Greater Cambridge Employment Update November 2025

Some sign of recovery?

Highlights:

Overview

- The current business environment makes it important to have timely data on employment changes. This is the thirteenth in a series of updates that bring up-to-date information about what is happening to corporate employment in the Greater Cambridge area.

- The November 2025 Update covers accounting year ends between December 2024 and April 2025 (the median year end is mid-February 2025). This median period captures the recovery from the 2023 recession. We compare this period with the same period the previous year, which covers the effects of the unfolding cost of living crisis.

- This update is obtained by sampling the CBR annual corporate database of all businesses based in the wider Cambridge region. It covers a large sample of companies representing about 66% of corporate employment in Greater Cambridge.

Areas

- Our analysis points to a slowdown in overall employment growth in the Greater Cambridge area during the year to mid-February 2025. Growth in the area slowed down from 4.5% in 2023-24 to 0.7% in 2024-25, suggesting that the challenging macroeconomic backdrop has had some impact on Greater Cambridge businesses **(Figure 2.1, p8)**.

- In our previous update (June 2025 Update), we reported some evidence indicating that even KI sectors in Greater Cambridge have not been immune to the unfavourable macroeconomic environment. Our November 2025 Update casts further light on this by showing little growth in KI sectors. Nonetheless, KI employment did not decline in this period, whereas it showed negative growth in the June 2025 Update **(Figure 2.1, p8)**.

- The picture for non-KI sectors is somewhat more positive, but there are signs that the challenging macroeconomic backdrop has also had some impact on non-KI businesses. Employment growth in non-KI sectors slowed down from 4.0% in 2023-24 to 1.6% in 2024-25 **(Figure 2.1, p8)**.

- The performance of Cambridge has been somewhat better than that of South Cambridgeshire. In Cambridge, employment grew by 2.0% in the year to mid-February 2025 (down from 5.6% one year earlier). The slowdown in employment growth during

the most recent year was particularly marked in South Cambridgeshire (-0.2% compared with 3.8% during the previous year) **(Figure 2.1, p8)**.

- The KI sectors showed a modest performance in both districts. Non-KI performance in Cambridge managed to hold up overall employment growth in the district, while the growth in non-KI employment was more limited in South Cambridgeshire **(Figure 2.1, p8)**.

- However, there is variation in these growth rates across both industry sectors and firm sizes.

Sectors

- The results portray a mixed picture for KI sectors **(Figure 2.2a, p9 & Figure 2.4, p13)**.

- 'Knowledge intensive services' emerges as the fastest-growing KI sector during 2024-25 (4.6%) **(Figure 2.2a, p9 & Figure 2.4, p13)**.

- The weakness in 'Life science and healthcare', the largest KI sector in Greater Cambridge, that we noted six months ago has continued. Employment in the sector fell by 3.1% during 2024-25 **(Figure 2.2a, p9 & Figure 2.4, p13)**.

- 'Information technology and telecoms' saw an employment growth of 2.0% in the latest year (down from 5.9% in the previous year). Whilst some large ICT employers achieved robust growth in the most recent period, others reported a decrease in employment **(Figure 2.2a, p9 & Figure 2.4, p13)**.

- The dominant impact of 'Life science and healthcare' and 'Information technology and telecoms' on overall employment growth becomes apparent when examined in terms of the number of people employed **(Figure 2.7, p17)**.

- There are also mixed results for non-KI sectors **(Figure 2.2a, p9 & Figure 2.4, p13)**.

- Three sectors, notably 'Education, arts, charities, social care', 'Primary' and 'Other business services' showed an improvement in performance in the year to 2025 **(Figure 2.2a, p9 & Figure 2.4, p13)**.

- The 'Wholesale and retail distribution' sector reported a robust growth in employment of 3.3%, down slightly from the 4.0% rate achieved one year earlier **(Figure 2.2a, p9 & Figure 2.4, p13)**.

- By contrast, employment growth slowed down in the low- and med-low-tech 'Manufacturing', 'Construction and utilities', 'Other services', 'Property and finance' and 'Transport and travel' sectors **(Figure 2.2a, p9 & Figure 2.4, p13)**.

Size groups

- One-person businesses grew by 2.2% in the latest year, a rate that is higher than total employment growth across all size classes. However, their small size means that they have played a minor role in employment growth – only 46 extra employees.

- Whilst 1-9 employee businesses have been the fastest growing companies in 'Life science and healthcare', low- and med-low-tech 'Manufacturing' and 'Construction and utilities', 10+ employee businesses exhibited particularly fast growth in 'Education, arts, charities, social care', 'Knowledge intensive services' and 'Wholesale and retail distribution' **(Figure 2.3, p12)**.

- The group of 10+ employee businesses tends to dominate employment growth given its large aggregate size. These businesses are also behind the fall in employment observed in 'Life science and healthcare' **(Figure 2.3, p12)**.

- Employment growth of 1-9 employee businesses increased from 1.2% in 2023-24 to 1.7% in 2024-25. This growth was driven primarily by KI sectors **(Figure 2.8, p19)**.

- The picture looks different for 10+ employee businesses. Employment in the year to mid-February 2025 fell by 0.1% in KI sectors, against a growth of 5.0% in the year to mid-February 2024. Employment growth in non-KI sectors dropped even more sharply from 5.4% in 2023-24 to 1.8% in 2024-25. As a result, employment growth of 10+ employee businesses was 0.5% last year, down from 5.1% one year earlier **(Figure 2.8, p19)**.

- Overall, these results confirm that it is the group of 10+ employee businesses operating in KI sectors which have been dominating growth in the Greater Cambridge area in recent years **(Figure 2.8, p19)**.

Stop press

- We provide a snapshot of the impact of events in the Greater Cambridge corporate economy by considering a small sample of companies with interim results for the six-month periods ending in either May or June 2025. The gain from focusing on interim results for these six-month periods is that most of the activity reported in the accounts took place in 2025.

- Within this group of companies, total turnover rose by 3% in the first six months of the 2025 financial year compared with a fall of 11% in the same period last year – the median growth rate was 7% compared with -7% last year.

- These figures demonstrate some recovery from the consequences of the flatlining economy but are below the growth rates achieved in the past. The perusal of their interim reports also appears to confirm that these businesses are showing some kind of recovery in the first half of 2025.

Analysis of latest ONS employment data

- We further explore our November 2025 Update and Snapshot findings by considering the CBR figures alongside the latest employment data from ONS. The gain from looking at ONS data is that it also covers non-corporates and allows for a comparison of employment growth in Greater Cambridge against the nation.

- Greater Cambridge showed a superior performance compared to the nation in the period prior to the Covid-19 pandemic, driven by its KI sectors **(Table 4.1, p24 & Table 4.3, p25)**.

- During the pandemic, Greater Cambridge suffered a more marked slowdown than the nation as a whole. This result was caused by non-KI businesses, possibly reflecting falling staff numbers at several language schools, crammers and tourism companies based in Cambridge **(Table 4.2, p25 & Table 4.3, p25)**.

- It is hard to interpret the results over the last three years because of the very high volatility in BRES figures, particularly for KI sectors **(Table 4.1, p24, Table 4.2, p25 & Table 4.3, p25)**.

Concluding remarks

- Our previous update (June 2025 Update) showed that employment growth in Greater Cambridge had stalled during the year to mid-October 2024, largely reflecting a national trend. The analysis suggested that the worst impacts of the UK recession in the second half of 2023 were felt by Greater Cambridge businesses and that even KI sectors were not immune to the adverse macroeconomic backdrop. The November 2025 Update allows us to explore whether there are already any signs of recovery from the 2023 recession.

- Overall, the results of our November 2025 Update unveil some sign of recovery by Greater Cambridge businesses, although employment growth remains below the rates seen over recent years (particularly in KI sectors). Our next update will explore whether there has been a stronger recovery in more recent months and what sectors and businesses may have been driving that.

1. Tracking Greater Cambridge corporate employment – the November 2025 Update

The Centre for Business Research (CBR) at Cambridge University has developed three methods for tracking the employment and turnover of companies based in the wider Cambridge region (for further details see Appendix A4).

The first is the **annual draw** of all companies within the region.[1] It is comprehensive and also examines company births and deaths along with company location changes. This gold standard work does suffer from being less timely. The results of the 2024-25 annual draw will be released in March 2026 and examine employment in the accounting years ending from 6th April 2024 to 5th April 2025. Since December and, to a lesser extent, March dominate companies' choice of year ends, the modal year end for the annual draw is early December 2024. For comparison, the ONS Business Register and Employment Survey (BRES) provisional annual employment data published at the end of October 2025 has September 2024 as its latest information (and we will have to wait another year before these are confirmed as final).

The second method involves an **update** of companies in the Greater Cambridge area achieved by sampling the annual corporate database in June and November. On each occasion a large sample is drawn (over 40% of the company population on average) of companies that have reported in recent months. This brings more timely information about what is happening to employment, but does not take account of births and deaths or location changes. For example, this November 2025 Update includes companies with a financial year end between December 2024 and April 2025 and has a modal year end of mid-February 2025. This median period captures the recovery from the 2023 recession.

We use the update sample to provide estimates of employment for those companies with a year end between December 2024 and April 2025 that have not yet reported. We then use this larger sample to compare the performance of this sample of companies in 2024-25 with their performance in 2023-24. The final analysis sample for the November 2025 Update is 5,499 companies representing about 66% of corporate employment in the Greater Cambridge area. A sample of this size, with good coverage of all sectors and company sizes, should give a very accurate picture of what is happening to continuing businesses in the region.

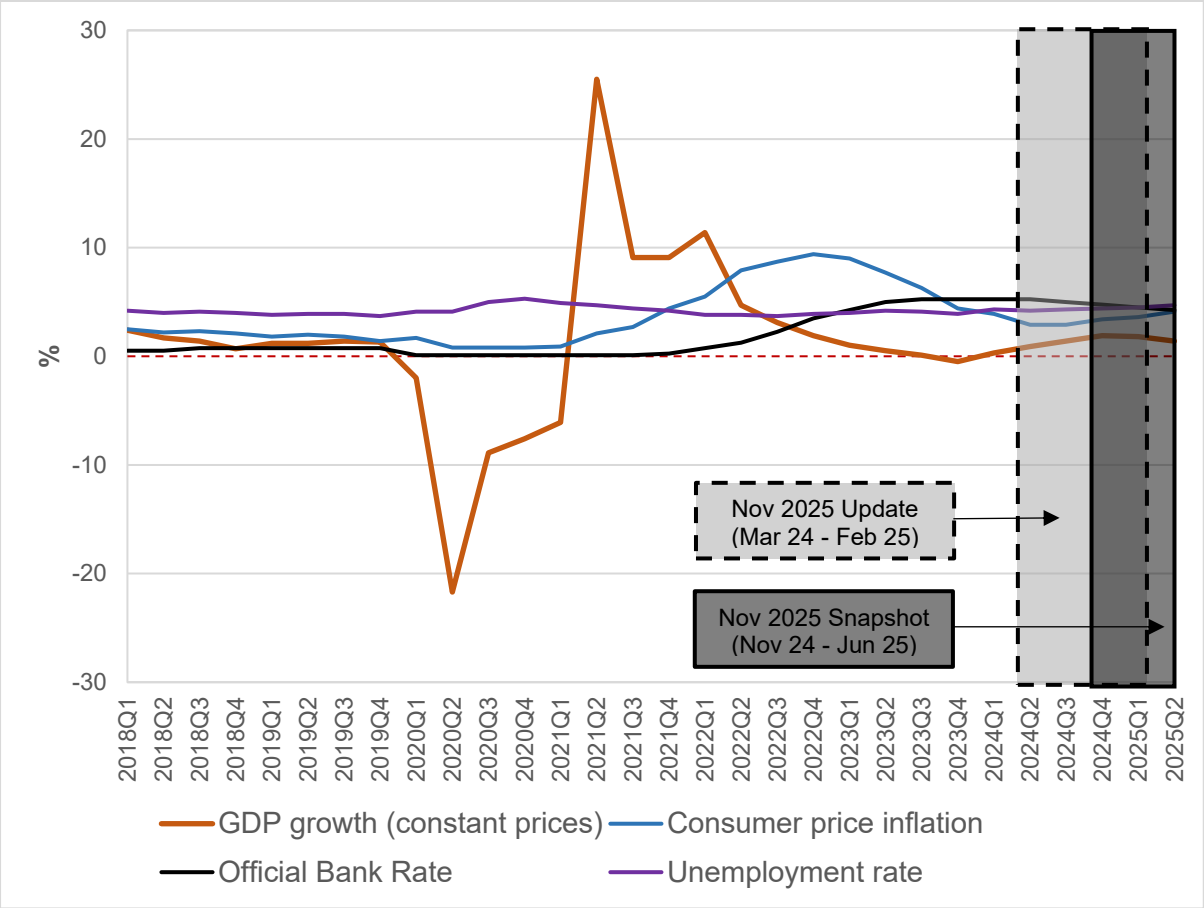
The third method is a **snapshot** of very recent growth that draws on a small sample and should be regarded as merely indicative. It considers only the largest businesses (top 100 by employment or turnover) and examines those that have filed interim reports for six-month periods ending in either May or June 2025. The seven companies in the snapshot sample do not provide employment figures in their interim reports, but together they represent a combined current annual turnover of about £340m. The gain from focusing on interim results is that most of the activity reported in the accounts took place in 2025. We compare turnover in this period with the same six-month period last year.

Figure 1.1 shows where the November 2025 update and snapshot sit in relation to the national economy. The chart graphically displays how turbulent the last three years have been in comparison with the previous decade. The UK slipped into a technical recession (i.e. two consecutive quarters of negative GDP growth) in the final six months of 2023, followed by a flatlining economy in recent months. The shaded area reflects the November 2025 Update

[1] The underlying core corporate database has been established and maintained with the ongoing support of Cambridge Ahead, and is currently sponsored by Arm, Cambridgeshire and Peterborough Combined Authority, Greater Cambridge Partnership, Marshall of Cambridge and Mills & Reeve.

period, which was characterised by very limited GDP growth, stubbornly high interest rates, and increasing inflation and unemployment rates.

Figure 1.1 UK macroeconomic indicators and the November 2025 Update period



Note: GDP growth is the percentage change of GDP in constant prices on the same quarter a year earlier. Consumer price inflation is the annual change in the Consumer Price Index. Unemployment rate is the share of people aged 16 and over who are unemployed.
Source: ONS.

The remainder of this report is structured as follows. Section 2 presents the results of the November 2025 employment update, drawing on a set of charts that we developed specifically for this study. The section examines growth of Greater Cambridge-based companies by area, industry sector and firm size. Section 3 shows the findings of the snapshot sample. Section 4 puts our results into context by examining the latest employment data from BRES, while Section 5 delves deeper into Greater Cambridge's sectoral strengths and weaknesses by separating employment growth into impact of sectoral composition and impact of sector performance ('shift-share analysis'). Section 6 discusses the key findings from our recent study of business parks and clusters in the region. Section 7 offers some concluding remarks. Appendices A1-A3 provide a summary of employment growth rates by sector for Greater Cambridge as a whole, as well as for Cambridge and South Cambridgeshire separately. Appendix A4 explains the methodology underpinning the Greater Cambridge Employment Update.

