

## Corporate sectors – East Cambridgeshire

This report aims at assessing the specialness of the East Cambridgeshire economy by examining the key features characterising the corporate sectors in the area. The first part of the report provides an overview of the size of the corporate sectors in terms of number of companies, total employment and total turnover, while the second part focuses on the analysis of growth in employment and turnover over time. All data refer to Cambridge Ahead data produced by Dr Andy Cosh at the Centre for Business Research unless otherwise indicated.

### 1. Size

Table 1 reports the distribution of employment by sector (in levels as well as in percentage terms with respect to the total for all sectors in the area and to the total for each sector in the Combined Authority) for 2016-17.<sup>1</sup>

Table 1 Distribution of employment by sector in 2016-17

	East Cambridgeshire			Combined Authority	
	Total employment	% of total	% of Combined Authority	Total employment	% of total
<b>KNOWLEDGE INTENSIVE SECTORS</b>					
Information Technology and Telecoms	579	2.5%	3.0%	19,419	8.2%
Life science and healthcare	270	1.1%	1.9%	14,106	6.0%
High-tech manufacturing	1,483	6.3%	6.8%	21,651	9.2%
Knowledge intensive services	140	0.6%	2.0%	7,148	3.0%
<b>TOTAL KI SECTORS</b>	<b>2,472</b>	<b>10.5%</b>	<b>4.0%</b>	<b>62,324</b>	<b>26.4%</b>
<b>OTHER SECTORS</b>					
Primary	6,043	25.6%	50.3%	12,020	5.1%
Manufacturing	1,713	7.3%	8.8%	19,465	8.2%
Wholesale and retail distribution	2,608	11.0%	10.5%	24,839	10.5%
Construction and utilities	1,615	6.8%	8.7%	18,600	7.9%
Transport and travel	3,553	15.0%	34.5%	10,305	4.4%
Property and finance	865	3.7%	3.2%	26,771	11.3%
Other business services	998	4.2%	3.6%	27,502	11.6%
Other services	1,000	4.2%	7.3%	13,677	5.8%
Education, arts, charities, social care	2,746	11.6%	13.2%	20,843	8.8%
<b>TOTAL NON-KI SECTORS</b>	<b>21,141</b>	<b>89.5%</b>	<b>12.1%</b>	<b>174,022</b>	<b>73.6%</b>
<b>TOTAL ALL SECTORS</b>	<b>23,613</b>	<b>100.0%</b>	<b>10.0%</b>	<b>236,346</b>	<b>100.0%</b>

Total employment in East Cambridgeshire represents around 10% of total employment in the Combined Authority. The largest number of employees are in the Primary sector (6,043), which accounts for 25.6% of total employment in the district and 50.3% of total employment in the sector for the Combined Authority. Other sectors that have significant shares are Transport and Travel (15.0% and 34.5%, respectively), Education, Arts, Charities, Social Care (11.6% and 13.2%, respectively), and Wholesale and Retail Distribution (11.0% and 10.5%, respectively). The share of

<sup>1</sup> The distribution of the number of companies by sector for 2016-17 is included in Table A.1. A comparison of employment estimates by sector between Cambridge Ahead data and BRES data is presented in Table A.3.

employment in KI sectors is well below the average for the Combined Authority, with the lowest value observed for Knowledge Intensive Services (0.6% of total employment in the district).

Table 2 presents the distribution of turnover by sector (in £,000 as well as in percentage terms with respect to the total for all sectors in the area and to the total for each sector in the Combined Authority) for 2016-17.

Table 2 Distribution of turnover by sector in 2016-17

	East Cambridgeshire			Combined Authority	
	Total turnover £,000	% of total	% of Combined Authority	Total turnover £,000	% of total
<b>KNOWLEDGE INTENSIVE SECTORS</b>					
Information Technology and Telecoms	84,647	2.4%	2.1%	4,001,051	8.8%
Life science and healthcare	25,480	0.7%	0.9%	2,876,583	6.4%
High-tech manufacturing	247,161	7.1%	4.2%	5,895,454	13.0%
Knowledge intensive services	12,718	0.4%	1.2%	1,088,008	2.4%
<b>TOTAL KI SECTORS</b>	<b>370,006</b>	<b>10.7%</b>	<b>2.7%</b>	<b>13,861,095</b>	<b>30.6%</b>
<b>OTHER SECTORS</b>					
Primary	842,619	24.3%	41.6%	2,027,805	4.5%
Manufacturing	271,005	7.8%	5.9%	4,609,590	10.2%
Wholesale and retail distribution	759,769	21.9%	8.8%	8,608,794	19.0%
Construction and utilities	379,442	10.9%	8.8%	4,294,229	9.5%
Transport and travel	385,579	11.1%	10.1%	3,834,353	8.5%
Property and finance	105,378	3.0%	3.5%	3,054,435	6.7%
Other business services	125,629	3.6%	4.5%	2,779,856	6.1%
Other services	61,414	1.8%	7.0%	876,403	1.9%
Education, arts, charities, social care	168,600	4.9%	12.8%	1,315,213	2.9%
<b>TOTAL NON-KI SECTORS</b>	<b>3,099,435</b>	<b>89.3%</b>	<b>9.9%</b>	<b>31,400,678</b>	<b>69.4%</b>
<b>TOTAL ALL SECTORS</b>	<b>3,469,441</b>	<b>100.0%</b>	<b>7.7%</b>	<b>45,261,773</b>	<b>100.0%</b>

