTAL</b>	<b>16</b>	<b>16,273</b>
<b>St Ives Spatial Planning Area</b>		
Somersham Road Industrial Area	12	9,854
<b>TOTAL</b>	<b>12</b>	<b>9,854</b>
<b>Ramsey Spatial Planning Area</b>		
Highlode Industrial Estate	2	441
<b>TOTAL</b>	<b>2</b>	<b>441</b>
<b>Key Service Centre</b>		
Bicton Industrial Park, Kimbolton	8	2,142

Employment Area, Settlement	Number	Floorspace
Black Horse Business Park, Sawtry	1	16,723
Broadway Business Park, Yaxley	2	1,832
Brookside Industrial Estate, Sawtry	4	550
Eagle Business Park, Yaxley	6	366
Earith Business Park, Earith	10	2,449
Harvard Industrial Estate, Kimbolton	2	292
<b>TOTAL</b>	<b>33</b>	<b>24,355</b>
<b>Small Settlements</b>		
Crossways Distribution Centre, Alconbury Hill	1	1,288
Hardwicke Road Industrial Estate, Great Gransden	2	1,492
Harley Industrial Park, Great Paxton	1	338
Sand Road Industrial Estate, Great Gransden	2	593
<b>TOTAL</b>	<b>6</b>	<b>3,711</b>
<b>Overall Total</b>		
Overall Total	<b>97</b>	<b>78,851</b>

4.8 Table 4.3 assesses the quality of the available properties. The percentage of new or good quality premises is 20 percent of the available supply. Many of these properties are located in the newer developments such as Eagle Business Park in Yaxley and Cardinal Park in Godmanchester.

4.9 The categories can be described as follows:

- 'Good' represents modern design, building condition, parking and external area provision.
- 'Budget' represents low quality design, externals, and condition.
- The remaining category is 'Moderate', covering properties that do not fit the other two headings

Table 4.3 – Quality of Industrial and Warehousing Premises

Number of Properties	Quality		
	Good/New	Moderate	Budget
Huntingdon Spatial Planning Area	8	18	2
St Neots Spatial Planning Area	4	12	0
St Ives Spatial Planning Area	1	8	3

Number of Properties	Quality		
	Good/New	Moderate	Budget
Ramsey Spatial Planning Area	0	2	0
Key Service Centre	7	22	4
Small Settlements	0	4	2
<b>TOTAL</b>	<b>20</b>	<b>66</b>	<b>11</b>

#### Offices

- 4.10 Table 4.5 identifies that the district currently has 27,413 sqm of vacant office floorspace that is being marketed, which comprises 94 premises. The greatest share of floorspace (52 percent) and premises (38 percent) is associated with locations within the St Ives Spatial Planning Area, mostly in Compass Point and Parsons Green Business Parks. There is 12,780sqm of high quality office space in these two locations, across 25 units. These units can be subdivided as needed and highlight a significant vacancy issue. Around 31 percent of the premises are in Huntingdon Spatial Planning Area, most of these being at Ermine and Hinchingsbrooke Business Parks (6,131sqm in total).
- 4.11 Currently availability, as demonstrated by Table 4.4, is weighted towards premises of under 200 sqm. 60 percent of the properties on the market fall into the 0-200 sqm size band. There are seven properties available in excess of 500 sqm, of which only one is in excess of 2,000sqm, which is located at Compass Point Business Park.

Table 4.4 – Amount of Vacant Office Property in Huntingdonshire

Property		Size Band, sqm							Total
		0-100	101-200	201-500	501-1,000	1,001-2,000	2,001-5,000	5,000+	
Huntingdon Spatial Planning Area	Floorspace, sqm	655	1,241	1,657	533	2,253	0	0	<b>6,339</b>
	Number of Properties	11	9	6	1	2	0	0	<b>29</b>
St Neots Spatial Planning Area	Floorspace, sqm	141	185	0	1,262	0	0	0	<b>1,589</b>
	Number of Properties	2	1	0	2	0	0	0	<b>5</b>
St Ives Spatial Planning Area	Floorspace, sqm	265	1,179	3,168	2,479	4,743	2,500	0	<b>14,334</b>
	Number of Properties	10	8	10	4	3	1	0	<b>36</b>

Property		Size Band, sqm							Total
		0-100	101-200	201-500	501-1,000	1,001-2,000	2,001-5,000	5,000+	
Ramsey Spatial Planning Area	Floorspace, sqm	0	0	0	0	0	0	0	0
	Number of Properties	0	0	0	0	0	0	0	0
Key Service Centre	Floorspace, sqm	167	373	0	0	0	0	0	540
	Number of Properties	3	3	0	0	0	0	0	6
Small Settlements	Floorspace, sqm	42	1,003	1,507	2,060	0	0	0	4,612
	Number of Properties	1	8	6	3	0	0	0	18
<b>TOTAL</b>	<b>Floorspace, sqm</b>	<b>1,270</b>	<b>3,981</b>	<b>6,333</b>	<b>6,334</b>	<b>6,995</b>	<b>2,500</b>	<b>0</b>	<b>27,413</b>
	<b>Number of Properties</b>	<b>27</b>	<b>29</b>	<b>22</b>	<b>10</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>94</b>

4.12 In Table 4.5 a further breakdown of the available stock is provided in terms of location. 63 percent of the floorspace relates to three developments - Parsons Green (26%), Compass Point (21%) and Minerva (17%) business parks.

Table 4.5 – Location of Vacant Office Property by Sub-Market Areas

Employment Area, Settlement	Number	Floorspace
<b>Huntingdon Spatial Planning Area</b>		
Ermine Business Park	16	2,814
St Peters Road Industrial Estate	1	13
Stukeley Meadows Industrial Estate	5	195
Hinchingbrooke Business Park	7	3,317
<b>TOTAL</b>	<b>29</b>	<b>6,339</b>
<b>St Neots Spatial Planning Area</b>		
Colmworth Business Park	5	1,589
<b>TOTAL</b>	<b>5</b>	<b>1,589</b>
<b>St Ives Spatial Planning Area</b>		
Parsons Green Business Park	6	5,629



Employment Area, Settlement	Number	Floorspace
Somersham Road Industrial Area	3	537
Compass Point	19	7,150
Meadow Lane Business Park	8	1,018
<b>TOTAL</b>	<b>36</b>	<b>14,334</b>
<b>Ramsey Spatial Planning Area</b>		
-	-	-
<b>Key Service Centres</b>		
Crossways Distribution Centre	3	171
Harvard Industrial Estate	3	368
<b>TOTAL</b>	<b>6</b>	<b>539</b>
<b>Small Settlements</b>		
Minerva Business Park	18	4,612
<b>Overall Total</b>		
Overall Total	<b>94</b>	<b>27,413</b>

4.13 As Table 4.6 shows over half of the office property available within the district is good quality. 11 percent provides budget accommodation.

Table 4.6 – Quality of Office Premises

Number of Properties	Quality		
	Good/New	Moderate	Budget
Huntingdon Spatial Planning Area	15	8	6
St Neots Spatial Planning Area	3	2	0
St Ives Spatial Planning Area	23	12	1
Key Service Centre	1	2	3
Small Settlements	18	0	0
<b>TOTAL</b>	<b>60</b>	<b>24</b>	<b>10</b>

## Valuation Office Data

### *Industrial and Warehousing*

- 4.14 According to the latest Valuation Office (VO) statistics (2008) there are 1,690 industrial hereditaments in Huntingdonshire, totalling 1,411,000 sqm (see Table 4.7). This is the most recent available data on this topic. In comparison with its neighbouring local authorities listed in table 4.9, Huntingdonshire has the largest number of industrial factory and warehouse properties.
- 4.15 As set out earlier in this section, there are some 70 vacant premises totalling 57,629 sqm. Compared to the 2008 VO data, this suggests an overall occupancy rate for the whole district of 96 percent by floorspace and premises numbers. It is important to note that data availability requires that 2013 data is compared with 2008 data and therefore this section provides an approximate guide only to vacancy rates.
- 4.16 In 2008 the average size of premises for Huntingdonshire was 835 sqm. This is marginally above the Cambridgeshire average (784 sqm) and considerably above the East of England average of 709 sqm. Nevertheless, reflecting the weighting of supply towards smaller premises, Huntingdonshire's average figure is lower than Peterborough, East Northamptonshire, Fenland and Bedford.

*Table 4.7 – Valuation Office Statistics – Industrial and Warehousing*

	<b>Number of Hereditaments</b>	<b>Area, sqm</b>	<b>Average Property Size, sqm</b>
<b>Huntingdonshire</b>	1,690	1,411,000	<b>835</b>
Peterborough	1,628	2,031,000	<b>1,248</b>
East Northamptonshire	738	813,000	<b>1,102</b>
Fenland	944	914,000	<b>968</b>
Bedford	1,435	1,203,000	<b>838</b>
East Cambridgeshire	699	506,000	<b>724</b>
Cambridge	590	345,000	<b>585</b>
Cambridgeshire	5,217	4,092,000	<b>784</b>
East of England	50,624	35,890,000	<b>709</b>

*Source: ONS Commercial and Industrial Floorspace 2008*

### Offices

- 4.17 In 2008 there were 882 office hereditaments in the district, totalling 228,000 sqm (see Table 4.8). The number of properties is significantly less than the supply in Peterborough and Cambridge and marginally less than the supply in Bedford. It greatly exceeds the supply in Fenland, East Cambridgeshire and East Northamptonshire.

Table 4.8 – Valuation Office Statistics – Offices

	Number of Hereditaments	Area, sqm	Average Property Size, sqm
<b>Huntingdonshire</b>	882	228,000	<b>259</b>
Peterborough	1,194	458,000	<b>384</b>
East Northamptonshire	295	45,000	<b>153</b>
Fenland	369	64,000	<b>173</b>
Bedford	973	230,000	<b>236</b>
East Cambridgeshire	325	62,000	<b>191</b>
Cambridge	1,294	479,000	<b>370</b>
Cambridgeshire	4,266	1,328,000	<b>311</b>
East of England	32,623	8,664,000	<b>266</b>

Source: ONS Commercial and Industrial Floorspace 2008

- 4.18 Measured against the 2008 data, the overall occupancy rate for the district is 89 percent by floorspace, and 92 percent by premises numbers. The vacancy rate for office premises is therefore more than double that of industrial properties within the district. As set out above, it is important to note that data availability requires that 2013 data is compared with 2008 data and therefore this section provides an approximate guide only to vacancy rates.
- 4.19 In 2008 the average size of office premises was only 259 sqm, which is 17 percent less than the Cambridgeshire figure (311 sqm), 30 percent less than the Cambridge figure (370sqm) and 33 percent less than the Peterborough figure (384 sqm). The average office size in Huntingdonshire is above the averages of the other neighbouring local authorities.

