**Corporate sectors – Fenland**

This report aims at assessing the specialness of the Fenland 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.[[1]](#footnote-1)

Table 1 Distribution of employment by sector in 2016-17

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | Total employment | % of total | % of Combined Authority | Total employment | % of total |
| KNOWLEDGE INTENSIVE SECTORS |  |  |  |  |  |
| Information Technology and Telecoms | 232 | 1.9% | 1.2% | 19,419 | 8.2% |
| Life science and healthcare | 2 | 0.0% | 0.0% | 14,106 | 6.0% |
| High-tech manufacturing | 504 | 4.2% | 2.3% | 21,651 | 9.2% |
| Knowledge intensive services | 96 | 0.8% | 1.3% | 7,148 | 3.0% |
| *TOTAL KI SECTORS* | *834* | *6.9%* | *1.3%* | *62,324* | *26.4%* |
| OTHER SECTORS |  |  |  |  |  |
| Primary | 2,508 | 20.8% | 20.9% | 12,020 | 5.1% |
| Manufacturing | 1,596 | 13.2% | 8.2% | 19,465 | 8.2% |
| Wholesale and retail distribution | 1,952 | 16.2% | 7.9% | 24,839 | 10.5% |
| Construction and utilities | 1,406 | 11.6% | 7.6% | 18,600 | 7.9% |
| Transport and travel | 615 | 5.1% | 6.0% | 10,305 | 4.4% |
| Property and finance | 499 | 4.1% | 1.9% | 26,771 | 11.3% |
| Other business services | 925 | 7.7% | 3.4% | 27,502 | 11.6% |
| Other services | 836 | 6.9% | 6.1% | 13,677 | 5.8% |
| Education, arts, charities, social care | 903 | 7.5% | 4.3% | 20,843 | 8.8% |
| *TOTAL NON-KI SECTORS* | *11,240* | *93.1%* | *6.5%* | *174,022* | *73.6%* |
| *TOTAL ALL SECTORS* | *12,074* | *100.0%* | *5.1%* | *236,346* | *100.0%* |

Total employment in Fenland represents approximately 5% of total employment in the Combined Authority. Most of employment in the district appears to be concentrated in non-KI sectors. The largest share is in the Primary sector, which contributes 20.8% of total employment in Fenland and 20.9% of total employment for the sector in the Combined Authority. Other large sectors are Wholesale and Retail Distribution (with the greatest contribution coming from the Wholesale sub-sector), Manufacturing (especially Low-Tech Manufacturing), and Construction and Utilities (where the Developer / Builder and Other Construction sectors provide over half of total employment in the sector). Somewhat lower are the shares of employment in Other Business Services (7.7% of the total in the area) and in Education, Arts, Charities, Social Care (7.5%). The largest KI sector in Fenland is High-Tech Manufacturing (504), although the share of employment in the KI sectors as a whole is significantly below the average for the Combined Authority (6.9% and 26.4%, respectively).

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | Total turnover £,000 | % of total | % of Combined Authority | Total turnover £,000 | % of total |
| KNOWLEDGE INTENSIVE SECTORS |  |  |  |  |  |
| Information Technology and Telecoms | 32,475 | 1.5% | 0.8% | 4,001,051 | 8.8% |
| Life science and healthcare | 214 | 0.0% | 0.0% | 2,876,583 | 6.4% |
| High-tech manufacturing | 103,968 | 4.9% | 1.8% | 5,895,454 | 13.0% |
| Knowledge intensive services | 10,209 | 0.5% | 0.9% | 1,088,008 | 2.4% |
| *TOTAL KI SECTORS* | *146,866* | *7.0%* | *1.1%* | *13,861,095* | *30.6%* |
| OTHER SECTORS |  |  |  |  |  |
| Primary | 363,463 | 17.2% | 17.9% | 2,027,805 | 4.5% |
| Manufacturing | 183,406 | 8.7% | 4.0% | 4,609,590 | 10.2% |
| Wholesale and retail distribution | 699,080 | 33.1% | 8.1% | 8,608,794 | 19.0% |
| Construction and utilities | 323,929 | 15.3% | 7.5% | 4,294,229 | 9.5% |
| Transport and travel | 92,633 | 4.4% | 2.4% | 3,834,353 | 8.5% |
| Property and finance | 54,210 | 2.6% | 1.8% | 3,054,435 | 6.7% |
| Other business services | 169,395 | 8.0% | 6.1% | 2,779,856 | 6.1% |
| Other services | 41,756 | 2.0% | 4.8% | 876,403 | 1.9% |
| Education, arts, charities, social care | 35,619 | 1.7% | 2.7% | 1,315,213 | 2.9% |
| *TOTAL NON-KI SECTORS* | *1,963,491* | *93.0%* | *6.3%* | *31,400,678* | *69.4%* |
| *TOTAL ALL SECTORS* | *2,110,357* | *100.0%* | *4.7%* | *45,261,773* | *100.0%* |

More than 90% of total turnover in the area is generated in the non-KI sectors. The greatest contribution comes from the Wholesale and Retail Distribution sector, which represents 33.1% of total turnover in Fenland and 8.1% of total turnover for the sector in the Combined Authority. Considerable shares of turnover are also observed in Primary (17.2% and 17.9%), Construction and Utilities (15.3% and 7.5%, respectively), and Manufacturing (8.7% and 4.0%). Total turnover in the KI sectors accounts for 7.0% of the total for the district, compared to a figure of 30.6% for the Combined Authority. The largest share of turnover among KI sectors is generated in High-Tech Manufacturing, whereas rather limited is total turnover generated in Life Science and Healthcare.

