Greater Cambridge Strategic Industrial and Logistics Needs Assessment

An assessment of requirements derived from analysis of take up across the Cambridgeshire and Peterborough Combined Authority Area

Stantec

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Date:
17 September 2026

Project/File:
333102722

Stantec UK Limited

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1 Introduction

1.0.1 Stantec Development Economics have prepared this report on behalf of Newlands Developments, in connection with land to the south of the A14 at Junction 24, an 88.84 ha site, about 650 m north of the village of Boxworth.

1.0.2 The site is well connected, as the A14 forms part of the Strategic Road Network (SRN), linking the M1 / M6 Catthorpe Interchange in the west, to the port of Felixstowe in the east. The site is, therefore, conveniently located for access to the SRN, as well as serving Cambridge and its surrounding towns.

1.0.3 Newlands Developments proposal for the site comprises an outline planning application for up to 160,000 sqm (GIA) of storage and distribution floorspace (Use Class B8). The development will be known as Newlands Park Cambridge.

Figure 1-1 Parameters Plan



Source: UMC

1.0.4 The development description is as follows:

> *An outline planning application for storage and distribution floorspace (Use Class B8), with ancillary offices and gatehouses; Amenity Hub with ancillary offices (that could include retail unit(s), Café/Restaurant, Training Centre, Community Facility, Dance/Sports Hall (flexible floorspace within Use Classes E/ F.1/ F.2)); an HGV Parking area (Sui Generis Use) with ancillary amenity block; access infrastructure (including new and improved vehicular access from A14 Junction 24 southern roundabout (provided in detail), vehicular, pedestrian and cycle access, parking, and servicing provision); utilities (including a new electricity sub-station, gas, water, foul water treatment facility, telecommunications); sustainable drainage systems; landscaping, amenity space and maintenance compound; and all associated engineering works and infrastructure (including breaking-up of hardstanding and ground remodelling and enabling works). All matters reserved except for site access*

1.1 About this Report

Assessment of Greater Cambridge's strategic floorspace requirements

1.1.1 This report presents the results of an assessment of Greater Cambridge's strategic industrial and logistics floorspace requirement, defined in the draft Local Plan[1] as those premises generally exceeding 9,300 sqm and which are typically associated with serving a wider regional or national function.[2]

1.1.2 Draft Local Plan Policy J/NE: 'New employment development proposals', part 8, states that such large-scale warehousing and distribution centres will not be permitted, *unless there is an unmet need for such developments and that the delivery of warehousing and distribution and industrial space that meets local market needs is not impeded*.[3]

1.1.3 The need for this assessment arises precisely because the Draft Local Plan does not engage with Greater Cambridge's requirement for strategic warehousing, despite clearly acknowledging in J/NE that there may well be an unmet need for them. This is clearly at odds with national planning policy (NPPF paragraph 86) which states that planning policies should:

> *b) set criteria, and identify strategic sites, for local and inward investment to match the [national and local economic] strategy and to meet anticipated needs over the plan period;*
>
> *c) pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics;*[4]

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[1] *… large scale warehousing or distribution centres, which for the purposes of this policy we define as those premises generally exceeding 9,300 square metres (100,000 square feet) and which serve a wider regional or national function …* Draft Greater Cambridge Local Plan 2024 – 2045, page 563, paragraphs 8.19

[2] The Iceni assessment uses a similar definition *'… national / regional distribution centres which usually exceed 9,300 sq.m (100,000 sq.ft) and can be much larger …*' Greater Cambridge Warehouse and Industrial Space Needs, Final Report, Iceni Projects, March 2025, Page 15 paragraph 2.5

[3] Draft (Reg 19) Greater Cambridge Local Plan 2024 – 2045, page 617, paragraphs 8.

[4] NPPF, February 2025, paragraph 86, sections b and c

1.1.4 The Policy J/NE wording confirms that the Iceni assessment (Greater Cambridge Warehouse and Industrial Space Needs, 2025)[5] does not encompass strategic warehousing that serves regional and national markets. Rather, Iceni focus on local employment land needs only. To that end, Iceni conclude that 317,000 sqm is required to meet locally generated B2/B8 floorspace requirements over the period 2024 to 2045. Iceni's local needs assessment is taken forward in the draft Local Plan Policy SJ/H: 'New jobs and homes'.

Previous representations

1.1.5 Stantec Development Economics previously prepared a review of Greater Cambridge's industrial and logistics evidence base[6], submitted as part of a response to the Regulation 18, draft Greater Cambridge Local Plan representations, which were submitted by Twenty5 Planning.

1.1.6 Grounded in evidence prepared for the Greater Cambridge Councils using data for Cambridge City and South Cambridgeshire only Stantec's report assessed a plan period requirement for 507,260 sqm industrial and warehousing floorspace, plus a further 102,500 sqm to address replacement demand.

1.1.7 That is, circa 293,000 sqm greater than the Council's assessment, providing an indication of Greater Cambridgeshire's strategic scale industrial and logistics requirements.

1.1.8 The assessment presented in this report serves as an alternative and a sense check of Stantec's January 2026 assessment.

Economic benefits statement

1.1.9 This report updates the economic benefits summary submitted with the previous representations.

Market demand

1.1.10 A market demand report prepared by Bidwells is appended to this report (Appendix B). Bidwells examine the demand and supply dynamics of the commercial market in a national, regional and local context. They highlight a severe shortage of industrial and logistics stock combined with limited deliverable land for development within Greater Cambridge and the wider regional industrial and logistics market.

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[5] … *Regarding the requirements of strategic scale warehousing, the study primarily considers the needs of Cambridge City and South Cambridgeshire, including warehousing needs to support business and population. Whilst wider area large scale warehouse requirements are acknowledged, it is not clear that they are Plan area specific, with historic patterns focussing delivery in other parts of the Cambridgeshire and Peterborough area such as Peterborough and Huntingdonshire.* Review of economic data, context and representations, June 2026, Iceni, page 17, paragraph 5.6.

[6] Newlands Park Cambridge Economic Need and Benefits Statement, Stantec Development Economics, January 2026, see Appendix A

1.2 National Planning Policy Framework August 2026

1.2.1 This version (NPPF 2026) replaces the previous National Planning Policy Framework published in December 2024. The Greater Cambridge Local Plan's consistency with national policy will be tested against the December 2024 Framework. However, NPPF 2026 is a material consideration which must be taken into account in decision-making from the date of its publication, 17 August 2026.

1.2.2 The following policies are relevant to the consideration of unmet need for freight and logistics development and the economic benefits of freight and logistics development:

- Policy S5: 'Principle of development outside settlements' - development that addresses unmet need for major freight and logistics developments should be approved, unless the benefit of doing so would be substantially outweighed by any adverse effects.
- Policy E2 'Meeting the need for business land and premises' paragraph 1 - substantial weight should be given to the economic benefits of proposals which allow business to invest, especially where this would support implementation of the UK's Modern Industrial Strategy (which acknowledges the contribution that freight and logistics makes)[7], and or support improvements in freight and logistics.
- Policy E2 paragraph 2 – where development proposals are required to demonstrate whether an unmet need exists (including S5), market signals that indicate undersupply of specific types of land and premises, taking into account the availability of suitable existing land and buildings, is a relevant consideration.

1.2.3 A more detailed review of NPPF 2026 national decision-making polices, relevant to the uses proposed at Newlands Park Cambridge, is provided at Appendix A.

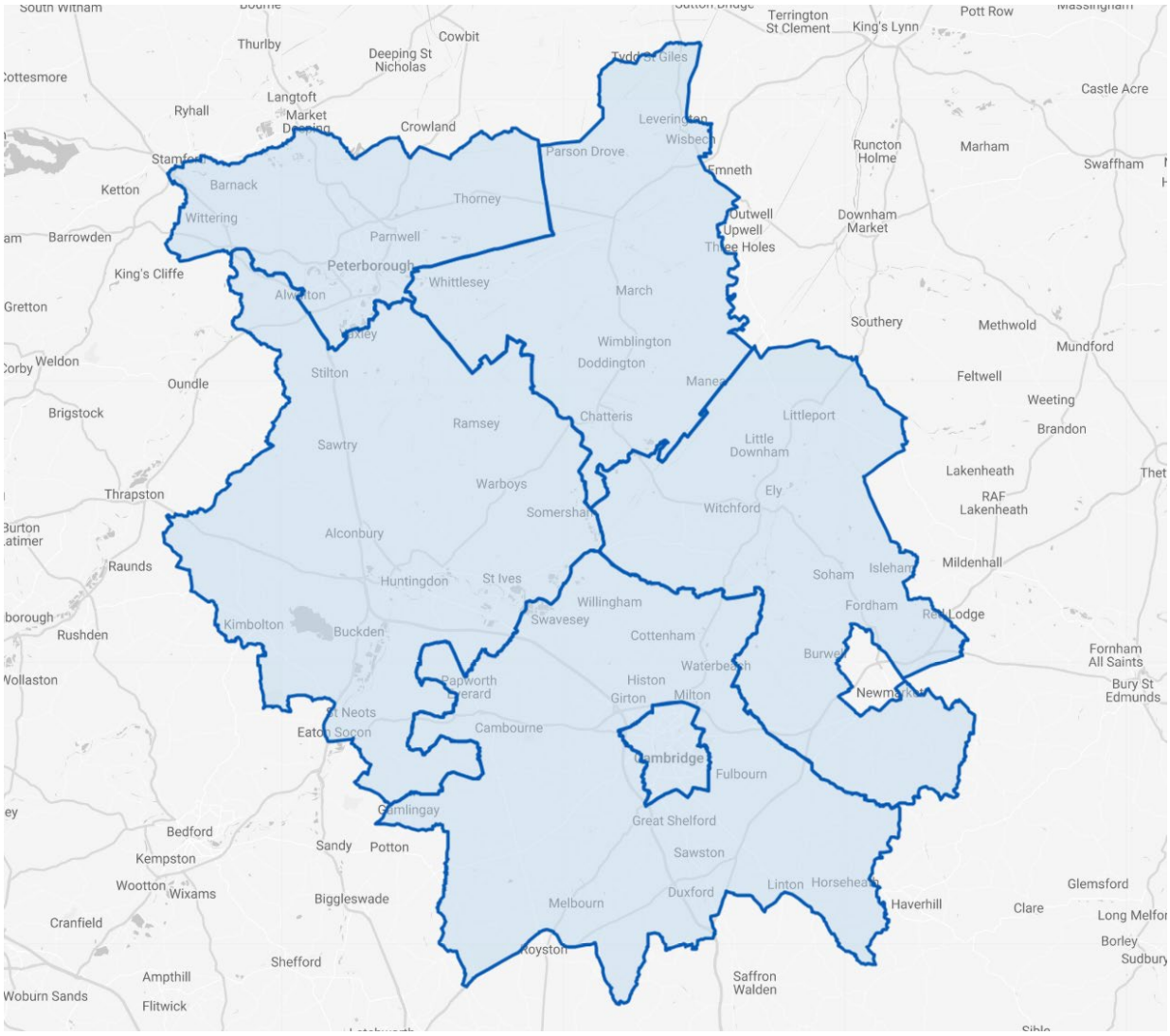
[7] The UK's Modern Industrial Strategy identifies eight priority sectors with the highest potential for transformative growth, namely: advanced manufacturing; clean energy; creative industries; defence; digital and technology; financial services; life sciences; and professional and business services. These are known as the IS8:
The freight and logistics sector makes a vital contribution to the UK economy and the competitiveness of the IS-8, ensuring that the right goods are in the right place at the right time. Industrial Strategy, November 2025, Page 89

2 Assessment of Strategic Scale Industrial and Logistics Floorspace Requirements

2.1 Approach

2.2.1 In line with the guidance set out in the Planning Practice Guidance, the requirement for strategic scale floorspace is assessed across the relevant strategic geography; that of the Cambridgeshire and Peterborough Combined Authority area (see Figure 2-1). Iceni's assessment of the internal, Greater Cambridge sub strategic requirements was internally (Greater Cambridge boundary) focussed.

Figure 2-1 Assessment Area



Source: CoStar

2.2.2 To align with the Iceni analysis, the ten-year look back period runs to the end of 2023, and the requirement is for the period 2024 to 2045, a total of 21 years.

2.2.3 CoStar data has been used, specifically the inventory of buildings greater than 9,300 sqm (100,000 sqft) categorised as industrial and light industrial property types, excluding R&D buildings (as per Iceni's assessment of internal need), and excluding data centres.

2.2.4 The requirement is calculated using the suppressed demand model proposed by The British Property Federation (BPF) and developed by Savills[8]. This model addresses the extent to which net take up (net absorption, moves in less moves out) has been supressed by availability constraints.

2.2.5 In a functioning property market, to provide for occupier choice and competition, we would expect availability – floorspace that is available to would be occupiers at any point in time - to be no less than 8% of the total inventory. Below this level, availability is constrained and the market undersupplied.[9] The supressed demand model estimates how much greater take up would have been, by modelling the effect of removing availability constraints.

2.2 Market Context

2.2.1 During the 10-year period 2014 to the end of 2023, Cambridgeshire and Peterborough's inventory of strategic scale (9,300 sqm plus) industrial and logistics premises increased by about 538,000 sqm.

2.2.2 Less than 10% of the Combined Authority's resultant c2.6 sqm strategic scale industrial inventory is out with Greater Cambridge, despite Greater Cambridge accommodating 34% of the population and 43% of the jobs, implying a significant deficit and signalling that Greater Cambridge is sub-optimally served by the industrial and logistics market.

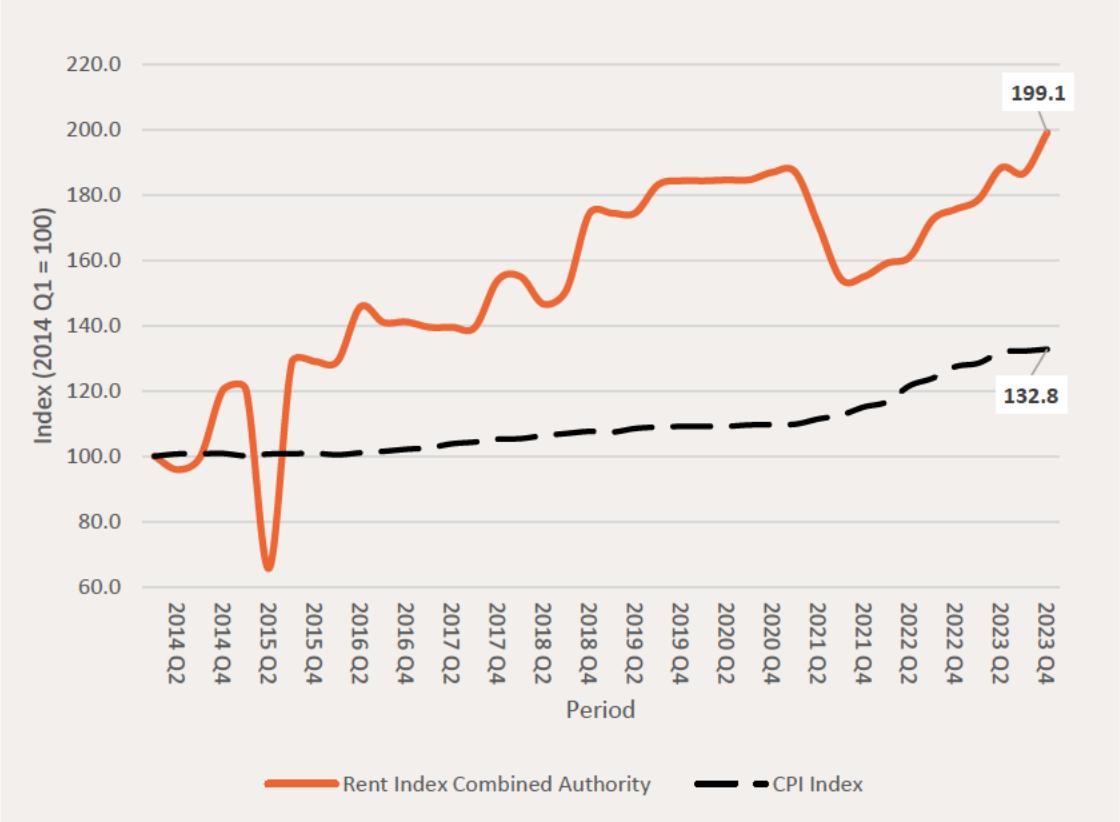
2.2.3 Despite inventory growth across the Combined Authority, which averages out at 53,800 sqm per annum, Cambridgeshire and Peterborough's availability rate remained below equilibrium throughout the lookback period and ranged between 2.5% and 7.5% (5% average) indicating that the market was undersupplied.

2.2.4 Corroborating the evidence of an undersupplied market, vacancy (space that it unoccupied whether it is available or not) averaged 3.3%, significantly lower than the benchmark for a functioning market of c7.5% of inventory.

2.2.5 Undersupply is likely to have fuelled above inflation rental growth. This has occurred across two periods. Firstly, following recovery from the global financial crisis, during the period 2015 to 2020. Secondly, from later phases of the covid pandemic to date. As at the end of the ten year period to end 2023 rental growth had reached 1.52 times inflation (see Figure 2-2).

[8] Levelling Up - The Logic of Logistics, BPF/Savills 2022.
[9] Ibid.

Figure 2-2 Indexed Combined Authority Rental Inflation, Strategic Scale Industrial and Logistics, 2014 to 2023 inclusive (Q1 2014 = 100)



Source: CoStar, ONS and Stantec Analysis

2.3 Assessment Results

2.3.1 The scale of supressed demand associated with availability at less than 8% of total inventory is estimated using the data set out in Table 2-1. The metrics (left to right) are as follows:

- Available space (c.) is equal to inventory (a.) multiplied by the availability rate (b.)
- Average net absorption is 54,866 sqm per annum (d., final row)
- On average, net absorption is 51% of available space per annum (d. / c. = e., the average of which is shown at e., final row)
- The amount of additional available floorspace needed to achieve equilibrium (8% availability) equals 8% minus availability rate, multiplied by floorspace inventory ((8%-b)*a.). This ranges from 11,283 to 138,621 sqm (f.)
- Finally, average annual supressed demand (g., 35,062 sqm) is the average of the annual average of e. (51%) multiplied by the annual values, 2014 to 2023 inclusive, in column f.

2.3.2 Having estimated supressed net absorption, actual demand can be calculated by adding average net absorption to average supressed net absorption; (d., 54,866 sqm) plus (g., 35,062 sqm). Thus, we arrive at actual demand for 89,927 sqm per annum of industrial and logistics floorspace over the 10-year period 2014 to 2023 inclusive.

Table 2-1 Cambridgeshire and Peterborough Supressed Net Absorption Calculation

Period	a. Inventory	b. Available space (relative to inventory and area)	c.	d. Net absorption	e. Net absorption relative to available space = d. / c.	f. Floorspace required to reach 8% availability = ((8%-b.)*a.)	g. Supressed net absorption = e.*f.
Year	**sqm**	**%**	**sqm**	**sqm**	**%**	**sqm**	**sqm**
2023	2,593,526	4.7%	120,891	39,422	33%	86,591	44,286
2022	2,522,281	2.5%	63,161	110,540	175%	138,621	70,897
2021	2,480,782	6.5%	162,472	49,868	31%	35,991	18,407
2020	2,411,288	7.5%	181,620	136,453	75%	11,283	5,771
2019	2,216,576	4.1%	90,241	-23,336	-26%	87,085	44,539
2018	2,204,972	3.1%	69,171	41,479	60%	107,227	54,840
2017	2,204,972	4.7%	104,398	106,939	102%	72,000	36,824
2016	2,084,498	3.5%	73,353	-386	-1%	93,406	47,772
2015	2,084,498	6.7%	139,183	-22,091	-16%	27,577	14,104
2014	2,084,498	6.8%	140,994	109,769	78%	25,766	13,178
Annual average	**-**	**-**	**-**	**54,866**	**51%**	**-**	**35,062**

Source: CoStar and Stantec Development Economics

2.3.3 Demand observed over the period 2014 to 2023 inclusive is consistent with the approach taken by Iceni, and a reasonable and balanced basis for forecasting future floorspace demand. A trend rate of demand for 89,927 sqm of industrial and logistics floorspace, projected over the 21-year emerging Local Plan period, results in a requirement for 1.9m sqm floorspace.