### Market Equilibrium

- 4.20 In assessing the supply side, allowance needs to be made according to whether there are higher or lower levels of vacancies in the existing floorspace stock. A certain level of vacant property is generally required for the property market to function effectively. Recent employment land studies elsewhere have seen the equilibrium vacancy rate to be generally held to be around 7.5 percent of the total office and industrial stock.
- 4.21 Where the actual level of vacant floorspace is higher or lower than this 7.5 percent rate, this indicates that the market is not balanced. A vacancy rate above 7.5 percent suggests floorspace is oversupplied. A rate below 7.5 percent is an indication the floorspace market is undersupplied.
- 4.22 Some employment land reviews have used rates of 5 percent (for offices) and 10 percent (for industrial and warehousing space). In Table 4.11 these alternative yardsticks have been applied to the vacancy rates identified for Huntingdonshire.
- 4.23 Whilst there are factors that influence the level of vacant stock (e.g. economic recession; building obsolescence; owners' aspirations for alternative higher value use) Table 4.9 illustrates contrasting pictures for Huntingdonshire. The statistics indicate vacant office stock levels represent a significant oversupply. For industrial and warehousing stock there is an undersupply, when measured against 7.5 or 10 percent 'equilibrium' rates.

Table 4.9 – Vacant Floorspace, Market Equilibrium Status

	Huntingdonshire
<b>Vacancy Rate Industrial Stock</b>	<b>6%</b>
Over (Under) Supply 7.5 percent rate	(Under)
Over (Under) Supply 10 percent rate	(Under)
<b>Vacancy Rate Office Stock</b>	<b>12%</b>
Over (Under) Supply 7.5 percent rate	Over
Over (Under) Supply 5 percent rate	Over

### **Modern Occupier Needs**

- 4.24 In this sub-section the report outlines what modern businesses typically look for in terms of their property, as well as those developers providing space for them.
- 4.25 There are two key property sub-markets to consider in understanding the demand for premises. The first is the demand from companies looking for sites for their own occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.
- 4.26 Many end-user companies, especially small ones, looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time involved; while it may also be difficult to rationalise and visualise such an important acquisition off-plan.
- 4.27 Having premises built for owner occupation requires a long lead-time to cover the planning, negotiation and construction time involved. Furthermore not every company wants a brand new building, partly because they are generally more expensive than second-hand ones.
- 4.28 However the recent combination of low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises (although current market conditions, have softened this due to the lack of available finance). One route to achieving this is by developing their own site, especially if they cannot find a suitable freehold property. Nationally most requests for such small sites to enable self-build are of less than 0.4 ha in size.
- 4.29 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able, some prefer to buy land direct and organise building contractors themselves. This is especially the case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.
- 4.30 Developers acquiring sites consider the nature of the market, as outlined above, as well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction. They also prefer to acquire prominent, (easy to develop) Greenfield sites close to arterial roads or motorways because irrespective of sustainable transport policies, private transport still predominates. They naturally want land that is attractive to end-users. Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is at too high a price, then the developer will not acquire it.

## Property Trends

4.31 Here we identify the typical emerging requirements of industrial and office occupiers.

### *Industrial and Warehousing*

- 4.32 Occupiers are generally looking for smaller premises as average company size continues to decrease. In line with rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. In rural areas company sizes are generally already small; and the desire for high quality is less of a priority due to affordability issues. Successful industrial businesses typically require dedicated, self-contained, secure yard areas, and for units over 2,000 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into and out of the unit. Eaves heights are also continuing to rise from an average of six metres to more towards ten metres to allow storage racking and more efficient use of space. For B8 high bay warehousing eaves heights can now be 15 metres to accommodate automatic racking systems.
- 4.33 Large requirements, above 10,000 sqm, are comparatively rare, and where they do exist are generally for distribution warehousing. Most of these are contract-led with a flurry of activity as a number of specialist distribution companies look for units, before one of them secures the contract on offer. However these companies generally cannot wait for a bespoke warehouse to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.
- 4.34 Freehold demand is relatively strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. However the lack of available finance is constraining this sub-market currently. This previously resulted in an overheated investment market, rising values, lowering yields and led to property developers being more willing to offer speculative, freehold buildings. However, as a consequence of the recent prolonged recession speculative development has stopped dead across much of the country. It may resume once the effects of the recession recede, but in more rural areas speculative development will never be the norm.
- 4.35 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. This is gradually being replaced by smaller, sub-assembly light manufacturing space. Shorter leases (five years) and break clauses (three years) are now becoming much more the norm.

### Offices

- 4.36 The trend is for smaller office suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) want serviced offices or similar types of easy-in, easy-out schemes that lower their risk of exposure. Small businesses (with 10-49 employees) are looking for offices in the region of 150-300 sqm. Often they are satellite facilities for larger companies.
- 4.37 In line with rising aspirations and a concentration on higher value added activities, successful companies are looking for higher quality accommodation. For example air conditioning is becoming almost a standard requirement in new schemes, which pushes up rentals by £5-10/sqm on average. Furthermore some occupiers (looking for more than 200 sqm) increasingly want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. There is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.
- 4.38 Car parking remains a big problem for occupiers everywhere as planning policy seeks to limit spaces in response to the sustainability agenda. However, more often than not, businesses cannot rely on public transport, especially in rural areas, and so there remains a strong demand for car parking spaces. Developers are starting to charge per car park space in major cities, and this is now being extended to other settlements.
- 4.39 Prior to the credit crunch, freehold demand was strong as a result poor stock market pension performances and increased private sector interest in property investment. However, as with the industrial market, the recession and lack of available finance is constraining this sub-market and has largely eradicated speculative development outside of major city centres.
- 4.40 Occupiers requiring higher skills, especially those linked to key growth sectors will be concerned about access to an appropriate pool of skilled labour, which will drive demand towards city centres, research facilities and higher education institutes.
- 4.41 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.

## The Future

- 4.42 Research in *Regional Futures: England's Regions in 2030* (ODPM et al, published in 2005) projects that "the number of jobs in the distribution and service sectors will increase by up to 600,000 and two million respectively over the next ten years." This increase in service sector employment will result in "an increase in demand for offices and higher density accommodation, whereas the increase in distribution will require locations with good strategic road and rail access". Whilst this information pre-dates the UK recession, it is considered to remain reasonably valid.
- 4.43 It is also worth highlighting some of the historic but still relevant findings of the Government's Foresight programme which sought to predict future trends and influences on the socio-economic environment of the UK.
- 4.44 The research finds that structural forces at work in the economy will create an explosion of SMEs (small and medium enterprises) in the near future. The UK has around 4.3 million such businesses. This rapid growth and change will be driven by:
- Revolutionary advances in computing and communication technologies, especially the internet
  - Advances in other technologies such as material sciences and biotechnology
  - Growth in knowledge-intensive work supplanting labour-intensive industries
  - The rise of intellectual capital as the key value creation.
- 4.45 This will lead to new opportunities for SMEs. Many more will be in technology intensive sectors. Other opportunities will arise from large corporations outsourcing, unbundling or investing in start-ups. There will be parallel opportunities in the public sector – in health, caring services for the elderly and the disabled.
- 4.46 The research suggested that the majority of SMEs (in 2005, when the research was undertaken) would not exist in 2015 and the majority of SMEs that will exist in 2015 did not exist in 2005. This will obviously lead to very dynamic business profiles in all areas, increasing the emphasis on planning policy to be equally dynamic and flexible.
- 4.47 This will also see new ownership patterns (with more companies owned by women, minorities, and people in their 20s and 60s); intangible assets as the main drivers of value; SMEs acting in collaborative groups, in procurement for example; access to more financing options; and proportionately more companies trading internationally.
- 4.48 Although the industrial base in developed markets will continue to be eroded as jobs transfer to emerging markets, fears of the demise of Western manufacturing are largely unfounded. Developed manufacturing economies will still hold an advantage in high-value and capital-intensive activities; proximity to customers will also be critical for many.



## Key findings

### *Industrial and warehousing*

- There is an undersupply of industrial floorspace in Huntingdonshire, which is a concern that is exacerbated when we recognise that one vacant unit accounts for 21% of the existing vacant stock.
- Approximately a third of the district's vacant industrial space is in Huntingdon SPA and a further third is in the Key Service Centres. However, if we discount the aforementioned unit then the Key Service Centre rate falls to 13%.
- Over a fifth of the vacant industrial stock is in St Neots SPA, despite having less than half the total industrial floorspace of Huntingdon SPA. This may be due to the relatively high proportion of large and ageing industrial properties in St Neots SPA as a proportion of the total floorspace.
- The demand for industrial floorspace is increasingly departing from larger heavy manufacturing units, and towards smaller, higher quality units. Lower quality units are desirable in more rural and local economies. There remains demand for large warehousing and distribution units.

### *Offices*

- There is a significant oversupply of office floorspace in Huntingdonshire, leading to an estimated vacancy rate of 12%.
- 50% of vacant office floorspace is located in three business parks (Parsons Green, Compass Point and Meadow Lane), all of which are in St Ives SPA. Huntingdon SPA by comparison has only 23% of the district's vacant office space, despite having five times more office space in total (as set out in Section 3).
- The typical and emerging requirements for office space is for fairly small (less than 300sqm), high quality office space with a reasonable density and good quality access to either road or rail links. Much of the vacant supply in St Ives meets these criteria, indicating that developers may have over-estimated short-term demand levels.

This section therefore highlights that this study should seek to address identified issues including an oversupply of office space in St Ives SPA and a general undersupply of industrial space. Compared with the profile of the existing stock, a disproportionate amount of the vacant industrial floorspace is in St Neots SPA.

## 5 Views of local businesses and organisations

5.1 The ELS has been underpinned by extensive stakeholder engagement. This section of the report provides a summary of the main findings from the consultation process:

- Business survey
- Stakeholder interviews

### **Business Survey**

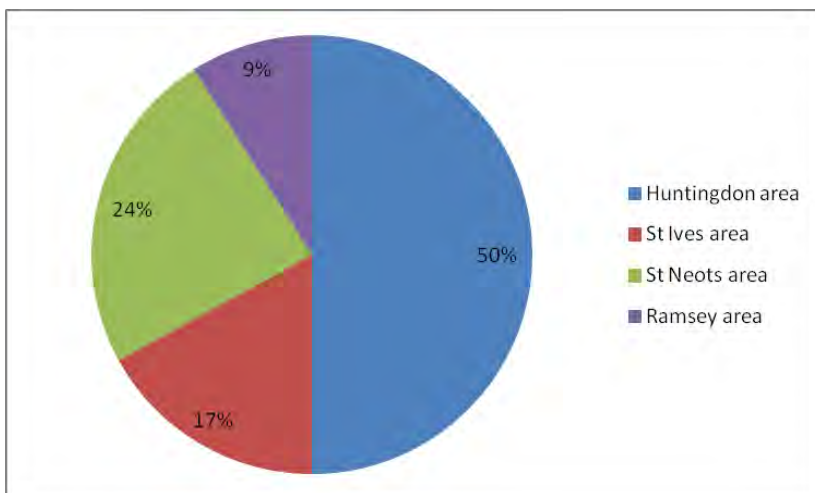
5.2 A business survey has been carried out to establish the scale of demand for types of industrial and office land and property. It is another strand of evidence that will be used to inform the study's conclusions and recommendations.