Almost 90% of total turnover in the district is generated in non-KI sectors. The largest shares of turnover are found in the Primary sector (24.3% of the total for East Cambridgeshire and 41.6% of the total in the sector for the Combined Authority) and in the Wholesale and Retail Distribution sector (21.9% and 8.8%, respectively). Other large sectors in terms of turnover are Transport and Travel (11.1% and 10.1%, respectively) and Construction and Utilities (10.9% and 8.8%, respectively). More limited is total turnover originated in KI sectors, which account for 10.7% of total turnover in the district and 2.7% of total turnover in KI sectors for the Combined Authority. The largest KI sector based on turnover is High-Tech Manufacturing (7.1% and 4.2%, respectively).

Table 3 shows employment and turnover location quotients (LQs) with respect to the Combined Authority, the LEP and the UK for 2015-16. A similar analysis based on BRES data instead of Cambridge Ahead data is included in Table A.2.

Table 3 Employment and turnover location quotients in 2015-16 – Cambridge Ahead data

	Employment			Turnover		
	LQ (Comb. Auth. = 1)	LQ (LEP = 1)	LQ (UK = 1)	LQ (Comb. Auth. = 1)	LQ (LEP = 1)	LQ (UK = 1)
<b>KNOWLEDGE INTENSIVE SECTORS</b>						
Information Technology and Telecoms	0.29	0.47	0.53	0.28	0.32	0.40
Life science and healthcare	0.20	0.53	0.66	0.10	0.13	0.38
High-tech manufacturing	0.79	0.92	1.63	0.79	0.77	1.67
Knowledge intensive services	0.20	0.34	0.43	0.15	0.27	0.32
<i>TOTAL KI SECTORS</i>	<i>0.44</i>	<i>0.68</i>	<i>0.96</i>	<i>0.44</i>	<i>0.49</i>	<i>0.91</i>
<b>OTHER SECTORS</b>						
Primary	4.83	5.16	5.67	5.28	5.16	1.96
Manufacturing	1.01	0.82	0.87	0.73	0.61	0.90
Wholesale and retail distribution	1.17	1.30	0.66	1.28	1.41	1.16
Construction and utilities	0.87	1.07	1.62	1.11	0.83	0.83
Transport and travel	3.46	2.92	2.05	1.02	1.44	1.85
Property and finance	0.33	0.52	0.37	0.45	0.70	0.23
Other business services	0.38	0.23	0.30	0.61	0.48	0.52
Other services	0.71	0.31	0.30	0.73	0.32	0.30
Education, arts, charities, social care	1.20	1.33	1.78	1.11	1.13	1.81
<i>TOTAL NON-KI SECTORS</i>	<i>1.21</i>	<i>1.07</i>	<i>1.01</i>	<i>1.24</i>	<i>1.19</i>	<i>1.01</i>

Employment LQs suggest that there is high concentration in the Primary sector (5.16 relative to the LEP and 5.67 relative to the UK), in the Transport and Travel sector (2.92 and 2.05, respectively) and in the Education, Arts, Charities, Social Care sector (1.33 and 1.78, respectively). Some degree of concentration can also be observed for Construction and Utilities (1.07 and 1.62), while the share of employment in the Wholesale and Retail Distribution sector is somewhat higher than the corresponding figures for the Combined Authority and the LEP (1.17 and 1.30, respectively). Relatively low concentration can be seen in the KI sectors, with only the LQ for High-Tech Manufacturing relative to the UK being greater than 1.

Consistent results are found in relation to turnover. The sectors with the highest degree of concentration are Primary (5.16 relative to the LEP and 1.96 relative to the UK), Transport and Travel (1.44 and 1.85, respectively), Education, Arts, Charities, Social Care (1.13 and 1.81, respectively), and Wholesale and Retail Distribution (1.41 and 1.16, respectively). Again, the only KI sector with an LQ greater than 1 is High-Tech Manufacturing (1.67 when the LQ relative to the UK is considered).

Table 4 illustrates the distribution of the number of companies that are based in the area (in both absolute and relative terms) by firm size for 2016-17. The groupings used in Table 4 and in the other tables below are defined as follows: (i) micro firms = 1-9 employees; (ii) small and medium-sized firms (SMEs) = 10-249 employees; (iii) large firms > 250 employees. A detailed disaggregation of the number of companies by firm size is included in Table A.4.

Table 4 Distribution of number of companies by firm size in 2016-17 – Broad summary

	East Cambridgeshire		Combined Authority	
	No. of companies	%	No. of companies	%
Micro firms	2,193	91.1%	22,214	90.4%
Small and medium-sized firms	199	8.3%	2,224	9.1%
Large firms	14	0.6%	123	0.5%
All firms in area	2,406	100.0%	24,561	100.0%

The distribution of companies by firm size in East Cambridgeshire is largely in line with that for the Combined Authority. Over 90% of companies in the district have between 1 and 9 employees, while SMEs represent 8.3% of the total number of companies in the area. There are 14 companies with more than 250 employees, corresponding to 0.6% of the total.