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) |
| KNOWLEDGE INTENSIVE SECTORS |  |  |  |  |  |  |
| Information Technology and Telecoms | 0.24 | 0.39 | 0.43 | 0.20 | 0.23 | 0.29 |
| Life science and healthcare | 0.00 | 0.01 | 0.01 | 0.00 | 0.00 | 0.01 |
| High-tech manufacturing | 0.44 | 0.52 | 0.92 | 0.41 | 0.40 | 0.88 |
| Knowledge intensive services | 0.21 | 0.36 | 0.47 | 0.18 | 0.32 | 0.38 |
| *TOTAL KI SECTORS* | *0.26* | *0.40* | *0.56* | *0.24* | *0.27* | *0.50* |
| OTHER SECTORS |  |  |  |  |  |  |
| Primary | 4.52 | 4.83 | 5.31 | 3.81 | 3.72 | 1.41 |
| Manufacturing | 1.59 | 1.30 | 1.38 | 0.79 | 0.66 | 0.97 |
| Wholesale and retail distribution | 1.64 | 1.82 | 0.92 | 2.04 | 2.25 | 1.86 |
| Construction and utilities | 1.31 | 1.61 | 2.44 | 1.44 | 1.07 | 1.08 |
| Transport and travel | 1.20 | 1.02 | 0.71 | 0.46 | 0.65 | 0.84 |
| Property and finance | 0.34 | 0.54 | 0.39 | 0.37 | 0.57 | 0.19 |
| Other business services | 0.57 | 0.36 | 0.46 | 1.24 | 0.98 | 1.06 |
| Other services | 1.18 | 0.52 | 0.50 | 0.95 | 0.42 | 0.39 |
| Education, arts, charities, social care | 0.86 | 0.95 | 1.28 | 0.55 | 0.56 | 0.89 |
| *TOTAL NON-KI SECTORS* | *1.27* | *1.13* | *1.06* | *1.33* | *1.27* | *1.08* |

The LQ analysis suggests that employment in the district tends to be concentrated in the Primary sector (4.83 relative to the LEP and 5.31 relative to the UK). These results imply that the share of employment in the Primary sector for Fenland is approximately five times the share of employment in the sector for the Combined Authority as a whole. High degrees of concentration can also be seen in Construction and Utilities (1.61 and 2.44, respectively) and Manufacturing (1.30 and 1.38, respectively). Moreover, some strengths are found in Education, Arts, Charities, Social Care (1.28 relative to the UK). Conversely, limited concentration is exhibited by the KI sectors, with none of these showing LQs greater than 1.

Similar results are reached in relation to turnover. There is particular concentration in the Primary sector (3.72 relative to the LEP and 1.41 relative to the UK), in the Wholesale and Retail Distribution sector (2.25 and 1.86, respectively) and in the Construction and Utilities sector (1.07 and 1.08, respectively). Among non-KI sectors, relatively low LQs are associated with Property and Finance (0.57 and 0.19, respectively) and Other Services (0.42 and 0.39, respectively). The concentration in terms of turnover is also limited for the KI sectors, particularly for Life Science and Healthcare.

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | No. of companies | % | No. of companies | % |
| Micro firms | 1,795 | 90.4% | 22,214 | 90.4% |
| Small and medium-sized firms | 188 | 9.5% | 2,224 | 9.1% |
| Large firms | 3 | 0.2% | 123 | 0.5% |
| All firms in area | 1,986 | 100.0% | 24,561 | 100.0% |

The distribution of companies by firm size for Fenland is broadly in line with that for the Combined Authority. Nine out of ten companies have between 1 and 9 employees, while SMEs represent around 10% of the total number of companies in the district. There are three companies that are based in the area and have more than 250 employees.

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | Total employment | % | Total employment | % |
| Micro firms | 3,721 | 30.8% | 46,737 | 19.8% |
| Small and medium-sized firms | 6,516 | 54.0% | 80,499 | 34.1% |
| Large firms | 1,837 | 15.2% | 109,110 | 46.2% |
| All firms in area | 12,074 | 100.0% | 236,346 | 100.0% |

Over half of total employment in Fenland is concentrated in SMEs. This figure is considerably higher compared to the Combined Authority (34.1%), where almost half of total employment is found at firms with more than 250 employees. Micro firms in the district account for approximately 30% of total employment (as opposed to a figure of 19.8% for the Combined Authority), while large firms contribute the smallest share of employment (15.2% compared to 46.2% for the whole region).