5.3 Telephone interviews were conducted with companies in Huntingdonshire. The questionnaire, which formed the basis of the interviews, is included at Appendix 4. Overall 100 interviews were completed. A further 29 companies declined to participate in the survey. For the purposes of this survey, settlements have been grouped as set out below:

- Huntingdon area includes Huntingdon, Brampton, Godmanchester, Alconbury, Kimbolton and Buckden
- St Ives area includes St Ives, Needingworth, Fenstanton, Somersham and Sawtry
- St Neots area includes St Neots and Little Paxton
- Ramsey area includes Ramsey, Warboys and Yaxley

5.4 Figure 5.1 shows that the geographic distribution of the companies responding to the survey is reasonably representative of employment levels across the district.

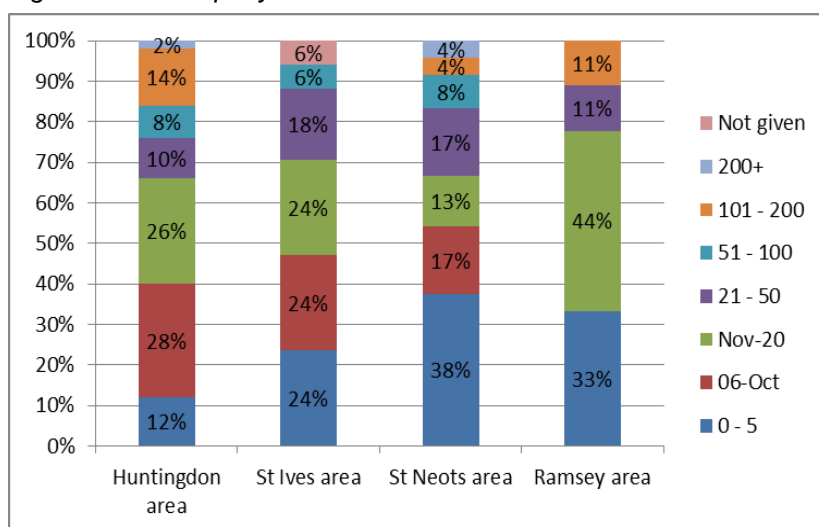
Figure 5.1 – Geographic Distribution of Respondents



#### Company size

5.5 As Figure 5.2 shows the responses provided indicate representation in all size bands. 44 percent of the responses relate to micro businesses (less than 10 employees), 24 percent small businesses employing 10 to 50 people, with the remaining 18% employing 51 or more people.

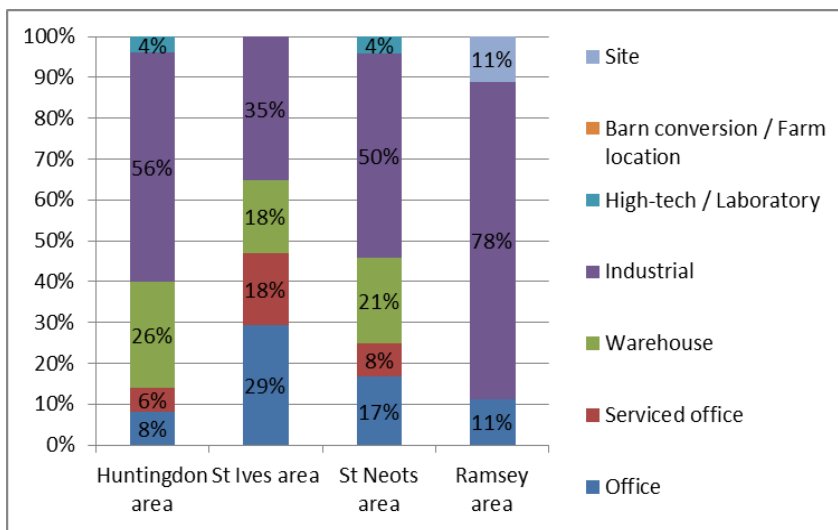
Figure 5.2 – Company Size



*Current premises*

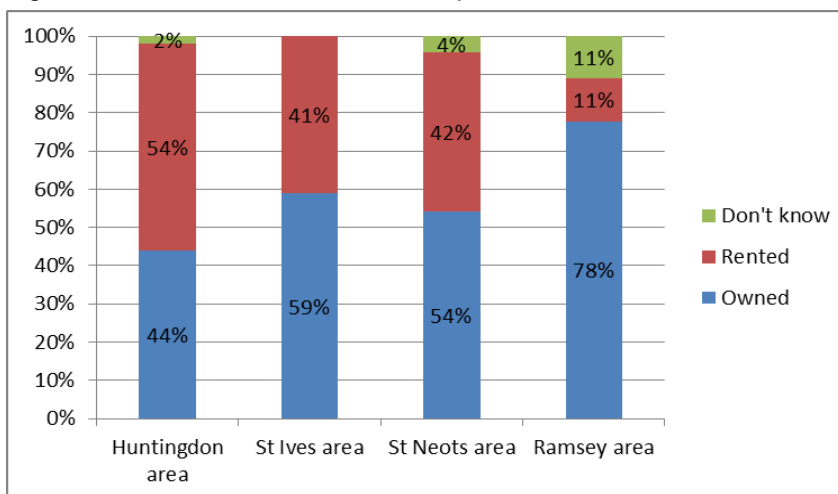
5.6 Companies were asked to state the type of property they occupy. Figure 5.3 shows a strong emphasis on industrial and warehouse accommodation (74 percent).

*Figure 5.3 – Responses by Premises Type Occupied*



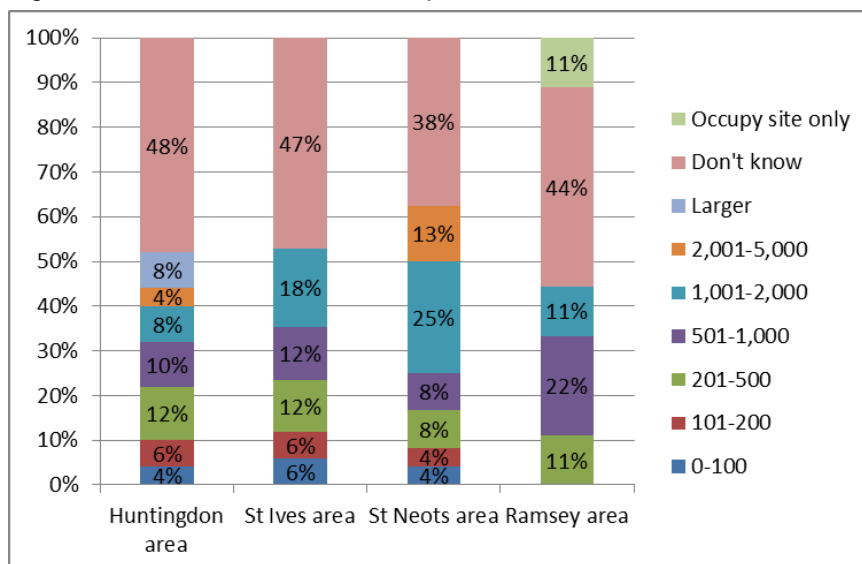
5.7 Companies were asked to indicate whether they own or rent their property. Figure 5.4 shows a slight bias towards owned business property.

*Figure 5.4 – Tenure of Premises Occupied*



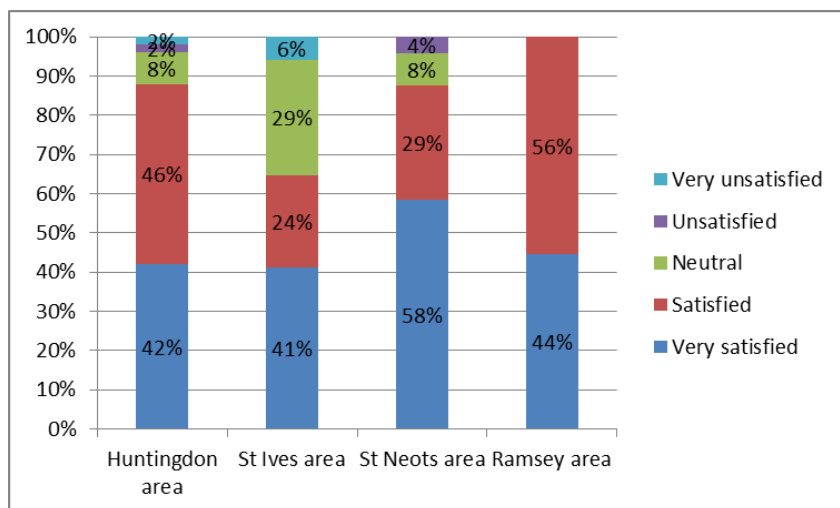
5.8 Figure 5.5 indicates the sizes of premises occupied by companies. Overall, where the size was known, the emphasis is on premises of 201 to 2,000 sqm (65 percent), however the greatest proportion (25 percent) is based in premises of 1,001 to 2,000 sqm. A greater percentage (16 percent) are in premises of less than 200 sqm than occupy more than 2,001 sqm (9 percent). It should be noted that a significant proportion of respondents (45%) were unaware of the size of their current premises, which limits the ability to accurately relate findings on current premises to property size. Those respondents who sought new premises were generally clear on size requirements.

Figure 5.5 – Size of Premises Occupied



5.9 Respondents were asked to comment on whether they were satisfied with their present accommodation, and if not to explain why. Figure 5.6 shows that 85 percent are either satisfied (39 percent) or very satisfied (46 percent) with their current premises. Only 4 percent of companies were dissatisfied with their current accommodation. The sample size for St Ives is small (17 respondents) and so the proportion of neutral respondents (29%) equates to only 5 companies.

Figure 5.6 – Satisfaction with Current Premises



5.10 From those companies who consider their property to be unsatisfactory for their business needs the following explanatory comments were provided:

- *“The accommodation is not big enough for us - we need larger premises”*
- *“We have outgrown the size of the warehouse”*
- *“We have outgrown the premises and wouldn’t still be here but for the fact that we have too many custom built facilities that would cost too much to change.”*
- *“The level of rent is outrageous considering the economic climate”*

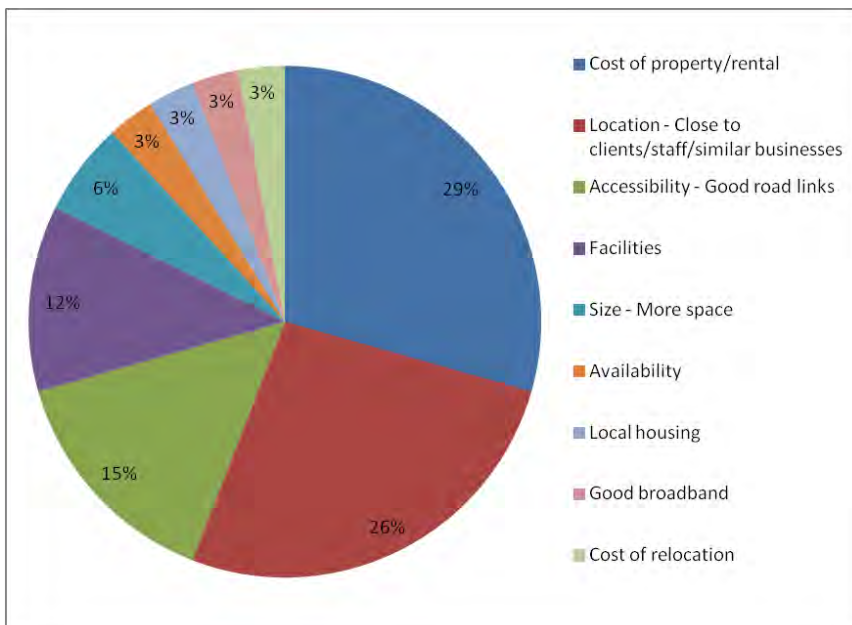
### Future accommodation requirements

- 5.11 Companies were asked to indicate whether they are considering moving or taking on additional premises in the next twelve months, or two to three years. 27 companies indicated that they are intending to relocate or expand. This represents 30% of those interviewed in the Huntingdon area, 29% in St Ives, 8% in St Neots and 11% in Ramsey.
- 5.12 The key findings from those looking for new premises are set out at the end of this section.