2. November 2025 employment update results

In this section, we present the results of the November 2025 employment update, the thirteenth in a series of updates aimed at providing a timely picture of the performance of the Greater Cambridge corporate economy. This update covers the recovery from the 2023 recession. We compare this year against the previous year, which captures the effects of the unfolding cost of living crisis.

2.1. Analysis by area

The results of our previous update (June 2025 Update) showed that employment growth in Greater Cambridge had stalled during the year to mid-October 2024, largely reflecting a national trend. The analysis suggested that the worst impacts of the UK recession in the second half of 2023 were felt by Greater Cambridge businesses and that even KI sectors were not immune to the adverse macroeconomic backdrop. The November 2025 Update allows us to explore whether there are already any signs of recovery.

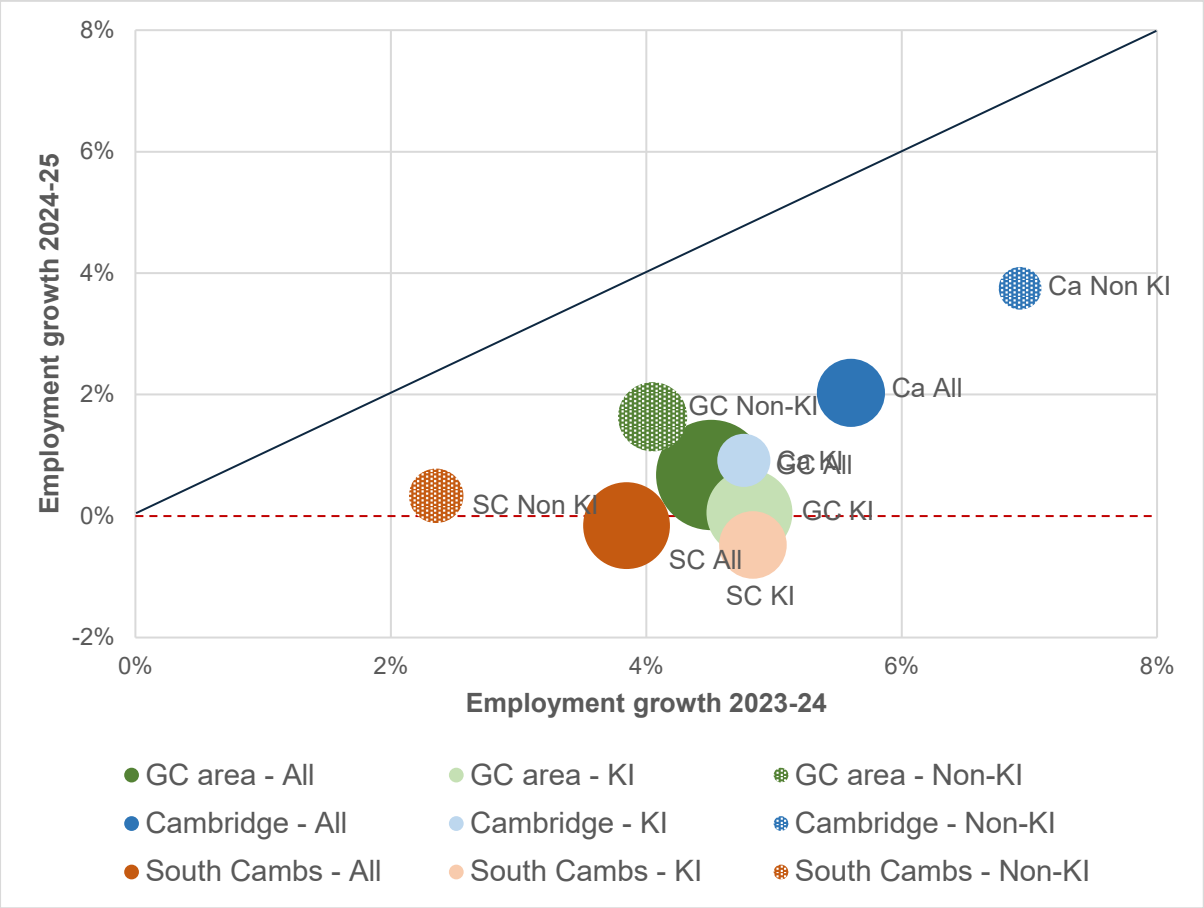
Figure 2.1 depicts employment growth in KI and non-KI sectors during 2023-24 (horizontal axis) and 2024-25 (vertical axis) by area. This chart allows us to compare the performance of each area over time. It is drawn from a large sample of 5,499 companies with accounts for the years ending between December 2024 and April 2025. The position of the area marker relative to the 45˚ line indicates whether a given area grew more or less fast than last year. Areas with positive growth in 2024-25 are found above the horizontal axis and those with positive growth in 2023-24 appear to the right of the vertical axis. It shows growth for KI, non-KI and all sectors for Cambridge, South Cambridgeshire and for Greater Cambridge overall. A summary of employment growth rates by sector for each area is reported in Appendices A1-A3.

Figure 2.1 points to a slowdown in overall employment growth in the Greater Cambridge area during the year to mid-February 2025. Growth in the area slowed down from 4.5% in 2023-24 to 0.7% in 2024-25, suggesting that the challenging macroeconomic backdrop had some impact on Greater Cambridge businesses. However, there are some important differences across both sectors and areas.

In our previous update (June 2025 Update), we reported some evidence indicating that even KI sectors in Greater Cambridge have not been immune to the unfavourable macroeconomic environment. Our November 2025 Update casts further light on this by showing little growth in KI sectors (0.1% in 2024-25 against 4.8% in 2023-24). The year 2024-25 has seen a disappointing performance in KI employment growth compared with the strong growth in the years 2023-24 and 2022-23. Nonetheless, KI employment did not decline in this period, whereas it showed negative growth in the June 2025 Update.

The picture for non-KI sectors is somewhat more positive. In each of the charts, the size of the bubble is proportional to total employment in that area or sector. The bubble that identifies non-KI sectors in Greater Cambridge is to the right of the bubble for KI sectors – showing that overall non-KI sectors grew faster than KI sectors. Nevertheless, there are signs that the challenging macroeconomic backdrop also had some impact on non-KI businesses. Employment growth in non-KI sectors slowed down from 4.0% in 2023-24 to 1.6% in 2024-25.

Figure 2.1 Employment growth by area – 2024-25 vs 2023-24



Note: The size of each bubble is proportionate to the number of employees in 2023-24 on a continuous scale.
Source: Cosh & Caselli, CBR.

Turning to the individual districts, the performance of Cambridge has been somewhat better than that of South Cambridgeshire. In Cambridge, employment grew by 2.0% in the year to mid-February 2025, still well below the 5.6% growth seen one year earlier. The slowdown in employment growth during the most recent year was particularly marked in South Cambridgeshire (-0.2% compared with 3.8% during the previous year).

The KI sectors showed a modest performance in both districts. KI employment in Cambridge grew by 0.9% in 2024-25 (down from 4.8% in 2023-24). South Cambridgeshire suffered a more marked slowdown (-0.5% in 2024-25 against 4.8% in 2023-24).

Non-KI performance in Cambridge (3.7% growth in employment in the last year compared with 6.9% one year earlier) managed to hold up overall employment growth in the district. In South Cambridgeshire, the growth in non-KI employment was more limited (0.3% in 2024-25 and 2.4% in 2023-24).

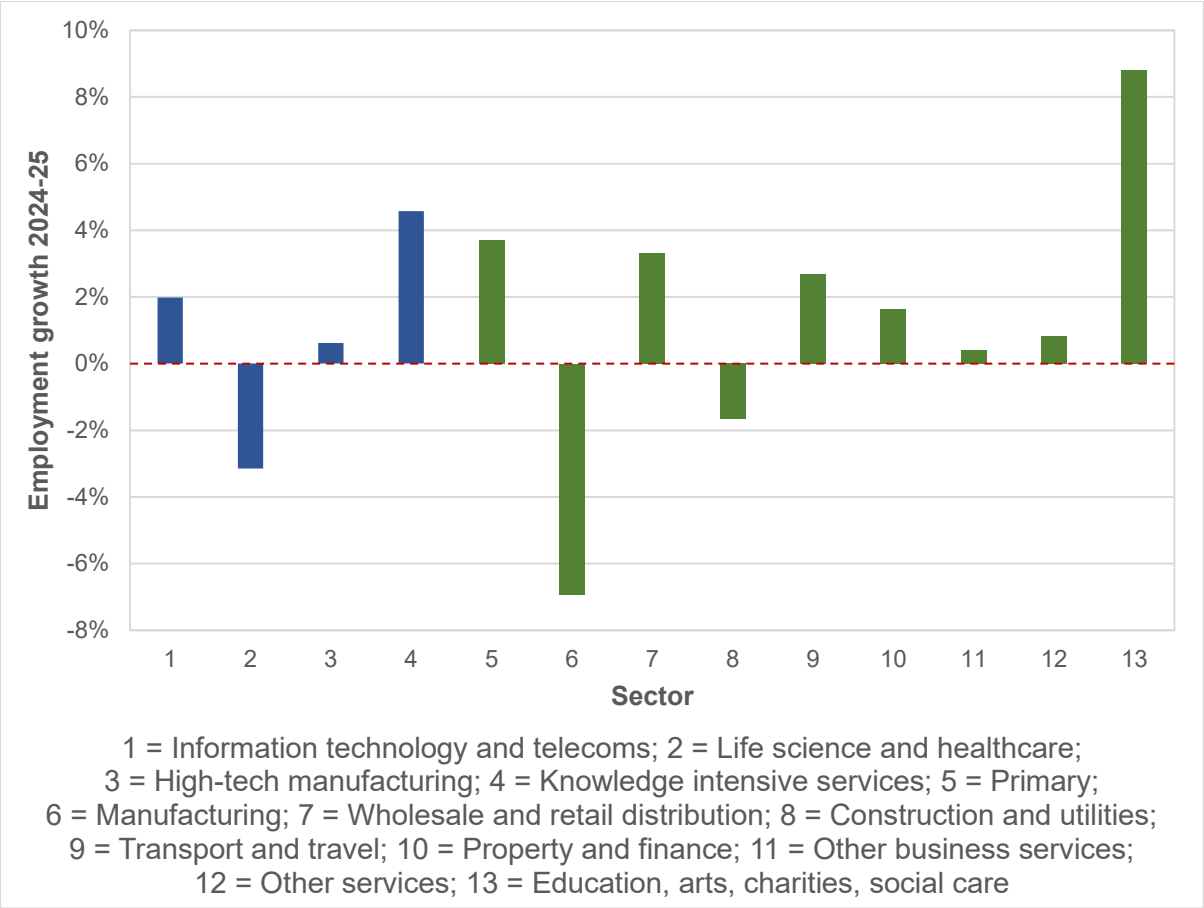
2.2. Analysis by sector

Employment growth in Greater Cambridge

Figure 2.2a looks more closely at differences in performance across industry sectors by distinguishing between 4 KI sectors and 9 non-KI sectors. It compares these 13 sectors by

examining their employment growth during 2024-25 (on average the year to mid-February 2025), the latest year covered by this work.

Figure 2.2a Employment growth 2024-25 by sector in the Greater Cambridge area



Note: Blue bars identify KI sectors, whereas green bars are for non-KI sectors.
Source: Cosh & Caselli, CBR.

The results portray a mixed picture for KI sectors.

'Knowledge intensive services', one of the four sectors making up the Greater Cambridge knowledge economy, emerges as the fastest-growing KI sector during 2024-25 (4.6%). This result is particularly encouraging if one considers that our November 2025 Update sample covers about 83% of corporate employment in the 'Knowledge intensive services' sector in Greater Cambridge (see the fourth data column in Appendices A1-A3). Growth in the sector benefited from a continued increase in employee numbers by Z-Tech Control Systems (25.9%), TTP (9.7%) and ProCam (4.6%).

'Information technology and telecoms' saw employment grow by 2.0% in the year to mid-February 2025. Whilst some large ICT employers such as IQGeo (24.0%), Gearset (21.5%) and Redgate (13.4%) achieved robust growth in the most recent period, others such as Bango (-15.0%), ProQuest (-14.4%) and Amazon's EVI Technologies (-6.7%) reported a decrease in employment.

The 'High-tech manufacturing' sector had a more modest growth of 0.6%, with mixed results across locally based high-tech manufacturers. Large high-tech manufacturers such as Pragmatic Semiconductor (27.9%), Envea (25.9%) and Sepura (7.0%) all showed an increase

in employment in 2024-25. By contrast, other large employers such as Xaar (-15.7%), Syngenta (-4.2%) and Hexcel Composites (0.2%) showed negative or no growth.

The weakness in 'Life science and healthcare', the largest KI sector in Greater Cambridge, noted six months ago has continued. Employment in the sector fell by 3.1% during 2024-25. Some of the largest Life Science employers in the area (e.g. AstraZeneca, Illumina and CMR Surgical) suffered a fall in staff numbers. Several smaller and medium-sized Life Science businesses based locally (e.g. BenevolentAI, Nuclera and Congenica) also had a reduction in employment.

Seven out of nine non-KI sectors reported positive employment growth in the year to mid-February 2025. Amongst these, 'Education, arts, charities, social care' was the fastest-growing sector. Employment in the sector grew by 8.8%, largely reflecting an increase in staff numbers at several non-school organisations such as CAMFED (33.0%), BirdLife International (10.0%) and The Edmund Trust (8.0%).

The 'Wholesale and retail distribution' (3.3%) and 'Transport and travel' sectors (2.7%) also had robust employment growth in 2024-25. Other non-KI sectors such as 'Property and finance' (1.6%) 'Other services' (0.8%) and 'Other business services' (0.4%) showed positive but less fast growth.

Employment in the year to mid-February 2025 dropped in the low- and med-low-tech 'Manufacturing' sector (-6.9%) and in the 'Construction and utilities' sector (-1.7%). However, the drop in employment in these sectors was somewhat small in terms of absolute change in staff numbers (-150 and -49 employees, respectively).

Figure 2.2b shows the consequences of employment growth differences by looking at the actual change in the number of people employed. Therefore, it takes into account the absolute size of each sector in Greater Cambridge.

