










East Cambridgeshire Profile

Patterns of economic activity and nature of economy	Overall employment rate (aged 16-74)	 High (72.3%) and increasing green
	Average employee earnings (workplace)	 Low (£446) and falling red
	Jobs density	 Low (0.55) but increasing amber
Entrepreneurial culture	Level of self employment	 High (17%) and increasing green
	New business registrations per 10,000 adults	 Average (50) but increasing amber
Skills levels and aspirations	16-19 year olds who are not in education, employment or training	 Average (5%) but increasing amber
	Population aged 19-59/64 qualified to at least level 2 or higher	 High (78%) and increasing green
Patterns of unemployment and deprivation	People aged 16-64 on out of work benefits	 Low (6.6%) and stable green
Housing affordability	Ratio of median house price to median earnings	 High (7.73) but decreasing amber

Key Issues

- Low ratio of total jobs to resident working age population (jobs density)
- Small population, with the proportion of those aged 45 and over forecast to see the most growth in future
- High number of businesses but low levels of employment within those businesses
- Relatively low value economy with low average employee earnings
- Relative dependence on lower value manufacturing, processing and construction

ECONOMIC ASSESSMENT OVERVIEW	Cambridge City			East Cambridgeshire			Fenland			Huntingdonshire			South Cambridgeshire		
	Performance against Cambridgeshire average	Performance against national average	Direction of travel	Performance against Cambridgeshire average	Performance against national average	Direction of travel	Performance against Cambridgeshire average	Performance against national average	Direction of travel	Performance against Cambridgeshire average	Performance against national average	Direction of travel	Performance against Cambridgeshire average	Performance against national average	Direction of travel
PEOPLE															
Overall employment rate (aged 16-74)			↑			↑			↑			↓			↑
People aged 16-64 on out of work benefits			↓			→			↑			↓			→
Proportion of population aged 19-59/64 qualified to at least level 2 or higher			↑			↑			↓			↓			↑
Proportion of population aged 19-59/64 qualified to at least level 4 or higher			↑			↓			↑			↑			↓
5+ A*-C grades at GCSE inc English and Maths			↓			↓			↑			↓			↑
BUSINESS															
New business registration rate (2011)			↑			↑			↑			↑			↑
Percentage of small businesses in an area showing employment growth (discontinued) (2008)			→			→			→			→			→
Labour productivity (2010)			↓			↑			↑			↑			↑
Jobs density (2011)			↑			↑			↓			↓			↓
Median earnings of employees in the area (2012)			↑			↓			↑			↓			↑
PLACE															
CO2 emissions per head (2009)			↑			↑			↑			↑			↑
Housing affordability			↓			↑			↑			↓			↑
GVA per capita (2010)			↓			↑			↑			↑			↑
Place Survey results			-			-			-			-			-

	Forest Heath			St Edmundsbury			North Hertfordshire			Uttlesford		
	Performance against Cambridgeshire average	Performance against national average	Direction of travel	Performance against Cambridgeshire average	Performance against national average	Direction of travel	Performance against Cambridgeshire average	Performance against national average	Direction of travel	Performance against Cambridgeshire average	Performance against national average	Direction of travel
PEOPLE												
Overall employment rate (aged 16-74)			↑			↓			↑			↑
People aged 16-64 on out of work benefits			↓			↑			↓			↑
Proportion of population aged 19-59/64 qualified to at least level 2 or higher			↑			↑			↑			↑
Proportion of population aged 19-59/64 qualified to at least level 4 or higher			↑			↑			↑			↓
5+ A*-C grades at GCSE inc English and Maths			↓			↑			↑			↑
BUSINESS												
New business registration rate (2011)			↑			↑			↑			↑
Percentage of small businesses in an area showing employment growth (discontinued) (2008)			→			→			→			→
Labour productivity (2010)			↑			↑			↑			↑
Jobs density (2011)			↓			↑			→			↑
Median earnings of employees in the area (2012)			↓			↓			↑			↑
PLACE												
CO2 emissions per head (2009)			↑			↓			↑			↑
Housing affordability			↓			↑			↑			↓
GVA per capita (2010)			→			↑			↑			↓
Place Survey results			-			-			-			-

KEY	
	Better than average
	Similar to average
	Worse than average
↑→↓	Direction of travel

East Cambridgeshire SWOT

Strengths

Relatively high levels of resident satisfaction in East Cambridgeshire as a place to live, as measured by the Place Survey.