### Property factors

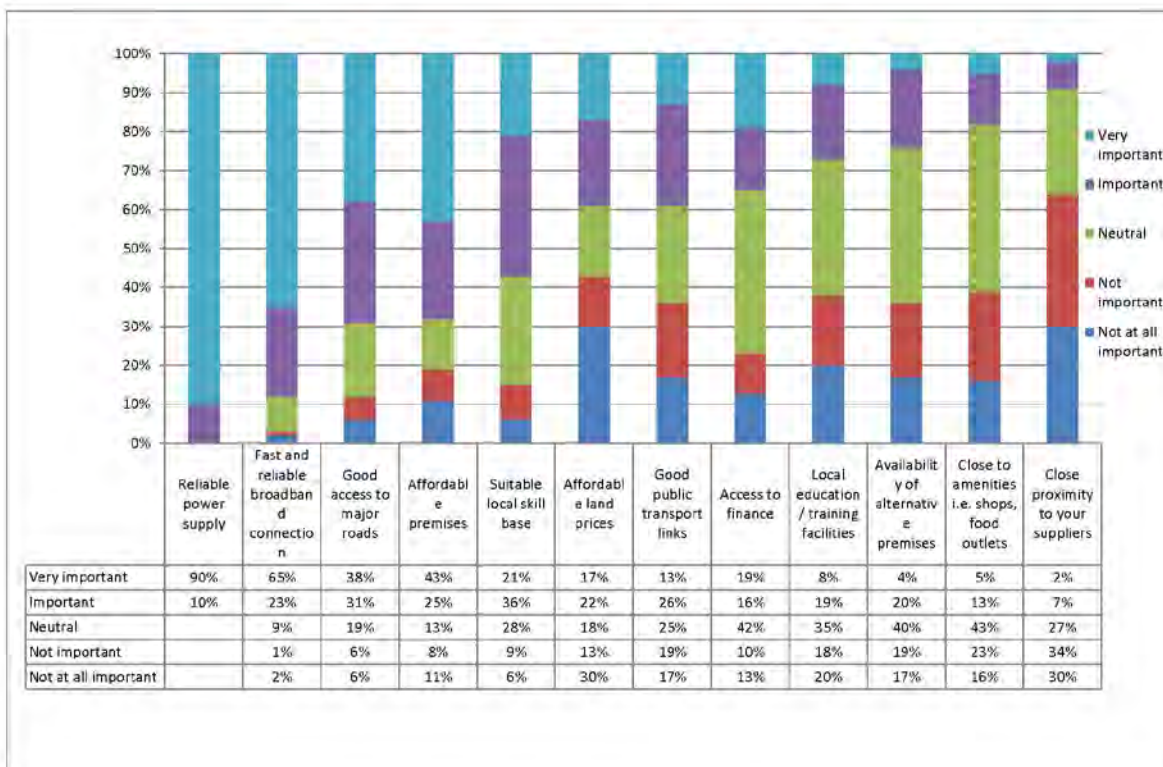
- 5.13 Companies expecting to move or expand in the next three years identified the most important factor(s) when looking for alternative accommodation. These are shown in Figure 5.7. Several companies gave more than one reason.
- 5.14 The most important factors identified are cost of premises, location (being located close to clients or staff) and accessibility. Figure 5.7 highlights the importance of accessible, good value premises in areas of a significant size to promote the expansion of existing clusters, or creation of new such locations.

Figure 5.7 – Most important factor(s) when seeking alternative accommodation



5.15 Respondents were asked how important certain location factors were to their business (Figure 5.8). The most important criteria to the businesses in Huntingdonshire were facility led i.e. a reliable power supply (100 percent important or very important) and fast and reliable broadband (88 percent). A low staff turnover is high in importance (75 percent) as are the locational factors of good access to major roads (69 percent) and affordable premises (68 percent). Close proximity to amenities and supply chains were, surprisingly, the least important factors based on this survey.

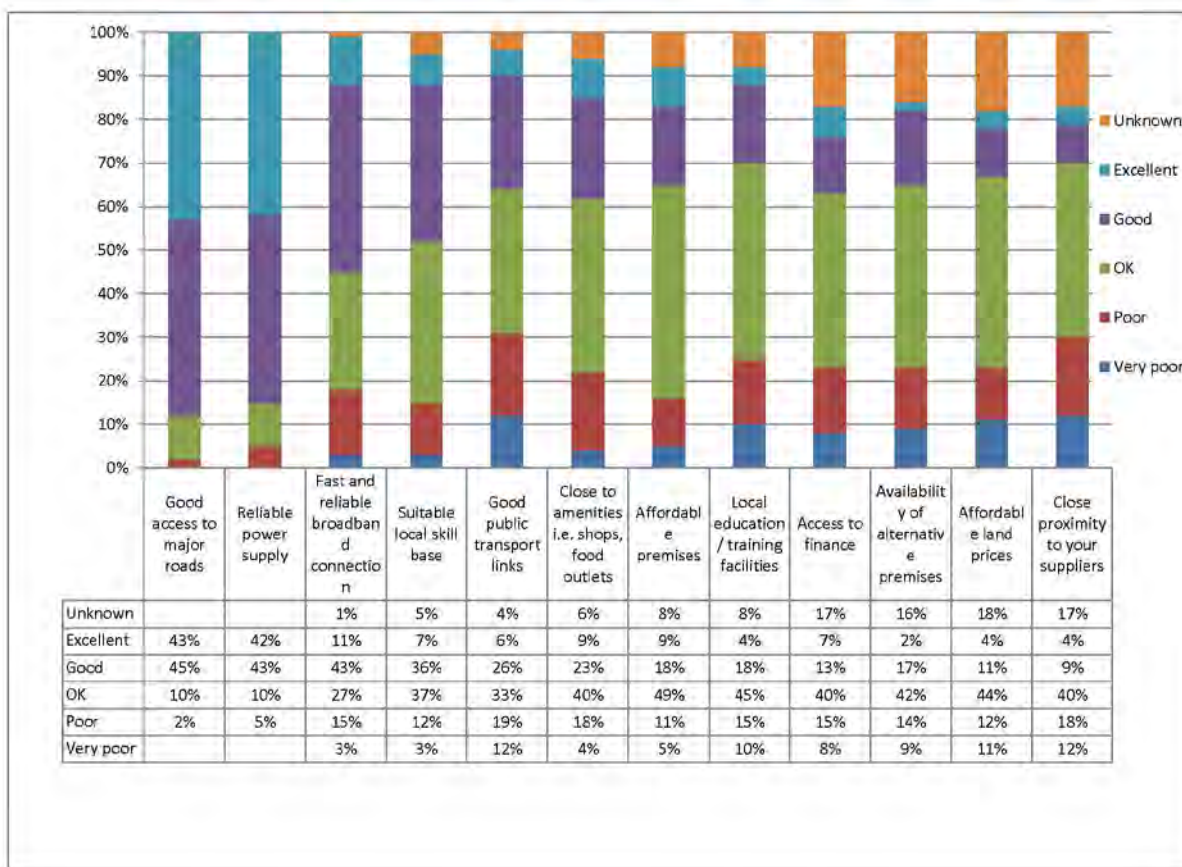
Figure 5.8 – Importance of location factors





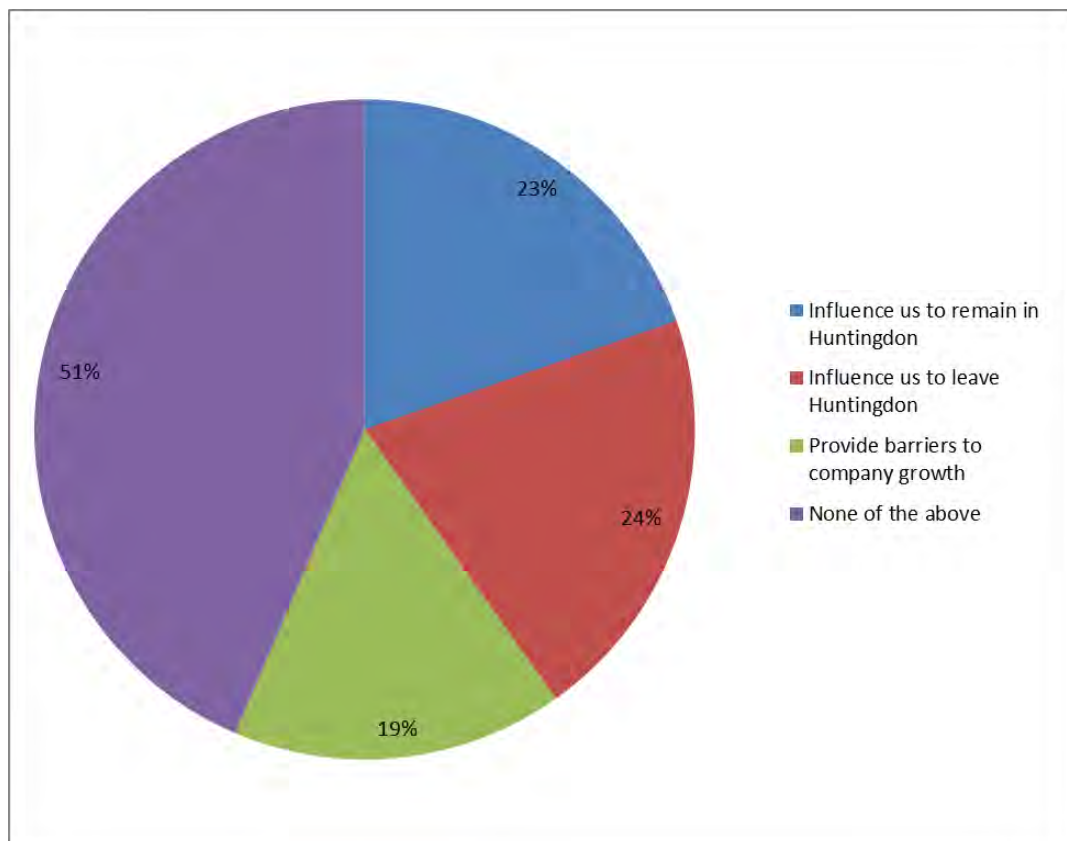
5.16 The respondents were then asked how their current site performs against the criteria (Figure 5.9). The criteria that the current premises in Huntingdonshire perform best against are their good access to major roads i.e. the A1 and A14, and having a reliable power supply.