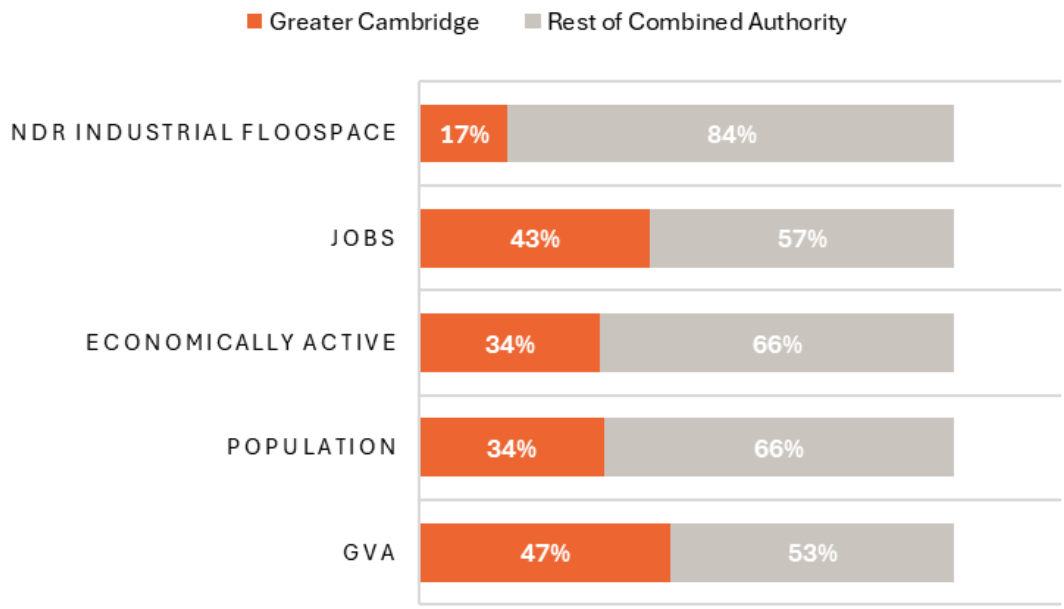
2.4 The Greater Cambridge Share of Strategic Scale Floorspace

2.4.1 The apportionment to Greater Cambridgeshire of the Strategic Scale floorspace (and land) requirement is calculated here based on Greater Cambridgeshire's share of industrial floorspace. According to the Valuation Office Agency's record of non-domestic rated property, which is approximately 17% of the Combined Authority total.

2.4.2 That is a requirement for 312,000 sqm Strategic Scale floorspace, requiring 125 ha of land, at a 25% plot ratio.

2.4.3 In the context of Greater Cambridge's share of Combined Authority population, labour supply, jobs and economic output (GVA), this requirement could be greater and is therefore proposed as a minimum (see Figure 2-2).

Figure 2-3 Greater Cambridge share of Combined Authority Floorspace, Population, Labour Force and Output (GVA)



Source: VoA (NDR (non-domestic rating) Business Floorspace 2025), and ONS.

2.5 The Demand for Floorspace Associated with On-line Retail Expenditure.

2.5.1 During the ten-year period 2014 to 2023 inclusive, about 12,000 sqm floorspace, bult since 2014, has been leased to industries operating in retail, wholesale and transportation and storage industries. These industries are driving the growth of online retail fulfilment, but they do not have a significant presence in Greater Cambridge

2.5.2 Oxford Economics estimates that in 2024, the population of Greater Cambridge's retail expenditure amounted to £2.6 bn (2023 prices). On the assumption that 27.1% of retail expenditure was on-line spend[10], Greater Cambridgeshire's on-line expenditure was £710 m.

2.5.3 Using a benchmark value of £13,900 on-line spend per sqm logistics[11], £710 m internet sales would require 51,000 sqm of fulfilment floorspace[12]. It is reasonable to assume not all this floorspace is currently accommodated in Greater Cambridge. It is more likely that most is not.

2.5.4 It is also evident that as the populations on-line retail expenditure grows, the existing 'shortfall' of fulfilment space will become greater over time, unless there is a significant uptick in logistics development.

[10] Source: ONS Internet sales as a percentage of total retail sales , 2024 UK estimate
[11] Prologis research indicates that every additional £1 billion of online retail spending generates demand for approximately 775,000 sqft (around 72,000 sqm) of warehouse floorspace. This equates to approximately £13,900 of online retail expenditure per sqm of logistics floorspace.
[12] The corresponding rest of Combined Authority Area figures are £1.14bn and 82,345 sqm respectively.

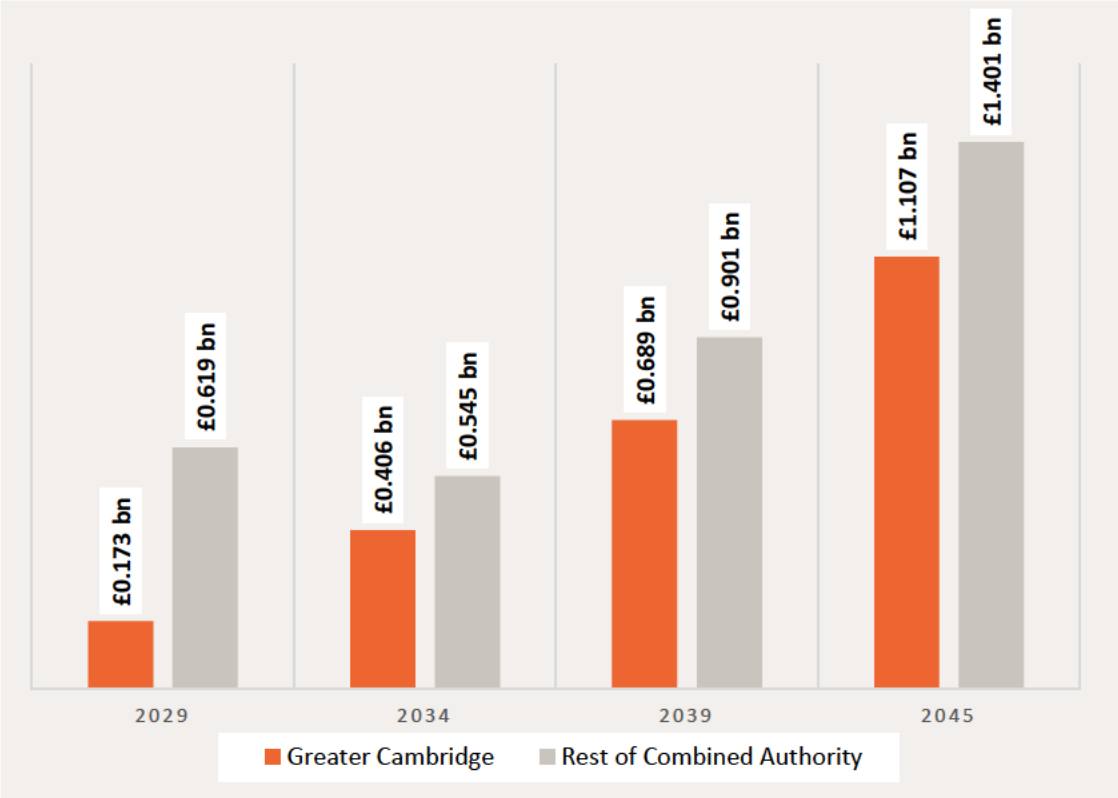
2.5.5 Retail expenditure projections published by Oxford Economics provide a basis for estimating the potential scale of *additional*[13] floorspace development necessary to fulfil increasing levels of on-line expenditure by Greater Cambridgeshire's population over the period 2024 to 2045.

2.5.6 This assessment is governed by two key assumptions:

- The proportion of retail expenditure that is online retail expenditure increases at half the rate observed in the past, that is from 27.1% in 2024, to 42% of all retail expenditure by 2046.
- The £13,900 on-line spend per sqm logistics floorspace benchmark remains constant.

2.5.7 The resultant analysis of additional expenditure and associated floorspace demand for both Greater Cambridgeshire and the rest of the Combined Authority is presented in Figure 2-4 and Figure 2-5 respectively.

Figure 2-4 Projected Additional Annual On-line Expenditure, in 2029, 2034, 2039, and 2045 - Greater Cambridge and Rest of Combined Authority Area



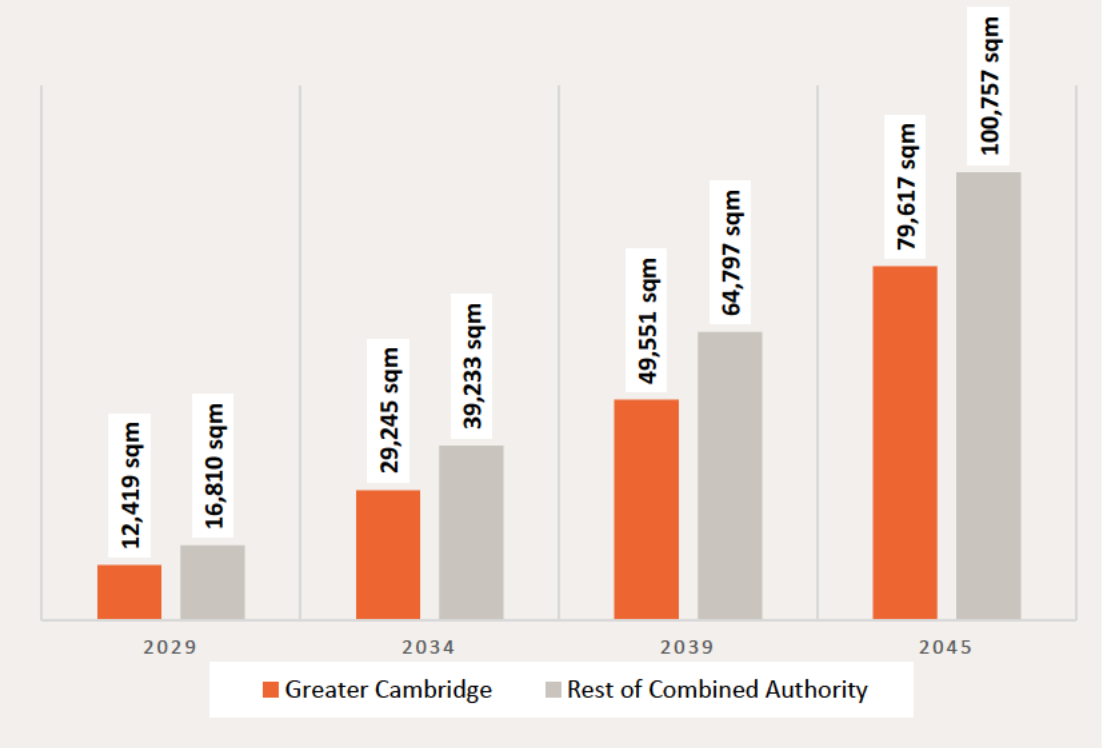
Source: Oxford Economics, ONS and Stantec Analysis

2.5.8 Over a 20-year period, additional on-line retail expenditure, post 2024, is expected to reach £400m per annum in 2034 and over £1bn per annum by 2045 in Greater Cambridge. All

[13] Additional to the 51,000 sqm associated with on-line expenditure in 2024

figures shown are in addition to the level of on-line expenditure reached in 2024 (£710m in Greater Cambridge and £1.14bn across the rest of the Combined Authority).

Figure 2-5 Fulfilment Floorspace Associated with Projected Additional Annual On-line Expenditure, from 2024 at 5-year intervals - Greater Cambridge and Rest of Combined Authority Area



Source: Oxford Economics, ONS and Stantec Analysis

2.5.9 The additional floorspace associated with on-line expenditure by Greater Cambridge residents after 2024 increases from c12,500 sqm in 2029, to 29,000 sqm in 2034, 50,000 sqm in 2039 and 80,000 sqm by the end of the plan period.

2.5.10 Greater Cambridge is projected to account for 44% of the Combined Authority's additional on-line expenditure 'fulfilment floorspace' by 2045. That is, c80,000 sqm out of a total c180,000 sqm.

2.5.11 In total, including fulfilment floorspace associated with on-line retail spend up to 2024, Greater Cambridge residents will be generating demand for 130,700 sqm out a Combined Authority total of 313,800 sqm.

2.5.12 This predominately additional floorspace will need to be accommodated in logistics buildings across a range of size bands, including buildings of strategic scale, typically within logistics development that include a mix of logistics building types and sizes. The common denominator for all logistics operations being access to the strategic road network, power and labour supply.

3 Economic Benefits

3.0.1 Newlands Park Cambridge will deliver a high-quality logistics cluster comprised of units of various sizes that will provide accommodation for logistics occupiers of all types, across logistics floorspace total of c 160,000 sqm GIA (163,500 sqm GEA). This report presents the assessment of economic benefits arising during construction and once operational.

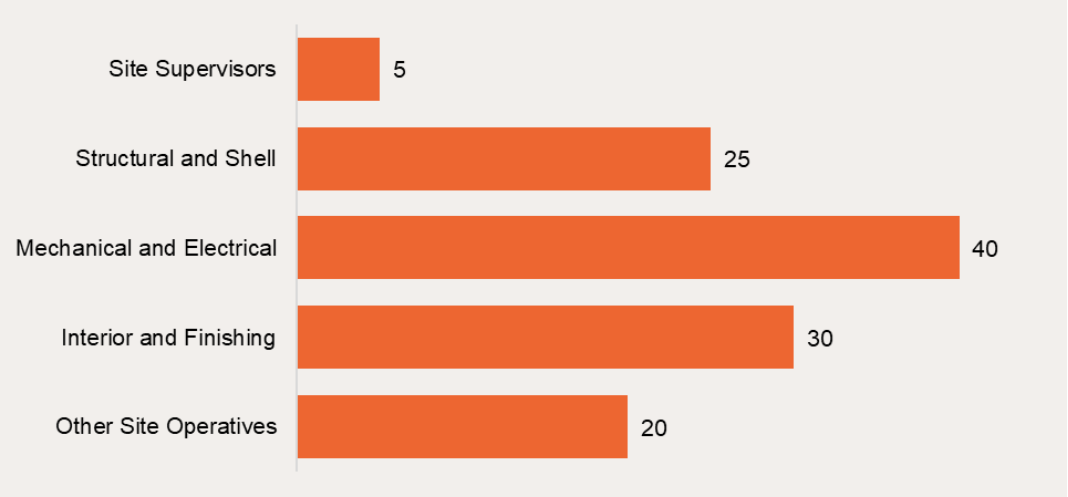
3.1 Construction Phase

3.1.1 The number of direct jobs generated during the construction period is calculated using the Construction Industry Training Board (CITB) Labour Forecasting Tool (LFT). Utilising the value, a start date, duration and location, the LFT predicts labour demand on a month-by-month and trade-by-trade basis. Forecasts are based on historic data from past projects and updated as new data becomes available, taking account of time and location.

Direct Effects

3.1.2 For the purposes of estimating the number of construction jobs, a construction cost of £173m and a construction period of 57-months has been assumed. It is estimated that 120 direct onsite construction jobs could be supported each month over this period. Broad classifications grouping the on-site occupations supported are shown in Figure 3-1.

Figure 3-1 On-site Construction Occupations



Source: LFT and Stantec Analysis. Figures are rounded to the nearest 5

3.1.3 Direct employment activity throughout the construction phase will generate economic output, measured through the generation of GVA. Based on an average regional GVA per

construction worker sourced from Oxford Economics[14], the Development could generate a direct GVA of approximately £40m over the 57-month construction period.

Employment Effect across Greater Cambridge

3.1.4 Whilst the Development will support 120 jobs, on-site over the construction phase, the total employment effect throughout the construction phase will depend on additionality factors. Guidance from the HCA, Additionality Guide[15] ("Additionality Guide") and, HM Treasury Green Book[16] ("The Green Book") establishes that the on-Site jobs created by the Development would most likely be subject to the following factors[17]:

- **Substitution**: where firms substitute one type of labour for another to benefit from an intervention but do not increase employment or output.
- **Deadweight**: where the output would have occurred without intervention.
- **Displacement**: the extent to which an increase in economic activity or other desired outcome is offset by reductions in economic activity or other desired outcome in the area under consideration or in areas close by; and
- **Leakage**: the extent to which effects "leak out" of a target area into others. For an intervention designed to increase employment in a particular area, leakage could take the form of increased employment in neighbouring areas.

3.1.5 The extent to which each factor is relevant and applicable depends on the nature of the uses envisaged, professional judgement and having regard to published data and or guidance. On that basis, the following assumptions have been made:

- The nature of the proposed uses is not likely to result in one type of labour being substituted for another (e.g., a full-time employee substituted for a government funded trainee) therefore **substitution is not considered relevant**.
- The typically short term, temporary nature of construction projects of this scale and type means that contractors and labour move between several such project projects, throughout the year, year on year. This sustains the construction industry, which will contract and expand with the economic cycle[18]. As such, **no deadweight or displacement is applied** to the direct on-site jobs supported and associated GVA over the construction phase.
- Analysis undertaken by CBRE using mobile phone GPS data has identified that around 67% of jobs created by the development will be taken by people living outside Greater Cambridge. Therefore **67% has been applied as the leakage factor**.

[14] Oxford Economics, 2026 Global Forecasting and Quantitative Analysis
[15] HCA, Additionality Guide, 4th edition, 2014
[16] HM Treasury, The Green Book: Central Government Guidance on Appraisal and Evaluation, 2020
[17] HM Treasury The Green Book: Central Government Guidance on Appraisal and Evaluation, 2020, Page 95, Paragraph A2.9
[18] Over the last 20 years the construction industry has accounted for about 5 to 6% of UK GVA and 6 to 7% of UK employment.

3.1.6 Based on the assumptions set out above, we estimate that of the total 120 direct on-site jobs supported over the 57-month construction phase, 40 will benefit residents living within the Greater Cambridge area (see Table 3-1).

3.1.7 Based on the assumptions set out above, we estimate that of the total 120 direct on-site jobs supported over the 57-month construction phase, 40 will benefit residents living within the Greater Cambridge area (see Table 3-1).

Table 3-1 Direct Economic Effects during the Construction Phase

Economic effect	Greater Cambridge
Gross direct jobs supported	**120**
Associated GVA	£40m
Deadweight and displacement	*0%*
Net direct jobs supported	120
Associated GVA	£40m
Leakage factors	*67%*
Direct employment supported	**40**
Associated GVA	£13m

Source: Stantec analysis, CITB Labour Forecasting Tool, Oxford Economics. Figures are rounded to nearest 5 jobs and nearest £5m GVA

Indirect Effects

3.1.8 In addition to the direct jobs supported during the construction phase, further indirect employment will be supported in the supply chain and through workforce expenditure. Indirect employment is calculated utilising Green Book central multipliers.

3.1.9 As set out in Table 3-2, construction of Newlands Park Cambridge could indirectly support 50 residents across the Greater Cambridge area. The associated GVA is £155m.

Table 3-2 Indirect and Total Economic Effects during the Construction Phase

Economic effect	Greater Cambridge
Direct employment	**120**
Associated GVA	£40m
Tradable multiplier	*x0.4*
Non tradable multiplier	*x0.9*
Total multiplier	***x1.3***
Indirect employment	**50**
Associated GVA	£15m
Total employment	**90**
Associated GVA	£28m

Source: Stantec analysis, CITB Labour Forecasting Tool, Oxford Economics. Figures are rounded to nearest 5 jobs and nearest £5m GVA

3.1.10 The total economic effect, during the construction of Newlands Park Cambridge, amounts to employment for 90 residents of Greater Cambridge, with an associated GVA of £28m, for a period of 57 months.

3.2 Operational Phase

3.2.1 The completed development will be attractive to broad a range of logistics occupiers from parcel delivery though to regional or supra-regional storage and distribution. Their precise nature and associated staffing levels are not known at this time.

Direct Effects

3.2.2 In the absence of known occupiers and staffing numbers, our estimate of the number of jobs that will be accommodated across the proposed floorspace is informed by the Homes and Communities Agency (HCA) Employment Density Guide (2015) ("Density Guide").

3.2.3 The Density Guide proposes three employment densities (sqm floorspace per full time employee) for logistics (B8 storage and distribution) operations, as follows:

- 95 sqm gross external area (GEA) for national distribution centres
- 77 sqm GEA for regional distribution centres
- 70 sqm for final mile distribution centres

3.2.4 For the purposes of this assessment, we have applied each of the three employment densities listed above to one third of the proposed floor area (54,489 sqm = 163,466 sqm / 3), which returns total of 2,060 jobs (x 95 = 574, x 77 = 708, x 70 = 778).

Employment Effect across Greater Cambridge

3.2.5 As is the case with construction employment, the effect on each area of 2,060 jobs (rounded estimate) at Newlands Park Cambridge will depend on additionality factors (see 1.1.2.1). Whereas displacement was not a factor applied to the number of construction jobs supported, it is applied to operational jobs.

3.2.6 This is to account for the relatively low number of jobs that will be lost / displaced as a result of structural changes that bring about the need for the development and or competition from the new development. A displacement factor of 25% is applied, derived from the Additionality Guide, representative of low displacement.

3.2.7 Based on the assumptions set out above, we estimate that of the total 2.060 direct permanent jobs supported by a fully operational Newlands Park Cambridge, 510 will benefit residents living within the Greater Cambridge area (see Table 3-3).

