South Cambridgeshire District Council

Economic Assessment and Strategy

Phase 2 Final Report

A report prepared by

PACEC

on behalf of

South Cambridgeshire District Council

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July 2010

Ref: H:\0902\28SCDC\Rep\Phase2\Phase2Draftv5.doc

Contents

1 Overall Purpose and Aims

1.1 Introduction

1.1.1 In March 2009, Public & Corporate Economic Consultants (PACEC) were commissioned by South Cambridgeshire District Council (SCDC) to produce an economic assessment of the district and develop a strategy for SCDC working with its partners up to 2015. The aim of this project was to advise SCDC about the area's economy by producing a current outlook and report, which would assist in identifying actions for the economic benefit of the district, its residents, businesses, and organisations. This is key to developing a local (district) economic development strategy.

1.1.2 The work was to be divided into two distinct phases:

- Phase I - Production of an economic profile
  - A profile of the local economy in terms of current economic sectors and how they are comprised, business activity, detailing sectors and trends within these, including employment trends, to assist with identifying key sectors and appropriate action/s.
  - Initial discussions with core stakeholders on the strengths and weaknesses of the South Cambs area economy and its role in the sub-region.
- Phase II - Detailed analysis and policy implications
  - Views on the economic landscape of the area, focussing on opportunities and aspirations which local businesses, residents, communities and stakeholders and what they see as priorities.
  - using this intelligence to produce a report comprising the overall direction of policy, key suggested activities for the Council and its partners
  - develop a strategy and way forward for the Council and its partners up to 2015

1.1.3 The Phase I report was prepared in November 2009 for discussions with SCDC. It has been refined and developed in Phase II.

1.2 Specific Objectives

1.2.1 The specific objectives of Phase I and II are as follows:

1 To establish a profile of South Cambridgeshire's local economy in 2008 in terms of:
- the current scale, structure and composition of local activity, including key sectors and trends, identifying possible actions for the sectors and next steps.
- employment, and the dynamics and direction of any recent changes or trends identified (growth, stagnation or decline);

In addition, inform the Council's approach to the actions necessary in order to deliver the economic well-being of future communities, particularly in the growth areas, such as Northstowe, for example.

2 To review and inform, taking into account the gathered intelligence, the current Council strategies and plans that impact on economic development policies, aspirations and resources. Using this exercise, inform SCDC of which sectors are key and which may be priorities, for example high tech and R&D, tourism development, business service industries, together with inward investment, and how this information may overlap/contribute to growth areas such as Northstowe, for example.

3 To suggest key policies to benefit the District economically underpinning wealth retention and creation allowing for inward investment balanced with the development (growth demands) on the District.

4 To produce a report, detailing the aspects mentioned above drawing on the data, from the above analysis and supporting the Council and other relevant documents to provide recommendations on priorities, policies and actions as a strategy for the Council up to 2015.

1.3 The Methodology

1.3.1 In order to prepare this report, steps have been taken to foster an inclusion approach by engaging with partners, stakeholders, businesses and residents. There has been an integrated research programme customised to be policy sensitive and draw out the policy lessons. This has consisted of the following research tasks:

a Liaison with SCDC. Meetings with key staff at SCDC who form the Steering Group for the project, to gain further insights into the issues, identify and collate relevant policy and research reports, and agree on stakeholder contacts to interview. At the Steering Group meeting the project was more fully specified and the inter-relationship between Phases 1 and 2 agreed.

b A Desk Study. This covered a wide range of policy and research reports provided by the Steering Group and stakeholders. These covered strategic regional and sub-regional planning and economic development issues, planning policies, community policies, and proposals for the development of transport and infrastructure as well as proposals for the development of new housing areas and settlements in South Cambs. Appendix A shows the main reports analysed.

c The Economic Profile of South Cambs. The key economic indicators and trends were examined for South Cambs along with appropriate comparator areas to allow performance to be benchmarked. These included Cambridge City, the County, the Greater Cambridge Partnership area and the Eastern Region. The PACEC Local Economic Performance System (LEPS) was used to carry out the analysis. This comprises up-to-date data from the Office for National Statistics (ONS), which is enhanced by PACEC, and other sources. The main indicators used included employment trends and sector analysis, enterprise, rateable values, labour supply and skills (with population trends and economic activity), transport and commuting, housing, unemployment and social issues.

SCDC were also provided with a comprehensive dataset based on some one hundred and thirty economic and social indicators. Not all of these are reported on below.

d Drivers of Change. Economic projections for South Cambs focusing on employment and sectors and major developments which will influence activity including Northstowe and proposed developments around the fringes of Cambridge.

e Discussions with stakeholders. These were held with a wide group of stakeholders with a knowledge of the local and sub-regional economy. They included representatives from SCDC and key organisations shown in Appendix B. The topics of discussion were as follows:

- The role of South Cambs in the sub-region
- The strengths and weaknesses of South Cambs in terms of economic development and growth
  - Business activity / employment and enterprise
  - Key sectors
  - The labour market
  - The transport network
  - Housing and social issues
  - Other facilities and services
  - The image and quality of life

The discussions were held with stakeholders in specialist organisations, for example, the commercial property sector organisations providing business support services to key sectors in South Cambs including the land-based sectors, high technology and tourism, the education and training sector, and community and voluntary groups (the third sector).

Some of the discussions were held in two stages: firstly an overview discussion; and secondly a follow-up on some of the key issues taking account of the overall research findings and some of the emerging policy issues. The specialisms and key functions of some of the stakeholders were examined as part of the discussions.

f A survey of businesses. A representative sample of some four hundred businesses were interviewed by size, sector, and location in South Cambs. The focus of the interviews was on:

- Growth intentions and aspirations
- Business development issues and constraints and barriers
- The strengths and weaknesses of South Cambs as a place for business
- Trading partners and collaboration
- Key policy issues

Interviews were also held with some 15 larger businesses in the areas to cover the above topics from a larger company perspective.

g A survey of residents. Some three hundred interviews were held with a cross section of residents by age, gender, and location of residence in key villages in South Cambs. The topics for discussion included:

- The strengths and weaknesses of South Cambs as a place to live
- The features of South Cambs for work, living and recreation
- The key policy issues

1.4 The Structure of the Report

1.4.1 Following this introduction, the Phase I report comprises the following chapters:

a The Strategic Policy context. This provides an overview of the main policy documents which will have a bearing on the economic development policies and actions of the Council.

b The Economic Assessment of South Cambs. This analyses the key economic trends in the District and benchmarks its performance against surrounding areas.

c Drivers of Change. This chapter sets out projections of economic activity focussing on employment. It also examines proposals for the new settlements and housing areas as future drivers.

d Discussions with Stakeholders. This covers their views on the role of the South Cambs area in the sub-region and its strengths and weaknesses in terms of future economic prospects.

e The survey of residents. The views of residents as a place to live and work in.

f The survey of businesses. The views of the constraints faced, the strengths and weaknesses of South Cambs, and key policy issues.

g The Policy Implications. It sets out the policies and the role of the lead partners and other main partners in taking the policies forward and preparing appropriate action plans. This chapter draws on the analysis in preceding chapters to set out the policy implications under key themes and headings including the role of the South Cambs area in the sub-region and employment, sectors, and enterprise.

1.4.2 The appendices set out the main reports used for the analysis, the stakeholders interviewed and the topics for the discussions with stakeholders, businesses and residents.

2 Strategic Policy Context

2.1 Introduction

2.1.1 It is important that the policies and activities of SCDC, and its partners, draw on and complement existing and planned initiatives and activities in the area. This will help improve the strategic fit between policies and actions and the allocation of resources. This chapter provides an overview of the main policy documents which will have a bearing on the economic development policies and actions of the Council. Current economic development policies are formalised in a number of reports, including the Regional Economic Strategy, the Regional Spatial Strategy, the Local Development Framework, and the Employment Land Review.

2.1.2 After an introduction to each of the policy documents, each section of the chapter summarises the policies in each of the following areas:

- Employment, Enterprise and Sectors
- Land, Premises and Inward Investment
- Labour Supply and Skills
- The Transport Network
- Housing, Social Issues and Facilities

2.1.3 Appendix B shows the documents which have formed the overview.

2.2 The Policy Documents

Regional Economic Strategy[1]

2.2.1 The regional economic strategy's vision for the East of England[2] is:

- By 2031, the East of England will be:
  - internationally competitive with a global reputation for innovation and business growth
  - a region that harnesses and develops the talents and creativity of all
  - at the forefront of the low-carbon and resource-efficient economy.
- and known for:
  - exceptional landscapes, vibrant places and quality of life
  - being a confident, outward-looking region with strong leadership and where communities actively shape their future.

2.2.2 The vision also emphasises other major drivers:

- that developing, attracting and retaining talent drives economies, and as people are more mobile they increasingly make choices on the basis of the vitality, environments and the quality of life offer of places

[1] Inventing our Future: Collective action for a sustainable economy. The regional economic strategy for the East of England 2008-2031

[2] RES p. 30.

- that leadership in transforming to a low-resource-use and low-carbon economy, and success in adapting to climate change, is both an environmental necessity and a major opportunity for business growth.

2.2.3 The headline regional ambitions are shown in Table 2.1.

Table 2.1 Headline regional ambitions

Productivity and prosperity	
Annual growth in real workplace-based GVA over 2008 – 2031	
	Per capita 2.3 per cent
	Per worker 2.1 per cent
Employment	
Employment rate by 2031	
	Working-age population 80 per cent
	16–74 population 70 per cent
Skills	
Share of working-age population with qualifications by 2020 (aged 19 to state pension age)	
	NVQ level 2 or equivalent qualification and above 90 per cent
	NVQ level 3 or equivalent qualification and above 68 per cent
	NVQ level 4 or equivalent qualification and above 40 per cent
Inequality	
Earnings	
	Level of lower-quartile to average incomes by 2031 60 per cent
Greenhouse gases	
End-user-attributed CO_2 emissions by 2031	
	Reduction on 1990 baseline level 60 per cent
Water resources	
Household per capita consumption of water	
	Reduction on 2008 baseline level by 2030 20 per cent
	Per capita consumption in 2030 120 litres*

*per head per day
Source: RES p. 32

Employment Land Review

2.2.4 In Stage One of the review: the analysis of land stock and revealed demand identified within property market sub areas:

- Cambridge - high for housing, leisure, and retail uses
- North and West of Cambridge – low density knowledge intensive R&D (B1 b) and office (B1 a) uses
- South and East of Cambridge – biomedical and biotechnology R&D (B1 b) uses

2.2.5 In Stage Two of the review, the Councils were concerned to identify sufficient net additional employment land to identify a seventeen year supply of housing land from 2009 and accommodate jobs in accordance with the RSS indicative target for growth in net jobs.

2.2.6 In Stage Three, the Councils devised and applied qualitative site appraisal criteria to identify land for release and to be brought forward for development. Regional Spatial Strategy[3]

2.2.7 By 2021 the East of England will be realising its economic potential and providing a high quality of life for its people, including by meeting their housing needs in sustainable inclusive communities. At the same time it will reduce its impact on climate change and the environment, including through savings in energy and water use and by strengthening its stock of environmental assets.

2.2.8 The RSS Objectives are:

- (i): To reduce the region's impact on, and exposure to, the effects of climate change by:
  - locating development so as to reduce the need to travel;
  - effecting a major shift in travel away from car use towards public transport, walking and cycling;
  - maximising the energy efficiency of development and promoting the use of renewable and low carbon energy sources; and
  - reducing the risk of adverse impact of flooding on people, property and wildlife habitats.
- (ii): To address housing shortages in the region by:
  - securing a step change in the delivery of additional housing throughout the region, particularly the key centres for development and change; and
  - giving priority to the provision of affordable housing to meet identified needs.
- (iii): To realise the economic potential of the region and its people by:
  - facilitating the development needed to support the region's business sectors and clusters, improving skills and widening opportunities in line with the Regional Economic Strategy;
  - providing for job growth broadly matching increases in housing provision and improving the alignment between the locations of workplaces and homes;
  - maintaining and strengthening the East of England's inter-regional connections by improving access to economic opportunities in London; and
  - ensuring adequate and sustainable transport infrastructure.

2.2.9 There are specific policies for the Cambridge sub-region:

- Continue to develop as a centre of excellence
- Develop employment land for local and high-tech industries
- Maintain a green belt around Cambridge
- Reduce travel needs but enhance Cambridge as a strategic junction

Local Development Framework

2.2.10 The Local Development Framework:

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[3] East of England Plan: The Revision to the Regional Spatial Strategy for the East of England

- Takes account of national, regional and strategic planning policies;
- Identifies sites for, and requirements of, major development;
- Provides the framework of policies for assessing all planning applications;
- Enables infrastructure and service providers to bring forward their services when needed by new development;
- Enables the public to be fully involved in developing local policies and proposals.

2.2.11 The vision for South Cambridgeshire is that it will contribute to satisfying the development needs of the Cambridge Sub-Region rather than those generated by pressures to the south, or elsewhere, while preserving and enhancing its rich built and natural heritage and distinctive character.

2.2.12 Taking a sustainable approach to economic, social and environmental issues will be at the heart of the plan and will be closely related to the national strategy for sustainable development which has four objectives:

- Social progress which recognises the needs of everyone;
- Effective protection and enhancement of the environment;
- Prudent use of natural resources; and
- Maintenance of high and stable levels of economic growth and employment.

Cambridgeshire Development Study

2.2.13 The Cambridge Sub-Region's strategy is set out in the East of England Plan and is designed to:

- Secure the necessary infrastructure to continue to develop the Cambridge Sub-Region as a centre of excellence and world leader in higher education and research, fostering dynamism, prosperity and further expansion of the knowledge-based economy spreading outwards from Cambridge.
- Protect and enhance the historic character of Cambridge together with the character and setting of the market towns and other settlements and the important environmental qualities of the surrounding area.

Cambridgeshire County Council, Annual Demographic and Socio-economic Information Report, January 2009 (South Cambridgeshire part)

2.2.14 South Cambridgeshire has played a key part in the economic growth of the region. It has successfully combined traditional industry such as agriculture and engineering with new sectors such as IT and biosciences, many of which are situated on one of the several burgeoning business and science parks.

2.2.15 The district is within the London-Stansted-Cambridge-Peterborough (LSCP) Growth Area. The LSCP area is expected to develop around 180,000 new homes between 2001 and 2016. The plan is for the population to grow by 33% by 2016 from a population of 131,000 people in 2001 (Source: South Cambridgeshire District Council).

Cambridgeshire Local Transport Plan (LTP) 2006

2.2.16 The Local Transport Plan (LTP) sets out the objectives, strategy, transport targets and programme in Cambridgeshire for the period 2006-11. It is one of a number of planning and transport plans and strategies for Cambridgeshire and the East of England aimed at ensuring that large-scale development can take place in the county in a sustainable way. It also looks at existing transport issues and seeks to address them.

2.2.17 The LTP strategy, which is set out in the Long-Term Transport Strategy, aims to:

- Meet the overall aims and objectives of the LTP to maintain and enhance quality of life and of the environment;
- Provide a plan of action to deliver LTP objectives and the Shared Priorities for Transport;
- Enhance accessibility through individual accessibility action plans;
- Complement and provide a local focus to the Regional Spatial Strategy and Regional Economic Strategy, and
- Integrate land-use planning with transport through the shared aims and objectives.

2.2.18 The Long-Term Transport Strategy is the overarching transport strategy. Within the context of the shared priorities and LTP objectives, the LTTS has three main aims:

- To facilitate sustainable development;
- To provide a transport system that meets existing needs and supports economic growth;
- To secure additional funding for transport infrastructure

East of England Tourism Business Plan 2008/09

2.2.19 The East of England Tourist Board has a vision to be the region of choice for the discerning visitor. Their mission is to nurture and grow a sustainable visitor economy, which can be enjoyed by visitors, businesses and partners.

The Greater Cambridge Sub-Regional Economic Strategy 2009

2.2.20 The Sub Regional Economic Strategy (SRES) sets out the key economic development priorities for the Greater Cambridge area with an outlook over the next 10 years but a delivery focus on the period 2009-2012.

2.2.21 The vision of the Greater Cambridge Partnership is that Greater Cambridge should be a world leader in the knowledge-based economy that combines business success with a high quality of life for all. This is to be achieved through a balanced framework for the structural, economic, social, environmental and cultural development of the Greater Cambridge area.

2.2.22 The strategy has identified three broad goals in support of the vision:

- Goal 1 **Social Development –** Enabling individuals and communities to thrive and achieve their potential
- Goal 2 **Economic Prosperity –** Competing nationally and internationally through a successful local economy
- Goal 3 **Environmental Sustainability –** Meeting the challenges of climate change while maintaining a high quality environment

Rural Cambridgeshire Strategy 2010-15
(Under consultation from 1 February –23 April 2010)

2.2.23 The function of the Rural Strategy is to describe and understand the conditions that are particular to rural communities within Cambridgeshire and will help shape and monitor how well the County's major plans and organisations are addressing them. An action Plan will be developed to enable the co-ordination of future and existing activities to ensure the best approach is taken.

2.2.24 The Rural Strategy will influence the work of Cambridgeshire Together, the partnership that delivers the Cambridgeshire Local Area Agreement. The Local Area Agreement sets out the relationship between central and local government and what each expects from the other.

Geographic considerations

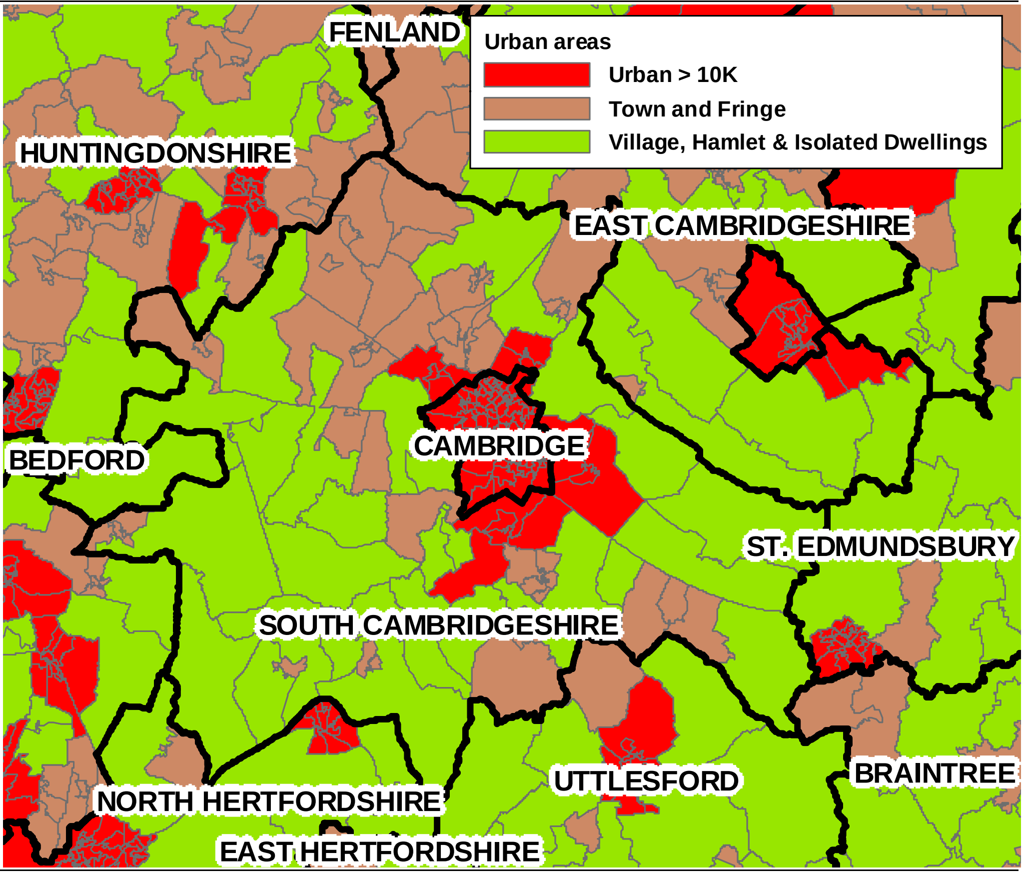
2.2.25 South Cambridgeshire is within the London–Stansted–Cambridge–Peterborough Corridor identified by the Sustainable Communities Plan (2003) as one of four national growth areas.

2.2.26 It is also wholly contained within the Greater Cambridge area, identified in the Regional Economic Strategy as an "engine of growth"[4].

2.2.27 Figure 2.1 shows the rural and urban classification of super output areas within South Cambridgeshire and the surrounding area. Roughly, the areas north and south of Cambridge contain small settlements and their fringes, while the east and west of the district is mostly rural.

[4] P. 90

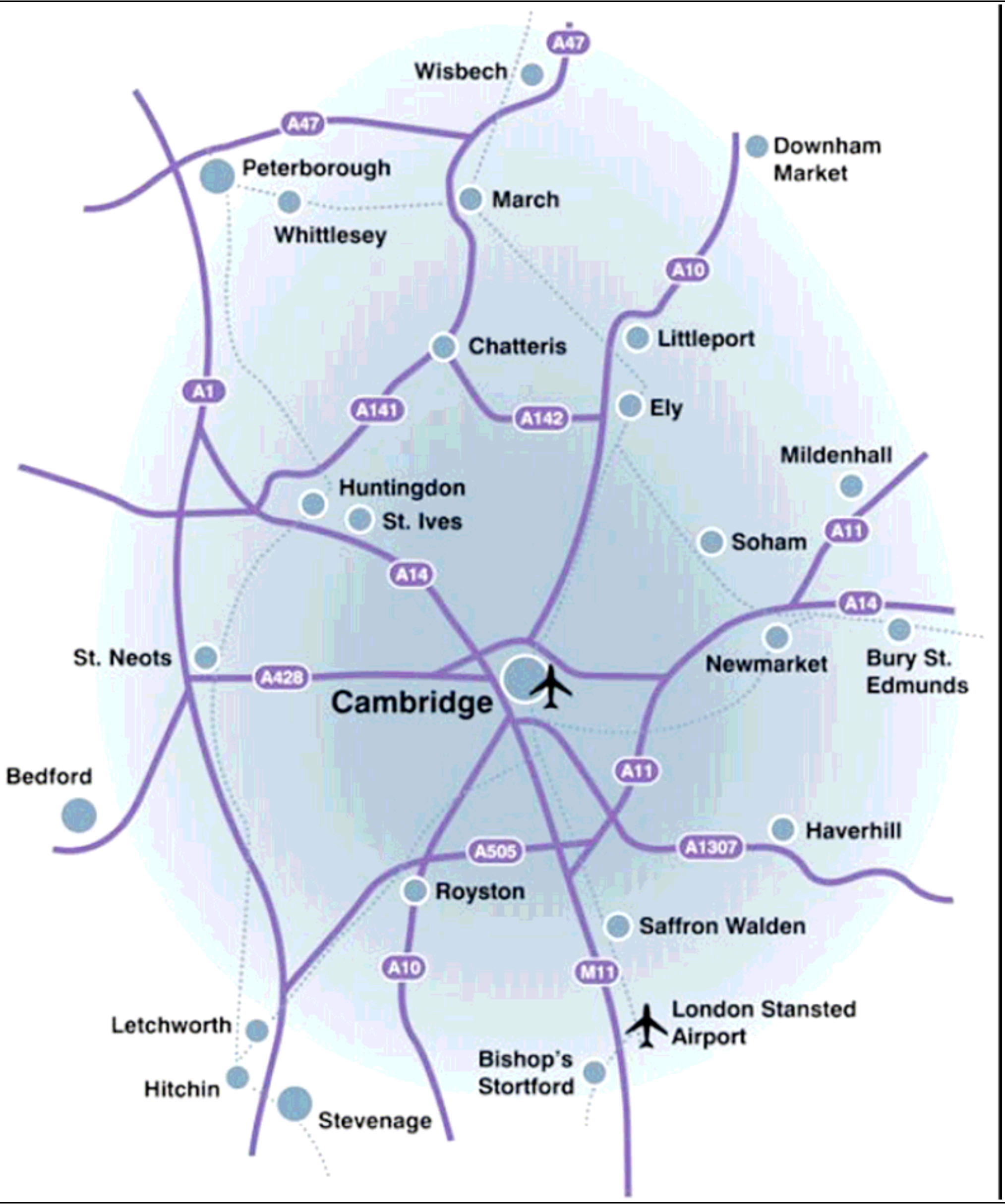
Figure 2.1 Urban/Rural classification



Source: Rural and Urban Area Classification, ONS; PACEC

2.2.28 Figure 2.2 shows the approximate extent of the Greater Cambridge Partnership area. As in the Greater Cambridge Annual Profile 2009, this area is approximated by the seven local authority districts of Cambridge, South Cambridgeshire, East Cambridgeshire, Huntingdon, Fenland, St Edmundsbury and Forest Heath in data tables using district level data.

Figure 2.2 Greater Cambridge Partnership



Source: Greater Cambridge Partnership

2.3 Employment, Enterprise and Sectors

Employment and Income

2.3.1 The Regional Economic Strategy has a headline regional ambition to grow real workplace-based GVA by 2.3% per capita (2.1% per worker) between 2008 and 2031. The employment rate should rise to 80% of the population of working age and 70% of the population aged 16-74 by 2031. Lower quartile incomes should rise to 60% of the average income by the same date[5].

[5] RES p. 32

2.3.2 Economic development policies in the Regional Spatial Strategy include an indicative target for 75,000 new jobs in Cambridgeshire by 2021; adequate provision of new land for employment; provision of strategic employment sites in the Cambridge sub-region, and improved links with Ipswich, Milton Keynes and Oxford. Policies also include support for tourism and airports. Cambridge is identified as a Regional Centre.

Enterprise and innovation

2.3.3 The priorities associated with the Enterprise goal of the Regional Economic Strategy are[6]:

- Strengthening the region's enterprise culture
- Increasing opportunities from international trade, investment and collaboration
- Enabling high-growth businesses to realise their potential
- Improving enterprise performance through effective business support

2.3.4 The priorities associated with the Innovation goal of the Regional Economic Strategy are[7]:

- Developing a thriving culture of innovation and creativity
- Commercialising R&D and adopting innovation
- Strengthening clusters around leading private sector R&D companies and research-intensive universities
- Positioning the East of England and Greater South East as global innovation regions

2.3.5 The priorities associated with the Resource Efficiency goal of the Regional Economic Strategy are[8]:

- Improving resource efficiency through behavioural change
- Leading the UK in sustainable energy production
- Increasing share of environmental goods and services markets
- Making the East of England a water-efficient region

2.3.6 The Local Development Framework has among its objectives to support the Cambridge Area's position as a world leader in research and technology based industries, higher education and research, particularly through the development and expansion of clusters.

2.3.7 Among the aims of South Cambridgeshire District Council is:

- To assist provision for local jobs for all by:
  - Working closely with local businesses;
  - Promoting economic development;

[6] RES Chapter 3.

[7] RES Chapter 3.

[8] RES Chapter 3.

- Promoting tourism through cultural activities.

2.3.8 Priorities of the Greater Cambridge Sub Regional Economic Strategy (SRES) (2009), under Objective 1: Grow a world class, knowledge based, low carbon economy, are:

- Support innovation, start up activity and resource efficient growth, particularly in the clean-tech, ICT and life science sectors;
- Position Greater Cambridge as a hotbed of start up activity within the Greater South East;
- Identify and communicate the opportunities and threats for business growth and operation, particularly resulting from climate change;
- Build on the area's academic strengths, improve opportunities for the commercialisation of research and build awareness of and access to university resources;
- Support activities which raise the international profile of Greater Cambridge, promoting inward investment and international trade;
- Encourage the provision and awareness of a range of funding and business development models; and
- Encourage the spread of hi-tech business across the Greater Cambridge area and support the development of low carbon high value manufacturing.

2.3.9 Priorities of the Greater Cambridge Sub Regional Economic Strategy (SRES) (2009), under Objective 2: Encourage the resource efficient growth of a diverse and robust Greater Cambridge economy, are:

- Promote resource efficient operation and development in all businesses;
- Maximise the opportunities of the 2012 Olympic and Paralympic Games for the area;
- Identify and communicate the opportunities and threats for business growth and operation across all sectors, particularly resulting from climate change;
- Support Cambridge's role as the driving force of the wider economy while protecting its nature and heritage;
- Encourage local supply chains and develop niche capabilities within market towns to serve the sub region;
- Encourage entrepreneurialism, business growth and diversification in rural areas; and
- In the current recession, raise business awareness of existing support and encourage the adaptation of initiatives in response to economic intelligence.

Sectors and vacancies

2.3.10 Economic development policies in the Regional Spatial Strategy include support for clusters including, in the Cambridge area, life sciences, ICT, and environmental technologies.

2.3.11 The priorities associated with the Digital Economy goal of the Regional Economic Strategy are[9]:

[9] RES Chapter 3.

- Improving efficiency and innovation through the application of digital technologies
- Equipping people and businesses with the skills and capability to innovate through digital technologies
- Investing in a leading digital infrastructure

2.4 Land, Premises and Inward Investment

2.4.1 The Regional Spatial Strategy has a specific policy for the Cambridge sub-region to develop employment land for local and high-tech industries, while maintaining a green belt around Cambridge.

2.4.2 The commercial development policies of the Local Development Framework are:

- POLICY ST/8 Employment Provision

  Policies in Local Development Documents will ensure sufficient employment land is available to enable further development of the high technology clusters and meet local needs. Additional land will be brought forward for employment development at the Strategic Employment Locations of Northstowe, Cambridge East, and Northwest Cambridge.

- POLICY ST/9 Retail Hierarchy

  1. A retail hierarchy of preferred centres will be taken into account in considering proposals for retail development.

  2. The hierarchy of centres in South Cambridgeshire is as follows:

     a Northstowe town centre;
     b Cambridge East district centre;
     c Rural Centres village centres;
     d Other villages' village centres (Minor Rural Centres, Group Villages and Infill Villages).

  3. Any proposals for new retail provision in these centres should be in scale with their position in the hierarchy.

2.4.3 The Cambridge and Peterborough Structure Plan (2003), superseded by the East of England Plan, saved policy 2/3 identifies the County's strategic employment locations on the basis of their ability to provide a major role in employment strategy.

2.4.4 The Cambridge Development Study found that the implications of projections on the Cambridge area (Cambridge plus South Cambridgeshire, plus the south part of East Cambridgeshire[10]) in terms of economy are as follows:

- Impetus from the high tech cluster should continue although it will need to be nurtured in the face of international competition;
- Further growth from the public sector is unlikely – except in health care;
- Achievement of job targets may warrant some relaxation of planning policies, such as towards HQ offices and business services, however these changes

[10] Definition for Cambridge area, p22, Cambridge Development Interim Study Report

should not be significant and still maintain an element of selective growth approach;

- Quality employment sites with good transport links are essential, especially the A14/CGB corridor;
- Congestion in and around Cambridge could undermine job growth;
- The implied levels of employment growth in the forecasts would be very challenging for housing and infrastructure provision; and
- In order to match the needs of the economy, housing policy will require more focus on quality provision for internationally mobile knowledge workers as well as providing affordable housing for key workers.

2.4.5 Priorities of the Greater Cambridge Sub Regional Economic Strategy (SRES) (2009), under Objective 4: Develop sustainable infrastructure and a high quality of life, include:

- Promote the provision of employment land and sustainably built premises to better connect housing and jobs;
- Support the access to, and utilisation of, funding for capital infrastructure projects serving the functional economic area;
- Support improved access to quality, green infrastructure;
- Improve the cultural, sporting and leisure infrastructure across Greater Cambridge.

2.5 Labour Supply and Skills

Population and Economic activity

2.5.1 The broad priorities associated with the Economic Participation goal of the Regional Economic Strategy are[11]:

- Equipping people with the confidence, skills and choices for employment and entrepreneurship
- Tackling barriers to employment in the poorest 20 per cent of communities
- Increasing economic demand in areas with low economic activity rates
- Employers valuing a flexible, diverse and healthy workforce
- A vibrant, skilled and resourced third sector

Skills and education

2.5.2 The RES has a headline regional ambition to increase the proportion of the working age (19 to state pension age) population with NVQ level 2 to 90%, with NVQ level 3 to 68%, and NVQ level 4 to 40% by 2020[12].

2.5.3 Among the Digital Economy priorities of the RES is to equip people and businesses with the skills and capability to innovate through digital technologies[13].

[11] RES Chapter 3.

[12] RES p. 32

[13] RES Chapter 3.

2.5.4 Among the Economic Participation priorities of the RES is to equip people with the confidence, skills and choices for employment and entrepreneurship and ensuring a vibrant, skilled and resourced third sector[14].

2.5.5 Among the objectives of the RSS is facilitating the development needed to support the region's business sectors and clusters, improving skills and widening opportunities in line with the RES.

2.5.6 Priorities of the Greater Cambridge Sub Regional Economic Strategy (SRES) (2009), under Objective 3: Build a strong skills base and higher levels of economic participation, are to:

- Encourage and promote the provision and take up of education, training and re-training to meet identified skills gaps in growth sectors, particularly low carbon trades;
- Promote initiatives focussed on the attraction, training and retention of skilled individuals, including in knowledge based sectors; and
- Support the unemployed, economically inactive adults and adults without qualifications with training to improve their skills and work prospects (especially in Fenland).

2.6 The Transport Network

Transport and commuting

2.6.1 The priorities associated with the Transport goal of the RES are[15]:

- Creating a resilient transport system that is used effectively and efficiently
- Investing in transport to maximise economic growth
- Increasing economic benefit to the East of England from major international gateways
- Reducing the environmental impact of moving goods and people

2.6.2 Among the objectives of the RSS are:

- locating development so as to reduce the need to travel;
- effecting a major shift in travel away from car use towards public transport, walking and cycling;
- providing for job growth broadly matching increases in housing provision and improving the alignment between the locations of workplaces and homes;
- maintaining and strengthening the East of England's inter-regional connections by improving access to economic opportunities in London; and
- ensuring adequate and sustainable transport infrastructure.

2.6.3 Locally, the RSS aims to reduce travel needs but enhance Cambridge as a strategic junction.

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[14] RES Chapter 3.

[15] RES Chapter 3.

2.6.4 The Regional Transport Strategy objectives are included within the RSS:

- To implement the vision and objectives of the RSS, the objectives of this RTS give a clear priority to increase passenger and freight movement by more sustainable modes, while reflecting the functionality required of the region's transport networks.
- The successful achievement of the objectives will lead to the following outcomes:
    - improved journey reliability as a result of tackling congestion;
    - increased proportion of the region's movements by public transport, walking and cycling;
    - sustainable access to areas of new development and regeneration;
    - safe, efficient and sustainable movement between homes and workplaces, education, town centres, health provision and other key destinations;
    - increased proportion of freight movement by rail;
    - safe, efficient and sustainable movement of passengers and freight to and from the region's international gateways;
    - economic growth without a concomitant growth in travel;
    - improved air quality; and
    - reduced greenhouse gas emissions.

Supplementary transport policies include changing travel behaviour, managing traffic demand, and addressing urban transport and inter urban public transport (Cambridge is identified as a Regional Transport Node and the surrounding area is a Priority Area for further transport study).

2.6.5 The overriding aim of the planning and transport strategies is to protect and enhance the quality of life and quality of environment in Cambridgeshire.

2.6.6 The long-term transport strategy indentifies two transport tools—widening choice and managing demand—that can be used to achieve the above objectives when applied to the three strategy areas: transport corridors, urban areas and their hinterlands and rural areas.