Table 5 reports the distribution of employment by firm size for 2016-17. A detailed disaggregation of the figures presented below is included in Table A.5.

Table 5 Distribution of employment by firm size in 2016-17 – Broad summary

	East Cambridgeshire		Combined Authority	
	Total employment	%	Total employment	%
Micro firms	4,719	20.0%	46,737	19.8%
Small and medium-sized firms	6,023	25.5%	80,499	34.1%
Large firms	12,871	54.5%	109,110	46.2%
All firms in area	23,613	100.0%	236,346	100.0%

Large firms account for over half of total employment in the area, a figure that is considerably higher compared to the Combined Authority (54.5% and 46.2%, respectively). Employment at SMEs corresponds to over 25% of total employment in East Cambridgeshire, with the greatest contribution coming from firms with 10-49 employees (3,386). The share of employment for micro firms (20.0%) mirrors that for the Combined Authority (19.8%).

Table 6 shows the distribution of turnover by firm size for 2016-17. A detailed disaggregation of the figures presented below is included in Table A.6.

Table 6 Distribution of turnover by firm size in 2016-17 – Broad summary

	East Cambridgeshire		Combined Authority	
	Total turnover £,000	%	Total turnover £,000	%
Micro firms	756,026	21.8%	7,706,187	17.0%
Small and medium-sized firms	1,075,225	31.0%	13,536,479	29.9%
Large firms	1,638,190	47.2%	24,019,107	53.1%
All firms in area	3,469,441	100.0%	45,261,773	100.0%

Over 47% of total turnover in the district is generated by the 14 firms with more than 250 employees. This figure is lower than the corresponding figure for the Combined Authority (53.1%). SMEs account for almost a third of total turnover in East Cambridgeshire, while the lowest share of turnover is observed for micro firms (21.8% compared to 17.0% for the Combined Authority).

Table 7 lists the largest companies that are based in East Cambridgeshire, among those with more than 100 employees, by their turnover in 2016-17.

Table 7 Largest East Cambridgeshire-based companies (100+ employees) by turnover in 2016-17

Company name	Sector	Employment 2016-17	Turnover 2016-17 £,000
JDR Enterprises Limited	High-tech	505	114,002
Parametric Investments Limited	manufacturing	243	26,326
Ivor Searle Limited		107	9,839
Shearline Holdings Limited		111	7,608
G'S Group Holdings Limited	Primary	3,894	444,286
G'S Growers Limited		265	79,962
J.B Shropshire & Sons Limited		623	72,298
Juddmonte Farms Limited		111	45,556
Littleport Mushroom Farms LLP		258	15,204
Elliott Group Limited	Manufacturing	1,002	162,816
Faerch Plast UK Limited		300	50,414
George Thurlow And Sons (Holdings) Limited	Wholesale and retail distribution	663	229,081
Thorlabs Limited		202	41,707
G. & J. Peck Limited		131	40,353
Life Fitness (UK) Limited		111	37,760
Hoopers Limited		372	23,792
Ellgia Holdings Limited	Construction and utilities	116	17,788
Turners (Soham) Holdings Limited	Transport and travel	2,979	322,608
Bretts Transport Limited		136	14,571
The Active Learning Trust Limited	Education, arts, charities, social care	737	62,676
Anglian Learning		271	28,113
The Diocese of ELY Multi-Academy Trust		539	16,556
The King's School, ELY		463	16,382
Staploe Education Trust		178	8,701
Witchford Village College		145	5,056

The largest East Cambridgeshire-based companies tend to be concentrated in non-KI sectors, namely Primary (e.g. G'S Group Holdings Limited), Transport and Travel (e.g. Turners (Soham) Holdings Limited), Manufacturing (e.g. Elliott Group Limited), and Wholesale and Retail Distribution (e.g. George Thurlow And Sons (Holdings) Limited). A number of large companies also belong to the Education, Arts, Charities, Social Care sector, including The Active Learning Trust Limited and Anglian Learning. Among the KI sectors, companies with more than 100 employees are found only in High-Tech Manufacturing, where the largest player is JDR Enterprises Limited.

Table 8 provides a list of the largest companies that are active in East Cambridgeshire, among those with more than 100 employees, by their turnover in 2016-17.

Table 8 Largest East Cambridgeshire-active companies (100+ employees) by turnover in 2016-17