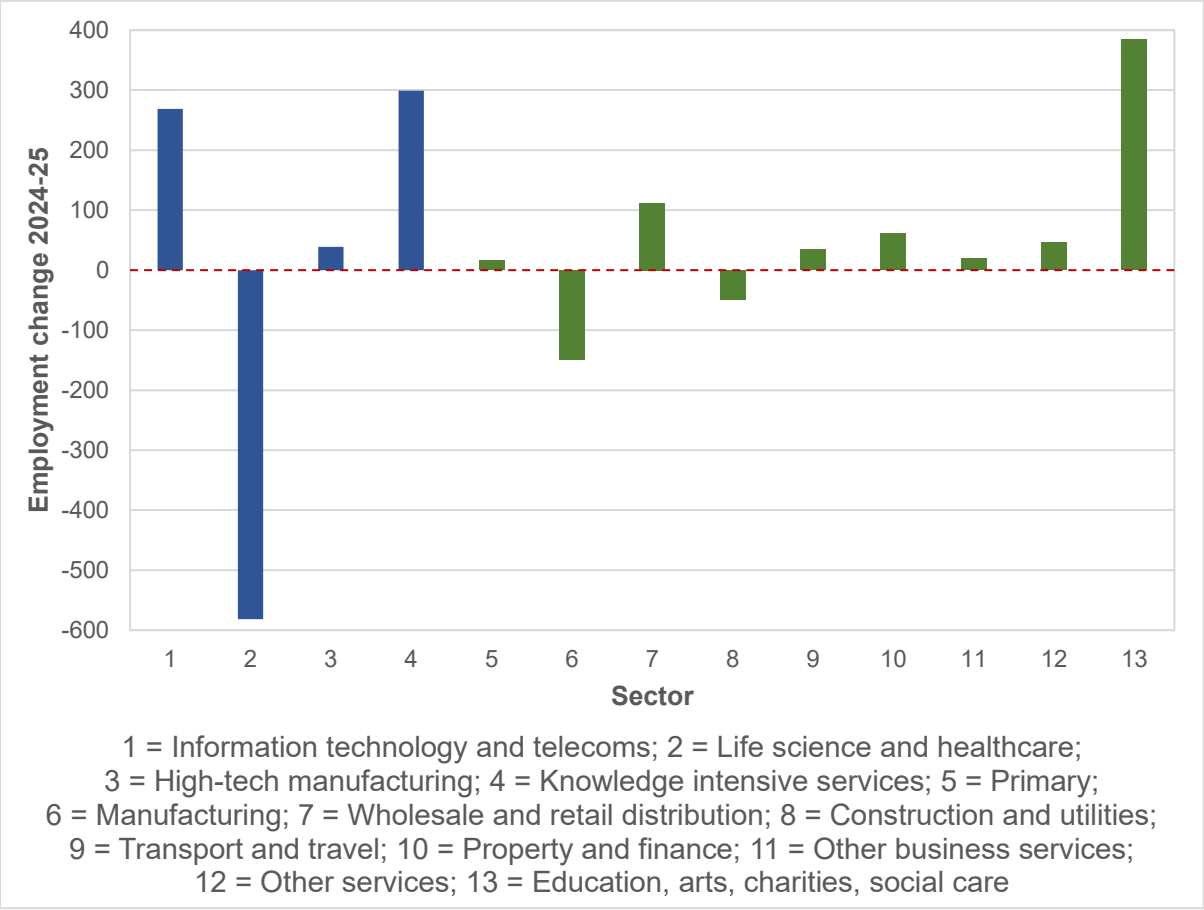
As we can see in Figure 2.2b, the overall performance of the Greater Cambridge corporate economy in the year to mid-February 2025 is dominated by the 'Life science and healthcare' sector. Whilst the 'Knowledge intensive services' and 'Information technology and telecoms' sectors combined added over 560 employees in 2024-25, this increase was lower than the employment loss in the 'Life science and healthcare' sector alone (582 employees). 'Education, arts, charities, social care' and 'Wholesale and retail distribution' added the largest number of employees amongst non-KI sectors (385 and 112, respectively).

Figure 2.3 expands on the results from Figures 2.2a and 2.2b presented above by providing a breakdown of employment growth to 2025 by both industry sector and firm size. Companies were assigned to two size classes: 1-9 employees and 10+ employees. Further analysis by firm size with individual sectors grouped into KI and non-KI sectors is presented in Section 2.3 below.

The results from Figures 2.2a and 2.2b unveiled positive employment growth across most non-KI sectors, whereas there was a mixed picture for KI sectors. Figure 2.3 augments these results by suggesting that there is variation in employment growth rates across both industry sectors and firm sizes.

Looking at percentage growth rates for small businesses can be problematic. Most small businesses do not grow and the median growth is uninformative at 0%. However, a few small businesses can grow very fast in percentage terms (e.g. from 2 to 8 employees). It is these rare businesses that create the overall growth of smaller businesses.

Figure 2.2b Employment change 2024-25 by sector in the Greater Cambridge area



Note: Blue bars identify KI sectors, whereas green bars are for non-KI sectors.
Source: Cosh & Caselli, CBR.

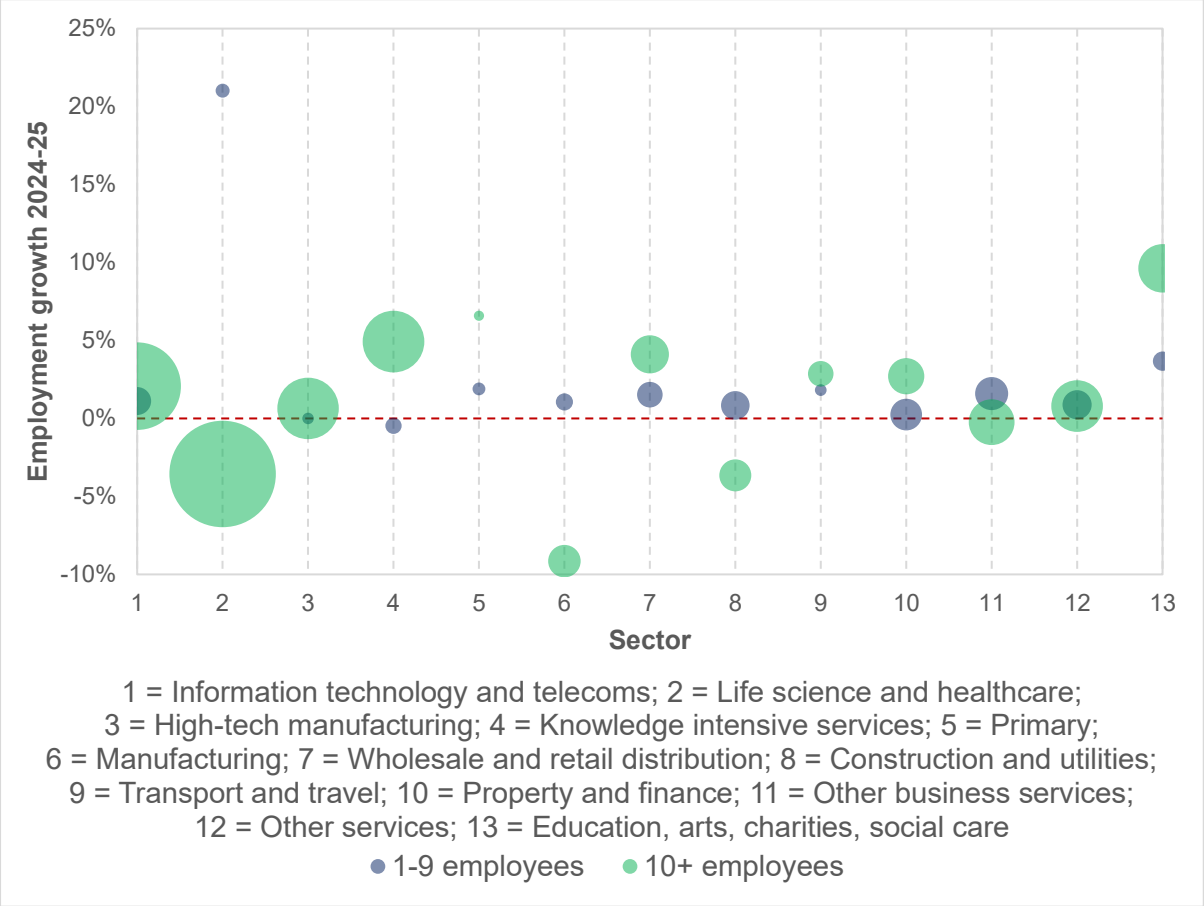
Businesses with 1-9 employees have been the fastest growing companies in sectors such as 'Life science and healthcare', low- and med-low-tech 'Manufacturing' and 'Construction and utilities'. However, the relatively small size of their bubbles shows that their impact on total employment growth was somewhat limited.

Examples of fast growth in the 1-9 employee businesses are Broken String Biosciences, a genomics company that develops next-generation cell and gene therapies through its proprietary DNA break-mapping platform, and MatNex, a startup specialising in the use of AI and quantum mechanics to discover new advanced materials "in months, not decades".

In turn, 10+ employee businesses exhibited particularly fast growth in 'Education, arts, charities, social care', 'Knowledge intensive services' and 'Wholesale and retail distribution'.

The group of 10+ employee businesses tends to dominate employment growth given its large aggregate size. These businesses are significant contributors to the growth achieved by sectors such as 'Education, arts, charities, social care' (e.g. CAMFED), 'Knowledge intensive services' (e.g. Z-Tech Control Systems) and 'Wholesale and retail distribution' (e.g. Wild Country Organics). At the same time, 10+ employee businesses are behind the fall in employment observed in 'Life science and healthcare' (e.g. AstraZeneca).

Figure 2.3 Employment growth 2024-25 by sector and firm size in the Greater Cambridge area



Note: The size of each bubble is proportionate to the number of employees in 2023-24 on a continuous scale.
Source: Cosh & Caselli, CBR.

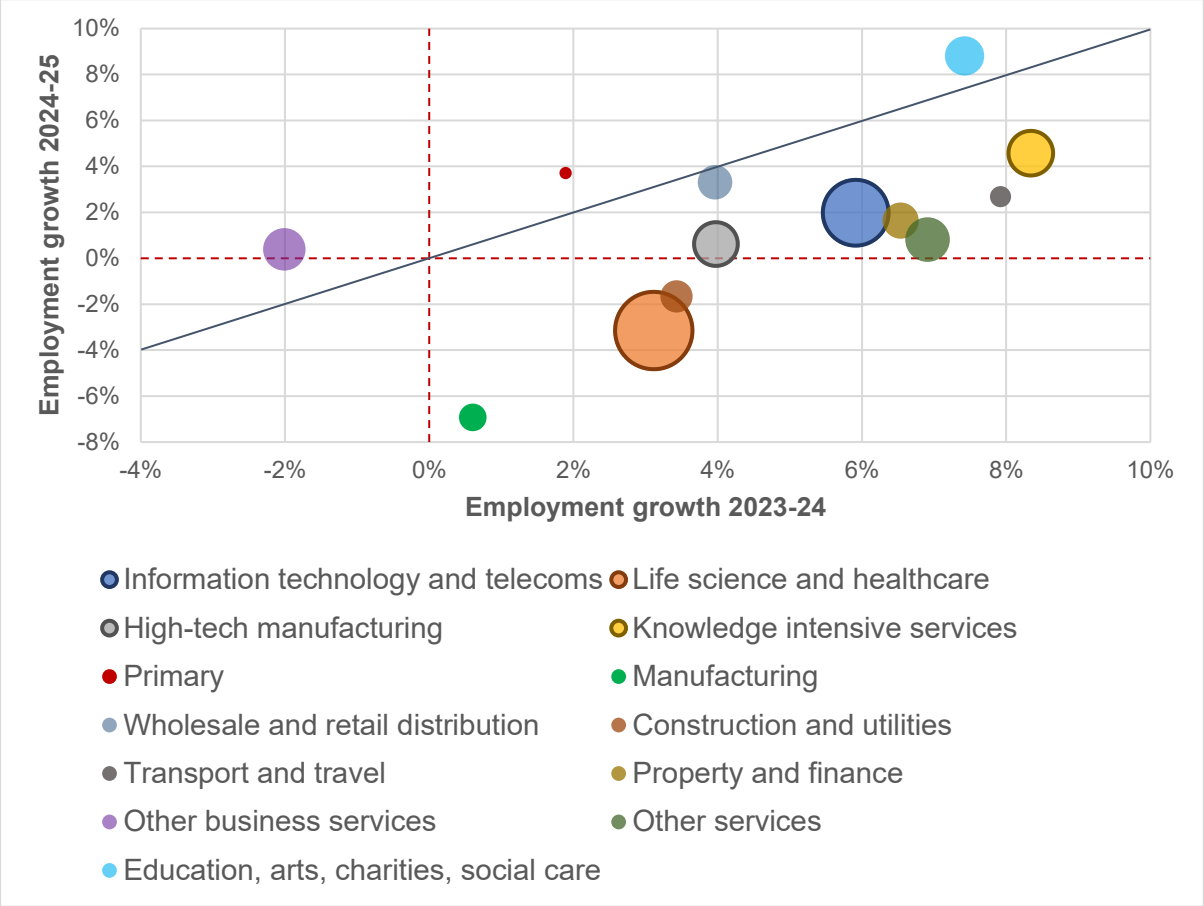
Figure 2.4 compares the 13 industry sectors according to their employment growth during 2023-24 (horizontal axis) and their employment growth during 2024-25 (vertical axis). This chart allows us to compare the performance of sectors over time. The position of the sector marker relative to the 45˚ line shows whether the sector grew more or less fast than last year. Sectors with positive growth in 2024-25 are found above the horizontal axis and those with positive growth in 2023-24 appear to the right of the vertical axis.

All KI sectors saw a slowdown in employment growth in the latest year.

Employment growth in 'Knowledge intensive services', the fastest growing sector in Greater Cambridge in the year to mid-February 2025, halved from 8.3% in 2023-24 to 4.6% in 2024-25. Large engineering and science consultants such as TWI, Cambridge Consultants and Science Group had a weaker performance in the most recent year compared with one year earlier.

'Information technology and telecoms', the second-largest sector in the area after 'Life science and healthcare', saw an employment growth of 2.0% in the latest year (down from 5.9% in the previous year). Amazon's EVI Technologies (-6.7%), Huawei Technologies Research & Development (-6.3%) and Bango (-15.0%) are some of the major ICT employers based locally with lower staff numbers last year compared with the previous year.

Figure 2.4 Employment growth by sector in the Greater Cambridge area – 2024-25 vs 2023-24



Note: The size of each bubble is proportionate to the number of employees in 2023-24 on a continuous scale. Bubbles with an outline identify KI sectors.
Source: Cosh & Caselli, CBR.

Similarly, employment in 'High-tech manufacturing' grew by 0.6% in 2024-25, down from 4.0% in 2023-24. Some of the larger high-tech manufacturers in the area, including Syngenta and Global Inkjet Systems, experienced a drop in employment in the most recent year after showing an increase in staff numbers in the previous year.

In turn, employment growth in 'Life science and healthcare' declined from 3.1% in 2023-24 to -3.1% in 2024-25. Major Life Science employers in Greater Cambridge such as AstraZeneca (-8.0%), Illumina (-11.2%) and CMR Surgical (-22.9%) showed a marked reduction in employee numbers.