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | Total turnover £,000 | % | Total turnover £,000 | % |
| Micro firms | 622,869 | 29.5% | 7,706,187 | 17.0% |
| Small and medium-sized firms | 1,061,490 | 50.3% | 13,536,479 | 29.9% |
| Large firms | 425,997 | 20.2% | 24,019,107 | 53.1% |
| All firms in area | 2,110,357 | 100.0% | 45,261,773 | 100.0% |

The largest share of turnover in Fenland is originated by SMEs (50.3%), mainly by those with 10-49 employees (621,377). Micro firms generate 29.5% of total turnover in the district, well above the average for the Combined Authority (17.0%). The three companies in the area with more than 250 employees contribute 20.2% of total turnover in Fenland.

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

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

|  |  |  |  |
| --- | --- | --- | --- |
| Company name | Sector | Employment2016-17 | Turnover2016-17£,000 |
| Stainless Metalcraft (Chatteris) Limited | High-tech manufacturing | 144 | 13,330 |
| Produce Investments PLC | Primary | 1,254 | 185,102 |
| Alan Bartlett & Sons (Chatteris) Limited | 305 | 36,570 |
| Nightlayer Leek Company Ltd. | 131 | 9,787 |
| LH Holdings Limited | Manufacturing | 197 | 18,464 |
| Fencor Packaging Group Limited | 122 | 16,099 |
| S B Components (International) Limited | 133 | 14,979 |
| Dagless Holdings Limited | 207 | 14,224 |
| March Foods Limited | 142 | 10,286 |
| MM (UK) Limited | Wholesale and retail distribution | 278 | 204,325 |
| Anglia Components Limited | 128 | 52,732 |
| Fenmarc Produce Limited | 194 | 26,322 |
| Ball. Roller & Transmission Bearings Limited | 166 | 17,327 |
| Knowles (Transport) Limited | Transport and travel | 157 | 23,226 |
| Lamb-Weston/Meijer UK Limited | Other Business Services | 135 | 65,982 |
| Agellus Hotels Limited | Other Services | 126 | 4,570 |
| Aspire Learning Trust (Whittlesey) | Education, arts, charities, social care | 167 | 9,016 |
| Cromwell Community College | 140 | 6,364 |
| Wisbech Grammar School | 130 | 5,290 |

The overwhelming majority of the largest companies that are based in Fenland operate in the non-KI sectors. Some key players can be found in Wholesale and Retail Distribution (e.g. MM (UK) Limited), Primary (e.g. Produce Investments PLC and Alan Bartlett & Sons (Chatteris) Limited), Manufacturing (e.g. LH Holdings Limited and Fencor Packaging Group Limited) and Other Business Services (e.g. Lamb-Weston/Meijer UK Limited). The only KI sector that is represented for companies with more than 100 employees is High-Tech Manufacturing, which includes Stainless Metalcraft (Chatteris) Limited.

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

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

|  |  |  |  |
| --- | --- | --- | --- |
| Company name | Sector | Employment2016-17 | Turnover2016-17£,000 |
| ALS Laboratories (UK) Limited | Life Science and Healthcare | 570 | 27,179 |
| GKN Holdings PLC | High-tech manufacturing | 51,381 | 8,822,000 |
| Aggregate Industries UK Limited | Primary | 3,358 | 1,179,198 |
| Smurfit Kappa UK Ltd | Manufacturing | 3,334 | 597,060 |
| Mccain Foods (G.B.) Limited | 1,274 | 452,314 |
| Crown UK Holdings Limited | 1,544 | 377,057 |
| Princes Limited | Wholesale and retail distribution | 6,900 | 1,506,781 |
| Farmfoods Limited | 4,099 | 669,201 |
| International Procurement And Logistics Limited | 2,239 | 241,484 |
| John Grose Group Limited | 404 | 175,689 |
| Clinimed (Holdings) Limited | 729 | 84,988 |
| Del Monte (UK) Limited | 171 | 55,902 |
| Littlewoods Clearance Limited | 130 | 10,172 |
| Biffa Waste Services Limited | Construction and utilities | 4,469 | 651,400 |
| Foster Property Maintenance Limited | 194 | 41,281 |
| Ceva Logistics Limited | Transport and travel | 3,953 | 394,488 |
| Hays Travel Limited | 1,080 | 332,041 |
| Hunprenco (Precision Engineers) Limited | Other Business Services | 122 | 9,877 |
| Xeon Smiles UK Limited | Other Services | 612 | 57,720 |
| The Coaching Inn Group Ltd | 509 | 17,089 |
| Contract Fire Systems Limited | 243 | 16,686 |
| The Brooke Weston Trust | Education, arts, charities, social care | 1,061 | 42,896 |
| Askham Village Community Limited | 162 | 4,585 |

The largest Fenland-active company (i.e. GKN Holdings PLC) operates in the High-Tech Manufacturing sector, although most of the largest companies that are active in the area belong to the non-KI sectors. These include Wholesale and Retail Distribution (e.g. Princes Limited and Farmfoods Limited), Primary (e.g. Aggregate Industries UK Limited), Construction and Utilities (e.g. Biffa Waste Services Limited), Manufacturing (e.g. Smurfit Kappa UK Ltd and Mccain Foods (G.B.) Limited), and Transport and Travel (e.g. Ceva Logistics Limited).