Company name	Sector	Employment 2016-17	Turnover 2016-17 £,000
ITV PLC	Information Technology and Telecoms	6,121	3,064,000
Wittington Investments Limited	Manufacturing	131,211	13,555,000
Volkswagen Group United Kingdom Limited	Wholesale and retail distribution	1,011	9,792,900
DS Smith PLC		26,065	4,066,000
A.F.Blakemore And Son Limited		7,514	1,306,165
Office Holdings Limited		3,125	273,727
Caffyns Public Limited Company		414	212,581
Truckeast Limited		344	103,865
Fortnum & Mason Public Limited Company		708	98,729
Medlock Electrical Distributors Limited		251	66,561
EDE & Ravenscroft Limited		627	39,925
European Metal Recycling Limited	Construction and utilities	2,910	2,221,000
Novus Property Solutions Limited		819	130,281
Space Engineering Services Limited		623	83,108
Clive Barford Limited		145	50,269
M.Price Limited		164	40,962
Anchor Trust	Property and finance	9,232	374,709
Sequence (UK) Limited		3,103	173,195
Rentokil Initial UK Ltd	Other Business Services	2,535	229,784
Chubb Fire & Security Limited		1,779	185,432
Fugro Geoservices Limited		505	87,763
Penna PLC		297	80,282
Travelodge Hotels Limited	Other Services	5,363	587,700
MAX Spielmann Limited		881	54,449
Victim Support	Education, arts, charities, social care	1,224	36,409

Most of the largest companies that are active in the district belong to the non-KI sectors. Specifically, the key sectors in terms of East Cambridgeshire-active companies are Manufacturing (e.g. Wittington Investments Limited), Wholesale and Retail Distribution (e.g. Volkswagen Group United Kingdom Limited and DS Smith PLC), Construction and Utilities (e.g. European Metal Recycling Limited), Property and Finance (e.g. Anchor Trust and Sequence (UK) Limited), and Other Services (e.g. Travelodge Hotels Limited). Within the KI sectors, one of the largest companies that are active in the area is ITV PLC (Information Technology and Telecoms).

## 2. Growth

Table 9 reports the annualised growth rates in employment by sector over the three- and six-year periods to 2016-17.<sup>2</sup>

Table 9 Three-year and six-year employment growth (% pa) by sector

	East Cambridgeshire		Combined Authority	
	3 years to 2016-17	6 years to 2016-17	3 years to 2016-17	6 years to 2016-17
Information Technology and Telecoms	12.7%	9.4%	6.9%	7.3%
Life science and healthcare	10.7%	15.3%	7.4%	6.7%
High-tech manufacturing	-0.5%	0.2%	1.6%	1.9%
Knowledge intensive services	11.9%	12.5%	8.6%	5.9%
<i>TOTAL KI SECTORS</i>	<i>3.9%</i>	<i>3.7%</i>	<i>5.2%</i>	<i>4.9%</i>
OTHER SECTORS				
Primary	10.5%	6.0%	5.9%	4.9%
Manufacturing	-1.0%	-0.1%	4.7%	3.2%
Wholesale and retail distribution	6.0%	4.4%	6.6%	4.3%
Construction and utilities	10.1%	7.4%	5.4%	4.6%
Transport and travel	6.8%	5.1%	11.7%	5.6%
Property and finance	9.5%	6.4%	8.6%	9.0%
Other business services	5.7%	8.0%	5.3%	5.9%
Other services	12.8%	13.1%	8.4%	8.7%
Education, arts, charities, social care	26.7%	29.0%	8.2%	13.8%
<i>TOTAL NON-KI SECTORS</i>	<i>9.5%</i>	<i>7.1%</i>	<i>6.9%</i>	<i>6.5%</i>
<i>TOTAL ALL SECTORS</i>	<i>8.9%</i>	<i>6.7%</i>	<i>6.4%</i>	<i>6.0%</i>

Total employment in East Cambridgeshire has increased at a higher rate compared to the Combined Authority. Growth in total employment in the district has accelerated during the past three years, reaching an annualised growth rate of 8.9% as opposed to a rate of 6.4% for the Combined Authority as a whole. Among the fastest growing sectors are Education, Arts, Charities, Social Care (26.7% over the three years to 2016-17 and 29.0% over the six years to 2016-17), Other Services (12.8% and 13.1%, respectively), and Construction and Utilities (10.1% and 7.4%, respectively). Employment growth has also been remarkable in the Primary sector, which has witnessed higher rates relative to the Combined Authority (6.0% and 4.9%, respectively, if the entire period is examined). Conversely, the KI sectors taken together have experienced more limited growth, well below the average for the Combined Authority (3.7% and 4.9%, respectively). One can also notice that employment in the Manufacturing sector has decreased over time, while it has remained somewhat stable in the High-Tech Manufacturing sector.

<sup>2</sup> A comparison of employment growth rates by sector between Cambridge Ahead data and BRES data is presented in Table A.8.



Table 10 presents the annualised growth rates in turnover by sector over the three- and six-year periods to 2016-17.