2.6.7 The LTP sets out an ambitious vision of the Council for transport. The council wants to see a transport system that:

- provides a springboard for the continuing prosperity of Cambridgeshire
- recognises and meets the social needs of its residents and visitors
- is accessible to all, and is easy, clean and safe to use
- provides a choice of options that link seamlessly from one form to another
- is innovative, efficient and affordable
- reduces congestion but recognises the needs of the car user
- encourages a healthier and more sustainable Cambridgeshire
- allows the growth in the county to take place in a sustainable way.

2.6.8 Priorities of the Greater Cambridge Sub Regional Economic Strategy (SRES) (2009), under Objective 4: Develop sustainable infrastructure and a high quality of life, include:

- Promote the provision of sustainable travel and transport solutions and improved digital infrastructure, including:
  - Reduced emissions from business and tourism related travel
  - Reduced need to travel
  - The provision of additional sustainable transport and sustainably-built travel infrastructure to meet business demand, including public transport.

2.7 Housing, Social Issues and Facilities

Housing and living environment

2.7.1 The priorities associated with the Spatial Economy goal of the Regional Economic Strategy are[16]:

- Ensuring physical development meets the needs of a changing economy
- Increasing economic gain from the region's distinctiveness and vitality
- Creating sustainable places for people and business
- Adapting the region's places to meet the challenges and opportunities of climate change

2.7.2 The RES has a headline regional ambition to reduce the household per capita consumption of water to 120 litres a day, a fall of 20% from 2008 to 2030[17].

2.7.3 The RES has a headline regional ambition to reduce the end-user-attributed CO2 emissions by 60% from the 1990 baseline by 2031[18].

2.7.4 Among the Resource Efficiency priorities of the RES are water-efficiency and improving resource efficiency through behavioural change[19].

2.7.5 A major objective of the RSS is to address housing shortages in the region by:

- securing a step change in the delivery of additional housing throughout the region, particularly the key centres for development and change; and
- giving priority to the provision of affordable housing to meet identified needs.

2.7.6 Additional objectives of the RSS are maximising the energy efficiency of development and promoting the use of renewable and low carbon energy sources, and reducing the risk of adverse impact of flooding on people, property and wildlife habitats.

2.7.7 The housing policies in the RSS call for an increase of 23,500 dwellings in South Cambridgeshire between 2001 and 2021, of which 3,520 had been completed by 2006. This would require an average annual build rate of 1,330; roughly double the rate between 2001 and 2006. There are regional policies for affordable housing and provision for travellers.

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[16] RES Chapter 3.

[17] RES p. 32

[18] RES p. 32

[19] RES Chapter 3.

2.7.8 As part of the minimum regional housing target of 508,000 between 2001 and 2021, for the East of England, the following minimum targets have been set as for Cambridgeshire:

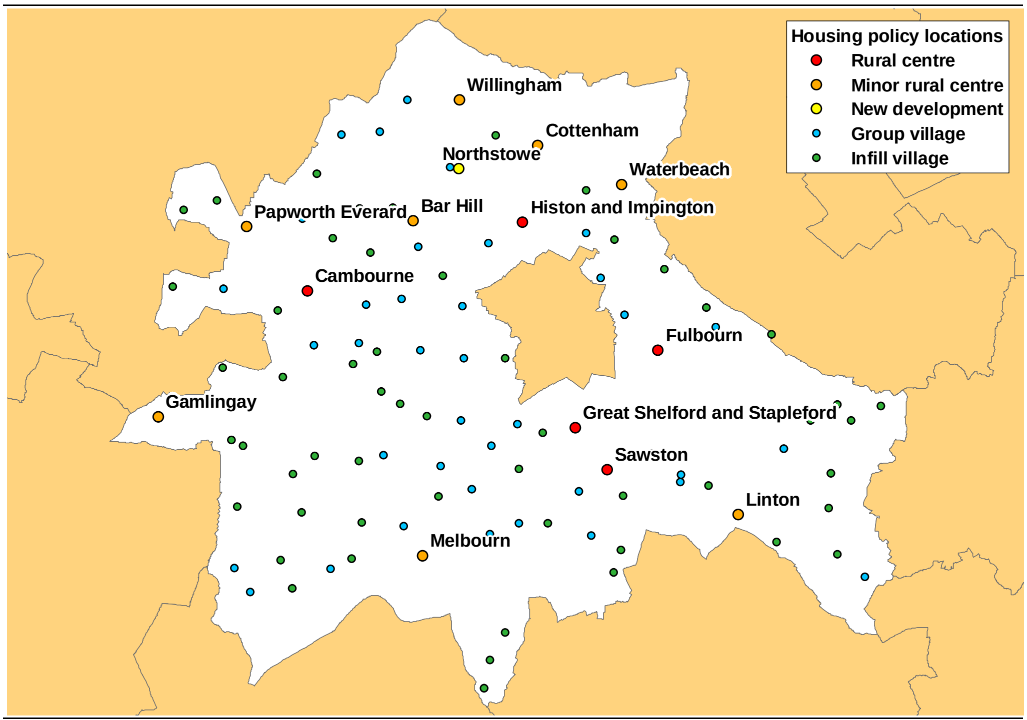
Table 2.2 Minimum Dwelling Provision, 2001-2021

District/Area	Minimum Dwelling Provision, 2001 to 2021		
	Minimum to build	Already built	Still to build
	April 2001 to March 2021	April 2001 to March 2006	April 2006 to March 2021
Cambridge	19,000	2,300	16,700
East Cambridgeshire	8,600	3,240	5,360
Fenland	11,000	3,340	7,660
Huntingdonshire	11,200	2,890	8,310
South Cambridgeshire	23,500	3,520	19,980

2.7.9 The Local Development Framework sets out a detailed set of housing development objectives that is supplemented by an extensive list of existing settlements that have been classified as either Rural Centres, Minor Rural Centres, Group Villages, or Infill Villages.

2.7.10 The Local Development Framework classifies existing settlements as Rural Centres, Minor Rural Centres, Group Villages and Infill Villages, as shown in Figure 2.3.

Figure 2.3 Housing policy locations



Source: Local Development Framework, ONS; PACEC

2.7.11 The housing policies of the Local Development Framework are:

- POLICY ST/1 Green Belt

A Green Belt will be maintained around Cambridge which will define the extent of the urban area. The detailed boundaries of the Green Belt will be established in Development Plan Documents.

- POLICY ST/2 Housing Provision

  The District Council will make provision for 20,000 new homes in South Cambridgeshire during the period 1999 to 2016 in locations in the following order of preference:

  1. On the edge of Cambridge;
  2. At the new town of Northstowe;
  3. In the rural area in Rural Centres and other villages.

  The provision of affordable housing, including housing for Key Workers, will be sought as part of overall housing provision.

- POLICY ST/3 Re-Using Previously Developed Land and Buildings

  Between 1999 and 2016 at least 37% of new dwellings will either be located on previously developed land or utilise existing buildings.

- POLICY ST/4 Rural Centres

  Development and redevelopment without any limit on individual scheme size will be permitted within the village frameworks of Rural Centres, provided that adequate services, facilities and infrastructure are available or can be made available as a result of the development.

- POLICY ST/5 Minor Rural Centres

  1. Residential development and redevelopment up to an indicative maximum scheme size of 30 dwellings will be permitted within the village frameworks of Minor Rural Centres.

  2. Where development of a larger scale (9 to 30 dwellings) would place a material burden on the existing village services and facilities the District Council will use its powers under Section 106 of the Town and Country Planning Act 1990 to secure financial contributions at an appropriate level towards their development or improvement.

- POLICY ST/6 Group Villages

  1. Residential development and redevelopment up to an indicative maximum scheme size of 8 dwellings will be permitted within the village frameworks of Group Villages.

  2. Development may exceptionally consist of up to about 15 dwellings where this would make the best use of a single brownfield site.

- POLICY ST/7 Infill Villages

  1. Residential development and redevelopment within the village frameworks of these villages will be restricted to not more than 2 dwellings (indicative size) comprising:

- a A gap in an otherwise built-up frontage to an existing road, provided that it is not sufficiently large to accommodate more than two dwellings on similar curtilages to those adjoining; or
- e The redevelopment or sub-division of an existing residential curtilage; or
- f The sub-division of an existing dwelling; or
- g The conversion or redevelopment of a non-residential building where this would not result in a loss of local employment.

2. In very exceptional circumstances a slightly larger development (not more than about 8 dwellings) may be permitted where this would lead to the sustainable recycling of a brownfield site bringing positive overall benefit to the village.

2.7.12 There are significant Area Action Plans for developments at Cambridge East, Cambridge Southern Fringe, and Northstowe, and one for North West Cambridge is forthcoming. Developments will be consistent with the Development Control Policies in the Development Plan Document.

2.7.13 An important aim of the South Cambridgeshire District Council is to provide a voice for rural life by:

- Protecting existing communities, villages and the countryside;
- Working more closely with Parish Councils and local groups;
- Implementing planning policies to achieve successful new communities;
- Maximising planning gain for neighbouring communities;
- Playing a part in improving rural services including transport links.

2.7.14 Among the aims of the South Cambridgeshire Community Engagement plan is to undertake a private sector housing stock condition survey and to establish a programme of at least 10 Community Clean Up events per year throughout the district.

2.7.15 Priorities of the Greater Cambridge Sub Regional Economic Strategy (SRES) (2009), under Objective 4: Develop sustainable infrastructure and a high quality of life, include:

- Encourage the adequate provision of housing, including affordable housing.

Social deprivation

2.7.16 Among the Economic Participation priorities of the RES are tackling barriers to employment in the poorest 20 per cent of communities and increasing economic demand in areas with low economic activity rates[20].

2.7.17 Among the aims of South Cambridgeshire District Council is:

- To make South Cambridgeshire a place in which residents can feel proud to live by:

[20] RES Chapter 3.

- Promoting community cohesion and addressing the needs of the most vulnerable in the community.

2.7.18 The Council's current Comprehensive Equalities Policy includes a commitment to the following principle:

- "Encouraging 'real' participation in local democracy by people who may normally feel excluded from decision-making processes. In doing this, we will ensure that we seek the views of groups who are particularly vulnerable or at risk of social exclusion or have found it difficult to access our services or receive favourable outcomes from them."

2.7.19 Priorities of the Greater Cambridge Sub Regional Economic Strategy (SRES) (2009), under Objective 3: Build a strong skills base and higher levels of economic participation, are:

- Support self-employment, enterprise and social enterprise development through work with disadvantaged groups and in the more deprived communities;
- Support young people who are at risk of being or are already Not in Education, Employment or Training (NEET), in transition from school to training or employment (particularly in Fenland);
- Address the barriers to employment, skills and enterprise for Black and Minority Ethnic Communities, including Travellers; and
- Increase understanding and knowledge of the capacity of the voluntary and community services to deliver services for those who find it difficult to access services.

2.7.20 The Rural Cambridgeshire Strategy 2010-15 has outlined priorities for action that will improve 'living in the countryside'. In order to tackle rural deprivation they highlighted the following ambitions:

- To ensure the allocation of resources takes account of all types of deprivation, including isolation and fuel poverty.
- To support local neighbourhood management / partnership working as a method of counteracting rural deprivation.

Unemployment and benefits

2.7.21 Among the aims of the South Cambridgeshire Community Engagement plan are:

- Carry out customer and stakeholder consultation on housing and council tax benefit take-up in growth areas;
- Create a landlords forum to meet with the Benefits service to improve engagement and to discuss satisfaction and improvement;
- Evaluate the level of satisfaction with the rent collection and payment options for residents of council managed Travellers sites.

Health

2.7.22 Among the Economic Participation priorities of the Regional Economic Strategy is that employers value a flexible, diverse and healthy workforce[21].

[21] RES Chapter 3.

2.7.23 Among the aims of South Cambridgeshire District Council is:

- To ensure that South Cambridgeshire continues to be a safe and healthy place for all by:
  - Promoting active lifestyles and increasing opportunities for sport and recreation to improve the health of all age groups;
  - Understanding where health inequalities exist and focussing on areas of need.

2.7.24 The Rural Cambridgeshire Strategy 2010-15 has outlined priorities for action that will improve 'living in the countryside'. In order to provide better access to local healthcare their ambitions are:

- To address peoples' concerns relating to the perceived centralisation of healthcare services.
- To look for opportunities where healthcare services can be provided locally in existing community facilities.

Crime

2.7.25 Among the aims of South Cambridgeshire District Council is:

- To ensure that South Cambridgeshire continues to be a safe and healthy place for all by:
  - Working through Crime and Disorder Reduction Partnership to reduce crime and the fear of crime;
  - Working with partners to combat anti-social behaviour.

Facilities and Retail

2.7.26 GVA Grimley was instructed by Cambridge City Council and South Cambridgeshire District Council in 2008 to carry out the Cambridge Sub Region and Northstowe Retail Study to inform retail planning in accordance with guidance set out in Planning Policy Statement 6 (PPS6): Planning for Town Centres. This study, published in October 2008, included a review of the health of the five rural centres identified in the South Cambridgeshire Core Strategy DPD, namely Sawston, Histon and Impington, Great Shelford and Stapleford, Fulbourn and Cambourne, as well as the eight minor rural centres of Willingham, Waterbeach, Papworth Everard, Melbourn, Linton, Bar Hill, Cottenham and Gamlingay.

2.7.27 The majority of centres are traditional 'village' centres, excepting:

- Cambourne's purpose built centre
- Bar Hill, dominated by a Tesco Extra store
- Papworth Everard, which has a purpose built shopping centre that has developed as a result of significant housing growth.

2.7.28 The published information available to support the study was described as limited. The "health checks" were therefore based on data provided by South Cambridgeshire District council and site visits carried out by GVA Grimley in March and June 2008. The assessment made was that the rural and minor rural centres in South Cambridgeshire are performing their roles as local convenience and service centres very well. All have a good range of convenience, comparison and service provision, and vacancy rates are low, indicating that the centres are healthy. It should however be pointed out that conditions will naturally have deteriorated since fieldwork was carried out, considering the subsequent national economic slowdown.

2.7.29 The following documents present broad visions that should be taken into regard:

- Research and action plan for carbon reductions across south Cambridgeshire's commercial and industrial sectors
- Arts Service Review: February 2009
- Arts Delivery Framework: 2009-12
- Local Development Framework: Public Art (A Supplementary Planning Document January 2009)
- Sustainable Community Strategy 2008-11: Working together for a better South Cambridgeshire
- Community Engagement Strategy and Action Plan 2009
- South Cambridgeshire District Council Place Survey 2009: by CELLO mruk
- Future Cambridgeshire – Summary for Cambridge and Cambridgeshire 2009

3 The Economic Assessment of South Cambridgeshire

3.1 Introduction

3.1.1 This chapter assesses the economic performance of South Cambridgeshire district. It focuses on the key economic and social indicators that are important to the local economy. This includes and reflects those suggested by DGLG and IDeA. To assess the overall performance of South Cambs it is compared with the following areas:

- Cambridge district
- The former county of Cambridgeshire
- The Greater Cambridge Partnership Area (districts of Cambridge, South Cambridgeshire, East Cambridgeshire, Huntingdon, Fenland, St Edmundsbury and Forest Heath)
- the East of England Government Office Region
- Great Britain[22]

This permits us to assess South Cambridgeshireto be assessed in the wider sub-regional and regional context.

3.1.2 The economic analysis follows the structure of the previous chapter by looking in turn at each of the following:

- Employment, Enterprise and Sectors
- Land, Premises and Inward Investment
- Labour Supply and Skills
- The Transport Network
- Housing, Social Issues and Facilities

3.1.3 The analysis has been carried out using the in-house PACEC Local Economic Profiling System (LEPS). This houses and enhances the Office of National Statistics (ONS) data and other sources. It comprises over one hundred and forty key indicators as an integrated computer based and easy to access package. The data has been verified and developed so that it could be used with confidence.

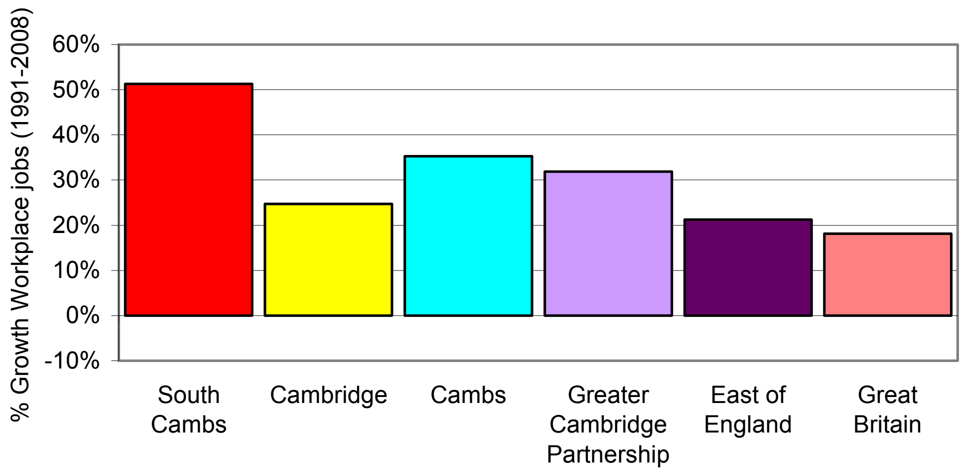
[22] Where data for the whole of Great Britain are not available, the national comparator used is either England and Wales, or England.

3.2 Employment, Enterprise and Sectors

Employment and Income

3.2.1 South Cambridgeshire has had very strong workplace job formation over the last two decades, by both local and national standards. Since 1991 the number of jobs has increased by over 50% (see Figure 3.1 below), and since 2001 the increase has been 15.3%, from 67,100 to 77,300 (see Figure 3.1 below for a full breakdown of job growth statistics for South Cambridgeshire and its comparator areas). For comparison, the number of workplace jobs in Great Britain grew by 6.8% between 2001 and 2008. The extra growth in South Cambridgeshire amounts to 5,710 more jobs than would have been expected if it had grown at the national rate.

Figure 3.1 Workplace jobs: Growth chart (1991-2008)



Source: Annual Business Inquiry to 2008, Annual Population Survey to 2009, Census of Population to 2001, ONS; PACEC

Table 3.1 Workplace jobs: Growth table (2001-2008)

	South Cambs	Cambridge	Cambs	Greater Cambridge Partnership	East of England	Great Britain
2008						
Workplace jobs	77,300	101k	438k	412k	2.82m	30.7m
Population	142k	119k	770k	764k	5.72m	59.6m
Jobs per head 2008						
Rate	0.54	0.85	0.57	0.54	0.49	0.52
Benchmark: GB	0.52	0.52	0.52	0.52	0.52	0.52
Differential wrt GB	0.03	0.33	0.05	0.02	-0.02	0.00
2008 Workplace jobs						
Differential wrt GB	3,900	39,400	40,500	17,700	-131k	0

The last line shows how the current total differs from the value it would have had if the area had the same growth as Great Britain
Source: Annual Business Inquiry to 2008, Annual Population Survey to 2009, Census of Population to 2001, ONS; PACEC

3.2.2 Gross Value Added (GVA) is a measure of economic activity in an area, amounting to the net income generated by companies, in terms of their profits and the wages paid to employees. GVA per person resident in the area measures prosperity. South Cambridgeshire has a prosperity of £26,300 per person, which is higher than the prosperity in Cambridgeshire as a whole, the region, and the nation. The higher prosperity in Cambridge city is due to the higher rate of employment.

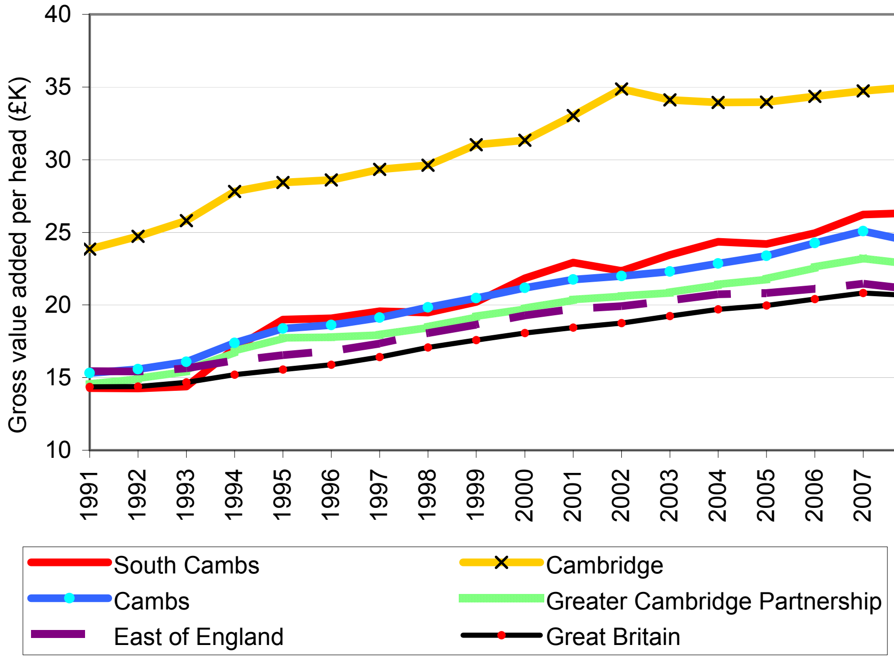
Table 3.2 Prosperity - Gross Value Added per resident

	South Cambs	Cambridge	Cambs	Greater Cambridge Partnership	East of England	Great Britain
2008						
Gross Value Added (Constant 2008 prices)	£3.75bn	£4.16bn	£18.8bn	£17.4bn	£121bn	£1230bn
Population	142k	119k	770k	764k	5.72m	59.6m
Prosperity 2008						
Rate	£26,300	£35,000	£24,400	£22,800	£21,100	£20,700
Benchmark: GB	£20,700	£20,700	£20,700	£20,700	£20,700	£20,700
Differential wrt GB	£5,680	£14,400	£3,720	£2,140	£437	£0
2008 Gross Value Added (Constant 2008 prices)						
Differential wrt GB	£809m	£1.7bn	£2.87bn	£1.63bn	£2.5bn	£0

*GVA is at constant (2008) prices. The last line shows how the current total differs from the value it would have had if the area had the same prosperity as Great Britain.
Source: Regional and National Accounts, ONS; PACEC

3.2.3 Prosperity in South Cambridgeshire has been growing largely in line with regional and national trends, apart from a notable jump in the early 1990s, as shown in Figure 3.2 below.

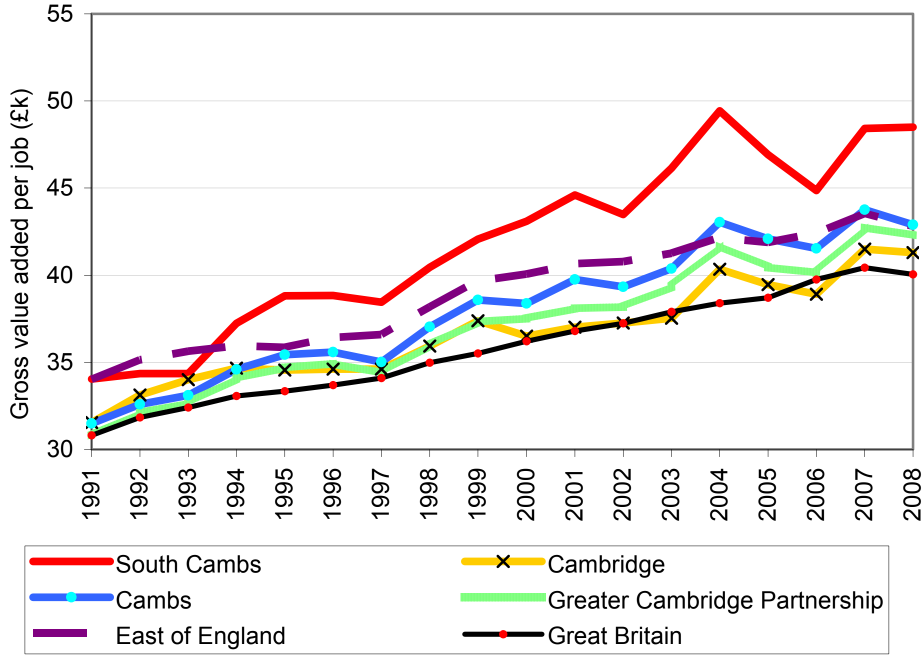
Figure 3.2 Prosperity 1991-2008



Values at constant (2008) prices.
Source: Regional and National Accounts, ONS; PACEC

3.2.4 "Productivity" is GVA per job, as opposed to GVA per resident. It is a measure of the amount of value created by local employment. South Cambridgeshire businesses are productive compared to the county and the region, with each local job adding £48,500 of value in 2008. This is due in part to the concentration of employment in high value-added sectors such as high-tech manufacture, pharmaceuticals, and software development. Trends in productivity since 1991 are shown in Figure 3.3 below.

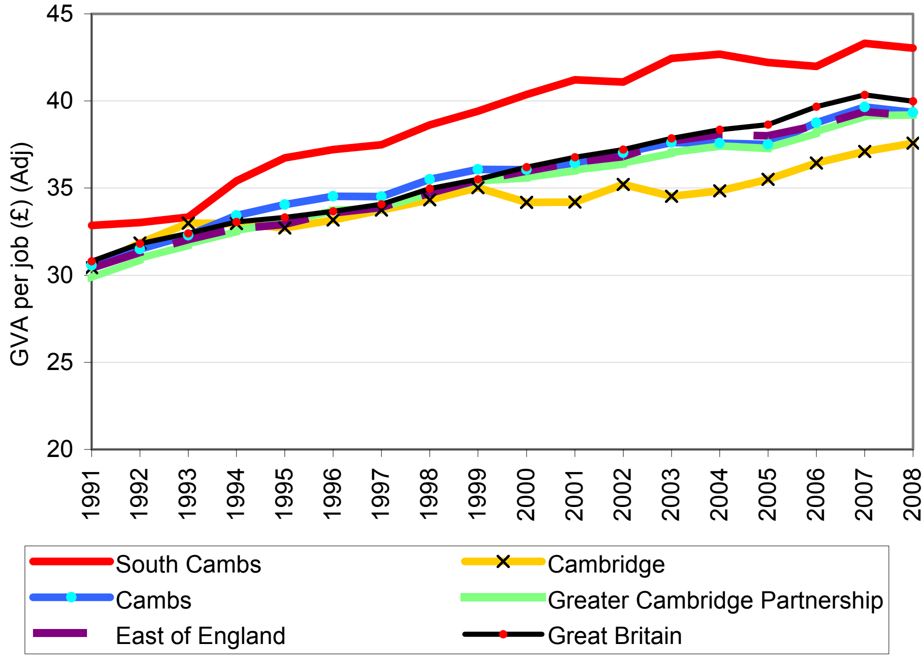
Figure 3.3 Productivity 1991-2008



Values at constant (2008) prices.
Source: Regional and National Accounts, ONS; PACEC

3.2.5 Productivity statistics can be adjusted to take account of the industrial structure of an area. This has the effect of removing the impact of concentrations of particularly high- or low-yield industries (where "high-yield" industries include energy, finance, and high-tech manufacture, and "low-yield" industries include agriculture, retail, hospitality, and social care). Using this correction, the productivity of South Cambridgeshire is higher, suggesting that it derives from efficient businesses as well as its concentrations of high-yield industries. Changes in productivity over time are shown in Figure 3.4 below.

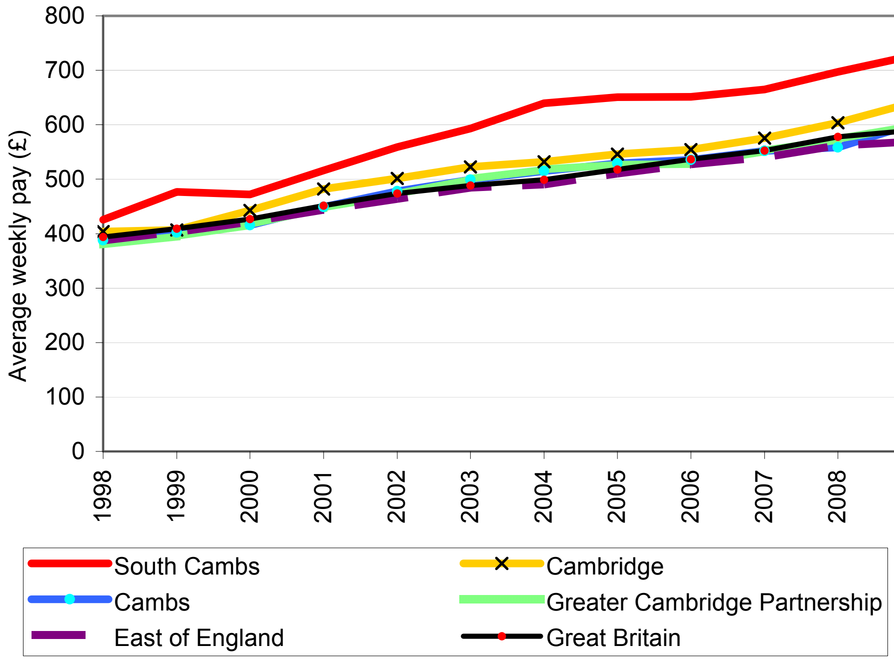
Figure 3.4 Productivity (adjusted for industrial structure)



Values at constant (2008) prices.
Source: Regional and National Accounts, ONS; PACEC

3.2.6 The high productivity of businesses in South Cambridgeshire is reflected in high levels of workplace earnings. Mean workplace-based weekly earnings in South Cambridgeshire in 2009 were £727, compared with £640 in Cambridge and £589 nationally. Earnings rose rapidly between 2000 and 2004, as shown in Figure 3.5 below.

Figure 3.5 Weekly earnings graph (Workplace-based)



Changes in official definitions in 2004 mean the data is not strictly comparable with previous years.
Source: ONS: ASHE; PACEC

Enterprise and Innovation

3.2.7 The stock of active businesses has been growing well in South Cambridgeshire, with an increase of 10.3% recorded over the period 2004-2008. This compares favourably with Cambridge (7.1%), the East of England region (7.3%) and Great Britain as a whole (7.5%). The stock and growth of active businesses in South Cambridgeshire and its comparator areas are shown in full in Table 3.3 below.

Table 3.3 Stock of active businesses: Growth

	South Cambs	Cambridge	Cambs	Greater Cambridge Partnership	East of England	Great Britain
Business stock						
2008	7,240	4,650	31,700	32,800	236k	2.27m
2004	6,560	4,340	29,300	30,500	220k	2.11m
Business stock 2004 - 2008						
Growth	10.3%	7.1%	8.0%	7.8%	7.3%	7.5%
Benchmark rate (GB)	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Differential growth	2.7%	-0.4%	0.4%	0.2%	-0.2%	0.0%
2008 Business stock						
Differential wrt GB	180	-18	131	76	-531	0

The last line shows how the current total differs from the value it would have had if the area had the same growth as Great Britain
Source: ONS: Business demography; PACEC

3.2.8 South Cambridgeshire's business base is very productive in terms of the number of patents obtained relative to the number of companies, reflecting the local specialisation in R&D. See Table 3.4 below.

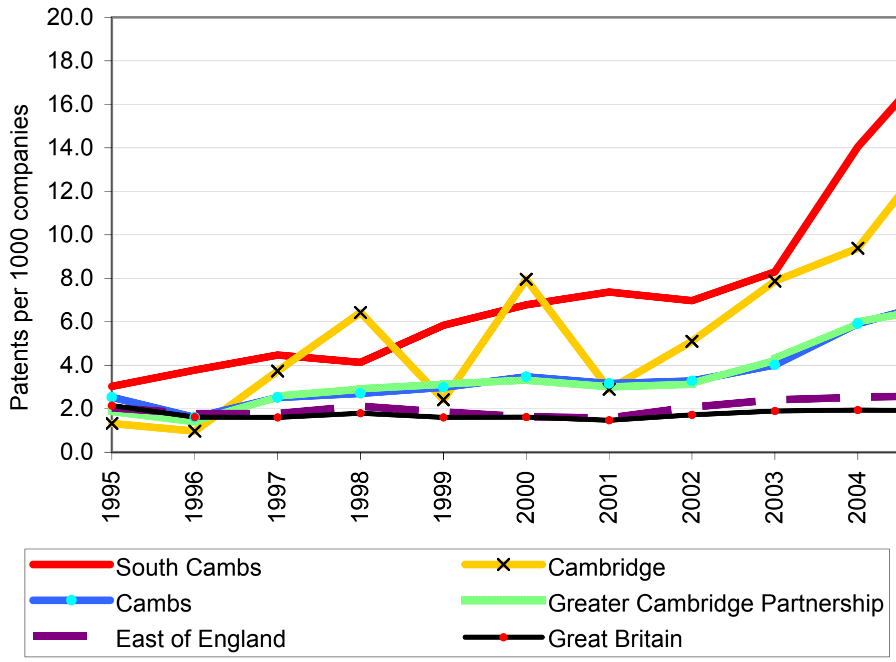
Table 3.4 Patents obtained

	South Cambs	Cam- bridge	Cambs	GCP	East of England	Great Britain
2005						
Patents	115	53	190	193	510	3,560
Stock of Vat Registered companies	6,280	3,730	27,300	28,800	196k	1.87m
Patent rate 2005						
Rate	1.83%	1.42%	0.70%	0.67%	0.26%	0.19%
Benchmark: GB	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%
Differential wrt GB	1.64%	1.23%	0.51%	0.48%	0.07%	0.00%
2005 Patents						
Differential wrt GB	103	46	138	138	136	0

The last line shows how the current total differs from the value it would have had if the area had the same patent rate as Great Britain
Source: Patent Office; PACEC

3.2.9 The rate of registration of patents relative to the number of companies has risen rapidly since 2003, as shown in Figure 3.6 below.

Figure 3.6 Patents obtained graph



Source: Patent Office; PACEC

Sectors and Vacancies

3.2.10 The highest employing sectors in South Cambridgeshire in 2008 were finance and business (20,700), public service (14,00), and manufacturing (12,200). However, these sectors have a large share of national employment and as a result are the largest sectors in many locations. Relative employment concentration is measured by the "location quotient" or LQ: an industry with a share of employment double the national average has an LQ of 2, one with half the national share has an LQ of 0.5. The sectors which are particularly concentrated in South Cambridgeshire, compared to the national average, are wholesale, manufacturing, and primary industries (agriculture, extraction, and utilities). The most under-represented sector is transport, storage and communications services.

Table 3.5 Employment by 9 sectors: Detail

	Workplace Jobs 2008	Share	LQ	Differential amount	Change from Total	Change (%)
Primary	2,750	3.6%	1.38	759	-292	-9.6%
Manufacturing	12,200	15.8%	1.64	4,770	-3,190	-20.7%
Construction	6,840	8.8%	1.24	1,340	1,560	29.5%
Retail	6,110	7.9%	0.66	-3,110	-189	-3.0%
Wholesale	7,030	9.1%	2.43	4,130	4,060	136.9%
Leisure	6,070	7.9%	0.64	-3,470	1,270	26.6%
Transport, storage & communications services	1,530	2.0%	0.33	-3,070	-426	-21.8%
Finance and business	20,700	26.7%	1.22	3,780	10,800	109.0%
Public service	14,100	18.3%	0.73	-5,130	3,270	30.1%
Total	77,300	100.0%	1.00	0	16,800	27.8%

South Cambridgeshire is benchmarked against Great Britain.
Changes measured from 1995
The Location Quotient (LQ) is a calculated ratio between the local economy and the national economy. This ratio is calculated for all industries to determine whether or not the local economy has a greater share of that industry than expected. A LQ of 1 indicates that the local industry share exactly matches the national industry share.
Source: Annual Business Inquiry to 2007, Annual Population Survey to 2008, Census of Population to 2001, ONS; PACEC

3.2.11 Since 1995 finance and business has grown very strongly (109%), and public service, construction and leisure have all grown strongly (30.1%, 29.5%, and 26.6% respectively). Manufacturing has contracted by 20.7%, and transport, storage, and communications services by 21.8%.