Table 3-3 Direct Economic Effects Once Fully Occupied

Economic effect	Greater Cambridge
Gross direct jobs supported	**2,060**
Associated GVA per annum	£82m
Deadweight and displacement	*25%*
Net direct jobs supported	1,545
Associated GVA per annum	£62m
Leakage factors	*67%*
Direct employment supported	**510**
Associated GVA per annum	£20m

Source: Stantec analysis, Oxford Economics. Figures are rounded to nearest 5 jobs and nearest £5m GVA

Indirect Effects

3.2.8 In addition to the direct jobs supported by an operational Newlands Park Cambridge, further indirect employment will be supported in the supply chain and through workforce expenditure. Indirect employment is calculated utilising Green Book central multipliers.

3.2.9 Newlands Park Cambridge could indirectly support 665 employed residents across the Greater Cambridge, with associated GVA is £40m per annum (See Table 3-4).

Table 3-4 Indirect and Total Economic Effects Once Fully Occupied

Economic effect	Greater Cambridge
Direct employment	**510**
Associated GVA per annum	£20m
Tradable multiplier	*x0.4*
Non tradable multiplier	*x0.9*
Total multiplier	***x1.3***
Indirect employment	**665**
Associated GVA per annum	£40m
Total employment	**1,170**
Associated GVA per annum	£61m

Source: Stantec analysis, Oxford Economics. Figures are rounded to nearest 5 jobs and nearest £5m GVA

3.2.10 The total economic effect of an operational Boxworth Gateway amounts to employment for 1,170 residents of Greater Cambridge, with an associated GVA of £61m per annum.

3.3 Business Rates

3.3.1 The Development will generate annual business rates contributing to the funding of local public services. Rateable values are provided by the Valuation Office and taking into

consideration rateable values for comparable facilities, it is estimated that, completed and occupied, Newlands Park Cambridge could generate £10m per annum in business rates.

4 Conclusions

4.0.1 Assessed from the perspective of the Cambridgeshire and Peterborough Combined Authority area, Greater Cambridge has a minimum requirement for 312,000 sqm strategic scale industrial and logistics floorspace. At a 25% plot ratio, the associated land requirement is 125 ha.

4.0.2 This compares with Stantec Development Economics January 2026 assessment that Greater Cambridge has a requirement for 293,000 sqm industrial and logistics floorspace, to meet the needs of strategic scale occupiers, including warehousing or distribution centres that serve a wider regional or national function.

4.0.3 To avoid constraining the market in the future and to address past planning policy constraint on the development of logistics premises that serve a wider regional or national function, the higher minimum requirement for 312,000 sqm floorspace should be preferred. This strategic scale requirement is in addition to Policy S/JH's (Iceni) 317,000 sqm required to meet locally generated B2/B8 floorspace requirements over the period 2024 to 2045

4.0.4 Having regard to on-line expenditure by Greater Cambridge's population between 2024 and 2045, a further 80,000 sqm should be added. Thus, Greater Cambridges full objectively assessed Industrial and Logistics floorspace requirements are the sum of 312,000 sqm, 317,000 sqm and 80,000 sqm. A total of 709,000 sqm.

Appendix A National Planning Policy Framework August 2026

A.1 The latest version of the National Planning Policy Framework was published in August 2026 (NPPF 2026). This summary focusses on the national decision-making policies published therein, noting that NPPF 2026 states that the national plan-making policies published alongside should not be used when making decisions on development proposals.

A.2 Policy S5: 'Principle of development outside settlements' states that some forms of development outside settlement boundaries should be approved, including development that addresses unmet need for major freight and logistics developments:

> 1. *Only certain forms of development should be approved outside settlements, as set out in the following list. These should be approved, unless the benefits of doing so would be substantially outweighed by any adverse effects, when assessed against the national decision-making policies in this framework:*
>
> *…*
>
> *j. Development which would address an evidenced unmet need (including, but not limited to, development proposals involving the provision of housing where the local planning authority cannot demonstrate a five-year supply of deliverable housing sites or scores below 75% in the most recent Housing Delivery Test), and where the development would:*
>
> *…*
>
> *ii. Comprise major development for freight and logistics purposes which accords with policy E3.*

A.3 Policy S5, paragraph 2, qualifies paragraph 1, stating that:

> 2. *… circumstances in which the benefits of approving development proposals are likely to be substantially outweighed by adverse effects include, but are not restricted to, situations where the development proposal would fail to comply with one of the national decision-making policies which state that development proposals should be refused in specific circumstances.*

A.4 Concluding Policy S5, paragraph 5 states that Policy S5 does not apply to development in the Green Belt or on land Designated as Local Green Space, signposting to an alternative decision-making route for development that is not inappropriate:

> 5. *However, where development would not be inappropriate in these locations (through the application of policies HC8 and GB7), proposals should be approved unless the benefits of doing so would be substantially outweighed by any adverse effects, when assessed against the national decision-making policies in this Framework, and applying paragraph 2 of this policy.*

A.5 Policy GB7 sets out eight categories of development that are not inappropriate in the Green Belt. GB7, 1, g is one of the eight categories, and includes four 'conditions' that must all apply, including:

> *ii. There is an evidenced unmet need for the type of development proposed [41]*

A.6 GB7, 1, g, ii footnote 41 explains what constitutes unmet housing need effectively circling back to Policy S5, 1, j; albeit without specific reference to freight and logistics.

A.7 National-decision making policies that address building a strong, effective economy are found in Chapter 7 of NPPF 2026. Policy E2: 'Meeting the need for business land and premises' identifies circumstances where the economic benefit development should be given substantial weight – especially where this supports improvements in freight and logistics:

> *1. To support business growth, substantial weight should be given to:*
>
> *a. The economic benefits of proposals for commercial development which allow businesses to invest, expand and/or adapt; especially where this would support the economic vision and strategy for the area, the implementation of the Industrial Strategy, support improvements in freight and logistics and/or reflect proposals for Industrial Strategy Zones and AI Growth Zones; and*
>
> *….*

A.8 Policy E2a refers to the Industrial Strategy, Invest 2035: The UK's Modern Industrial Strategy[19]. This identifies the IS8. That is, the industrial strategy's eight priority sectors with the highest potential for transformative growth, namely: advanced manufacturing; clean energy; creative industries; defence; digital and technology; financial services; life sciences; and professional and business services.

A.9 The Industrial Strategy explicitly acknowledges the vital contribution that the freight and logistics sector makes:

> *The freight and logistics sector makes a vital contribution to the UK economy and the competitiveness of the IS-8, ensuring that the right goods are in the right place at the right time.[20]*

A.10 Policy E2 goes on to address how unmet need should be considered, highlighting market signals, sector needs and the availability of suitable land and premises as key indicators, implying that these are pertinent where existing allocations fail to address them:

> *2. Where a development proposal is required to demonstrate whether an unmet need exists (including under policy S5) consideration should be given to whether:*
>
> *a. Market signals indicate an undersupply of specific types of business land or premises, taking into account the anticipated catchment area for the type of development proposed, the changing needs of different sectors and the availability of suitable existing land and buildings; or*

[19] See footnote 30, page 40
[20] Invest 2035: The UK's Modern Industrial Strategy, page 89

> b. *The specific locational requirements of the proposal are met by existing allocations in the development plan …*

A.11 Policy E3: 'Freight and logistics' establishes criteria for freight and logistics development proposals, as follows:

> 1. *To support the effective and efficient movement of goods, development proposals for freight and logistics uses and associated infrastructure should:*
>
> a. *Have good access to transport networks (including via sustainable transport modes where possible) appropriate to the type of development;*
>
> b. *Be sited and designed to limit environmental impacts (such as through the colocation or intensification of facilities to limit vehicle movements, provision of electric vehicle charging infrastructure and sensitive building design and landscaping). The impact on local residents or other neighbouring uses should be acceptable, taking into account proposed mitigation, especially where night-time operations will be required; and*
>
> c. *Provide sufficient and secure parking for lorries or other vehicles to cater for the anticipated use, in accordance with policy TR4(1)(e).*

A.12 Whilst not relevant to decision-taking, the economy focused plan making policy E1 'Providing the conditions for long-term economic growth' is relevant context. E1 has a clear focus on fulfilling the Industrial Strategy (E1,1,a). To that end, the provision of land may need to be made for freight and logistics operations '*that allow for the efficient and reliable handling of goods, especially where this is needed to support the supply chain*' (E1,1,c,ii).

A.13 NPPF 2026's economy-focused policies are clearly directed towards delivering the UK's Modern Industrial Strategy: expanding growth-driving sectors and ensuring that the infrastructure needed to support that growth is in place. Freight and logistics are central to this objective and feature prominently in the policy text.

Appendix B Newlands Park Cambridge Economic Need and Benefits Statement

Newlands Park Cambridge Economic Need and Benefits Statement

Addressing Greater Cambridge Industrial and Warehousing Planning Policy Development Land Needs Assessment and the Economic Benefits of the Proposed Development

Stantec

Prepared for:
Newlands Developments

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Date:
29 January 2026

Project/File:
333102272

Stantec UK Limited

Revision Record

Revision	Description	Author	Date	Quality Check	Date	Independent Review	Date
1	Final						29.01.26

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Executive Summary

i This report has been prepared for Newlands (Cambridge) Limited ('Newlands') by Stantec Development Economics and makes the economic case for the development of a logistics park knows as Newlands Park Cambridge on Land at A14 Junction 24, Boxworth.

ii Newlands Park Cambridge's location, scale, and connectivity make it well placed to deliver a high-quality logistics park that will strengthen Greater Cambridge's economic resilience and supply chain efficiency. A total of 2,110 jobs will be created on site, directly providing employment for 590 Greater Cambridge residents and indirectly providing employment for a further 770.

iii The received wisdom in Greater Cambridge, adhered to for the last 20 years, is that any large scale regional and national distribution would crowd out, displace or otherwise jeopardise the supply of land for Greater Cambridgeshire' specialist and target sectors. There is no evidence to support such a proposition.

iv The outright rejection of large-scale logistics in past, current and proposed planning policy is irrational and unsound. Newlands Park Cambridge would not - does not - displace Greater Cambridge specialist sectors, quite the opposite. Newlands Park Cambridge is in the right location to serve the needs of specialist sectors, supporting their growth, their supply chains, the needs of their workforce.

v Analysis of the Council's assessment and the industrial and warehousing property market indicators presented in their evidence base (inventory, vacancy, absorption and completions) provides a basis for developing an alternative assessment that addresses the following key factors:

- A vacancy level consistently below market equilibrium.
- Development management policies that have over the last decade prohibited the development of strategic scale regional and national distribution centres along a section of a nationally significant freight corridor (i.e. the A14).
- Industrial and warehousing floorspace losses.
- The need to replace existing floorspace to address an increasing ageing stock and pressure from EPC ratings.

vi Using the Council's gross completions estimate, applying adjustment for current and future vacancy (to 7.5%), and a margin of 30% returns **a plan period requirement for 507,260 sqm industrial and warehousing floorspace**.

vii In addition, to address industrial and warehousing stock replacement, **a further 102,500 sqm should be added to the requirement.** This falls midway between the B2/B8 stock replacement range arrived at in the Council's evidence base.

viii Although the draft Local Plan allocates around 300,000 sqm of logistics floorspace, this is clearly insufficient to satisfy objectively assessed need. To address the significant shortfall and sustain economic growth, further allocations should be made to ensure Greater Cambridge has the capacity to accommodate local, regional and national distribution and warehousing needs.

ix There is an urgent need for further industrial and warehousing allocations.

1 Introduction

1.0.1 This report has been prepared for Newlands (Cambridge) Limited ('Newlands') by Stantec Development Economics. Newlands proposes the development of a logistics park at Land at A14 Junction 24, provisionally known as Newlands Park Cambridge, the economic case for which is established by this report.

1.1 About the development

1.1.1 Newlands Park Cambridge will deliver about 1,721,500 sqft (159,931 sqm) GIA of logistics floorspace on the A14 (see Figure 1-1). The A14 is a key east–west trunk route linking the Midlands to the East Coast ports and forming part of the Trans-European Network.

1.1.2 The A14 provides direct, high-quality dual carriageway access to the A1(M) to the west and the Port of Felixstowe to the east, making it one of the UK's principal freight corridors. This connectivity enables efficient national and international distribution, significantly reducing travel times and logistics costs for occupiers.

1.1.3 Proximity to Cambridge Services further enhances operational convenience, offering 24-hour amenities for HGV drivers and staff. Overall, the site's location adjacent to the A14 positions it exceptionally well for regional, national, and port-related logistics operations, providing strong commercial appeal to occupiers seeking rapid access to major road networks and supply chain routes.

Figure 1-1 Newlands Park Cambridge Illustrative Masterplan



Source: Newlands

1.2 Headline Economic Benefits

1.2.1 In the absence of known occupiers and staffing numbers, our estimate of the number of jobs that will be accommodated at Newlands Park Cambridge is informed by the Homes and Communities Agency (HCA) Employment Density Guide (2015) ("Density Guide").

1.2.2 The Density Guide proposes three employment densities (sqm floorspace per full time employee) for logistics (B8 storage and distribution) operations, that are applied to the development's GEA (c167,500 sqm), as follows:

- 95 sqm for national distribution centres
- 77 sqm GEA for regional distribution centres
- 70 sqm for final mile distribution centres

1.2.3 For the purposes of this analysis, we have applied each of the three employment densities listed above to one third of the proposed floor area, which returns **a total of 2,110 jobs on site**.

1.2.4 Based on employee locational analysis by CBRE, and taking account of deadweight and displacement, we estimate that **590 of these jobs could be taken by residents of Greater Cambridge**. Multiplier effects (jobs in the local supply chain and wage induced) could increase this number to **1,360 residents employed directly and indirectly, once Newlands Park Cambridge is fully operational.**

1.3 Report Contents

1.3.1 The remainder of this report is structured as follows:

1.3.2 Section 2 examines Greater Cambridge Planning Policy and plan making pertinent to distribution and warehousing, highlighting past, current and proposed planning policy that prohibits the allocation of land for distribution and warehousing development in Greater Cambridge.

1.3.3 Section 3 reviews the industrial and warehousing floorspace assessment that informs the draft Local Plan and develops an alternative, preferred assessment that addresses the atypical and constrained market context.

1.3.4 Section 4 addresses the supply of industrial and warehousing sites in Greater Cambridge.

1.3.5 Section 5 discusses the significance of the A14 and unmet regional and national requirements.

1.3.6 Section 6 presents conclusions and key findings.

2 Greater Cambridge Planning Policy and Plan Making

2.0.1 Cambridge City Council and South Cambridgeshire District Council have a history of joint working for plan making, evident in their previous plans[1], and the preparation and content of their current plans, both of which were adopted during Autumn 2018.

2.0.2 Winter 2025 marks more than 7 years since the current Local Plans for Cambridge and South Cambridgeshire were adopted. Preparation of a new Local Plan, for the combined area of Cambridge and South Cambridgeshire, described as "Greater Cambridge" commenced in 2020.

2.0.3 Preparation has reached publication of the Greater Cambridge Draft Local Plan (Regulation 18) for public consultation, commencing December 2025.

2.0.4 This section reviews and comments on past, current and proposed planning policy that directly impact upon the allocation of land for distribution and warehousing development in Greater Cambridge.

2.0.5 The key takeaway is that the allocation of land for regional and national distribution and warehousing development has been effectively prohibited for the last 20 years, meaning that the development of such premises has been barred.

2.0.6 In turn, the latest assessments of need for employment land that have informed preparation of the Greater Cambridge Plan exclude land for regional and national distribution uses.

2.1 Current Local Plan Policy

2.1.1 The Cambridge Local Plan was adopted 18th October 2018 and the South Cambridgeshire Local Plan adopted 27th September 2018, having been submitted for examination in 2014.

2.1.2 Both plans were informed by a shared employment land evidence base, prepared between 2008 and 2013. This evidence base pointed to an increase in land required for office and R&D development, set against net losses of industrial and warehousing land.[2]

2.1.3 A forecast loss of industrial and warehousing land in South Cambridgeshire is unsurprising. Restrictive policy had been in place for many years (since at least 2007) at the time South Cambridgeshire's Local Plan was being prepared. These policies, and the extent to which they would be continued, is addressed in South Cambridgeshire's Employment Topic Paper (2014):

[1] Adopted 2006 and 2007 respectively, following a review period that commenced in the early 2000s.
[2] Topic Paper – Employment Cambridge City Council and South Cambridgeshire District Council, March 2014.

> *Following consideration of options through the Issues and Options process, the Councils have responded by removing* ***restrictions on the occupancy of new employment buildings that were included in previous plans*** *…*
>
> ***The only element to be retained is a restriction on large scale warehousing and distribution centres****.*[3]

2.1.4 The restrictive policies in 'previous plans' quoted above is a reference to South Cambridgeshire's Development Control Policy ET/1, published in the Development Plan Document (DPD) adopted July 2007:

> 1. *Employment development, including change of use, will only be permitted if it is demonstrated that it falls into one or more of the following:*
> *…*
> d. *Other* ***small-scale industries, in use classes B1 (c), B2, and B8 (up to 1,850 m2)****, which contribute to a greater range of local employment opportunities, particularly if it takes advantage of the development of locally-based skills or expertise (****large scale expansion of such firms will not be permitted****). (****1,850m2 refers to the maximum size of occupation of any one user on a site****.)*[4]

2.1.5 Supporting text to the 2007 DPD reinforces the point:

> ***Large-scale manufacturing, distribution and warehousing, and office firms that could equally well locate in other areas of the county, will not be permitted.*** *This approach is necessary to manage the intensive development pressure in and around Cambridge. Given the need to protect the environment, employment land in the district is a scarce resource. The policy also supports the further development of the clusters of high technology, research and development.*[5]

2.1.6 The decision to continue restrictive policy towards distribution and warehousing development proposals gave rise to empathic Policy E/11 in South Cambridgeshire Local Plan, as follows:

> ***Policy E/11: Large Scale Warehousing and Distribution Centres***
>
> ***Large scale warehousing and distribution centres will not be permitted in the district[6].***

2.1.7 The supporting text to this prohibitive policy notes that 'a large land area' is required for such uses, and claims that, as a result, this type of development could harm the economy:

> *This element of the 'Selective Management of Employment' policies for the Cambridge area warrants retention.* ***These uses require a large land area*** *but generate relatively low numbers of jobs.* ***They could quickly reduce the available land supply, and increase pressure on transport networks, which could harm the continued prosperity of the high technology clusters****. Whilst proposals for warehousing supporting other employment uses or meeting local*

[3] Ibid, page 10, paragraph 1.41 and 1.42
[4] Development Control Policies DPD, July 2007, page 42, Policy ET/1 paragraph 1d and footnote 4.
[5] Development Control Policies DPD, July 2007, page 43, paragraph 5.3
[6] South Cambridgeshire Local Plan, Page 184, foot of page, after paragraph 8.50

> *needs will be supported subject to other policy requirements, large scale proposals serving a wider regional or national function will not be supported.*[7]

2.1.8 The same claim is repeated in the Policy Review of the Adopted Local Plans for Greater Cambridge, published in June 2023, in the context of attempting to reconcile Policy E/11 with the National Planning Policy (NPPF) published in 2021:

> *The NPPF says that planning policies should recognise and address the specific locational requirements of different sectors, including for storage and distribution operations at a variety of scales and in suitably accessible locations (paragraph 83).* ***Policy E/11 restricts large scale warehousing and distribution****, but* ***specifically because of the importance of other high-tech sectors within Greater Cambridge****, and the need for careful management and protection of* ***employment land****. Therefore, local justification is provided.*[8]

2.1.9 The Policy Review concluded that E/11 was consistent with national policy, signalling that it would be retained within the emerging Greater Cambridge Local Plan and discussed below.

2.2 Preparation of the Greater Cambridge Local Plan

2.2.1 Preparation of the new plan followed a Call for Sites in 2019 and commenced with the Issues and Options consultation in 2020, a process known as 'First Conversations'. Preferred Options were published as 'First Proposals' towards the end of 2021.

2.2.1 First Proposals

2.2.1.1 Under proposed policy J/NE: New employment development proposals, First Proposals confirmed that restrictive /prohibitive development policy E/11 would be retained:

> ***Large scale national and regional warehousing and distribution centres will not be supported in Greater Cambridge.***[9]

2.2.1.2 First Proposals does not suggest that there will be no demand for such premises, rather, it rules them out on the grounds that such developments take up too much land:

> *A need for additional space for warehousing and distribution (Use Class B8) was identified in the Greater Cambridge Employment Land and Economic Development Evidence Study (November 2020) and potential sites are proposed to be allocated (see the Strategy section of this consultation). However,* ***whilst we need to meet the needs for local distribution, as a central location the area may be desirable to national distributors. Given the very high land take of this type of use, the local pressures on land supply for a range of uses, and the Green Belt location, it is proposed***

[7] Page 184/5, paragraph 8.51
[8] Policy Review of the Adopted Local Plans for Greater Cambridge, Cambridge City Council and South Cambridgeshire District Council, June 2023, Page 127 / 128.
[9] First Proposals, page 228, under the heading 'proposed policy direction'.

