

PUBLIC APPENDICES

Appendix D

Development of the EZ – history and current masterplan process

1. To understand the context for the EZ, it is important to understand the main reports that have recommended uses for the EZ over the past 8 years.
2. The strategy of whether to (i) pursue pre-defined, targeted sectors for the EZ or (ii) to let the market define the most appropriate occupiers, has moved back and forth over the past 7 years and has yet to settle on a consistent theme that is backed-up by the evidence or a consistent theme that attracts widespread support amongst the stakeholders.
3. The strategic aims for Northstowe were initially set out in the **Northstowe Economic Development Strategy** (Genecon, July 2014) which identified 4 aims for the town:
 - a. A new kind of enterprise community.
 - b. An incubator of talent and new ideas.
 - c. A champion of clean technologies.
 - d. A collaborative and flexible business environment.
4. The strategy also set out an economic vision which built on the close geographical proximity of Northstowe to Cambridge and the ability for the town to specialise in particular functions and/or sectors. The EZ is noted in the Strategy as a potential stimulus to businesses seeking grow on locations close to Cambridge and a location to support more expansive business park accommodation.
5. The strategy seeded the idea of the EZ becoming a ‘champion of clean technologies’ as one of four recommended strategic aims, alongside a ‘collaborative and flexible business environment’. This appears to be the main initial driver of cleantech as a theme for the EZ.
6. In November 2018, the **Cambridgeshire, and Peterborough Independent Economic Review (CPIER)** (an independent commission established by the Cambridgeshire and Peterborough Combined Authority), concluded that Knowledge Intensive (KI) industries are highly specific in their demands and want to be either in Central Cambridge or North Cambridge around the Science Park (i.e., not Northstowe). The 2018 CPIER also concluded that the EZ should restrict its ambitions to become a self-contained economy in competition with other major parks and that targeting specific sectors such as Cleantech could be very challenging. They recommended that it would be better to be more flexible and let the market decide.

7. Arcadis were commissioned in January 2021 to produce a **revised Economic Development Strategy**. This concluded that the EZ should be a 'champion of growth sectors' as opposed to a 'champion of clean technologies' with the rationale that it is difficult to pre-empt exactly what the market desires, and that narrowing the choices available to future businesses by following a single-minded approach could be counterproductive. Growth sectors that were recommended in the 2021 strategy included the KI economy (IT, telecommunications, science, pharmaceuticals, technology, engineering, media, design, creative, finance and notably, the cleantech sector), the food sector, and the care and mental health sector.
8. In July 2021, Carter Jonas produced a **Demand Assessment for Northstowe** with the aim of justifying the pursuit of green and cleantech businesses within the EZ. The report did not conclude strongly with evidence, but rather stated that the cleantech sector is in its infancy and therefore has the potential to grow, albeit "it is difficult at this stage to quantify the amount of demand over the next 10 – 15 years". Indeed, the report states that "the vision for the EZ is to attract a wider pool of tenants with a broader focus on 'sustainably minded' companies and wellness", rather than the single-minded approach to Cleantech.
9. All the above serves to highlight that many different opinions have emerged over the strategic direction for the EZ, and that none have confidently settled on a clear, targeted strategy. Rather, most of the reports conclude that an open-minded consideration of a wider range of sectors would be the most prudent approach capturing current day occupier demands and investment market appetite as fed back to the stakeholders via a more 'open' marketing strategy. Put differently, until an investment/development model is agreed and construction timescale imminent, a clear marketing vision overall will prove difficult to set out. Instead, it may be more prudent to focus on a general marketing strategy, welcoming businesses from a range of sectors befitting of Northstowe's Healthy New Town credentials etc.