Figure 5.9 – Current performance against location factors



5.17 Respondents were asked whether these or any other issues are affecting their ability to grow or would cause them to stay in or leave Huntingdonshire, as shown in Figure 5.10

Figure 5.10 – How would location factors influence future location



5.18 The main factors keeping companies in Huntingdonshire are the good road links and the affordable premises that it offers. Having an established local workforce and the senior staff living locally will also encourage companies to stay. One respondent stated:

- *This is a local firm and we employ local workers who have been with us for a long time and therefore have a lot of experience. The transport links are good for us too.*

5.19 Whilst the A14 offers good road access to and from Huntingdon, respondents raised concerns about perceived congestion increases on the A14 and A141 in Huntingdon. Affordable premises, lack of public transport, skilled staff or training facilities were also cited as factors that would influence moving out of the area.

## Stakeholder interviews

5.20 The key messages that emerged from this engagement process are set out in this section. It should be noted that each organisation's comments are their perception of the situation rather than being the complete picture. This has been completed to widen the consultation process and to complement the company survey. The following comments represent stakeholder views:

### *St Neots area*

- Significant employment land should be allocated to ensure that major housing growth is sustainable and does not increase out-commuting to alternative locations such as Alconbury Enterprise Zone;
- Opportunities for smaller employment premises in or near the town centre will help balance housing and employment growth.
- The current manufacturing offer is a critical component of the economy in St Neots, but much of the stock is increasingly dated and so new sites are needed if the area is to successfully attract higher value, advanced manufacturing.

### *Size and quality of premises*

- There is a lack of affordable small and medium sized industrial premises in accessible locations across the district (100-1,000sqm).
- Adjoining districts offer more supply in this size range and Huntingdonshire may lose trade if this issue is not addressed.
- As manufacturing moves towards more advanced economies, it is increasingly important that small and 'grow on' space is made available on flexible lease terms, and that space for support services are in place (e.g. space for communal 3D printers, laser precision cutting, etc.)
- High quality sites are needed, as high tech companies are unlikely to move into low tech premises.

### *Huntingdon area*

- Major new employment growth at Alconbury Enterprise Zone could create a significant problem for St Peter's Road Industrial Estate and Stukeley Meadows Industrial Estate, as they are in fairly close proximity and offer a dated stock. There were anecdotal reports of occasional power supply issues.

### *Infrastructure capacity*

- The A428 between Black Cat Roundabout and Caxton Gibbet requires an upgrade to a dual carriageway to ensure that housing and employment growth in the Eastern Expansion does not result in major traffic congestion.
- The A14 is congested and economic growth may be constrained by its limited capacity.

## Key findings

5.21 The key findings from this section are:

- Local companies are generally satisfied with their current premises and those that were not quoted the size and/or price of the facility to be the main issue;
- However, there is churn in the local market as 27% of businesses seriously consider that they will move premises within the next 3 years. Only the Ramsey area is more static, with only approximately 1 in 10 considering a move.
- Cost, location, power supply and accessibility to major roads are the most important factors when seeking alternative accommodation. Proximity to suppliers, local shops and public transport links are not seen as particularly important.

### *Industrial and warehousing*

- Huntingdon and Alconbury are the most popular locations in the district for companies looking for new industrial premises.
- Industrial businesses have a greater desire to remain in their local area than office-based businesses, regardless of their current location in the district.
- There is demand for a range of industrial sizes and quality, but respondents identify a general lack of high quality, small and medium size industrial units (0-1,000sqm).
- The primary focus should be on new high quality industrial sites in accessible locations.
- There is significant concern that the existing manufacturing offer in St Neots could decline further if the appropriate investment in new sites and infrastructure is not provided.

### *Office*

- The Huntingdon and St Ives areas are the only office locations within the district that consultees actively stated as their preferred future location. Some respondents would accept a location outside of Huntingdonshire.
- There is no interest in budget office accommodation, only moderate or high quality.

5.22 This section therefore highlights that local businesses require a range of business types and locations, with a focus on accessible, moderate-high quality, small-medium sized facilities that are spread throughout the district. It is important therefore to not focus the offer too heavily on Alconbury Enterprise Zone at the expense of other settlements.

## 6 Current supply of employment land

- 6.1 The district needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to market conditions, changing business conditions and working practices, including higher technology operations.
- 6.2 By initially establishing how much land there is, we must then, secondly, consider how much land is needed in the future (to 2036). This section therefore identifies historic trends and the current land supply. A review is also provided of land supply in adjoining districts to highlight how plans for these areas may affect employment land demand in Huntingdonshire over the Local Plan period.

### **Historic Employment Land Take-Up**

- 6.3 Huntingdonshire's employment land take-up since 1999 has been weighted towards development near to the A1 and A14, including major development at Cardinal Park (Godmanchester), Colmworth Business Park (St Neots), Black Horse Business Park (Sawtry), Hinchingsbrooke Business Park (Huntingdon).
- 6.4 Elsewhere in the district, although most settlements have seen small amounts of development, the only other significant take-up recorded relates to the Eagle Business Park at Yaxley and Ermine Business Park (Huntingdon). A total of 119.1 ha of land has been developed since 1999 on land that was not previously in business use.
- 6.5 Over the same period 41.9 ha of employment land has been lost to non-business uses. 60% (25 ha) of this land was previously in B2 industrial use, an illustration of the combined factors of the decline in manufacturing and the obsolescence of the stock (and location) of sites and premises for modern production operations.
- 6.6 The net completions per year show strong average growth between 1999 and 2008, with a notable poor performance between 2002 and 2004. However the completion rate has been significantly lower since the 2008 recession began, with net losses in business land.
- 6.7 The trend data does show an improving picture since 2011, with a net growth of 2.3ha in 2011/12. This is largely due to strong growth at Eagle Business Park in Yaxley (3,731sqm of B1 space). This relatively new business park appears to be performing well at a time when there are few new employment buildings being built in other parts of the district. This is probably due to its prominent position close to Peterborough, with good road links to the A1.
- 6.8 By contrast 7,961sqm of B2 space was lost at Huntingdon West (Land between St John's Street and George Street) for a new mixed use development including a supermarket. A factory (B2, 2,642sqm) was also recently demolished in St Peter's Road, Huntingdon for the development of a retail warehouse.
- 6.9 The average historic land take up is 5.94ha per annum, as shown in table 6.1.

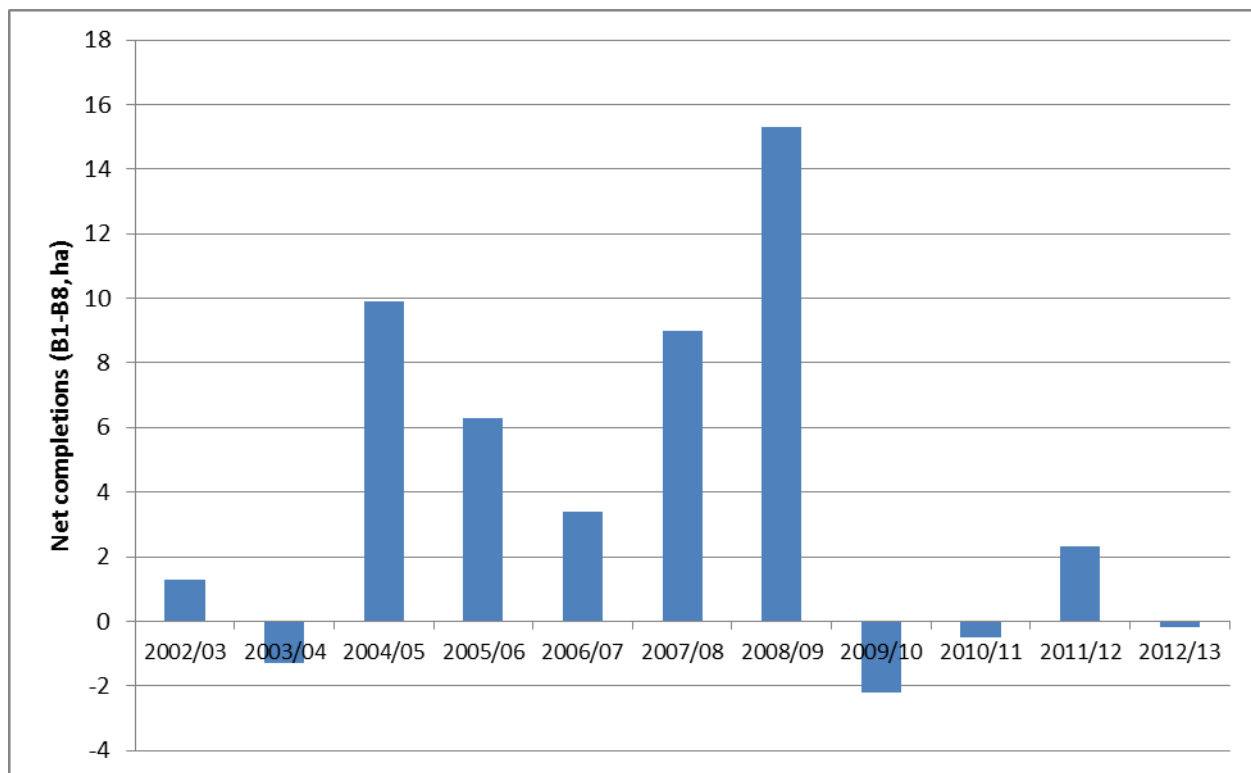
Table 6.1: Business Completions (B1-B8), 2002-2012

Completions, B1-B8	Development on land not previously in business use (ha) (A)	Development of land previously in business use for non business uses (ha) (B)	Net completions, B1-B8 (ha) (A minus B)
1999/02 <sup>3</sup>	35.5	2.1	33.4
2002/03	1.5	0.2	1.3
2003/04	1.8	3.1	-1.3
2004/05	13.3	3.4	9.9
2005/06	10.3	4	6.3
2006/07	4.6	1.2	3.4
2007/08	19.1	10.1	9
2008/09	15.6	0.3	15.3
2009/10	5.7	7.9	-2.2
2010/11	6.7	7.2	-0.5
2011/12	4.8	2.5	2.3
2012/13	3.6	3.8	-0.2
<b>Total</b>	<b>122.8</b>	<b>45.8</b>	<b>76.7</b>
<b>Average</b>	<b>8.8</b>	<b>3.3</b>	<b>5.5</b>

Source: Cambridgeshire County Council: Planning, Research and Monitoring, 2013

<sup>3</sup> Data for this period is only available as a combined figure. This information has been included in the historic land take up calculation but excluded from Figure 6.1 for presentational purposes.