Low levels of recorded crime.

Low levels of unemployment and high levels of economic activity, including a high level of those in employment that are self-employed.

Higher than average intermediate level, technical and skilled trade occupations

Small long term gain of business floorspace and recent net increase in office, light industry and storage and distribution space.

Weaknesses

Pattern of higher skilled workers commuting out of the district to work.

Relatively low levels of prosperity, particularly in the north of the district. The recession has increased employment disparities within the district and pockets of deprivation exist around Ely and Littleport, particularly regarding education, skills and training.

Poor accessibility of jobs by public transport, cycling or walking.

Opportunities

Strengths in higher value manufacturing, particularly chemicals.

Low proportion of public sector employment and a high proportion of employment in skilled trades.

Of the Cambridgeshire districts, East Cambridgeshire is forecast to show one of the largest percentage increases in employment by 2021.

Relatively high business density but a low and decreasing jobs density caused by a very high proportion of 'micro' businesses.

Increased availability of next generation broadband access, which could have a positive impact on future business productivity, particularly with hi-tech industries dependent on international markets.

Growing renewable energy infrastructure may provide supply chain opportunities for local business.

Threats

A relatively small but growing population – however growth is forecast to be concentrated in the population aged 45 and over.

High dependence on migrant workers in the agriculture and horticulture industries threatened by the return of workers to their country of origin.

Dependence on manufacturing (mainly low value), processing and construction. A relatively low value economy compared with Greater Cambridge as a whole.

High proportion of long established businesses and low birth rate of new enterprises could indicate low 'business churn', a lack of competition and restricted innovation.

Significant fall in the number of dwellings completed from 2008 to 2010.

Labour market, prosperity and crime

A relatively small, ageing population

- East Cambridgeshire is the second least populous of the Greater Cambridge districts with an estimated population of 83,800 residents in 2011.
- 63% are of working age in 2011 – a slightly lower proportion than seen nationally (65%).

Out commuting of higher skilled workers

- There is significant commuting out of the district into Cambridge and two way commuting links with Forest Heath.
- A higher number of residents than workers work in high value occupations, which suggests that higher skilled residents commute out of the district to work.

High dependence on migrant workers in the agriculture and horticulture industries

- Comparing Cambridgeshire districts, East Cambridgeshire contributes one of the lower proportions of new National Insurance Number (NINo) registrations in Cambridgeshire from 2002/03 to 2011/12.
- However, research suggests businesses in some sectors would not be able to function to full capacity if migrant workers were not available. The Working Lives Institute, in undertaking research for EEDA in 2005, found that the largest employers of migrant workers in agriculture and horticulture were based around Ely and Wisbech.

Relatively low levels of prosperity, particularly in the north of the district

- Median weekly earnings are below the Cambridgeshire and national averages, and there was a reduction in median gross weekly full time pay from 2011.
- Although a low proportion of households within East Cambridgeshire have an annual income under £20,000 those that do are concentrated to the north. [Map 3]
- Relatively low GVA per capita compared with the UK average, and one of the lowest levels in the county.

Relatively high levels of resident satisfaction

- The 2008 Place Survey recorded that 87% of East Cambridgeshire residents were satisfied with their local area as a place to live, similar to the average across Cambridgeshire and above the national average of 80%.

Low levels of recorded crime

- Cambridgeshire Police collate data for the county's Crime and Disorder Reduction Partnerships.
 - East Cambridgeshire has the lowest number of crimes compared to the other Cambridgeshire districts, and the second lowest crime rate. In 2012/13 there was a sizeable reduction in the crime rate from the previous financial year.
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Skills levels and education

Fairly even distribution across qualification groups

- Roughly equivalent proportion of residents aged 19-59/64 are qualified to NVQ level 4+ (degree level) as seen nationally. Lower than average proportion of residents with no qualifications, fairly balanced proportion of residents aged 19-59/64 with low and intermediate level of qualifications.

Roughly average educational attainment levels

- The district has around 5% of 16-19 year olds not in education, employment or training.
- Pupil attainment at Key Stage 4 is just below the national and county average with around 57% of pupils living in the district achieving at least five GCSEs graded A*-C including Maths and English.