> ***that the plan continues to not support large scale regional and national distribution proposals.***[10]

2.2.1.3 Consequently, First Proposals includes the following allocations intended, alongside manufacturing uses, to accommodate warehousing and distribution uses that serve Greater Cambridge markets only

- 18.2 ha for B2 or B8 (sub regional needs, i.e., Greater Cambridge) on Land to the south of the A14, j24 Services[11], and,
- 2.1 ha, for B2 and B8 (small to medium sized premises) on Land at Buckingway Business Park, Swavesey, also at A14 j24.[12]

2.2.1.4 The supporting text to Policy J/NE and quoted above acknowledges that there is a need for additional B8 land (i.e., additional to the proposed allocations).

2.2.1.5 The quantity of additional land is not reported, or assessed in the evidence base, however the implication is that the requirement would be substantial, commensurate with 'a very high land take'.

2.2.1.6 The reason for not quantifying a need or requirement for regional and national distribution land, is that there is no intention to accommodate it in Greater Cambridge. It is ruled out on the assumption that it would be harmful to do so.

2.2.1.7 The assumption appears to be that large scale regional and national distribution would crowd out, displace or otherwise jeopardise other economic uses that have been afforded greater priority.

2.2.2 Development Strategy Update

2.2.2.1 First Proposals was followed in January 2023 by the Development Strategy Update (reporting Preferred Options), which concluded that the First Proposals development strategy remained valid and would:

> *… inform the identification of any additional sites that may be necessary to meet, or go towards meeting, the 2022 housing and employment targets.* ***As such we would expect to reach a view on the sites included in the First Proposals as a first step****.*[13]

2.2.2.2 The Strategy Topic Paper that accompanied the Development Strategy Update observed that 'there is some uncertainty' as to whether the current land supply and First Proposals allocations would be sufficient to meet industrial and warehousing needs.[14]

---

[10] First Proposals, Page 230, final paragraph.
[11] First Proposals (2021), page 128 / 129, S/RRA/SAS.
[12] First Proposals (2021), page 130, S/RRA/BBP.
[13] Development Strategy Update (January 2023), page 17/18, paragraph 5.5.
[14] Strategy Topic Paper (January 2023), page 25, paragraph 2.37.

2.2.2.3 Land supply uncertainty was created by updated employment land needs evidence, published in December 2022[15]. This reported a need for 200,000 sqm industrial warehouse needs[16], compared to the previous assessment of about 80,000 sqm[17], that underpinned the First Proposals' move to allocate 'Land to the south of the A14' and the smaller 'Land at Buckingway Business Park'.

2.2.2.4 Whilst assessed need increased significantly, it continued to be solely for sub-regional distribution and warehousing, derived as it is, from a past trend that has no trace of large scale regional and national distribution and warehousing development within it.

2.2.2.5 Neither the Development Strategy Paper, the Topic Paper, nor the update needs evidence signalled a move away from an embargo on the development of large-scale distribution premises in Greater Cambridge.

2.2.3 Draft Greater Cambridge Local Plan 2024 to 2045

2.2.3.1 The draft Local Plan for Consultation (Regulation 18) was published in October 2025 for scrutiny by Councillors. On 25th November 2025, Cabinet agreed the Draft Local Plan.[18]

2.2.3.2 In the introductory section to the draft Local Plan, the spatial portrait describes the area's economy as follows, noting that sub-regional economic growth has driven an increasing requirement for logistics uses:

> *Greater Cambridge is home to an internationally significant and well-established network of employment clusters, particularly in life sciences, information technology and advanced manufacturing, supported by two major universities. These knowledge intensive clusters play a pivotal role in sustaining Greater Cambridge's economic momentum and comprise some of the fastest-growing industry sectors in the UK. They have seen remarkable growth, with employment increasing by 3.0% between 2018 and 2024, more than double the 1.3% growth rate for these sectors seen across Great Britain. In the 2025 Global Innovation Index, Cambridge was ranked the second most intense innovation cluster globally.*
>
> *While these sectors are among the most prominent, the local economy is also diverse. The contribution of Greater Cambridge's education, retail, health, tourism, transport and agriculture sectors is crucial, providing a variety of employment opportunities and supporting the economic, social and environmental well-being of the area and its residents.* ***The growth in employment, productivity and local start-ups of the area has created a rising demand for new employment floorspace, supporting***

[15] Greater Cambridge Employment and Housing Evidence Update: Employment Land, Economic Development and Relationship with Housing (December 2022, revised January 2023)

[16] Strategy Topic Paper (January 2023), page 17 and 18, paragraph 2.10 which states that for industrial and warehouse needs the labour demand scenarios report a circa 40-60,000 sqm floorspace requirement. It is considered appropriate to factor in some replacement of losses in the future to reduce market pressure. Between 25% and 50% of past losses are recommended for replacement, after considering market signals, which results in a preferred need of around 200,000 sqm.

[17] Greater Cambridge Employment Land and Economic Needs Study (November 2020), page 126, Table 41.

[18] Subject to proposed modifications that do not directly impact upon the issues discussed in this report.

> ***infrastructure, a skilled and diverse workforce and a growing need for logistics and associated transport networks.***[19]

2.2.3.3 The Draft Local Plan's Development Strategy introduces a vision for Greater Cambridge. In summary, it is a vision to cut environmental impact while driving innovation and inclusive growth. Seven strategic priorities flow from this vision, including 'Jobs', which encapsulates the Draft Local Plan's economic goals:

> *Encourage a flourishing, dynamic and mixed economy in Greater Cambridge which includes a wide range of jobs, while maintaining our area's global reputation for education, research and innovation.*[20]

Policy S/JH: New jobs and homes

2.2.3.4 Policy S/JH articulates the areas objectively assessed needs for homes, jobs and employment land over the plan period. The number of additional jobs is set at 73,300, and the following employment land needs identified:

- 302,600 sqm offices and 600,000 sqm of Research and Development (R&D) space
- 317,000 sqm of industrial and warehousing (use classes B2/B8) space.

2.2.3.5 The source of the jobs and employment land needs figures is Greater Cambridge Employment and Housing Evidence Update 2025 (EHEU 2025). The industrial and warehousing figure is greater than assessed in December 2022, 317,000 sqm versus 200,000 sqm, an increase of 117,000 sqm or 37%.

2.2.3.6 This increase arises for two reasons. First, a central forecast for strong employment growth, that may be exceeded if short term growth trends persist, the response to which has been greater emphasis on market signals, specifically, past completions as the basis for assessing B2/B8 needs[21].

2.2.3.7 The distribution and warehousing component of the 317,000 sqm is, in common with previous assessments, solely the need for sub-regional distribution and warehousing, and based on a past trend that has no trace of large scale regional and national distribution and warehousing development within it.

Policy S/DS: Development strategy

2.2.3.8 Policy S/DS establishes where the development needs identified in S/JH should be provided. To address industrial and warehousing (B2/B8) needs, two new allocations are proposed (providing about 330,000 sqm in total), Slate Hall Farm and Land to the South of the A14 Services.

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[19] dGCLP (November 2025), Section 1 About the Plan, page 33, paragraph 1.7.
[20] dGCLP (November 2025), Section 2 Development Strategy, page 47, paragraph 2.4, final bullet.
[21] The assessment is examined in section 4 of this report.

2.2.3.9 Land South of A14 Services was identified in the First Proposals, in 2021. Slate Hall Farm is introduced for the first time in the Draft Local Plan. Taken together, these allocations address the EHEU 2025 assessment of need for 317,000 sqm of B2 and B8 floorspace:

> ***Slate Hall Farm, Junction 25, A14*** *– a new allocation for masterplanned employment-led development that responds sensitively to the local landscape and secures access to new green infrastructure for future workers and the local community: including* ***approximately 240,000m2 employment floorspace*** *for industrial and warehousing uses, with a mix of small-medium units to support the growth of a wide range of different businesses.*
>
> ***Land to the south of the A14 Services*** *– a new allocation for* ***approximately 90,000m2 employment floorspace*** *for industrial, warehousing and lorry parking to support the future space needs of Greater Cambridge's businesses and deliver a range of new employment opportunities.*[22]

S/DS supporting text: spatial strategy

2.2.3.10 The Draft Local Plan's employment strategy, as it relates to Policy S/DS is outlined in supporting text, confirming that assessed logistics floorspace requirements and corresponding allocations address local need, thereby excluding regional and national operations:

> *The Greater Cambridge economy is nationally and internationally important. The area is home to two Universities and one of the most significant clusters in Europe of high-tech industries, research and development and life sciences. It also has a range of other industries operating successfully in the area. After identifying overall needs we explored in greater depth the needs of sectors to help us understand how the plan can best support in terms of land supply but also the location and types of space that are needed.*
>
> *Our economic strategy responds to the specific locational and space-type needs of different sectors, comprising several mixed use sites that include both homes and employment space, the expansion or redevelopment of existing employment sites, and major new industrial and distribution sites. There are also several new small and medium employment allocations identified within urban and rural areas:*
>
> *…*
>
> - ***To meet our*** *immediate need for industrial floorspace and* ***local needs for logistics floorspace*** *(use classes B2/B8), we propose two substantial new allocations in the A14 corridor, with longer term provision at an expanded Cambourne. We also propose land at several of our mixed use allocations for general industrial space (use classes B2/B8).*[23]

[22] dGCLP (November 2025), Section 2 Development Strategy, page 58, 2e i and ii.
[23] dGCLP (November 2025), Section 2 Development Strategy, page 71 /72, paragraph 2.72 and third bullet point.

Policy J/NE: New employment and development proposals

2.2.3.11 Section 8 of the Draft Local Plan. 'Jobs', sets out policies which will guide employment development proposals. The are 11 such policies, the first and most relevant of which is Policy J/NE, a policy that 'guides where proposals for employment development in urban areas, villages and in the countryside are acceptable'.[24]

2.2.3.12 Part 7 of J/NE is pertinent and reads as follows:

> ***Large scale warehousing and distribution centres***
>
> *7. Large scale warehousing and distribution centres providing for national or regional needs **will not be permitted** in Greater Cambridge.*[25]

2.2.3.13 The supporting text provides the following clarification:

> *Significant additional space for industrial and distribution space has been allocated in the Strategy section of this document responding to identified needs. Proposals for warehouse and distribution centres meeting local needs within or beyond these sites may be supported subject to other policy requirements. However, **proposals for large scale warehousing or distribution centres, which for the purposes of this policy we define as those premises generally exceeding 9,300 square metres (100,000 square feet) and which serve a wider regional or national function, will not be supported.** [26]*
>
> ***Accommodating regional and national serving operations would add further land supply pressure in an area already facing significant land supply pressures** to meet the need of specialist sectors such as the area's key life science and technology sectors, as well as increasing pressure on transport networks.*

2.2.3.14 The assumption appears to be that *any* large scale regional and national distribution would crowd out, displace or otherwise jeopardise other economic uses that have been afforded greater priority. There is no evidence to support such a proposition.

2.2.3.15 The notion that the supply of land for specialist sectors is especially constrained does not stand up to scrutiny, noting that a significant increase in the need for industrial and small-scale distribution and warehousing floorspace has been accommodated, through the allocation of land for 240,000 sqm floorspace on the A14.

2.2.3.16 In that context, the outright rejection of large-scale logistics is irrational, when further opportunities to allocate land on the A14, in addition to the proposed allocations, have been identified.

2.2.3.17 These A14 opportunities would not displace Greater Cambridge specialist sectors, quite the opposite. They are in the right location to serve the needs of and so support the

[24] dGCLP (November 2025), Section 8, Jobs, page 560.
[25] dGCLP (November 2025), Section 8, Jobs, page 562
[26] dGCLP (November 2025), Section 8, Jobs, page 563

growth of the specialist sectors, for example, their supply chains and the needs of their workforce. In the context of Greater Cambridge's supply of land for specialist sectors (936,144 sqm R&D) significantly in excess (x1.56) of identified needs (600,000 sqm).[27]

2.3 Reconciling the Draft Local Plan's approach to distribution and warehousing with National Planning Policy Framework and Planning Practice Guidance

2.3.1 The extent to which the Draft Local Plan's approach to distribution and warehousing is consistent with the National Planning Policy Framework, December 2024 (NPPF) and accompanying Planning Practice Guidance (PPG) is considered below.

2.3.2 Section 2 'achieving sustainable development', of the NPPF states that the economic objective of the planning system is:

> *to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity.*[28]

2.3.3 Section 3 'Plan-making', states that plans should provide a framework for addressing economic priorities[29]. To that end, strategic priorities should make sufficient provision for employment development[30] and:

> *The preparation and review of all policies should be underpinned by relevant and up to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals.*[31]

2.3.4 This economic role of the planning system is expanded upon in Section 6 of NPPF, '*Building a strong, competitive economy*' which states that:

> *Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future.*[32]

2.3.5 In that context, planning policies should:

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[27] Greater Cambridge Employment and Housing Needs Update 2024-2045, Final Report – September 2025. Published as part of draft Local Plan (Regulation 18) for consultation December 2025 – January 2026. Page 62, Table 5.7 and paragraph 5.44, and page 64, paragraph 6.1 f) and g).
[28] National Planning Policy Framework, December 2024, paragraph 8, part a
[29] National Planning Policy Framework, December 2024, paragraph 15
[30] National Planning Policy Framework, December 2024, paragraph 20, part a
[31] National Planning Policy Framework, December 2024, paragraph 32
[32] National Planning Policy Framework, December 2024, paragraph 85

> *pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics.*[33]
>
> *be flexible enough to accommodate needs not anticipated in the plan, and allow for new and flexible working practices and spaces to enable a rapid response to changes in economic circumstances.*[34]

2.3.6 And such planning policies should make provision for:

> *storage and distribution operations at a variety of scales and in suitably accessible locations that allow for the efficient and reliable handling of goods, especially where this is needed to support the supply chain, transport innovation and decarbonisation.*[35]

2.3.7 The Draft Local Plan assumes that large scale regional and national distribution would crowd out, displace or otherwise jeopardise other economic uses that have been afforded greater priority. The NPPF's economic objectives do not support this subjective approach, rather, they point directly to the need to plan for logistics operations at all scales.

2.3.8 The received wisdom, that large scale logistics is harmful, with no evidence to support that proposition, should be challenged by plan makers in pursuit of a robust plan.

2.3.9 Local Plans are sound if they are positively prepared '***providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs***' justified, effective and consistent with national policy.[36]

2.3.10 Guidance for plan makers as to how development needs are objectively assessed is provided in the 'housing and economic needs assessment' section of the web-based Planning Practice Guidance (PPG). Paragraph 031, last revised on 22 July 2019, is especially relevant:

> ***How can authorities assess need and allocate space for logistics?***
>
> *The logistics industry plays a critical role in enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities, and has distinct locational requirements that need to be considered in formulating planning policies (separately from those relating to general industrial land).*
>
> *Strategic facilities serving national or regional markets are likely to require significant amounts of land, good access to strategic transport networks, sufficient power capacity and access to appropriately skilled local labour. Where a need for such facilities may exist, strategic policy-making authorities should collaborate with other authorities, infrastructure providers and other interests to identify the scale of need across the relevant market areas. This can be informed by:*

[33] National Planning Policy Framework, December 2024, paragraph 86, part c
[34] National Planning Policy Framework, December 2024, paragraph 86, part e
[35] National Planning Policy Framework, December 2024, paragraph 87, part b
[36] National Planning Policy Framework, December 2024, paragraph 36

- *engagement with logistics developers and occupiers to understand the changing nature of requirements in terms of the type, size and location of facilities, including the impact of new and emerging technologies;*
- *analysis of market signals, including trends in take up and the availability of logistics land and floorspace across the relevant market geographies;*
- *analysis of economic forecasts to identify potential changes in demand and anticipated growth in sectors likely to occupy logistics facilities, or which require support from the sector; and*
- *engagement with Local Enterprise Partnerships and review of their plans and strategies, including economic priorities within Local Industrial Strategies.*

Strategic policy-making authorities will then need to consider the most appropriate locations for meeting these identified needs (whether through the expansion of existing sites or development of new ones).

Authorities will also need to assess the extent to which land and policy support is required for other forms of logistics requirements, including the needs of SMEs and of 'last mile' facilities serving local markets. A range of up-to-date evidence may have to be considered in establishing the appropriate amount, type and location of provision, including market signals, anticipated changes in the local population and the housing stock as well as the local business base and infrastructure availability.[37]

2.3.11 Given the strategic significance of the A14 corridor, a key national freight route extending from the Port of Felixstowe, through Greater Cambridge and onto the Midlands and acknowledged in the Councils' evidence base as a preferred location for large distribution units[38], a starting point of ruling such developments out is clearly inconsistent with planning practice guidance.

2.4 Key findings and recommendations

2.4.1 The received wisdom in Greater Cambridge, adhered to for the last 20 years, is that any large scale regional and national distribution would crowd out, displace or otherwise jeopardise economic uses that have been afforded greater priority. There is no evidence to support such a proposition.

2.4.2 The notion that the supply of land for Greater Cambridgeshire' specialist and target sectors is especially constrained does not stand up to scrutiny, noting that a significant increase in the need for industrial and small-scale distribution and warehousing floorspace has been accommodated, though the allocation of further land (in addition to that identified in First Proposals) for 240,000 sqm floorspace on the A14.

2.4.3 The assessment that led to this allocation, in common with previous assessments, addresses industrial uses and sub-regional distribution and warehousing needs only. This is because it

[37] https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments#economic-need paragraph: 031 Reference ID: 2a-031-20190722

[38] Greater Cambridge Warehouse and Industrial Space Needs, Final Report, March 2025, page 41, Table 5.1

is based on a past trend that has no trace of large scale regional and national distribution and warehousing development within it.

2.4.4 In the circumstances, the outright rejection of large-scale logistics is irrational and unsound, when further opportunities to allocate land on the strategically significant A14 have been identified, notably, the proposed development at Newlands Park Cambridge.

2.4.5 Newlands Park Cambridge would not - *does not* - displace Greater Cambridge specialist sectors, quite the opposite. Newlands Park Cambridge is in the right location to serve the needs of specialist sectors, supporting their growth, for example, their supply chains, the needs of their workforce. In the context of Greater Cambridge's *identified* supply of land for specialist sectors (936,144 sqm R&D) significantly in excess (x1.56) of identified needs (600,000 sqm).

2.4.6 There is an urgent need for further industrial and warehousing allocations: a requirement that is even more urgent, given the evidence of Greater Cambridge's significant growth potential, discussed below.

2.4.1 Greater Cambridge Growth Scenarios

2.4.1.1 The Greater Cambridge Growth Scenarios report[39] indicates that Greater Cambridge could experience substantially higher levels of development than currently planned, with up to **92,000 additional jobs above the Draft Local Plan baseline**. Much of this growth is expected to come from the expanding Mid-Tech and knowledge-based sectors, along with their associated supply chains. **The logistics sector will inevitably have to expand locally, significantly so, to support this economic expansion**.

2.4.1.2 This additional potential logistics demand reinforces the case for additional logistics provision to support these industries and their supply chains. The Government's ambitions for 100,000 to 150,000 new homes above baseline will drive further logistics demand. Having regard to industry benchmarks[40], the scale of additional logistics floorspace required would be substantial.

2.4.1.3 The scale of growth envisaged by Greater Cambridge Growth Scenarios report sits comfortably alongside Mayor Paul Bristow's recently launched (December 2025) Cambridgeshire & Peterborough Local Growth Plan, which urges *Government to back an ambition to triple the size of the local economy and unlock a future where people across the region can be "healthier, wealthier and happier".*[41]

[39] A report published in November 2025 commissioned by the Ministry of Housing, Communities and Local Government to explore the growth potential of the Greater Cambridge economy.

[40] https://www.knightfrank.com/research/article/2024-01-18-households-and-their-logistics-needs?utm_source=chatgpt&utm_medium=ai&utm_campaign=chatgpt_referral 109 sq ft of industrial and logistics space per household

[41] https://cambridgeshirepeterborough-ca.gov.uk/news/mayors-westminster-local-growth-plan-launch-calls-on-government-to-back-tripling-of-cambridgeshire-and-peterborough-economy/

3 Greater Cambridge Industrial and Warehousing Floorspace Requirement

3.0.1 This section reviews the industrial and warehousing floorspace assessment that informs the draft Local Plan. This is set out in the Greater Cambridge Employment and Housing, Needs Update 2024-2045, Final Report, September 2025, which incorporates the findings of Greater Cambridge Warehouse and Industrial Space Needs, Final Report, March 2025

3.0.2 These reports were prepared by Iceni Projects Limited on behalf of Greater Cambridge Shared Planning and are referred to here as the Iceni assessment / requirement / report.