There are also mixed results for non-KI sectors.

Three sectors, notably 'Education, arts, charities, social care' (8.8% in 2024-25 and 7.4% in 2023-24), 'Primary' (3.7% and 1.9%, respectively) and 'Other business services' (0.4% and -2.0%, respectively) showed an improvement in performance in the year to 2025. The strong growth in 'Education, arts, charities, social care' benefited from the steady increase in employee numbers at large non-school organisations based locally (e.g. Fauna & Flora International, CAMFED and The Edmund Trust).

The 'Wholesale and retail distribution' sector reported a robust growth in employment of 3.3%, down slightly from the 4.0% rate achieved one year earlier.

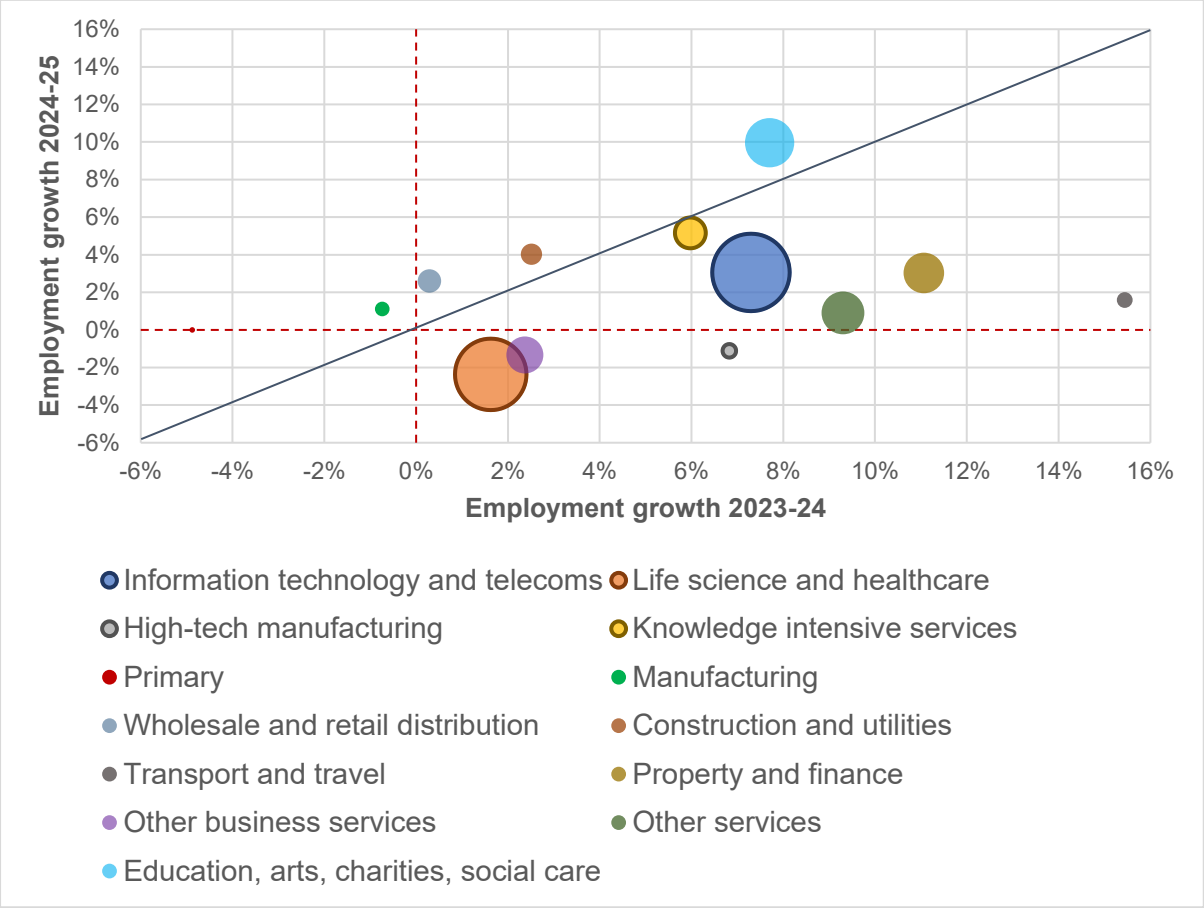
By contrast, employment growth slowed down in low- and med-low-tech 'Manufacturing' (-6.9% in 2024-25 compared with 0.6% in 2023-24), 'Construction and utilities' (-1.7% and 3.4%, respectively), 'Other services' (0.8% and 6.9%, respectively), 'Property and finance' (1.6% and 6.5%, respectively) and 'Transport and travel' (2.7% and 7.9%, respectively) sectors.

A good example is the 'Other services' sector, where employment grew by a modest 0.8% in 2024-25 compared with an increase of 6.9% in 2023-24. Nine out of ten companies in the sector (e.g. hospitality businesses, healthcare consultants and vets) showed either no growth or a reduction in employment in the year to mid-February 2025.

Employment growth in Cambridge

Figure 2.5 compares sectors based on their employment growth during 2023-24 (horizontal axis) and their employment growth during 2024-25 (vertical axis), this time focusing on Cambridge.

Figure 2.5 Employment growth by sector in Cambridge – 2024-25 vs 2023-24



Note: The size of each bubble is proportionate to the number of employees in 2023-24 on a continuous scale. Bubbles with an outline identify KI sectors.
Source: Cosh & Caselli, CBR.

'Knowledge intensive services' is the only KI sector in Cambridge with a growth rate of employment in 2024-25 that is close to the 2023-24 levels (5.2% and 6.0%, respectively). Levidian Nanosystems and Flusso are two examples of 'Knowledge intensive services' companies with continued growth in employment over the past two years.

Employment growth in the most recent year was positive, albeit less fast than in the previous year, also in the 'Information technology and telecoms' sector (3.1% and 7.3%, respectively). Whilst some of the larger ICT companies in Cambridge had an increase in their staff numbers (e.g. Arm, Redgate and IQGeo), others suffered a drop in employment (e.g. Amazon's EVI Technologies, Quartix and ProQuest).

Conversely, last year's employment growth in 'Life science and healthcare' was -2.4%, down from 1.6% one year earlier. The 8.0% fall in employment during 2024-25 at AstraZeneca, the largest Life Science employer in Cambridge, had a dominant impact on overall growth in the sector.

Similarly, employment in the 'High-tech manufacturing' sector fell by 1.1% in 2024-25, after exhibiting a robust 6.8% growth in 2023-24. Several high-tech manufacturers based in the district (e.g. Sentec) experienced a reduction in staff numbers in the most recent year.

Looking at non-KI sectors, employment continued to grow at pace in 'Education, arts, charities, social care' (10.0% in 2024-25 and 7.7% in 2023-24), helped by the steady increase in employee numbers at large non-school organisation based in Cambridge (e.g. Fauna & Flora International, CAMFED and The Bell Foundation).

Other non-KI sectors where employment growth accelerated in the most recent year are 'Construction and utilities' (4.0% in 2024-25 and 2.5% in 2023-24), 'Wholesale and retail distribution' (2.6% and 0.3%, respectively) and low- and med-low-tech 'Manufacturing' (1.1% and -0.7%, respectively).

The picture looks starkly different for several of the other non-KI sectors. 'Property and finance' (3.0% in 2024-25 and 11.1% in 2023-24), 'Transport and travel' (1.6% and 15.4%, respectively), 'Other services' (0.9% and 9.3%, respectively) and 'Other business services' (-1.3% and 2.4%, respectively) all saw a slowdown in employment growth in the year to 2025.

Employment growth in South Cambridgeshire

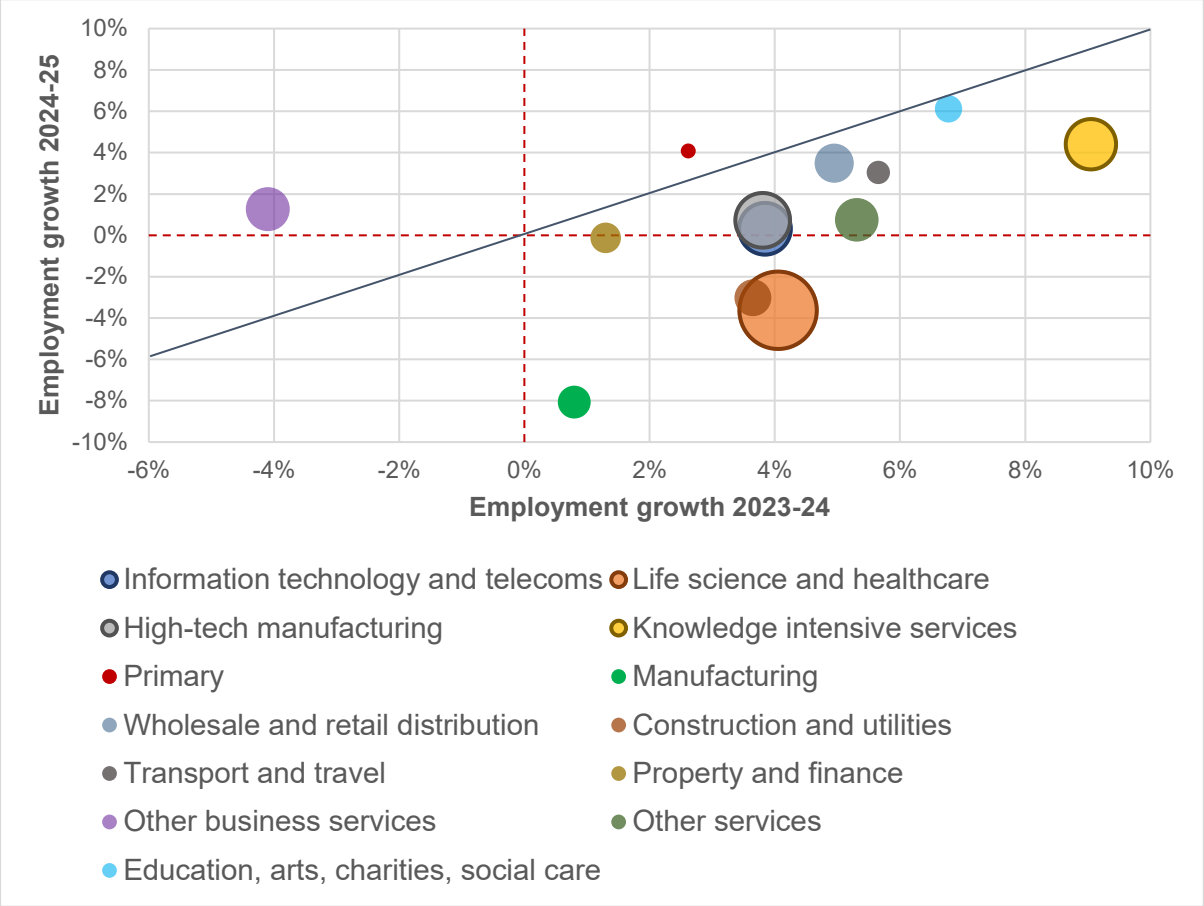
Figure 2.6 focuses on South Cambridgeshire and compares sectors based on their employment growth during 2023-24 (horizontal axis) and their employment growth during 2024-25 (vertical axis).

None of the KI sectors in South Cambridgeshire saw its growth accelerate in the year to mid-February 2025.

Similar to Cambridge, South Cambridgeshire-based companies in 'Knowledge intensive services' achieved fast employment growth in the most recent year (albeit lower than one year earlier). Employment growth in the sector was 4.4% (down from 9.0%), helped by the strong performance of Z-Tech Control Systems (25.9%), TTP (9.7%) and ProCam (4.6%).

The 'High-tech manufacturing' and 'Information technology and telecoms' sectors exhibited more modest growth. Employment growth in 'High-tech manufacturing' slowed down from 3.8% in 2023-24 to 0.7% in 2024-25, while it decreased from 3.8% in 2023-24 to 0.3% in 2024-25 in 'Information technology and telecoms'. Hexcel Composites, Xaar and Syngenta ('High-tech manufacturing') and Huawei Technologies Research and Development, Bango and Nexteq ('Information technology and telecoms') had either negative or no growth in the most recent year.

Figure 2.6 Employment growth by sector in South Cambridgeshire – 2024-25 vs 2023-24



Note: The size of each bubble is proportionate to the number of employees in 2023-24 on a continuous scale. Bubbles with an outline identify KI sectors.
Source: Cosh & Caselli, CBR.

The largest KI sector in South Cambridgeshire, 'Life science and healthcare', saw its employment growth turn negative in the year to mid-February 2025. Amongst the Life Science companies with a fall in employee numbers are CMR Surgical (-22.9%), Illumina (-11.2%) and Napp (-4.8%).

The results are also mixed for non-KI sectors but generally show a slowdown in employment growth in the most recent year – six out of nine non-KI sectors had lower employment growth in 2024-25 than in 2023-24.

Amongst the non-KI sectors with a considerable slowdown in employment growth are low- and med-low-tech 'Manufacturing' (-8.1% in 2024-25 and 0.8% in 2023-24), 'Construction and utilities' (-3.0% and 3.7%, respectively) and 'Other services' (0.8% and 5.3%, respectively).

The 'Primary' and 'Other business services' sectors were an exception, in that employment growth was higher in the most recent year (4.1% and 1.3%, respectively) than it was one year earlier (2.6% and -4.1%, respectively).