Figure 6.1: Business Completions (B1-B8), 2002-2013



Source: Cambridgeshire County Council: Planning, Research and Monitoring, 2013

### Current land supply in Huntingdonshire

6.10 The amount of committed employment land in the district is as follows:

Land Use	Land with planning permissions (ha)
B1 (unspecified)	5.98
B1a	7.28
B1b	-11.17
B1c	5.23
B2	3.08
B8	10.35
<b>TOTAL</b>	<b>20.75</b>

Source: Cambridgeshire County Council: Planning, Research and Monitoring, 2012

- 6.11 Since the publication of this data, up to 4.4ha of B1 floorspace has been approved in outline at Bearscroft Farm (Godmanchester). The Council has also resolved to grant outline planning permission (subject to S106) for development at Alconbury EZ. The additional supply of employment land within EEAs is set out in Section 7 and identifies 29.4ha (plus 926sqm). The land supply is therefore 54.55ha, plus up to 926sqm of employment floorspace (Airfield Industrial Estate, Little Staughton) and up to 290,000sqm of employment floorspace at Alconbury EZ, assuming the permission is granted.
- 6.12 Potential Allocations, as set out in the Stage 3 Local Plan, are reviewed in Section 9, in light of the identified demand for additional employment land, as set out in Section 8.

### Land Supply in Adjoining Areas

- 6.13 It is important to also understand the extent of available employment land in adjoining districts and any major economic developments which might compete with Huntingdonshire for future demand.
- 6.14 The adjoining boroughs/districts/cities are:
- Bedford
  - Central Bedfordshire
  - East Cambridgeshire
  - East Northamptonshire
  - Fenland
  - Peterborough
  - South Cambridgeshire



### *Central Bedfordshire*

- 6.15 Employment in Central Bedfordshire is characterised by large-scale warehousing and distribution along the M1 corridor and industrial premises along the A1. The A1 corridor provides a significant supply of older industrial space on established industrial estates and new industrial development at Stratton Park. This latter development is approximately 35ha in size and is located approximately 10 miles from St Neots.
- 6.16 In 2011 there was approximately 56ha of available employment land, of which 12ha had an outstanding planning permission.
- 6.17 The Council is seeking to allocate up to 139ha of employment land, despite the Employment Land Review (2012) identifying a surplus of land relative to future requirements. This large allocation is based on their aspiration to attract growth in the logistics, warehousing and distributions sector, particularly at strategic road junctions. This includes plans for a 22ha extension to Stratton Park with direct access onto the A1, focussing on B2 and B8 land uses with ancillary B1.
- 6.18 The Council are also planning for employment land at North Houghton Regis (30ha), North Luton (16ha), East Leighton Linslade (16ha), Sundon Quarry (40ha, connected to a proposed rail freight terminal) and North East of Flitwick (up to 18ha).

### *Bedford*

- 6.19 Employment land in Bedford is dominated by older industrial estates and business parks. The Viking/ Elms Estate and Woburn Road Estate are the largest, and provide for many of the borough's businesses.
- 6.20 The Council's Allocations and Designations Plan was adopted in July 2013 and focuses new economic development on the southern edge of the Bedford urban area, in close proximity to the A421. This is based on the Core Strategy and Rural Issues Plan, which identifies that the Borough will need to provide approximately 16,000 additional jobs up to 2021, and approximately 75ha of employment land. Taking account of completions and extant planning permissions since this evidence was prepared, only approximately 21ha of B1 land remains to be allocated.
- 6.21 However, the full 75ha of employment land is provided for up to 2021, including 45ha of high quality B1 floorspace. The largest single site is Medbury Farm to the south of the borough, which is identified for 20ha of B1 land.
- 6.22 No additional employment land is allocated in Bedford Borough adjacent to, or in close proximity of, St Neots.

### *East Northamptonshire*

- 6.23 The latest available Annual Monitoring Report (April 2011 to March 2012) indicates that East Northants has 177.41 ha of available employment land. 147.71 Ha (83.3 percent) is suitable for all B1, B2, B8 uses, while 17.17 ha (9.7 percent) is identified for B1(b) research and development uses. Only 7.45 ha (4.2 percent) is specifically available for office uses.
- 6.24 The Northamptonshire Strategic Employment Land Assessment (2009) shows demand 20.9 ha of warehousing land and 97,526 sqm of offices to 2031. There is no demand for industrial land. Measured against supply there is a surplus of 22.7 ha of warehouse land, while a further 38,493 sqm of offices is required.
- 6.25 Both the land supply and existing employment areas are focused in the south and centre of the District, in the towns of Higham Ferrers, Oundle, Raunds and Thrapston. Major employers in East Northants include Primark, Paperchase, Freightroute, Robert Wiseman Dairies, Whitworths Ltd and Indesit. There are few employment areas or land allocations in the north of the district and none close to the boundary with Rutland.
- 6.26 In terms of commuting, East Northants is a net exporter of labour east and south to Bedford, Peterborough, Huntingdonshire, and Milton Keynes and west to Wellingborough. Only a small number of East Northants residents commute into Corby and any commuting to or from Rutland is assumed to be negligible.

### *Cambridge and South Cambridgeshire*

- 6.27 An Employment Land Review was published in July 2012 to support the emerging Local Plan. The ELR concluded that the study area is projected to require 35,000 - 40,000 jobs within the period 2011-2031, identifying the potential demand for 220,000 - 240,000 sqm of employment space on 55 - 60ha of employment land across both South Cambridgeshire and Cambridge City. Within South Cambridgeshire alone, the Employment Land Review (2012) identified that the growth of 22,000 jobs in the district by 2031 would require approximately 43 hectares of land in the 'B' use classes.
- 6.28 In terms of supply, the review established that there is currently sufficient overall employment land allocation across Cambridge City and South Cambridgeshire, although forecasts suggest there is likely to be a shortage in B1a space in Cambridge City Centre.
- 6.29 Spatially, the Council are planning for significant additional office growth on the edge of Cambridge at the Science Park, around the new Science Park Railway Station. This opportunity has been identified on the northern fringe of Cambridge to take advantage of the increased accessibility of the area as a result of the Guided Busway and the planned Cambridge Science Park railway station.

- 6.30 Planning permission has also been granted for 80.3ha of employment uses across South Cambridgeshire, which excludes further provision at Northstowe (20ha) and North West Cambridge (up to 40,000sqm of private research and research institute space).

#### *East Cambridgeshire*

- 6.31 East Cambridgeshire has a high out commuting rate and the Council's Local Plan focuses on the provision of higher skilled jobs to tackle this, and associated congestion issues. Future employment needs have been identified and assessed as part of the Council's 'Jobs Growth Strategy' (2012). The strategy sets out a minimum requirement of 9,200 new jobs in the district up to 2031. This is an ambitious target to bring the East Cambridgeshire jobs density ratio closer to the Cambridgeshire average.
- 6.32 The Strategy identifies the need for approximately 60ha of employment land to meet the above jobs growth target. However, the draft Local Plan seeks to allocate a total of approximately 131ha, in addition to 41ha of outstanding planning permissions, in order to provide flexibility and allow for distributed services across the district.
- 6.33 The vast majority of this allocation is located north east of Cambridge around Ely, and nearby towns such as Soham and Littleport. Lancaster Way Business Park is allocated for 40.5ha of employment land, of which 75% (approximately 30ha) is for warehousing and distribution and the remainder is for industrial land.
- 6.34 The East Cambridgeshire draft Local Plan has been submitted to Government and the Council are now awaiting the examination process.

#### *Fenland*

- 6.35 Fenland District Council have submitted their Core Strategy to Government and the examination in public is expected to take place in December 2013. According to the strategy, employment growth in Fenland has not matched workforce expansion, resulting in almost 40% of Fenland's working population commuting out of the district. The strategy concludes that new employment land is required if this figure is to be reduced. The strategy plans for an increase in 7,200 jobs over the period 2011-2031 and recognises that infrastructure improvements are critical to attracting investors.
- 6.36 The Council's Employment Evidence Report (2013), reports that 30-45 ha of additional employment land is required to meet jobs growth, particularly for office and distribution space. However, in order to compensate for the predicted annual loss of industrial land to other uses at 2ha per annum, an additional 40 ha of employment land is allocated. In total, the report establishes that a figure of 70-85 ha of employment land is thought likely to be required between 2011 and 2031.

- 6.37 The Council are therefore planning for significant employment growth and this is spread across the district. Both Wisbech and March would be allocated 30ha of land, with Chatteris and Whittlesey receiving an allocation of 20ha and 5ha respectively. Chatteris and Whittlesey are close to the Huntingdonshire border.

### *Peterborough*

- 6.38 The Peterborough Core Strategy was adopted in 2011 and it sets out Peterborough's strategic plan for growth, which is focussed on maximising its current strengths, including environmental services, financial services, media, printing and publishing, distribution and logistics, and construction.
- 6.39 The strategy identifies a minimum need of approximately 95ha of additional employment land to 2026 (excluding extant permissions), based on the findings of the Employment Land Review (2008).
- 6.40 The majority of Peterborough's identified demand originates from the area's recent growth in logistics and distribution. However, demand for new office space is currently low and significantly outweighed by supply.
- 6.41 In total the strategy identifies between 93.5 and 123.5ha of employment land, a significant proportion of which is allocated in close proximity to Huntingdonshire. A major new development is allocated to the south west of Peterborough, in an area that would be known as Great Haddon. Approximately 65ha of employment space (B1, B2 and B8) is allocated here, which is in close proximity to Yaxley and directly accessible to the A1(M).

### **Key findings**

- All adjoining local authority areas allocated (or are in the process of allocating) a level of employment land that exceeds the level of demand set out in the respective employment land reviews.
- Development in Bedfordshire and Central Bedfordshire is focussed on land with good access to the A1 and A421.
- East Northamptonshire, East Cambridgeshire and Fenland are taking a particularly flexible approach to future employment land, allocating significant amounts of land (relative to their forecast demand) to help stimulate the local economy and reduce out-commuting levels.
- Allocated land in Cambridge and South Cambridgeshire is relatively constrained, but planning permission has recently been granted for 100.3ha of employment land across these areas and up to 40,000sqm at North West Cambridge.
- There is a major expansion on the southern urban edge of Peterborough, in close proximity to Huntingdonshire, which could provide up to 65ha of employment floorspace as part of a major mixed use extension.