Table 10 Three-year and six-year turnover growth (% pa) by sector

	East Cambridgeshire		Combined Authority	
	3 years to 2016-17	6 years to 2016-17	3 years to 2016-17	6 years to 2016-17
Information Technology and Telecoms	11.0%	10.6%	10.4%	9.7%
Life science and healthcare	12.4%	15.0%	9.0%	8.7%
High-tech manufacturing	-7.2%	-1.1%	3.4%	3.9%
Knowledge intensive services	10.9%	12.9%	6.1%	6.9%
<i>TOTAL KI SECTORS</i>	<i>-2.4%</i>	<i>2.1%</i>	<i>6.6%</i>	<i>6.6%</i>
<i>OTHER SECTORS</i>				
Primary	5.9%	7.8%	3.2%	6.6%
Manufacturing	0.3%	3.0%	4.8%	5.1%
Wholesale and retail distribution	7.8%	4.5%	11.3%	8.0%
Construction and utilities	12.2%	11.5%	9.3%	7.2%
Transport and travel	8.1%	7.0%	-0.2%	0.3%
Property and finance	8.5%	7.0%	9.6%	11.6%
Other business services	1.8%	7.7%	6.9%	5.5%
Other services	17.6%	14.9%	9.5%	9.3%
Education, arts, charities, social care	15.1%	32.5%	5.6%	14.3%
<i>TOTAL NON-KI SECTORS</i>	<i>7.3%</i>	<i>7.5%</i>	<i>7.0%</i>	<i>6.5%</i>
<i>TOTAL ALL SECTORS</i>	<i>6.1%</i>	<i>6.8%</i>	<i>6.9%</i>	<i>6.5%</i>

The results for total turnover largely resemble those based on total employment. Turnover growth in East Cambridgeshire has been driven by the growth of non-KI sectors, which have seen higher growth rates relative to the Combined Authority (7.5% and 6.5%, respectively, throughout the six-year period). The largest rates of growth are found for Education, Arts, Charities, Social Care (15.1% for the three-year growth and 32.5% for the six-year growth), Other Services (17.6% and 14.9%, respectively), Construction and Utilities (12.2% and 11.5%), and Primary (5.9% and 7.8%). Turnover growth has been relatively low for the KI sectors as a whole and has turned negative during the three years to 2016-17 (-2.4%).

Table 11 illustrates the absolute change in employment and turnover LQs (calculated with respect to the Combined Authority) by sector over the three- and six-year periods to 2016-17. A similar analysis for employment based on BRES data instead of Cambridge Ahead data is included in Table A.7.

Table 11 Change in employment and turnover location quotients (Combined Authority = 1) – Cambridge Ahead data

	Employment		Turnover	
	3 years to 2016-17	6 years to 2016-17	3 years to 2016-17	6 years to 2016-17
Information Technology and Telecoms	0.03	0.02	0.01	0.01
Life science and healthcare	0.00	0.07	0.01	0.03
High-tech manufacturing	-0.09	-0.10	-0.19	-0.20
Knowledge intensive services	0.00	0.05	0.02	0.04
<i>TOTAL KI SECTORS</i>	<i>-0.04</i>	<i>-0.04</i>	<i>-0.10</i>	<i>-0.11</i>
OTHER SECTORS				
Primary	0.30	0.13	0.52	0.28
Manufacturing	-0.23	-0.23	-0.09	-0.11
Wholesale and retail distribution	-0.09	-0.03	-0.09	-0.27
Construction and utilities	0.05	0.10	0.11	0.23
Transport and travel	-0.77	-0.23	0.30	0.41
Property and finance	-0.01	-0.07	0.00	-0.14
Other business services	-0.02	0.03	-0.08	0.06
Other services	0.04	0.13	0.19	0.22
Education, arts, charities, social care	0.44	0.67	0.41	0.97
<i>TOTAL NON-KI SECTORS</i>	<i>0.01</i>	<i>0.00</i>	<i>0.04</i>	<i>0.05</i>

The changes in employment LQs indicate that concentration has increased over time in a number of non-KI sectors. These include Education, Arts, Charities, Social Care (0.67 over the whole period), Primary (0.13), Other Services (0.13), and Construction and Utilities (0.10). At the same time, the relative concentration of employment in the district has decreased in other sectors such as Manufacturing (-0.23), Transport and Travel (-0.23), and Property and Finance (-0.07). Negative LQs can also be observed for the KI sectors taken together, implying that the share of employment in these sectors for East Cambridgeshire relative to the Combined Authority has declined over time.

These results are confirmed by the analysis of turnover LQs, which suggest that the degree of concentration in terms of turnover has become greater for Education, Arts, Charities, Social Care (0.97), Primary (0.28), Construction and Utilities (0.23), and Other Services (0.22). Interestingly, whilst employment in Transport and Travel has become somewhat less concentrated over time, concentration with respect to turnover has increased throughout the time period. In addition, there is evidence that the relative concentration of turnover in the KI sectors as a whole has decreased over time, in line with the results based on employment figures.

Table 12 shows the annualised growth rates in employment by firm size over the three- and six-year periods to 2016-17. A detailed disaggregation of the figures presented below is included in Table A.9.

Table 12 Three-year and six-year employment growth (% pa) by firm size – Broad summary

	East Cambridgeshire		Combined Authority	
	3 years to 2016-17	6 years to 2016-17	3 years to 2016-17	6 years to 2016-17
Micro firms	6.8%	7.2%	6.6%	6.4%
Small and medium-sized firms	6.8%	5.9%	5.1%	5.7%
Large firms	10.7%	7.0%	7.4%	6.2%
All firms in area	8.9%	6.7%	6.4%	6.0%

During the six years to 2016-17, employment growth for large firms (7.0%) appears to be the major driver of total employment growth in the district. Similarly, the greatest contribution to total employment growth over the past three years has come from large firms, which have grown by 10.7%. Employment growth for SMEs has been 5.9% throughout the entire period, broadly in line with the corresponding figure for the Combined Authority. It is also worth highlighting that growth experienced by each of the three groups of firms in East Cambridgeshire has been higher compared to the average for the Combined Authority.