**2. Growth**

Table 9 reports the annualised growth rates in employment by sector over the three- and six-year periods to 2016-17.[[2]](#footnote-2)

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | 3 yearsto 2016-17 | 6 yearsto 2016-17 | 3 yearsto 2016-17 | 6 yearsto 2016-17 |
| Information Technology and Telecoms | 5.2% | 4.1% | 6.9% | 7.3% |
| Life science and healthcare | 26.0% | 0.0% | 7.4% | 6.7% |
| High-tech manufacturing | 1.2% | 3.4% | 1.6% | 1.9% |
| Knowledge intensive services | 31.7% | 22.1% | 8.6% | 5.9% |
| *TOTAL KI SECTORS* | *4.6%* | *5.0%* | *5.2%* | *4.9%* |
| OTHER SECTORS |  |  |  |  |
| Primary | 1.4% | 5.2% | 5.9% | 4.9% |
| Manufacturing | 3.9% | 6.2% | 4.7% | 3.2% |
| Wholesale and retail distribution | -1.6% | 2.1% | 6.6% | 4.3% |
| Construction and utilities | 14.2% | 11.5% | 5.4% | 4.6% |
| Transport and travel | 8.3% | 6.6% | 11.7% | 5.6% |
| Property and finance | 7.7% | 4.9% | 8.6% | 9.0% |
| Other business services | 12.5% | 10.3% | 5.3% | 5.9% |
| Other services | 5.1% | 5.4% | 8.4% | 8.7% |
| Education, arts, charities, social care | 3.8% | 15.0% | 8.2% | 13.8% |
| *TOTAL NON-KI SECTORS* | *4.4%* | *6.4%* | *6.9%* | *6.5%* |
| *TOTAL ALL SECTORS* | *4.4%* | *6.3%* | *6.4%* | *6.0%* |

During the six years to 2016-17, total employment in Fenland has grown at a rate similar to that of the Combined Authority (6.3% and 6.0%, respectively). However, growth has slowed down over the past three years (4.4% for Fenland as opposed to 6.4% for the whole region). The highest rates of growth in employment are associated with Construction and Utilities (14.2% for the three-year growth and 11.5% for the six-year growth) and Other Business Services (12.5% and 10.3%, respectively). Among non-KI sectors, key sectors in terms of total employment, such as Primary, Manufacturing, and Construction and Utilities, have had higher rates of growth over the entire period compared to the Combined Authority. Employment growth has also been significant in Knowledge Intensive Services, although the sector contributes less than 1% of total employment in the area. Conversely, somewhat limited has been growth in the Wholesale and Retail Distribution sector, which has turned negative during the three years to 2016-17 (-1.6%).

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | 3 yearsto 2016-17 | 6 yearsto 2016-17 | 3 yearsto 2016-17 | 6 yearsto 2016-17 |
| Information Technology and Telecoms | 5.0% | 5.7% | 10.4% | 9.7% |
| Life science and healthcare | 28.4% | 0.0% | 9.0% | 8.7% |
| High-tech manufacturing | -1.0% | -1.3% | 3.4% | 3.9% |
| Knowledge intensive services | 32.0% | 20.4% | 6.1% | 6.9% |
| *TOTAL KI SECTORS* | *1.7%* | *0.9%* | *6.6%* | *6.6%* |
| OTHER SECTORS |  |  |  |  |
| Primary | -1.4% | 3.0% | 3.2% | 6.6% |
| Manufacturing | 2.8% | 6.4% | 4.8% | 5.1% |
| Wholesale and retail distribution | -3.9% | 2.2% | 11.3% | 8.0% |
| Construction and utilities | 20.7% | 14.7% | 9.3% | 7.2% |
| Transport and travel | 4.5% | 3.6% | -0.2% | 0.3% |
| Property and finance | 8.3% | 4.5% | 9.6% | 11.6% |
| Other business services | 11.1% | 9.8% | 6.9% | 5.5% |
| Other services | 1.0% | 1.2% | 9.5% | 9.3% |
| Education, arts, charities, social care | -21.7% | 19.6% | 5.6% | 14.3% |
| *TOTAL NON-KI SECTORS* | *1.4%* | *5.2%* | *7.0%* | *6.5%* |
| *TOTAL ALL SECTORS* | *1.4%* | *4.8%* | *6.9%* | *6.5%* |

Total turnover growth in the district has been lower than that for the Combined Authority (4.8% and 6.5%, respectively, throughout the entire period) and has decelerated in the three years to 2016-17. During the six-year period, growth has been particularly high for Education, Arts, Charities, Social Care (19.6%), Construction and Utilities (14.7%), and Other Business Services (9.8%). Key sectors in Fenland such as Manufacturing, and Construction and Utilities have grown more compared to the average for the Combined Authority. At the same time, there is evidence that the turnover generated by the Primary sector has decreased over the past three years (-1.4%). Considerable growth among the KI sectors is observed for Knowledge Intensive Services (32.0% for the three-year growth and 20.4% for the six-year growth), whereas turnover has somewhat declined in High-Tech Manufacturing (-1.0% and -1.3%, respectively).