Higher than average intermediate level, technical and skilled trade occupations

- East Cambridgeshire has a higher than average proportion of their population holding level 3 (recognised as 'intermediate level') as their highest qualification.
 - Associate technical/professional and skilled trade occupations are essential in many advanced manufacturing sectors; East Cambridgeshire could be well placed to take advantage of this population group.
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Patterns of unemployment and deprivation

Low levels of unemployment however the recession has increased employment disparities within the district

- Only 3.5% of those residents aged 16-74 are unemployed, lower than the national rate of 5.2% and second lowest within the county.
- The proportion of the resident population aged 16-64 claiming Incapacity Benefit or Employment and Support Allowance is the second lowest in the county at 3.4%, 2.5 percentage points lower than the national average.
- In December 2012, 2% of East Cambridgeshire's working age population claimed Jobseeker's Allowance, up from 1% at the start of the recession – a smaller increase to that seen nationally. However, the highest increases have been concentrated in the areas with the highest rates, notably Littleport.

Generally low levels of deprivation but pockets in Ely and Littleport

- One Lower Super Output Area within East Cambridgeshire (within Littleport) is among the most deprived national 20% in terms of education, skills and training, but generally the district has relatively low levels of deprivation with 38% of its 47 Lower Super Output Areas within the least deprived 20% nationally.
- There is however a north, south divide within the district, with consistent pockets of deprivation in Ely and Littleport. [Map 4]

Pockets of fuel poverty in some wards

- Fuel poverty is influenced by three factors: low incomes, high fuel costs and thermal efficiency of the housing stock. As a whole, in 2010, East Cambridgeshire was more fuel poor than the sub-region; around half the wards in the district were more fuel poor than the national average.
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Nature of the economy

Relatively low value economy compared with Greater Cambridge as a whole

- Around 53% of the district's workers are employed in 'high value' occupations, a lower proportion than seen nationally, with a relatively high proportion of these 'high value' workers employed in skilled trade occupations.
- Comparing resident and workforce occupations, a high proportion of the district's residents work in skilled trades.
- Median weekly workplace earnings are below the Cambridgeshire and national averages.
- Labour productivity is amongst the lowest of all Greater Cambridge districts and lower than the UK average.

Dependence on lower value manufacturing, processing and construction

Low public sector employment and significant level of employment in skilled trades

Strengths in higher value manufacturing, particularly chemicals

- The construction sector accounts for the largest number of businesses and the district has more than twice the national proportion of businesses in agriculture, forestry and fishing.
- The dominant employment sectors are manufacturing, business administration and support services, education and retail.
- The district has some employment concentrations in higher value manufacturing, namely the manufacture of chemical products, instruments and television/radio receivers. Hi-tech employment accounts for around 6% of all East Cambridgeshire jobs, mainly located around Ely. [Maps 1 and 2]
- Employment in the public sector stands at 25% of the workplace population compared with a national figure of 30%.

High proportion of 'micro' businesses

- In 2012 there were 4,020 local units in VAT and/or PAYE based enterprises in East Cambridgeshire, and there were around 29,000 jobs in 2011.
- Within Greater Cambridge, East Cambridgeshire and Uttlesford have the highest proportions of "micro" (0-9 employee) businesses at 87% and 88% respectively. These proportions are significantly higher than the national proportion of 83%.
- Within Greater Cambridge, turnover is lowest in Fenland and East Cambridgeshire enterprises.

Relatively high business density but low and decreasing jobs density

- A high density of businesses is crucial in creating the levels of agglomeration required to enable effective knowledge flow between people and firms, important for the growth of any successful economy.
- Business density in East Cambridgeshire is relatively high, with a greater density than that seen across Greater Cambridge as a whole and higher than seen nationally. However, from 2004 to 2012, the percentage increase in the business density has been below these two areas.
- East Cambridgeshire has a jobs density of 0.55 (significantly below the national average and the lowest of all Greater Cambridge districts) indicating that the district's labour demand is not as high as its available workforce. Jobs density in East Cambridgeshire has shown a decrease of 0.05 since 2003, this decrease mirrored a similar trend seen in Greater Cambridge.