Table 13 shows the annualised growth rates in turnover by firm size over the three- and six-year periods to 2016-17. A detailed disaggregation of the figures presented below is included in Table A.10.

Table 13 Three-year and six-year turnover growth (% pa) by firm size – Broad summary

	East Cambridgeshire		Combined Authority	
	3 years to 2016-17	6 years to 2016-17	3 years to 2016-17	6 years to 2016-17
Micro firms	5.7%	7.7%	10.2%	8.2%
Small and medium-sized firms	2.3%	3.1%	6.1%	4.0%
Large firms	9.1%	9.4%	6.4%	7.6%
All firms in area	6.1%	6.8%	6.9%	6.5%

The highest rates of growth in turnover are observed among firms with more than 250 employees, which have grown between 9.1% (three years to 2016-17) and 9.4% (six years to 2016-17). These values are considerably higher than those for the Combined Authority, implying that large firms in East Cambridgeshire have witnessed greater turnover growth than the average for the entire region. Significantly lower are the growth rates for micro firms (5.7% and 7.7%, respectively) and SMEs (2.3% and 3.1%, respectively). Furthermore, both these groups of firms have grown at a lower rate compared to the Combined Authority as a whole.

## Appendix A

Table A.1 Distribution of number of companies by sector in 2016-17

	East Cambridgeshire			Combined Authority	
	No. of companies	% of total	% of Combined Authority	No. of companies	% of total
<b>KNOWLEDGE INTENSIVE SECTORS</b>					
Information Technology and Telecoms	199	8.3%	7.1%	2,805	11.4%
Life science and healthcare	24	1.0%	6.3%	384	1.6%
High-tech manufacturing	63	2.6%	12.0%	526	2.1%
Knowledge intensive services	54	2.2%	7.6%	712	2.9%
<i>TOTAL KI SECTORS</i>	<i>340</i>	<i>14.1%</i>	<i>7.7%</i>	<i>4,427</i>	<i>18.0%</i>
<b>OTHER SECTORS</b>					
Primary	125	5.2%	19.0%	657	2.7%
Manufacturing	126	5.2%	10.7%	1,174	4.8%
Wholesale and retail distribution	250	10.4%	10.1%	2,468	10.0%
Construction and utilities	392	16.3%	13.3%	2,952	12.0%
Transport and travel	75	3.1%	8.4%	895	3.6%
Property and finance	288	12.0%	9.6%	2,991	12.2%
Other business services	434	18.0%	9.2%	4,720	19.2%
Other services	277	11.5%	9.1%	3,039	12.4%
Education, arts, charities, social care	99	4.1%	8.0%	1,238	5.0%
<i>TOTAL NON-KI SECTORS</i>	<i>2,066</i>	<i>85.9%</i>	<i>10.3%</i>	<i>20,134</i>	<i>82.0%</i>
<i>TOTAL ALL SECTORS</i>	<i>2,406</i>	<i>100.0%</i>	<i>9.8%</i>	<i>24,561</i>	<i>100.0%</i>

Table A.2 Employment location quotients in 2016 – BRES data

	LQ (Comb. Auth. = 1)	LQ (LEP = 1)	LQ (GB = 1)
High-tech manufacturing	1.21	1.22	1.58
Life sciences manufacturing	0.65	0.60	0.68
ICT	0.51	0.68	0.61
R&D	0.14	0.23	0.94
Knowledge intensive services	1.08	1.31	1.52
<i>Sub-total - KI sectors</i>	<i>0.72</i>	<i>0.90</i>	<i>1.11</i>
Primary	2.10	1.73	0.31
Other manufacturing	1.34	1.01	1.37
Property and construction	1.52	1.28	1.28
Utilities	1.12	1.15	1.12
Publishing	0.97	1.37	2.41
Transport and travel	1.95	1.66	1.90
Wholesale distribution	1.04	0.89	1.06
Retail distribution	0.91	0.87	0.90
Hotels, pubs and restaurants	1.02	0.86	0.77
Other business services	1.00	1.06	1.03
Public services	0.49	0.51	0.39
Other Services	1.84	1.83	1.80
Education	0.86	0.97	1.04
Finance and professional services	0.54	0.58	0.36
Health services	0.56	0.58	0.52
<i>Sub-total - Other sectors</i>	<i>1.05</i>	<i>1.01</i>	<i>0.99</i>

Table A.3 Comparison of employment by sector in 2016 – Cambridge Ahead vs. BRES data