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 yearsto 2016-17 | 6 yearsto 2016-17 | 3 yearsto 2016-17 | 6 yearsto 2016-17 |
| Information Technology and Telecoms | 0.00 | -0.05 | 0.00 | -0.02 |
| Life science and healthcare | 0.00 | 0.00 | 0.00 | 0.00 |
| High-tech manufacturing | 0.02 | 0.03 | 0.01 | -0.09 |
| Knowledge intensive services | 0.12 | 0.15 | 0.11 | 0.11 |
| *TOTAL KI SECTORS* | *0.01* | *0.00* | *0.00* | *-0.06* |
| OTHER SECTORS |  |  |  |  |
| Primary | -0.31 | 0.00 | 0.07 | -0.44 |
| Manufacturing | 0.06 | 0.24 | 0.08 | 0.13 |
| Wholesale and retail distribution | -0.31 | -0.24 | -0.57 | -0.46 |
| Construction and utilities | 0.38 | 0.46 | 0.59 | 0.64 |
| Transport and travel | -0.04 | 0.05 | 0.13 | 0.13 |
| Property and finance | 0.01 | -0.10 | 0.04 | -0.13 |
| Other business services | 0.15 | 0.13 | 0.31 | 0.38 |
| Other services | -0.05 | -0.27 | -0.09 | -0.45 |
| Education, arts, charities, social care | -0.06 | 0.04 | -0.64 | 0.18 |
| *TOTAL NON-KI SECTORS* | *-0.02* | *-0.02* | *-0.01* | *0.03* |

Insofar as the six years to 2016-17 are concerned, relative concentration in terms of employment has increased in a number of key sectors, namely Construction and Utilities (0.46) and Manufacturing (0.24). Other non-KI sectors that appear to have gained more prominence over time are Other Business Services (0.13), Transport and Travel (0.05), and Education, Arts, Charities, Social Care (0.04). The concentration of employment in the area has remained somewhat stable for the KI sectors taken together, with only the Knowledge Intensive Services sector experiencing a relatively large change in employment LQs over time.

Similar to the results for employment, the degree of concentration based on turnover has increased for Construction and Utilities (0.64), Other Business Services (0.38), Education, Arts, Charities, Social Care (0.18), Manufacturing (0.13), and Transport and Travel (0.13). A significant decline in concentration is found for the Wholesale and Retail Distribution sector (-0.46) and for the Primary sector (-0.44), although the turnover LQs for these sectors are still the highest in the district. Among KI sectors, concentration has increased noticeably only for Knowledge Intensive Services.

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | 3 yearsto 2016-17 | 6 yearsto 2016-17 | 3 yearsto 2016-17 | 6 yearsto 2016-17 |
| Micro firms | 5.5% | 5.6% | 6.6% | 6.4% |
| Small and medium-sized firms | 6.1% | 7.8% | 5.1% | 5.7% |
| Large firms | -2.7% | 3.3% | 7.4% | 6.2% |
| All firms in area | 4.4% | 6.3% | 6.4% | 6.0% |

Total employment growth in Fenland is largely influenced by SMEs, which have exhibited the highest rates of growth in the district (6.1% over the three years to 2016-17 and 7.8% over the six years to 2016-17). Importantly, employment at SMEs that are based in Fenland has grown at a faster rate compared to the Combined Authority (7.8% and 5.7%, respectively, if the six-year window is examined). Micro firms have grown at a 5.6% rate (as opposed to 6.4% for the Combined Authority), whereas more limited growth is shown by firms with more than 250 employees (3.3%).

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | 3 yearsto 2016-17 | 6 yearsto 2016-17 | 3 yearsto 2016-17 | 6 yearsto 2016-17 |
| Micro firms | 7.5% | 6.7% | 10.2% | 8.2% |
| Small and medium-sized firms | -3.3% | 2.8% | 6.1% | 4.0% |
| Large firms | 7.2% | 7.8% | 6.4% | 7.6% |
| All firms in area | 1.4% | 4.8% | 6.9% | 6.5% |

Throughout the entire period, the highest rates of growth in turnover are reported for large firms, which have been growing at a rate similar to that of the Combined Authority (7.8% and 7.6%, respectively). Significant growth has also characterised micro firms (6.7%), although turnover for this group of firms in Fenland has increased to a lesser extent compared to the Combined Authority (8.2%). The lowest rates of growth are found among SMEs, which have been growing by 2.8% (as opposed to 4.0% for the whole region).