3.2.12 The industrial structure of South Cambridgeshire's employment is considered in more detail in Table 3.6 below. This shows a very significant concentration of research and development in South Cambridgeshire, with a location quotient of 18 (that is, eighteen times as much employment in R&D in South Cambridgeshire as would be expected from the national average). There are also high concentrations of employment in high-tech metal manufacturing and in computer software and services. The "differential growth" column below shows the change in employment in South Cambridgeshire over and above what would have been expected if it had grown at the national rate. By this measure, the education sector has performed most strongly, adding 2,570 jobs to the economy over and above the 540 which would have been expected.

Table 3.6 Employment by 20 sectors: Detail

	WPI job 2007	2007 LQ	01-07	01-07 % grow	01-07 Diff grow	01-07 Diff grow%
Agriculture, extraction, Utilities	2,800	**1.5**	330	13.6%	320	13.0%
Manufacturing (other)	3,300	1.1	-840	-20.0%	-90	-2.2%
Chemical manufacture	2,400	**1.9**	-590	-19.6%	-30	-1.1%
Trad metal manufacture	3,400	1.3	-300	-8.2%	410	11.2%
Hi-Tech metal manufacture	3,100	**4.3**	-330	-9.5%	560	16.1%
Construction	6,900	1.3	2,690	63.5%	1,890	44.5%
Wholesale, incl cars	5,100	1.1	100	2.0%	110	2.2%
Retail	3,800	0.5	900	30.7%	1,010	34.2%
Hotels, bars & restaurants	3,300	0.7	460	16.4%	260	9.3%
Transport, & comms	1,600	**0.4**	-1,020	-38.5%	-1,070	-40.4%
Financial services	700	**0.3**	220	47.0%	220	45.4%
Real estate & equipment rental	1,400	0.9	420	41.1%	220	22.0%
Computer software/services	3,200	**2.2**	-1,000	-23.6%	-1,300	-30.6%
R&D	4,800	**18.0**	1,930	66.3%	1,910	65.5%
Professional business services	6,700	1.4	490	7.8%	-1,350	-21.7%
Other business services	4,000	0.8	1,090	37.7%	530	18.3%
Public admin & defence	1,500	**0.4**	570	62.2%	450	49.2%
Education	6,600	1.0	3,110	89.5%	2,570	74.0%
Health & social work	7,800	0.9	160	2.1%	-1,260	-16.5%
Community & personal services	3,400	0.8	610	21.7%	360	12.7%

South Cambridgeshire is benchmarked against Great Britain.
Changes measured from 1995
The Location Quotient (LQ) is a calculated ratio between the local economy and the national economy. This ratio is calculated for all industries to determine whether or not the local economy has a greater share of that industry than expected. A LQ of 1 indicates that the local industry share exactly matches the national industry share.
Source: Annual Business Inquiry to 2007, Annual Population Survey to 2008, Census of Population to 2001, ONS; PACEC

3.2.13 The relative concentration of industries in South Cambridgeshire can be further disaggregated into its rural, urban, and town/fringe areas (according to the map in Figure 2.1 above), and also compared to the Greater Cambridge Partnership area which surrounds and includes South Cambridgeshire and Cambridge (see Figure 2.2 above). The highest concentrations of manufacture in South Cambridgeshire are mostly in the small town / fringe areas north and south of Cambridge, with the exception of high-tech manufacture which is highly concentrated in rural areas. There are exceptional concentrations of R&D in Cambridge's urban fringe and in rural areas. The full 20-sector breakdown is shown in Table 3.7 below.

Table 3.7 Employment by 20 sectors: Distribution

	South Cambridge-shire	Cambridge urban fringe	Town	Rural	Greater Cambridge Partnership
Agriculture, extraction, Utilities	0.61	-	-	1.22	0.73
Manufacturing (other)	0.97	0.62	1.47	0.71	1.07
Chemical manufacture	**2.04**	-	**2.20**	1.34	1.25
Trad metal manufacture	1.35	0.83	**1.71**	1.38	0.94
Hi-Tech metal manufacture	**4.54**	-	**2.17**	**8.27**	**2.25**
Construction	1.08	0.71	**1.48**	0.95	0.86
Wholesale, incl cars	2.06	3.91	1.31	1.41	1.21
Retail	0.54	0.58	0.62	**0.42**	0.87
Hotels, bars & restaurants	0.68	**0.27**	0.86	0.80	0.89
Transport, & comms	**0.32**	**0.30**	0.43	**0.24**	0.65
Financial services	**0.21**	-	**0.46**	**0.05**	**0.40**
Real estate & equipment rental	0.82	0.64	0.96	0.81	0.98
Computer software/services	**2.42**	**3.46**	1.74	**2.34**	1.50
R&D	**20.81**	**27.33**	1.69	**35.88**	6.81
Professional business services	1.14	1.13	1.30	0.99	1.02
Other business services	0.71	0.46	0.88	0.72	0.85
Public admin & defence	**0.50**	0.53	0.52	-	0.88
Education	0.85	0.68	0.97	0.86	1.38
Health & social work	0.81	0.54	1.12	0.68	1.02
Community & personal services	0.67	0.74	0.62	0.67	0.88
Total	1.00	1.00	1.00	1.00	1.00

South Cambridgeshire is benchmarked against Great Britain.
Changes measured from 1995
The Location Quotient (LQ) is a calculated ratio between the local economy and the national economy. This ratio is calculated for all industries to determine whether or not the local economy has a greater share of that industry than expected. A LQ of 1 indicates that the local industry share exactly matches the national industry share.
–: numbers are suppressed for confidentiality reasons where there are 20 or fewer companies.
Source: Annual Business Inquiry to 2008, Annual Population Survey to 2008, Census of Population to 2001, ONS; PACEC

3.2.14 Table 3.8 below records the occupational breakdown of local residents, as recorded in the Annual Population Survey of 2008. Professional occupations are extremely well-represented in Cambridge and South Cambs relative to the national average, with almost a quarter of residents falling into this occupation category as against 15% nationally. Managers, senior officials, and skilled trades occupations are also well-represented in South Cambridgeshire. All other occupations are less common in South Cambridgeshire than in the East of England region and in Great Britain as a whole.

Table 3.8 Occupational breakdown

	South Cambs	Cambridge	Cambs	Greater Cambridge Partnership	East of England	Great Britain
Managers and senior officials	17.8%	9.5%	15.4%	16.0%	16.8%	15.2%
Professional occupations	24.5%	44.8%	20.7%	20.4%	14.6%	14.8%
Associate professional and technical occupations	13.7%	17.6%	16.8%	18.6%	16.4%	16.6%
Administrative and secretarial occupations	10.7%	7.8%	11.4%	11.9%	12.1%	12.3%
Skilled trades occupations	5.5%	4.2%	4.4%	4.7%	4.9%	4.5%
Personal service occupations	9.0%	6.5%	9.0%	7.9%	9.8%	10.7%
Sales and customer service occupations	6.7%	3.0%	6.7%	6.4%	8.9%	9.1%
Process; plant and machine operatives	2.1%	0.0%	4.0%	4.1%	5.0%	4.9%
Elementary occupations	10.0%	6.6%	11.5%	10.1%	11.5%	11.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The occupation classification is SOC2000 (Standard Occupation Classification).
Source: APS June 2009, ONS; PACEC

3.3 Land, Premises and Inward Investment

3.3.1 The average rateable value of commercial and industrial floorspace in South Cambridgeshire is high by national standards, but much lower than in Cambridge City, as shown in Table 3.9 below. The rateable area per workplace job is much higher than in Cambridge (see Table 3.10 below). This is typical of a more rural district – available floorspace is at more of a premium in the city of Cambridge, favouring more industries with a higher concentration of employees per unit area (for example, offices as opposed to warehousing). This provides a strong incentive for businesses to locate in South Cambridgeshire or move out of Cambridge into South Cambridgeshire.

Table 3.9 Average rateable value

	South Cambs	Cam-bridge	Cambs	GCP	East of England	England
2008						
Rateable value total (£)	£119m	£160m	£616m	£546m	£3.7bn	£37bn
Area of Rateable value (square metres)	1.57m	1.21m	9.51m	8.57m	56.9m	562m
Average rateable value 2008						
Rate	£76	£132	£65	£64	£65	£66
Benchmark: England	£66	£66	£66	£66	£66	£66
Differential wrt England	£10	£66	£-1	£-2	£-1	£0
2008 Rateable value total (£)						
Differential wrt England	£15.8m	£79.9m	£-10.1m	£-19.1m	£-47.7m	£0

The last line shows how the current total differs from the value it would have had if the area had the same average rateable value as England
Source: ODPM: Commercial and Industrial Floorspace; PACEC

Table 3.10 Rateable area per workplace job

	South Cambs	Cam-bridge	Cambs	GCP	East of England	England
2008						
Area of Rateable value (square metres)	1.57m	1.21m	9.51m	8.57m	56.9m	562m
Workplace jobs	77,300	101k	438k	412k	2.82m	26.6m
Rateable area per job 2008						
Rate	20.26	12.07	21.71	20.81	20.20	21.08
Benchmark: England	21.08	21.08	21.08	21.08	21.08	21.08
Differential wrt England	-0.82	-9.01	0.63	-0.27	-0.88	0.00
2008 Area of Rateable value (square metres)						
Differential wrt England	-63,200	-907k	277k	-113k	-2.48m	0

The last line shows how the current total differs from the value it would have had if the area had the same rateable area per job as England
Source: ODPM: Commercial and Industrial Floorspace; PACEC

3.4 Labour Supply and Skills

Population and Economic activity

3.4.1 According to the 2001 Census of Population, there were 131,000 residents in South Cambridge District in April of that year. Since then, the population has been growing more rapidly than its Cambridgeshire comparators (all around 8%), the East of England (5.9%), and Great Britain (3.8%). In 2008, there were 142,000 South Cambridgeshire residents. A full breakdown of population and growth rates in South Cambridgeshire and its comparator areas is shown in Table 3.11 below.

Table 3.11 Population analysis

	South Cambs	Cambridge	Cambs	Greater Cambridge Partnership	East of England	Great Britain
Population						
2008	142k	119k	770k	764k	5.72m	59.6m
2001	131k	110k	712k	709k	5.4m	57.4m
Population 2001 - 2008						
Growth	9.1%	8.0%	8.2%	7.8%	5.9%	3.8%
Benchmark rate (GB)	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%
Differential growth	5.3%	4.2%	4.3%	3.9%	2.0%	0.0%
2008 Population						
Differential wrt GB	6,900	4,590	30,900	28,000	110k	0

The last line shows how the current total differs from the value it would have had if the area had the same growth as Great Britain
Source: Mid Year Population estimates, ONS, NISRA; PACEC

3.4.2 South Cambridgeshire's economic activity rate is high by local, regional and national standards. 84.7% of residents are economically active (that is, in work or actively seeking work) and 81.6% are employed, according to the Annual Population survey of 2008. The rate of self-employment is also higher in South Cambridgeshire than in its comparator areas, at 12.9%. The full breakdown of economic activity by area is shown in Table 3.12 below.

Table 3.12 Economic activity: Population of working age 2008

	South Cambs	Cam-bridge	Cambs	GCP	East of England	England
Economically active	84.7%	70.6%	81.1%	83.3%	81.3%	78.9%
Employed	81.6%	66.9%	77.1%	79.5%	77.2%	74.2%
Employees	68.8%	55.4%	66.9%	68.9%	66.4%	64.4%
Self-employed	12.9%	9.0%	9.5%	9.9%	10.4%	9.4%
Unemployed	3.1%	3.7%	4.1%	4.2%	4.4%	4.8%
Inactive	15.3%	29.4%	18.9%	16.7%	18.7%	21.1%

Source: Annual Population Survey; PACEC

3.4.3 The Annual Population Survey of 2008 records an economically active population in South Cambridgeshire of 70,500, of whom 67,900 were employed. Of these, 57,200 were employees and 10,700 were self-employed.

Table 3.13 Economic activity: Population of working age 2008

	South Cambs	Cambridge	Cambs	Greater Cambridge Partnership	East of England	England
Economically active	70,500	58,500	388k	396k	2.79m	25m
Employed	67,900	55,500	369k	378k	2.65m	23.5m
Employees	57,200	45,900	320k	328k	2.28m	20.4m
Self-employed	10,700	7,500	45,500	47,000	358k	2.97m
Unemployed	2,600	3,100	19,700	20,200	150k	1.51m
Inactive	12,700	24,400	90,500	79,200	645k	6.68m

Source: Annual Population Survey; PACEC

3.4.4 The economically active population in South Cambridgeshire grew more slowly between 2001 and 2008 than any of the comparator areas. Over the same period the rate of growth of overall population was higher than the averages for the comparator areas.

Table 3.14 Economic activity growth

	South Cambs	Cambridge	Cambs	GCP	East of England	England
Economically active						
2008	70,500	58,500	388k	396k	2.79m	25m
2001	69,000	57,000	365k	366k	2.67m	23.6m
Economically active 2001 - 2008						
Growth	2.2%	2.6%	6.2%	8.3%	4.8%	6.0%
Benchmark rate (England)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Differential growth	-3.9%	-3.4%	0.2%	2.2%	-1.2%	0.0%
2008 Economically active						
Differential wrt England	-2,670	-1,950	723	8,060	-32,700	0

The last line shows how the current total differs from the value it would have had if the area had the same growth as England
Source: Annual Population Survey, Labour Force Survey, ONS; PACEC

Skills and education

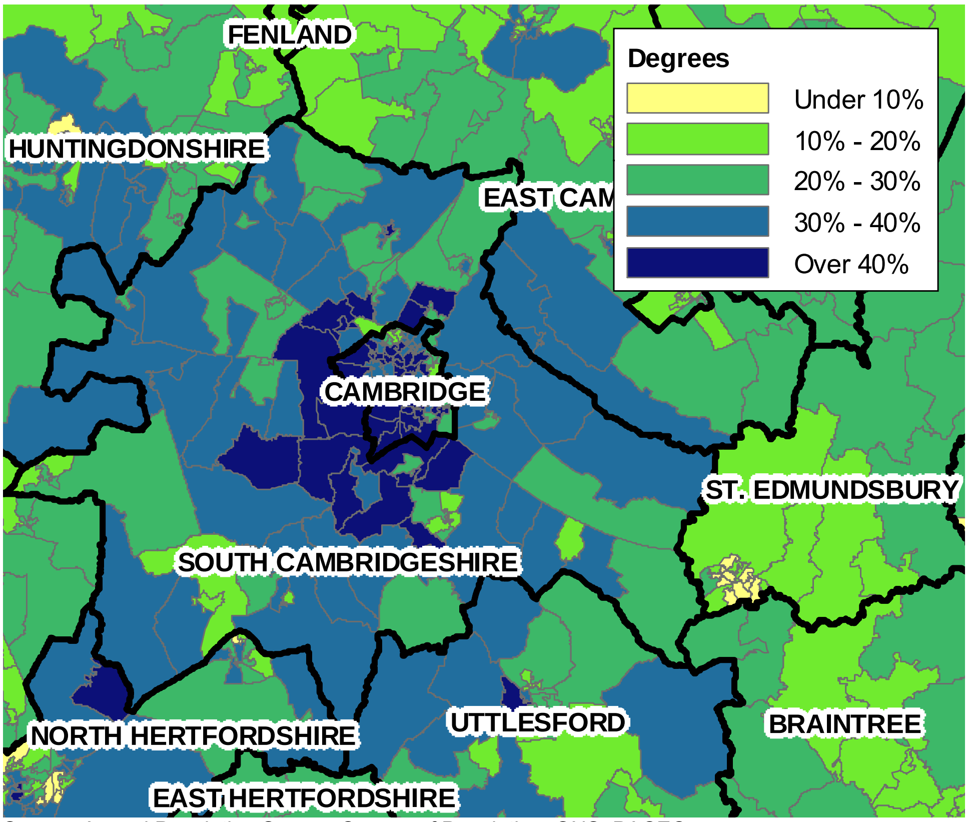
3.4.5 The Annual Population Survey measures the level of qualifications held by the labour force by breaking them down into their equivalent National Vocational Qualification (NVQ) levels. Table 3.15 lays out the results by NVQ level and area. A high proportion of South Cambridgeshire residents are educated to degree level (NVQ level 4 and above) but less so than in Cambridge. This is particularly notable around the West and South of Cambridge, as shown in Figure 3.7 below.

Table 3.15 Qualifications: Population of working age

	South Cambs	Cam-bridge	Cambs	GCP	East of England	England
NVQ: None	6.0%	5.4%	9.2%	8.6%	11.8%	12.3%
NVQ1	5.8%	12.2%	14.4%	14.7%	16.0%	14.2%
NVQ2	15.4%	9.3%	15.3%	14.7%	17.2%	16.0%
Trade apprenticeships	4.2%	1.6%	2.9%	2.9%	4.3%	4.1%
NVQ3	14.9%	4.3%	12.8%	11.8%	15.2%	15.8%
NVQ4+	45.9%	51.9%	34.0%	35.6%	26.1%	28.7%
NVQOth	7.8%	15.3%	11.2%	11.7%	9.3%	8.9%

Source: Annual Population Survey 2008, ONS; PACEC

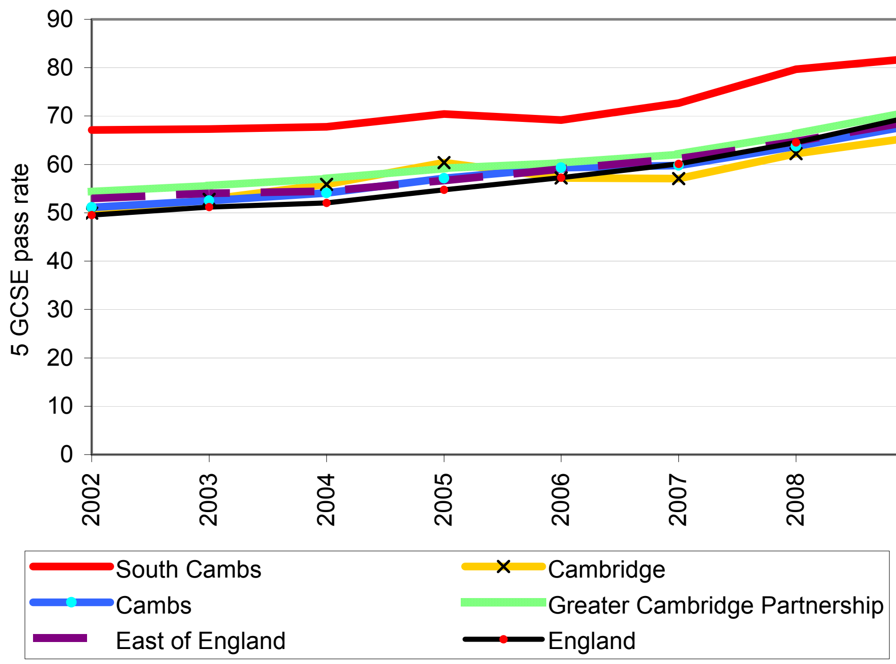
Figure 3.7 Population of working age with degrees



Source: Annual Population Survey, Census of Population, ONS; PACEC

3.4.6 The state school results are very strong in South Cambridgeshire, with the rate of people achieving 5 good GCSEs having been consistently above 65% since 2002. Figure 3.8 shows how pass rates have varied in South Cambridgeshire and its comparators over the period 2002-2007.

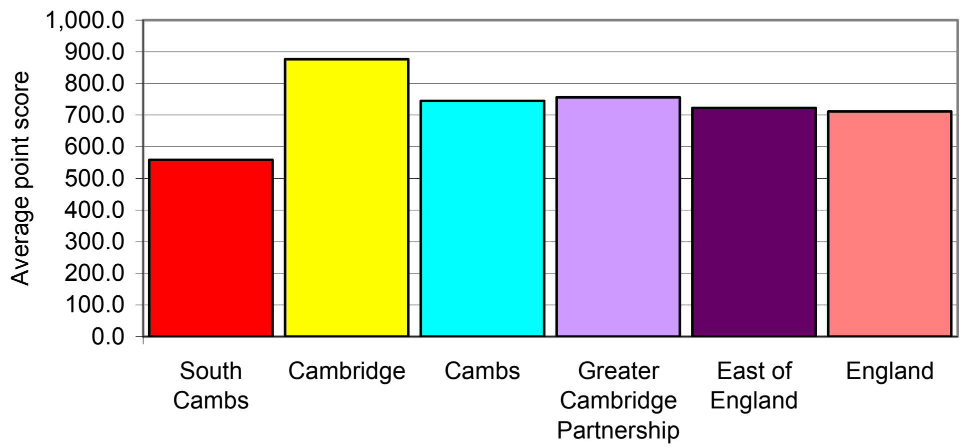
Figure 3.8 5 GCSEs A*-C pass rate graph by school



The statistics cover the state-funded schools within the area.
Source: DCSF - Performance Tables; PACEC

3.4.7 In contrast to the results at GCSE, the average Level 3 QCA points achieved by state-funded schools in South Cambridgeshire is lower than in Cambridge and the other comparator areas, as shown in Figure 3.9 below.

Figure 3.9 Level 3 QCA points by school chart



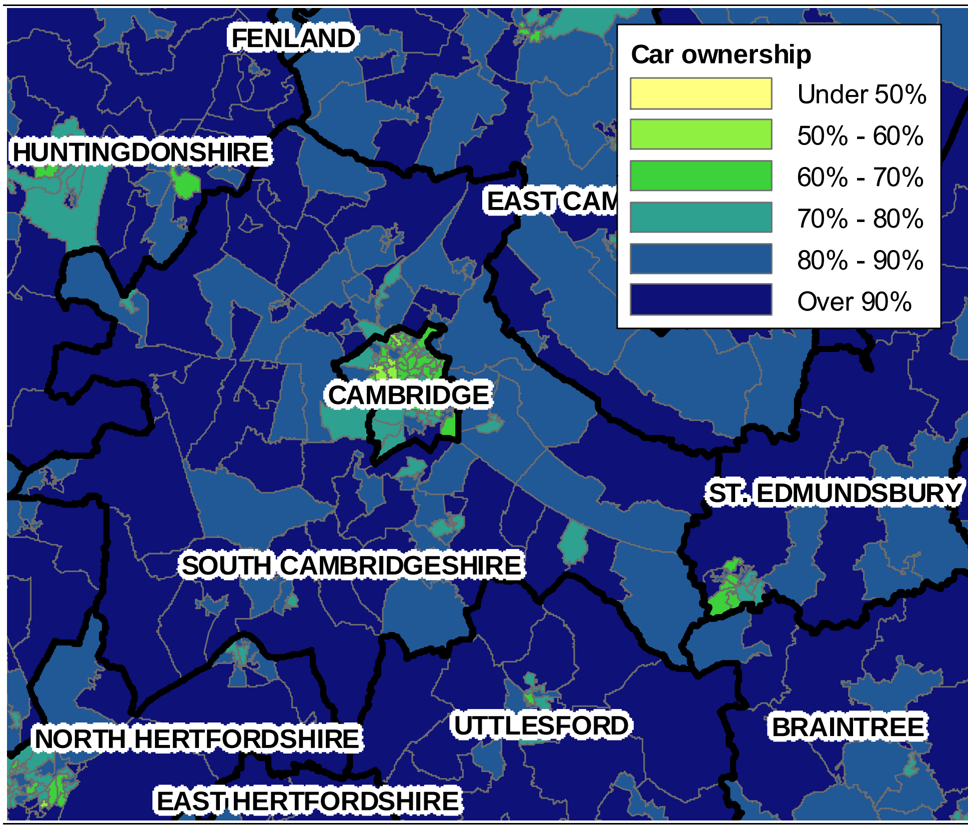
The statistics cover the state-funded schools within the area.
Source: DCSF - Performance Tables; PACEC

3.5 The Transport Network

Transport and commuting

3.5.1 The rate of car ownership in South Cambridgeshire households is over 80% in most locations. It tends to increase with distance from Cambridge, as shown in the map below (headed Figure 3.10), and is rather higher than car ownership in Cambridge itself. Car ownership tends to be lower in urban areas.

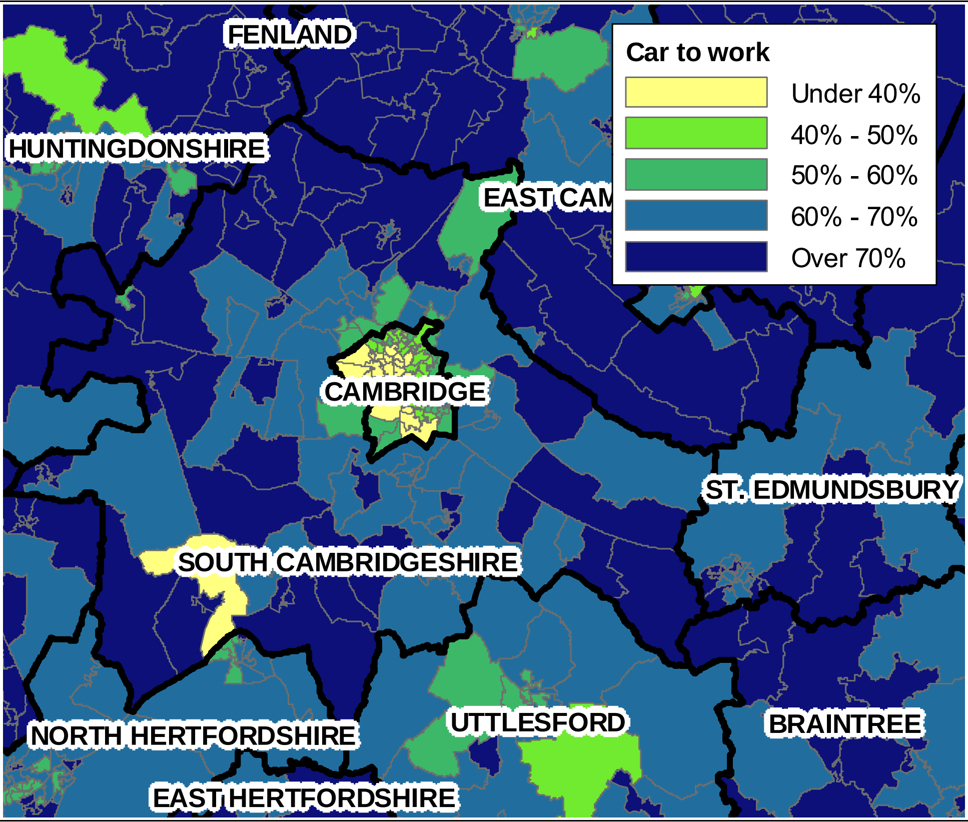
Figure 3.10 Households with car



Source: Census of Population, 2001; PACEC

3.5.2 The proportion of employed people who drive to work also increases with distance from Cambridge, from 50-60% around the borders of Cambridge (and under 40% within much of Cambridge) to over 70% at the outskirts of South Cambridgeshire. The map is shown in Figure 3.11 below.

Figure 3.11 Drive to work



Source: Census of Population, 2001; PACEC

3.5.3 The statistics on car ownership and driving to work are summarised and disaggregated by area in Table 3.16 below.

Table 3.16 Vehicles

	South Cambridge-shire	Cambridge urban fringe	Town	Rural	Greater Cambridge Partnership
Households with cars	88.1%	85.9%	87.4%	90.5%	82.7%
Drive to work	67.7%	62.5%	69.5%	67.7%	65.7%

Source: Census of Population, 2001; PACEC

3.5.4 The net commuting position in South Cambridgeshire is that around 5,000 more people live in South Cambridgeshire and work elsewhere, than live elsewhere and commute into South Cambridgeshire. Cambridge is the obvious central commuting destination, with 29,500 net in-commuters. It is also the case that Cambridgeshire as a whole is a net commuting destination; this is in contrast to the East of England region as a whole, which experiences net out-commuting (driven by proximity to London). The full set of statistics is shown in Table 3.17 below.

Table 3.17 Net in-commuting

	South Cambs	Cam-bridge	Cambs	GCP	East of England	England
2001						
Net in-commuting	-5,070	29,500	10,100	-3,200	-196k	-65,500
All 16-74 residents in employment	69,200	49,200	349k	354k	2.58m	22.4m
Share 2001						
Share	-7.3%	59.8%	2.9%	-0.9%	-7.6%	-0.3%
Benchmark share (England)	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%
Differential wrt England	-7.0%	60.1%	3.2%	-0.6%	-7.3%	0.0%
Net in-commuting 2001						
Differential wrt England	-4,860	29,600	11,200	-2,160	-189k	0

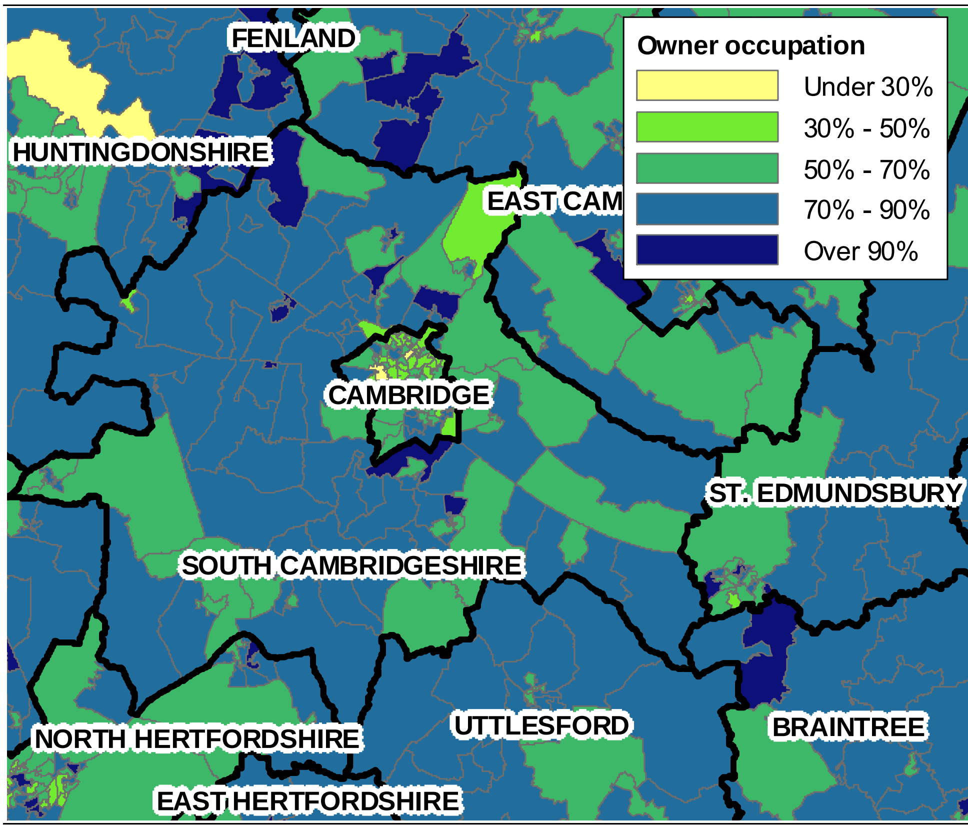
The last line shows how the current total differs from the value it would have had if the area had the same share as England
Source: Census of Population, 2001; PACEC

3.6 Housing, Social Issues and Facilities

Housing and living environment

3.6.1 The rate of owner occupation of housing in South Cambridgeshire varies by ward from below 50% to over 90%. There are particularly high rates of owner occupation along the southern fringe of Cambridge, and particularly low rates to the North of Waterbeach. The variation in throughout South Cambridgeshire is mapped in Figure 3.12 below.

Figure 3.12 Owner occupation



Source: Census of Population, 2001; PACEC

3.6.2 Levels of housing ownership is fairly consistent between the more urban and rural areas of South Cambridgeshire. However, private rental and non-Council social housing are somewhat more common in Cambridge's urban fringe

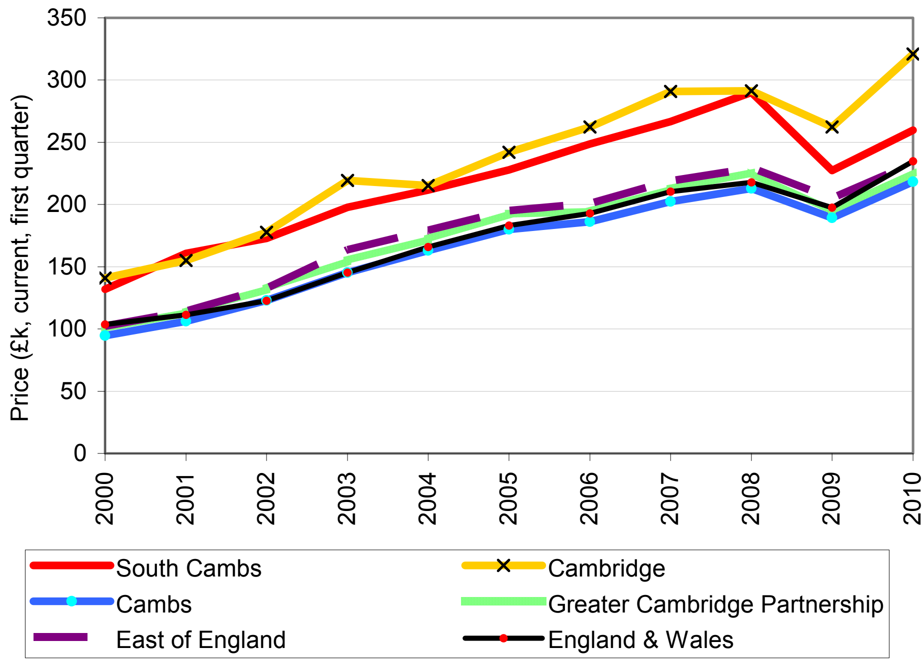
Table 3.18 Housing ownership

	South Cambridge-shire	Cambridge urban fringe	Town	Rural	Greater Cambridge Partnership
Owned	77.6%	74.0%	79.6%	76.5%	72.2%
Rented from council	10.1%	9.8%	9.7%	10.8%	9.1%
Other social rented	3.3%	5.7%	3.0%	2.3%	5.7%
Private rented or living rent free	9.0%	10.4%	7.7%	10.3%	13.0%

Source: Census of Population, 2001; PACEC

3.6.3 House prices in South Cambridgeshire have been higher than the national average over the past decade. They rose strongly in line with the local and national trend between 2000 and 2008; however, they dropped more rapidly in 2009 than in Cambridge and the rest of Cambridgeshire, the region, and the nation.