## 7 Established Employment Areas - recommendations

### Introduction

- 7.1 AECOM has reviewed a total of 36 Established Employment Areas (EEA) across Huntingdonshire, which were identified in the Stage 3 draft Local Plan.
- 7.2 Each area has been appraised and assessed through a combination of site visits, local intelligence and the views of those involved in the local property market. Detailed information has been completed for each area through the completion of a proforma for each area and site plan, which are set out in Appendix 3. This section therefore summarises the findings of the appendix.
- 7.3 The areas were inspected and their suitability for employment uses assessed. The assessment broadly covered the following topics:
- Accessibility by strategic and local roads
  - Accessibility by public transport
  - Adjoining uses that might constrain employment uses
  - Site size, character and critical mass
  - Attractiveness to the market, including vacancies
- 7.4 The individual site recommendations and justification for each action is set out in the appendix. They are based on the findings of Sections 2-5 of this report, site visits, and information contained in the draft Employment Land Availability Assessment (2011) and Environmental Capacity Study (2012 and 2013). The recommendations conform to the direction of the NPPF, which states that areas should not be allocated for employment use where there is no reasonable prospect of it being used for that purpose. The assessment therefore also considers whether Huntingdonshire contains any such EEAs that should be released for alternative uses.
- 7.5 No EEAs were considered appropriate for entire release, as no sites had a severe lack of developer interest, high vacancy and serious adverse environmental impacts from their operation. Whilst some EEAs appeared weak because of poor accessibility and low quality buildings, these are not always requirements for all firms, and do not mean necessarily that such areas are not meeting local needs. Sites that meet specific economic needs or are well occupied should generally be retained. The key reasons for the retention of all EEAs are set out below:
- There is a significant undersupply of vacant industrial floorspace across the district and a cautiously protective stance should be taken, particularly in the Key Service Centres. There is a greater industrial vacancy rate in St Neots SPA, but it is clear that both areas rely heavily on manufacturing and industry for employment and all EEAs retain a critical mass.
  - All EEAs are generally well occupied and most are accessible to strategic road or rail links. Those that are less accessible are generally serving their local market. The reasonably high occupancy rates

mean that there is reasonable value remaining in the existing premises and redevelopment would therefore have to provide significant additional value to be viable.

- 7.6 However, five EEAs contain sub-areas that are not adequately performing their intended function and a boundary review is therefore recommended. These sites are set out in more detail below.

### **Release of Land within Established Employment Areas**

#### *St Peter's Industrial Area, Huntingdon*

- 7.7 Over the past few years there have been a number of retail developments which have changed this general area of Huntingdonshire. Typical of these developments are Tower Field Leisure Park, Fix UK, Jewsons, Kwik-Fit and Wickes.
- 7.8 Development at the southern end of the EEA in particular has gradually changed to a retail dominated space and it is considered that there is no reasonable prospect that B-class employment will return to this location within the Local Plan period. This area generally comprises land south of Redwongs Way and a review of the EEA boundary is recommended.
- 7.9 The remainder of the site retains a critical mass that supports the retained EEA designation, aided by the combination of well occupied large and small industrial units.

#### *Stukeley Meadows Industrial Estate, Huntingdon*

- 7.10 A similar situation arises for Stukeley Meadows Industrial Estate, which has also seen permission granted for significant retail development within its boundary. Stukeley Retail Park provides a major retail offer on Stukeley Road and it is considered that there is no reasonable prospect that B-class employment will return to this location within the Local Plan period. It is therefore recommended that the EEA boundary is reviewed.
- 7.11 There are large vacancies towards the north of the area, but these do not significantly undermine the critical mass of this part of the EEA, and therefore the retained boundary in this area is considered appropriate.

#### *Alpha Drive Business Park*

- 7.12 Alpha Drive is a small warehouse and distribution park in St Neots with easy access onto the strategic road network (A14). All units are fully occupied, although a significant proportion of the site is taken up with two large retail outlets, which are occupied by B&Q and Jewsons.

- 7.13 It is unlikely that B-class employment will return to these two sites and it is therefore recommended that they are removed from the EEA designation. In practical terms due to their location, the unit occupied by Gates and the adjacent vacant site could therefore become part of the Little End EEA

*Needingworth Industrial Estate*

- 7.14 Whilst this old industrial area appears underdeveloped and neglected, it is well occupied and appears to be meeting local needs. However, the western extent of the area appears to be in residential use and is unrelated to the industrial estate. A boundary review is recommended accordingly.

*Parsons Green Business Park*

- 7.15 This area comprises a new, high quality and attractive business park on the outer edge of St Ives. Buildings are modern office suites, situated in a pleasant lakeside setting. The site is currently undergoing phased development.
- 7.16 However, there are significant vacancies across the current development, totalling 5,629sqm of high quality office space. It has been indicated that the developer is unlikely to pursue future phases of this development and therefore it is recommended that the boundary is reviewed to potentially limit the EEA boundary to built phases of the development.

## Additional supply within Established Employment Areas

7.17 In addition there are parts of some EEAs that are vacant or underused, and represent an opportunity for additional development accordingly. Appendix 3 identifies available employment land within the EEAs, which is 29.4ha (plus 926sqm at The Airfield Industrial Estate, Little Staughton) in total, as shown below:

Established Employment Area	Available land without planning permission (ha)
<b>Huntingdon Spatial Planning Area</b>	
Ermine Business Park	5.9
Hinchingbrooke Business Park	1.3
St Peter's Road Industrial Area	1.7
Stukeley Meadows Industrial Estate	2.6
<i>SUB-TOTAL</i>	<i>11.5</i>
<b>St Neots Spatial Planning Area</b>	
Alpha Drive Business Park	0.7
Cromwell Road Industrial Estate	1.6
<i>SUB-TOTAL</i>	<i>2.3</i>
<b>St Ives Spatial Planning Area</b>	
Marley Road Industrial Area	1.2
Somersham Road Industrial Area	1.2
<i>SUB-TOTAL</i>	<i>2.4</i>
<b>Ramsey Spatial Planning Area</b>	
Highlode Industrial Estate	0.7
<i>SUB-TOTAL</i>	<i>0.7</i>
<b>Key Service Centres</b>	
Black Horse Business Park, Sawtry	0.8
Eagle Business Park, Yaxley	0.7
Harvard Industrial Estate, Kimbolton	0.6
Lakeside Technology Park, Fenstanton	8.8
Upland Industrial Estate, Houghton and Wyton	0.1
Warboys Airfield Industrial Estate, Warboys	0.8
<i>SUB-TOTAL</i>	<i>11.8</i>
<b>Small Settlements</b>	
Crossways Distribution Centre, Alconbury Hill	0.2
The Airfield Industrial Estate, Little Staughton	926sqm
Sand Road Industrial Estate, Great Gransden	0.5
<i>SUB-TOTAL</i>	<i>0.7 (plus 926sqm)</i>
<b>TOTAL</b>	<b>29.4ha (plus 926sqm)</b>



## 8 Additional employment land - growth forecasts and recommendations

- 8.1 This section summarises the findings from the five models that AECOM have applied to the assessment of demand for employment land for the period to 2036. None provide a definitive answer, but they are influences to be considered. The five models described in table 8.1 below.

Model	Model Overview
<p><b>Model 1</b></p>	<p><b>Historic Land Take-Up</b></p> <p>Based on average employment land take up since 1999 of 5.9ha per year. This model estimates future demand for land based on past experience in Huntingdonshire.</p>
<p><b>Model 2</b></p>	<p><b>Policy ‘off’ – Employment Based Forecast</b></p> <p>Based on the central East of England Forecasting Model employment projections that exclude Alconbury Enterprise Zone (EZ). It provides an estimate of likely employment land demand in the policy ‘off’ or reference case where the Enterprise Zone at Alconbury Weald was not brought forward.</p>
<p><b>Model 3</b></p>	<p><b>Policy ‘On’ – Alconbury Enterprise Zone, high displacement and weak target sector employment</b></p> <p>This model assumes that 8,000 jobs are delivered at Alconbury EZ, but job displacement within the district is high (40%) and job growth in the target sectors is weak (25%).</p> <p>It provides the most conservative assessment of employment land requirements in Huntingdonshire as it assumes that much of the employment accommodated at Alconbury is displaced from other parts of Huntingdonshire.</p>
<p><b>Model 4</b></p>	<p><b>Policy ‘On’ – Alconbury Enterprise Zone, low displacement and strong target sector employment</b></p> <p>This model assumes that 8,000 jobs are delivered at Alconbury EZ, but job displacement within the district is low (20%) and job growth in the target sectors is strong (75%)</p> <p>It provides a less conservative estimate of the employment land requirements in Huntingdonshire with Alconbury as it assumes that the employment accommodated at Alconbury is less likely to be displaced from other parts of the district.</p>

<b>Model 5</b>	<p><b>Policy 'On' – Alconbury Enterprise Zone, zero displacement and full target sector employment.</b></p> <p>This model assumes that 8,000 jobs are delivered at Alconbury EZ, there is no job displacement within the district (0%) and all job growth is in the target sectors (100%).</p> <p>It provides a theoretical upper bound on the employment land requirements in Huntingdonshire with Alconbury. In practice there is likely to be some local displacement of employment to Alconbury EZ and it is unlikely that 100% of jobs accommodated there would be within the target sectors.</p>
----------------	--

8.2 Full details and commentary relating to these forecasts are set out in Appendix 5.

### Summary of Forecasts

8.3 The models forecast a wide range in the potential need for employment land, as summarised in Table 8.2. They are explained in more detail in Tables 21 and 22 of Appendix 5.

*Table 8.2 – Forecast demand for employment land (gross)*

<b>Model</b>	<b>Employment land need (gross)*</b>
Model 1	Demand for 166.2ha
Model 2	Demand for up to 8.5ha (assumes no Alconbury EZ)
Model 3	Alconbury EZ is delivered but as a result demand drops by up to 41ha across the rest of the district
Model 4	Alconbury EZ is delivered but as a result demand drops by up to 7.8ha across the rest of the district
Model 5	Alconbury EZ is delivered and there is up to 23ha demand across the rest of the district.

\* Includes a buffer of 5 years historic take up rate, at 29.7ha

8.4 The findings from this table suggest that there is limited demand for additional land beyond that at Alconbury Enterprise Zone.

8.5 However, it is important to recognise that these figures are based purely on the outcomes of economic modelling and they need to be understood in context. There are two major factors that cannot accurately form part of these forecasts, but would significantly affect the requirement for employment land. These are:

- The success of Alconbury Enterprise Zone in terms of jobs created and development brought forward by 2036
- The effect on demand for employment land arising from a projected loss in certain types of employment outside of Alconbury.

8.6 Furthermore, the model takes no account of the specific environment businesses are operating in, specifically that :

- within sectors that are expected to decline (particularly manufacturing) there will still be businesses that will grow and expand;
- there will be local market churn with new businesses replacing other businesses operating in similar sectors;
- industrial land that may become vacant may not be immediately suitable for alternative use;
- there will be a need to maintain a choice of supply by size, type, location and quality of sites and premises for businesses at differing levels of their maturity;
- there should be a continuing forward supply to accommodate site development beyond the end of the Local Plan period.

*The effect of less or low quality growth at Alconbury EZ*

8.7 Whilst the Council should plan for a high level of success at Alconbury, with a catalytic effect on the rest of the district, it must be recognised that relative degrees of failure will have a strong knock on effect on the need for (or lack of need for) employment land across the rest of the district. This cannot be predicted with accuracy, and so it will be important to regularly review the employment land requirements for Huntingdonshire in light of progress at Alconbury EZ.