Centre for Business Research

May 2018

**Appendix A**

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | No. of companies | % of total | % of Combined Authority | No. of companies | % of total |
| KNOWLEDGE INTENSIVE SECTORS |  |  |  |  |  |
| Information Technology and Telecoms | 129 | 6.5% | 4.6% | 2,805 | 11.4% |
| Life science and healthcare | 2 | 0.1% | 0.5% | 384 | 1.6% |
| High-tech manufacturing | 38 | 1.9% | 7.2% | 526 | 2.1% |
| Knowledge intensive services | 34 | 1.7% | 4.8% | 712 | 2.9% |
| *TOTAL KI SECTORS* | *203* | *10.2%* | *4.6%* | *4,427* | *18.0%* |
| OTHER SECTORS |  |  |  |  |  |
| Primary | 115 | 5.8% | 17.5% | 657 | 2.7% |
| Manufacturing | 128 | 6.4% | 10.9% | 1,174 | 4.8% |
| Wholesale and retail distribution | 279 | 14.0% | 11.3% | 2,468 | 10.0% |
| Construction and utilities | 415 | 20.9% | 14.1% | 2,952 | 12.0% |
| Transport and travel | 103 | 5.2% | 11.5% | 895 | 3.6% |
| Property and finance | 177 | 8.9% | 5.9% | 2,991 | 12.2% |
| Other business services | 248 | 12.5% | 5.3% | 4,720 | 19.2% |
| Other services | 249 | 12.5% | 8.2% | 3,039 | 12.4% |
| Education, arts, charities, social care | 69 | 3.5% | 5.6% | 1,238 | 5.0% |
| *TOTAL NON-KI SECTORS* | *1,783* | *89.8%* | *8.9%* | *20,134* | *82.0%* |
| *TOTAL ALL SECTORS* | *1,986* | *100.0%* | *8.1%* | *24,561* | *100.0%* |

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | LQ(Comb. Auth. = 1) | LQ(LEP = 1) | LQ(GB = 1) |
| High-tech manufacturing | 0.59 | 0.60 | 0.78 |
| Life sciences manufacturing | 0.00 | 0.00 | 0.00 |
| ICT | 0.17 | 0.22 | 0.20 |
| R&D | 0.01 | 0.02 | 0.06 |
| Knowledge intensive services | 0.45 | 0.54 | 0.63 |
| *Sub-total - KI sectors* | *0.29* | *0.36* | *0.45* |
| Primary | 6.83 | 5.64 | 1.02 |
| Other manufacturing | 2.82 | 2.13 | 2.89 |
| Property and construction | 1.18 | 0.99 | 0.99 |
| Utilities | 0.75 | 0.77 | 0.76 |
| Publishing | 0.29 | 0.41 | 0.73 |
| Transport and travel | 1.59 | 1.35 | 1.55 |
| Wholesale distribution | 1.54 | 1.32 | 1.57 |
| Retail distribution | 0.99 | 0.95 | 0.99 |
| Hotels, pubs and restaurants | 0.83 | 0.70 | 0.63 |
| Other business services | 1.00 | 1.05 | 1.02 |
| Public services | 1.04 | 1.10 | 0.83 |
| Other Services | 0.71 | 0.71 | 0.70 |
| Education | 0.84 | 0.95 | 1.03 |
| Finance and professional services | 0.64 | 0.69 | 0.43 |
| Health services | 0.86 | 0.89 | 0.79 |
| *Sub-total - Other sectors* | *1.12* | *1.08* | *1.06* |

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 | 489 | 640 | 4.1% | 1.8% |
| Life sciences manufacturing | 0 | 0 | 0.0% | 0.0% |
| ICT | 222 | 265 | 1.8% | 0.8% |
| R&D | 33 | 10 | 0.3% | 0.0% |
| Knowledge intensive services | 178 | 525 | 1.5% | 1.5% |
| *Sub-total - KI sectors* | *922* | *1,440* | *7.6%* | *4.1%* |
| Primary | 2,482 | 625 | 20.6% | 1.8% |
| Other manufacturing | 1,600 | 5,350 | 13.3% | 15.4% |
| Property and construction | 1,556 | 2,225 | 12.9% | 6.4% |
| Utilities | 200 | 485 | 1.7% | 1.4% |
| Publishing | 13 | 100 | 0.1% | 0.3% |
| Transport and travel | 836 | 3,225 | 6.9% | 9.3% |
| Wholesale distribution | 1,370 | 2,125 | 11.3% | 6.1% |
| Retail distribution | 362 | 3,385 | 3.0% | 9.7% |
| Hotels, pubs and restaurants | 388 | 1,620 | 3.2% | 4.7% |
| Other business services | 892 | 4,510 | 7.4% | 13.0% |
| Public services | 4 | 1,200 | 0.0% | 3.4% |
| Other Services | 384 | 1,140 | 3.2% | 3.3% |
| Education | 797 | 3,070 | 6.6% | 8.8% |
| Finance and professional services | 106 | 720 | 0.9% | 2.1% |
| Health services | 162 | 3,575 | 1.3% | 10.3% |
| *Sub-total - Other sectors* | *11,152* | *33,355* | *92.4%* | *95.9%* |
| *Total Employment* | *12,074* | *34,795* | *100.0%* | *100.0%* |