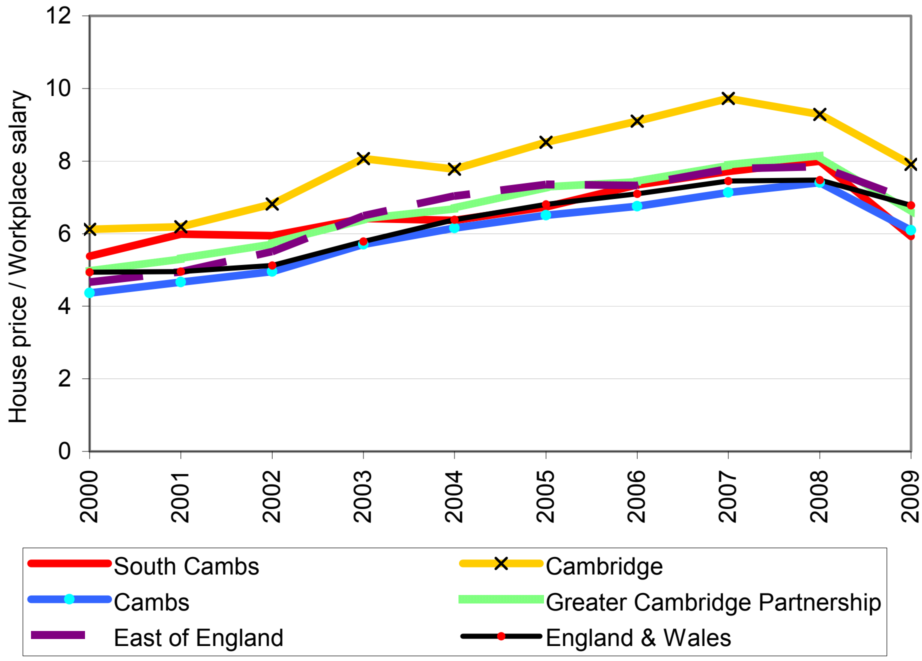
Figure 3.13 Average house price (overall) graph



Source: Residential Property Prices, HM Land Registry; PACEC

3.6.4 Compared with workplace salaries, housing in South Cambridgeshire has been more affordable than housing in Cambridge, but had still reached a multiple of eight by 2008. Following the drop in house prices in 2009, houses in South Cambs became marginally more affordable on the salary multiple indicator than the average for Cambridgeshire, the region, and the nation.

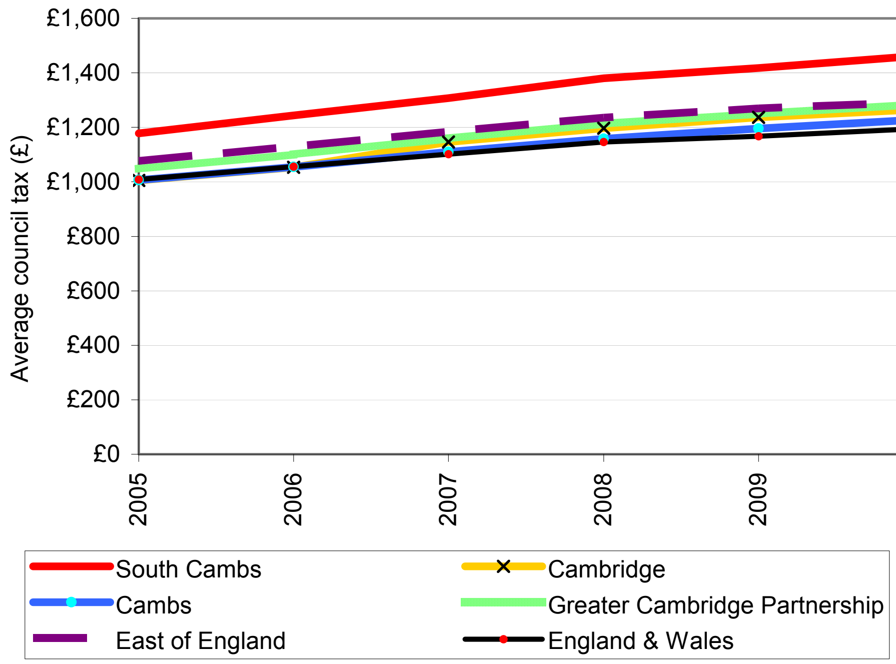
Figure 3.14 Affordability vs workplace salaries graph



House prices are taken from the first quarter.
Source: Residential Property Prices, HM Land Registry; ASHE; PACEC

3.6.5 Average council tax liability in South Cambridgeshire is high relative to its comparator areas, and has been rising over time much in line with the rest of the county, region, and nation, as shown in Figure 3.15 below.

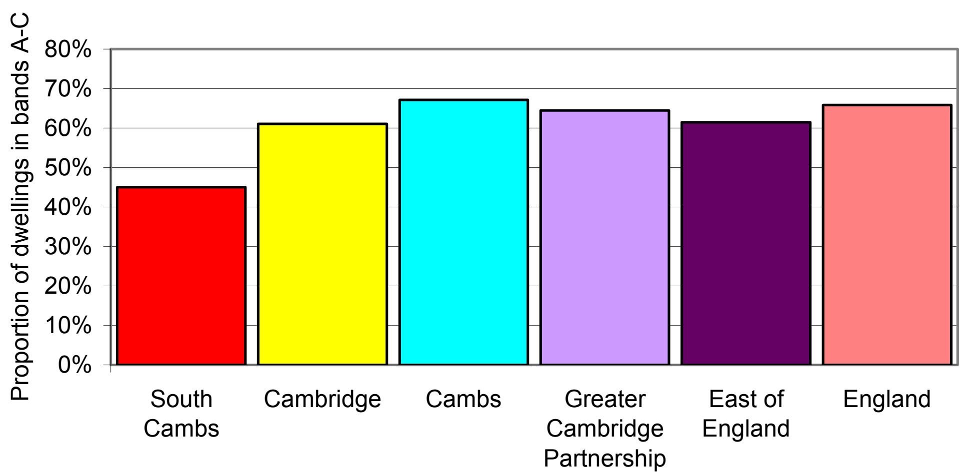
Figure 3.15 Average dwelling council tax liability



Source: Valuation Office Agency of the Inland Revenue; PACEC

3.6.6 One explanation for the higher average council tax liability is that the housing is disproportionately in higher bands rather than because the rates for individual bands are high. Figure 3.16 below shows that the proportion of dwellings in the lowest three bands in South Cambridgeshire is lower than that of Cambridge and Cambridgeshire.

Figure 3.16 Proportion of dwellings in bands A-C



Properties are in bands A-C if they were valued at under £68,000 on 1st April 1991
Source: Valuation Office Agency of the Inland Revenue; PACEC

Deprivation and social exclusion

3.6.7 South Cambridgeshire does not register in the poorest 10% of areas on any of the components of the Index of Deprivation apart from "Barriers to Housing and Services". This form of deprivation is expected in a rural area since the barriers to services are measured in terms of distance to schools, GPs, post offices, and other services.

Table 3.19 Percentage of SOAs in the lowest 10% in England

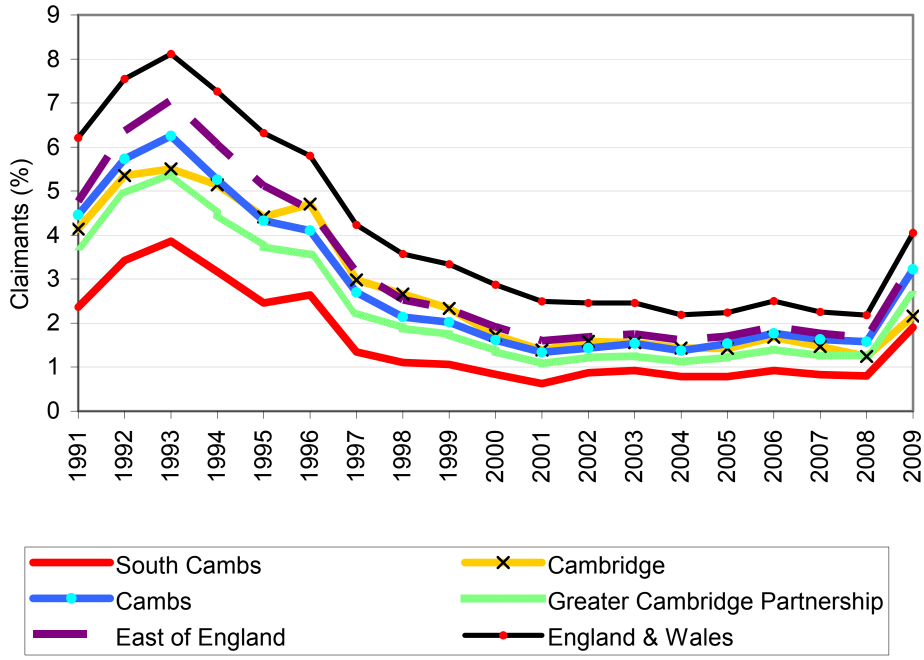
	South Cambs	Cam-bridge	Cambs	GCP	East of England	England
Income Deprived SOAs	0.0%	0.0%	3.2%	0.2%	3.2%	10.0%
Employment Deprived SOAs	0.0%	0.0%	0.9%	0.2%	2.8%	10.0%
Health Deprived SOAs	0.0%	0.0%	0.6%	0.0%	1.0%	10.0%
Education Deprived SOAs	0.0%	0.0%	4.1%	2.2%	5.7%	10.0%
Housing and Services Deprived SOAs	11.1%	0.0%	8.1%	11.3%	7.9%	10.0%
Crime Deprived SOAs	0.0%	1.5%	9.6%	1.1%	3.8%	10.0%
Living Environment Deprived SOAs	0.0%	0.0%	0.2%	0.0%	1.4%	10.0%
Multiply Deprived SOAs	0.0%	0.0%	2.8%	0.4%	2.3%	10.0%

SOAs are Super Output Areas, as defined by Census 2001
Source: Index of Deprivation 2007, DCLG; PACEC

Unemployment and benefits

3.6.8 Claimant unemployment has been consistently low until the current recession started in 2008, and the trends have followed regional and national trends.

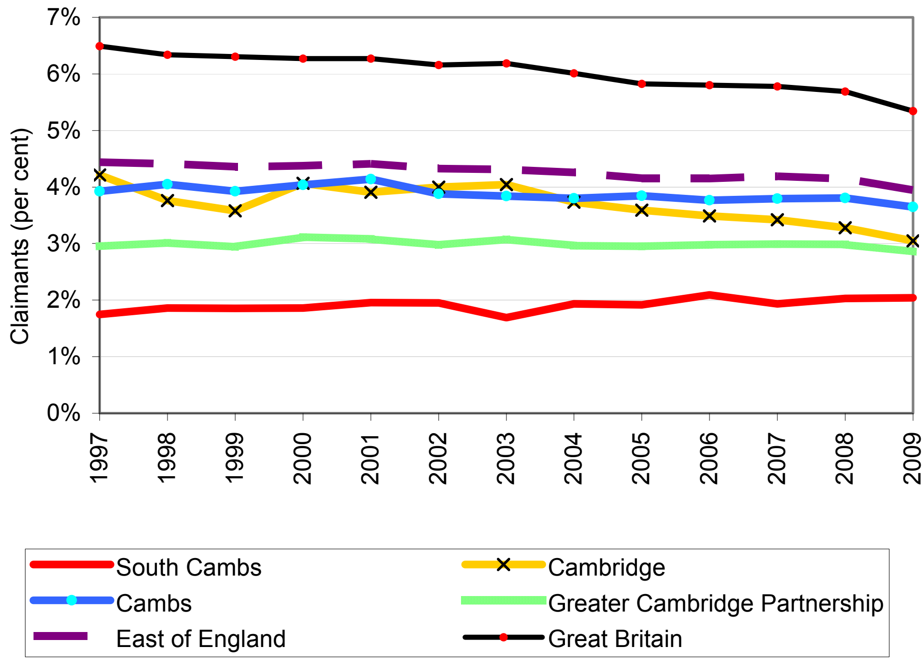
Figure 3.17 Changes in the claimant unemployment rate graph



Data given is the total in June
Source: ONS: Claimant Unemployment; PACEC

3.6.9 Income support levels have also been notably low, although they have been drifting slightly higher as national levels have fallen.

Figure 3.18 Income support graph



Source: DWP Information Directorate: Work and Pensions Longitudinal Study; PACEC

Health

3.6.10 The 2001 Census reported that three quarters of the South Cambridgeshire population considered themselves to be in good health. This is a high proportion relative to Cambridgeshire, the East of England, and England as a whole, as shown in Figure 3.18 below.

Table 3.20 Those in good health

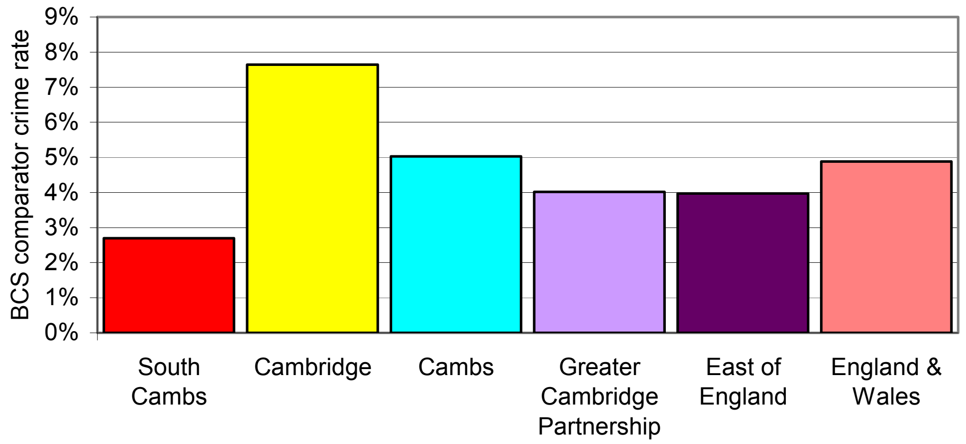
	South Cambs	Cam-bridge	Cambs	GCP	East of England	England
2001						
Good Health	97,700	80,600	508k	510k	3.79m	33.8m
Population of all ages	130k	109k	709k	706k	5.39m	49.1m
Proportion with Good Health 2001						
Proportion with Good Health	75.1%	74.1%	71.6%	72.3%	70.4%	68.8%
Benchmark share (England)	68.8%	68.8%	68.8%	68.8%	68.8%	68.8%
Differential wrt England	6.3%	5.3%	2.9%	3.5%	1.6%	0.0%
Good Health 2001						
Differential wrt England	8,210	5,770	20,200	24,700	85,800	0

The last line shows how the current total differs from the value it would have had if the area had the same proportion with good health as England
Source: Census of Population 2001; PACEC

Crime

3.6.11 Crime rates as measured by the British Crime Survey are low in South Cambridgeshire relative to its comparator areas. There were fewer than 3 crimes per hundred people in South Cambridgeshire in 2009, but 5 per hundred people in Cambridgeshire and over 7 in Cambridge. Figure 3.19 below shows the rates for South Cambridgeshire and its comparator areas.

Figure 3.19 BCS comparator crime rate chart 2009



The BCS comparator is a sub set of recorded crimes which can be aligned to categories in the British Crime Survey.
Source: Home Office - British Crime Survey; PACEC

3.7 High tech and knowledge-based industries

3.7.1 To complete the employment picture in South Cambridgeshire, we have focused on hi-tech and knowledge-based industries using our 101-sector definition of the South Cambridgeshire economy. Our definition of hi-tech industries is as follows:

- Extraction of oil and gas
- Manufacture:
  - Tobacco
  - Petroleum and other fuels
  - Office machinery
  - Electric motors, components etc
  - Sound & vision
  - Instruments
  - Aerospace
- Electricity and water supply
- Telecommunications
- Computing
- Research and development
- Architecture, engineering, technical testing & analysis

3.7.2 Knowledge-based industries include all hi-tech industries plus the following:

- Printing and publishing
- Health
- Education

3.7.3 In 2008 there were 16,200 jobs in hi-tech industries in South Cambridgeshire, a figure which has doubled since 1991. These jobs were chiefly concentrated in research & development (5,400), computing (3,600), architecture, engineering, and technical testing (3,300) and aerospace (1,700). South Cambridgeshire has a share of jobs in hi-tech industries of 21%, which is over three times the national share. There are a further 10,300 jobs in South Cambridgeshire if knowledge-based industries such as education (5,400 jobs) and health (4,100 jobs) are included in the analysis; however, these sectors have a greater employment impact nationally than locally to South Cambridgeshire.

3.8 Summary

Panel 3.1 Employment, Enterprise and Sectors
• South Cambridgeshire has had very strong workplace job formation over the last two decades, by both local and national standards. • South Cambridgeshire has a prosperity of £26,300 per person, which is higher than the prosperity in Cambridgeshire as a whole, the region, and the nation. • South Cambridgeshire businesses are productive compared to the county and the region, with each local job adding £48,500 of value in 2007. • The productivity of South Cambridgeshire remains high when adjusted for industrial structure, suggesting that it derives from efficient businesses as well as its concentrations of high-yield industries. • Mean workplace-based weekly earnings in South Cambridgeshire in 2009 were £727, compared with £640 in Cambridge and £589 nationally. • The highest employing sectors in South Cambridgeshire are finance and business (20,900), public service (15,900), and manufacturing (12,200). • The industrial structure of South Cambridgeshire's employment shows a very significant concentration of research and development, with a location quotient of 18. There are also high concentrations of employment in high-tech metal manufacturing and in computer software and services. • The highest concentrations of manufacture in South Cambridgeshire are mostly in the small town / fringe areas north and south of Cambridge, with the exception of high-tech manufacture which is highly concentrated in rural areas. There are exceptional concentrations of R&D in Cambridge's urban fringe and in rural areas. • Professional occupations are extremely well-represented in Cambridge and South Cambs relative to the national average. Managers, senior officials, and skilled trades occupations are also well-represented in South Cambridgeshire. • The stock of active businesses has been growing well in South Cambridgeshire, with an increase of 10.3% recorded over the period 2004-2008. This compares favourably with Cambridge. • South Cambridgeshire's business base is very productive in terms of the number of patents obtained relative to the number of companies, reflecting the local specialisation in R&D. • Using a definition of hi-tech and knowledge-based industries developed with Greater Cambridge Partnership, South Cambridgeshire has 16,200 jobs in hi-tech (a figure which has doubled since 1991). This is 21% of jobs, over 3 times the national share. There are a further 10,300 jobs in knowledge-based industries, though this share of 13% is slightly lower than the national share.

Panel 3.2 Land, Premises and Inward Investment
• The average rateable value of commercial and industrial floorspace in South Cambridgeshire is high by national standards, but much lower than in Cambridge City.

Panel 3.3	Labour Supply and Skills

- The population of South Cambridgeshire has been growing more rapidly than its comparator areas. In 2008, there were 142,000 South Cambridgeshire residents.
- South Cambridgeshire's economic activity rate is high by local, regional and national standards.
- A high proportion of South Cambridgeshire residents are educated to degree level but less so than in Cambridge.
- The state school GCSE results are very strong in South Cambridgeshire, with the rate of people achieving 5 good GCSEs having been consistently above 65% since 2002.

Panel 3.4	The Transport Network

- The rate of car ownership in South Cambridgeshire households is over 80% in most locations and is rather higher than car ownership in Cambridge.
- The proportion of employed people who drive to work also increases with distance from Cambridge.
- The net commuting position in South Cambridgeshire is that around 5,000 more people live in South Cambridgeshire and work elsewhere, than live elsewhere and commute into South Cambridgeshire.

Panel 3.5	Housing, Social Issues and Facilities

- The rate of owner occupation of housing in South Cambridgeshire varies by ward from below 50% to over 90%.
- House prices in South Cambridgeshire have been higher than the national average over the past decade.
- Compared with workplace salaries, housing in South Cambridgeshire has been more affordable than housing in Cambridge, but had still reached a multiple of eight by 2008.
- Average council tax liability in South Cambridgeshire is high relative to its comparator areas.
- Housing is disproportionately in higher bands rather than because the rates for individual bands are high.
- South Cambridgeshire does not register in the poorest 10% of areas on any of the components of the Index of Deprivation apart from "Barriers to Housing and Services".
- Claimant unemployment has been consistently low, and the trends have followed regional and national trends.
- Income support levels have also been notably low, although they have been drifting slightly higher as national levels have fallen.
- The 2001 Census reported that three quarters of the South Cambridgeshire population considered themselves to be in good health.
- Crime rates as measured by the British Crime Survey are low in South Cambridgeshire relative to its comparator areas.

4 Drivers of change in South Cambridgeshire

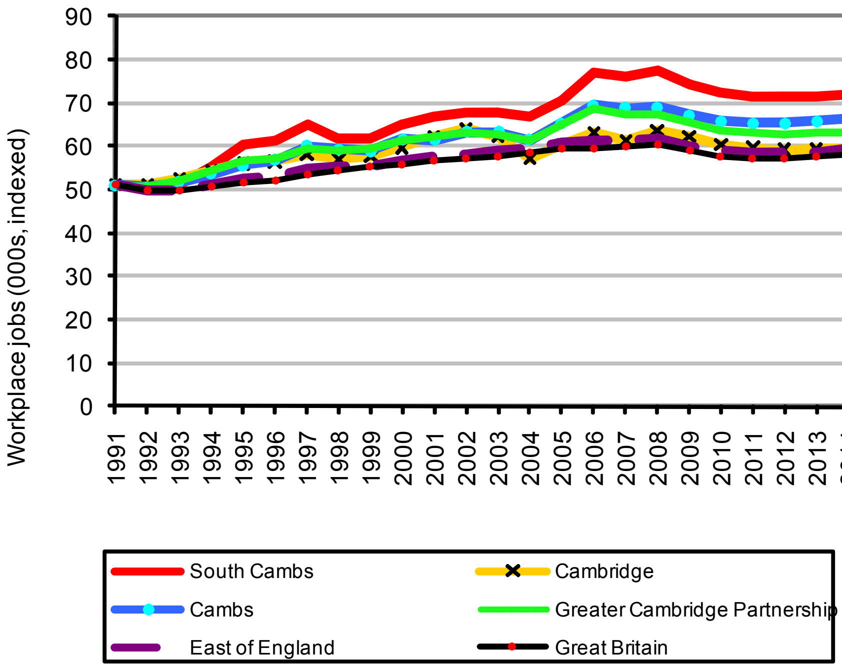
4.1 Introduction

4.1.1 This chapter sets out projections of economic activity in the South Cambs area focussing on employment as a key indicator. It builds on the historic data shown in the previous chapter. It considers the short- and long-term impacts of the recession in order to give an indication of the economic context and provide a basis to formulate policy. The projections are made using the PACEC in-house Local Economic Performance (LEPS) computer based tool. The outputs from the survey of businesses in Chapter 6 are used to help shape the projections. The chapter also examines proposals for the new settlements and housing areas as important future drivers of economic activity in South Cambs.

4.2 The Recession – Short-Term projections

4.2.1 Based on Treasury central forecasts of GDP, we project a reduction in jobs in South Cambridgeshire of 5,000 between 2008 and 2010, followed by broadly stationary employment to 2013 and then a gradual recovery which could reach 2008 levels by 2022.

Figure 4.1 Workplace jobs: Projection graph



The graph shows the comparative projected growth rates of the different areas, indexed on South Cambs.
Source: Annual Business Inquiry to 2007, Annual Population Survey to 2008, Census of Population to 2001, ONS; PACEC

4.2.2 Not all sectors are affected equally. The largest projected contractions are in agriculture (-16%), chemical manufacture (-16%), and professional business services (-15%). The greatest job losses in absolute terms are expected in professional business services (-900) and construction (-800).

Table 4.1 Employment by 22 sectors in South Cambridgeshire, 2008-10

	Workplace Jobs 2008	Workplace Jobs 2010	Change from 2008	Change (%)
Agriculture, extraction, Utilities	2,500	2,100	-400	-16%
Manufacturing (other)	3,100	2,800	-200	-6%
Chemical manufacture	2,500	2,100	-400	-16%
Trad metal manufacture	3,400	3,100	-300	-9%
Hi-Tech metal manufacture	3,200	2,800	-400	-13%
Construction	6,800	6,100	-800	-12%
Motor vehicle sale/repair	2,200	2,100	-100	-5%
Wholesale	7,000	6,500	-500	-7%
Food retail	2,200	2,400	200	9%
Other retail	1,700	1,800	0	0%
Hotels, bars & restaurants	3,200	3,200	0	0%
Transport, & comms	1,500	1,400	-200	-13%
Financial services	600	500	0	0%
Real estate & equipment rental	1,400	1,400	0	0%
Computing/R&D	9,000	8,900	-200	-2%
Professional business services	6,100	5,200	-900	-15%
Other business services	3,500	3,500	-100	-3%
Public admin & defence	1,800	1,900	100	6%
Education	5,400	5,200	-200	-4%
Health & social work	7,000	6,500	-400	-6%
Community & personal services	2,800	3,000	100	4%
Total	77,300	72,700	-4,700	-6%

Numbers have been rounded.
Source: Annual Business Inquiry to 2008, Annual Population Survey to 2008, Census of Population to 2001, ONS; PACEC

4.2.3 South Cambridgeshire is projected to lose jobs in the majority of sectors. However, the prevailing economic conditions will result in the loss of jobs for the rest of the country as well. Our projections indicate that, relative to the rest of the country, South Cambridgeshire will have a structural advantage amounting to between +4% and +11% in agriculture, food retail, financial intermediation, and personal services, and a small structural advantage (1-2%) in non-chemical manufacturing and construction. However wholesale, logistics, chemical manufacturing, and professional business services are expected to decline relative to the rest of the country.

4.2.4 The sectoral picture is similar for Cambridgeshire as a whole, as shown in Table 4.2 below.

Table 4.2 Employment by 22 sectors in Cambridgeshire, 2008-10

	Workplace Jobs 2008	Workplace Jobs 2010	Change from 2008	Change (%)
Agriculture, extraction	9,800	7,500	-2,300	-23%
Manufacturing (other)	18,400	16,600	-1,700	-9%
Chemical manufacture	6,900	5,900	-1,000	-14%
Trad metal manufacture	16,800	14,900	-1,900	-11%
Hi-Tech metal manufacture	7,400	6,600	-800	-11%
Utilities	2,600	2,300	-200	-8%
Construction	27,700	24,500	-3,200	-12%
Motor vehicle sale/repair	9,700	9,500	-200	-2%
Wholesale	23,000	22,000	-1,000	-4%
Food retail	14,600	15,200	500	3%
Other retail	23,700	23,500	-200	-1%
Hotels, bars & restaurants	20,900	20,600	-300	-1%
Transport, & comms	20,800	19,400	-1,400	-7%
Financial services	10,400	9,000	-1,400	-13%
Real estate & equipment rental	9,300	9,100	-200	-2%
Computing/R&D	21,100	19,600	-1,500	-7%
Professional business services	30,200	27,400	-2,900	-10%
Other business services	33,300	33,200	-100	0%
Public admin & defence	18,100	19,100	1,000	6%
Education	46,800	45,400	-1,400	-3%
Health & social work	48,500	51,100	2,600	5%
Community & personal services	17,900	17,700	-200	-1%
Total	437,800	420,000	-17,800	-4%

Numbers have been rounded.
Source: Annual Business Inquiry to 2007, Annual Population Survey to 2008, Census of Population to 2001, ONS; PACEC

4.3 The Recession – Long-Term Forecasts

4.3.1 Oxford Economics prepared a pair of working papers in May 2009 which compare the employment and population forecasts in the RSS East of England Plan, and a “baseline” forecast from Cambridge Econometrics, with three up-to-date scenarios taking account of the possible effects of the recession. The three scenarios were as follows:

- Baseline
- Severe recession
- Faster recovery

4.3.2 Table 4.3 below shows the forecast increase in jobs produced by the seven scenarios for the period 2007 to 2031. Cambridgeshire’s expected employment growth over the period is expected to be a little over 90,000 in all three of the new Oxford Economics scenarios, whereas the RSS review indicated job growth of between 119,000 and 132,000. However, since the recession is expected to affect the rest of the East of England much more severely, Cambridgeshire’s share of jobs growth in the East is expected to rise from 18% (under the RSS forecasts) to between 28% and 31% - the more severe the recession, the greater Cambridgeshire’s relative advantage.

Table 4.3 Comparison of employment (jobs) growth forecast for period 2007/31 for Cambridgeshire & East of England ‘000

Scenario/forecast/source/date	Cambridge-shire	East of England	Cambs as % East
Baseline – Oxford Economics May 2009	92.9	328.4	28%
Severe recession – Oxford Economics May 2009	91.3	299.1	31%
Faster recovery – Oxford Economics May 2009	93.1	333.3	28%
Baseline RSS review Oxford Economics 2009	131.8	716	18%
RSS residual dwellings RSS review Oxford Economics	118.8	666.4	18%
Baseline - Cambridge Econometrics Nov 2008	47.4	367	13%
RSS dwellings Cambridge Econometrics with CCC population	38.8	n.a.	11%

Source: Oxford Economics, Cambridge Econometrics, Cambs County Council

4.3.3 Table 4.4 below shows the expected distribution of the forecast job increases between the districts of Cambridgeshire. Under the RSS forecasts, South Cambridgeshire was expected to gain between 29,000 and 31,500 jobs (22-27% of the Cambridgeshire total). The effect of the recession upon the forecast for South Cambridgeshire is twofold. Firstly, the absolute number of jobs created in South Cambridgeshire is halved, to around 15,000. Secondly, the share of Cambridgeshire's extra jobs which are created in South Cambridgeshire is also expected to fall to 16-17%. This is due to Cambridge City's greater resilience to recessionary pressures.

Table 4.4 Employment (jobs) change 2007 to 2031, Cambridgeshire, various forecasts, '000, (% of all)

Scenario	Cambridge City	East Cambs	Fenland	Hunts	South Cambs	Cambs County
Baseline – Oxford Economics May 2009	58.1 (63%)	7.7 (8%)	4.8 (5%)	6.9 (7%)	15.4 (17%)	92.9 (100%)
Severe recession – Oxford Economics May 2009	58.8 (64%)	7.4 (8%)	4.2 (5%)	6.1 (7%)	14.8 (16%)	91.3 (100%)
Faster recovery – Oxford Economics May 2009	58 (62%)	7.8 (8%)	4.8 (5%)	7 (8%)	15.5 (17%)	93.1 (100%)
Baseline RSS review Oxford Economics 2009	63.7 (48%)	12.5 (10%)	7.1 (5%)	19.5 (15%)	29 (22%)	131.8 (100%)
RSS residual dwellings RSS review Oxford Economics	58.8 (50%)	9.8 (8%)	8.5 (7%)	10.2 (9%)	31.5 (27%)	118.8 (100%)
Baseline - Cambridge Econometrics Nov 2008	17.4 (37%)	6.6 (14%)	1.5 (3%)	6.7 (14%)	15.2 (32%)	47.4 (100%)
RSS dwellings Cambridgeshire County Council 2007	21.4 (55%)	2.8 (7%)	-0.9 (-2%)	-2 (-5%)	17.5 (45%)	38.8 (100%)

Source: Oxford Economics, Cambridge Econometrics

4.4 Major Developments

4.4.1 The phasing of the major developments in South Cambs will have a key role in driving the economy for South Cambs and the sub-region.

Northstowe

4.4.2 Northstowe is a proposed new town, north of Cambridge. It relates to Objective ST/d of the Core Strategy:

> 'To create a sustainable small new town close to but separate from the villages of Longstanton and Oakington connected to Cambridge by a high quality rapid transit system along the route of the disused St Ives railway. The new town will make best use of previously developed land.'

4.4.3 The Core Strategy also states that Northstowe will consist of up to 10,000 new homes, of which 4,800 are to be provided by 2016. Northstowe will have a town centre to serve the town and nearby villages. In addition, it will be a site for new employment, allowing for continuing growth in the high technology research and development sector.

4.4.4 Policy NS/1 of the Northstowe Area Action Plan states that:

> 'Northstowe will be a sustainable and vibrant new community that is inclusive and diverse with its own distinctive local identity which is founded on best practice urban design principles, drawing on the traditions of fen-edge market towns, which encourages the high quality traditions and innovation that are characteristic of the Cambridge Sub-Region.'

4.4.5 The Development Principles include the following requirements for the development:

- Northstowe will be an attractive and interesting feature in the landscape with which it is well integrated through a variety of edge treatments;
- Northstowe will have a distinctive town character with well designed and landscaped urban and residential areas to create neighbourhoods with their own character and legibility;
- Northstowe will provide a balanced, viable and socially inclusive community where people can live in a healthy and safe environment, and where most of their learning needs are met;
- Rampton Drift will be integrated sensitively into the new town to preserve residential amenity;
- Northstowe will be built to a flexible design which will be energy efficient, and built to be an exemplar of sustainable living with low carbon and greenhouse gas emissions and able to accommodate the impacts of climate change;
- The development will make drainage water features an integral part of the design of the town and its open spaces, so that they also provide for amenity, landscape, biodiversity and recreation.

4.4.6 Northstowe will be one of Cambridgeshire's largest towns. Apart from Cambridge the towns are relatively small market towns – St Neots, Huntingdon, St Ives, Ely, March, Whittlesey and Wisbech. Northstowe will be Cambridgeshire's first new town since medieval times. It will be planned in this context rather than as a detached suburb of Cambridge.

4.4.7 The Northstowe Area Action Plan has been adopted and planning applications are being considered.

Cambridge East

4.4.8 The development at Cambridge East will be a major new urban quarter to Cambridge of between 10,000 and 12,000 homes, based largely on Cambridge Airport, which is proposing to relocate. Development will take place in both Cambridge City and South Cambridgeshire, so the Area Action Plan is being prepared jointly by the two Councils.

4.4.9 A large part of this area is dependent on the relocation of Cambridge Airport, and it is not assumed that any development will take place on the Airport site before 2016. However, the AAP includes land north of Newmarket Road, based on and around

Marshall's North Works, which is almost entirely within South Cambridgeshire. This land can be developed while the Airport is still operating and could provide between 1,500 and 2,000 homes relatively earlier in the plan period.

4.4.10 Development can also come forward north of Cherry Hinton ahead of Airport relocation, and subject to providing a suitable residential environment, would provide 300 dwellings in South Cambridgeshire by 2016.

4.4.11 The objective of the Cambridge East development is to create a new and distinctive sustainable community on the eastern edge of Cambridge which will enhance the special character of the city and its setting and is connected to the rest of the city by high quality public transport and non-motorised modes of transport.

4.4.12 Policy CE/1 of the Cambridge East Area Action Plan states that:

> 'Cambridge East will be a modern, high quality, vibrant and distinctive new urban quarter for Cambridge which will complement and enhance the character of the city and protect and enhance the environmental qualities of the surrounding area.'