	Total employment		% of total	
	Cambridge Ahead data	BRES data	Cambridge Ahead data	BRES data
High-tech manufacturing	1,503	1,190	6.4%	3.8%
Life sciences manufacturing	14	50	0.1%	0.2%
ICT	613	735	2.6%	2.3%
R&D	161	135	0.7%	0.4%
Knowledge intensive services	338	1,160	1.4%	3.7%
<i>Sub-total - KI sectors</i>	<i>2,629</i>	<i>3,270</i>	<i>11.1%</i>	<i>10.3%</i>
Primary	5,943	175	25.2%	0.6%
Other manufacturing	1,719	2,305	7.3%	7.3%
Property and construction	1,912	2,625	8.1%	8.3%
Utilities	251	655	1.1%	2.1%
Publishing	41	300	0.2%	0.9%
Transport and travel	3,787	3,605	16.0%	11.4%
Wholesale distribution	1,563	1,305	6.6%	4.1%
Retail distribution	801	2,815	3.4%	8.9%
Hotels, pubs and restaurants	155	1,805	0.7%	5.7%
Other business services	1,050	4,135	4.4%	13.0%
Public services	8	510	0.0%	1.6%
Other Services	626	2,665	2.7%	8.4%
Education	2,495	2,850	10.6%	9.0%
Finance and professional services	267	545	1.1%	1.7%
Health services	366	2,125	1.5%	6.7%
<i>Sub-total - Other sectors</i>	<i>20,984</i>	<i>28,420</i>	<i>88.9%</i>	<i>89.7%</i>
<i>Total Employment</i>	<i>23,613</i>	<i>31,690</i>	<i>100.0%</i>	<i>100.0%</i>

*Note:* For a detailed comparison of employment estimates between Cambridge Ahead data and BRES data, please see the report titled “Comparison of the employment growth from the corporate database with BRES data”.

Table A.4 Distribution of number of companies by firm size in 2016-17 – Detailed summary

	East Cambridgeshire		Combined Authority	
	No. of companies	%	No. of companies	%
<i>Micro firms</i>				
1 employee	1,087	45.2%	11,662	47.5%
2-4 employees	895	37.2%	8,369	34.1%
5-9 employees	211	8.8%	2,183	8.9%
<i>Small firms</i>				
10-49 employees	173	7.2%	1,848	7.5%
<i>Medium-sized firms</i>				
50-99 employees	15	0.6%	189	0.8%
100-249 employees	11	0.5%	187	0.8%
<i>Large firms</i>				
> 250 employees	14	0.6%	123	0.5%
<i>All firms in area</i>	<i>2,406</i>	<i>100.0%</i>	<i>24,561</i>	<i>100.0%</i>

Table A.5 Distribution of employment by firm size in 2016-17 – Detailed summary

	East Cambridgeshire		Combined Authority	
	Total employment	%	Total employment	%
<i>Micro firms</i>				
1 employee	1,087	4.6%	11,662	4.9%
2-4 employees	2,288	9.7%	21,260	9.0%
5-9 employees	1,344	5.7%	13,815	5.8%
<i>Small firms</i>				
10-49 employees	3,386	14.3%	37,818	16.0%
<i>Medium-sized firms</i>				
50-99 employees	1,046	4.4%	13,451	5.7%
100-249 employees	1,591	6.7%	29,230	12.4%
<i>Large firms</i>				
> 250 employees	12,871	54.5%	109,110	46.2%
<i>All firms in area</i>	<i>23,613</i>	<i>100.0%</i>	<i>236,346</i>	<i>100.0%</i>



Table A.6 Distribution of turnover by firm size in 2016-17 – Detailed summary

	East Cambridgeshire		Combined Authority	
	Total turnover £,000	%	Total turnover £,000	%
<i>Micro firms</i>				
1 employee	162,944	4.7%	1,642,977	3.6%
2-4 employees	366,473	10.6%	3,442,876	7.6%
5-9 employees	226,608	6.5%	2,620,334	5.8%
<i>Small firms</i>				
10-49 employees	642,073	18.5%	6,854,090	15.1%
<i>Medium-sized firms</i>				
50-99 employees	177,887	5.1%	2,100,819	4.6%
100-249 employees	255,265	7.4%	4,581,570	10.1%
<i>Large firms</i>				
> 250 employees	1,638,190	47.2%	24,019,107	53.1%
<i>All firms in area</i>	<i>3,469,441</i>	<i>100.0%</i>	<i>45,261,773</i>	<i>100.0%</i>

Table A.7 Change in employment location quotients – BRES data

	3yrs 2013-2016			6yrs 2010-2016		
	Comb. Auth. = 1	LEP = 1	GB = 1	Comb. Auth. = 1	LEP = 1	GB = 1
High-tech manufacturing	0.21	0.14	-0.04	0.40	0.36	0.17
Life sciences manufacturing	0.52	0.48	0.55	-0.48	-0.99	-1.13
ICT	0.02	0.04	0.02	0.02	0.04	0.12
R&D	-0.06	-0.09	-0.38	-0.16	-0.28	-1.02
Knowledge intensive services	-0.21	-0.32	-0.32	-0.17	-0.27	-0.57
<i>Sub-total - KI sectors</i>	<i>-0.02</i>	<i>-0.03</i>	<i>-0.09</i>	<i>-0.02</i>	<i>-0.04</i>	<i>-0.14</i>
Primary	0.38	0.16	0.05	0.81	0.43	0.13
Other manufacturing	-0.13	-0.12	-0.17	-0.23	-0.17	-0.15
Property and construction	-0.07	-0.11	-0.06	0.03	-0.07	-0.15
Utilities	0.04	0.06	-0.05	0.26	0.09	-0.26
Publishing	0.43	0.62	1.41	0.66	0.92	1.84
Transport and travel	-0.09	-0.04	0.09	-0.22	-0.10	0.07
Wholesale distribution	0.06	0.07	0.07	0.15	0.08	0.00
Retail distribution	-0.01	0.00	0.01	-0.14	-0.10	-0.06
Hotels, pubs and restaurants	0.07	0.04	0.02	-0.19	-0.15	-0.11
Other business services	-0.18	-0.18	-0.24	-0.11	-0.09	-0.03
Public services	-0.03	-0.03	-0.01	-0.05	-0.04	-0.05
Other Services	0.40	0.46	0.67	0.39	0.44	0.44
Education	0.16	0.19	0.15	0.08	0.13	0.12
Finance and professional services	0.02	0.03	0.03	0.11	0.09	0.08
Health services	-0.18	-0.18	-0.16	-0.07	-0.06	-0.07
<i>Sub-total - Other sectors</i>	<i>0.00</i>	<i>0.00</i>	<i>0.01</i>	<i>0.00</i>	<i>0.00</i>	<i>0.01</i>