3.0.3 Iceni *recommend that for plan making purposes, Greater Cambridge consider 317,000 sq.m the combined industrial and warehouse plan need*.[42] Iceni suggest that 40% of this total (127,000 sqm) should be for distribution, because:

> *the evidence indicates an unmet requirement for distribution premises for servicing final mile deliveries into Cambridge for both consumers and businesses. This could represent 3-4 parcel delivery firms (looking for 5,000 to 10,000 sq.m+ each). Whilst these have historically been serviced from beyond Greater Cambridge, there would be efficiency and sustainability benefits of near city servicing, recognising that demand will increase with population growth planned for new settlements / housing delivery at Waterbeach, Northstowe and Cambourne. There are also outstanding requirements for larger distribution centres for the SRN (notably A14 corridor) but it is less apparent that these have a Cambridge specific customer base.*[43]

3.0.4 The Iceni assessment is trends based, looking back over a period when development policies blocked the development of strategic scale distribution developments. We know that there was a need for such premises, because Iceni find evidence of outstanding requirements for larger distribution centres on the A14 Corridor.

3.0.5 In the circumstances, whether the assessment recommended by Iceni is a full assessment of need is open to question and considered below.

3.1 The Iceni Industrial and Warehousing Floorspace Requirement

3.1.1 Table 3-1 shows the components of Iceni's preferred industrial and warehousing needs assessment, with comment on each alongside. In summary, the assessment is based on net absorption observed over the ten year period to year end 2023, with adjustments made to

[42] Greater Cambridge Warehouse and Industrial Space Needs Final Report, Final Report, March 2025, page 46, paragraph 6.10
[43] Ibid, page 54, paragraph 6.24 (first sentence).

provide for frictional vacancy (7.5%) and a margin for competition and choice (2 years gross completions).[44] The adjustments add 47,000 sqm (17%) to the base position.

Table 3-1 Iceni preferred Industrial and Warehouse Floorspace Requirements, 21 year period, sqm

Component	Value plan period	Comments
Average net absorption (net take up) 2013 to 2024	270,000	Excludes R&D
Vacancy adjustment	47,000	We do have the unrounded net absorption estimate; the formula typically used for vacancy adjustment to 7.5% is: need+(need*(7.5/92.5))
Flexible margin	(e. 21,270 sqm vacancy plus 26,230 sqm margin)	The figure is not provided, but according to Iceni is equal to 10% of need[45] The value shown here is a proportionate estimate derived from Iceni's rounded requirement, less their requirement figure.
Need / Requirement	317,000	The annual figure is a rounded estimate (317,000 / 21)

Source, Iceni March 2025 and Stantec analysis

3.1.2 The adjustments made by Iceni are limited to future need, but do not remedy the current position, of low vacancy in the existing stock. Iceni note that industrial and warehousing floorspace totalled 771,245 sqm [46] with a vacancy rate of 5%. To achieve a vacancy rate of 7.5%, inventory would need to increase by 20,845 sqm, increasing Iceni's preferred plan period requirement to 337,844 sqm.

3.1.3 The revised preferred Iceni scenario addresses industrial market equilibrium, but does not model the effect of removing the historic embargo on regional and national logistics development. A more substantial flexible margin might go some way to address this point. Typically, Iceni tell us, a margin is typically based on 2 or 5 years of average gross completions or around 20% of total needs.[47]

3.1.4 A typical margin based on 5 years gross completions would add a further 56,675 to Iceni's preferred scenario, increasing the requirement for industrial and warehousing floorspace to 433,080 sqm (see table 3-2).

Table 3-2 Alternative Iceni assessment, net absorption based (sqm)

Component	Value plan period	Comments
Average net absorption (net take up) 2013 to 2024	270,000	As per table 3-1

[44] Greater Cambridge Employment and Housing Needs Update 2024-2045, September 2025, Page 50, paragraph 5.7
[45] Greater Cambridge Warehouse and Industrial Space Needs Final Report, Final Report, March 2025, page 46, footnote 27
[46] Greater Cambridge Warehouse and Industrial Space Needs Final Report, Final Report, March 2025, page 24, Table 24.
[47] Greater Cambridge Employment and Housing Needs Update 2024-2045, September 2025, Page 50, paragraph 5.7 and page 53, Table 5.3

Component	Value plan period	Comments
Future need vacancy adjustment	21,270	As per table 3-1
Current inventory vacancy adjustment	20,845	Uplift to 771,245 sqm inventory to increase vacancy from 5% to 7.5%
Flexible margin	82,405	5 years gross completions @ 16,481 per annum
Need / Requirement	394,520	-

Stantec analysis of Iceni March 2025 and September 2025, figures rounded to the nearest 5

3.1.5 The problem with typical approaches is that the situation in Greater Cambridgeshire is not typical, it is atypical. For that reason, if the Iceni evidence is to be relied upon, their gross completions estimate should include an adjustment for current and future vacancy, and an atypical margin of at least 30% should be applied. This returns a requirement for 507,260 sqm (see table 3-3).

Table 3-3 Alterative gross completion-based assessment (sqm)

Component	Value plan period	Comments
Average gross completions 2013 to 2024	346,100	Iceni estimate
Future need vacancy adjustment	28,065	Consistent with Iceni adjust to 7.5% vacancy
Current inventory vacancy adjustment	20,845	As per table 3-2
Flexible margin	112,250	30% of adjusted future need
Need / Requirement	507,260	-

Stantec analysis of Iceni March 2025 and September 2025, figures rounded to the nearest 5

3.2 Replacement Demand

3.2.1 Iceni consider the need for industrial space as a result of industrial losses, and state that many existing industrial premises are older stock and may not be fit for modern business purposes[48]. This is undoubtedly the case and modern EPC requirements (MEES) will serve to accelerate demand for modern industrial premises. All rental properties are expected to have an EPC rating of C by 2027 and B by April 2030[49].

3.2.2 According to Iceni's analysis of losses of B2 and B8 space, if stock losses continue between 2024 and 2045 in line with historic rates and between 25 – 50% of losses are replaced on new sites, there would be a need for floorspace on new sites of between 44,000 and 87,000 sqm

[48] Greater Cambridge Employment and Housing Needs Update 2024-2045, Final Report – September 2025, page 55, paragraph 5.18

[49] https://www.handelsbanken.co.uk/en/insights/articles/what-you-need-to-know-about-changes-to-energy-performance-certificates

under the six-year loss rate or 68,000 and 137,000 sqm under the long-term (2011 to 2024) loss rate.[50]

3.2.3 Replacement of losses should be additional to the requirements discussed above. It would be reasonable to use the long run loss rate, the mid-point of which is 102,500 sqm. This accords with the range (75,000 to 130,000 sqm) arrived at by Iceni in the context of *an increasingly ageing stock as well as pressures on EPC ratings*.[51]

3.3 Industrial Stock Losses

3.3.1 According to Iceni, using gross completions would effectively double count industrial stock as they believe that, as industrial occupiers move out of space, it is redeveloped/ reoccupied as new industrial stock. However, the case of Greater Cambridge is unique as lost industrial stock, historically, has been redeveloped for housing or research and development purposes and therefore the demand is not accounted for in gross completions trends.

3.3.1 Greater Cambridge Annual Monitoring 2023 – 2024[52]

3.3.1.1 In the employment monitoring section of the AMR report, industrial and logistics losses are discussed at the expense of R&D gains. The largest completions in this iteration of the monitoring report were the Cambridge Biomedical Campus and the new office development on the Sawston Trade Park. The biggest losses were on sites being redeveloped, such as Sawston Trade Park, where B2 manufacturing space was demolished to make way for new office space.

3.3.1.2 The AMR highlights Fulbourn Road East[53] as an allocation for employment land with a B8 use class however, there is a note that says this B8 use class is limited to data centres, so it is therefore unable to respond to regional and national logistics markets. The Dales Manor Business Park[54] allocation is allocated for residential development and B1 uses at the loss of 9 hectares of B2/B8 uses. Finally, Green End Lane Industrial Estate[55] is 4.09 hectares of previously B1/B2/B8 use class proposed for residential-led redevelopment (with at least 25% employment). These future allocations show that industrial space Greater Cambridge will continue to be displaced by other types of development, mainly R&D and residential. This further emphasises the need to use gross completions when determining future floorspace demand as industrial floorspace is not being redeveloped for industrial uses.

[50] Greater Cambridge Employment and Housing Needs Update 2024-2045, Final Report – September 2025, page 55, paragraph 5.20
[51] Greater Cambridge Employment and Housing Needs Update 2024-2045, Final Report – September 2025, page 55, paragraph 5.20
[52] Greater Cambridge AMR 2023 - 2024
[53] Policy E3
[54] Policy H1a
[55] Policy H1f

3.3.1.3 Over the past five years the total completed and committed employment floorspace and land for B2 and B8 is 36,331 sqm in Greater Cambridge. This, clearly, is not enough to meet the demand experienced by the industrial and logistics market. Additionally, over the past five years the net completed and committed employment floorspace and land for B2 and B8 is -9,319 sqm, meaning B2/B8 losses have occurred. Therefore, using gross completions, in this case, is more appropriate.

3.3.1.4 Looking at planning applications in Greater Cambridge over the past 10 years[56] at least 150 ha of industrial space has been lost to other use classes[57]. This amounts to a total of around 150 planning applications in the past 10 years listed in Greater Cambridge that have switched from a primarily industrial use to something else.

3.3.1.5 Table 3-4 shows examples of large sites in Greater Cambridge that have changed use away from industrial uses. The Spicers Site, Sawston provides an example of a B8 site that has been lost to another use class, as it is allocated in the draft local plan for redevelopment for R&D uses. Similarly, Coldham's Lane, Cambridge formerly a chalk quarry with associated industrial activities, is being redeveloped into a residential and R&D led redevelopment.

3.3.1.6 Additionally, the areas around Cambridge station, which were formerly used for freight purposes are being redeveloped into office space and lab space. Moreover, the former Ridgeons Builders Merchant is being redeveloped for housing.

Table 3-4 Examples of Change in Use Planning Applications away from industrial in Greater Cambridge

Ref	Application No	Address/ Site Name	Proposed New Use Class	Details
1	S/0158/20/FL	Spices Site, Sawston	E(g)(ii)/B1(b)	50,000 sqm allocated for R&D in the draft local plan.
2	18/0481/OUT	Coldhams Lane	Resi	Former chalk quarry. 1,200 dwellings.
3	23/04590/OUT	Cambridge East	R&D	Former chalk quarry. Use is for R&D and offices.
4	16/0963/FUL & 20/0485/FUL	Cambridge North Station Quarter, CB4	Offices / Labs	48,000 sqm of office / labs
5	19/1168/FUL, 20/03523/S73	CB1 – Cambridge Station Area	Offices / Labs	30,000 sqm
6	19/1168/FUL	Former Ridgeons Builders' Merchants, 75	C3 + F1	"Timber Works" – 295 homes (40 % affordable), nursery,

[56] Greater Cambridge Planning Portal/ Landstack.
[57] This includes planning applications that have a size attached to them. There will be a number of sites that have not got a size listed on their planning application, so the number is likely to be higher.

Ref	Application No	Address/ Site Name	Proposed New Use Class	Details
		Cromwell Road, CB1 3EZ		central park, basement parking
7	22/01982/FUL	Former Travis Perkins Depot, Devonshire / Mill Road, CB1 2BH	C3, F1, E	"Devonshire Gardens / Mill Yard" – 70 apartments, 11,000 m² flexible workspace, community pavilion, 1.55 acres public green space
8	17/2245/FUL	Mill Road City Depot, Cavendish Road / Hooper Street, CB1 2AJ	C3, E	236 dwellings (50 % affordable), community centre, flexible ground-floor commercial space, basement parking
9	24/04140/FUL	Thriplow Farm, Lodge Road, Thriplow	C3 (26 dwellings)	Demolish B8 farm warehouse; build 26 houses
10	25/01936/OUT	Land rear of Lyndhurst, Station Rd, Longstanton	C3 (outline for housing)	Redevelop B8 yard for residential; unit numbers TBC
11	24/04815/FUL	Deal Farm (Unity Campus), Cambridge Rd, Sawston	E(g) & re-configured B8	Replan existing logistics units; add 18,000 m² labs/office

Source: Greater Cambridge Planning Portal, Landstack

3.3.1.7 These examples illustrate that industrial land, particularly B2 and B8 sites, is being eroded across Greater Cambridge, predominantly through redevelopment for other uses such as R&D and residential-led schemes. This trend highlights a structural shift in land use dynamics, where traditional industrial functions are increasingly displaced rather than expanded.

3.3.1.8 In this context, it is important that employment land requirements are assessed based on gross completions rather than net absorption. Net absorption only captures the balance between new supply and take-up after accounting for losses, which can mask the true scale of market activity and demand. Where significant industrial land is being lost to competing uses, net absorption figures may appear artificially low or even negative, suggesting weak demand when there is continued interest and unmet need within the market.

3.3.1.9 By contrast, using gross completions provides a clearer and more accurate reflection of actual development activity and occupier demand for industrial space, independent of the rate of land loss. This approach ensures that the underlying requirement for industrial and logistics land is not understated in areas like Greater Cambridge, where redevelopment pressures are particularly strong and the supply of available industrial sites is being steadily eroded.

Vacancy Rates

3.3.1.10 Figure 2-1 shows the vacancy rates of all industrial properties in Greater Cambridge alongside those with the secondary types of R&D and distribution. Iceni cite a vacancy rate equilibrium of 7.5% in this report, meaning that, if the market is operating below this, there is not enough supply in the market.

3.3.1.11 The vacancy rate for all industrial properties was falling consistently from the end of 2018, reaching 1.2% in Q2 2024. Since then, it has been climbing and now stands at 5.7%.

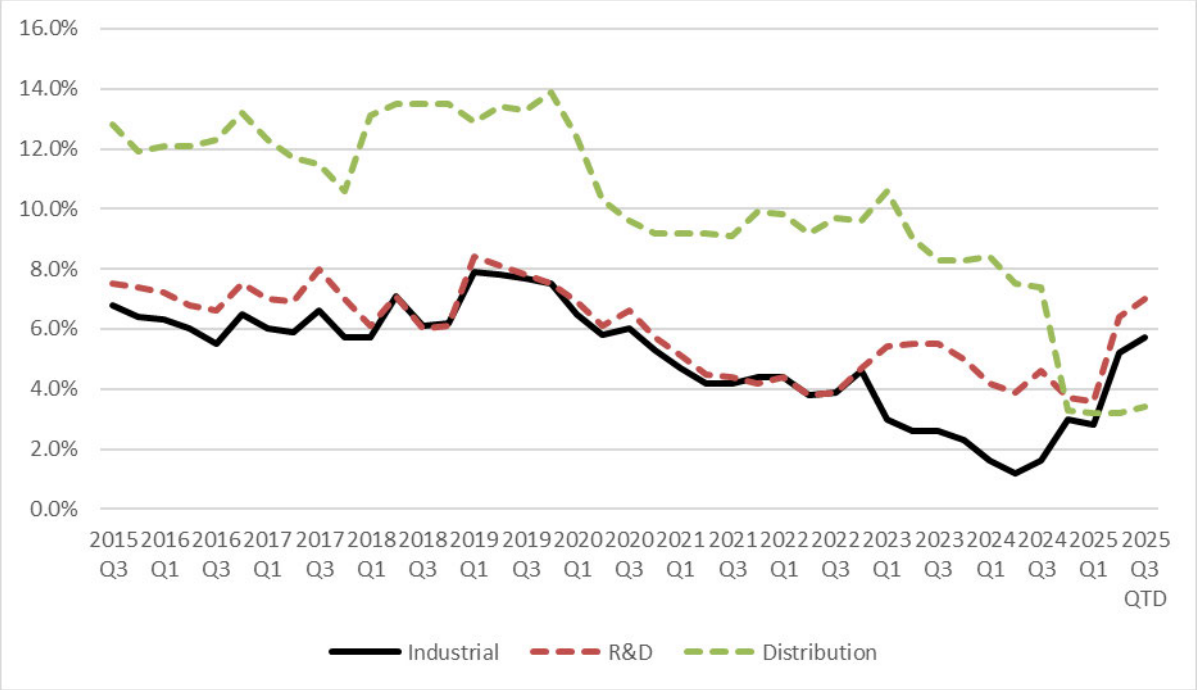
3.3.1.12 The R&D vacancy rate followed a similar pattern in that it was falling up until 2022, however, it then fluctuated more than the industrial vacancy rate and never hit the same low as seen in the overall industrial market. The R&D vacancy rate fluctuated between 3.5% and 6% between 2020 and 2025, although in the last two quarters of 2025, it has seen as sharp increase, reaching 7.0%.

3.3.1.13 Finally, in the distribution market, since 2019 the vacancy rate has fluctuated towards a downwards trend with a dramatic decrease from the latter half of 2024 hitting 3.4% in Q3 2025. This shows that changes in the industrial market vacancy rate are largely determined by the vacancy rate concerning R&D properties given this makes up a larger proportion of the inventory, as discussed above.

3.3.1.14 Whilst the R&D market has seen an increase in recent years, the distribution market has seen a sharp decrease in vacancy rates showing there has been an imbalance in the development of new R&D facilities and not enough supply of new distribution facilities.

3.3.1.15 The historically low vacancy rate underscores the necessity of utilising gross completions when forecasting employment land needs. This approach accounts for suppressed demand and the requirement for industrial and logistics buildings that may have been compelled to locate elsewhere due to insufficient supply in Greater Cambridge. Stantec's updated approach has been shown in Table 2-3.

Figure 3-1 Vacancy Rates Greater Cambridge split as all industrial, R&D, and Distribution



Source: CoStar, 2025

Aged Buildings

3.3.1.16 Using net absorption as opposed to gross completions ignores aged stock. Net absorption measures the change in occupied industrial and logistics floorspace over a given period and therefore reflects demand for functional, lettable space rather than total stock. In constrained markets with low vacancy rates, older or obsolete buildings that remain vacant and unlettable are excluded from net absorption figures, as no occupation change occurs. This means net absorption effectively captures the amount of employment-generating floorspace in active use but does not account for redundant or obsolete stock that exists physically but no longer contributes to market supply or employment activity.

3.3.1.17 Figure 3-2 illustrates the age of stock across Greater Cambridge for R&D and all industrial/ light industrial stock. The economic life of an industrial building is typically considered to be around 25 years, after which it is often deemed functionally obsolete. This is not necessarily due to structural failure, but rather because the building no longer meets modern operational, technological, or regulatory standards (e.g. EPC regulations).

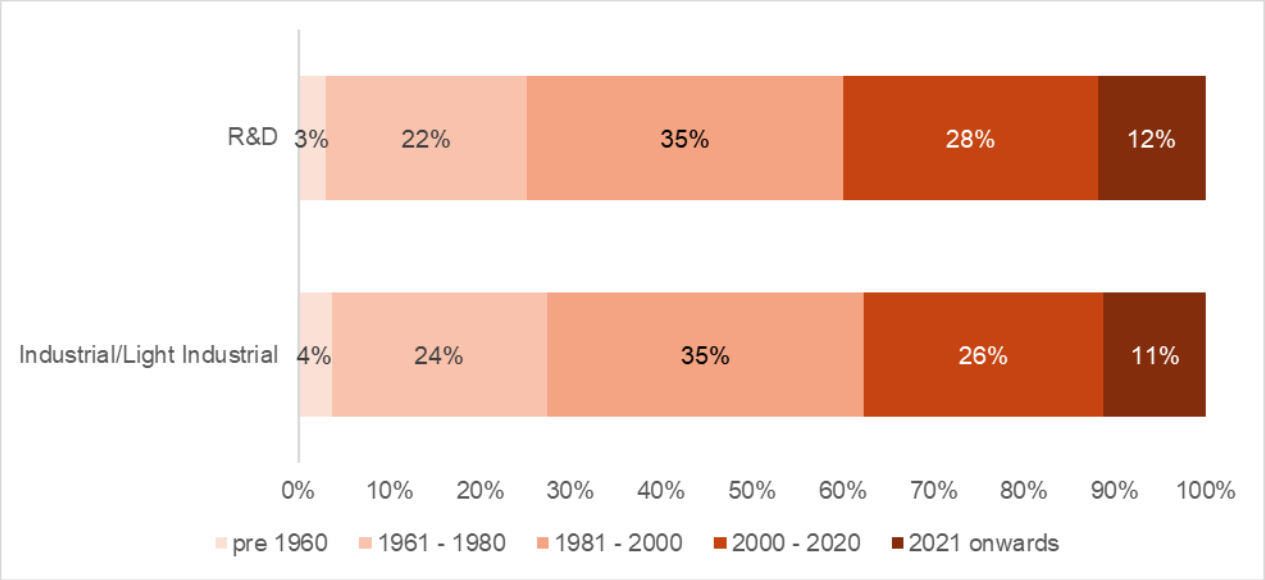
3.3.1.18 Over time, changes in industrial processes, advances in equipment, and evolving health and safety regulations can render older facilities inefficient or incompatible with current needs. Additionally, wear and tear, outdated layouts, insufficient eaves heights, limited power capacity, and a lack of flexibility for automation or green upgrades contribute to their declining utility. As a result, older industrial properties often require significant investment to remain competitive or are redeveloped entirely, marking the end of their initial economic usefulness.