4.4.13 The Development Principles require that the development of Cambridge East will proceed:

- As a new urban quarter of Cambridge of approximately 10,000 to 12,000 dwellings with appropriate employment, services, facilities and infrastructure;
- As an attractive feature in the landscape with which it is well integrated through a variety of edge treatments;
- In a way which integrates and links the new development with the existing urban fabric of Cambridge to preserve existing residential amenity;
- As a compact and sustainable urban extension, well designed to a high quality, with a strong sense of local identity;
- With a distinctive urban character which reflects innovative urban design and which engenders an inclusive, vibrant and diverse community with a strong sense of local identity and a well developed sense of community spirit, with landmarks and other points of interest, particularly in the district and local centres, including public art, to create a legible sense of place;
- With an emphasis on housing which achieves an overall high density and which is well designed and of a high quality;
- As a balanced, viable and socially inclusive community where people can live a healthy lifestyle, in a safe environment and where most learning needs are met;
- With a flexible design, making best use of energy and other natural resources, built to be an exemplar of sustainable living with low carbon and greenhouse gas emissions and able to accommodate the impacts of climate change;
- With the highest quality of built form and open spaces throughout, but particularly in the district centre, fronting Newmarket Road and facing the green corridor, including retained and new landmark buildings and public art to give a sense of place;
- With well designed and landscaped urban and residential areas which are permeable and legible;

- As a compact and sustainable urban quarter with a low car dependency, which is highly accessible and permeable to all its residents by foot, cycle and High Quality Public Transport, and which has good links to the city centre and to existing major employment centres;
- To ensure that the early phase of development north of Newmarket Road can function independently as a stand-alone neighbourhood whilst the airport is still operating but is also capable of integrating with the wider development in the longer term.

4.4.14 The Cambridge East Area Action Plan has been adopted and planning applications are being considered.

Cambridge Southern Fringe

4.4.15 Considerable development has been proposed on the southern side of Cambridge, with urban extensions at Trumpington and around Addenbrooke's Hospital. However, nearly all this building, around 3,300 houses, will take place within Cambridge City Council's administrative area.

4.4.16 The only part of this development proposed to be within South Cambridgeshire will be on the former Monsanto site, south-west of Trumpington (around the Trumpington Park and Ride site and Waitrose supermarket). This site has been put forward for redevelopment to provide 1,200 homes and a 60 hectare country park between Trumpington and Hauxton Mill. 600 of these homes are proposed to be within within South Cambridgeshire. The whole development will be known as Trumpington Meadows and includes two new road accesses, a primary school including a community facility, a local centre, new and improved footpaths and cycleways, plus open space, recreation facilities and children's play space.

4.4.17 Policy CSF/1 of the Cambridge Southern Fringe Area Action Plan states that:

> 'Cambridge Southern Fringe will be a modern, high quality, vibrant, innovative and distinctive urban extension of Trumpington, which will complement and enhance the character of the city. Development will secure a Countryside Enhancement Strategy comprising landscape, biodiversity and public access enhancements in the surrounding countryside, which will complement the existing landscape character of the area and protect and enhance the setting of Cambridge.'

4.4.18 The part of the development that is within South Cambridgeshire is Trumpington West.

4.4.19 Trumpington West will be developed:

- As a western extension of Trumpington of approximately 600 dwellings in South Cambridgeshire with appropriate employment, services, facilities and infrastructure.
- As an attractive feature in the landscape with which it is well integrated through a variety of edge treatments;

- As a compact and sustainable urban extension, well designed to a high quality, with a strong sense of local identity.
- With well designed and landscaped urban and residential areas which are accessible to Trumpington, permeable and legible, and which create neighbourhoods with their own character;
- With locally available community facilities to meet day to day needs either on site or elsewhere in the Cambridge Southern Fringe (within or outside the District);
- As a balanced, viable and socially inclusive community where people can live in a healthy and safe environment and have access to most of their learning needs;
- With a flexible design, energy efficient, built to be an exemplar of sustainable living with low carbon and greenhouse gas emissions and able to accommodate the impacts of climate change;
- To achieve a net increase in biodiversity across the site;
- Making drainage water features an integral part of the design of the urban extension and its open spaces, so they also provide for amenity, landscape, biodiversity and recreation.
- Trumpington West will be bounded by the Cambridge Green Belt, which will constrain further growth.
- Trumpington West will connect the green spaces of Cambridge to the surrounding countryside, maintain a Green Corridor along the River Cam, and provide landscape, biodiversity and public access enhancements in the surrounding countryside.

4.4.20 The Cambridge Southern Fringe Area Action Plan has been adopted and planning applications are being considered.

North West Cambridge

4.4.21 The development at North West Cambridge, between Madingley Road and Huntingdon Road, will predominantly be for the long-term needs of Cambridge University. This will include key worker housing for University staff, student housing and new faculty buildings and research facilities and also market housing. In order to do this, the AAP will propose changes to the Cambridge Green Belt. It will also include any necessary proposals for linking the site to Cambridge and the surrounding transport network as well as landscape, recreation and access proposals in Girton Parish.

4.4.22 Policy NW1of the draft North West Cambridge Area Action Plan states that:

> 'North West Cambridge will create a new University quarter, which will contribute to meeting the needs of the wider city community, and which will embody best practice in environmental sustainability. Development will be of the highest quality and support the further development of the University, Cambridge and the Sub-Region as a centre of excellence and a world leader within the fields of higher education and research, and will address the University's long-term development needs to 2021 and beyond. There will be a new local centre which will act as a focus for the development and which will also provide facilities and services for

nearby communities. A revised Green Belt and a new landscaped urban edge will preserve the unique character of Cambridge, enhance its setting and maintain the separate identity of Girton village.'

4.4.23 North West Cambridge will be planned and developed:

- As an attractive and distinctive mixed-use development well integrated with the City and connected to surrounding communities and the countryside;
- To a high level of design quality for all parts of the community to create accessible developments and neighbourhoods with their own character and legibility;
- As a balanced, viable and socially inclusive community where people can live in a healthy and safe environment;
- To a flexible design which will be energy efficient, and built to be an exemplar of sustainable living with low carbon and greenhouse gas emissions and able to accommodate the impacts of climate change;
- To avoid the necessity for noise and air quality mitigation measures that would detract from the landscape setting of Cambridge.

4.4.24 The North West Cambridge Area Action Plan is currently in draft form awaiting approval by the Secretary of State. A decision is anticipated in July 2009.

4.5 Summary

Panel 4.1 Drivers of Change in South Cambridgeshire
● Reduction in jobs in South Cambridgeshire of 4,100 between 2008 and 2010, followed by a recovery to current levels by 2014. ● The largest projected contractions are in traditional metal manufacture (-16.1%) and computer software and services (-15.5%). The greatest job losses are expected in professional business services (730) and education (580).
Northstowe ● Northstowe will consist of up to 10,000 new homes, of which 4,800 are to be provided by 2016.
Cambridge East ● The development at Cambridge East will be a major new urban quarter to Cambridge of between 10,000 and 12,000 homes, based largely on Cambridge Airport, which is proposing to relocate. ● Development can also come forward north of Cherry Hinton ahead of Airport relocation, and subject to providing a suitable residential environment, would provide 300 dwellings in South Cambridgeshire by 2016.
Cambridge Southern Fringe ● Considerable development has been proposed on the southern side of Cambridge, with urban extensions at Trumpington and around Addenbrooke's Hospital. However, nearly all this building, around 3,300 houses, will take place within Cambridge City Council's administrative area. ● The only part of this development proposed to be within South Cambridgeshire will be on the former Monsanto site, south-west of Trumpington. 600 of these homes are proposed to be within within South Cambridgeshire.
North West Cambridge ● The development at North West Cambridge, between Madingley Road and Huntingdon Road, will predominantly be for the long-term needs of Cambridge University. This will include key worker housing for University staff, student housing and new faculty buildings and research facilities and also market housing.

5 The Resident Survey

5.1 The residents

5.1.1 This chapter deals with the views of residents of South Cambridgeshire. These views are important in helping to shape policy and the response of the Council. Key issues discussed include the characteristics of South Cambs as a place to live and work, the strengths and weaknesses in terms of, for example, housing, transport and facilities, and the priorities for action.

5.1.2 Discussions were conducted with 400 residents of South Cambridgeshire on their needs and the policy issues relevant to them. The discussions were conducted using a structured questionnaire, and covered the characteristics of residents, their perceptions of South Cambridgeshire's strengths and weaknesses, and their views on key policy issues.

5.1.3 In order to ensure that the results were representative of South Cambridgeshire's population, interview quotas were set by ward, gender, and age. Taking account of any cases where the quotas were not precisely met, the responses were then weighted to be precisely representative of the known population.

5.1.4 The characteristics of residents (their income, employment status, and history of living in South Cambridgeshire) are summarised in Panel 5.1 below.

Panel 5.1 Residents: Summary

Employment status:

- 56% employed;
- 7% seeking employment and claiming benefit;
- 1% seeking employment and not claiming benefit;
- 35% not seeking employment.

Household income:

- 9% under £20k;
- 23% £20k - £49k
- 10% £50k or more;
- 58% would not say.

Locality:

- 62% had lived all their adult life in South Cambridgeshire;
- 42% had been here more than thirty years;
- 42% of those who had moved in had come from elsewhere in Cambridgeshire;
- 80% expect to stay, rising to 92% of high earners;
- Job seekers were least likely to expect to stay (40%);
- Those not working and not looking for work were most likely to stay (85%).

Reasons for living in South Cambridgeshire:

- 39% lived here because of the quality of life;
- 32% lived here because of the housing;
- 29% had family ties;
- 26% had moved or stayed to be close to Cambridge.

5.1.5 These characteristics help us to understand differences in economic conditions within South Cambridgeshire. As such, the analyses and tables of responses shown in the remainder of this chapter break the results down by income, by employment status, by location (north/south/east/west) and by type of location (urban/semi-rural/rural) within South Cambridgeshire.

5.2 South Cambridgeshire as a residential location

5.2.1 The general strengths of South Cambridgeshire as a residential location were thought to be:

- The location e.g. proximity to Cambridge (75%);
- The physical environment (74%);
- Housing (62%);
- Retail and leisure facilities (59%);
- Health and education facilities (58%).

5.2.2 The highest paid were most impressed by the location and the labour market, and those on middle incomes thought the transport network and retail and leisure facilities were a particular strength. Retail and leisure facilities were also thought to be a strength by those in urban areas of South Cambridgeshire.

5.2.3 Those who were employed were significantly more likely to appreciate all of the local strengths than those who were seeking jobs. Those in the West were most likely to see housing as a strength (68%) and those in the South were most appreciative of the area's image and reputation (65%).

Table 5.1 The main strengths and weaknesses of the area as a residential location? "Strong" features

	Percentage of all respondents (by Income and Location)						
	Total	<£20k	£20-49k	£50k+	Urban	Semi	Rural
Location in general	75	71	81	**95**	80	75	73
Transport network in general	38	32	**51**	43	37	37	40
Labour market in general	33	27	**43**	**47**	26	36	33
Environment in general	74	69	75	82	78	77	72
Health and Education in General	58	54	60	61	65	57	57
Housing in general	62	63	68	66	65	60	62
Retail and Leisure in general	59	57	**69**	64	**72**	59	55
Social environment in general	37	41	39	49	41	40	34
Image / reputation in general	49	**33**	55	52	49	43	53
None of the above	5	**14**	4	3	1	5	7
Number of respondents	*400*	*35*	*92*	*40*	*62*	*128*	*210*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21S)

5.2.4 The majority of residents thought there were no general weaknesses, although 10% mentioned the labour market. These were predominantly the lowest paid (23%). The highest paid were more likely to cite the transport network as a weakness (17%). Rural residents were more likely to think the area was weak on retail and leisure facilities (12%). The youngest residents tended to cite the labour market (28%) and health and education (19%) as weaknesses.

5.2.5 Residents who were seeking work were most likely to see the labour market as a weakness (48%), and were also most likely to cite image and reputation (20%), housing (19%), the social environment (17%), and health and education (15%). Those in the East were most likely to see the transport network (21%) and health and education (15%) as weaknesses, and those in the South were most likely to complain about the retail and leisure facilities (18%).

Table 5.2 Weak Features (by location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Employed	Seeking job	Not Seeking
Location in general	1	1	0	3	1	0	6	0
Transport network in general	8	5	8	**21**	7	9	9	5
Labour market in general	10	10	12	13	9	**7**	**48**	**5**
Environment in general	0	1	0	0	0	0	3	0
Health and Education in General	5	3	7	**15**	4	5	**15**	2
Housing in general	5	8	3	10	**2**	5	**19**	**2**
Retail and Leisure in general	8	7	**18**	10	6	8	15	7
Social environment in general	4	6	5	5	2	3	**17**	3
Image / reputation in general	6	8	8	5	4	6	**20**	**2**
None of the above	78	79	70	67	81	78	**44**	**86**
Number of respondents	*400*	*145*	*37*	*39*	*179*	*225*	*34*	*141*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21S)

5.2.6 Specific locational advantages included:

- Proximity to Cambridge (80%);
- Proximity to University (73%);
- Proximity to London (62%);
- Proximity to South East (62%).

5.2.7 The highest paid were more likely to value proximity to London (81%) and the lowest paid were least likely to value proximity to the South East (46%). Those in urban areas were most likely to value proximity to the universities (86%, compared with 69% in rural areas).

5.2.8 Those in urban areas were significantly more likely to value proximity to the universities than those in rural areas. The youngest respondents were least likely to value locational strengths.

5.2.9 Those who were employed were significantly more likely to value the location, and specifically proximity to Cambridge, the universities, the South East, and London, than those who were seeking work. Those in the South were most likely to value proximity to Cambridge, London, and the South East.

Table 5.3 The area as a business location?-Location – "Strong" features (By location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Employed	Seeking job	Not Seeking
Location in general	75	70	84	79	76	**83**	**45**	70
Proximity to University	73	70	86	77	73	**79**	**57**	68
Proximity to Cambridge	80	78	**95**	73	79	**86**	**51**	77
Proximity to London	62	59	**86**	59	60	**67**	**35**	61
Proximity to South East	62	64	**84**	55	59	**69**	**32**	59
Proximity to employers	2	1	8	0	2	3	0	1
Proximity to customers/markets	1	1	5	0	1	1	0	1
None of the above	13	15	5	18	13	**8**	**40**	16
Number of respondents	*400*	*145*	*37*	*39*	*179*	*225*	*34*	*141*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21A)

5.2.10 Location was not considered to be a weakness.

5.2.11 Specific environmental advantages included:

- Attractive villages (81%);
- Rural setting (81%);
- Access to the countryside (81%).

5.2.12 Low earners and the young were less likely to mention the attractive villages and rural setting as a strength; the young were also less likely to mention access to the countryside.

5.2.13 The employed were more likely than those seeking work to appreciate all aspects of the environment, and those in the North were least likely to mention access to the countryside as a strength (76% compared with 81% overall).

Table 5.4 Environment- "Strong" features (By age and gender)

	Percentage of all respondents (by Age and Gender)						
	Total	18-24	25-39	40-59/64	60/65+	Male	Female
Environment in general	74	72	**67**	77	78	77	72
Rural setting	81	**66**	77	85	85	81	82
Attractive villages	81	**59**	79	85	86	83	80
Access to the countryside	81	**56**	78	**86**	85	80	82
None of the above	10	16	12	8	10	9	11
Number of respondents	*400*	*32*	*106*	*168*	*94*	*198*	*202*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21J)

Virtually nobody saw the environment as a weakness.

5.2.14 The housing advantages were:

- Quality (60%);
- Availability (52%);
- Affordability (28%).

5.2.15 Middle earners were most likely to think that affordable housing was a strength of South Cambridgeshire. The young were least likely to think that availability and quality of housing were strengths, and those above retirement age were most likely to cite quality and affordability of housing.

5.2.16 Those in the West were most likely to think that housing quality was a strength (67%, falling to 53% in the North). Those seeking employment were much less likely than the employed to see strengths in the housing market.

Table 5.5 Housing - "Strong" features (By age and gender)

	Percentage of all respondents (by Age and Gender)						
	Total	18-24	25-39	40-59/64	60/65+	Male	Female
Housing in general	62	**31**	65	63	66	63	61
Availability of housing	52	**28**	52	53	59	51	53
Quality of housing	60	**31**	61	59	**69**	62	57
Affordable housing	28	16	31	24	**37**	31	26
None of the above	28	**59**	28	26	23	27	30
Number of respondents	*400*	*32*	*106*	*168*	*94*	*198*	*202*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21L)

5.2.17 34% of urban residents thought the affordability of housing was a weakness. Those above retirement age were least likely to think the availability and affordability of housing were weaknesses. Those in the East and those seeking employment were most likely to see housing affordability (38% and 16% respectively) and availability (15% and 14%) as weaknesses.

Table 5.6 Housing- "Weak" features (By location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Employed	Seeking job	Not Seeking
Housing in general	5	8	3	10	**2**	5	**19**	**2**
Availability of housing	6	7	3	**15**	4	7	**16**	**1**
Quality of housing	3	5	7	8	**1**	3	**14**	1
Affordable housing	24	25	19	**38**	22	25	31	22
None of the above	72	70	78	**52**	**77**	72	**58**	76
Number of respondents	*400*	*145*	*37*	*39*	*179*	*225*	*34*	*141*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21L)

5.2.18 The retail and leisure advantages in South Cambridgeshire included:

- Cultural facilities (62%);
- Tourist facilities (61%);
- Leisure facilities (60%);
- Heritage facilities (60%);
- Village centres for services (57%);
- Hotel facilities (57%);
- Retail facilities (55%).

The youngest respondents were least likely to see the retail and leisure facilities as strengths.

5.2.19 Middle income earners were the most appreciative of village centres, hotel facilities, leisure and recreational facilities, heritage facilities and retail facilities. Rural residents were least likely to cite tourist facilities and village centres as strengths.

5.2.20 The employed were more likely than those seeking work to appreciate all aspects of the retail and leisure facilities. Those in the South valued leisure and recreational facilities, including sports, most (78% compared to an average of 60%). Those in the East were least likely to value hotel facilities (41% compared to an average of 57%). In all categories of retail and leisure facilities rural residents were more likely to be dissatisfied.

5.2.21 While residents in the South were most likely to see their retail and leisure facilities overall as a weakness (18% compared to 8% overall), residents in the East were more likely to have specific complaints, seeing tourist facilities (21%) and village centres (26%) as particular weaknesses. Those seeking work were most likely to be dissatisfied with a range of retail and leisure facilities.

5.2.22 The health and education factors most commonly rated as "strong" were:

- Schools (59%);
- Health services (58%);

- Higher education (57%).

5.2.23 Urban residents were significantly more likely to think the schools were good, and the lowest income residents were least likely to think the schools and higher education were strengths. The employed were more likely than those seeking work to appreciate all aspects of health and education.

Table 5.7 Health and Education- "Strong" features (By income and location)

	Percentage of all respondents (by Income and Location)						
	Total	<£20k	£20-49k	£50k+	Urban	Semi	Rural
Health and Education in General	58	54	60	61	65	57	57
Educational facilities (schools)	59	**43**	66	68	**72**	57	56
Educational facilities (higher education)	57	**41**	65	68	64	54	57
Health services	58	51	58	66	62	54	59
None of the above	28	**43**	27	20	**17**	32	29
Number of respondents	*400*	*35*	*92*	*40*	*62*	*128*	*210*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21K)

5.2.24 However, very few residents in any category saw health and education as a weakness. Those seeking work were most likely to complain, and health care was seen as more of a weakness in the South (19%) and the East (18%); schools were also most likely to be complained about in the East (10%).

Table 5.8 Health and Education- "Weak" features (By location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Employed	Seeking job	Not Seeking
Health and Education in General	5	3	7	**15**	4	5	**15**	2
Educational facilities (schools)	3	2	5	**10**	2	**2**	**12**	4
Educational facilities (higher education)	5	6	9	10	**2**	4	**20**	3
Health services	9	6	**19**	**18**	7	10	**20**	**4**
None of the above	88	90	**76**	**74**	**91**	87	**68**	**94**
Number of respondents	*400*	*145*	*37*	*39*	*179*	*225*	*34*	*141*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21K)

5.2.25 The image and reputation strengths were:

- Overall quality of life (58%);
- A sense of place (46%);
- South Cambridgeshire is on the map (42%).

5.2.26 The youngest respondents were least likely to see the image and reputation of South Cambridgeshire as strengths.

5.2.27 Those seeking work were less likely to be satisfied with all aspects of image and reputation than the employed and those not seeking work.

5.2.28 Those in the South were most likely to feel that quality of life was a strength (78%, compared to 58% overall). Those in the West were more likely to cite a sense of place (53%) and that South Cambridgeshire was on the map (49%), while those in the North were less likely to mention quality of life (45%), a sense of place (39%), or being on the map (33%) as strengths.

Table 5.9 Image/reputation- "Strong" features (By location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Em-ployed	Seeking job	Not Seeking
Image / reputation in general	49	**39**	**65**	46	**55**	50	**28**	52
A sense of place – South Cambridgeshire	46	**39**	54	36	**53**	49	**25**	47
South Cambridgeshire is on the map	42	**33**	51	32	**49**	43	**20**	45
Overall quality of life	58	**45**	**78**	64	63	**63**	**26**	59
Other	33	27	42	26	38	**37**	**14**	31
None of the above	37	**49**	**16**	36	32	**33**	**69**	36
Number of respondents	*400*	*145*	*37*	*39*	*179*	*225*	*34*	*141*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (q21o)

5.2.29 Rural residents sometimes mentioned the sense of place as a weakness (10%, compared to 3% of semi-urban residents). Those seeking work were much more likely to cite all aspects of image and reputation as weaknesses than the employed and those not seeking work.

5.2.30 The strengths of the transport network were perceived to be:

- Rail (38%);
- Airports (36%);
- Roads (32%);
- Bus service (18%).

5.2.31 The highly paid were most likely to value the airports (64%) and the rail network (54%). Those on middle incomes were most likely to value transport in general (51%) and the road network (43%).

5.2.32 Those in rural areas were most appreciative of the rail network (44%) and least likely to feel well served by buses (14%) and airports (30%). The oldest were most likely to appreciate the bus service (27%), and men were more likely than women to think the airports were a strength (41% compared with 31%).

5.2.33 The employed were significantly more likely than those seeking work to view the transport system as a strength (43% compared with 20%), and in particular to appreciate the rail system (44% compared with 17%). Those in the North were least likely to see the bus service as a strength (26%) and those in the East were least likely to be impressed by the trains (22%).

Table 5.10 Transport Network- "Strong" features (By income and location)

	Percentage of all respondents (by Income and Location)						
	Total	<£20k	£20-49k	£50k+	Urban	Semi	Rural
Transport network in general	38	32	**51**	43	37	37	40
Road	32	21	**43**	33	24	32	35
Rail	38	23	46	**54**	31	32	**44**
Bus service	18	19	22	20	20	**23**	**14**
Airports	36	**18**	40	**64**	43	**43**	**30**
None of the above	38	48	**26**	**24**	36	39	38
Number of respondents	*400*	*35*	*92*	*40*	*62*	*128*	*210*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21F)

5.2.34 The main weaknesses of the transport system were:

- Bus services (30%);
- Roads (21%);
- Rail (14%).

The well paid were most likely to think transport was a weakness (17%) and were particularly likely to cite the roads (34%). Women were more likely than men to think the bus service was a weakness (35% compared to 25%).

5.2.35 Those in the East were most likely to highlight transport weaknesses, specifically buses (49%) and trains (26%). The buses were least likely to be seen as a weakness in the North (19%). Those seeking work were the most likely to see the roads (37%) and trains (32%) as weaknesses.

Table 5.11 Transport Network- "Weak" features (By location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Em-ployed	Seeking job	Not Seeking
Transport network in general	8	5	8	**21**	7	9	9	5
Road	21	20	30	31	17	19	**37**	20
Rail	14	13	18	**26**	12	13	**32**	12
Bus service	30	**19**	42	**49**	34	32	28	28
Airports	4	3	0	5	4	3	5	4
None of the above	58	**70**	**41**	**41**	55	59	49	59
Number of respondents	*400*	*145*	*37*	*39*	*179*	*225*	*34*	*141*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21F)

5.2.36 The social environment strengths were:

- Voluntary and charitable activities (39%);
- Safety and security (31%);
- Race relations (30%, rising to 47% in the highest income band).

5.2.37 Those over retirement age were most likely to see voluntary and charitable activities and race relations as strengths, and the 25-39 age band was the least likely to appreciate voluntary and charitable activities.

5.2.38 The employed were more likely than those seeking work to appreciate most aspects of the social environment.

Table 5.12 Social environment- "Strong" features (By location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Em-ployed	Seeking job	Not Seeking
Social environment in general	37	35	50	39	35	**43**	26	31
Race relations	30	29	30	27	32	32	**14**	30
Crime (actual / perception)	22	21	19	25	22	23	14	21
Voluntary and charitable activities	39	35	46	42	41	43	**22**	38
Safety / security	31	31	22	32	33	**35**	**12**	29
None of the above	48	50	39	44	48	44	**64**	49
Number of respondents	*400*	*145*	*37*	*39*	*179*	*225*	*34*	*141*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (q21N)

5.2.39 The social environment weaknesses were:

- Crime (14%, rising to 25% of low earners);

- Safety and security (12%).

5.2.40 Rural residents were significantly more concerned about race relations than urban and semi-urban residents (12%, compared to 4% in semi-urban environments), and were most likely to see the voluntary and charitable sector as a strength (6%).

5.2.41 Those seeking employment were significantly more critical of all aspects of the social environment than those who were employed or not seeking work.

Table 5.13 Social environment- "Weak" features (By location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Em-ployed	Seeking job	Not Seeking
Social environment in general	4	6	5	5	2	3	**17**	3
Race relations	8	10	7	8	6	7	**26**	5
Crime (actual / perception)	14	17	11	21	11	**9**	**42**	15
Voluntary and charitable activities	4	6	3	3	3	3	**20**	**1**
Safety / security	12	12	16	21	8	**7**	**39**	13
None of the above	81	80	77	72	84	**85**	**55**	80
Number of respondents	*400*	*145*	*37*	*39*	*179*	*225*	*34*	*141*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (q21N)

5.2.42 The labour market strengths were

- Range of jobs (27%);
- Status of jobs (27%);
- Salaries (26%);
- Availability of training (23%).

5.2.43 Men were more likely than women to see all aspects of the labour market as strengths. Those between 40 and retirement age were most appreciative of the status of jobs and the availability of training, and those under 24 were least likely to see these as strengths.

5.2.44 The employed were much more likely than those seeking work to cite the status of jobs (33% compared to 6%) and training (28% compared to 9%) as strengths. The highest paid were most likely to see all these aspects of the labour market as strengths.

Table 5.14 Labour market- "Strong" features (By income and location)

	Percentage of all respondents (by Income and Location)						
	Total	<£20k	£20-49k	£50k+	Urban	Semi	Rural
Labour market in general	33	27	**43**	**47**	26	36	33
Availability – quantity of labour/range of jobs	27	19	34	**42**	22	32	26
Quality of labour//status of jobs	27	21	35	**45**	24	34	25
Willingness to work / train/availability of training	23	13	**31**	**40**	25	27	20
Cost of labour/salaries	26	19	31	**46**	22	31	24
None of the above	57	67	**45**	**39**	61	53	58
Number of respondents	*400*	*35*	*92*	*40*	*62*	*128*	*210*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21I)

5.2.45 Fewer respondents thought the local labour market was a weakness, and those who did were predominantly lower income and those seeking work. Weaknesses were:

- Range of jobs (16%, rising to 31% of the low paid and 59% of those seeking work);
- Availability of training (16%, rising to 29% of the low paid and 53% of jobseekers);
- Status of jobs (14%, rising to 29% of the low paid and 62% of jobseekers);
- Salaries (14%, rising to 29% of the low paid and 56% of jobseekers).

The youngest respondents were most likely to cite labour market weaknesses. Those in the West were least likely to complain about the range of available jobs (11%) and the availability of training (11%).

5.2.46 The strengths and weaknesses of South Cambridgeshire as a residential location are summarised in Panel 5.2 and Panel 5.3 below.

Panel 5.2 Strengths as a residential location

Location (75%):

- Proximity to Cambridge (80%);
- Proximity to University (73%);
- Proximity to London (62%);
- Proximity to South East (62%).

Environment (74%):

- Attractive villages (81%);
- Rural setting (81%);
- Access to the countryside (81%).

Housing (62%):

- Quality (60%);
- Availability (52%);
- Affordability (28%).

Retail and leisure (59%):

- Cultural facilities (62%);
- Tourist facilities (61%);
- Leisure facilities (60%);
- Heritage facilities (60%).

Health and education (58%):

- Schools (59%);
- Health services (58%);
- Higher education (57%).

Image and reputation (49%):

- Overall quality of life (58%);
- A sense of place (46%);
- South Cambridgeshire is on the map (42%).

Transport (38%):

- Rail (38%);
- Airports (36%);
- Roads (32%).

Social environment (37%):

- Voluntary and charitable activities (39%);
- Safety and security (31%);
- Race relations (30%, rising to 47% in the highest income band).

Labour market (33%):

- Range of jobs (27%);
- Status of jobs (27%);
- Salaries (26%).

Panel 5.3 Weaknesses as a residential location

Labour market (10%):

- Range of jobs (16%, rising to 31% of the low paid and 59% of those seeking work);
- Availability of training (16%, rising to 29% of the low paid and 53% of jobseekers);
- Status of jobs (14%, rising to 29% of the low paid and 62% of jobseekers);
- Salaries (14%, rising to 29% of the low paid and 56% of jobseekers).

Transport (8%): ● Bus service (30%); ● Roads (21%); ● Rail (14%).
Retail and leisure (8%): ● Retail facilities (18%); ● Village centres for services (14%); ● Tourist facilities (10%); ● Hotel facilities (10%).
Image and reputation (6%): ● South Cambridgeshire is on the map (8%); ● A sense of place (7%).
Housing (5%): ● Affordability (24%); ● Availability (6%).
Health and education (5%): ● Health services (9%); ● Higher education (5%).
Social environment (4%): ● Crime (14%, rising to 25% of low earners); ● Safety and security (12%).

5.3 Key policy issues

5.3.1 Few residents (7%) thought the economic downturn might provide opportunities for businesses, although this rose to 17% in the high income band. Respondents over the retirement age were least likely to think that the recession might provide business opportunities, and men were more likely than women to feel that no business opportunities would be presented. Those who were seeking work were more likely to think the recession would provide no opportunities (57%, compared with 38% overall), and much less likely to have no opinion (37% compared to 54%).

Table 5.15 Do you think the economic downturn will provide any opportunities for businesses in South Cambridgeshire? (By age and gender)

	Percentage of all respondents (by Age and Gender)						
	Total	18-24	25-39	40-59/64	60/65+	Male	Female
Yes	7	7	8	10	3	8	7
No	38	23	31	40	**48**	**44**	**33**
Don't know	54	70	61	51	49	**49**	**60**
Number of respondents	*398*	*30*	*106*	*168*	*94*	*196*	*202*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q26A1)

5.3.2 Opportunities which were suggested included:

- Small start ups (43%);
- Opportunities for adaptable firms (20%);
- More labour available (17%);
- Exports and tourism (13%).

5.3.3 A higher proportion of residents thought the recession would reduce business opportunities. Residents in semi-urban areas were most likely to think opportunities would be reduced, and residents in rural areas were most likely to think they would not be reduced.

5.3.4 Opportunities which residents suggested would be reduced included:

- Fewer jobs, and job losses (38%);
- Businesses closing (36%);
- Less money being spent (21%).

Rural residents were least likely to be worried about less money being spent.

Table 5.16 Do you think the economic downturn will reduce any opportunities for businesses in South Cambridgeshire? (By income and location)

	Percentage of all respondents (by Income and Location)						
	Total	<£20k	£20-49k	£50k+	Urban	Semi	Rural
Yes	25	21	23	21	21	**34**	**20**
No	8	0	12	10	9	**3**	**11**
Don't know	67	79	66	69	71	63	68
Number of respondents	*398*	*35*	*91*	*40*	*62*	*128*	*208*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q26A2)

5.3.5 Residents were asked about their environmental policies and actions.

- Equipment is energy efficient (e.g. boiler) (31% fully, 86% fully or partially);

- Home is energy efficient (e.g. insulated) (28% fully, 86% fully or partially);
- Energy efficient practices in place (e.g. equipment switched off) (22% fully, 84% fully or partially);
- Use of water is minimised (11% fully, 69% fully or partially);
- Use of energy is monitored (9% fully, 41% fully or partially).

5.3.6 Those with the highest earnings were most likely to claim full energy efficiency. Rural dwellers were least likely to think their homes were energy efficient (23%) and semi-urban residents were most likely to say they fully minimised their use of water (20%) and monitored their energy usage (16%).

5.3.7 Those in the South were most likely to claim their houses and equipment were fully energy efficient (53%). Those in the North were most likely to claim their water use was fully minimised (16%) and their energy use was fully monitored (14%).

5.3.8 Those seeking work were least likely to say their houses (11%) and equipment (14%) were fully efficient, were least likely to claim fully energy efficient practices (9%), and most likely to answer "none of the above" (83%).

5.3.9 When asked about full or partial energy efficiency, the middle earners were significantly more likely to have made some efforts towards energy efficiency, and semi-urban residents were most likely to minimise transport use (22%), use low energy transport (46%), monitor their energy use (59%) and minimise their water use (85%). Few residents used renewable energy (11%).

5.3.10 The employed were significantly more likely than the self-employed to have undertaken energy efficiency measures, with 90% claiming that their home and their equipment was at least partially energy efficient. This fell to 17% of the employed claiming they didn't make unnecessary journeys.

5.3.11 Residents living in the South were consistently the most likely to have made at least partial attempts at energy efficiency, and those in the West were the least likely to.

Panel 5.4 Key policy issues
7% thought the recession might provide opportunities for businesses: • Small start ups (43%); • Opportunities for adaptable firms (20%); • More labour available (17%); • Exports and tourism (13%).
Opportunities which residents suggested would be reduced included: • Fewer jobs, and job losses (38%); • Businesses closing (36%); • Less money being spent (21%).
Residents were asked about their environmental policies and actions.

- Equipment is energy efficient (e.g. boiler) (31% fully, 86% fully or partially);
- Home is energy efficient (e.g. insulated) (28% fully, 86% fully or partially);
- Energy efficient practices in place (e.g. equipment switched off) (22% fully, 84% fully or partially);
- Use of water is minimised (11% fully, 69% fully or partially);
- Use of energy is monitored (9% fully, 41% fully or partially).

5.4 Key priority actions

5.4.1 Residents were asked what key priority actions should be taken in South Cambridgeshire to support businesses, enhance the transport system, stimulate sustainable communities, and improve quality of life.

5.4.2 To stimulate inward investment, residents wanted:

- Lower business rates (40%, rising to 48% of the employed);
- Training provision (13%);
- Grants (11%, rising to 20% of the 25–39 age group).

Table 5.17 Key priority actions to be taken in South Cambridgeshire to stimulate inward investment (By location and employment status)

	Percentage of all respondents (by Location and Employment status)							
	Total	North	South	East	West	Employed	Seeking job	Not Seeking
Lower business rates	40	38	43	56	39	**48**	n/a	**30**
Training provision	13	12	11	10	14	10	n/a	19
Provide grants	11	10	11	10	13	12	n/a	8
Curb supermarket growth	6	5	4	0	8	5	n/a	6
Help the pub trade as part of the community	5	6	11	0	2	5	n/a	5
Lower rents	5	5	0	5	6	7	n/a	2
Tax breaks	4	5	8	0	2	4	n/a	3
Support young people in the job market	4	4	4	14	2	2	n/a	**9**
Better pay for apprenticeships	4	4	4	0	5	4	n/a	5
Number of respondents	*210*	*79*	*27*	*20*	*85*	*132*	*15*	*63*

A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q28A)

5.4.3 To improve the transport system, residents wanted:

- Improved bus services (45%, rising to 51% of women, 59% of middle earners and 60% of rural residents);
- Regular buses (17%);
- Reduced congestion on the A14 (10%, rising to 22% of high earners and 18% of semi-urban residents);

- A bus to the station (10%, rising to 18% of rural residents).