*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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | No. of companies | % | No. of companies | % |
| *Micro firms* |  |  |  |  |
| 1 employee | 940 | 47.3% | 11,662 | 47.5% |
| 2-4 employees | 678 | 34.1% | 8,369 | 34.1% |
| 5-9 employees | 177 | 8.9% | 2,183 | 8.9% |
| *Small firms* |  |  |  |  |
| 10-49 employees | 159 | 8.0% | 1,848 | 7.5% |
| *Medium-sized firms* |  |  |  |  |
| 50-99 employees | 13 | 0.7% | 189 | 0.8% |
| 100-249 employees | 16 | 0.8% | 187 | 0.8% |
| *Large firms* |  |  |  |  |
| > 250 employees | 3 | 0.2% | 123 | 0.5% |
| *All firms in area* | *1,986* | *100.0%* | *24,561* | *100.0%* |

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | Total employment | % | Total employment | % |
| *Micro firms* |  |  |  |  |
| 1 employee | 940 | 7.8% | 11,662 | 4.9% |
| 2-4 employees | 1,675 | 13.9% | 21,260 | 9.0% |
| 5-9 employees | 1,106 | 9.2% | 13,815 | 5.8% |
| *Small firms* |  |  |  |  |
| 10-49 employees | 3,161 | 26.2% | 37,818 | 16.0% |
| *Medium-sized firms* |  |  |  |  |
| 50-99 employees | 936 | 7.8% | 13,451 | 5.7% |
| 100-249 employees | 2,419 | 20.0% | 29,230 | 12.4% |
| *Large firms* |  |  |  |  |
| > 250 employees | 1,837 | 15.2% | 109,110 | 46.2% |
| *All firms in area* | *12,074* | *100.0%* | *236,346* | *100.0%* |

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | Total turnover £,000 | % | Total turnover £,000 | % |
| *Micro firms* |  |  |  |  |
| 1 employee | 164,878 | 7.8% | 1,642,977 | 3.6% |
| 2-4 employees | 277,468 | 13.1% | 3,442,876 | 7.6% |
| 5-9 employees | 180,523 | 8.6% | 2,620,334 | 5.8% |
| *Small firms* |  |  |  |  |
| 10-49 employees | 621,377 | 29.4% | 6,854,090 | 15.1% |
| *Medium-sized firms* |  |  |  |  |
| 50-99 employees | 132,115 | 6.3% | 2,100,819 | 4.6% |
| 100-249 employees | 307,998 | 14.6% | 4,581,570 | 10.1% |
| *Large firms* |  |  |  |  |
| > 250 employees | 425,997 | 20.2% | 24,019,107 | 53.1% |
| *All firms in area* | *2,110,357* | *100.0%* | *45,261,773* | *100.0%* |

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 | 0.23 | 0.21 | 0.19 | 0.21 | 0.19 | 0.10 |
| Life sciences manufacturing | 0.00 | 0.00 | 0.00 | -1.03 | -1.45 | -1.66 |
| ICT | -0.02 | -0.02 | -0.03 | -0.02 | -0.02 | 0.01 |
| R&D | -0.02 | -0.04 | -0.17 | -0.04 | -0.07 | -0.27 |
| Knowledge intensive services | 0.02 | 0.00 | 0.02 | -0.08 | -0.12 | -0.24 |
| *Sub-total - KI sectors* | *0.04* | *0.04* | *0.04* | *-0.04* | *-0.05* | *-0.10* |
| Primary | 1.22 | 0.49 | 0.16 | 0.69 | -0.58 | 0.12 |
| Other manufacturing | 0.01 | -0.04 | -0.06 | -0.28 | -0.19 | -0.10 |
| Property and construction | -0.06 | -0.10 | -0.06 | -0.06 | -0.12 | -0.19 |
| Utilities | 0.07 | 0.08 | 0.01 | 0.31 | 0.23 | 0.05 |
| Publishing | 0.11 | 0.16 | 0.39 | 0.03 | 0.03 | 0.24 |
| Transport and travel | -0.01 | 0.01 | 0.13 | 0.02 | 0.08 | 0.22 |
| Wholesale distribution | -0.22 | -0.16 | -0.20 | 0.05 | -0.03 | -0.21 |
| Retail distribution | -0.01 | 0.00 | 0.01 | -0.23 | -0.18 | -0.13 |
| Hotels, pubs and restaurants | 0.18 | 0.14 | 0.11 | 0.11 | 0.11 | 0.11 |
| Other business services | -0.05 | -0.04 | -0.10 | -0.05 | -0.03 | 0.03 |
| Public services | -0.16 | -0.17 | -0.10 | -0.33 | -0.31 | -0.28 |
| Other Services | -0.02 | 0.01 | 0.13 | -0.07 | -0.04 | -0.04 |
| Education | 0.07 | 0.09 | 0.03 | 0.36 | 0.43 | 0.45 |
| Finance and professional services | 0.00 | 0.01 | 0.02 | 0.07 | 0.04 | 0.06 |
| Health services | -0.02 | -0.02 | -0.02 | 0.03 | 0.05 | 0.02 |
| *Sub-total - Other sectors* | *-0.01* | *-0.01* | *0.00* | *0.00* | *0.01* | *0.01* |