High proportion of long established businesses and low birth rate of new enterprises could indicate low 'business churn', a lack of competition and restricted innovation

- Both Fenland and East Cambridgeshire have a higher than average proportion of long established businesses.
- However, the birth rate of new enterprises, per 100 active enterprises, is low in both Fenland and East Cambridgeshire, and is significantly lower than the national rate.
- Business Link start up patterns also showed a relatively small number of new businesses created in East Cambridgeshire between 2007 and 2010.
- The level of self employment is higher than the regional and national average, suggesting that the figure may not capture a number of businesses sitting below the VAT/PAYE threshold.

Relatively low employment growth among existing businesses

- The proportion of enterprises with employment less than 50 showing employment growth was just under 14% in 2008, very similar to regional and national figures but one of the lowest figures among Greater Cambridge districts.

Business development, infrastructure and housing

Poor accessibility of jobs

- Like many other rural counties, accessibility of jobs by public transport, cycling or walking is relatively low across Cambridgeshire but lowest within East Cambridgeshire.

Small long term gain of business floorspace, and recent net increases in office space, light industry and storage and distribution

- Since 1999 East Cambridgeshire has seen the lowest net gain of business floorspace in the county; Cambridge City is the only district to have seen a net loss.
- In 2011/12 the net change in business floorspace was by far the most negative in East Cambridgeshire compared to the rest of the county. This was caused by a large drop in net floorspace for general industry, although there were significant gains in the storage and distribution sector.
- Between 1999 and 2012 East Cambridgeshire's net increase in business floorspace was predominantly made up of B1a (office), B1c (light industry) and B8 (storage and distribution).

High proportion of warehouse and factory space in 2008

- In terms of total business floorspace in 2008, East Cambridgeshire had one of the highest proportions of warehouse and factory space of all Greater Cambridge districts with nearly 80% of all business floorspace allocated for this use. This is nearly 20% more than the proportion seen nationally.

Moderate increase in retail floorspace in town centres

- From 1999 to 2012 most districts have seen an increase in retail floorspace – within East Cambridgeshire that increase has been moderate.
- In 2012, East Cambridgeshire has the lowest level of retail commitments in the county, with just 8% of Cambridgeshire's net commitment falling in the district.

Improvements to poor broadband infrastructure to be made in future

- Over 50% of East Cambridgeshire wards, particularly those furthest away from Ely and Newmarket, are at risk of not receiving next generation broadband access through likely future market rollout. However Cambridgeshire County Council has received a grant to provide high speed broadband access throughout the county, with the aim of delivering 100% broadband coverage by 2015 with a minimum 90% of coverage being superfast broadband.

Average housing affordability in the housing sub-region

- The average house price in East Cambridgeshire in Aug 2012 to Jan 2013 was £214,920. This value is the median of the average district house prices for the housing sub-region.
- The most affordable ward in East Cambridgeshire is Ely South with a lower quartile income to lower quartile house price ratio of 6.93. This is still greater than the 3.5 house price to income ratio defined as affordable by Communities and Local Government. The least affordable ward is Bottisham, with a ratio of 13.15.

Increasing traffic congestion affecting business productivity

- The district has very high levels of out commuting, mainly to Cambridge and its surrounding area. The A10 is at capacity at peak times and further growth in East Cambridgeshire will add to the problem.
- The highest rural traffic growth since 2001 in the district has been on the C134 Queen Adelaide, which has seen a 21% increase in traffic flows.

Recent fall in housing completions

- Like most other districts, East Cambridgeshire saw a significant fall in the number of dwellings completed over 2008-2010, however since then dwelling completions have been rising.

Growing renewable energy infrastructure

- East Cambridgeshire has a fairly high proportion of Cambridgeshire's total renewable energy capacity due to the straw burning power station at Sutton.

Future prospects

Increase in employment

- The East of England Forecasting Model forecasts that of the Cambridgeshire districts, East Cambridgeshire will see the third highest total increase in employment between 2011 and 2031.

Increase in GVA

- GVA growth forecasts suggest growth of GVA in East Cambridgeshire will be third lowest among Cambridgeshire districts between 2011 and 2031.