3.3.1.19 38% of industrial/ light industrial premises are within their economic life, and for R&D this is 40%. This means that the remaining 62% and 60% is at the end of its economic life. With

regards to obsolete stock, 4% of industrial/ light industrial stock was constructed pre 1960 and 24% was constructed pre-1980. This is slightly lower for R&D as 3% and 22% respectively were constructed pre-1960 or 1961 to 1980.

3.3.1.20 This indicates that much of the stock in Greater Cambridge are not meeting modern industrial needs and are therefore unlettable and not included in net absorption figures. Because of this, gross completions is a better indicator of the real demand in the market given the constrained nature of the market.

Figure 3-2 Age of Stock Greater Cambridge

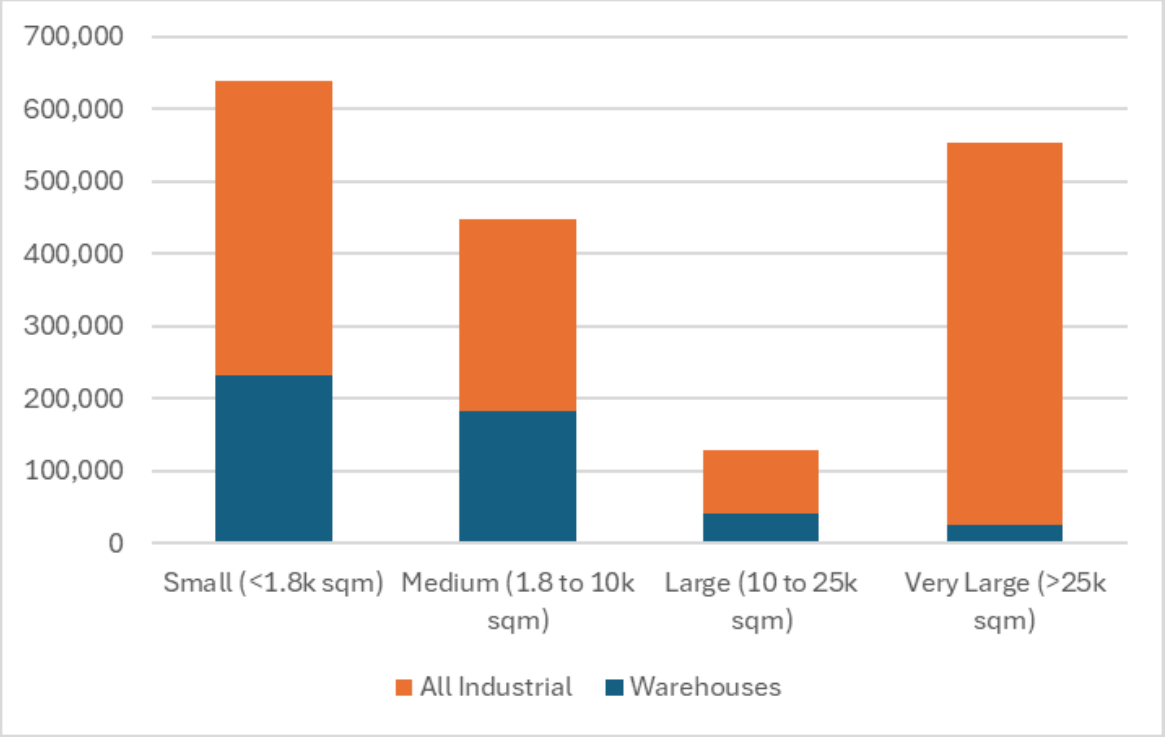


Source: CoStar and Stantec Analysis

Inventory

3.3.1.21 Warehousing, largely for distribution purposes, makes up a small percentage of overall industrial stock in Greater Cambridge, as shown on Figure 3-3. Overall, warehouses account for 27% of the industrial inventory in Greater Cambridge. The largest industrial facility is the Hexcel Composites factory, an advanced composite technology manufacturer, measuring 36,400 sqm. The largest warehousing site is the Former Spicers Site, Sawston, measuring 25,300 sqm. This site is allocated in the local plan to create 50,000 sqm of research and development space. This signifies how space for logistics is being lost in favour of R&D space and shows the importance of creating new modern facilities to make up for lost space.

Figure 3-3 Industrial and Warehouse Inventory (2025)



Source: VOA, 2025

3.4 Key Findings

3.4.1 Analysis of Iceni's assessment and the industrial and warehousing property market indicators presented in their analysis (inventory, vacancy, absorption and completions) provides a basis for developing an alternative assessment that addresses the following key factors:

1. A vacancy level consistently below market equilibrium.
2. Development management policies that have over the last decade prohibited the development of strategic scale regional and national distribution centres.
3. Industrial and warehousing floorspace losses.
4. The need to replace existing floorspace to address an increasing ageing stock and pressure from EPC ratings.

3.4.2 Independent analysis of stock losses and the planning pipeline corroborate points 3 and 4. Analysis of VOA data confirms the effectiveness of the ban on strategic scale warehousing (point 2). In the circumstances and based on the indicators presented in the Iceni analysis, a gross completions-based requirement is proposed plus a further requirement to address replacement losses

3.4.3 Using Iceni's gross completions estimate, applying adjustment for current and future vacancy (to 7.5%), and a margin of 30% returns **a plan period requirement for 507,260 sqm industrial and warehousing floorspace** (see table 3-3).

3.4.4 **In addition, to address industrial and warehousing stock replacement, a further 102,500 sqm should be added to the requirement**. This falls midway between the B2/B8 stock replacement range arrived at by Iceni.

3.4.5 This approach accounts for significant industrial land losses to other uses, particularly research and development and residential development. Many historic industrial sites, such as Coldham's Lane, and areas around Cambridge Station, have been permanently redeveloped, meaning vacated space is not replaced with new industrial floorspace. As a result, net absorption figures understate the true level of need by ignoring displaced or unmet demand arising from redevelopment pressures and structural change in land use patterns.

3.4.6 Moreover, the application of gross completions better reflects market dynamics within a context of persistently low vacancy and an ageing industrial stock. Vacancy rates in the logistics and general industrial sectors have remained well below equilibrium levels, reaching as low as 1.2% in 2024, while over 60% of existing premises are at or beyond their economic life and no longer suitable for modern operations. These conditions indicate a constrained market where functional, available stock is scarce.

4 Supply analysis

4.0.1 This section addresses the supply of industrial and warehousing sites in Greater Cambridge, starting with the supply identified in the Greater Cambridge Warehouse and Industrial Space Needs, 2025, which, in the supply position, incorporates (see Table 4-1) sites proposed for allocation in First Proposals (2021).

Table 4-1 Iceni (March 2025) Industrial and Warehousing Land Recommendations by Type and Location (sqm)

Type	Notional Need by type (sqm)	Supply (sqm)	Residual Requirement	Notional Approach to distributing residual need by type (sqm)	Preferred location
Manufacturing B2	47,550	Minus 6,390 net plus 91,200 First Proposals	c. -200,490 under supply	40,000 (10 ha) reflecting limited positive balance	Cambridge commutable
Distribution B8	126,800			100,000 (25 ha)	SRN location/ urban fringe for last mile
General Industrial B2/ B8/E(g) inc. trade/ wholesale	63,400			40,000 (10 ha)	Urban/ urban fringe/ access
Other uses	47,550				
Mid-tech B2/B8/E(g)	31,700	34,652 E(g)(iii)	Plus 2,952 (marginal oversupply)	15,000 (5 ha)	Enhanced urban connectivity/ urban fringe/ science park proximity
Total	**317,000**	**119,500**	**Minus 197,538**	**197,000**	

Source: Iceni, March 2025

4.0.2 At that time (prior to the publication of the consultation draft Local Plan in December 2025), Iceni recommended that 100,000 sqm (25 ha) of residual need should be for distribution uses.

4.0.3 The residual need calculation assumed that 91,200 sqm of floorspace would be delivered by the 'First Proposals'. These sites are considered below.

4.1 First Proposals

4.1.1 Iceni assumed that the two B2/B8 'First Proposals' (ref end SAS and BBP in Table 4-2) would yield 81,200 sqm (72,800+8,400 respectively), after applying a plot ratio of 0.40.

4.1.2 Table 4-2 presents an updated supply position for these two 'First Proposals' sites. Using a 0.35 plot ratio, which is more typical of mid-scale mixed industrial and logistics parks, the potential floorspace (sqm) is closer to 71,050 sqm.

Table 4-2 Potential allocations Identified in First Proposals (2021)

Ref	Site	Proposal (ha)	Plot Ratio	Potential Floorspace (ha)	Potential Floorspace (sqm)	Use Class	Ownership
S/RRA/ SAS	Land to the south of A14 Services	18.2	0.35	6.37	63,700	B2/B8	Private Owner / Cambridge Uni
S/RRA/ BBP	Land at Buckingway Business Park, Swavesery	2.1	0.35	0.735	7,350	B2/B8	Cambridge County Council
S/RRA/ SNR	Land to the north of St Neots Road, Dry Drayton	4.6				E(g)(i) Offices/ E(g)(ii) R&D/ E(g)(iii) Industrial	Paragon Land and Estates Limited Commercial Property e.g. Cambridge Innovation Park
S/RRA/ OHD	Old Highways Depot, Twenty Pence Lane, Cottenham	0.6				E(g)(i) Offices/ E(g)(ii) R&D/ B8	Private Owner
Total		**25.5**			**71,050**		

Source: First Proposals 2021

4.2 Authority monitoring reports

4.2.1 The Iceni report uses the 2021 Authority Monitoring reports to determine the supply position in Greater Cambridge. Within this authority monitoring report there are several sites listed as having B8 uses but, this is amongst other uses. For example, the Bourne Quarter development has B8 uses but this is ancillary to the larger research and development use. This is common amongst new schemes in Greater Cambridge. The 2021 authority monitoring report highlights a distinct lack of pure logistics space in favour of more mixed-use research and development, and light industrial led space.

4.2.2 Table 4-3 lists the employment sites identified in the Authority Monitoring Report (2023 – 2024). It shows that none of the sites are for logistics purposes and that the main focus is research and development, with some residential-led mixed use developments.

Table 4-3 Authority Monitoring Report Employment Sites (2023 – 2024)

	Site	Use Class
1	Cambridge Science Park	R&D
2	Cambridge Bio-Med	R&D
3	Fulbourne Road	R&D

4	Papworth Hospital	Redevelopment of existing hospital site
5	Histon and Impington Station Area	Residential led
6	Bayer CropScience Site	B1 and residential
7	Papworth Everard West Central	Residential led
8	Dales Manor Business Park, Sawston	Mixed R&D/ Industrial Site
9	Green End Industrial Estate, Gamlingay	Residential led

Source: Greater Cambridge Authority Monitoring Reports (2024)

4.3 Sites under construction, with planning permission or awaiting a decision

4.3.1 Considering sites that are under construction, have planning consent, or are currently going through the planning process, we can create a better position of what employment sites will be deliverable in the short to medium term.

4.3.2 As displayed by Table 4-4 there are in total nine sites that could be available for employment purposes in the short to medium term. All but one of these sites are for research and development purposes. The only site that is proposed for industrial and logistics proposes is Anderson Road which is a 4,518 sqm industrial site that is set to be demolished in favour of a newer, modern building.

Table 4-4 Current Sites

Ref	Name	Type	Sq ft	Sqm	Comments
Under Construction					
1	Accelerator Park, West Way	R&D	86,306	8,018	Campus for innovation tech, R&D and production uses.
Proposed - Consent Granted					
1	Anderston Road	Industrial	48,635	4,518	Detailed planning for demolition and construction of new warehouse.
2	Coldhams Lane	R&D	1,000,000	92,902	Planning consent granted for 23 acre science district.
3	Artemis	R&D	58,071	5,395	Planning consent granted. Forming part of the Unity life sciences campus.
4	Unit 420, 430 and 440 Cambridge Science Park	R&D	133,000	12,356	Permission Granted. Split across 3 buildings.
Proposed - Awaiting Decision					
1	Cambridge Research Park	R&D	301,392	28,000	Planning application for B1 (a,b,c) , B2, B8 uses.
2	Trinity Fall Farm Industrial Estate	R&D	412,616	38,333	Demolition of existing unit and development of use class Eg(i) offices and E(g)ii Research and Development.
3	210 - 240 Cambridge Science Park	R&D	214,957	19,970	Demolition of exisiting and redevelopment for class E(g)(i) offices and E(g)(ii) research and development.
4	Wellington Way, Bourne Airfield	R&D	83,960	7,800	Hybrid planning application for demolition of existing buildings and outline planning for use class E(g)(ii), E(g)(iii), and B8. The split will be revealed in the detailed planning application.
	Total		**2,338,937**	**217,293**	
		Total R&D	*2,290,302*	*212,774*	

Source: CoStar, Greater Cambridge Planning 2025)

4.3.3 The remaining sites that are deliverable in the short to medium term are for research and development uses. A shortage of logistics sites in Greater Cambridge would likely constrain the region's ability to support its fast-growing knowledge economy, since efficient supply chains are essential for research, life sciences, and advanced manufacturing. Without local space for warehousing and distribution, businesses face higher costs, longer delivery times,

and reduced competitiveness. This could displace jobs to other regions, limit new employment opportunities in logistics and related sectors, and ultimately slow overall economic growth by making the area less attractive for investment.

4.4 Sites proposed for industrial and warehousing uses allocated in the Draft Local Plan

4.4.1 Table 4-5 shows the industrial and warehousing sites that have been allocated in the draft Greater Cambridge local plan amounting to 300,000 sqm of floorspace.

Table 4-5 Logistics Site in the Draft Greater Cambridge Local Plan

Site Reference	Name	Site Area (hectare)	Description
S/SHF	Land north of A1307, Bar Hill (Slate Hall Farm)	113.3	• 200,000 sqm small to medium units. • Class B2 and B8 supporting local needs.
S/RRA/SCS	Land to the south of Cambridge Services, A14	24.58	• 90,000 sqm • B2 and B8 • 2.25 hectares for lorry parking.
S/RRA/BBP	Land at Buckingway Business Park, Swavesey	2.11	• 10,000 sqm • B2 and B8
	Total	**140**	**300,000 sqm**

Source: Draft Greater Cambridge Local Plan 2025

4.5 Key Findings

4.5.1 Updated monitoring reports (2023–2024) show that nearly all active and planned employment developments in Greater Cambridge are focused on research and development rather than logistics. With only one small industrial redevelopment scheme identified, there is effectively no pipeline for new logistics space, threatening the ability of local supply chains to support the region's fast-growing mid-tech, manufacturing, and life sciences sectors.

4.5.2 Although the draft Local Plan allocates around 300,000 sqm of logistics floorspace, this is insufficient to satisfy objectively assessed need. To address this shortfall and maintain economic growth, further allocations should be made to ensure Greater Cambridge has the capacity to accommodate local, regional and national distribution and warehousing needs.

5 The A14 and the Demand for Land for Large Scale Distribution

5.0.1 The A14 is a key transportation link connecting major cities, towns, and regions in the UK. It plays a crucial role in facilitating trade and logistics, particularly as it connects the Port of Felixstowe, one of the country's busiest ports, to the Midlands and other inland areas.[58]

5.0.2 The importance of the A14 in Greater Cambridge to regional and national distribution operators is recognised throughout Greater Cambridge evidence base. For the Greater Cambridge Partnership, the results of industry engagement published in 2021 concluded as follows:

> *There is high existing demand for B8 space in the Greater Cambridge area to service Cambridge and the surrounding area. This demand is not matched by supply, as all six companies looking for B8 space were struggling to find suitable sites. All of the companies indicated that B8 space was needed to meet the demand for delivery services within Cambridge itself. The regional companies would use B8 space to solely service Cambridge, but the four large-scale companies indicated they would ideally use the space to service the wider area in the east of England. The main constraints in finding suitable sites vary depending on the size of the company.*
>
> *The regional operators' main constraint in the Greater Cambridge area was price as they sacrificed proximity to Cambridge for cheaper rent. This is in comparison to the international companies, who are finding it difficult to find a site of suitable size (most want something in the region of 100,000 square feet (9,290 square metres)). The location and price of the sites mattered less to the international companies.*
>
> ***Logistic companies feel as though there is not enough dedicated B8 space in the Greater Cambridge area**, with manufacturing and science parks being prioritised over B8 space.*
>
> *The regional operators prefer to service Cambridge from the north, using the A10 as the main arterial link into Cambridge. The national operators were looking for B8 space to the west/ north-west of Cambridge due to proximity to the Strategic Road Network (SRN) and the ability to service Cambridge via the A14 and A428. It was confirmed that **Cambridge is a very good geographical location for the larger users of B8 space to serve the wider region/ surrounding counties.** However**, the lack of supply of B8 means that they must use B8 elsewhere, in less geographically optimal locations**.[59]*

5.0.3 Large premises undersupply is an inevitable result of the local planning policy ban on regional and national distribution developments. The Greater Cambridge EHEU Update, published in 2022 picks up the paucity of supply. Although it fails to connect a development embargo and

[58] A14 Cambridge to Huntingdon improvement, one year post-opening project evaluation, National Highways 2024
[59] Understanding demand for B8 premises across Greater Cambridge, WSP, June 30th 2021, page 2 under heading 1.4.

demand, the following commentary highlights the lack of 'big box' (c10,000 sqm plus) supply, and what it might mean (the Bury St Edmunds example) if large sites were made available:

> *Historically Cambridge has had limited demand for larger units but Brexit and COVID-19 alongside A14 corridor improvements have seen strong demand arise. Comparably Bury St Edmunds has seen 167,000 sqm of deals through speculatively built space. The 'big box' unit occupiers tend to have a sub-regional level of search which includes Greater Cambridge but extends beyond on the A14, A1(M) and M11 corridors.* ***There is reported big box demand for the wider Greater Cambridge area which is necessarily met in the wider sub region due to lack of supply****.*[60]

5.0.4 More recently, unmet demand for larger distribution centres is highlighted in Greater Cambridge Warehouse and Industrial Space Needs, March 2025, alongside unmet requirements for final mile sites:

> *Distribution: … There are also outstanding requirements for larger distribution centres for the SRN (notably A14 corridor) but it is less apparent that these have a Cambridge specific customer base.*[61]

5.0.5 The land requirements for large scale distribution warehouses that serve markets beyond the boundary of Greater Cambridge are explicitly excluded from the Greater Cambridge Warehouse and Industrial Space Needs, meaning they are in addition to Iceni's preferred floorspace requirement of 317,000 sqm. Nevertheless [*and for the reader, with the context of a longstanding ban on large scale operations and the market behaviour observed (locating, sub optimally, elsewhere) in mind*], unmet requirements of county, regional / supra-regional are acknowledged:

> *Distribution - at the outset it is important to acknowledge and differentiate between large scale distribution warehouses that serve Cambridgeshire County and the East of England region vs those serving the Greater Cambridge market specifically.* ***This study is concerned with those occupiers looking to serve the Greater Cambridge market,*** *whist acknowledging that some stakeholders identified requirements for strategic premises that could be located in Greater Cambridge or potentially elsewhere in the region / sub region given markets served.*
>
> ***Stakeholders were unanimous in the view that B8 space was lacking within Greater Cambridge – and some commentators indicating this stretched to the wider Functional Economic Market Area and beyond****. Given trends of rising demand in the distribution market and other market indicators this is likely to be the case.*
>
> *It was noted by agents that a lack of available warehousing units and land close to Cambridge required DHL, DPD and Hermes to locate in Huntingdonshire. DHL*

[60] Greater Cambridge Employment and Housing Evidence Update Employment Land, Iceni Projects, December 2022, Revised January 2023, page 47, paragraph 2.88

[61] Greater Cambridge Warehouse and Industrial Space Needs Final Report, Iceni Projects, March 2025, page 54, paragraph 6.24

> *are shortly to relocate from Papworth Everard in South Cambridgeshire to Huntingdonshire to a larger facility – as identified by DHL when visited by Iceni.*
>
> *Stakeholders highlighted that many products for distribution are imported from Felixstowe, by-passing Greater Cambridge to go to Huntingdonshire depots, and then later returning to the Cambridge area for delivery. This was not considered as efficient or sustainable as being able to locate closer to the Cambridge target market – although it is of note that this pattern is common throughout the country regarding national distribution centres.*
>
> *A study by England's Economic Heartland indicated* ***that without major distribution parks in Cambridgeshire (being the wider county not just Greater Cambridge), this could either lead to increased traffic and supply chain costs, or businesses moving out of the area and absorbing additional vehicle mileage****.*[62]

5.0.6 The Council's evidence is clear that the A14 in Greater Cambridge is a location where unmet requirements for large scale distribution operations would ideally be satisfied and that alternative location out with Greater Cambridge are suboptimal and economically harmful.