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 | 0.9% | 9.3% | 3.1% | 3.7% |
| Life sciences manufacturing | 0.0% | 0.0% | 0.0% | -100.0% |
| ICT | 3.9% | 0.6% | 4.9% | 6.2% |
| R&D | 67.7% | -30.7% | 42.1% | -22.2% |
| Knowledge intensive services | 11.0% | 9.5% | 13.6% | 0.8% |
| *Sub-total - KI sectors* | *4.4%* | *6.9%* | *5.7%* | *0.5%* |
| Primary | 1.2% | 7.0% | 5.2% | 2.8% |
| Other manufacturing | 4.0% | 1.3% | 6.3% | 1.1% |
| Property and construction | 12.4% | 0.8% | 9.2% | -0.2% |
| Utilities | 16.3% | 1.8% | 24.4% | 2.2% |
| Publishing | 9.1% | 26.0% | 6.3% | 4.9% |
| Transport and travel | 9.0% | 8.1% | 7.8% | 7.0% |
| Wholesale distribution | -5.0% | -2.5% | -0.1% | -0.3% |
| Retail distribution | 7.1% | 0.9% | 7.9% | -0.9% |
| Hotels, pubs and restaurants | 6.0% | 11.6% | 4.6% | 8.0% |
| Other business services | 12.1% | 2.1% | 7.9% | 5.8% |
| Public services | 58.7% | -5.0% | 0.0% | -6.5% |
| Other Services | 2.7% | 9.6% | 4.8% | 1.5% |
| Education | 7.9% | 1.8% | 23.6% | 11.8% |
| Finance and professional services | 20.2% | 3.5% | 9.1% | 4.4% |
| Health services | -7.5% | 0.9% | -2.2% | 3.1% |
| *Sub-total - Other sectors* | *4.4%* | *2.3%* | *6.4%* | *2.7%* |
| *Total Employment* | *4.4%* | *2.4%* | *6.3%* | *2.6%* |

*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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | 3 yearsto 2016-17 | 6 yearsto 2016-17 | 3 yearsto 2016-17 | 6 yearsto 2016-17 |
| *Micro firms* |  |  |  |  |
| 1 employee | -1.3% | 2.4% | -2.2% | 1.8% |
| 2-4 employees | 10.0% | 8.1% | 10.1% | 9.9% |
| 5-9 employees | 5.9% | 5.1% | 10.7% | 6.1% |
| *Small firms* |  |  |  |  |
| 10-49 employees | 11.2% | 10.3% | 9.6% | 6.7% |
| *Medium-sized firms* |  |  |  |  |
| 50-99 employees | 1.8% | -0.4% | -2.2% | 1.4% |
| 100-249 employees | 2.2% | 8.9% | 3.7% | 6.6% |
| *Large firms* |  |  |  |  |
| > 250 employees | -2.7% | 3.3% | 7.4% | 6.2% |
| *All firms in area* | *4.4%* | *6.3%* | *6.4%* | *6.0%* |

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

|  |  |  |
| --- | --- | --- |
|  | Fenland | Combined Authority |
|  | 3 yearsto 2016-17 | 6 yearsto 2016-17 | 3 yearsto 2016-17 | 6 yearsto 2016-17 |
| *Micro firms* |  |  |  |  |
| 1 employee | 2.3% | 4.2% | -1.7% | 1.3% |
| 2-4 employees | 13.5% | 9.1% | 12.3% | 11.1% |
| 5-9 employees | 4.8% | 5.9% | 17.9% | 10.3% |
| *Small firms* |  |  |  |  |
| 10-49 employees | 8.8% | 10.0% | 12.1% | 8.3% |
| *Medium-sized firms* |  |  |  |  |
| 50-99 employees | -4.9% | -4.4% | -6.6% | -7.2% |
| 100-249 employees | -17.0% | -3.2% | 5.7% | 6.3% |
| *Large firms* |  |  |  |  |
| > 250 employees | 7.2% | 7.8% | 6.4% | 7.6% |
| *All firms in area* | *1.4%* | *4.8%* | *6.9%* | *6.5%* |

1. 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. [↑](#footnote-ref-1)
2. A comparison of employment growth rates by sector between Cambridge Ahead data and BRES data is presented in Table A.8. [↑](#footnote-ref-2)