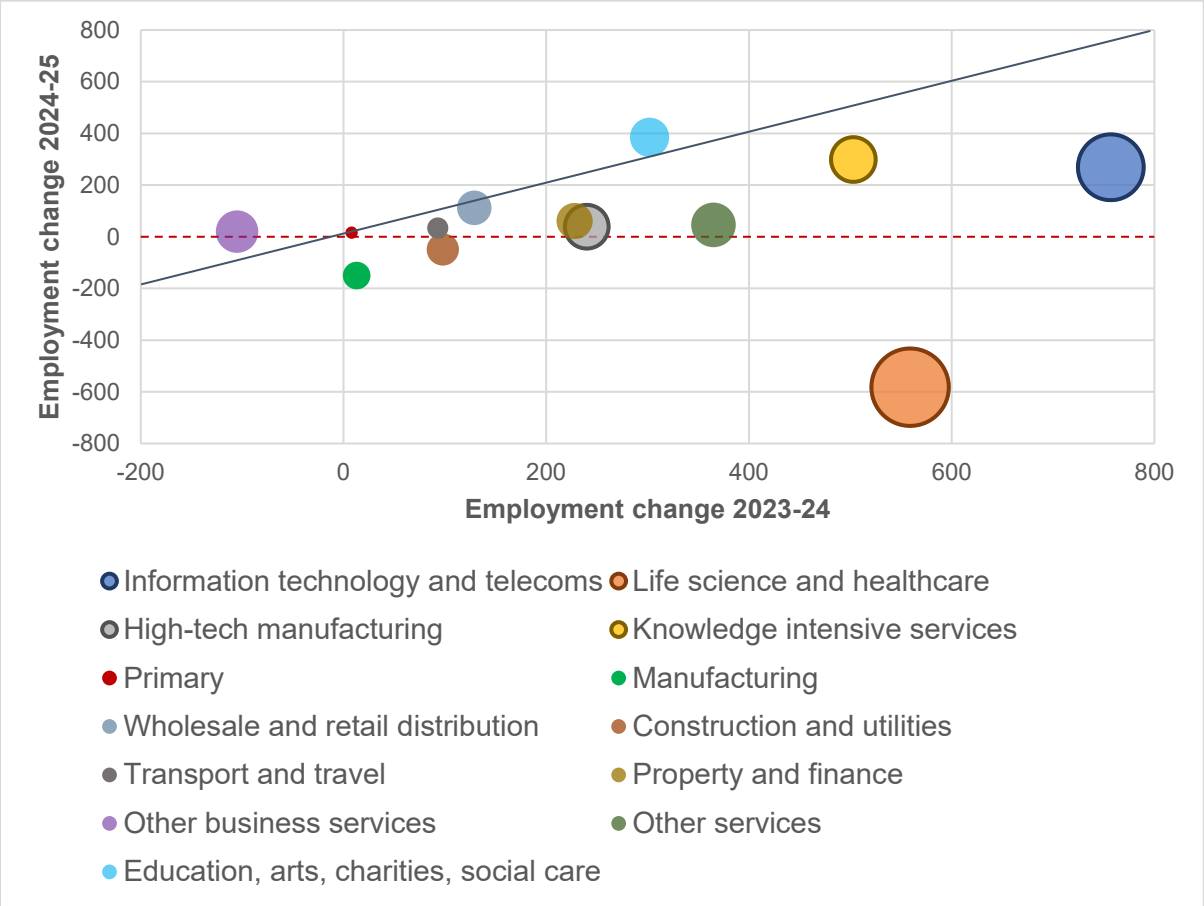
In turn, 'Education, arts, charities, social care' reported steady growth over the past two years. The sector benefited from continued growth in employee numbers at several large non-school organisations (e.g. The Edmund Trust).

We now turn to look at the absolute change in employment rather than its percentage change.

Absolute change in employment numbers in Greater Cambridge

Figure 2.7 offers another comparison across sectors, this time looking at their employment change (rather than their employment growth) during 2023-24 (horizontal axis) and 2024-25 (vertical axis). Similar to Figures 2.4-2.6, this chart allows us to compare the performance of sectors over time. The position of the sector marker relative to the 45˚ line indicates whether employment change in the sector was higher or lower than last year. Sectors with a positive change in employment during 2024-25 are found above the horizontal axis and those with a positive change during 2023-24 appear to the right of the vertical axis.

Figure 2.7 Employment change by sector in the Greater Cambridge area – 2024-25 vs 2023-24



Note: The size of each bubble is proportionate to the number of employees in 2023-24 on a continuous scale. Bubbles with an outline identify KI sectors.
Source: Cosh & Caselli, CBR.

Actual employment changes cannot be read simply from growth rates since they depend on sector size. Therefore, Figure 2.7 examines changes in employment in terms of the number of people employed. In this case, the findings from Figure 2.7 largely confirm those from Figure 2.4 and highlight the dominant impact of KI businesses on overall employment growth.

'Life science and healthcare' had a loss of about 600 employees in 2024-25. Some of the major Life Science employers in Greater Cambridge, including AstraZeneca (-348 employees), CMR Surgical (-188 employees) and Illumina (-92 employees), reported a decline

in staff numbers. The reduction in employment was however not only driven by the largest employers. Several smaller and medium-sized Life Science businesses based locally such as Congenica (-46 employees), F-star Therapeutics (-42) and BenevolentAI (-25) also suffered a reduction in employment.

The second-largest sector in the area, 'Information technology and telecoms', had 269 more employees in 2024-25 than in 2023-24. Amongst the ICT businesses with an increase in staff numbers are Arm (183 employees), Redgate (67 employees) and Gearset (49 employees).

The results for the 'Knowledge intensive services' sector are more encouraging. 'Knowledge intensive services' businesses added 299 employees in 2024-25 (503 in 2023-24). 'High-tech manufacturing', the other KI sector with positive employment growth in the year to mid-February 2025, made a smaller addition of 39 employees.

Collectively, KI sectors made a combined addition of 25 employees during 2024-25, while non-KI sectors added 475 employees.

'Education, arts, charities, social care' (385 employees in 2024-25 and 302 employees in 2023-24), 'Wholesale and retail distribution' (112 and 129 employees, respectively) and 'Property and finance' (61 and 228 employees, respectively) made the largest contribution to employment change to 2025.

2.3. Analysis by firm size

Figure 2.8 shows employment growth in KI and non-KI sectors during 2023-24 (horizontal axis) and 2024-25 (vertical axis) by firm size. This chart allows us to compare the performance of size classes over time. The position of the size marker relative to the 45˚ line indicates whether the size class grew more or less fast than last year. Size classes with positive growth in 2024-25 are found above the horizontal axis and those with positive growth in 2023-24 appear to the right of the vertical axis.

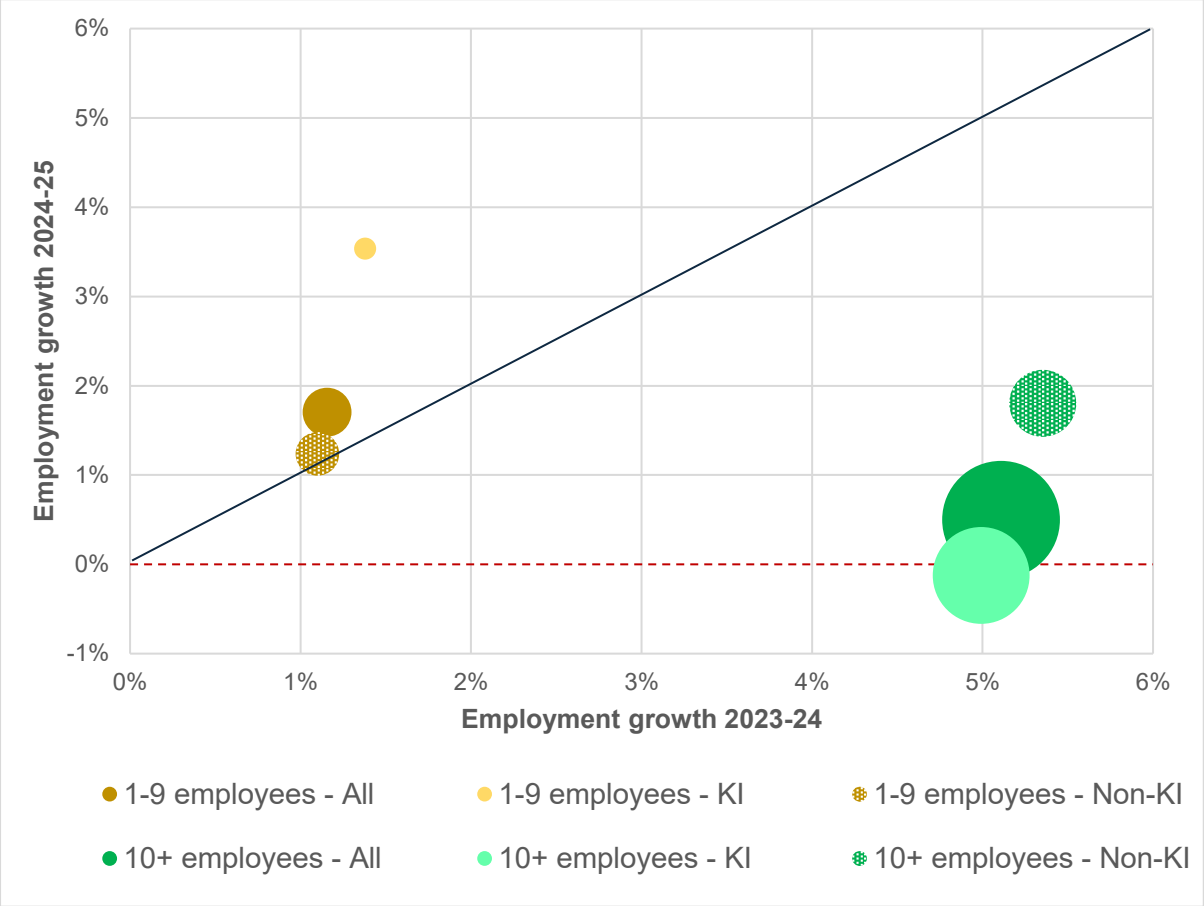
Figure 2.8 points to some important differences between size classes.

Employment growth of 1-9 employee businesses increased from 1.2% in 2023-24 to 1.7% in 2024-25. This growth was driven primarily by KI sectors, which saw employment grow by 3.5% in the latest year compared with 1.4% one year earlier. Non-KI sectors in this size class grew less fast than KI sectors, reaching 1.2% in 2024-25 (1.1% in 2023-24).

The picture looks different for 10+ employee businesses. Employment in the year to mid-February 2025 fell by 0.1% in KI sectors, against a growth of 5.0% in the year to mid-February 2024. Employment growth in non-KI sectors dropped even more sharply from 5.4% in 2023-24 to 1.8% in 2024-25. As a result, employment growth of 10+ employee businesses was 0.5% last year, down from 5.1% one year earlier.

Given the large aggregate size of businesses employing 10 people or more, corporate employment in Greater Cambridge slowed down from 4.5% in 2023-24 to 0.7% in 2024-25.

Figure 2.8 Employment growth by firm size in the Greater Cambridge area – 2024-25 vs 2023-24



Note: The size of each bubble is proportionate to the number of employees in 2023-24 on a continuous scale.
Source: Cosh & Caselli, CBR.

Figure 2.9 compares size classes based on their employment change during 2023-24 (horizontal axis) and 2024-25 (vertical axis). Similar to Figure 2.8, this chart allows us to compare the performance of size classes over time. The position of the size marker relative to the 45˚ line indicates whether employment change in the size class was higher or lower than last year. Size classes with a positive change in employment during 2024-25 are found above the horizontal axis and those with a positive change during 2023-24 appear to the right of the vertical axis.

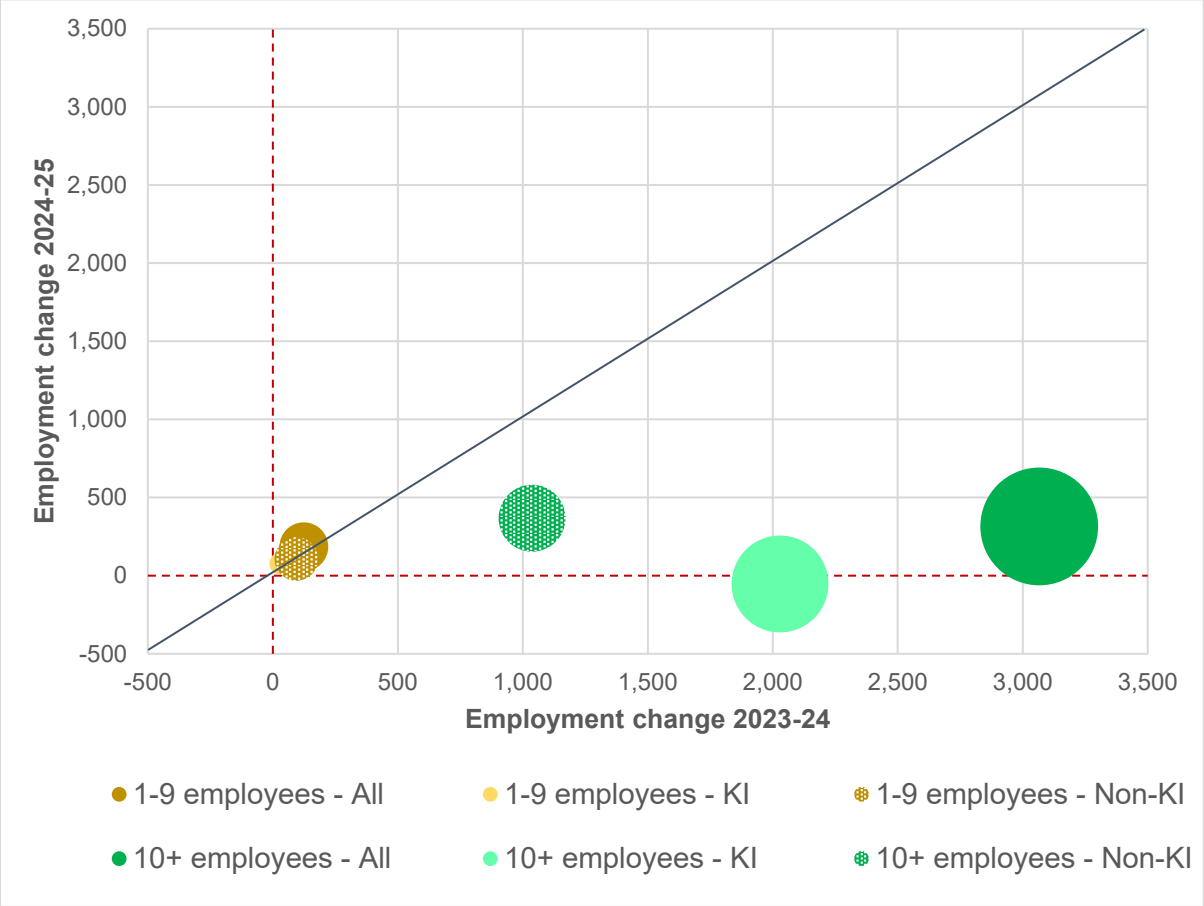
The picture obtained from employment change data largely supports the conclusions drawn from employment growth data.

Employment change at 1-9 employee businesses was positive in 2024-25 and larger than in 2023-24 (185 and 124 employees, respectively). The employment change in the most recent year originated primarily in non-KI sectors (107 employees compared with 78 employees for KI sectors).

A different finding holds for businesses with 10+ employees, which saw a change of 315 employees in 2024-25 (much lower than the increase of 3,066 in 2023-24). This reduction was caused primarily by KI sectors, where employment dropped by 53 people in the latest year

(down from an increase of 2,029 in the previous year). In turn, employment change in non-KI sectors was positive (368 employees) but considerably smaller than it was in 2023-24 (1,037).

Figure 2.9 Employment change by firm size in the Greater Cambridge area – 2024-25 vs 2023-24



Note: The size of each bubble is proportionate to the number of employees in 2023-24 on a continuous scale.
Source: Cosh & Caselli, CBR.

Overall, these results confirm that it is the group of 10+ employee businesses operating in KI sectors which have been dominating growth in the Greater Cambridge area. Corporate employment change across all size classes was 500 in the year to mid-February 2025 compared with 3,190 in the year to mid-February 2024.

The next section presents the results of the November 2025 snapshot analysis.