Employment demand in associate technical and professional occupations

- Occupational forecasts for Cambridgeshire based on the East of England Forecasting Model estimate that over the next five years expansion demand is likely to be strongest in:
 - Caring personal service occupations
 - Managers and senior officials
 - Associate technical and professional occupations
 - Professional occupations
 - Sales and customer service occupations
- All other occupations are projected to experience very little, or negative expansion demand.

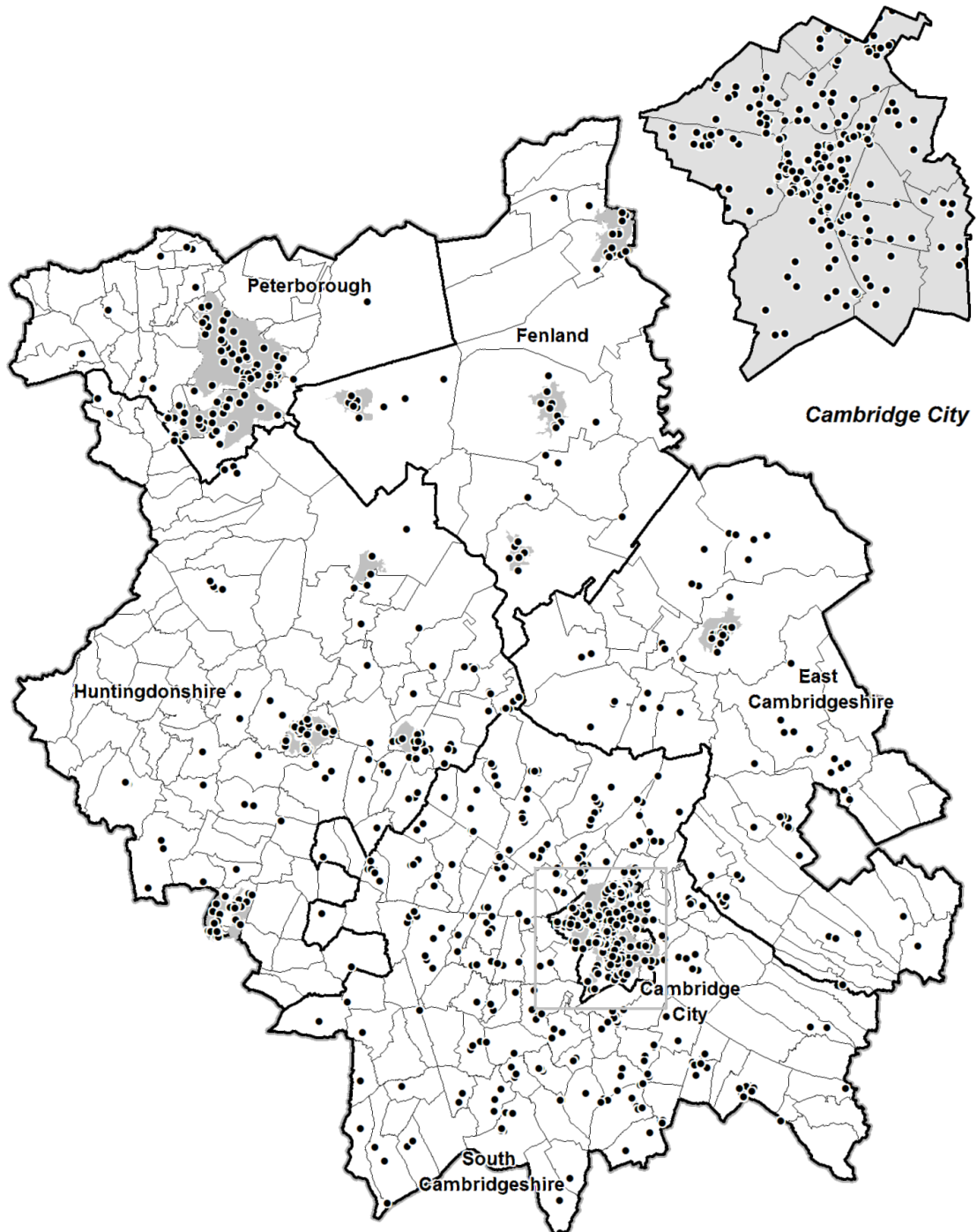
Gradually ageing population

- Forecast levels of population growth to 2031 anticipate a higher rate of population growth than that seen across the region as a whole, however much of this growth is anticipated to be in the population aged 45 and over.
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Appendices