5.0.7 Regional and national distribution operators are increasing operating from buildings of large size and scale. For the UKWA Report 2024, Savills report that warehouses over 1m sq ft now make up 10% of the stock, up from just 3% in 2015[63]. That is a 345% increase in the number of warehouses over 1m sq ft[64], providing a clear market signal that this scale of building will be in the development mix required by regional and national operators with unmet requirements in Greater Cambridge.

[62] Ibid, page 36 and 37, paragraph 5.2 to 5.6.
[63] UKWA REPORT 2024 THE SIZE AND MAKE-UP OF THE UK WAREHOUSING SECTOR, page 7
[64] Ibid

6 Conclusion and Key Findings

6.0.1 The Proposed Development at Newlands Park Cambridge, adjacent to Junction 24 of the A14, represents a strategically located opportunity to meet a clear and growing need for modern logistics space in Greater Cambridge. The site's position on a key east–west freight corridor connecting the Midlands to the East Coast ports, combined with its proximity to Cambridge and the A1(M), makes it ideally suited for regional and national distribution operations. Its connectivity, accessibility, and scale provide the foundation for a high-quality, commercially attractive logistics park that will enhance the area's economic resilience and supply chain efficiency.

6.0.2 The received wisdom in Greater Cambridge, adhered to for the last 20 years, is that any large scale regional and national distribution would crowd out, displace or otherwise jeopardise economic uses that have been afforded greater priority. There is no evidence to support such a proposition.

6.0.3 The notion that the supply of land for Greater Cambridgeshire' specialist and target sectors is especially constrained does not stand up to scrutiny, noting that a significant increase in the need for industrial and small-scale distribution and warehousing floorspace has been accommodated, though the allocation of further land (in addition to that identified in First Proposals) for 240,000 sqm floorspace on the A14.

6.0.4 The assessment that led to this allocation, in common with previous assessments, addresses industrial uses and sub-regional distribution and warehousing needs only. This is because it is based on a past trend that has no trace of large scale regional and national distribution and warehousing development within it.

6.0.5 In the circumstances, the outright rejection of large-scale logistics is irrational and unsound, when further opportunities to allocate land on the strategically significant A14 have been identified, notably, the proposed development at Newlands Park Cambridge.

6.0.6 Newlands Park would not - does not - displace Greater Cambridge specialist sectors, quite the opposite. Newlands Park Cambridge is in the right location to serve the needs of specialist sectors, supporting their growth, for example, their supply chains and the needs of their workforce. In the context of Greater Cambridge's **identified supply of land for specialist sectors** (936,144 sqm R&D) significantly in excess (x1.56) of identified needs (600,000 sqm).

6.0.7 Analysis of Iceni's assessment and the industrial and warehousing property market indicators presented in their analysis (inventory, vacancy, absorption and completions) provides a basis for developing an alternative assessment that addresses the following key factors:

- A vacancy level consistently below market equilibrium.
- Development management policies that have over the last decade prohibited the development of strategic scale regional and national distribution centres.
- Industrial and warehousing floorspace losses.
- The need to replace existing floorspace to address an increasing ageing stock and pressure from EPC ratings.

6.0.8 Independent analysis of stock losses and the planning pipeline corroborate points 3 and 4. Analysis of VOA data confirms the effectiveness of the ban on strategic scale warehousing (point 2). In the circumstances, and based on the indicators presented in the Iceni analysis, a gross completions-based requirement is proposed plus a further requirement to address replacement losses

6.0.9 Using Iceni's gross completions estimate, applying adjustment for current and future vacancy (to 7.5%), and a margin of 30% returns a plan period requirement for 507,260 sqm industrial and warehousing floorspace (see table 3-3).

6.0.10 In addition, to address industrial and warehousing stock replacement, a further 102,500 sqm should be added to the requirement. This falls midway between the B2/B8 stock replacement range arrived at by Iceni.

6.0.11 This approach accounts for significant industrial land losses to other uses, particularly research and development and residential development. Many historic industrial sites, such as Coldham's Lane, and areas around Cambridge Station, have been permanently redeveloped, meaning vacated space is not replaced with new industrial floorspace. As a result, net absorption figures understate the true level of need by ignoring displaced or unmet demand arising from redevelopment pressures and structural change in land use patterns.

6.0.12 Moreover, the application of gross completions better reflects market dynamics within a context of persistently low vacancy and an ageing industrial stock. Vacancy rates in the logistics and general industrial sectors have remained well below equilibrium levels, reaching as low as 1.2% in 2024, while over 60% of existing premises are at or beyond their economic life and no longer suitable for modern operations. These conditions indicate a constrained market where functional, available stock is scarce.

6.0.13 Although the draft Local Plan allocates around 300,000 sqm of logistics floorspace, this is insufficient to satisfy objectively assessed need. To address this shortfall and maintain economic growth, further allocations should be made to ensure Greater Cambridge has the capacity to accommodate local, regional and national distribution and warehousing needs.

6.0.14 There is an urgent need for further industrial and warehousing allocations.

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Appendix C Bidwells' Market Demand Report

BIDWELLS

Our ref: WRS/AJWZ/
DD: [redacted]
E: [redacted]
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CV8 2LY

Dear John

LAND AT BRICKYARD FARM, BOXWORTH (NEWLANDS PARK CAMBRIDGE)

Further to recent discussions, you have instructed Bidwells to consider the market need for employment development at Newlands Park Cambridge which is adjacent to A14 Junction 24. This report examines the demand and supply dynamics of the commercial market in a national, regional and local context.

Executive Summary

- There is a severe shortage of good-quality industrial and logistics stock, combined with limited deliverable land for development within Greater Cambridge and the wider regional industrial and logistics market;
- There are only two sites; The Land North of A141 between the Racecourse and A1307 in Huntingdon and 32 acres (Lancaster Way, Ely) with outline planning consent for both B2 and B8 uses currently available in Cambridge and a c.20 mile radius for occupiers seeking space of more than 100,000 sq ft;
- There are only four existing units larger than 100,000 sq ft available in Cambridgeshire currently, two of which are now under offer, leaving only approximately 640,000 sq ft available across two buildings, both located in Peterborough. Only one of these is a Grade A (best-in-class & modern) unit;
- Cambridge lags behind other major regional commercial centres such as Peterborough, Huntingdon, Bury St Edmunds and Ipswich in its stock of industrial units and the shortage fails to support forecasted economic growth;
- Supply of industrial floor space in Cambridge remains at a very low level of just c.500,000 sq ft on the market at the end of 2025. This represents a vacancy rate of just 5.5%, well below the national level of 7.8%. Furthermore, approximately half of this is brand new mid-tech space aimed at R&D occupiers and is unaffordable for traditional industrial and warehouse occupiers;
- We have highlighted approximately 10 million sq ft of active demand in the general area and along the A14 corridor. Focusing on Cambridge specifically, the demand for industrial and logistics floor space far outstrips supply, with the majority of requirements seeking buildings of 100,000 sq ft and above;
- There is currently significant demand for larger buildings from occupiers already located within Cambridge or from those who have Cambridge-specific requirements, as set out in this report. Many of these occupiers have been seeking sites and/or buildings to expand their business which have been thriving during the previous three to four years. However, due to the absence of strategic scale supply

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(100k sq ft +), they are being stifled in their growth aspirations and are being forced to consider land and sites away from Cambridge, taking with them highly skilled jobs and economic opportunity;

- To accommodate the next 15 years of demand, further significant allocations of land will be needed;
- There are currently no significant sites or buildings available, nor are there any B8 allocations, or permissions in Cambridge plus 5 miles and as such the sub region cannot meet any current and future strategic demand;
- A total of approximately 1.3 million sq ft of occupied employment land in Cambridge City is allocated for residential development in the Cambridge Local Plan 2018, with further sites, such as Dales Manor and Unity Campus in Sawston (Greater Cambridge), also allocated for alternative uses. Displacement of commercial occupiers has already begun, with 94,000 sq ft of industrial land being repurposed for residential or other uses, and a further 333,000 sq ft set to be redeveloped in the next two to three years;

Conclusions

- Considering the large size and scale of the site and its location immediately adjacent to the strategic highway network, there is a significant opportunity to create new employment floorspace to meet current and predicted future demands, catering for a diverse range of occupier requirements;
- The land offers a deliverable opportunity to attract investment from large employers, to deliver significant benefits to the local economy and to support the proposed future economic growth of the area;
- The large scale of the development site requires a long-term commitment to ensure the scheme attracts short and medium-term investment which acts as a catalyst to attracting future employers into the locality and provides opportunities for local employers to move out of the centre of Cambridge;
- The inward investment potential for South Cambridgeshire District Council is considerable. The site will drive local and sub-regional economic growth by providing 2,060 on site, skilled jobs. The scheme will generate gross value added to the local economy of up to £62 million each year, along with business rates of around £10 million per annum once the site is fully operational.
- Proposals for an employment hub here are therefore complementary to the current supply of land and premises in Greater Cambridge and will not prejudice the delivery of any other site. We strongly believe that the site would be a valuable addition to the depleted portfolio.

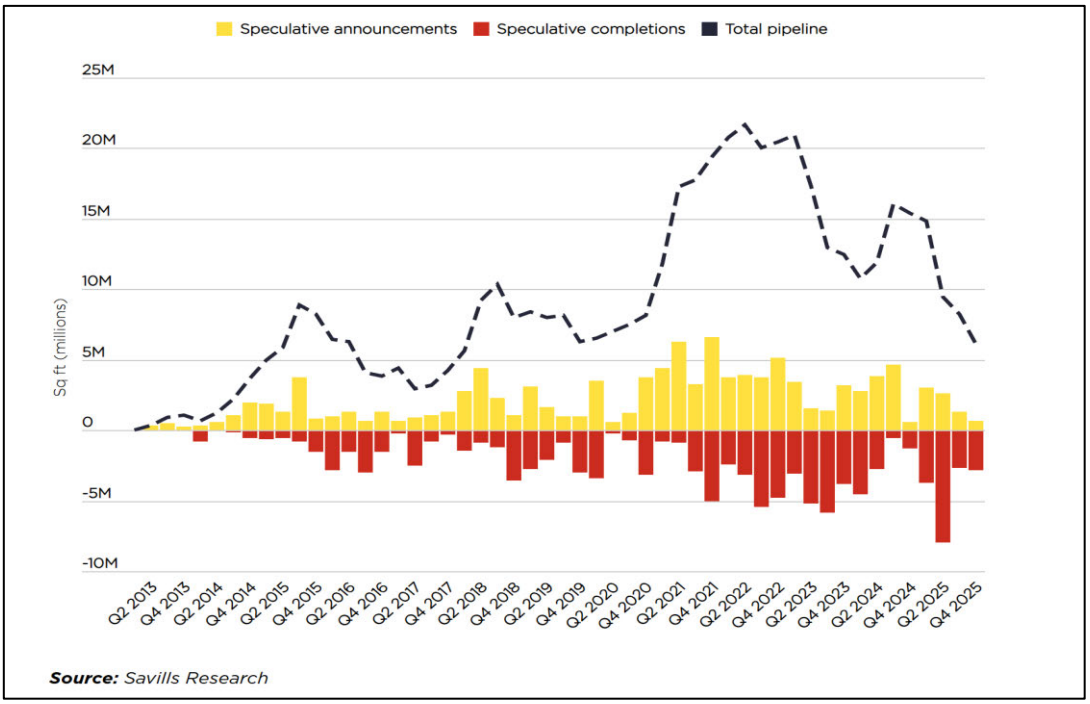
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National Market Context - Supply

Across the whole of the UK, the supply of vacant existing units over 100,000 sq ft (9,295 sq. m) currently stands at approximately 64 million sq ft, reflecting a vacancy rate of 7.8%, approximately 1.0% higher than at the same point last year. 2025 saw 16.8 million sq ft of speculative completions and an additional 5.95 million sq ft of second-hand space come to the market since year-end 2024[1]. The current vacancy rate is somewhat higher than the pre-Covid average of 6.3%.

Moving forward, 6.1 million sq ft of space is under construction speculatively, which will be added to the total supply throughout 2026 and into 2027, with a further 1.3 million sq ft being marketed and committed to starting on-site throughout 2026.

UK Supply of vacant floorspace (units over 100,000 sq ft)



Source: *Savills Research*

UK National take-up

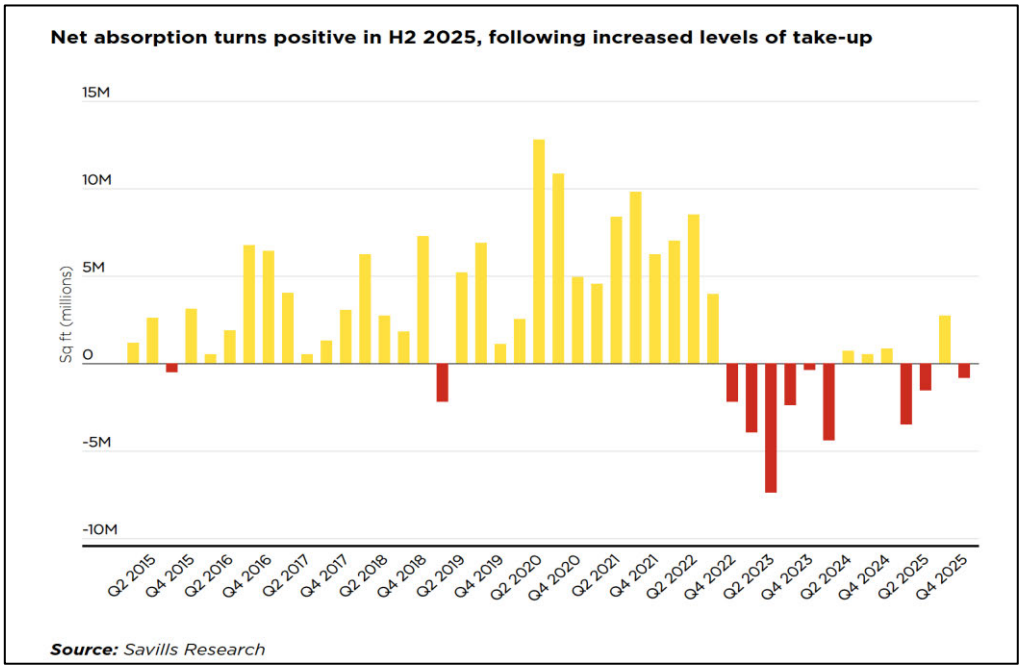
Take-up for 2025 was the strongest year in the last three and comparable to any of the strongest years prior to 2020. Indeed, at a national level, take-up for 2025 reached 33.41 million sq ft, an increase of 14% on 2024 and 29% ahead of the pre-2020 average.

Total deal counts also increased year-on-year and reached 140, a 13% improvement on 2024. The average deal size increased from 236,021 sq ft to 239,007 sq ft in 2025, with the growth mainly coming from an increase in smaller unit take-up under 300,000 sq ft, which reached 18.6 million sq ft.[2] There have been a number of occupier deals for larger units along the wider A14 Corridor, in North Northamptonshire, that is not subject to the same restrictive policy as Greater Cambridge.

[1] Savills Research
[2] Savills Research

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Average deal size for the A14 corridor in the Eastern Region over the past five years is approximately 155,000 sq ft by comparison. [3]



Occupiers' flight-to-prime strategy remains a focal point, especially for major corporations. Flight-to-prime is a key theme of the market as efficiency savings and ESG requirements are increasingly becoming key must-haves from a wider range of occupiers, particularly for global businesses which can amortise costs over a longer period of time.

Occupier mix

Online retail remains a key driver propelling the market forward. The latest data from the ONS on online retail shows that total online sales reached 29% at the end of 2025, the highest level in approximately two years. Retailer Next highlighted the continued importance of its online channels, which delivered 8.8% growth in 2025 versus physical stores at 3.5%. Despite reasonable concerns about the cost of living, tax rises, and pressures on the labour market, the UK consumer is not showing any obvious signs of flagging, which is obviously good news for the logistics market.

Some significant deals were completed in 2025 including: Amazon taking 1 million sq ft at Tritax's Symmetry Park, Kettering; GXO taking 885,000 sq ft at Panattoni Park, Avonmouth, JD.com committing to c.530,000 sq ft at PLP, Milton Keynes and Reedbutt taking c.100,000 sq ft at Cube, Milton Keynes.. This was on the back of some significant deals agreed in 2024, with Yusen Logistics committing to a new 1.2 million sq ft unit at Segro Logistics Park, Northampton; Nike committing to a new 1.3 million sq ft campus-style unit at Magna Park, Corby; Bleckmann taking a c.600,000 sq ft speculatively developed unit at Magna Park, Corby, Greggs' pre-letting c.500,000 sq ft at SmartParc SEGRO, Derby; Warburtons pre-letting 65,000 sq ft at Symmetry Park, Biggleswade; Delta Group taking 115,000 sq ft at Spark Park, Bishop's Stortford and Sizewell C taking over 1 million sq ft at Orwell Logistics Park, Ipswich.

Occupier demand for logistics space is increasingly wide-ranging, with take-up coming from a diverse range of occupiers including; Third party logistics (3PLs) (companies that offer outsourced supply chain and logistics services to other businesses, handling functions such as warehousing and transportation)

[3] Bidwells Research

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retailers, manufacturers and supermarkets, but also other less traditional logistics occupiers such as data centres and motor trade.

In 2025, manufacturing-related companies accounted for 33% of the market at 10.6 million sq ft, which was up 8% YoY, thereby giving further evidence to the near/re-shoring trend. 3PLs also remained active, taking 10.4 million sq ft, up 57%, and certainly helped by a number of 3PLs taking space to service Amazon contracts. 2025 also saw traditional high street and grocery retailers increase their take-up by 16% to reach 3.7 million sq ft[4].

As mentioned, 3PLs continue to dominate the take-up and this has continued into the first half of 2026. The move to 3PLs is being driven by a number of factors including; occupiers outsourcing their supply chain to achieve greater flexibility, difficulties in sourcing labour and increasing transport costs. Furthermore, on-going supply chain disruptions are pushing occupiers across the retail and manufacturing sectors to increase their stock profile and increase near-shoring. This is leading to an increased reliance on 3PLs as occupiers do not have the necessary infrastructure to deal with increased levels of stock.

Demand trends

In the industrial and logistics sector there are a range of factors which combine to determine the occupier's choice of location, including:

- The availability of suitable buildings / land;
- The diversity of routes available from a location and congestion, i.e. the immediacy of access to the strategic road network;
- The availability of labour and power, particularly for manufacturers;
- Reliability of the transport solution (and available alternatives);
- The growth in carbon taxes;
- Social responsibility and corporate governance.

The ability to hold, consolidate and distribute goods in HGV-size loads from one location is the most efficient method of organising supply chains for manufacturers, hence the development of both national distribution centres (NDCs) and regional distribution centres (RDCs). This is not only in terms of pure costs – consolidating and distributing 'mixed loads' results in fewer HGV journeys being required, resulting in environmental benefits. Furthermore, with more and more occupiers changing to electric/hybrid delivery methods, this is only heightened.

Manufacturers make up an important component of the sector. They are more likely to store and distribute goods to suppliers or retailers direct from a production site. However, some manufacturers do occupy distribution centres where there is limited space on site or where they have a number of factories and there are benefits to consolidating storage. In addition, some manufacturers locate their storage facilities close to their customers, in order to meet their strict just-in-time delivery arrangements, particularly in the automotive industry.

[4] Savills Research

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Greater Cambridge Regional and Local Industrial Market

Defining the markets

Newlands Park, Cambridge could suitably accommodate the growing trend for larger, single units for the burgeoning industrial, logistics, advanced manufacturing and technology sectors. This section focuses on and addresses the local and regional market, analysing the current supply of existing units and sites capable of accommodating units as proposed.