Table A.8 Comparison of employment growth by sector – Cambridge Ahead vs. BRES data

	3yrs 2013-2016		6yrs 2010-2016	
	Cambridge Ahead data	BRES data	Cambridge Ahead data	BRES data
High-tech manufacturing	-0.3%	0.1%	0.3%	4.4%
Life sciences manufacturing	26.0%	71.0%	9.8%	-15.8%
ICT	11.9%	7.9%	11.7%	10.0%
R&D	12.9%	-3.5%	11.9%	-8.2%
Knowledge intensive services	14.9%	3.4%	12.7%	2.1%
<i>Sub-total - KI sectors</i>	<i>4.6%</i>	<i>3.1%</i>	<i>4.3%</i>	<i>3.1%</i>
Primary	10.5%	9.0%	5.9%	10.7%
Other manufacturing	-0.8%	-0.2%	-0.1%	1.0%
Property and construction	7.3%	2.8%	5.7%	2.0%
Utilities	31.3%	1.6%	24.3%	-1.2%
Publishing	4.4%	33.9%	7.2%	26.0%
Transport and travel	6.6%	8.7%	4.9%	6.1%
Wholesale distribution	11.8%	5.7%	7.7%	2.8%
Retail distribution	-1.7%	2.6%	0.3%	1.2%
Hotels, pubs and restaurants	4.7%	7.1%	5.7%	3.5%
Other business services	6.1%	-0.2%	7.9%	6.0%
Public services	4.6%	-0.6%	8.1%	-2.7%
Other Services	12.0%	22.1%	9.5%	8.4%
Education	28.6%	7.7%	35.1%	4.9%
Finance and professional services	18.9%	6.6%	12.9%	7.7%
Health services	13.1%	-5.6%	12.3%	1.7%
<i>Sub-total - Other sectors</i>	<i>9.4%</i>	<i>4.3%</i>	<i>7.1%</i>	<i>3.8%</i>
<i>Total Employment</i>	<i>8.9%</i>	<i>4.2%</i>	<i>6.7%</i>	<i>3.8%</i>

*Note:* For a detailed comparison of employment growth rates between Cambridge Ahead data and BRES data, please see the report titled “Comparison of the employment growth from the corporate database with BRES data”.

Table A.9 Three-year and six-year employment growth (% pa) by firm size – Detailed summary

	East Cambridgeshire		Combined Authority	
	3 years to 2016-17	6 years to 2016-17	3 years to 2016-17	6 years to 2016-17
<i>Micro firms</i>				
1 employee	-4.4%	0.3%	-2.2%	1.8%
2-4 employees	11.4%	11.3%	10.1%	9.9%
5-9 employees	11.3%	8.2%	10.7%	6.1%
<i>Small firms</i>				
10-49 employees	10.4%	7.1%	9.6%	6.7%
<i>Medium-sized firms</i>				
50-99 employees	5.9%	5.5%	-2.2%	1.4%
100-249 employees	1.0%	3.7%	3.7%	6.6%
<i>Large firms</i>				
> 250 employees	10.7%	7.0%	7.4%	6.2%
<i>All firms in area</i>	8.9%	6.7%	6.4%	6.0%

Table A.10 Three-year and six-year turnover growth (% pa) by firm size – Detailed summary

	East Cambridgeshire		Combined Authority	
	3 years to 2016-17	6 years to 2016-17	3 years to 2016-17	6 years to 2016-17
<i>Micro firms</i>				
1 employee	-2.6%	1.3%	-1.7%	1.3%
2-4 employees	6.9%	11.2%	12.3%	11.1%
5-9 employees	11.2%	8.5%	17.9%	10.3%
<i>Small firms</i>				
10-49 employees	4.6%	1.5%	12.1%	8.3%
<i>Medium-sized firms</i>				
50-99 employees	-6.0%	9.7%	-6.6%	-7.2%
100-249 employees	3.6%	3.6%	5.7%	6.3%
<i>Large firms</i>				
> 250 employees	9.1%	9.4%	6.4%	7.6%
<i>All firms in area</i>	6.1%	6.8%	6.9%	6.5%