3. November 2025 snapshot results

This section summarises the results of the November 2025 snapshot. This 'stop press' analysis allows us to provide an even more up-to-date picture than the employment update and BRES. This section uses just the seven companies that have presented interim results for the six-month periods ending in either May or June 2025. Only turnover data is available and together these companies represent a combined current annual turnover of about £340m and have about 2,000 employees.

The gain from focusing on interim results for six-month periods is that most of the activity reported in the accounts took place in 2025. For each company we look at turnover growth in the same six-month period in 2024 and 2025.

3.1. Turnover growth

Total turnover for this group of companies **rose** by 3% in the first six months of the 2025 financial year compared with a **fall** of 11% in the same period last year for the same companies. The median growth rate was 7% compared with -7% last year. These figures demonstrate some recovery from the consequences of the flatlining economy, but are below the growth rates achieved in the past.

3.2. Companies' comments on coping with the recession

We report below some comments from the companies' latest reports. They offer some further insights into the impact of the recession on their business. These reports, published in recent months, appear to show that the businesses are showing some kind of recovery in the first half of 2025.

Science Group plc is an international Professional Services and Systems organisation delivering innovation through the application of science, technology and engineering. The capital generated from the operating cash flow is invested in corporate opportunities where the resources and capabilities of the Group could be deployed to produce attractive returns for shareholders. In the first half of the year, Science Group reported another record Adjusted Operating Profit despite the volatile political/economic environment, benefitting from the resilience of the Group's operating model. In parallel, consistent with the corporate strategy, the Group made an investment in Ricardo plc ("Ricardo") which produced an exceptional profit and cash inflow. Excluding the investment activity, a strong performance in the Systems businesses offset the weaker market conditions within Professional Services. Market conditions in the first half of 2025 were impacted by the international political/economic volatility causing customers to defer, descope or cancel projects. While the consumer and Industrial sectors were more affected by the uncertainty, some medical product development contracts were also delayed. In parallel, the services sector of the UK Defence & Aerospace market experienced a hiatus as the political agenda evolved. The first half of 2025 continued the Group's operating track record, delivering another robust performance with strong cash conversion. The Science Group model, combining Professional Services and Systems businesses, once again demonstrated its resilience in a period of volatility. As a result, Science Group is well positioned for the full year.

Science Group PLC: Science and technology consultants

The H1 2025 result was a mixed picture in that the Group continues to face the challenges associated with reduced demand from our historically largest customers, but also proved that with the right focus on innovation, and revenue diversification, that there is a positive sentiment about the future trading periods for our business. We are a product development business, and a very good one, with the spirit of innovation at the core of our DNA. Following the significant reorganisation of the business through H1, as we continually develop the 'One Nexteq' principle, we have made massive steps on the delivery of new hardware solutions across our focus target markets, as well as preparing for the launch of our unique software proposition in the Gaming sector. I am very proud of our product teams, who constantly supply a valuable source of inspiration through their innovation agenda. We look forward to the remainder of 2025 and 2026, with a clear plan to execute, and a robust financial position from which to grow. We are proud of what we are creating at Nexteq, and always proud of our wonderful team of people delivering for our customers.

Nexteq (Quixant) PLC: Products for the global gaming and broadcast industries

Our expectations for 2025 remain unchanged despite the additional uncertainty brought by the introduction of tariffs and the challenging trading conditions reported in the full year results in March 2025. As anticipated, revenue will be second half weighted with order volumes expected to grow steadily throughout the year and into FY26. Printhead revenue is expected to be strong in the second half, whilst in EPS, the tariff induced slow-down in end markets is expected to continue to impact revenue and profit whilst the pipeline is being rebuilt. The exact timing of orders remains uncertain given tariffs and the constantly evolving global geopolitical environment. It remains our strong belief that in the medium term, our focus growth areas will deliver meaningful revenue at attractive margins.

Xaar PLC: Digital inkjet printing technology

The Board is pleased to report that Annualised Recurring Revenue ("ARR") increased by £4.1m (+13%) in the 12 months from 1 July 2024 to 30 June 2025. Just over two thirds of this increase (£2.7m) was achieved during the period. Revenue grew by 10% to £17.6m and the subscription base and new subscriptions increased by 13% and 7% respectively. Gross margin has marginally improved to 69.5% (2024: 69.2%) with the introduction of second generation TCSV 15 tracker unit in full production in H1 2024 which resulted in a cost reduction of approximately £10 per unit. The effects of this reduction in reported profit was delayed as a result of the IFRS 15 accounting policy. A similar effect is to be expected from the full introduction of the TCSV17 in H2 2025, which is expected to show a further cost benefit of around £8 per unit. In both cases the cash cost reduction is immediate but improvement in gross margin is delayed.

Quartix Technologies PLC: Vehicle GPS tracking

The momentum we established in the second half of last year has continued into H1 2025. We've delivered a significant improvement in financial performance, grown revenue by over a third compared to H1 2024 which, combined with the benefits of the previous cost action results in a return to profitability. The Group's strong and visible commercial orderbook underpins expectations for H2 2025 stable. As we look ahead, our priorities remain clear: scaling recurring software revenues, convert our strong pipeline, and complete the refinancing of our lending facilities ahead of their maturity in September 2025. Given the performance in H1 and our current visibility, we now expect full year revenues to be approximately 20% ahead

of FY24 and FY25 results overall to be in line with the Board's expectations showing the strong turnaround compared to last year.

Aferian PLC: Global media and entertainment technology

In 1H25, Bango demonstrated strong revenue growth and disciplined cost management, with adjusted EBITDA more than doubling year-on-year.

- *The Payments business continues to provide stable cash flow*
- *The DVM is scaling rapidly, adding high-margin, recurring revenues*
- *Together, they set the business on track for sustainable profitability and positive free cash flow*

Bango PLC: Technology and services helping global businesses to grow

Cambridge Cognition Holdings is a brain health software group specialising in digital health products that advance brain health research and treatment. Despite the significant increase in new sales orders and order book, revenue recognised in h1 2025 was £4.3m (h1 2024: £5.6m). this decline was primarily the result of weak selling in 2024, which depleted the order book. however, with a strong and sustained pipeline of potential opportunities totalling £32.5m (31 December 2024: £34.2m), and an increasing order book, the Board believes the Company is positioned to deliver Revenue growth over the next 18 months.

Cambridge Cognition Hldgs PLC: Digital solutions to assess brain health

We now turn to the analysis of the latest employment data from BRES.

4. Analysis of ONS BRES employment data

Our November 2025 Update analysis suggests that the Greater Cambridge's corporate economy has shown some recovery from the worst impacts of the 2023 recession. Whilst this is an encouraging finding, a limitation of this analysis is that it does not cover the non-corporate economy. We thus turn to an analysis of the latest corporate and non-corporate employment data from the Business Register and Employment Survey (BRES) maintained by ONS. The 2024 BRES results ('2024-25 BRES results' hereinafter) were released at the end of October 2025 and cover the growth period from September 2023 to September 2024.

We begin with an analysis of employment growth in Greater Cambridge against the wider Cambridgeshire and Peterborough Combined Authority area ('Combined Authority' hereinafter), East of England and the nation. This analysis is presented in Tables 4.1-4.3 below, starting with KI sectors. We split the whole period for which BRES data is available into five periods: the pre-Covid period up to 2019-20; the Covid period and subsequent recovery from 2019-20 to 2022-23; and the last three years, each of them shown separately.

Table 4.1 BRES employment growth in Greater Cambridge vs other areas: KI sectors

KI sectors	% KI	BRES employment growth % pa				
District	2024-25	2014-15 - 2019-20	2019-20 - 2022-23	2022-23	2023-24	2024-25
Cambridge	19%	3.4%	6.2%	-6.8%	2.4%	7.1%
South Cambridgeshire	31%	7.1%	0.0%	-8.1%	10.5%	-11.1%
Greater Cambridge	***24%***	***5.6%***	***2.4%***	***-7.5%***	***7.1%***	***-3.8%***
Combined Authority	**16%**	**4.2%**	**2.6%**	**-7.5%**	**8.2%**	**-4.4%**
East of England	**9%**	**1.5%**	**2.3%**	**-13.1%**	**7.2%**	**-7.2%**
National	**9%**	**2.3%**	**-0.8%**	**4.3%**	**0.8%**	**-0.1%**

Source: CBR's calculations based on data from BRES (Nomis).

We can see that, in the period preceding the pandemic, KI sectors in Greater Cambridge outperformed their equivalents in the wider Combined Authority, East of England and the nation. KI employment growth was particularly fast in South Cambridgeshire (7.1% pa compared with an average of 2.3% pa across the whole nation). During Covid, employment growth in KI sectors in Greater Cambridge slowed down and no longer outperformed employment growth in KI sectors across the wider Combined Authority and East England, yet it was still faster than the nation (2.4% pa for Greater Cambridge against -0.8% pa for the nation). The table also highlights some exceptional variability in BRES figures over the last three years, with Greater Cambridge's KI sectors outperforming their equivalents nationally one year but showing a weaker performance another year. According to BRES, KI employment in Greater Cambridge fell by 7.5% in 2022-23, surged by 7.1% in 2023-24 and fell again by 3.8% in 2024-25. Last year's drop was much more marked in Greater Cambridge than it was in Great Britain (-3.8% and -0.1%, respectively).

Table 4.2 provides an analysis for non-KI sectors. We confirm, as reported in some of our previous work, that even non-KI employment in Greater Cambridge grew faster than non-KI employment across the nation as a whole in the years prior to the Covid outbreak (1.7% pa and 1.3% pa, respectively). This finding suggests that the growth of non-KI sectors in Greater Cambridge might have had positive spillover effects on other sectors. The impact of the pandemic was felt particularly in Greater Cambridge, with non-KI employment dropping by 1.2% pa locally compared with a growth of 0.4% pa nationally. The Greater Cambridge's non-KI economy showed modest recovery in 2022-23 (1.0% against 1.7% for the nation) and faster

recovery in 2023-24 (4.3% against 1.1% for the nation). Last year saw non-KI employment in Greater Cambridge grow by 1.3%, a rate that was faster than Great Britain as a whole (0.6%).

Table 4.2 BRES employment growth in Greater Cambridge vs other areas: non-KI sectors

Non-KI sectors	% KI	BRES employment growth % pa				
District	2024-25	2014-15 - 2019-20	2019-20 - 2022-23	2022-23	2023-24	2024-25
Cambridge	19%	1.6%	-0.8%	1.1%	4.9%	1.6%
South Cambridgeshire	31%	2.1%	-1.7%	0.9%	3.4%	0.0%
Greater Cambridge	***24%***	***1.7%***	***-1.2%***	***1.0%***	***4.3%***	***1.3%***
Combined Authority	**16%**	**1.7%**	**0.1%**	**0.3%**	**2.8%**	**1.1%**
East of England	**9%**	**1.5%**	**0.7%**	**0.9%**	**2.1%**	**1.0%**
National	**9%**	**1.3%**	**0.4%**	**1.7%**	**1.1%**	**0.6%**

Source: CBR's calculations based on data from BRES (Nomis).

Table 4.3 shows the picture across all sectors. Overall, the finding we reported in earlier work of a superior performance of Greater Cambridge relative to the nation still holds. Greater Cambridge outperformed all the other areas before the pandemic. The largest gap in performance was with the nation as a whole, where overall employment increased by 1.4% pa compared with a rate of 2.7% pa for Greater Cambridge. The onset of the pandemic caused a more marked slowdown in Greater Cambridge than in Great Britain. The last three years showed some significant ups and downs in Greater Cambridge, which are not mirrored by the national figures. Greater Cambridge reported a larger decline in employment in 2022-23 (-1.2%) than in the Covid period (-0.2% pa), whereas the nation exhibited steady employment growth of 1.9%. This was followed by a surge of 5.0% in employment for Greater Cambridge in 2023-24 and a stalling economy in 2024-25 (0.0%). In 2024-25, BRES suggests that Greater Cambridge had the weakest performance amongst all areas.

Table 4.3 BRES employment growth in Greater Cambridge vs other areas: all sectors

All sectors	% KI	BRES employment growth % pa				
District	2024-25	2014-15 - 2019-20	2019-20 - 2022-23	2022-23	2023-24	2024-25
Cambridge	19%	1.9%	0.4%	-0.4%	4.9%	2.6%
South Cambridgeshire	31%	3.6%	-1.1%	-2.2%	5.7%	-3.8%
Greater Cambridge	***24%***	***2.7%***	***-0.2%***	***-1.2%***	***5.0%***	***0.0%***
Combined Authority	**16%**	**2.0%**	**0.5%**	**-1.1%**	**3.6%**	**0.1%**
East of England	**9%**	**1.5%**	**0.9%**	**-0.5%**	**2.5%**	**0.2%**
National	**9%**	**1.4%**	**0.3%**	**1.9%**	**1.1%**	**0.5%**

Source: CBR's calculations based on data from BRES (Nomis).

We find some of these BRES figures puzzling and are keen to investigate this further once our 2024-25 annual draw data will be released around March 2026. However, at this stage we can provide a preliminary comparison using our 2023-24 annual draw data up to 2023-24 and our November 2025 Update data for 2024-25. It is important to note that the CBR data used for this analysis does not cover non-corporate organisations, nor does it cover companies that are active but not based in the area. Tables 4.4-4.6 present the results of this comparison for the same five periods used above.

Table 4.4 BRES vs CBR employment growth in Greater Cambridge: KI sectors

KI sectors	2014-15 - 2019-20		2019-20 - 2022-23		2022-23		2023-24		2024-25	
	BRES	CBR	BRES	CBR	BRES	CBR	BRES	CBR	BRES	CBR
Cambridge	3.4%	12.3%	6.2%	10.5%	-6.8%	4.5%	2.4%	4.5%	7.1%	0.9%
South Cambridgeshire	7.1%	5.2%	0.0%	4.0%	-8.1%	7.9%	10.5%	4.8%	-11.1%	-0.5%
Greater Cambridge	**5.6%**	**7.4%**	**2.4%**	**6.3%**	**-7.5%**	**6.6%**	**7.1%**	**4.7%**	**-3.8%**	**0.1%**

Note 1: CBR data does not cover non-corporate organisations, nor does it cover companies that are active but not based in the area. Note 2. For 24-25 the CBR data should be based on the growth between the annual draws of 23-24 and 24-25. Since the latter is not yet available we use the figures shown in Apendices A1 to A3 below.
Source: CBR's calculations based on data from BRES (Nomis) [BRES]; Cosh & Caselli, CBR [CBR].