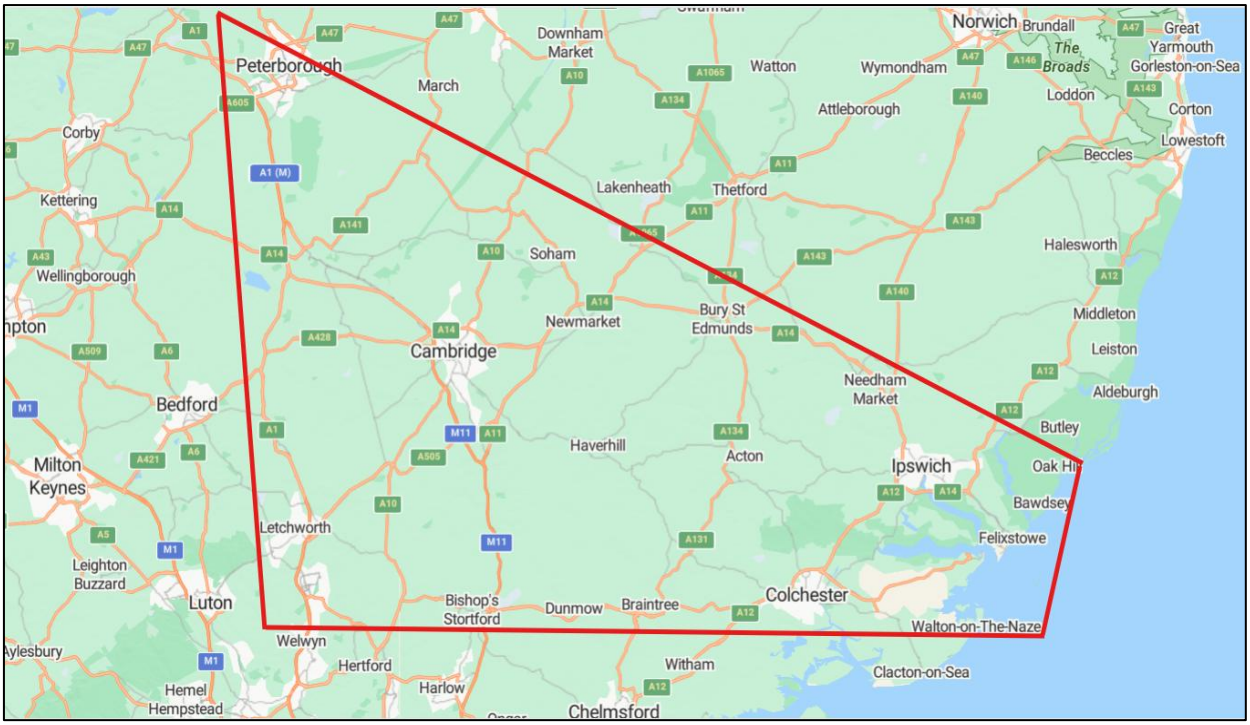
We have focused on the areas where a likely occupier would consider if seeking representation within the area. Larger occupiers who do not already have a base within the area generally are more footloose when selecting a location, whereas existing Greater Cambridge occupiers, for example, would look to remain in Greater Cambridge plus 10 to 15 miles due to staff retention.

For the purposes of this assessment, we review the demand/supply position across the 'immediate property market', which is the market in Greater Cambridge expanding to c.20 miles.

However, it should be noted that the Site also relates to a wider market due to its characteristics and potential to accommodate strategic logistics need. In particular, the 'regional market' of the Site includes an area bounded by Peterborough to the north, Bishop's Stortford to the south, St Neots and Huntingdon to the west and Felixstowe to the east. This area is generally defined by the A1(M), A14 and M11 corridors (see plan overleaf).

Based on the occupiers' requirements and live enquiries currently in our database, we consider the wider property market associated with Newlands Park to extend from Peterborough to Felixstowe across the A14 Freight Corridor and other trunk road corridors mentioned above. As mentioned in earlier paragraphs, large manufacturers have a wide geographical search area and are often footloose. They will choose to locate where their search criteria are best satisfied, and buildings are deliverable. Additionally, logistics operators are seeking reconfiguration of their supply chains in response to Brexit and global uncertainty, increasingly seeking local delivery centres and hubs to serve majors towns and cities.

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The southeast as a region is a key occupational market with the long-term average take-up amounting to the highest for any UK region. However, Cambridgeshire to the east lags behind its neighbouring counties in terms of provision of industrial floor space and employment land and is chronically undersupplied when compared to demand.

The impact of the port of Felixstowe is very significant on the wider region. Felixstowe is the UK's biggest and busiest container port and one of the largest in Europe. The port handles more than 4million TEUs (Twenty-foot Equivalent Units) and welcomes approximately 2,000 ships each year, including the largest container vessels afloat today. Approximately 17 shipping lines operate from Felixstowe to and from over 700 ports around the world.[5]

Felixstowe has recently been awarded Freeport status, along with Harwich port, and will provide businesses investing in the area with various tax deductions, capital allowances and relief on business rates and national insurance contributions. This is expected to generate a Gross Value Added of £5.5 billion over the next 10 years.

Within the vicinity of the port, the A14 carries approximately 36,668 vehicles per day, of which approximately 7,000 (18.6%) are HGVs.[6] It is expected that the numbers of HGVs will increase over the coming years, driven by investment in the area.

Traditionally, 70% of containers coming through Felixstowe have been delivered to what is known as the 'Golden Triangle', a region in central UK where many of the country's main high street and online retailers have their national distribution centres. However, we are now seeing a shift in this pattern and businesses are looking to offload containers locally.

A prime example of this can be seen with the success of Suffolk Park, Bury St Edmunds and Gateway 14, Stowmarket, where Belgian logistics company, Weerts, developed an 870,000 sq ft warehouse, joining Chinese consumer goods importer, MH Star, who took occupation of 206,000 sq ft in mid-2020. More recently, brewing giant Greene King has taken nearly 300,000 sq ft at Suffolk Park and retailer, The Range,

[5] Source: Hutchison Ports
[6] Source: Royal Haskoning DHV

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purchased a 1.17 million sq ft D&B distribution unit at Stowmarket to support the expansion of their retail network and website in the UK.

Current Available Units > 100,000 sq ft in the regional market

There are currently a number of existing buildings available larger than 100,000 sq ft within the regional market (see following table), although these vary greatly in quality and only two can be considered to be modern, Grade A standard:

IMAGE	UNIT	COUNTY	GRADE	EAVES	EPC	SIZE (SQ FT)	QUOTING RENT (PSF)
	Novus, Gateway Peterborough	Cambridgeshire	A	15m	A	387,259	£9.50
	PE2 Morley Way, Peterborough	Cambridgeshire	B	12m	C	130,850	Under offer
	Unit 1, The Broadlands Newark Road Peterborough	Cambridgeshire	B	7.6m	A	108,903	Under offer
	Crossdock 252, Stukeley Meadows Ind. Est. Huntingdon	Cambridgeshire	B	10m	A	251,746	£9.00

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IMAGE	UNIT	COUNTY	GRADE	EAVES	EPC	SIZE (SQ FT)	QUOTING RENT (PSF)
	Shepherd's Grove IE, Stanton, Bury St Edmunds	Suffolk	C	6.2m	A - C	395,000	£4.50
	Unit 11 Port One Logistics Park, Great Blakenham Ipswich	Suffolk	A	15m	A	219,160	£10.00
	Harris Way, Ipswich	Suffolk	B	17m	A	215,073	£9.00
	Gb200, Addison Way, Orion Business Park, Ipswich	Suffolk	B	9m	B	203,004	£9.25
Total						**1,910,995 sq ft**	

As per the preceding table, there are only four existing units above 100,000 sq ft available in Cambridgeshire currently, two of which are now under offer, leaving only approximately 640,000 sq ft available across two buildings. Only one of these is a Grade A, modern unit, which highlights the shortage of quality, modern, sustainable space in the region for occupiers to consider. The other units can be considered Grade B (second-hand and more than five years old) or Grade C (second hand and much older). This is an important point to note – the British Property Federation's (BPF's) recent report 'Industrial and Logistics: The Infrastructure of Everything' (2026) highlights a looming issue around Minimum Energy Efficiency Standards (MEES). The Government proposes that all non-domestic rented properties will need to achieve a minimum EPC rating of B by 2030. The Report confirms that around 70–80% of commercial property, and approximately 73% of I&L floorspace, would fall below EPC B. The Table on Page 8 shows that, of the available supply, a number of the units have an EPC rating of below B and would therefore be unlettable from 2030. This reinforces the case for new high-quality, suitably sized units to be delivered in the short term.

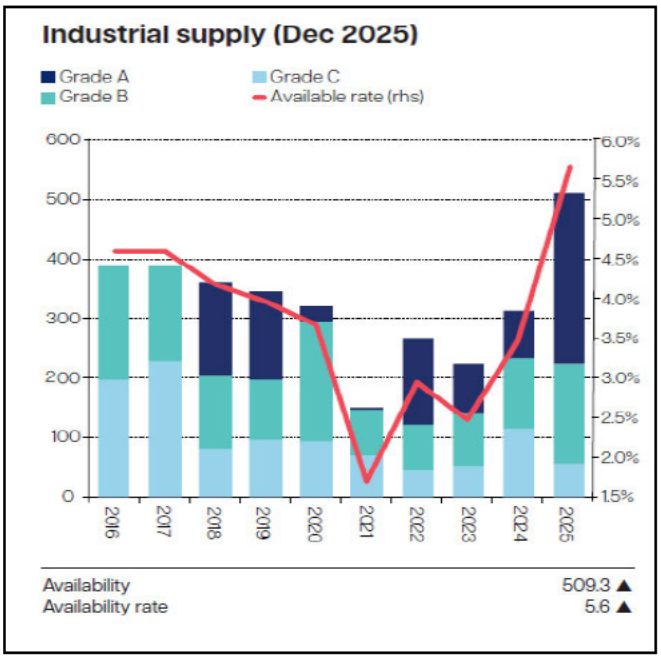
Given the current economic uncertainty and the correction in the industrial investment market, developers are being more cautious in their decision-making in relation to speculatively building. A number of sites are now unlikely to be developed out without pre-lets or pre-sales in place where they would have been two or three years' ago. Ultimately, this will impact supply and once the existing units are taken out of the market over the coming months, it will leave very limited choice for occupiers seeking a facility, particularly those seeking a large, modern facility in Cambridgeshire. This will create a push factor for Cambridge businesses who may move out of the area in order to accommodate their requirements.

Immediate Market

Focusing on Cambridge and a c.20 mile radius, the supply of industrial floor space has increased over the last 12 months to c.500,000 sq ft to the end of 2025 but remains at a very low rate of just 5.5%, highlighting the enduring shortage of accommodation. Two new schemes at Accelerator Park, Sawston (c.81,000 sq

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ft) and Phase 2 at Bourn Quarter, Bourn (c.137,000 sq ft) have brought forward much-needed stock over the past 12 months, albeit these are smaller unit schemes (8,000 to 30,000 sq ft) and are targeted at the "Mid-Tech" market, rather than the traditional industrial warehouse market. As such, quoting rents are significantly higher at between £22 to £25 per sq ft. The following graph shows the level of industrial supply in Cambridge and a 10 mile radius over the past 10 years:



Source: Bidwells research

Take Up in the regional market

In terms of take-up, mirroring the national picture, take-up in 2025 was more muted, particularly given the challenging economic conditions, as outlined in previous paragraphs. Take-up in 2025 was recorded at approximately 700,000 sq ft, below the long-term annual average for the Eastern Region. This is not solely driven by lower demand, but also by lower supply, particularly for existing large warehouses. As witnessed in other parts of the UK, occupiers are taking on large existing warehouses, often needing space quickly in response to contract wins or geopolitical issues. If these buildings are not built and available, occupiers will look further afield for options.

Average take-up in the eastern region over the past 5 years has been c.2.4 million sq ft, albeit with two exceptional years driven by the pandemic. The 10 year average equates to approximately 1.5m per annum. More locally to Cambridge, take-up levels reached c.250,000 sq ft for 2025, below the 10 year average of approximately 375,000 sq ft per annum. Again, this is often held back by lack of available stock, particularly standard warehouse stock, rather than lack of occupier demand. A number of lettings were in solicitors' hands at the end of the year which will translate into further take-up into 2026.

Set out below is a table of recent transactions which demonstrates the size, type and location of activity in the market over the past few years, noting none of these are in Greater Cambridge. The table highlights the unprecedented levels of take-up seen in the region:

IMAGE	DATE	ADDRESS	SIZE	OCCUPIER	HEADLINE RENT (PSF)
	Dec 2025	Unit 7 Symmetry Park, Biggleswade	180,000	Bond International	FH Sale

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IMAGE	DATE	ADDRESS	SIZE	OCCUPIER	HEADLINE RENT (PSF)
	Dec 2025	Unit 1 Cardinal Park, Godmanchester, Huntingdon	100,000	Coveris	£9.13
	Sept 2025	Unit 2 Mendlesham Industrial Estate, Mendlesham	130,928	Commodity Centre	£4.50
	Apr 2025	Unit 12 Port One Logistics Park, Great Blakenham, Ipswich	105,193	Bacton Transport	£9.50
	March 2025	Barnack House, Southgate Way, Orton Southgate, Peterborough	178,872	Yours Clothing	FH Sale
	July 2024	Orwell Logistics Park, Ipswich	1.1m	Sizewell C	c.£7.50
	May 2024	SP128, Suffolk Park, Bury St Edmunds	128,000	Greene King	FH Sale
	July 2023	Unit 5 Port One Logistics Park, Ipswich, IP6 0RL	243,511	Hemisphere Logistics	FH Sale
	June 2023	Former DSV Unit Oxney Road, Peterborough PE1 5YP	129,507	Frederic Smart	£4.63
	February 2023	Lightning 126, Lightning Park, Huntingdon	126,689	DHL	£9.50
	January 2023	Nordic House, Sawtry, Huntingdon, PE28 5XN	124,134	Comtec Cables	£4.74 (Assignment)

Regional market demand

In the context of the southeast A14, M11 and A1(M) corridors, occupier demand remains robust in the medium-to-long-term, albeit is currently more subdued in the face of challenging economic conditions. Due

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to the lack of available buildings, demand in the build-to-suit and land purchase sectors have grown significantly in the region. Peterborough Gateway has been a recent example of this, where over 2,200,000 sq ft was acquired via this method within just a three year period.

The table further below sets out the recent demand for the area. It demonstrates both the diversity and type of occupier who have a registered requirement in the market since 2020 which remains unsatisfied. Not all these requirements will culminate in a transaction. However, it highlights over 10 million sq ft of active demand in the regional market. Many of these requirements would welcome the opportunity to establish themselves or have a facility close to Cambridge, but the lack of sites during the previous 10 years has restricted anyone seeking a facility of over 100,000 sq ft from accommodating themselves within the immediate Cambridge area.

Good recent examples of this include CMR Surgical, Marshalls Land Systems and Inca Digital Printers. CMR have a requirement for a 250,000 sq ft facility in Cambridge. However, due to lack of supply of available land or buildings to accommodate this, they have had to split their requirement to lease a 75,000 sq ft build-to-suit unit at Lancaster Way, Ely. Marshalls moved away to a site in Wales. Similarly, AGFA (formerly Inca Digital Printers) have been looking for a site for many years that would allow them to accommodate c.100,000 sq ft in a modern facility within the city.

Regional Market Requirements

OCCUPIER / AGENT	SIZE (SQ FT)	PLANNING USE	COMMENTS
c/o Savills	100,000	B8	Cold store operator looking for existing or ambient warehouse in north Cambs/South Lincs
c/o LSH	1 million	B8	Midlands/East Midlands search including A1 corridor. Believed to be for high street retailer.
Marshalls Aerospace	100,000	B2/B8	Moving from airport and need manufacturing/ distribution space near to Cambridge.
Confidential battery technology company	150,000	B2/B8	Looking for production site for new battery technology cells etc.
Confidential European 3PL	2 million	B8	Looking for sites in the Eastern Region.
Commodity Centre	200,000	B8	Need further space for expansion in Eastern Region
Vollers c/o Brown & Co	100,000	B8	Need expansion space near Bury St Edmunds
Harbour Lifestyle	100,000	B8	Garden furniture looking to ke distribution in-house from 3PL
c/o CBRE	250,000	B8	East of England search for 3PL client.

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OCCUPIER / AGENT	SIZE (SQ FT)	PLANNING USE	COMMENTS
c/o BNP Paribas	300,000	B8	Looking for new facility centred on Peterborough
MH Star	800,000	B8	Seeking site along the A14 for global fulfilment centre.
c/o JLL	700,000	B2/B8	Looking for data centre facility around Stansted plus 40 miles.
Bretts Transport	200,000	B8	Contract-led requirement. Based near Wisbech.
Taylor Wimpey	150,000	B8	Looking for additional space in Peterborough area.
c/o Reid Commercial	600,000	B8	OBO data centre. Looking for sites across the Oxford, Milton Keynes and Cambridge Arc.
Leading UK garden products supplier	450,000	B2/B8	Looking for a site on the A14 for 3 years. No site large enough to accommodate their expansion plans.
Amazon c/o CBRE	400,000	B8	Seeking site for next day fulfilment to service Cambridge.
c/o JLL	850,000	B2/B8	Chinese battery technology company looking for major manufacturing site in the UK
Acushnet	300,000	B2/B8	St Ives occupier looking for long-term major expansion. Manufacture and distribute golfing equipment.
TWI	250,000	B2/B8	Currently based on Granta Park, Cambridge. Looking for new facility in close proximity to Cambridge to move to allow redevelopment of their existing site.
Aliaxis	250,000	B2/B8	Huntingdon occupier looking for major expansion. Manufacture & distribute pipes etc.
c/o JLL	150,000	B8	FH requirement. Existing buildings preferred but may BTS. East Midlands and East of England search area.
Evri	100,000	B8	Looking to consolidate into a single building in Peterborough area.
STEF	150,000	B8	European 3pl specialising in the logistics and transport of food products. Looking on A14 corridor for distribution hub.
c/o Cushman & Wakefield	200,000	B2	Manufacturing client looking for site of 5 acres with 1MVA of power.
VRCO	100,000	B2/B8	Start-up developing electric, vertical take-off aircraft. Need direct access to an airfield for development and testing.
Flimax	100,000	B2/B8	Start-up developing electric aircraft. Need direct access to an airfield for development and testing.
Bartrums	100,000	B8	Regional 3PL looking for expansion space
AEGG	100,000	B2/B8	Manufacture and distribute glass packaging. Based in Suffolk and looking for expansion space.

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OCCUPIER / AGENT	SIZE (SQ FT)	PLANNING USE	COMMENTS
Yodel c/o Penn Commercial	100,000	B8	Cambridge + 10 miles. Will consider D&B opportunities.
Hermes	100,000	B8	Seeking new hub for parcel handling to service Peterborough and Cambridge
DPD	60,000	B8	Parcel delivery company looking for low site cover site.
Total	**10.51 million sq ft**		**Total listed demand for units larger than 100,000 sq ft within the regional market.**

Key conclusions from the local and regional market analysis are as follows:

- There is strong demand for land and premises which is at a level much higher than is currently being delivered by speculative development;
- Recent take-up in the area has diminished supply to levels which cannot support the current or future economic and population growth;
- Whilst the limited supply of large units is insufficient in quantitative terms, in terms of quality and sustainability, the second-hand supply (Grade B, C etc) does not meet the needs of modern occupiers. That situation is going to only get worse, with a greater number of existing units becoming obsolete by 2030, creating even greater pressure for new stock.
- There are extremely limited opportunities along the A14 corridor for sites which benefit from direct access and this is particularly acute around Cambridge;
- There is a lack of high-quality employment land suitable for mid-range or large employment units;
- Vacancy rates have been falling across both the wider regional market and local Cambridge market in particular, with supply levels being some of the lowest in the last 10 years, starving business and the local economy of essential growth;
- The majority of take-up of larger units has been for build-to-suit opportunities. This demand for build-to-suit premises has direct implications for the demand for land, as larger buildings require bigger plots of land to accommodate them. A standard building site coverage is around 40% per plot. However, it is worth noting that this is conservative figure, with many modern occupiers requiring lower site coverage than this. On that basis, to accommodate the next 15 years of demand, further significant allocations of land will be needed;
- The subject site provides the opportunity to add to South Cambridgeshire's depleted employment land portfolio, providing additional land which meets the needs of occupiers, being easily accessible to the A14 and A1 corridors and offering a range of unit sizes to serve the logistics sector;
- Cambridge has the potential to attract demand which has previously been distributed elsewhere in the market area (Peterborough, Huntingdon, Biggleswade, Bedford & Bury St Edmunds, for example);
- The Government's ambitious growth scenarios for Greater Cambridge requires the commercial balance of large-scale employment land, with 33 million ft^2 of commercial space specified in the 'High Growth' scenario.

Considering the context and characteristics of the site, there is an opportunity to provide deliverable land for employment uses and suitably accommodate properties for the burgeoning logistic sector.

The site is ideally suited to provide detached and self-contained facilities encompassing logistics functions, together with associated office and administration functions.

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We trust this report covers the detail required, but if you would like to discuss anything further, please do not hesitate to contact me.

Yours sincerely



Walter Scott BSc (Hons) MSc MRICS
Partner, Logistics and Industrial

Signed for and on behalf of Bidwells LLP

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