Map 1: All Hi-tech 'Community' Businesses in Cambridgeshire and Peterborough 2010

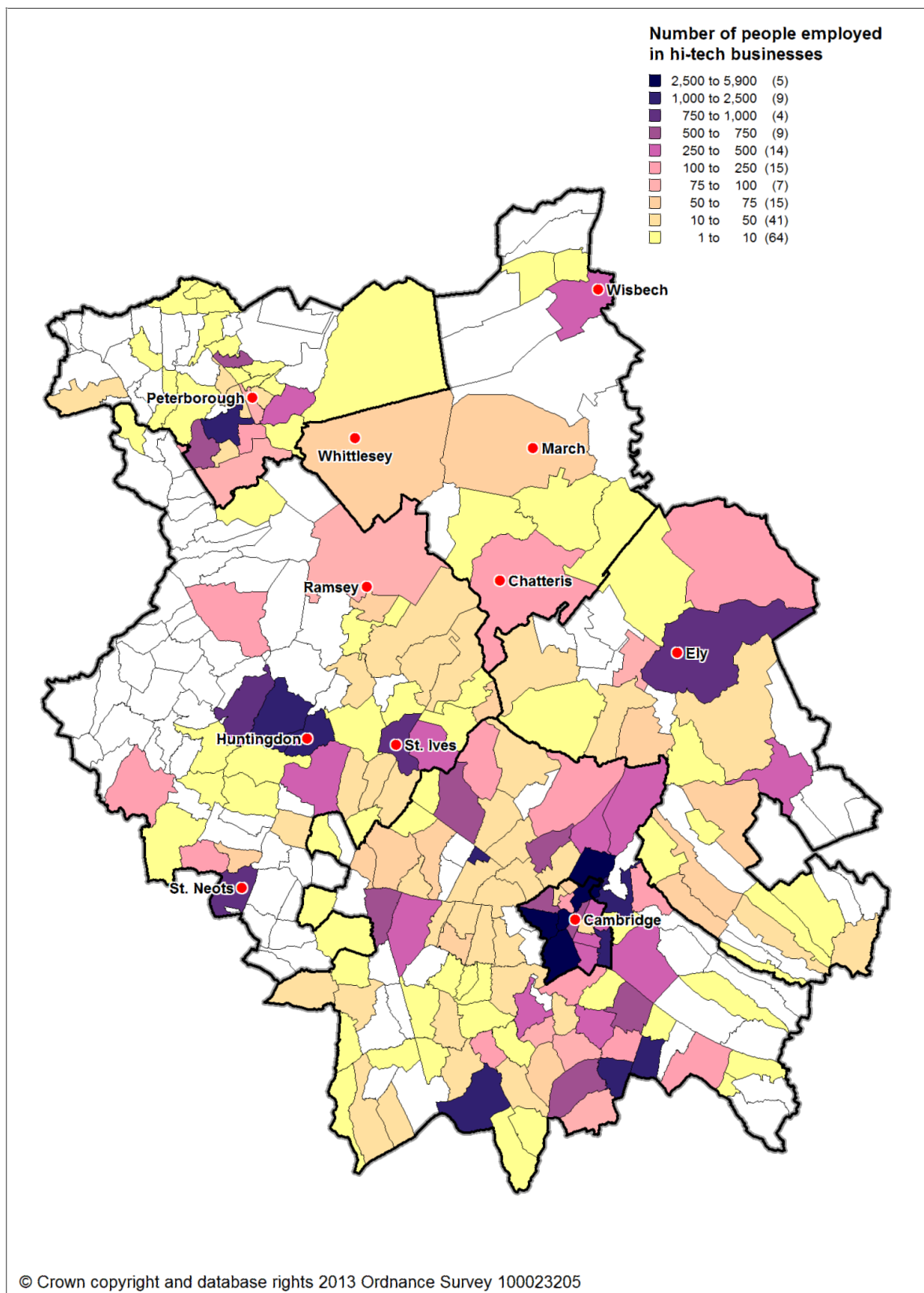
Source: Cambridgeshire County Council Research Group