Table 4.5 BRES vs CBR employment growth in Greater Cambridge: non-KI sectors

Non-KI sectors	2014-15 - 2019-20		2019-20 - 2022-23		2022-23		2023-24		2024-25	
	BRES	CBR	BRES	CBR	BRES	CBR	BRES	CBR	BRES	CBR
Cambridge	1.6%	5.1%	-0.8%	-1.2%	1.1%	7.6%	4.9%	6.7%	1.6%	3.7%
South Cambridgeshire	2.1%	5.7%	-1.7%	0.7%	0.9%	5.0%	3.4%	2.8%	0.0%	0.3%
Greater Cambridge	**1.7%**	**5.4%**	**-1.2%**	**-0.1%**	**1.0%**	**6.1%**	**4.3%**	**4.4%**	**1.3%**	**1.6%**

Note 1: CBR data does not cover non-corporate organisations, nor does it cover companies that are active but not based in the area. Note 2. For 24-25 the CBR data should be based on the growth between the annual draws of 23-24 and 24-25. Since the latter is not yet available we use the figures shown in Apendices A1 to A3 below.
Source: CBR's calculations based on data from BRES (Nomis) [BRES]; Cosh & Caselli, CBR [CBR].

Table 4.6 BRES vs CBR employment growth in Greater Cambridge: <u>all sectors</u>

All sectors	2014-15 - 2019-20		2019-20 - 2022-23		2022-23		2023-24		2024-25	
	BRES	CBR	BRES	CBR	BRES	CBR	BRES	CBR	BRES	CBR
Cambridge	1.9%	7.8%	0.4%	4.0%	-0.4%	6.1%	4.9%	5.6%	2.6%	2.0%
South Cambridgeshire	3.6%	5.4%	-1.1%	2.4%	-2.2%	6.5%	5.7%	3.9%	-3.8%	-0.2%
Greater Cambridge	**2.7%**	**6.3%**	**-0.2%**	**3.0%**	**-1.2%**	**6.3%**	**5.0%**	**4.6%**	**0.0%**	**0.7%**

Note 1: CBR data does not cover non-corporate organisations, nor does it cover companies that are active but not based in the area.
Note 2. For 24-25 the CBR data should be based on the growth between the annual draws of 23-24 and 24-25. Since the latter is not yet available we use the figures shown in Apendices A1 to A3 below.
Source: CBR's calculations based on data from BRES (Nomis) [BRES]; Cosh & Caselli, CBR [CBR].

Table 4.4 for KI sectors shows that the CBR data reports a higher growth rate than BRES during the pre-Covid period (7.4% pa and 5.6% pa, respectively). Whilst CBR data points to robust growth in KI sectors even in the face of the pandemic (6.3% pa), BRES data indicates a rather marked slowdown (2.4% pa, much lower than the rate of 5.6% pa observed in the pre-Covid period). It is however the comparison for the last three years that unveils the most substantial divergence between CBR and BRES. CBR data indicates that KI employment continued to grow steadily in 2022-23 (6.6%) and 2023-24 (4.7%) and it was only in 2024-25 that KI employment growth slowed down markedly (0.1%). By contrast, BRES reports a much more volatile picture, with KI employment falling by 7.5% in 2022-23, surging by 7.1% in 2023-24 and falling again by 3.8% in 2024-25. According to BRES, South Cambridgeshire alone suffered an 11.1% drop in KI employment in the latest year (CBR data reported a much more modest drop of 0.5%).

The findings are not too dissimilar for non-KI sectors, as illustrated in Table 4.5. The CBR data points to higher growth in non-KI employment than BRES data until 2019-20 (5.4% pa and 1.7% pa, respectively). Both measures show that non-KI employment slowed down as Covid hit, but CBR data suggests a more limited slowdown than BRES data (-0.1% pa and -1.2% pa, respectively). Whilst CBR data indicates some strong recovery in non-KI sectors' employment in 2022-23, BRES data suggests that it took a bit longer for non-KI sectors to recover from the worst impacts of Covid. The two measures reported similar growth rates for 2023-24 and 2024-25.

The overall picture across all sectors is provided in Table 4.6. The results confirm that the CBR data tends to report faster employment growth than BRES in the years preceding the pandemic. A case in point is Cambridge, where CBR employment increased by 7.8% pa whereas BRES employment increased only by 1.9% pa. The CBR data suggests that the resilient performance of the Greater Cambridge's KI sectors during Covid held up overall employment growth between 2019-20 and 2022-23 (3.0% pa). The same conclusion cannot be drawn from BRES data, which points to a fall of 0.2% in total employment during that period. The two sources have very different views of employment growth in 2022-23, with CBR data providing support for a recovery in employment from the effects of Covid and BRES data suggesting an even further slowdown in employment growth. CBR and BRES report similar growth rates for the last two years, particularly for Cambridge. However, the difference in growth rates between the two sources remain stark for South Cambridgeshire. We will return to this analysis in the new year.

We now delve deeper into Greater Cambridge's sectoral strengths and weaknesses by separating employment growth into impact of sectoral composition and impact of sector performance ('shift-share analysis').

5. Corporate employment growth 2018-24 in the CPCA – a shift-share analysis

The analysis presented so far has shown the importance of sectoral effects in economic growth. This section examines their importance in determining regional growth by examining the period 2018-24. The corporate economy of Cambridgeshire and Peterborough achieved robust growth in the six-year period to 2023-24. KI sectors were a major driver of this growth. Corporate employment in KI sectors grew consistently by about 5% pa. Non-KI sectors had a dip during the Covid years but were quick to recover when the economy opened up. Overall corporate employment growth was strong at 3.3% in the latest year, yet lower than it was in 2022-23 (5.0%).

5.1. A tale of different performance across districts

Whilst the region achieved robust growth overall, the table below highlights some important differences in performance across the six districts making up the Cambridgeshire and Peterborough Combined Authority.

Table 5.1 Corporate employment and turnover growth in Cambridgeshire and Peterborough 2018-24

Six years	% KI	Empl change	Employment growth pa		
District	**2023-24**	**2018-24**	**KI**	**Non-KI**	**All**
Cambridge	47%	11,704	8.3%	3.1%	5.3%
South Cambs	52%	14,348	5.1%	2.9%	4.0%
Greater Cambridge	***50%***	***26,052***	***6.2%***	***3.0%***	***4.5%***
East Cambs	18%	2,815	2.7%	2.3%	2.4%
Hunts	15%	3,243	1.5%	1.3%	1.3%
Peterborough	20%	11,581	0.6%	4.5%	3.7%
Fenland	6%	1,642	3.7%	1.4%	1.5%
Combined Authority	**31%**	**45,333**	**4.6%**	**2.8%**	**3.3%**

Source: Cosh & Caselli, CBR.

The Greater Cambridge corporate economy saw exceptional growth over the six years to 2024. Employment grew by 4.5% pa, driven by a buoyant KI economy which now accounts for about half of corporate employment in Greater Cambridge (up from 45% six years ago). Employment growth in KI sectors (6.2% pa) was twice as high as it was in non-KI sectors (3.0% pa). Turnover growth exceeded employment growth as it does usually, but the picture based on turnover data largely mirrors the findings from employment data.

Performance across the districts outside Greater Cambridge is varied. East Cambs experienced robust employment growth (2.4% pa), with KI sectors (2.7% pa) growing slightly faster than non-KI sectors (2.3% pa). Peterborough had a solid 3.7% pa growth, largely from non-KI sectors which dominate corporate employment in the district (80% in 2023-24 compared to 76% in 2017-18). Hunts and Fenland showed much slower growth and a smaller share in KI sectors.

5.2 Sectoral strengths and weaknesses

The analysis presented so far has uncovered some important differences in KI and non-KI sectors across the Cambridgeshire and Peterborough region. Greater Cambridge has seen

exceptional growth in its KI sectors, which dominate the economy of the area. KI sectors are also behind the robust growth achieved by East Cambs. By contrast, growth in Peterborough has benefited from the growth of non-KI sectors. Hunts and Fenland have shown much slower growth in non-KI sectors and a less dominant KI economy.

Table 5.2 Sector performance across Cambridgeshire and Peterborough

Employment growth 2018-24 % pa	Cambridge	South Cambs	East Cambs	Hunts	Peterborough	Fenland	Combined Authority
Information technology and telecoms	6.8%	6.2%	-1.4%	1.5%	2.7%	7.8%	**5.3%**
Life science and healthcare	13.0%	8.0%	1.1%	-2.0%	5.9%	49.1%	**9.0%**
High-tech manufacturing	1.8%	-0.1%	4.6%	1.4%	-0.6%	-0.9%	**0.4%**
Knowledge intensive services	7.0%	5.1%	2.2%	2.7%	3.9%	10.5%	**5.2%**
TOTAL KI SECTORS	***8.3%***	***5.1%***	***2.7%***	***1.5%***	***0.6%***	***3.7%***	***4.6%***
Primary	7.1%	1.2%	4.0%	3.0%	4.8%	-4.3%	**0.8%**
Manufacturing	1.2%	2.0%	-2.7%	0.7%	4.4%	2.2%	**1.6%**
Wholesale and retail distribution	-1.0%	1.1%	1.7%	1.4%	1.2%	1.6%	**1.2%**
Construction and utilities	1.0%	0.5%	1.9%	1.6%	3.2%	4.2%	**1.9%**
Transport and travel	3.8%	3.1%	0.6%	5.6%	-11.2%	2.4%	**-1.7%**
Property and finance	4.8%	4.8%	2.9%	1.6%	12.4%	1.7%	**7.7%**
Other business services	4.6%	1.1%	5.1%	1.6%	5.0%	-2.0%	**2.7%**
Other services	6.4%	5.6%	0.8%	0.3%	5.5%	7.3%	**4.3%**
Education, arts, charities, social care	1.2%	6.1%	4.2%	0.5%	6.8%	4.3%	**3.6%**
TOTAL NON-KI SECTORS	***3.1%***	***2.9%***	***2.3%***	***1.3%***	***4.5%***	***1.4%***	***2.8%***
TOTAL ALL SECTORS	**5.3%**	**4.0%**	**2.4%**	**1.3%**	**3.7%**	**1.5%**	**3.3%**

Source: Cosh & Caselli, CBR.

The table above provides a more disaggregated picture of the sectoral composition of employment across Cambridgeshire and Peterborough. The figures show that the sectoral

make-up of the corporate economy varies widely across the region. A comparison of the sectoral growth rate in a district with the average for the Combined Authority reveals how a district's sector has performed relative to the regional average.

We now delve deeper into the region's sectoral strengths and weaknesses by separating employment growth into impact of sectoral composition and impact of sector performance.

In the figure and table below, we compare three measures of growth for each district:

Own share – own growth

This approximates the actual growth rate achieved by that district.

CPCA share – own growth

This takes the average sectoral composition of the whole Cambridgeshire and Peterborough Combined Authority (CPCA) and applies the actual growth achieved by this district in each sector. A comparison of this growth rate with the actual above reveals how a district benefits by or suffers from its sectoral growth rates.

Own share – CPCA growth

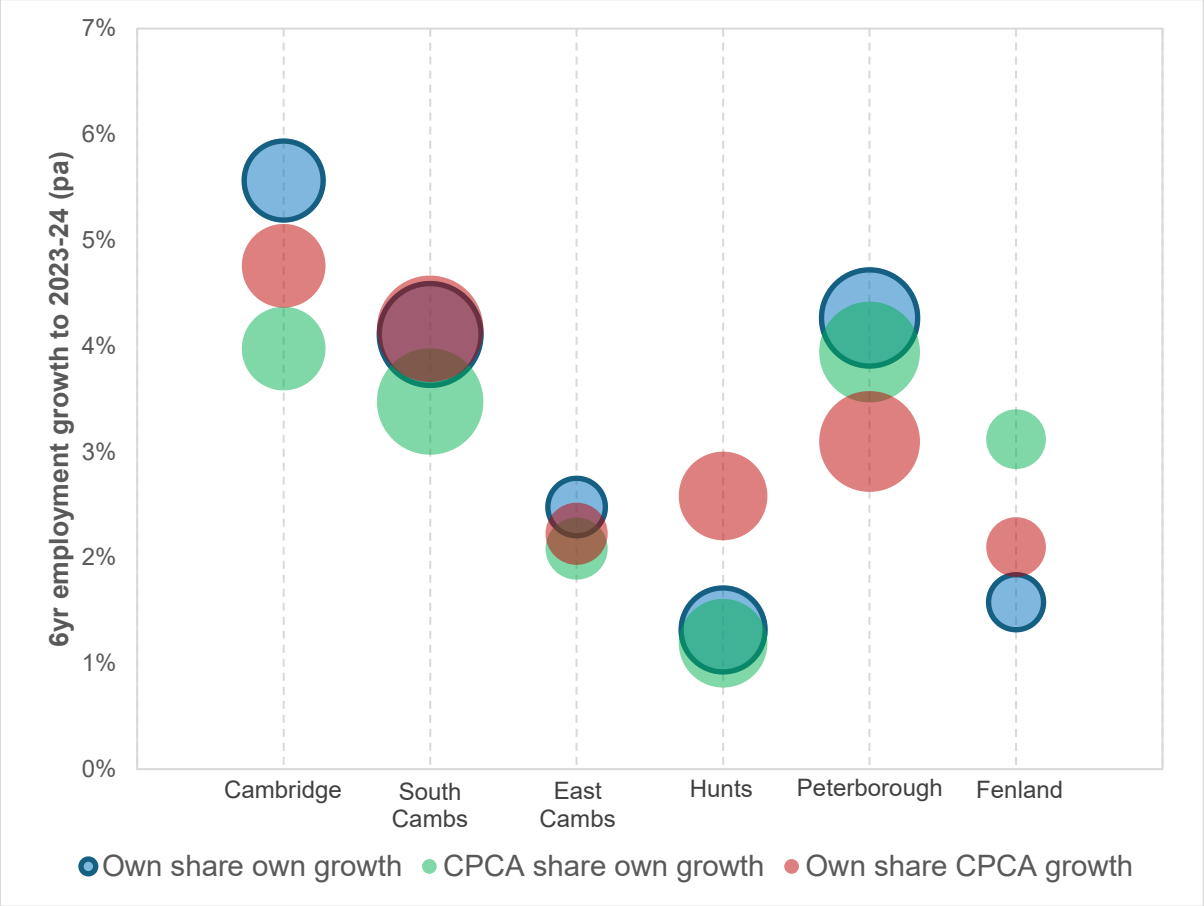
Here we take the sectoral composition of the district and apply the average growth achieved by each sector across the whole CPCA. A comparison of this growth rate with the actual above reveals how a district benefits by or suffers from its sectoral composition (particularly the KI / non-KI split).

Cambridge is benefiting from its large share of employment in fast-growing, KI sectors. Employment growth in the district would have been lower had either its sectoral composition or sector performance been the same as the wider Cambridgeshire and Peterborough region. The picture is similar for East Cambs and Peterborough.

We find the opposite picture for Fenland. The district's employment growth would have been faster had its sectoral composition been in line with that of the wider region. Similarly, employment growth in Fenland would have been higher had its sectors performed as fast as their equivalents across Cambridgeshire and Peterborough.

In turn, the results for Hunts reveal that its sluggish performance in recent years is associated primarily with a weak performance of its sectors. Employment growth in the district would have been noticeably faster had its sectors grown at the same rates as the wider region.