5.4.4 16% of urban residents wanted shelters at their bus stops. 16% of those seeking jobs asked for cheaper buses.

5.4.5 Residents in the West were most likely to ask for better bus services (53%), but did not in general ask for shelters at bus stops (2%). In the North, residents wanted better buses (37%) and reduced congestion on the A14 (8%). In the South residents wanted regular buses (36%), and in the East residents wanted more bus routes (10%) and shelters at bus stops (17%).

5.4.6 To stimulate sustainable communities, residents wanted:

- Increased policing (37%);
- Better NHS/health provision (25%);
- More council houses (20%);
- Affordable housing (18%);
- Better healthcare/doctor/dentist provision locally (8%).

5.4.7 Women were more likely than men to want better health provision (33% compared with 17%), and those over retirement age were more likely to want more council houses (32%).

5.4.8 Those in the North were less likely to want better health care services (3%), but more likely to want drug-enforcement action against travellers (6%). Rural residents were most likely to want better health provision (34%) and more council houses (26%). Semi-urban residents wanted affordable housing (25%). High income earners particularly wanted more council houses (42%).

5.4.9 To improve the quality of life, residents wanted:

- Better bin collection (23%, rising to 34% of middle income earners);
- Better landscaping of public areas (14%, rising to 22% in the West).

8% in the North asked for financial support for community facilities.

5.4.10 Additional comments included:

- Stop the pubs closing (13%);
- Get rid of traveller sites (12%, rising to 29% in the North).

Panel 5.5 Key priority actions

To stimulate inward investment, residents wanted:

- Lower business rates (40%, rising to 48% of the employed);
- Training provision (13%);
- Grants (11%, rising to 20% of the 25–39 age group).

To improve the transport system, residents wanted:

• Improved bus services (45%, rising to 51% of women, 59% of middle earners and 60% of rural residents); • Regular buses (17%); • Reduced congestion on the A14 (10%, rising to 22% of high earners and 18% of semi-urban residents); • A bus to the station (10%, rising to 18% of rural residents).
To stimulate sustainable communities, residents wanted: • Increased policing (37%); • Better NHS/health provision (25%); • More council houses (20%); • Affordable housing (18%).
To improve the quality of life, residents wanted: • Better bin collection (23%, rising to 34% of middle income earners); • Better landscaping of public areas (14%, rising to 22% in the West).

6 The Survey of Businesses

6.1 Contact Details and Business Characteristics

6.1.1 As part of the research, interviews were we conducted with local businesses on their business aspirations, the constraints they faced, the strengths and weaknesses of South Cambs as a business location and the related policy issues and priorities. The discussions were carried out by telephone using a structured questionnaire, with contact details being sourced from a business directory.

6.1.2 The businesses interviewed represented all sectors of the economy. A high proportion of larger businesses were interviewed as they affect substantial numbers of employees and exert a substantial influence on the economy; however, the survey results presented in this chapter have been weighted to be representative of the South Cambridgeshire economy as a whole. A summary of the characteristics of businesses in shown in Panel 6.1 below.

Panel 6.1 Businesses: Summary
Company sector: ● All sectors of the economy were covered.
Company status: ● 79% independent; ● 12% branch; ● 4% subsidiary of UK company.
Company history: ● 74% started trading in South Cambridgeshire. ● 13% had been trading in South Cambridgeshire for more than thirty years. ● 97% plan to stay in South Cambridgeshire. ● 59% own their premises.
Companies located in South Cambridgeshire in order to be close to: ● Cambridge (32%); ● The rest of Cambridgeshire (16%); ● The rest of the Eastern region (11%).
Companies located in South Cambridgeshire because of the: ● Availability of premises (37%); ● Family reasons (15%); ● Housing (11%); ● Quality of life (11%).
Company owners are:

- Male (78%);
- Aged 40 to retirement age (69%)

6.1.3 For the rest of this chapter, the results are disaggregated by industrial sector as follows:

- Primary – Agriculture and low-tech manufacture
- Construction
- High-tech
- Tourism and leisure
- Wholesale, retail, and transport
- Finance and business services
- Health and education

While high-tech manufacturing concerns (including biotechnology) have been successful in South Cambridgeshire, there is an increasing policy focus upon the so-called "white van" industries – small businesses and sole tradesmen in the construction and low-tech manufacturing sectors. These companies will be working from small premises or from home; their numbers are difficult to ascertain from official surveys, they may be particularly sensitive to macro-economic conditions, and their business support needs may require individual attention, yet they make up a sizable fraction of the local economy.

6.2 Business objectives and prospects

6.2.1 Towards half the businesses (44%) were aiming to grow moderately in the short term, with only 2% aiming to grow rapidly. 41% were intending to stay the same size. 7% of businesses overall and 21% of tourism and leisure businesses said their short term aim was survival. The full range of responses, disaggregated by industrial sector, is shown in Table 6.1 below.

Table 6.1 SHORT TERM ambitions or objectives for the business

	Percentage of all respondents (by sector)							
	Total	Primary: trad manu	Construction	High Tech	Tourism Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health Educ-ation
Grow moderately	44	49	52	41	43	46	45	32
Stay the same size	41	30	29	47	36	41	43	**60**
Survive	9	7	13	3	**21**	11	5	3
Consolidate	2	7	0	2	0	2	3	3
Grow rapidly	2	3	3	6	0	0	2	3
Grow smaller	1	5	3	2	0	0	2	0
Number of respondents	*386*	*28*	*42*	*45*	*45*	*70*	*124*	*32*

A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q14A)

6.2.2 In the long term the proportion of businesses aiming to grow rose to 61% (including 4% wishing to grow rapidly). 30% of businesses have the long-term aim of wishing to stay the same size, although only 8% of businesses in primary industries had this aim. Public sector organisations were most likely to expect to stay the same size in the long term (60%, compared to 32% expecting to grow), reflecting their differing growth characteristics and reliance on centralised funding.

6.2.3 The smallest businesses were less likely to be aiming to grow in the long term, and more likely to intend to stay the same size (40%, compared with 30% overall.

Table 6.2 LONG TERM ambitions or objectives for the business

	Percentage of all respondents (by sector)							
	Total	Primary: trad manu	Construction	High Tech	Tourism Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health Education
Grow moderately	57	71	66	82	48	56	53	**32**
Stay the same size	30	**8**	21	8	31	31	38	**60**
Survive	5	5	7	1	**17**	8	1	3
Grow rapidly	4	3	7	6	0	4	3	3
Consolidate	2	7	0	2	3	1	2	3
Grow smaller	1	6	0	2	0	0	2	0
Number of respondents	*383*	*27*	*40*	*45*	*45*	*70*	*124*	*32*

A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q14B)

6.2.4 The most important business objectives were to increase turnover (50%), increase profit margins (27%), and stabilise existing business (20%). The smallest companies were the least likely to be aiming for increased turnover (36%) or increased employment (6%). The largest companies were the most likely to be aiming to reduce or manage costs (29%) and increase productivity (28%).

6.2.5 Tourism and leisure companies were more likely than others to want to stabilise their business (45%, compared to 20% overall) and reduce or manage costs (28%, compared to 12%). Professional and business services were the most likely to want to increase rewards for directors (28%, compared with 14% overall and none in the public sector), and other business services were most likely to want to increase profit margins (54%). Other targets given included establishing a product and increasing market share.

6.2.6 Larger firms tended to be more focussed on increasing profit margins, reducing costs, increasing productivity and employment, and increasing exports, than smaller firms.

6.2.7 72% of businesses expected turnover to stay the same over the next six to twelve months, rising to 82% of the smallest businesses. Overall 23% expected to grow or grow rapidly, including 12% of the smallest businesses and 33% of those with 10–24 employees. The largest companies were most likely to expect their turnover to grow in the short term.

6.2.8 60% of those in primary industries expected their turnover to stay the same, and 14% expected it to decline (compared with 5% overall).

6.2.9 59% of businesses expected their employment to stay the same over the next six to twelve months, and 37% expected it to grow or grow rapidly. The smallest businesses were least likely to expect their employment to grow, and the largest companies were much more likely to expect this.

6.2.10 Two thirds of businesses expected their productivity to stay the same over the next six to twelve months, and 30% expected it to grow or grow rapidly. The smallest businesses were most likely to expect productivity to stay the same and least likely to expect it to grow. Those with 50 or more employees were most likely to expect productivity to grow (51% compared to 30% overall).

Panel 6.2 Business objectives

Short term:

- 44% expected to grow moderately or rapidly;
- 41% expected to stay the same size;
- 7% hoped to survive.

Long term:

- 61% expected to grow moderately or rapidly;
- 30% expected to stay the same size;
- 5% hoped to survive.

The most important business objectives were:

- to increase turnover (50%);
- to increase profit margins (27%);
- and to stabilise existing business (20%).

Over the next six to twelve months:

- 73% expected turnover to stay the same, and 22% expected it to grow;
- 58% expected employment to stay the same, and 35% expected it to grow;
- 67% expected productivity to stay the same, and 29% expected it to grow.

The largest companies were

- Most likely to expect to grow;
- Most focussed on profits, productivity, and cost reduction.

6.3 Business Constraints

6.3.1 Businesses were asked about the factors that constrained their ability to meet their objectives. The commonest constraints were:

- Economy and finance (55%, though only 41% of finance and business service companies, and as much as 69% of wholesale, retail, and transport companies);
- Costs (35%, rising to 57% of wholesale, retail and transport businesses);
- Sites and premises (26%, rising to 45% in the tourism and leisure sector but including only 10% of primary industries).

6.3.2 Technology and innovation was felt to be a particular constraint in the health and education sector (16%).

Table 6.3 Which of the following issues limit or constrain your firm's ability to meet the ambitions/ objectives of your business? Summary (By sector)

	Percentage of all respondents (by sector)							
	Total	Primary: trad manu	Constr uction	High Tech	Tourism Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health Educ-ation
Economy/finance	55	50	72	64	64	**69**	**41**	41
Costs	35	39	25	15	45	**57**	28	42
Sites/premises	26	**10**	22	6	**45**	29	26	38
Business support	8	9	13	5	12	9	5	13
Transport	20	13	**6**	15	22	31	20	26
Technology/innovation	6	10	13	2	0	4	4	**16**
Other	6	8	13	0	3	10	4	3
None of the above	0	0	0	0	0	0	0	0
Number of respondents	*390*	*28*	*44*	*45*	*45*	*70*	*126*	*32*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (q18s)

6.3.3 The main economic constraints mentioned by businesses were:

- Economic and market uncertainty (41%, rising to 63% amongst construction firms);
- Low demand for products and services (30%);
- Lack of confidence in prospects (30%, rising to 44% of businesses with 5–9 employees);
- Cash flow issues (27%);
- Lack of finance (24%);
- Increasing competition (18%).

Lack of confidence in prospects was a particular problem in the construction and tourism and leisure sectors (47% and 48% respectively).

6.3.4 The greatest perceived cost constraints were:

- Cost of energy (24%);
- Cost of goods and services (19%, rising to 37% for businesses with 25–49 employees);

- Cost of premises (17%);
- Cost of labour (13%).

Wholesale, retail and transport companies felt most constrained by costs, particularly energy (39%), goods and services (37%), and other costs (32%). The public sector was the most likely to complain about labour costs (27%).

6.3.5 Constraints related to sites and premises included:

- Transport and access (11%);
- Planning policies (9%);
- Quality of sites and premises (7%);
- Parking (7%).

Businesses with 25–49 employees were most likely to complain about almost all aspects of sites and premises. Tourism and leisure companies were most likely to feel constrained by transport and access (29%), planning policies (22%), and quality of sites and premises (21%). Public sector organisations were most likely to feel constrained by parking (30%), planning policies (20%), and accessibility (17%).

6.3.6 Business support constraints were rarely mentioned, although 6% felt a lack of external business support and advice.

6.3.7 Transport constraints included:

- Road (17%);
- Bus service (7%, rising to 26% in the public sector);
- Rail (4%).

The largest businesses were very much more likely to say they were constrained by transport issues.

6.3.8 Few businesses mentioned technological constraints, although those in primary industries had a tendency to feel constrained by digital infrastructure (10%) and ICT equipment (9%). 18% of businesses with 25–49 employees said they were constrained by digital infrastructure. 10% of those with 5–9 employees said they were constrained by workforce skills.

6.3.9 The constraints most commonly mentioned were the economy and finance (55%, including only 41% of finance and business service companies but 69% of wholesale, retail, and transport firms), costs (35%, rising to 57% of wholesale, retail, and transport businesses), and sites/premises (26%, falling to 10% amongst primary industries but as much as 45% of tourism and leisure companies). 23% of businesses in primary industries felt constrained by labour and skills, compared to 10% overall.

Panel 6.3 Business constraints

Economy and finance (55%):

- Economic and market uncertainty (41%);
- Low demand for products and services (30%);
- Lack of confidence in prospects (30%);
- Cash flow issues (27%).

Costs (35%):

- Cost of energy (24%);
- Cost of goods and services (19%);
- Cost of premises (17%).

Sites and premises (26%):

- Transport and access (11%);
- Planning policies (9%);
- Quality of sites and premises (7%);
- Parking (7%).

6.4 Strengths and Weaknesses of South Cambridgeshire

6.4.1 Businesses were asked for their perceptions of the strengths and weaknesses of South Cambridgeshire as a business location in order to inform policy creation and future business support requirements. The major strengths were:

- Environment (59%, but only 34% of construction firms);
- Location in general (56%);
- Retail and leisure (45%, rising to 77% of high tech businesses but only a quarter of primary and construction firms).

6.4.2 The largest businesses, with over 50 employees, were the least likely to mention the location as a strength (31%, compared to 56% overall), and the most likely to mention the transport network (36% compared to 16%) and the labour market (62% compared to 32%). Businesses with 25–49 employees were the most likely to mention business support (24% compared with 9%) and housing in general (48% compared with 30%). The smallest companies were least likely to mention the transport network and business support as strengths, and most likely to mention image/reputation in general (50%, compared to 41%).

6.4.3 Those in the public sector were more likely to see health and education, housing, and business support as strengths. Businesses in the primary industries were less likely to mention strengths across the board.

6.4.4 The overall cost base was most important to high tech companies (40%). Financial and business services were enthusiastic about the economic base (44%) and housing (47%).

Table 6.4 Overall, what do you think the main strengths and weaknesses are of the local area as a business location? Summary: Percentage responding "Strong" (By sector)

	Percentage of all respondents (by sector)							
	Total	Primary : trad manu	Construction	High Tech	Tourism Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health Education
Location in general	56	44	50	76	43	47	63	52
Overall cost base	18	11	9	**39**	**0**	19	24	7
Land / sites in general	15	20	13	23	10	10	19	3
Premises in general	17	12	16	**37**	5	14	18	8
Business support in general	9	9	6	22	10	6	3	**20**
Transport network in general	16	14	9	23	19	23	13	15
Business activities/economy in general	25	15	**9**	46	10	17	**37**	19
The economic base / activity	30	18	**9**	50	19	20	**45**	23
Labour market in general	32	30	**13**	50	24	30	38	23
Environment in general	59	60	**34**	75	62	50	63	63
Health and Education in General	43	35	**25**	53	29	38	49	**63**
Housing in general	30	35	**13**	31	29	21	35	**50**
Retail and Leisure in general	45	**29**	**25**	**77**	33	42	52	44
Social environment in general	30	19	16	52	24	22	40	20
Image / reputation in general	41	32	**19**	53	45	37	48	45
None of the above	19	26	**41**	8	16	27	14	6
Number of respondents	*390*	*28*	*44*	*45*	*45*	*70*	*126*	*32*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21S)

6.4.5 Fewer businesses perceived weaknesses in all categories. 10% mentioned business support as a weakness, rising to 22% of tourism and leisure organisations. 10% of businesses with 5-9 employees cited the economic base as a weakness.

Table 6.5 Overall, what do you think the main strengths and weaknesses are of the local area as a business location? Percentage responding "Summary: Weak" (By sector)

	Percentage of all respondents (by sector)							
	Total	Primary: trad manu	Construction	High Tech	Tourism Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health Education
Location in general	0	0	0	2	0	0	0	0
Overall cost base	1	7	3	0	0	0	0	0
Land / sites in general	1	0	0	0	0	2	1	0
Premises in general	1	0	3	2	0	1	2	0
Business support in general	10	12	13	2	**22**	14	6	3
Transport network in general	9	7	3	7	12	14	8	5
Business activities/economy in general	1	8	0	0	0	1	2	0
The economic base / activity	4	8	9	0	7	5	3	0
Labour market in general	2	9	0	2	3	0	1	0
Environment in general	0	0	0	2	0	0	0	0
Health and Education in General	1	0	0	2	0	0	1	6
Housing in general	5	1	6	2	3	4	8	0
Retail and Leisure in general	2	1	6	2	0	6	1	3
Social environment in general	1	6	0	2	0	4	0	0
Image / reputation in general	1	0	3	2	0	0	0	0
None of the above	74	72	66	84	69	68	76	84
Number of respondents	*390*	*28*	*44*	*45*	*45*	*70*	*126*	*32*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21S)

Location

6.4.6 The main locational strengths were:

- Proximity to customers and markets (51%);
- Proximity to Cambridge (48%);
- Proximity to the South East (47%);
- Proximity to London (46%);
- Proximity to the University (38%, rising to 47% of the smallest businesses and 70% of high tech organisations);
- Proximity to employers (37%).

6.4.7 The largest companies were the least likely to appreciate the locational strengths. Tourism and leisure companies were least likely to value proximity to other areas as a strength. Very few businesses perceived locational weaknesses.

Costs

6.4.8 The cost strengths were:

- Premises (26%);
- Local skills and labour supply (21%);
- Land (20%, including 43% of high tech businesses).

6.4.9 High tech organisations were also enthusiastic about goods and services (43%), the overall cost base (39%), and transport (39%).

6.4.10 No tourism and leisure companies thought the overall cost base or transport were strengths, and only 4% thought that local skills and labour supply were strengths.

Table 6.6 Costs: Percentage responding "Strong")

	Percentage of all respondents (by sector)							
	Total	Primary : trad manu	Constr uction	High Tech	Tourism Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health Educ-ation
Premises	26	24	16	47	22	26	26	16
Local skills and labour supply	21	17	13	33	**4**	21	**30**	10
Land	20	11	13	**43**	5	18	26	7
Goods / services	19	13	9	**43**	5	13	26	10
Overall cost base	18	11	9	**39**	**0**	19	24	7
Transport	16	18	9	**39**	**0**	12	16	25
Business rates	11	7	9	20	5	10	15	3
Number of respondents	*386*	*28*	*44*	*45*	*43*	*70*	*125*	*32*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q21B)

6.4.11 Fewer businesses mentioned costs as a local weakness. Those which were cited included:

- Business rates (18%);
- Transport (12%);
- Premises (3%);
- Goods/services (3%).

Land and sites

6.4.12 Land and sites strengths were:

- Availability (20%);
- Quality and condition (17%);
- Cost (leasing 12% and buying 10%).

6.4.13 Land and sites weaknesses were:

- Availability (2%);

- Quality and condition (2%);
- Cost (leasing 3% and buying 1%).

6.4.14 Those in construction industries were most likely to see the leasing cost of land as a weakness (9%), and wholesale retail and transport firms were most likely to see quality as a weakness (6%)

Premises

6.4.15 The main premises strengths were:

- Environment (32%);
- Accessibility (21%);
- Quality and condition (21%);
- Size (19%);
- Availability (16%);
- Security (15%);
- Planning policies (13%);
- Cost to rent (13%);
- Cost to buy (11%).

6.4.16 High tech organisations were most likely to see planning policies (37%) and availability (39%) as strengths. Construction firms were the most likely to say that there were no particular strengths (78%)

6.4.17 Few premises-related weaknesses were given:

- Planning policies (8%, rising to 28% of tourism and leisure businesses);
- Quality and condition (3%);
- Security (3%).
- Cost to rent (3%, rising to 10% of primary industries)

Business support

6.4.18 Business support strengths are:

- Council policy towards business (8%);
- Council business support (8%);
- Other policies towards business (7%);
- Other business support (7%);
- Training/skills development issues (6%).

6.4.19 Businesses with 25-49 employees were most enthusiastic about all aspects of business support. Public sector organisations were the most enthusiastic about training and skills development issues, other policies towards businesses, and other business support (all 17%).

6.4.20 More businesses saw business support as a weakness rather than a strength. Specific aspects were:

- Council policy towards business (16%);
- Council business support (14%).

6.4.21 The public sector was least likely to complain about the council's policy on businesses.

Transport

6.4.22 Transport strengths were:

- Rail (20%);
- Road (18%);
- Airports (18%, rising to 31% of businesses with 5–9 employees);
- Bus service (14%).

6.4.23 Weaknesses in the transport network were seen to be:

- Roads (23%);
- Buses (18%, rising to 49% of the largest companies and 44% of organisations in the public sector).

Economy

6.4.24 Strengths of the South Cambridgeshire economy and business activities in general included:

- Culture for innovation (31%);
- Entrepreneurial business culture (31%);
- Networking between business clusters (28%);
- Key sectors/clusters (27%);
- Collaboration between businesses (28%);
- General offer (24%, falling to 5% of tourism and leisure companies).

6.4.25 Construction firms were least likely to see any aspects of the local economy as strengths, and high tech companies and other business services were most likely to cite economic strengths.

6.4.26 Few companies saw the South Cambridgeshire economy as a weakness.

Labour market

6.4.27 Labour market strengths included:

- Availability of labour/jobs (35%);
- Quality of labour/jobs (35%);
- Willingness to work and train, and availability of training (34%);
- Cost of labour (27%).

6.4.28 The largest companies were most likely to see all aspects of the labour market as strengths. The smallest businesses were least impressed with the availability of labour and willingness to work.

6.4.29 Those in the primary industries were least likely to see most aspects of the labour market as strengths.

6.4.30 Few businesses cited weaknesses in the labour market, although 11% in the primary industries complained about the quality and cost of labour. The larger companies sometimes complained about the quality of labour.

Environment

6.4.31 Environmental strengths were:

- Attractive villages (64%);
- Rural setting (63%);
- Access to the countryside (59%, rising to 82% in the public sector but including only 38% of tourism and leisure businesses).

6.4.32 Virtually no companies saw environmental factors as a weakness.

Health and education

6.4.33 Health and education strengths were:

- Higher education (43%);
- Schools (41%);
- Health services (41%).

6.4.34 The largest companies were most likely to value these aspects of health and education (64% each). Businesses with 10–24 employees were least likely to value them.

6.4.35 Businesses in the primary sector were least likely to value all aspects of health and education services. Public sector respondents were the most positive about all aspects of health and education.

6.4.36 Virtually no companies saw health and education services as a weakness.

Housing

6.4.37 Housing strengths were:

- Quality (30%);
- Availability (28%);
- Affordability (17%).

6.4.38 Medium sized companies were least likely to see the availability of housing as a strength (14%), and those in other business services were most likely to see availability as a strength (46%).

6.4.39 Fewer businesses saw housing as a weakness:

- Affordability (15%);
- Availability (5%, rising to 13% of professional business services);
- Quality (2%, rising to 9% of professional business services).

Retail and leisure

6.4.40 The key retail and leisure strengths were:

- Retail facilities (48%);
- Heritage facilities (48%);
- Cultural facilities (libraries, museums, theatres) (47%);
- Leisure and recreational facilities, including sport (46%);
- Tourist facilities (46%);
- Hotel facilities (46%);
- Village centres for services (45%).

6.4.41 Primary industry businesses were least likely to value all aspects of the retail and leisure offer, and the high tech sector valued them most.

6.4.42 Few businesses cited the retail and leisure facilities as a weakness:

- Retail facilities (4%);
- Cultural facilities (2%);
- Hotel facilities (2%);
- Leisure and recreational facilities (2%).

Social environment

6.4.43 The social environment strengths were:

- Safety and security (29%, rising to 37% of the smallest businesses and 47% of professional business services);
- Voluntary and charitable activities (29%);
- Crime (27%);
- Race relations (23%, rising to 47% in the high tech sector).

6.4.44 Businesses with 10–24 employees were less likely to value safety (15%), crime (15%), and voluntary and charitable activities (14%). Those in the primary industries were less likely to value all aspects of the social environment.

6.4.45 Ffew companies mentioned aspects of the social environment as weaknesses.

Image and reputation

6.4.46 The image and reputation strengths were:

- Overall quality of life (43%);
- A sense of place (42%);
- South Cambridgeshire is on the map (41%).

6.4.47 The smallest companies were most likely to value all aspects of South Cambridgeshire's image and reputation, and those with 10–24 employees valued all aspects less than average.

6.4.48 Those in primary industries were less likely to value the sense of place (27%) and being on the map (27%).

6.4.49 Very few businesses mentioned aspects of the area's image and reputation as weaknesses.

Panel 6.4 **Strengths of South Cambridgeshire**
Environment (71%): ● Attractive villages (64%); ● Rural setting (63%); ● Access to the countryside (58%).
Location (69%): ● Proximity to customers and markets (51%); ● Proximity to Cambridge (48%); ● Proximity to the South East (47%); ● Proximity to London (46%); ● Proximity to the University (38%, rising to 70% of high tech organisations).
Retail and leisure (55%): ● Retail facilities (48%); ● Heritage facilities (48%); ● Cultural facilities (45%); ● Leisure and recreational facilities (45%).

Panel 6.5 **Weaknesses of South Cambridgeshire**
Business support (19%): ● Council policy towards business (16%); ● Council business support (14%).
Transport network (35%): ● Roads (23%);

- Buses (18%).

6.5 Business Linkages in South Cambridgeshire

6.5.1 Businesses were asked for the proportion of their sales by value which was made in different areas. Taking the mean percentages across all businesses, 15% of sales overall were made in Cambridge, 30% in South Cambridgeshire, and 9% in the rest of Cambridgeshire.

6.5.2 Public sector organisations made the highest proportion of sales in South Cambridgeshire (65%), with most of the remainder in Cambridge (23%). Tourism and leisure sales were most concentrated in Cambridge (37%). High technology companies made the most overseas sales (29%).

6.5.3 Businesses with 5–9 employees made the highest proportion of their sales in South Cambridgeshire (39%), and businesses with more than 50 employees made the lowest proportion of sales here (12%). The largest companies made most sales elsewhere in the UK (30%) and were more likely to have significant exports.

Table 6.7 We are interested in links and relationships between firms in South Cambridgeshire and the wider area. Could you tell us what proportion of your sales by value are made in the following areas? (mean percentages)

	Average (mean) of all respondents. (by sector)							
	Total	Primary: trad manu	Const-ruction	High Tech	Tourism, Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health, Educ-ation
Cambridge	15	**6**	14	**5**	37	9	16	**23**
South Cambridgeshire	30	14	23	**15**	39	36	28	**65**
Rest of Cambridgeshire	9	7	**18**	8	**4**	10	8	6
Rest of East of England	14	21	**26**	13	**4**	**17**	10	**6**
London	4	3	5	3	3	3	6	0
Rest of South East England	3	3	2	2	1	**8**	3	0
Rest of UK	17	**28**	12	**26**	**12**	11	21	**0**
Exports / overseas	9	**19**	**0**	**29**	**0**	7	8	**0**
Number of respondents	*352*	*26*	*40*	*42*	*38*	*67*	*115*	*24*

Source: PACEC Survey (Q22A)

6.5.4 Purchases followed a broadly similar pattern overall, with 15% coming from Cambridge and 39% from South Cambridgeshire. Half of purchases by the smallest companies came from South Cambridgeshire. The largest companies made a higher proportion of their purchases from abroad.

6.5.5 The highest proportion of purchases in South Cambridgeshire was made by other business services (49%) and the public sector (56%). Tourism was again concentrated in Cambridge, making 39% of its purchases there.

Table 6.8 What proportion of your purchases by value are made in the following areas?

	Average (mean) of all respondents. (by sector)							
	Total	Primary: trad manu	Const-ruction	High Tech	Tourism, Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health, Educ-ation
Cambridge	15	6	6	7	**39**	9	**13**	**34**
South Cambridgeshire	39	21	29	50	37	**24**	**49**	56
Rest of Cambridgeshire	7	5	**17**	18	**1**	6	5	3
Rest of East of England	6	12	6	**2**	4	**10**	7	**0**
London	1	2	0	0	2	**3**	1	1
Rest of South East England	4	2	7	**0**	1	**10**	3	1
Rest of UK	22	**47**	26	16	17	**30**	**19**	**5**
Exports / overseas	5	5	9	7	1	**9**	**4**	**0**
Number of respondents	*346*	*26*	*39*	*40*	*40*	*65*	*111*	*26*

Source: PACEC Survey (Q22B)

6.5.6 About two thirds (68%) of business employees lived in South Cambridgeshire, and a further 16% lived in Cambridge. Smaller organisations employed a larger proportion of local people, with 70% of employees in the smallest companies and 83% in those with 5–9 employees living in South Cambridgeshire. The largest organisations were most likely to employ people living in Cambridge (34%).

6.5.7 Tourism and leisure and high tech companies employed the lowest proportions of employees who lived in South Cambridgeshire (50% and 57%, respectively).

6.5.8 Overall, 15% of companies said they were involved in trade groups or business associations in Cambridge. 10% were involved in organisations in South Cambridgeshire and 9% were involved in the rest of Cambridgeshire. Those working in professional and business services were significantly more likely to be involved in trade groups and business associations than those in other sectors.

6.5.9 In Cambridge, the most popular trade groups and business associations were:

- Federation of Small Businesses (46%, including only 22% of professional and business services);
- Cambridge network (32%);
- Cambridge Chamber of Commerce (21%, rising to 59% of businesses with 25–49 employees).

6.5.10 In South Cambridgeshire the most popular groups were:

- Business Link (36%);
- Milton Parish Council (13%);
- Royston and District Chamber of Commerce (10%).

6.5.11 In Cambridgeshire the most popular groups were:

- Federation of Small Businesses (41%);

- Business Link (8%);
- Institute of Directors (8%);
- Institute of Chartered Accountants (8%).

6.5.12 Businesses were asked which other organisations they collaborated with to at least some extent:

- Other firms (73%);
- Suppliers (51%);
- Universities (34%);
- Competitors (33%).

6.5.13 The largest businesses were the most likely to collaborate with FE colleges (48%, compared to an average of 20%). Businesses with 25–49 employees were the most likely to collaborate with training providers (57%, compared to an average of 24%).

6.5.14 Those in primary industries and professional business services were most likely to say they collaborated with other firms (93% and 92% respectively), and those in the public sector were least likely to (46%). The public sector businesses were much more likely to collaborate with training providers (82%, compared to an average of 24%) and FE colleges (67%, compared to 20%).

6.5.15 Those in primary industries and wholesale/retail/transport were more likely than not to work with competitors, whereas only 8% of professional business service companies did.

6.5.16 Other organisations which businesses reported working with included customers, the Council, and the British Antarctic Survey.

6.5.17 Businesses were also asked which organisations they networked or socialised with:

- Other firms (67%);
- Suppliers (46%);
- Competitors (35%);
- Trade and business associations (30%).

6.5.18 Businesses in primary industries were most likely to socialise with other firms (87%, compared to an average of 67%), competitors (66% compared to 35%), training providers (40% compared to 22%) and FE colleges (38% compared to 17%).

6.5.19 Tourism and leisure companies and the wholesale, retail and transport sector were most likely to socialise with suppliers (76% and 80% respectively). Professional business services were least likely to socialise with suppliers (17%, compared to an average of 46%) and competitors (also 17%, compared to an average of 35%).

6.5.20 Other organisations that firms reported socialising with included the rotary club, customers, the Cambridge Network, and the Council.

Panel 6.6 Business linkages

Proportion of sales by value:

- South Cambridgeshire (30%);
- Cambridge (15%);
- Rest of Cambridgeshire (9%).

Proportion of purchases by value:

- South Cambridgeshire (39%);
- Cambridge (15%);
- Rest of Cambridgeshire (7%).

Employment by area:

- South Cambridgeshire (68%);
- Cambridge (16%);
- Rest of Cambridgeshire (7%).

In Cambridge, the most popular trade groups and business associations were:

- Federation of Small Businesses (46%);
- Cambridge network (32%);
- Cambridge Chamber of Commerce (21%).

In South Cambridgeshire the most popular groups were:

- Business Link (36%);
- Milton Parish Council (13%);
- Royston and District Chamber of Commerce (10%).

In Cambridgeshire the most popular groups were:

- Federation of Small Businesses (41%);
- Business Link (8%);
- Institute of Directors (8%);
- Institute of Chartered Accountants (8%).

Collaboration with other organisations:

- Other firms (73%);
- Suppliers (51%);
- Universities (34%);
- Competitors (33%).

Networking and socialisation with other organisations:

- Other firms (67%);
- Suppliers (46%);
- Competitors (35%);
- Trade and business associations (30%).

6.6 Economic downturn

6.6.1 Businesses were given an estimate of job losses in their sector between 2008 and 2010, and asked whether they thought the estimates were too high or too low.

Table 6.9 Forecast job losses

Agriculture, extraction, Utilities	2%	Financial services	1%
Manufacturing (other)	-12%	Real estate & equipment rental	7%
Chemical manufacture	-14%	Computer software/services	-16%
Trad metal manufacture	-16%	R&D	3%
Hi-Tech metal manufacture	-8%	Professional business services	-11%
Construction	-7%	Other business services	5%
Wholesale, incl cars	-8%	Public admin & defence	-3%
Retail	-9%	Education	-9%
Hotels, bars & restaurants	-4%	Health & social work	2%
Transport, & comms	-10%	Community & personal services	0%

Source: PACEC

6.6.2 Overall 70% thought they were about right and 19% suggested they were too high. The most pessimistic were businesses with 5-9 employees, of whom 17% thought we were underestimating job losses, compared with 9% overall.

6.6.3 Professional and business services were particularly likely to think the forecast job losses were too high (40%, compared with 20% overall).

6.6.4 Most companies foresaw job losses across all geographic areas (84%), with 6% expecting them to be concentrated in South Cambridgeshire and 5% in Cambridge.

6.6.5 Businesses were asked which occupations they thought were most at risk of job losses:

- All occupations (45%);
- Construction (24%);
- Drivers (13%);
- Shop assistants (4%).

6.6.6 Job losses in construction were a particular concern to businesses with 5–9 employees (45%).

6.6.7 Overall about a quarter of businesses thought the economic downturn would provide opportunities, and a third thought it would not. Those in the public sector were least likely to venture an opinion one way or the other (75% answering “don’t know”).

Table 6.10 Do you think the economic downturn will provide any opportunities for businesses in South Cambridgeshire?

	Percentage of all respondents (by sector)							
	Total	Primary: trad manu	Constr uction	High Tech	Tourism Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health Educ-ation
Yes	24	20	35	28	24	27	22	**8**
No	33	28	35	34	42	31	36	**16**
Don't know	43	51	29	38	35	42	42	**76**
Number of respondents	*384*	*28*	*42*	*45*	*43*	*69*	*126*	*32*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q26A1)

6.6.8 The opportunities suggested included:

- Picking up business from those closing down (36%, falling to 17% of the smallest businesses);
- Benefiting from increased sales (32%);
- Opportunities for adaptable firms (26%).