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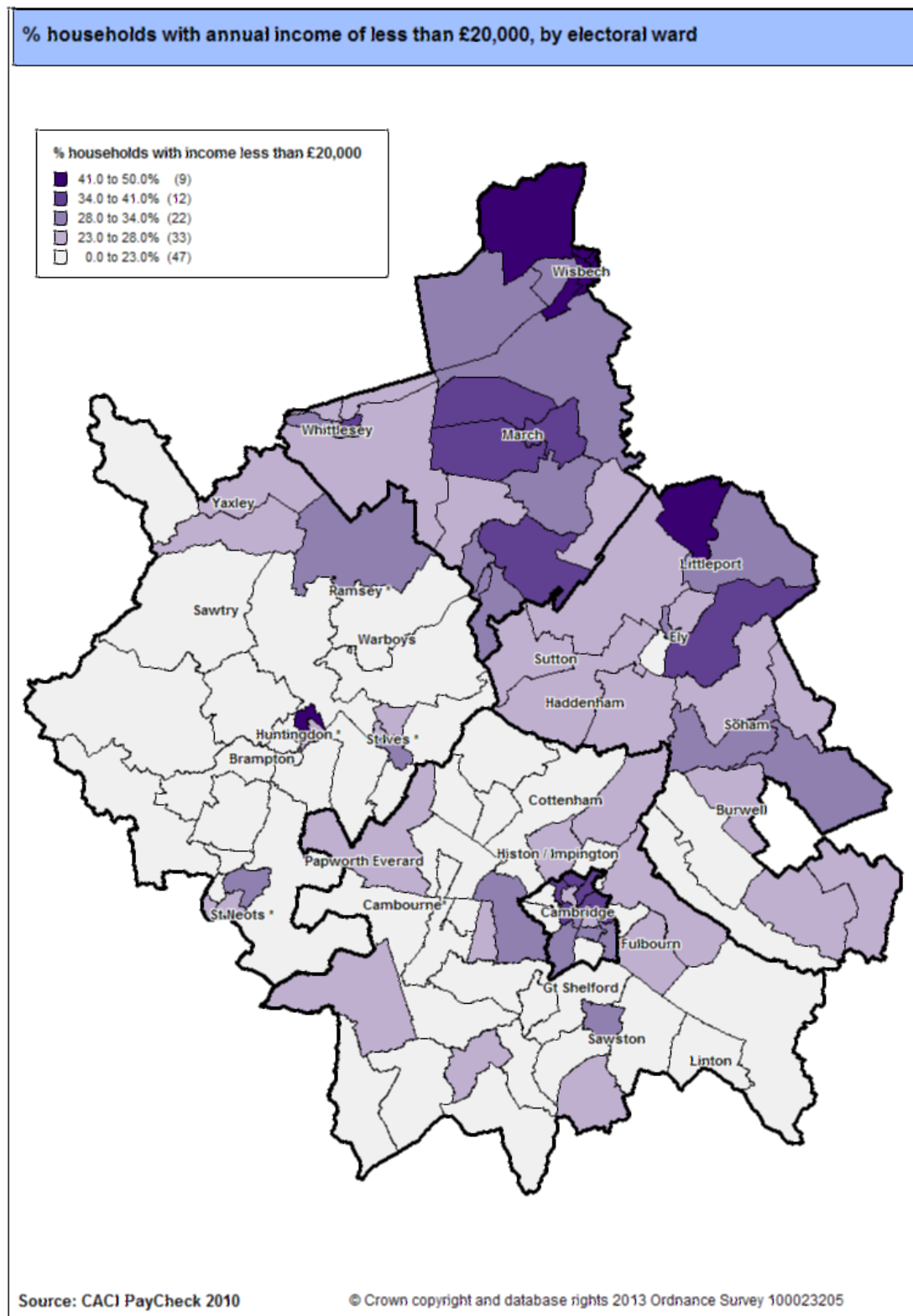
Map 2: Employment in the Hi-tech 'Community', 2010