*The effect of declining industries*

8.8 The employment-based models (Models 2-5 shown above) may over-estimate the decline in demand for industrial land. If employment within a sector declines, but the companies remain in business within the short / medium term it will be reasonable to assume that the business will operate at a lower capacity on the same site – i.e. the employment density will be lower and the industrial footprint or land take will remain unchanged.

8.9 In addition, declining employment within industrial sectors will not always be associated with declining outputs – increased automation / more capital intensive processes may require fewer employees and larger premises. Once again, in this scenario the employment density will be lower.

8.10 Depending on the types of jobs attracted to Alconbury and the level of displacement from the district into Alconbury, the models forecast a loss of between approximately 4,000 and 6,400 jobs by 2036. In

floorspace terms this could equate to approximately between 177,000sqm and 276,000sqm, or potentially between 45 and 63ha of employment land.

- 8.11 The loss of employment land to this extent from this source is considered to be highly unlikely. For this to be the case, each job lost would result in a company abandoning a small amount of land. In reality, land is not used totally efficiently and companies will occupy more space than they need, or they will hold land long term for their own possible future expansion. Furthermore, Brownfield land may remain undeveloped due to the costs of remediation.

### Key Findings

- 8.12 Given an uncertain economic outlook, it is difficult to select the most likely option from these alternative growth pictures. The estimate which assumes past development trends continuing at a similar rate (Model 1) would perhaps be the most likely to indicate demand as it reflects actual patterns of development within Huntingdonshire over recent years, covering periods of economic growth and recession. However, this excludes the potentially catalytic effect of the Alconbury Enterprise Zone. It is also not possible to accurately factor the land requirements of Alconbury Enterprise Zone into this figure, as it is not yet known how much employment land the zone will require. This will depend on the types of employment that it attracts (within the parameters of the planning permission).
- 8.13 Therefore, depending on the Council's aspirations, planning for broadly the level of development implied by Model 4 appears achievable and likely but this would not necessarily reflect the effect of declining industries, which under the Model 4 scenario is predicted to be approximately 5,200 jobs, or 246,000sqm of floorspace. Whilst it is not possible to accurately predict what the decline in demand for employment land will be as a result of these declining industries, it is highly unlikely to be 59-63ha as is factored into the model. The demand for land lost will depend largely on whether jobs are lost due to large units closing down, or due to job losses within firms that become more efficient.
- 8.14 Looking at the historic trend for industrial growth in Huntingdonshire is perhaps the most accurate way of calculating future demand in this particular regard. The average trend since 2005 is the loss of 0.6ha per year. This would identify a total employment demand of approximately 42-46ha, in addition to the growth at Alconbury. This is calculated by taking the output of Model 4 (-7.8ha), then replacing the 59-63ha that the model predicts is lost, and finally by subtracting industrial decline of 0.6ha per year (9ha).

- 8.15 If the Council decided to plan for a level of growth based on a perfectly successful outcome at Alconbury (no job displacement within the district and full delivery of the target sector jobs) as set out in Model 5, then the gross land demand could increase by up to 59-62ha, in addition to the growth at Alconbury. Model 5 assumes a relatively small decrease in land due to industrial loss compared with Model 4, at approximately 45ha.
- 8.16 AECOM therefore recommend that the Council plan for a gross requirement of employment land, in addition to the delivery of 8,000 jobs at Alconbury EZ, of **up to 42-46ha**. Whilst the success of growth at Alconbury EZ and the effect of declining industries could significantly reduce this demand, as noted above, it is worth noting the aims of the NPPF, which seek to encourage economic growth. The risk of an under-provision of employment land may therefore be greater than over-provision.

## 9 Additional employment land - recommendations

### Current Land Supply

- 9.1 This section of the report seeks to firstly balance the forecast demand for employment land with existing commitments and estimates of land available on the district's Established Employment Areas (EEAs). Preferred sites for additional employment land are then identified, by reviewing the suitability of the Potential Allocations (employment and mixed-use) identified in the Stage 3 Local Plan.
- 9.2 Section 8 identified a potential requirement for up to 42-46ha if we assume Alconbury EZ is delivered in line with policy objectives and industrial decline follows recent historic trends in the district.
- 9.3 Section 7 identified a total supply of 54.55ha, plus up to 926sqm of employment floorspace (Airfield Industrial Estate, Little Staughton) Of this, 29.4ha (plus up to 926sqm) is land within EEAs. The section also identified supply of up to 290,000sqm of employment floorspace at Alconbury EZ, but this is already accounted for in the calculations leading to the above demand figure.
- 9.4 However, it should be noted nearly 50% of land within EEAs is at Ermine Business Park and Lakeside Technology Park (14.7ha). Whilst these sites should be retained as part of the EEA, for reasons explained in Appendix 3, it should be noted that delivery on these sites may be challenging. Furthermore 9.9ha (30%) of the supply is on old, general industrial estates. Whilst these sites are important and may serve a rising local need, they will not serve the needs of some occupiers.
- 9.5 Ensuring an adequate choice of types of sites is important even if there is sufficient supply in quantitative terms. It is also useful to consider a 'worst case' situation, as implied above, in which some sites do not come forward for development.

### Summary review of Potential Allocations

- 9.6 AECOM has reviewed the suitability of a total of 21 Potential Allocations (employment and mixed-use) identified in the Stage 3 Local Plan
- 9.7 The review of the potential allocations is based on a detailed assessment and commentary, which is set out in Appendix 2. All of these sites have been graded using a standard scoring system that consists of objective measures (as far as possible). Each site has been scored for its attractiveness to the market and for how well it meets planning policy objectives. The categories include: location, prominence, public transport, sequential test, planning status, environmental setting and availability.
- 9.8 A conclusion is reached in the appendix in relation to each site, highlighting the likelihood of it meeting employment needs within the Local Plan period.
- 9.9 The conclusions conform to the direction of the NPPF, which states that areas should not be allocated for employment use where there is no reasonable prospect of it being used for that purpose. This section

therefore highlights the suitability of each potential allocation site for employment purposes. The sites are categorised based on their likelihood of meeting employment needs based on qualitative factors, as set out below. Individual conclusions and recommendations for each site are set out in Appendix 2:

- High likelihood of meeting qualitative or quantitative employment need. *Recommendation: proceed with planned allocation.* These sites typically fall into three categories:
  - small sites in sustainable urban locations that would help to diversify the business base;
  - small sites that would serve a thriving local market;
  - large and accessible sites that would provide for new emerging sectors in areas where there are strong financial incentives for business growth, or where there is a critical mass, local skills base and need for high quality space to support the allocation.
- Medium likelihood of meeting qualitative or quantitative employment need: *Recommendation: proceed with planned allocation but consider reducing the amount of employment land.* These sites typically fall into a single category
  - Medium-sized allocations outside of the largest settlements that do not plan positively for economic clusters and/or do not have such good transport links
- Low likelihood of meeting qualitative or quantitative employment need: *Recommendation: consider not proceeding with planned allocation.*
  - Sites that conflict with the offer at Alconbury Enterprise Zone and have no reasonable prospect that development will occur during the Local Plan period, or, sites with other significant environmental constraints.

*High likelihood of meeting qualitative or quantitative employment needs*

- Alconbury Enterprise Zone
- Eastern Expansion, St Neots
- George Street/ Ermine Street, Huntingdon
- West of Railway, Brampton Road, Huntingdon
- Park View Garage, Brampton
- Land adjacent Bicton Industrial Estate, Kimbolton
- Huntingdon Street, St Neots
- Former Regional College and adjoining land, St Neots
- Former Dairy Crest Factory, Fenstanton
- RAF Upwood and Upwood Hill House, Ramsey
- Giffords Farm, St Ives
- Yax Pak, Yaxley

*Medium likelihood of meeting qualitative or quantitative employment needs in current form*

- Wyton Airfield and Wyton on the Hill
- RAF Brampton
- Bearscroft Farm, Godmanchester

*Low likelihood of meeting qualitative or quantitative employment needs*

- North of Ermine Street, Huntingdon
- East of Brookside, Sawtry
- North of Black Horse Industrial Estate, Sawtry
- Bill Hall Way, Sawtry
- South of the Foundry, Factory Bank, Ramsey



## 10 Other recommendations

- 10.1 This section sets out other recommendations arising from the Employment Land Study. All recommendations in this report have had full regard to the requirements of the NPPF to encourage and deliver growth through the planning system.

### **Focus on high quality industrial units**

- 10.2 Development should ensure that there is a range of employment floorspace available for use, particularly in the industrial sector. This report highlights the importance of a range of additional small-medium sized (0-1,000sqm) high quality industrial units on new development sites for small and growing businesses. Medium sized developments ensure that smaller businesses can grow and that larger businesses can be serviced by the medium-sized suppliers.

### **Proactively promote larger sites through the planning process**

- 10.3 The main barriers to development are the same as those faced by many industries outside of London and include difficulty obtaining finance and an aversion to speculative development in marginal locations. However, working to prepare a development brief or masterplan for a site can increase investor confidence and encourage developers, as can a flexible approach to S106 and CIL contributions. Where sites in Huntingdonshire already have this in place, they should be regularly monitored and reviewed.
- 10.4 Where large mixed-use sites are planned but not yet committed, it is advisable in the current market for policies to seek to link delivery of new employment space to the delivery and phasing of the other uses on the site. This should help to ensure timely delivery of employment space

### **Target specific sectors**

- 10.5 As set out in the Huntingdonshire Local Economic Assessment and Economic Growth Plan, growth in the district should target specific sectors. These are: chemicals; pharmaceuticals; metals manufacturing; electronics; waste and remediation; telecoms; computer related activity; professional services; research and development. A focus on these sectors is predicted through the strategy and the employment forecasts (see Section 8) to have a catalytic effect on the need for jobs and demand for employment space, boosting the local economy.

### **Monitoring and review**

- 10.6 Huntingdonshire should review its employment land portfolio at intervals of around three years. This is broadly in accordance with the NPPF, which recommends regular monitoring and review of the local land supply to ensure a robust evidence base.
- 10.7 AECOM recommend that the Council plan for a gross requirement of employment land, in addition to the delivery of 8,000 jobs at Alconbury EZ, of **up to 42-46ha**. Whilst the success of growth at Alconbury EZ and the effect of declining industries could significantly reduce this demand, as noted above, it is worth noting the aims of the NPPF, which seek to encourage economic growth. The risk of an under-provision of employment land may therefore be greater than over-provision.
- 10.8 There is however an ongoing role for monitoring and review, considering the quality and quantity of available land and premises, trends in take-up and availability; as well as economic indicators linked to economic growth, sectoral performance and skills. These should be considered alongside recordings of completions and losses of employment land and floorspace. Decision-making on future employment provision and losses of sites should be informed by a plan, monitor and manage approach.
- 10.9 This is considered to be particularly important given the major effect of the amount and type of development at Alconbury Enterprise Zone on the demand for employment allocations across the district.