6.6.9 About a third (36%) of companies thought the downturn would reduce opportunities, and 18% thought it would not. The most pessimistic were those with 5–9 employees, and those with over 50 employees were least pessimistic.

Table 6.11 Do you think the economic downturn will reduce any opportunities for businesses in South Cambridgeshire?

	Percentage of all respondents (by sector)							
	Total	Primary: trad manu	Const-ruction	High Tech	Tourism, Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health, Educ-ation
Yes	36	37	48	52	40	36	29	**16**
No	18	13	23	7	20	14	**26**	6
Don't know	46	50	**29**	41	40	50	45	**79**
Number of respondents	*382*	*28*	*42*	*45*	*43*	*67*	*126*	*32*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q26A2)

6.6.10 Only 16% of organisations in the public sector thought business opportunities would be reduced in the downturn, although they were also the most likely to reply "don't know".

6.6.11 The specific lost opportunities included:

- Businesses closing (33%);
- Job losses (35%);
- Less money being spent (34%).

Panel 6.7 Economic downturn
Expected job losses: ● All over (85%); ● South Cambridgeshire (6%); ● Cambridge (5%).
Occupations at risk: ● All occupations (45%); ● Construction (24%); ● Drivers (13%).
24% thought there would be business opportunities in the downturn: ● Picking up business from those closing down (36%); ● Benefiting from increased sales (32%); ● Opportunities for adaptable firms (26%).
35% thought opportunities would be reduced: ● Businesses closing (33%); ● Job losses (35%); ● Less money being spent (34%).

6.6.12 Businesses were asked which areas they were fully energy efficient in. The commonest were:

- Energy efficient practices (44%);
- Energy efficient equipment (33%, rising to 58% of the largest organisations);
- Water use minimised (28%)
- Energy efficient premises (27%)

6.6.13 Tourism and leisure businesses were least likely to claim resource use and carbon footprint practices across the board, particularly including energy efficient practices (21%) and minimised water use (5%). The public sector was poor on water use minimisation (6%) and monitoring energy use (6%), but strong on energy-efficient premises (44%)..

Table 6.12 How would you assess your business/yourself in terms of resource use & carbon footprint? Fully (By sector)

	Percentage of all respondents (by sector)							
	Total	Primary : trad manu	Construction	High Tech	Tourism Leisure	W-sale Retail Trans't	Finance & Bus's Service	Health Educ-ation
Premises are energy efficient	27	34	25	21	21	22	29	**44**
Equipment is energy efficient	33	28	38	38	22	**19**	39	49
Energy efficient practices in place	44	44	47	60	**21**	34	53	44
Renewable energy in use	1	3	0	4	0	0	1	5
Unnecessary journeys not made	20	19	16	25	12	22	24	7
Low carbon transport used	5	8	13	4	0	2	6	3
Use of water is minimised	28	**44**	41	33	**5**	24	33	**6**
Use of energy is monitored	23	**38**	34	12	12	29	26	**6**
Energy plan in place	10	18	16	4	0	12	13	3
Climate change plan in place	2	4	0	2	7	0	2	0
Energy officer in place	2	7	3	2	0	2	2	0
None of the above	44	39	31	33	**71**	52	43	33
Number of respondents	*390*	*28*	*44*	*45*	*45*	*70*	*126*	*32*

Respondents could select several options; so percentages in any column may sum to more than 100.
A number is shown in bold where, taking into account the margin of error due to sampling, we are 95% certain that it is different from the number in the left hand total column (using a Chi-Squared statistical test)
Source: PACEC Survey (Q27A)

6.6.14 Many more businesses were able to say they had fully or partially addressed environmental issues. The same measures were the most popular:

- Energy efficient practices (85%);
- Energy efficient equipment (82%, rising to 97% in the public sector);
- Energy efficient premises (75%)
- Minimised use of water (70%)

6.6.15 The largest firms tended to be better than average at addressing environmental issues, and the smaller firms were worse. Just over half (51%) of the public sector organisations had an energy plan in place.

6.6.16 High tech companies were most likely to have reduced unnecessary journeys (81%), followed by professional business services (79%). Primary industries were least likely to have cut down on journeys (25%). Professional business services were very much better than other business services at monitoring energy use (81% compared to 39%).

Panel 6.8 Energy efficiency

Businesses were asked which areas they were **fully** resource efficient in:

- Energy efficient practices (44%);
- Energy efficient equipment (33%, rising to 58% of the largest organisations);
- Water use minimised (28%)

- Energy-efficient premises (27%).

Many more businesses were able to say they had **fully or partially** addressed environmental issues:

- Energy efficient practices (85%);
- Energy efficient equipment (82%, rising to 97% in the public sector);
- Energy-efficient premises (75%)
- Water use minimised (70%).

6.7 Key Policy Issues

6.7.1 Businesses were asked what key priority actions could be taken in South Cambridgeshire to stimulate inward investment. The most popular suggestions were:

- Lower business rates (54%, but including only 25% of those in construction industries);
- Grant provision (16%);
- Tax breaks (13%).

6.7.2 The smallest companies suggested publicity to help businesses grow (10%). Those in primary industries were most likely to ask for affordable housing (10%) and more business networks (10%).

6.7.3 When asked which policies could stimulate business growth, businesses recommended:

- Lower business rates (60%);
- Grant provision (18%, rising to 37% in construction industries);
- Lower rents (9%).

Professional business service organisations suggested talking to businesses more (20%).

6.7.4 To help new businesses start up, businesses suggested:

- Lower business rates (54%);
- Grant provision (26%, rising to 49% in primary industries);
- Lower rents (9%, rising to 28% of businesses with 5–9 employees).

6.7.5 15% of the smallest companies recommended more incubation units.

6.7.6 Policies recommended to improve transport included:

- Better bus service (27%);
- Reduce congestion on A14 (27%);
- More bus routes (17%);
- Better road conditions (16%);
- A bus to the station (13%, rising to 40% of public sector organisations);

- A10 needs widening (8%).
- Late night bus service (7%, but 34% of primary industrial companies);
- More cycle paths (7%);

6.7.7 To stimulate sustainable communities, businesses asked for:

- More council houses (37%);
- Affordable housing (29%);
- Better health provision (27%);
- More police on the street (23%).

6.7.8 To improve the quality of life, businesses wanted:

- Better bin collection (13%);
- Lower business rates (12%);
- Financial support for community facilities (11%);
- Taking local life into perspective (9%).

6.7.9 Other comments offered by the businesses included:

- We are well organised to tackle the downturn (15%, including none of the smallest businesses);
- Reduction in rates would stimulate business (14%);
- Planning procedure should be simplified (10%);
- Planning decisions should be explained (9%).

Panel 6.9 Key policy issues
To stimulate inward investment: • Lower business rates (54%); • Grant provision (16%); • Tax breaks (13%).
To stimulate business growth: • Lower business rates (60%); • Grant provision (18%, rising to 37% in construction industries); • Lower rents (9%).
To help new businesses start up: • Lower business rates (54%); • Grant provision (26%, rising to 49% in primary industries); • Lower rents (9%, rising to 28% of businesses with 5–9 employees).
To improve transport: • Better bus service (27%); • Reduce congestion on A14 (27%); • More bus routes (17%);

• Better road conditions (16%).
To stimulate sustainable communities: • More council houses (37%); • Affordable housing (29%); • Better health provision (27%); • More police on the street (23%).
To improve the quality of life: • Better bin collection (13%); • Lower business rates (12%); • Financial support for community facilities (11%); • Taking local life into perspective (9%).

6.8 Results for high tech and knowledge-based firms

6.8.1 Because of South Cambridgeshire's high concentration of knowledge-based and hi-tech firms, we have disaggregated the survey results into hi-tech and knowledge-based industries using the definition derived from work for the Greater Cambridge Partnership and used in Chapter 3 above. This definition of hi-tech industries is slightly different to the one used in the bulk of the tables above (which covers hi-tech manufacture), and is as follows:

- Extraction of oil and gas
- Manufacture:
  - Tobacco
  - Petroleum and other fuels
  - Office machinery
  - Electric motors, components etc
  - Sound & vision
  - Instruments
  - Aerospace
- Electricity and water supply
- Telecommunications
- Computing
- Research and development
- Architecture, engineering, technical testing & analysis

6.8.2 Knowledge-based industries include all hi-tech industries plus the following:

- Printing and publishing
- Health
- Education

6.8.3 We have grouped these industries into the following 4 broad categories:

- Hi-tech manufacture

- ICT (chiefly computer software)
- Other hi-tech services (such as technical testing and analysis)
- Knowledge-based concerns (health, education)

6.8.4 The key results are as follows:

- 98% of knowledge-based organisations and 81% of ICT firms started trading in South Cambridgeshire.
- Hi-tech service firms were likely to have set up in South Cambridgeshire to be near to Cambridge (44%), the rest of Cambridgeshire (46%), or the rest of the Eastern Region (34%).
- 44% of hi-tech manufacturing firms viewed increasing employment as an important business objective (compared with 12% of all firms)
- Only 10% of knowledge-based organisations faced economic or financial constraints on their objectives (versus 55% of all firms)
- Hi-tech manufacturing firms were most likely to see the local labour market as a strength (58%, as against 32% of all firms). Knowledge-based organisations were most likely to see health and education in general as strengths (85%, as against 43% of all firms). Hi-tech service firms were more likely to see the social environment and general image or reputation of South Cambridge as key strengths than other firms.
- Hi-tech manufacturing and service companies were most likely to value locational advantages such as proximity to Cambridge or the South East as a strength. ICT firms were less concerned about these, particularly proximity to the South East (19%) or customers/markets (19%).
- Service firms were most likely to view the cost of transport (32%) and business rates (27%) as strengths.
- Manufacturing firms were most likely to view the road network as a weakness (47%, as against 23% of all firms).
- Among the features of the South Cambridgeshire economy, manufacturing firms were most likely to value the culture for innovation (55%, as against 31% of all firms) and service companies most likely to value collaboration between businesses (47%, as against 28% of all firms).
- Manufacturing firms were the most likely to see strengths in the local labour market, particularly the quality of labour, status of jobs, willingness to work/train, availability of training, and cost of labour.
- Service firms were the most likely to value the strengths in South Cambridgshire's retail and leisure offer, particularly tourist facilities (66%, as against 46% of all firms) and cultural facilities (67%, as against 47% of all firms). They were also most likely to value all aspects of the social environment, and the general image/reputation of South Cambridgeshire, as strengths.
- Hi-tech firms typically made a lower proportion of their sales in South Cambridgeshire and a higher proportion in the rest of the UK or overseas. In particular, while the average firm made 9% of sales overseas, the corresponding figure was 19% for hi-tech manufacture, 22% for ICT, and 30% for hi-tech services. Hi-tech manufacturers were also more likely to make purchases from overseas (24% on average, versus 5% for the average firm interviewed).
- ICT firms are more likely to employ people from Cambridge and the rest of Cambridgshire, and less likely to employ people from South Cambridgeshire itself.

- 47% of hi-tech service firms are members of trade groups or business associations in the area, as against 24% of all firms.
- Hi-tech manufacturing firms were more likely than average (45% versus 19%) to view our projected job losses as too high.
- Hi-tech service firms were likely to think that the economic downturn would not provide opportunities for businesses in South Cambridgeshire (58%, compared with 33% of all firms).
- 83% of hi-tech service firms stated that they were fully resource/carbon efficient in at least one area, including energy-efficient practices (73%), use of water (59%), or energy-efficient equipment (59%). Among the four hi-tech and knowledge-based groups, ICT companies were most likely to have energy-efficient premises (61%).

7 Discussions with Stakeholders

7.1 Introduction

7.1.1 To enrich the analysis of the economic characteristics of South Cambs and the policy issues discussions were held with some forty stakeholders who had knowledge of the local and sub-regional economy. Interviews were held with a range of different organisations with specialist knowledge, for example, EEDA, HCA, the Local Authorities and Greater Cambridge Partnership (GCP), the business support organisations, the education sector, the commercial property sector, the voluntary sector, those involved in promoting the area and inward investment. The stakeholders were asked for their views on the following topics:

- The role of South Cambs in the sub-region
- The strengths and weaknesses of South Cambs in terms of economic development and growth:
    - Employment, enterprise and sectors
    - Land, premises and inward investment
    - Labour supply and skills
    - The transport network
    - Housing, social issues and facilities
    - The South Cambs image and brand

7.1.2 The discussion of the strengths and weaknesses allowed insights into the policy implications and potential actions for South Cambs District Council working with its partners. Appendix A shows the organisations that were consulted.

7.2 The Role of South Cambs in the Sub Region

7.2.1 All the stakeholders considered that the South Cambs area played a significant role in the economic prospects of the Cambridge sub-region and that it was an equal partner in how the economy functioned, primarily along with Cambridge itself. In the future, because of the growth agenda for the sub-region, it would enhance its position. It is home to world class highly visible flagship projects, initiatives and successful businesses, especially in the high technology sector and its sub-sectors including biosciences. These include the research campuses and their businesses, eg the Cambridge Science Park, Granta Research Park and Babraham Institute.

7.2.2 Historically South Cambs and the city had grown together and remained inter-dependent on one another. This functionality was reflected in commuting patterns between the City and the South Cambs villages, the linkages between businesses for sales and purchases, the sharing of facilities in retailing, recreation, and leisure, transport connectivity, and socially including longstanding family ties.

7.2.3 South Cambs and the City were also historically linked in terms of partnerships and policies in planning, transport and economic development. These policies had been shaped in the post war period and formalised in, for example, the Holford Report (1948) which still had relevance in the current policy framework.

7.2.4 South Cambs was seen as a key residential area in the sub-region with a range of housing types for residents. The residents provide a pool of labour for the district, the City, and the towns and villages beyond the sub-region itself, including London, as commuters. The residential population is greater than that of Cambridge City. This role will strengthen principally with the planned developments at Northstowe, Cambourne and the other key villages, and the developments on the City fringes which are physically located within the South Cambs local authority area. It was considered that economic development strategies should be prepared for Northstowe and Cambourne to ensure that the growth opportunities were captured in a way that brought positive benefits to the area.

7.2.5 As a location for employment South Cambs will continue to play a significant role in the sub-region although the number of jobs was smaller compared to Cambridge. South Cambs has a considerable mix of sectors and types of employers and is a location for some of the key high tech clusters and businesses in the sub-region, particularly the R&D and biotech sectors. This role is likely to be strengthened with the expansion of key sites and the developments at flagship projects such as Northstowe in particular with its status as an eco-town and Cambourne as it matured and attracted more activity.

7.2.6 South Cambs has a range of facilities and services appropriate to the scale of activity in the villages and the surrounding areas. These include retail (with some out of town shopping), the village colleges (as education and community centres) and the programme of events in the villages. A key recreational role for South Cambs in the sub-region is providing access to the countryside with the network of country parks, natural areas and nature reserves and fenland linked by footpaths, bridleways, and waterways for residents and tourists. South Cambs is also home to some important major tourist attractions primarily for regional and some UK visitors, for example, the Imperial War Museum and Wimpole Hall and Farm, the American Cemetery, and cultural facilities (such as the Wysing Arts Complex).

7.2.7 The current policies for future growth, in the view of stakeholders, would reinforce and consolidate the role of South Cambs in the sub-region and provide some opportunities to address some of the issues, especially the shortages of affordable housing. Its role as a residential centre and location for employment was likely to strengthen in relative terms compared to the anticipated growth in the City. Hence South Cambs would become a relatively large source of labour (albeit with a relatively large share close to the City fringes especially in the east and the north) and employment opportunities.

7.2.8 However, there were some concerns about whether the utilities, energy, and telecommunications infrastructure required for growth would keep pace to meet demand.

7.3 Strengths and Weaknesses of South Cambs

7.3.1 A key part of the consultation with stakeholders was to examine their views on the strengths and weaknesses of South Cambs in terms of economic development and competitiveness in the sub-region which would help to underpin and improve prosperity and the quality of life. Key factors were business activity, the labour market, the transport network, housing, the facilities, and the overall image and perception of South Cambridge as a place to live and work in and visit.

7.3.2 In terms of policies to strengthen economic development and prosperity, the strengths help to define the features that policy should maintain and develop, the weaknesses reflect what issues policy should seek to prioritise and address.

7.3.3 Generally the stakeholders considered that the strengths outweighed the weaknesses and that some of the potential weaknesses would be addressed through the growth policies for employment and housing in South Cambs.

Employment, Sectors and Enterprise

7.3.4 Generally South Cambs was a good location for businesses, especially in the larger villages which were rural centres and close to the main transport road links (with major transport corridors) such as the M11 and the A14 (although ongoing congestion was a long standing issue, particularly for the latter). These villages had a larger critical mass and there was greater business interaction. The smaller and more remote villages, away from the main roads, were not centres for business although there were some suites of premises for smaller businesses.

7.3.5 Most stakeholders considered that South Cambs had a relatively strong entrepreneurial culture and business environment which was most noticeable in the high technology sector (with high net worth individuals) with its mix of innovative activity, risk taking, and businesses spin outs combined with an interchange of people and ideas and collaboration. This was underpinned by a lively business service / supply chain and the encouragement given to help diversify the rural economy. South Cambs did not have the same business buzz as the City (and it was hidden or not promoted), primarily because of its rural setting with activity dispersed throughout the area rather than concentrated – however, it has the potential to benefit greatly from its proximity to Cambridge's business networks. Unlike the City, South Cambs may not convey the same sense of being entrepreneurial and a centre for enterprise.

7.3.6 The scale of business activity in South Cambs was relatively large and well balanced. The sectoral diversity was considered a strength, with a mixture of high tech (and the expanding biotech sectors), conventional manufacturing, the construction sector, rural industries, and education (in the village colleges and schools), along with the growing number of tourist attractions and facilities (eg out-of-town hotels). However, there may be weaknesses in terms of service sector activities and occupations in retail, leisure (with restaurants, pubs, hotels - and little café style opportunities compared to

Cambridge) and some of the public sector opportunities (eg higher education and health).

7.3.7 The recession may have impacted differently in South Cambs, firstly due to the skills base and the cluster of knowledge-based industries, secondly as generally fewer jobs were in the public sector. However, the public sector, subject to public expenditure, is likely to contract in the short and medium term. Also, jobs in the conventional manufacturing and construction sectors were potentially more at risk in the short term as the pace of housing investment and other types of development had slowed as part of the recession. Hence measures to diversify the employment base could be important.

7.3.8 Given its high tech profile South Cambs had good opportunities in R&D, ICT, cleantech, biomedical, high value manufacturing, aerospace, and the food processing sectors.

7.3.9 There were some concerns with the tourism sector in that it could, if more widely publicised, perform better and make a greater contribution to the area. Potentially, more publicity could be organised and the attractions offered as an integrated package with the attractions in Cambridge. This could also help increase the number of staying visitors to capture income and generate more jobs.

7.3.10 Business support services were seen as adequate both in terms of public and private sector provision. However, the finance for businesses had been reduced (for debt and equity finance) as the banks and venture capital funders were more cautious about exposure to risk (subject to the prospects and practices of businesses). Support to obtain finance and improve investment readiness was important to allow the investment funds in the sub-region to be accessed. It was considered that support to encourage the exploitation of R&D was also critical so that ideas could be capitalised on and successful businesses grown – historically this had been seen as a weakness in the area. There was a lack of specialist sector specific advice and a gap for businesses in some of the high tech sectors (eg biotech) and for design / innovation.

7.3.11 In addition, some of the businesses in the more traditional sectors and construction may not be fully aware of the support available to them or were discouraged by the time it took to obtain it. Signposting and publicity are crucial in ensuring that businesses rapidly access the support available. There were potential constraints for businesses where they needed advice on finance (for cash flow management, working capital and investment), business planning, marketing and diversification to maintain and grow sales, skills, innovation and managing to survive in the context of the recession.

7.3.12 There were some concerns that the development programmes of the third sector (including the voluntary and community sector and social enterprises) could be reduced because of the potential reductions in funding as a consequence of the recession. These organisations were important in providing assistance to all groups and those who were potentially more vulnerable and living in the more rural areas.

Land and Premises

7.3.13 There were mixed views on the availability and suitability of sites for business and premises in South Cambs. The recession meant that there were vacant smaller and medium sized units, and insufficient demand to stimulate investment. In terms of sites there were some key locations and a range of larger high profile and smaller sites for high tech activity on the science and research parks and in the innovation centres. These provided opportunities for larger and high profile / strong image premises and space for micros and SMEs. On the research parks, clusters of incubation premises had been developed along with specialist business support services, sometimes with a focus on key sectors such as biosciences / life sciences. For example at Babraham, the Granta Research Park and additional facilities planned at St John's Innovation Centre.

7.3.14 There was a concern to ensure that incubation and grow-on units for businesses in the high tech sectors should continue to be provided and policy should be flexible and allow a mix of activities – R&D, production, laboratory space. The demand for space in the new and emerging sectors (ie bio / life sciences and the green clean sectors) may require flexible policies to permit thematic companies, science and enterprise parks.

7.3.15 There were also premises, primarily in the industrial estates closer to the larger villages for more conventional industry. These were seen by some as ad hoc and out of date and in need of improvement. Some of the premises were not compatible with the new green, environmentally friendly and energy efficient culture that was emerging strongly. However, while there were sites available, not all the sites were necessarily in the right location as they were too far from the city, transport routes, and larger sites where there were concentrations of activity. At many locations there were vacant premises where there was insufficient demand (given the recession), for example at Papworth, Impington / Milton and along the A14 towards St Ives.

7.3.16 An area of weakness was the shortage of industrial premises for small to medium sized businesses in the villages (at the industrial estates and elsewhere as the stock of the older premises had contracted) and for the more conventional light industrial businesses, and building services warehousing and some offices. The businesses in these sectors often provided the downstream / upstream support to the larger high tech, service, and public sector employers. It was considered that there was a shortage of reasonably quality space in the 1,500 to 2,000 sq m range for small to medium sized businesses, many of whom were seeking premises of this size to grow their businesses and/or consolidate their position and remain in the area. However, it was recognised that premises needed to be fit for purpose given the nature of businesses and stage of development and provide relatively low cost space for businesses where the turnover and profit margins generally were lower.

7.3.17 The cost of premises generally for offices, light industrial and research was seen as relatively good compared to the City but more expensive than in locations to the North East and North West. Smaller businesses in the light industrial / production sectors were considered to face higher costs.

Inward Investment

7.3.18 The South Cambs area had attracted a significant amount of inward investment (in particular foreign direct investment) to flagship sites and elsewhere. South Cambs offered good prospects for inward investment, particularly in the high tech, R&D, bioscience and business services sectors, from elsewhere in the UK, the USA, Europe and the Far East (particularly India) especially if the pound remained weak and inflation was relatively low. South Cambs' main strengths were the high tech and research clusters (especially biosciences), the entrepreneurial culture and high level skills, the potential sites (in particular at the research parks for larger and smaller premises), access to major transport for London (and Stansted Airport for links to Europe in particular), the housing and other facilities, and the relatively lower cost base (compared to Cambridge), the proximity to Cambridge and the Cambridge brand, ie South Cambs area allowed inward investors to develop a sound business case for moving to the area.

7.3.19 Potential weaknesses were the supply of suitable sites close to the city, especially in the 1,500-2,000 sq m range, uncertainty over the South Cambs brand / image and what it stood for, peak time traffic congestion and a shortage of executive housing for professional / managerial staff seeking to move to the area and the relatively higher costs (without specific grant assistance) for FDI compared to some other locations.

7.3.20 A weakness was also that the South Cambs area and its strengths were not widely promoted. It was considered that the South Cambs brand should be developed, the product strengthened by addressing weaknesses, attracting potential investors and hosting visits, assisting businesses to meet their requirements, promoting networking with other businesses, and developing an aftercare service. It was important to prepare economic development strategies for Northstowe and Cambourne to help attract inward investment.

Labour Supply and Skills

7.3.21 Generally the availability of labour was considered to be good in terms of the quantity of labour and the quality (skills and experience) and could be hired relatively easily compared to Europe. The quantity was good and has grown but accessibility was constrained by the largely radial transport routes and congestion. There was significant commuting into the city and increasingly to other locations outside the sub-region including London. Also, the relatively high cost of housing, and affordability restricted the supply of skilled labour (eg managers and specialist technical staff) and unskilled labour and mobility from elsewhere.

7.3.22 The skills levels were seen as good overall but not as high as in Cambridge although South Cambs probably had a more even profile and mix of skills. Skills levels had been maintained because of relatively high employment activity levels, the sector strengths, the high attainment levels from schools, and low unemployment. There were some shortages for the less skilled and elementary occupations but many of these had been addressed by migrant workers from overseas at least in the short term.

7.3.23 There were some locations where activity rates and unemployment and social exclusion were higher, especially in the council / social housing estates in the villages and the more rural areas where there were pockets of relative poverty and younger people in particular were finding it more difficult to enter the labour market.

7.3.24 The cost of labour was seen as relatively high and was a weakness as it was pushed up by relatively high housing and affordability costs and the costs of commuting.

7.3.25 In terms of the educational and training facilities, which support the labour market and the supply of skills, the stakeholders identified key strengths. The village colleges, in particular, were a significant educational and community asset for South Cambs. FE and HE facilities in Cambridge were accessible and a clear benefit to South Cambs residents and businesses and on the main routes.

The Transport Network

7.3.26 The north-south roads, particularly the M11, and rail links were seen as key strengths. They ensure that South Cambs was accessible and connected for businesses, residents, and visitors. The major weaknesses were the east to west communications, in particular the A14 and the A505. The former was a major regional bottleneck although there were plans agreed to widen and improve it. The guided bus running parallel and serving the villages and the City would alleviate problems – but there were concerns about the continuing delays and associated design issues and costs, and the bus scheme may be perceived as a weakness if not resolved quickly. Congestion on the roads to Cambridge remained a weakness. Partly as a result of this it was considered that the cycleways should be improved on the radials and brought on stream quickly (eg parallel to the guided bus route). Public transport by bus in South Cambs was also considered to be weak and restricted access between the villages and Cambridge with high costs, limited routes and infrequent services.

7.3.27 Proximity to Stansted was seen as a strength for residents and businesses in the sub-region, and those visiting including tourists.

Housing, Social Issues and Facilities

7.3.28 Generally these were seen as good and a strength because of the mix of housing types, the stock, the condition of housing and the range of locations and choice in the villages. Rising house prices encouraged investment and the attractiveness of South Cambs for those in professional / managerial occupations.

7.3.29 However, the cost of housing was relatively high (although not as high as Cambridge) compared to the surrounding locations. Hence housing cost and affordability was a weakness along with access to housing and resulted in long housing waiting lists for affordable housing and some social issues (which also affected labour market exclusion). High housing costs also caused labour supply constraints for employers and limited the mobility of labour. This resulted in skills shortages for the less skilled.

7.3.30 It was thought there may also be a shortage of executive housing for business owners, managers, and technical staff in the high tech cluster and the support services.

7.3.31 The plans underway for Northstowe and its role as an eco-town, the development of the city fringe and the larger villages should, in time, help to alleviate the housing issues.

7.3.32 It was recognised that South Cambs residents and businesses relied heavily on Cambridge for retail, leisure and cultural facilities (cinema, theatre, entertainment venues, restaurants and bars including the café style). This was a strength for South Cambs in the sense that these facilities were highly accessible subject to transport and cost constraints. South Cambs also had some major important attractions in the Imperial War Museum and Wimpole Hall, as well as the natural environment attractions and nature reserves (such as Wicken Fen) along with arts / cultural facilities (such as the Wysing Arts Studios). Retail and leisure facilities were strengthening in the larger villages together with greater choice of out of town shopping facilities. However, in some of the smaller villages facilities were contracting which potentially impacted on the quality of life.

7.3.33 As with retail and leisure facilities, South Cambs relied heavily on the City for health facilities and specialists especially at Addenbrookes and Papworth and the private hospitals although the provision of primary care was seen as good.

7.3.34 The village colleges had a strong tradition in helping to organise and accommodate leisure and recreational activities involving the arts and drama, music, crafts and sporting events with a community flavour.

7.3.35 The outdoor recreational facilities were seen as a unique and key strength in South Cambs. These included the fenland sites and natural habitats rich in biodiversity, the country parks, the country houses and their grounds and the networks of footpaths, bridleways and waterways. South Cambs hosted agricultural shows (with rural crafts), garden centres and open gardens sessions and village festivals.

The South Cambs Image and Brand

7.3.36 South Cambs had a positive image which was seen as an important strength although it was not promoted widely. South Cambs shared the Cambridge brand in terms of its history, as a centre of educational excellence, research and culture, and as a location for modern, innovative and leading edge high technology industry. The South Cambs image reflected that of Cambridge but without the costs. This was underpinned by improved accessibility, access to major airports, and a culture of positive growth represented by planned new developments for housing and development.

7.3.37 The positive features, and strengths, meant for all stakeholders that the quality of life was relatively high in South Cambs and enhanced by access to the major facilities and services in the City.

7.4 Summary of Stakeholder Views

Table 7.1 Overall Strengths and Weaknesses. Partners' Views

Strengths	Weaknesses
The Role of South Cambs in the Sub-Region	
Key role in the sub-region as both a major residential and employment area: supplier of labour and employment opportunities A key recreational role: countryside access and facilities	Some concerns over the utilities, energy and telecoms infrastructure requirements and the need to keep pace with demand.
Employment, Enterprise and Sectors	
As a location for business and connectivity Relatively strong entrepreneurial culture: high tech and business services sectors Relatively large scale of business activity and employment opportunities Sectoral strengths and diversity: R&D, high tech, conventional manufacturing, rural industries, tourism	Not the same entrepreneurial buzz as the City and it was hidden in South Cambs Fewer retail, leisure and some public sector occupations (eg health) The tourist attractions could be publicised more and linked to the Cambridge offer Vulnerable to the recession. Fewer public sector jobs. Contraction in conventional manufacturing, light industrial and construction jobs. Need to diversify opportunities Shortage of debt and equity finance for businesses Support to exploit R&D and grow successful businesses Lack of specialist business support services for high tech and in design / innovation. Lack of awareness of support in conventional / construction settings and the time it takes to get it. Constraints: finance, marketing support, innovation, managing to survive

Table 7.1 Overall Strengths and Weaknesses. Partners' Views

Strengths	Weaknesses
Land and Premises	
Good supply of sites: high tech and some industrial estates	Older industrial estates: needed to be improved Sites not necessarily in the right locations: close to the city, transport routes and other major sites Shortage of premises in the 1,500-2,000 sq m range for smaller and medium sized businesses in the right locations (key villages) in the light industrial, more conventional building services, warehousing, and office sectors High premises costs for micros and smaller businesses
Inward Investment	
High tech clusters, entrepreneurial culture, skills, research parks, Stansted Airport, London links, housing / facilities, lower costs, the Cambridge image, proximity to Cambridge.	Need to promote the area more positively and improve the South Cambs product by dealing with the short supply of major suitable sites close to Cambridge, congested roads and difficult access to Cambridge, a shortage of executive housing, relatively high costs for businesses with few grants
Labour Supply and Skills	
Availability of labour was good in terms of quantity and quality that could be hired relatively easily Range and mix of skills in South Cambs Educational and training facilities, in particular the village colleges	Labour mobility / accessibility constrained by transport, congestion and high housing costs especially for managerial / technical skilled and unskilled labour / mobility from elsewhere Shortages in less skilled and elementary occupations Higher unemployment in some of the public housing estates and villages – where younger people find it difficult to enter the labour market
The Transport Network	
North-south major road and rail links and access to airports Access to Stansted Airport and international destinations	East – west transport links, especially the A14 and A505 Heavy congestion on roads into Cambridge Concerns over delays to the guided bus project The rural bus services: limited routes, frequency and high costs Cycleway network needed to be improved
Housing, Social Issues and Facilities	
Good supply and mix of housing types High and rising housing costs attracted professional / managerial staff Accessible leisure and recreational facilities in Cambridge Major visitor attractions and outdoor leisure facilities Village colleges: recreation, leisure and cultural and community activities The opportunities provided by Northstowe as an eco-town to improve the housing stock and choice	High cost of housing which resulted in long housing waiting lists and restricted the supply of skilled / less skilled labour Shortage of executive housing – owners / managers Reliance on the City for major health facilities and specialisms
The South Cambs Image and Brand	
Positive image and part of the Cambridge brand Good quality of life	

Source: PACEC Discussions with Stakeholders

8 Policy Implications

8.1 Introduction

8.1.1 This chapter draws on the evidence base and analysis in the previous chapters, in particular the economic profile for the South Cambs area, and the discussions with stakeholders, businesses and residents. It sets out some broad policy directions and specific policies for the Council and its partners.

8.1.2 The Council should continue to work with, and build upon current policy framework which includes the economic development and planning policies for the region, the sub-region and the South Cambs area including planning, economic development, regeneration and enterprise and training and skills development policies. The policies are relevant to the overall role of South Cambs in the sub-region, settlement patterns and growth, sites and premises, land use, business and enterprise support, and skills and labour of the development, in particular. Many of these policies are being re-cast by partners, given the current recession and the responsibilities placed on them. Hence, any changes provide opportunities for the Council to develop its policies further and refine its role.

8.1.3 The results of this project, the conclusions and policy implications set out below also give the Council the opportunity to influence the wider policy context and the distribution of resources for economic development directly.

8.1.4 These policies and actions are put forward to allow SCDC to work with its partners reflecting needs, circumstances, opportunities, resources available, and best practice. This will reflect the current strategic, and national, policy stance on economic development and partnership working. Action will depend on partners taking the lead on some the policy suggestions, for example, on business support, skills development, and transport infrastructure, where they have clear responsibilities and allocated resources. This will be important given that there is likely to be a reduction in resources available for economic development and related activities as a result of the recession and government expenditure policies, which will call for a refocusing of resources.

8.1.5 Some of the policies / actions will be delivered by SCDC, or in conjunction with its partners, while others can be delivered primarily by partners.

8.1.6 The policies shown below are broadly prioritised as high (H), medium (M) and low (L) reflecting needs, resources, the potential impacts, the likely timescales that will be required for implementation, and resources required to implement them. However, all the policies are important to the future success and prosperity of the South Cambs area. The priorities need to be refined by the Council in the light of resources available to the Council and its partners.

8.1.7 The broad policy direction and specific policies are set out under key themes.

a The role of South Cambs in the sub-region b Employment sectors and enterprise

c Land and premises

d Inward investment

e Labour supply and skills

f The transport network

g Housing and social issues

h Facilities and services

i The South Cambs image and brand

8.1.8 The policies set out under the key themes also show the lead partners that the Council will work with to implement the policies and the other main partners. The Council will provide support for the projects and actions shown.

8.2 The Role of South Cambs in the Sub-Region

8.2.1 South Cambs plays a key role in the economic prospects of the greater Cambridge sub-region and will continue to maintain and enhance this position. It is home to world class highly visible flagship projects, initiatives and successful businesses, especially in the high technology sector and its sub-sectors including biosciences. These include the research campuses and their businesses, eg the Cambridge Science Park, Granta Research Park and Babraham Institute.

8.2.2 South Cambs is intrinsically linked economically to Cambridge and the wider area through the interchange and transactions between residents and businesses and the partnership arrangements between the public and private sector organisations and groups. It also has strong international links, for example, through inward investment and international flows of capital, people, and ideas. The South Cambs area is a major provider of employment opportunities. This includes the scale of employment which stood at 76,100 in 2008 (or 19.4% of the sub-regional total) and the opportunities in the key sectors. These comprise the high technology sector (with R&D, computing, high tech manufacturing and bioscience sectors) where there are major concentrations which illustrate the relative competitiveness of South Cambs. These sectors provide significant opportunities in the professional, technical and managerial occupations amongst others.