Source: Cambridgeshire County Council Research Group



Map 3: % households with annual income of less than £20,000, by electoral ward

Source: CACI PayCheck 2010



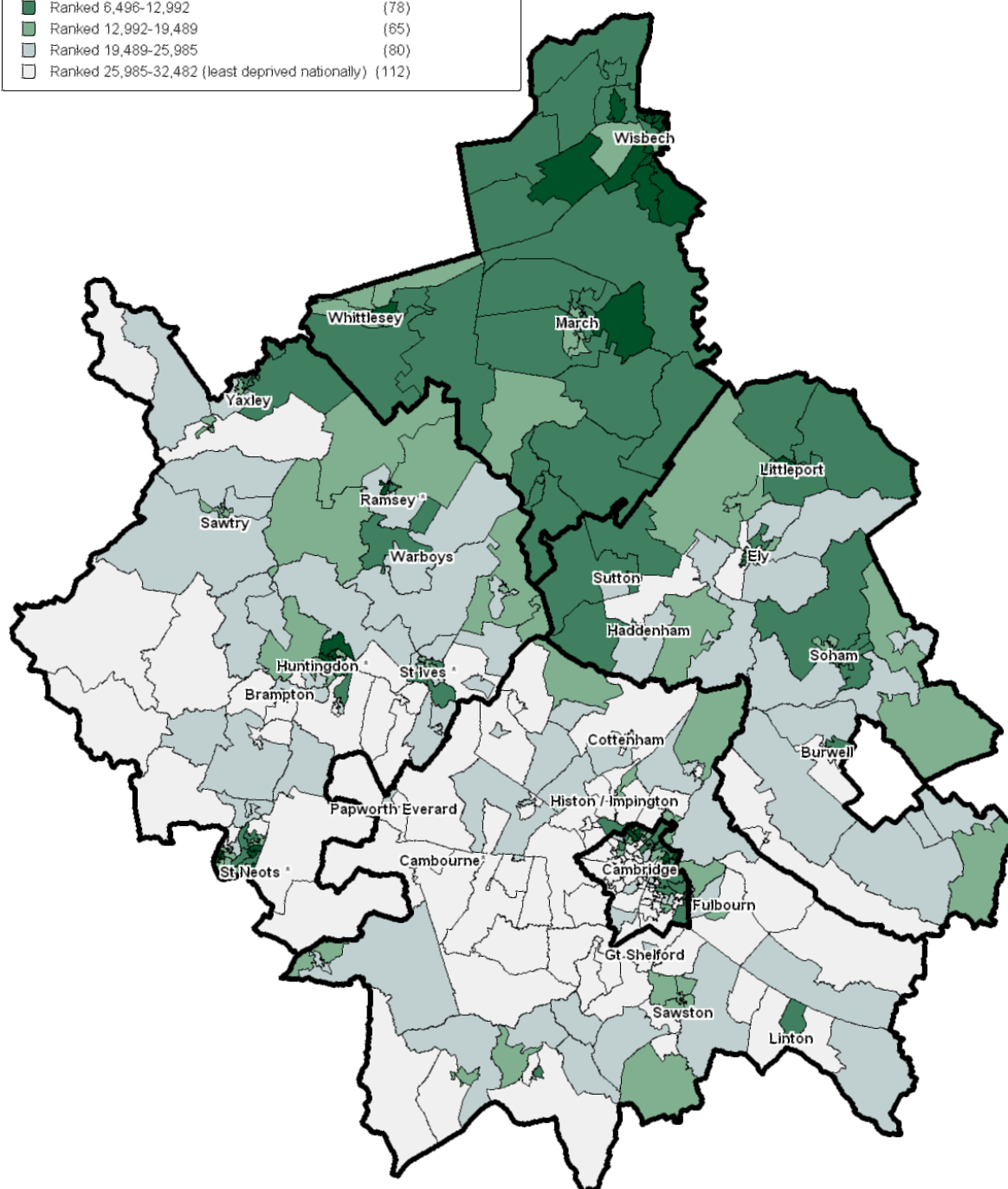
Map 4: Education, Skills and Training Deprivation

Source: CLG ID2010

Indices of Deprivation 2010: Education, Skills & Training Deprivation

Education, Skills & Training Deprivation National Ranks

Ranked 1-6,496 (most deprived nationally)	(30)
Ranked 6,496-12,992	(78)
Ranked 12,992-19,489	(65)
Ranked 19,489-25,985	(80)
Ranked 25,985-32,482 (least deprived nationally)	(112)



Source: CLG Indices of Deprivation 2010

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