8.2.3 The South Cambs area is also a significant supplier of labour for employers in the sub-region. This role will be strengthened as the population grows in the district and through the new settlements that are planned around the City and at Northstowe. The economically active residents number 71,000, or 22.8% of the sub-regional workforce, with net commuting beyond South Cambs, and primarily into Cambridge of some 5,000 employees. The occupational groups include a high proportion of professional, technical and managerial staff and those across the spectrum of other occupations, especially in retail and personal services. The quality of the labour force is underpinned by the relatively high qualifications of the workforce and the educational attainment levels of young people of school age.

Policy 1 – The role of South Cambs in the sub-region will continue to be strengthened through existing growth and new settlements as: - A residential area to provide a greater mix of appropriate housing for all residents - A provider of labour for employers in the Cambridge sub-region - A location for world class businesses in the high technology and traditional sectors of the economy - A location for greater employment opportunities in the sub-region - A provider of improved retail services, recreation, leisure and educational and health facilities • Lead Partner: SCDC • Other Main Partners: EEDA, Government Office, Cambs County Council, Cambs Horizons, GCP	**M**

8.2.4 The expansion plans for the new settlements at Northstowe, Cambourne, and the key villages, as well as the city fringes (technically in South Cambs) will add significantly to the contribution to the population, the workforce and employment opportunities in the sub-region over the coming years, albeit the recession is likely to influence the scale and phasing. The growth levels and flagship projects will increase the South Cambs critical mass and depth of its economic contribution to the sub-region.

Policy 2 – To take advantage of the growth opportunities economic development strategies should be prepared for Northstowe as a new eco-town and Cambourne as flagship projects within the wider the sub-regional context. • Lead Partner: SCDC **Policy 3 –** Encourage the provision of utilities, energy and telecoms infrastructure to ensure demand is met. • Lead Partner: SCDC • Other Main Partners: Utilities, Energy, Telecoms providers	**M**

8.2.5 The growth agenda will provide South Cambs with the unique opportunity to address some of the economic issues. It will also permit the development of a more sustainable economy linking employment opportunities spatially with areas of population, and labour market growth and improving transport connectivity. The opportunities for future development will also permit more energy efficient settlements supported by green tech businesses and sectors

8.3 Employment, Sectors and Enterprise

8.3.1 Business competitiveness is critical if South Cambs is to maintain and enhance the quality of life for residents and businesses and economic prospects. Both new and existing businesses provide the largest share of the employment opportunities and income for residents in South Cambs. Policy should maintain, increase and diversify employment opportunities (both directly and indirectly) in South Cambs.

8.3.2 The analysis shows that the South Cambs economy offers opportunities across a range of sectors. All these sectors will be affected by the recession to some extent, as will the majority of businesses within them. These sectors and businesses are likely to require on going support tailored for their needs in the recession and the subsequent recovery. Within the economy there are sectors where the downturn .will have greater adverse effects and sectors where there will be growth opportunities and sectors where “economic spillovers” bring greater benefits for South Cambs.

Policy 4 – In the current economic context the Council, in conjunction with its partners who have key responsibilities in this area, should stimulate business competitiveness amongst all indigenous businesses to retain and increase employment opportunities and provide better quality jobs and incomes. As part of this support for all businesses should be customised as appropriate. • Lead Partner: SCDC • Other Main Partners: EEDA, Business Link East (and delivery partners), Cambs Chamber, FSB, GCP	**H**
Policy 5 – Support firms through the downturn, building on the current activities of the Council, through targeted interventions in the sectors most adversely affected. Some vulnerable sectors include construction (larger and small jobbing builders and wholesalers), conventional manufacturing, chemicals, business services and computing software. • Lead Partner: SCDC • Other Main Partners: EEDA, Business Link East (and delivery partners), Cambs Chamber, FSB, GCP	**H**
Policy 6 – Encourage business growth in the opportunity sectors where there has been growth up to the recession and high concentrations of activity, ie R&D and the clean tech sectors, high tech manufacture, the creative ICT sectors and software, digital, health/bioscience, professional business services, tourism and leisure (with the arts and cultural facilities). Jobs in the latter are important for less skilled residents and those who can only work part-time. • Lead Partner: SCDC • Other Main Partners: EEDA, Business Link East (and delivery partners), Cambs Chamber, FSB, GCP Consultations with businesses shows that sales locally are relatively low (especially in conventional manufacturing, construction and high tech sectors). While exporting is important for the sectors, local sales opportunities could be publicised more.	**H**

Policy 7 – Raise awareness of sales opportunities in the public and private sector for local businesses (including those with the Council), and develop local purchasing and procurement initiatives and local supply chain development. • Lead Partner: SCDC • Other Main Partners: Business Link East (and delivery partners) Consultations with businesses showed that linkages with the local economy varied. While there were high proportions of employees living in South Cambs, employers would recruit more local residents if skill levels were higher, around half business purchases are made outside the Cambridge sub-region and collaboration with other business organisations was not strong, especially amongst smaller businesses and those in the more conventional sectors and business services.	**H**
Policy 8 – Improve local skills at all levels, reflecting the needs of employers, to ensure residents are more attractive recruits for employers. • Lead Partner: Cambs County Council • Other Main Partners: CRC, ARU, JobCentre+	**H**
Policy 9 – Develop supply chains and stimulate awareness of suppliers eg through meet the buyers / suppliers events. • Lead Partner: SCDC • Other Main Partners: Business Link East (and delivery partners)	**M**
Policy 10 – Develop stronger collaborative links between businesses and business support providers. • Lead Partner: SCDC • Other Main Partners: Business Link East (and delivery partners) The business consultations showed that lower business rates were identified as a key policy issues.	**M**
Policy 11 – Consider how the effects of business rates can be alleviated for businesses. • Lead Partner: SCDC • Other Main Partners: Cambs County Council	**H**

Policy 12 – Strengthen the unique tourism offer of South Cambs as part of the overall Cambridge offer to encourage more visitors to stay longer / overnight in the area. Publicise the South Cambs offer more widely with its out of town hotels, outdoor recreation areas, fenland walks, nature reserves and country parks, the country houses, the Imperial War Museum, US Cemetery, and arts centres and exhibitions (such as Wysing and the open studios events). The attractions, hotels, facilities and services for tourists need to be offered as an integrated package through high visibility promotion. • Lead Partner: SCDC • Other Main Partner: Cambridge Tourism Management	**M**

8.3.3 Businesses in South Cambs face a number of operational constraints. There was uncertainty about prospects in the recession and how to survive, (linked to concerns about ongoing sales opportunities, markets and relatively low demand for products and services), and access to finance / cashflow issues, how to resolve skills shortages (when businesses were not recruiting) or how to utilise new technology and successfully innovate.

8.3.4 There are a wide range of business support organisations that seek to customise services available to businesses in South Cambs.

Policy 13 – Maintain and strengthen the business support available in the area to reflect the needs in the recession and beyond, and constraints to growth and improve business access to the support. Services identified by businesses and stakeholders should include: - How to survive in the recession. - Maintaining and developing sales and revenue. - Managing cashflow - Accessing finance (debt and equity finance) - Meeting skills shortages and training. - Adopting and using technology. - Strengthening the role of innovation and design in competitiveness. - Implementing sustainability practices for processes, goods and services - Specialist business development support for the high tech sectors. - Going for growth. - Support to access finance and improve investment readiness to take advantage of the investment funds in the sub-region	**H**

- Improve the support to allow R&D outputs to be exploited and businesses to grow • Lead Partner: Business Link East (and delivery partners) • Other Main Partners: SCDC, EEDA, Cambs Chamber, FSB **Policy 14 –** The publicity, promotion and availability of business support services should be increased to improve both business awareness of the availability of support, and ease of access, especially for businesses disproportionally facing the pressures of the recession and those in more remote and less accessible rural areas. • Lead Partner: Business Link East (and delivery partners) • Other Main Partners: SCDC, EEDA, Cambs Chamber, FSB	**H**

8.3.5 While enterprise remains relatively strong in South Cambs, greater stimulation and start-up and enterprise support could be provided to capitalise on the growth sectors.

Policy 15 – Start-up and enterprise development support could be strengthened in the growth and opportunity sectors shown in Policy 6 above. This could also comprise a stronger outreach policies with schools, colleges, the Universities and through business support organisations to strengthen the enterprise culture. While businesses are taking some steps to improve their efficiency, greater support and guidance could be provided. • Lead Partner: Business Link East (and delivery partners) • Other Main Partners: SCDC, EEDA, Cambs Chamber, FSB	**H**

8.3.6 The consultations with businesses showed that businesses take some steps to ensure their businesses are more energy efficient and to reduce their carbon footprint. However, their approach is not comprehensive. The emerging clean tech sector providers a good opportunity to provide services to existing businesses. It is also well positioned, with support, to raise its visibility, expand into markets outside the sub-region and generate greater income and employment.

Policy 16 – Business support to improve the use of resources and reduce the carbon footprint should be strengthened. • Lead Partner: Business Link East (and delivery partners) • Other Main Partners: SCDC, EEDA, Cambs Chamber, FSB	**M**
Policy 17 – Customised support should be provided to the clean tech sector to allow it to strengthen the service it offers to clients on sustainable growth and to help it take advantage of opportunities and develop markets, sales, income and employment for the area. • Lead Partner: Business Link East (and delivery partners) • Other Main Partners: SCDC, EEDA, Cambs Chamber, FSB	**H**

8.3.7 There were concerns that the voluntary, community, and social enterprise groups would see a reduction in funding in the short term and more vulnerable residents could suffer accordingly.

Policy 18 – Investigate with partners ways of maintaining an adequate level of funding for the third sector in the South Cambs area. • Lead Partner: SCDC • Other Main Partners: Cambs County Council, EEDA, VSO	**M**

8.4 Land and Premises

8.4.1 The sites for the growth and high technology sectors should be maintained and expanded, where appropriate, to facilitate both indigenous growth (business expansions and spin-outs) and selective inward investment. The stock of new sites in appropriate locations with access to the main settlements, key villages, the City, transport routes, and other key sites, can be increased to encourage and meet demand, as appropriate. Thematic flagship sites with sector clusters, especially for high technology, assist to increase critical mass, linkages, spillovers and raise visibility and sector presence. The development of new and sustainable sites and premises will allow more energy efficient and green workspaces to be developed; this will strengthen the image of South Cambs.

8.4.2 It was considered that the older industrial estates in the villages could be upgraded in terms of the stock and quality of premises, the physical environment, facilities and the access.

8.4.3 In the view of some businesses and stakeholders, the availability of premises was not adequate, as a result of being inaccessible, the quality and facilities (especially parking) and relatively high costs, coupled with planning policies which were perceived to be insufficiently flexible (for change of use, extensions and new premises). It was considered that the supply of premises (serviced / unserviced) in the villages should be increased for start-ups, micros and SMEs, especially for businesses in the more conventional light industrial, building services, warehousing and the office sectors.

Policy 19 – Retain and protect the range of business premises and encourage improvements in the availability and quality of premises, for start-ups, micros, small, and medium sized businesses. • Lead Partner: SCDC • Other Main Partners: EEDA, Cambs County Council, the commercial property sector	**H**

Policy 20 – Encourage improvements to the environment and premises on the older estates by working with owners, site agents, and occupants. • Lead Partner: SCDC • Other Main Partners: EEDA, Cambs County Council, the commercial property sector	**M**
Policy 21 – Ensure there is sufficient planning policy flexibility and encouragement for: - Incubation and grow-on space for R&D activities, production and laboratory space. - Thematic campuses and enterprise parks to accommodate requirements in new or emerging sectors eg bio / life science and the green / clean sector. • Lead Partner: SCDC • Other Main Partners: EEDA, Cambs County Council, the commercial property sector The small to medium sized businesses in particular, and stakeholders in the property sector, have identified premises as a constraint because of the inadequate quality, accessibility, parking, transport access and planning policies which were perceived to be inflexible.	**H**
Policy 22 – Consideration should be given to ensuring planning policy is more flexible to increase the availability of premises in the range of 1,500-2,000 sq m through change of use, extensions, and new build in key villages and accessible locations where local amenities will not be adversely affected. • Lead Partner: SCDC • Other Main Partners: EEDA, Cambs County Council, the commercial property sector	**H**
Policy 23 – Take the opportunities to improve the availability of quality premises for indigenous businesses and inward investors at the flagship projects and close to them for suppliers to these businesses. For example, employment sites at Northstowe and Cambourne. • Lead Partner: SCDC • Other Main Partners: EEDA, Cambs County Council, the commercial property sector	**M**
Policy 24 – Develop, maintain and provide access to, with partners, a commercial property database for the area • Lead Partner: SCDC • Other Main Partners: EEDA, Cambs County Council, the commercial property sector	

8.5 Inward Investment

8.5.1 The South Cambs area has attracted a significant amount of inward investment (in particular foreign direct investment) to flagship sites and elsewhere. Inward investment, whether through the location of new businesses, acquisitions, and mergers, or through tourism brings significant benefits. Through inward investment there is greater prospect of strengthening critical mass in key sectors, strengthening the image and visibility of South Cambs, diversifying and deepening activities, improving skills and the transfer of knowledge and know-how. Appropriate investment results in wider business and employment opportunities and choice, increased and higher incomes for residents.

8.5.2 It was considered by stakeholders, businesses and residents that the South Cambs inward investment product could be improved and the area promoted more vigorously.

<table>
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Policy 25 – South Cambs should work closely with its partners and businesses to focus their support on the key growth opportunity sectors shown above in Policy 6 for inward investment, especially in high technology and the clean technology sectors.
- Developing a marketing strategy and strongly promoting the benefits of South Cambs and the product / offering for all potential inward investors including high tech and the conventional sectors.
- Identifying the distinctive South Cambs brand: a gateway location for markets in the UK (eg London and the SE), and Europe, a modern, forward looking economy, with high visibility world class businesses, flagship projects, science parks / innovation sites with high level skills and access to the Universities and science / knowledge base, with strong business support and networks, good housing and facilities for mobile businesses and individuals.
- Strengthening the South Cambs product to meet the requirements of mobile businesses and residents.
- Hosting visits (with existing businesses and partners).
- Assisting businesses to identify premises, labour, suppliers and partners and contacts in the Cambridge sub-regional network.
- Developing a customised aftercare service for existing investors and new businesses that invest in South Cambs so as to retain and expand businesses.
- Preparing economic development strategies for Northstowe as a new eco-town and Cambourne and promote them to attract inward investment.
• Lead Partner: SCDC
• Other Main Partners: Business Link East, EEI, EEDA, Cambs County Council, Cambs Horizons, HCA
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8.5.3 Key markets remain the developed and larger economies in Europe, the USA and the Far East especially the Chinese market. Sector markets include high technology (eg R&D and bioscience), and suppliers to flagship projects and other major activities (eg the 2012 Olympics).

8.6 Labour Supply and Skills

8.6.1 The skills and aptitudes of the workforce available to employers in South Cambs underpin all that is achievable in terms of **raising productivity, enhancing quality, applying new technologies, innovation in goods and services,** and **supporting new levels of investment;** ie what is required to grow the local economy to serve an increasingly larger local population.

8.6.2 While the overall supply of labour in South Cambs is relatively strong, constraints are faced because of transport congestion which can restrict mobility and the high costs of housing which can mean that some workers move away from the area, and are deterred from commuting into it, while others are not able to move to it (eg both specialist and lower skilled workers). The policies on transport and housing (see below) could help to alleviate this.

8.6.3 It is considered by partners and some employers that there are recruitment difficulties and skills gaps for staff, because of the high costs of housing, in some of the less skilled and elementary occupations. The relatively high cost of housing, and a perceived shortage of executive housing, was also though to constrain the supply of intermediate and senior management staff.

Policy 26 – the Council should continue to work with partners in the education and training sectors and employers to: - Investigate how skills at all levels could be shaped to meet the needs of employers and residents - Improve the supply of people for the less skilled and elementary occupations - Improve the supply of staff for intermediate and senior management occupations - Improve confidence and employability amongst the unemployed - Prepare an overall workforce / skills plan • Lead Partner: Cambs County Council • Other Main Partners: CRC, ARU, JobCentre+ and SCDC Some residents considered that labour market opportunities were limited and that training facilities could be improved and promoted to help them successfully compete for jobs.	**H**
Policy 27 – The availability of training provision should be promoted more widely focusing on the unemployed and young people and employers. • Lead Partner: Cambs County Council • Other Main Partners: CRC, ARU, JobCentre+ and SCDC	**H**

Policy 28 – Training provision and the methods of training (eg distance learning) should be made more accessible. • Lead Partner: Cambs County Council • Other Main Partners: CRC, ARU, JobCentre+ and SCDC In some localised areas of South Cambs there are higher concentrations and rates of unemployed people which results in social and employment exclusion and restricts the supply of labour.	**M**
Policy 29 – The Council should continue to work with partners in the education, training, enterprise / business development, and return to work sectors to address return to work and enterprise issues, especially in the more rural areas, reflecting the needs of residents and the requirements of employers. • Lead Partner: Cambs County Council • Other Main Partners: CRC, ARU, JobCentre+ and SCDC	**H**

8.7 The Transport Network

8.7.1 South Cambs is a relatively large rural area covered by the sub-regional transport network. The key transport routes that have a bearing on the economic prosperity of the area comprise the M11, A11, the A14, the A505, the A1307 and the Cambridge rail links to London, Stansted Airport, Ipswich, Norwich, Peterborough and the Midlands, and the provision of bus services to the villages.

8.7.2 While the north-south routes for road and rail and the airport links, especially to Stansted, are strengths, there were some major weaknesses identified by stakeholders, residents and businesses. These were the primary east-west routes (especially on the A14, A505, and A1307) are problematic and there continues to be long-standing and heavy congestion on the roads into Cambridge at peak times. The rural bus services are also considered to be a weakness, primarily because of the limited routes and the infrequency of services and the high costs. These issues reflect adversely on the sustainability and efficiency aims of the sub-region. Policies have been approved to improve some of the transport constraints, mainly through upgrading the A14 (to the north west) and the guided bus running from Fenstanton to Cambridge.

Policy 30 – Continue to place priority on addressing transport issues and improving facilities, though advocacy, resource allocation and negotiation with key partners: - The A10 to Ely - The A14 to the north west of Cambridge - The A1307 to Haverhill - The guided bus service - The cycleway network close to Cambridge	**H**

- The rail links in all directions (all station stops) - The rural bus services (all stops) • Lead Partner: Cambs County Council • Other Main Partners: SCDC, Cambs Horizons, Central Government, HCA, Train and Bus Operators	

8.7.3 The Council will continue to work closely with partners to alleviate existing problems and ensure they are not associated with the new developments at Northstowe, the city fringes and key villages in particular.

8.8 Housing and Social Issues

8.8.1 Overall there is a good supply and mix of types of houses in South Cambs, with a choice of locations between and within the villages. However, the cost of housing is relatively high, because of some restrictions on supply and the corresponding growth of demand (albeit tempered by the current recession). As a consequence long housing waiting lists have resulted for affordable housing, and was a particular weakness cited by residents and businesses, who considered that an increase in affordable housing would make a positive contribution to improving the labour supply and sustainable village communities. Apart from the social issues related to the cost and shortage of housing, restrictions have been placed on the labour supply of both skilled labour (eg intermediate and senior managers) and less skilled labour (for semi-skilled and elementary occupations).

8.8.2 Partners also say there is a shortage of executive housing which makes the mobility, retention and recruitment of managerial and professional staff problematic.

8.8.3 Overall the relatively high cost of housing raises the cost base for both residents (especially the lower skilled groups), businesses, and other organisations in South Cambs.

8.8.4 At a strategic level the short and medium term proposals for the new development and expansions of the city fringes, Cambourne and key villages, and at Northstowe, subject to the pace and nature of implementation, in the context of the recession, will alleviate some of the housing issues over time. At a more local level the flexible planning policies will also help improve supply. In this context the Council will continue to work positively with the community and the spectrum of partners from public agencies, including the development and infrastructure sectors and community groups.

8.8.5 The programmes for new settlements and developments provide opportunities to provide sustainable development and increase energy efficiency with closer proximity of housing, and employment, and improved transport connectivity.

8.8.6 They also provide the opportunity to secure resources through planning agreements to improve local facilities and services (eg S106).

Policy 31 – In this context, to foster economic development and sustainability, the Council will place priority, working with its partners, on the housing issues in the context of existing and planned growth through its range of functions including housing and planning, advocacy and negotiation. - Improve the supply and mix of housing to satisfy all requirements and help address the cost and affordability issues, minimise commuting and improve the labour market and the efficient operation of businesses - Take advantage of the opportunities for new developments and flagship projects at the city fringes, Cambourne, key villages, and Northstowe as a new eco-town to address the housing and economic development issues and promote them further - Prepare economic development strategies for Northstowe and Cambourne to maximise their contribution to the sub-region - Take advantage of the opportunity to provide state of the art sustainable housing in the new settlements, underpinning their role as key flagship projects and investments - Agree resource contributions through planning powers and development agreements. • Lead Partner: SCDC • Other Main Partners: EEDA, Cambs County Council, Cambs Horizons, HCA	**M**

8.9 Facilities and Services

8.9.1 It was recognised by stakeholders, residents and businesses in South Cambs that they rely heavily on Cambridge for retail, leisure and cultural facilities (cinema, theatre, entertainment venues, restaurants, bars, and cafes). This was a strength for South Cambs in the sense that these facilities were highly accessible subject to transport and cost constraints.

8.9.2 South Cambs also relies heavily on the City for health facilities and specialists especially at Addenbrookes, with Papworth and private hospitals located in South Cambs. The provision of primary care was seen as good.

8.9.3 The village colleges provided excellent educational facilities (along with access to schools / colleges in Cambridge) and had a strong tradition in helping to organise and accommodate leisure and recreational activities involving the arts and drama, music, crafts and sporting events with a community flavour.

8.9.4 Retail and leisure facilities were improving in the larger villages together with greater choice of out of town shopping facilities. However, in some of the smaller villages facilities were contracting which potentially impacted on the quality of life.

8.9.5 South Cambs also had some major important attractions in the Imperial War Museum and Wimpole Hall, as well as the natural environment attractions and nature reserves (such as Wicken Fen) along with arts / cultural facilities (such as the Wysing Arts Studios).

8.9.6 The outdoor recreational facilities were seen as a unique and key strength in South Cambs. These included the fenland sites and natural habitats rich in biodiversity, the country parks, the country houses and their grounds and the networks of footpaths, bridleways and waterways. South Cambs hosted agricultural shows, garden centres and open gardens sessions and village festivals.

Policy 32 – The Council will also continue to work closely with all relevant partners to strengthen and enhance education, health, recreational and leisure facilities and tourism facilities linked to these (eg: including the arts and cultural facilities such as studios, arts centres, events and courses / tuition), and ensure that the countryside and rural character of the South Cambs area is retained along with access to rural recreational facilities. The opportunities for investment at the growth centres in South Cambs, including Northstowe, will be used to help improve facilities and services. • Lead Partner: SCDC • Other Main Partners: Cambs County Council, Cambs Horizons, HCA, CRC, ARU, Cambridge Tourism Management	**M**

8.10 The South Cambs Image and Brand

8.10.1 The South Cambs area is an integral and functioning part of the greater Cambridge sub-regional economy. Hence it shares part of this image and brand. What has developed in the South Cambs area over the past twenty to thirty years are some key features:

a The relatively large, world renowned, leading edge research and development and high technology sector or prestigious sites

b Flagship projects including, for example, the Cambridge Science Park, and the Granta Research Park and other research facilities

c Plans for the new settlement at Northstowe as a leading eco-town

d The high degree of connectivity between the South Cambs area with the key locations in the UK (eg London) and Stansted Airport as the international gateway

e The high quality of life combining the work experience, with access to modern facilities and services and high quality houses and villages

f The tourism attractions and leisure facilities, including the arts and cultural facilities

g The rural character of South Cambs and the attractiveness of its villages

8.10.2 These features are considered by partners to give the South Cambs area a distinctive modern image with a high quality lifestyle.

Policy 33 – The Council should continue to develop the distinctiveness of the South Cambs area image and brand, reflecting the key features of the South Cambs area, to help facilitate balanced growth through both indigenous and inward investment activity. This should feed into the marketing strategy being developed by the Council and other actions such as the commercial property database. • Lead Partner: SCDC • Other Main Partners: Cambs County Council, Business Link East, Cambs Horizons	**M**

8.11 Partnership Arrangements

8.11.1 The Council has developed strong arrangements with its partners, with an input into the key themes and policies above. In the context of the recession, there is likely to be a reduction in resources available for economic development and related activities as a result of the recession and government expenditure policies, which will call for a refocusing of resources.

8.11.2 There were perceived issues concerning the overall policy stance of the Council and its partners and the interface and engagement with businesses to help stimulate economic development.

Policy 34 – Strengthen the relationships and resourcing arrangements with partners across all themes and policies and the interface with the private and public sector.	**H**
Policy 35 – Create and communicate the economic development policies.	**H**
Policy 36 – Strengthen the collaboration between business support providers sub regionally, raise awareness of support available and the commitment to engage with businesses more in order to address needs.	**H**
Policy 37 – Set up a business and partner forum to identify and deal with issues at an early stage.	**H**
Policy 38 – Set up Action Groups to implement and move initiatives forward. • Lead Partner: SCDC (working with partners)	**M**

9 Implementation and Delivery

9.1.1 The implementation of the strategy and the delivery of programmes to meet the desired outcomes is the ultimate responsibility of South Cambs District Council (SCDC) who will carry this out through its partners (and their delivery organisations).

9.1.2 The Figure 9.1 below gives an outline of partner responsibilities for implementation and delivery:

9.1.3 Matching resources to the requirements of the strategy is a fundamental element in successful implementation. The policies and programmes within this strategy have been formulated with realistic resource parameters give the current, and likely future, economic context and government and partner spending constraints. By participating in the strategy the lead partners and other main partners will have a clear role in implementation for the themes and policies.

Figure 9.1 Partner Responsibilities for Implementation and Delivery

Policy Area	The Role of South Cambs in the Sub-Region	Employment, Sectors and Enterprise	Land and Premises	Inward Investment	Labour Supply and Skills
Lead Partner(s)	SCDC	SCDC, Cambs County Council, Businness Link East	SCDC	SCDC	Cambs County Council
Other Main Partners	EEDA, Government Office, Cambs County Council, Cambs Horizons, GCP, Utilities, Energy, Telecoms providers	EEDA, Business Link East (and delivery partners), Cambs Chamber, FSB, GCP, CRC, ARU, JobCentre+, Cambs County Council, Cambridge Tourism Management, SCDC, VSO	EEDA, Cambs County Council, the commercial property sector	Business Link East, EEI, EEDA, Cambs County Council, Cambs Horizons, HCA	CRC, ARU, JobCentre+ and SCDC

Policy Area	The Transport Network	Housing and Social Issues	Facilities and Services	The South Cambs Image and Brand
Lead Partner(s)	Cambs County Council	SCDC	SCDC	SCDC
Other Main Partners	SCDC, Cambs Horizons, Central Government, HCA, Train and Bus Operators	EEDA, Cambs County Council, Cambs Horizons, HCA	Cambs County Council, Cambs Horizons, HCA, CRC, ARU, Cambridge Tourism Management	Cambs CC, Business Link East, Cambs Horizons

9.1.4 Initially policies and resource commitment will be in the form of action plan development. Lead partners responsible for the policy and delivery tasks will work up the programmes and action plans to deliver them, which will amongst other things define projects, highlight the resources and any funding gaps, milestones and project based performance indicators as appropriate.

9.1.5 These actions plans will take the strategy forward, leading to practical delivery and the securing of additional resources where appropriate.

9.1.6 With the strategy clearly linking into the major regional & sub regional strategies and priorities, partners in the South Cambs area have access to and the opportunity to influence a number of key organisations and the funding sources they are responsible for:

- East of England Development Agency
- Government Office for the East of England (and departments)
- Cambridgeshire County Council
- The Business Link East
- East of England International
- The Homes and Communities Agency
- Cambridge Horizons
- Greater Cambridge Partnership
- The Sector Skills Councils
- DEFRA
- Network Rail
- The Utilities Providers
- Cambridge Regional College
- Cambridge Tourism Management
- Cambridge and Anglia Ruskin Universities
- Natural England

9.1.7 There are additional resources which are available to some extent as part of the national programmes of government departments (for example DCLG). The private sector is also a potentially significant source of resources through finance, facilities, and in-kind contributions. The community and voluntary sector is also a very important resource providing know-how, volunteers, and facilities.

9.1.8 Throughout the delivery and implementation partners will reflect the following guiding principles which cut across the themes and policies:

- **Opportunities for all and Diversity.** Promoting social inclusion, equal opportunity and diversity in recruitment policies, and community cohesion. Reducing barriers to ensure all individuals, and those from disadvantaged groups, have opportunities to maximise their potential through training, employment, and entrepreneurial activity.
- **Sustainability.** Within all projects / actions developed sustainability, especially ‘environmental sustainability’ will be at the core. The aim is to improve competitiveness and prosperity while protecting and enhancing the unique rural and urban environments, utilising resources prudently, efficiently and in a sustainable way. This is in line with the Regional Economic Strategy.

- **Ensuring effective partnership working and delivery.** Sharing information and agreeing the way forward, policies, resources, activities and delivery with partners. This will involve clear governance, mechanism and structure, working arrangements, leadership and roles.
- **Balance of activity.** Policies, actions, and the allocation of resources which address needs across the different locations and communities of the South Cambs area.

10 Monitoring Progress

10.1.1 The actions and programme put forward in the strategy are intended to improve the prosperity of South Cambs over the period 2010-2015 and beyond this time period. As the intention is for this strategy to be a 'living / breathing' document, it is critical that progress is monitored and reviewed with programmes adjusted and developed based on evidence. There will be three core elements of this:

1) Quarterly Implementation Review
This will involve assessing progress against agreed action plans on a quarterly basis with lead partners.
2) Annual Review
As per element 1 above, this will involve assessing the progress against agreed actions plans. In addition it will provide an opportunity reassess the policies highlighted within the strategy and make alterations to respond to changing needs within the economy.
3) 2015 Review
As 2015 approaches a full review of the strategy implementation and achievement will be undertaken. This will include a detailed analysis looking at how far the South Cambs economy has progressed, and the activity carried out as a part of the strategy. In addition 'lessons learned' will be captured. This review will be used to inform the development of a successor strategy.

10.1.2 The methods used to monitor implementation and the South Cambs economy will include published data, management information, interviews and survey research where appropriate.

Appendix A Stakeholders and Topics for Discussion

Panel A1.2 Stakeholders Interviewed

- East of England Development Agency
- Greater Cambridge Partnership
- Cambridge City Council
- Cambridgeshire County Council
- South Cambridgeshire District Council
- Business Link East
- Cambridgeshire Chamber of Commerce
- East Cambridgeshire District Council
- East of England International
- UKTI
- Carter Jonas
- Bidwells
- Savills
- Cheffins
- Lambert Smith
- Endurance Estates
- Renbridge
- MEPC Granta Park
- Business Link
- Cambridge Horizons
- EEDA
- Barclays Commercial Bank
- Lloyds TSB
- Cambridge Tourism Management
- Federation for Small Businesses
- St John's Innovation Centre
- Cambridge Regional College
- JobCentre+
- Anglia Ruskin University
- Social Enterprises East England
- NCVO – COVER
- Cambridgeshire ACRE
- HCA – Homes and Communities Agency
- Defra
- MENTER
- Eurotech

Panel A1.3 Topics for discussion

Some of the discussions were held in two stages: firstly an overview discussion; and secondly a follow-up on some of the key issues taking account of the overall research findings and some of the emerging policy issues. The specialisms and key functions of some of the stakeholders were examined as part of the discussions.

1 The aims of the project and methodology

2 The stakeholder organisation
- Role in economic development
- Economic development aims that affect South Cambs
- Key policies and projects that affect South Cambs
- Consultation / collaboration with South Cambs

3 Role of the South Cambs economy in the Sub-Region
- Residential area / housing / key locations
- Employment location / key sites
- Facilities and services / key locations
- The future impact of growth policies

4 The strengths and weaknesses of South Cambs
- Accommodation for businesses
  - Land / sites
  - Premises
- Business culture / environment
- Business sectors
- Location of South Cambs for businesses
- Transport network
- The labour market: quantity / quality
- Business support services
- The cost base for businesses
- Housing facilities
- The cost of housing
- Educational facilities
- Recreational / cultural facilities
- Retail facilities
- Health facilities
- Physical environment
- Social environment
- Crime / security issues
- Quality of life in South Cambs
- The overall image of South Cambs

5 Specific constraints facing businesses
- Indigenous businesses (eg finance, skills, premises etc)
- Inward investors (eg sites, premises, labour)

6 Key policies and actions for South Cambs

7 Any further points

Appendix B Literature review sources

Panel B1.1 List of literature review sources

- South Cambridgeshire Aims, Approaches and Directions October 2008
- South Cambridgeshire Community Engagement Strategy April 2009
- Local Development Framework:
  - Development Control Policies DPD July 2007
  - South Cambridgeshire District Council Core Strategy Development Planning Document, January 2007
  - Area Action Plans
    Northstowe Area Action Plan
    Cambridge East Area Action Plan
    Cambridge Southern Fringe Area Action Plan
    North West Cambridge Area Action Plan (draft)
- Cambridgeshire Development Study March 2009
- Cambridgeshire County Council, Annual Demographic and Socio-economic Information Report, January 2009 (South Cambridgeshire part)
- Regional Economic Strategy: Inventing our Future: Collective action for a sustainable economy. The regional economic strategy for the East of England 2008-2031
- Regional Spatial Strategy: East of England Plan: The Revision to the Regional Spatial Strategy for the East of England
- The Greater Cambridge Sub-Regional Economic Strategy 2009-2012
- Employment Land Review
- Cambridgeshire Local Transport Plan (LTP) 2006
- The Greater Cambridge Creative Industries Research Report & Action Plan, March 2008
- East of England Tourism Business Plan 2008/09
- The Greater Cambridge and Peterborough Tourism Strategy and Action Plan, May 2007
- Cambridge Sub-Region Retail Study
- Research and Action Planning for Carbon Reductions across South Cambridgeshire's Commercial and Industrial Sectors, Camco, August 2009
- Arts Service Review, South Cambridgeshire District Council, February 2009
- Arts Delivery Framework 2009-12 and Action Plan 2009-10, South Cambridgeshire District Council, July 2009
- Local Development Framework: Public Art – supplementary planning document, South Cambridgeshire District Council, January 2009
- Working Together for a better South Cambridgeshire – sustainable community strategy 2008-11, South Cambridgeshire Local Strategic Partnership, March 2008
- Community Engagement Strategy and Action Plan, South Cambridgeshire District Council, June 2009
- Place Survey – SCDC Report of Findings, CELLO mruk, June 2009
- Future Cambridgeshire – summary for Cambridge and Cambridgeshire, October 2009

- Rural Cambridgeshire: Ensuring a Vibrant Future – a rural strategy for Cambridgeshire 2010-2015, Cambridgeshire Together, Feb 2010