Figure 5.1 Sectoral strengths and weaknesses across Cambridgeshire and Peterborough



Note: The share of employment is calculated for 2020-21, the middle year of our analysis period. Similarly, the size of each bubble is proportionate to the number of employees in the district in 2020-21.
Source: Cosh & Caselli, CBR.

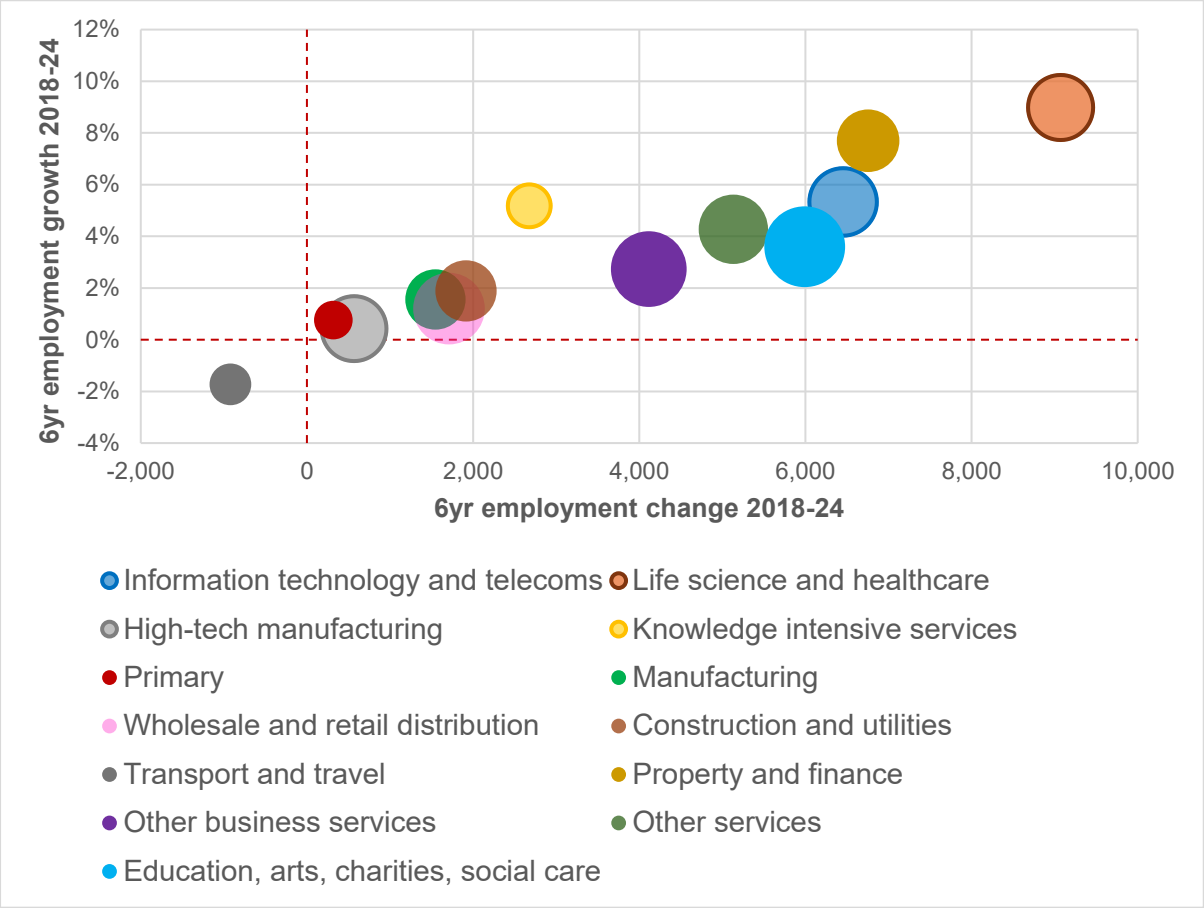
Table 5.3 Sectoral strengths and weaknesses across Cambridgeshire and Peterborough

Six years 2018-24 %pa	Employment growth		
District	Own share own growth	CPCA share own growth	Own share CPCA growth
Cambridge	5.6%	4.0%	4.8%
South Cambs	4.1%	3.5%	4.2%
Greater Cambridge	***4.6%***	***3.4%***	***4.4%***
East Cambs	2.5%	2.1%	2.2%
Hunts	1.3%	1.2%	2.6%
Peterborough	4.3%	3.9%	3.1%
Fenland	1.6%	3.1%	2.1%
Combined Authority	**3.4%**	**3.4%**	**3.4%**

Note: The share of employment is calculated for 2020-21, the middle year of our analysis period.
Source: Cosh & Caselli, CBR.

A question therefore arises as to which sectors have been major contributors to the robust employment growth seen in the Cambridgeshire and Peterborough corporate economy over the last six years. The figure below compares six-year employment growth in the local economy across 13 industry sectors.

Figure 5.2 Corporate employment growth by sector in Cambridgeshire and Peterborough



Note: The size of each bubble is proportionate to the number of employees in the sector in 2023-24. Bubbles with an outline identify KI sectors.
Source: Cosh & Caselli, CBR.

Two of the sectors behind the Cambridge Phenomenon, Life science and healthcare and Information technology and telecoms, made a major contribution to corporate employment growth in the region. Growth also benefited from the strong performance of several non-KI sectors, including Property and finance, Education, arts, charities, social care, and Other services.

Some examples of fast-growing sectors and companies over the last six years include:

- KI
  - Software development & publishing
    - Darktrace (+559 employees; +23.1% pa)
    - Frontier Developments (+527 employees; +17.9% pa)
    - Redgate Software (+248 employees; +12.1% pa)
  - IT & computer services

        - Arm, Cambridge estimate (+725 employees; +5.4% pa)
        - Amazon's EVI Technologies (+422 employees; +18.1% pa)
        - Bango (+196 employees; +23.3% pa)
    - Biotech R&D
        - AstraZeneca (+1,948 employees; +10.4% pa)
        - Illumina Cambridge (+395 employees; +11.5% pa)
        - Bicycle Therapeutics (+242 employees; +49.3% pa)
- Non-KI
    - Property & finance
        - Encore Property Management (+187 employees; +12.1% pa)
        - Insignis Asset Management (+95 employees; +60.1% pa)
    - Hospitality
        - Lunchtime Co (+168 employees; +9.6% pa)
        - Meadow Brown Restaurants (+147 employees; +20.4% pa)
        - Hot Numbers Coffee (+67 employees; +23.7% pa)
    - Health
        - Ieso Digital Health (+121 employees; +21.1% pa)
        - Arthur Rank Hospice (+119 employees; +9.2% pa)
        - Bee's Care (+79 employees; +34.6% pa)
    - Education
        - Hampton Gardens Secondary School (+136 employees; +31.8% pa)
        - The College of Animal Welfare (+114 employees; +10.4% pa)
        - Cambourne Village College (+83 employees; +9.2% pa)

This November 2025 update suggests that the shift-share analysis may be very different when we update this work following the completion of the 2024-25 annual data draw.

The next section discusses the key findings from our recent study of business clusters in the Cambridge City Region.

6. The role of business clusters in the growth of Cambridge

6.1 Cambridge as an engine for growth

In 2025, Cambridge celebrates the 65th anniversary of the 'Cambridge Phenomenon', a term first coined in the 1980s to describe the explosion of knowledge-intensive (KI) businesses in and around the city of Cambridge since the 1960s. Cambridge is often regarded as an exemplar of a successful innovation ecosystem, from which to draw lessons about innovation, entrepreneurship and regional economic development.

Cambridge ranks amongst the fastest growing cities in the world. It is part of the 'golden triangle' with London and Oxford as well as the Eastern point of the Oxford-Cambridge Growth Corridor, one of the most productive and prosperous regions of Europe. The contribution that Cambridge makes to the UK economy is significant. A 2023 study by policy and economics consultancy London Economics found that the University of Cambridge alone contributes nearly £30 billion to the UK economy and supports more than 86,000 jobs across the UK.

Cambridge is a hotspot for startups developing groundbreaking technologies, with a focus on deep tech fields such as biotechnology, quantum computing, clean energy and AI. The city, together with Oxford, tops tables on VC investment into tech companies outside of London. A recent fundraising example is Xampla, a materials science company that has secured a $14 million new investment to replace 10 billion units of single-use plastic with natural, plant-based materials.

A staggering 26 billion-dollar companies were also created in Cambridge since the start of the Cambridge Phenomenon. The latest company to join the list of Cambridge unicorns is Wayve, a start-up founded by two Cambridge PhD students from the Department of Engineering in 2017 with the aim of accelerating autonomous mobility.

The region is home to a leading scientific and high-technology cluster, which generates a sizeable share of the total jobs in the local economy. Our latest data reveals that Cambridge hosts 26,000 businesses employing more than 220,000 people. KI intensity in Cambridge has increased over time from 22% a decade ago, partly reflecting AstraZeneca's decision to relocate its headquarters and global R&D centre to Cambridge in 2016. Today about one-third of Cambridge employment is in KI sectors.

Cambridge has a long and illustrious history of creating some of the most successful companies in the UK, particularly in the two sectors that have been at the heart of the Cambridge Phenomenon – Life Sciences and ICT. Key examples in the Life Sciences sector include: Illumina (formerly Solexa), a global leader in DNA sequencing and array-based technologies; CMR Surgical, a leading medical technology company producing the AI-driven robotic surgery system Versius; and Abcam, a global supplier of biological research tools to life scientists. Key examples from the ICT sector include: Arm, a world's leading semiconductor intellectual property supplier; Darktrace, a global leader in AI technology for cyber security; and Raspberry Pi, an award-winning developer of a credit-card sized computer.

Recent years have also seen Cambridge becoming, together with London, a hotspot for AI companies. Alongside CMR Surgical and Darktrace, key examples of AI companies based in Cambridge include: BenevolentAI, who Pioneered a unique AI-based approach to drug discovery and development; Five AI, a leading developer of software for driverless vehicles; and Quantinuum, a global leader in quantum software and computing.

These companies are co-located with several international tech giants. Just outside the railway station, Amazon staff have been designing flying drones at Amazon Cambridge Development Centre. In 2012, Amazon also acquired Cambridge-based EVI Technologies as part of its effort to build the Alexa digital assistant. Some meters away from Amazon Cambridge Development Centre, Microsoft Research Cambridge has been developing computer chips for AI. In close proximity to Amazon and Microsoft, Apple has been advancing Siri, the talking digital assistant included in Apple's smartphones. In 2015, Apple also acquired Cambridge-based VocalIQ, a voice recognition technology start-up founded by Professor Steve Young.

Non-corporate research institutions are a third, major part of the innovative milieu of the Cambridge region. Over 39,000 staff are employed at universities and other KI research organisations in the area, making the Cambridge cluster one of the largest and most dynamic concentrations of KI employment in Europe. Alongside the University of Cambridge, which has generated a remarkable 125 Nobel Prize laureates to date (second only to Harvard), key examples include: the Babraham Institute, a world-class research institution with an emphasis on healthy ageing through the human lifecycle; the MRC Laboratory of Molecular Biology, a research institute dedicated to the understanding of important biological processes; and the Wellcome Sanger Institute, the place where Sir John Sulston and his colleagues made an instrumental contribution to sequencing the human genome.

The Cambridge region has been a particular focus for the government's devolution agenda, as exemplified by the £500 million Greater Cambridge City Deal that brings investment to vital improvements in infrastructure, housing and skills to support the future growth of the city. The Cambridgeshire and Peterborough Combined Authority was created in an early wave of devolution in 2017 and in 2023 the government also established the Cambridge Delivery Group (CDG), chaired by Peter Freeman (Homes England), to drive forward the vision for Cambridge in collaboration with local partners.

Science and technology clusters have played a key role in the exceptional growth in the Cambridge region over the last decade. Since the launch of Cambridge Science Park in 1970, business parks and clusters have increased in number and have become an important part of the innovative milieu of the Cambridge region. There has been growing interest in understanding how these parks and clusters, whose role extends far beyond the provision of floor space to enable business growth, have evolved over time.

We have undertaken a deep dive into the evolution of the Cambridge innovation economy over the last decade, in particular examining the way in which clusters have spread spatially in key parks and locations.[2] The research questions addressed in this work respond to strategic policy priorities for the future growth of the Cambridge economy, namely:

- Where growth of the KI clusters is happening spatially, and what might have influenced this – to support policymakers in understanding the levers that will help spread high-value economic activity across a wider footprint in new locations.
- How and where sectoral specialisms and characters have emerged – to support policymakers to understand in more depth the sectoral specialisms within Cambridge's knowledge economy, and what has facilitated their emergence in particular locations.

[2] The work was sponsored by Cambridge Ahead, Brockton Everlast, JLL, The Crown Estate, Cambridge Biomedical Campus and Cambridge University Health Partners.

- Examining where evidence can be seen of the impact of infrastructure provision on cluster growth – to support policy makers in development of long-range infrastructure plans.

The analysis below is based upon an examination of the CBR corporate database, which is the result of an innovative method developed by the Centre for Business Research (CBR) at the University of Cambridge to assess the current scale, make-up and growth rate of economic activity in the Cambridge region. The companies covered in this work are only those based in the Cambridge City Region (a 20-mile radius of Great St Mary's). It therefore excludes national chains such as Tesco and Lloyds Bank. Large companies based in the region such as AstraZeneca, Arm and Abcam have supplied on request the number of their employees working in the Cambridge area. Companies are allocated to their principal activity and to their main trading address. Our work takes self-reported SICs as the point of departure but reclassifies companies into purpose-built sectors that are relevant to the local economy.

We begin with an analysis of the scale and location of business parks and other clusters of economic activity in 2023-24.

6.2 The scale and location of business clusters

This section examines the scale of activity on business parks and other employment clusters in the Cambridge region in 2023-24; and where they are located. We should first define what is meant by these various employment clusters:

- **Business park:** a designated area of land that is intended to house multiple businesses in one location (even if it has a single tenant currently). A business park provides a range of facilities and amenities to its occupants, e.g. conference space, security services and parking. It encompasses science and technology parks, office parks and industrial parks. While offering an attractive working environment and a range of support services, parks tend to facilitate interactions among the businesses located on them.
- **Cluster:** a geographic agglomeration of business activity with more than 350 employees that is not a business park.
- **Large company:** a Cambridge-based company with more than 350 employees which is not located on a business park or cluster.

In some of the analysis that follows we will classify these clusters into four groups, distinguishing between knowledge intense (KI) and non-knowledge intensive (non-KI) clusters:

- **Group A (large Life Sciences employment concentrations):** Emp > 350 and Life Science Emp >= 50%. 'Life sciences' captures all activities involved with life sciences, including the manufacture of robotics for surgery and other applications.
- **Group B (other large KI employment concentrations):** Emp > 350 and KI Emp >= 50% but not in group A.
- **Group C (other large employment concentrations):** Emp > 350 and KI Emp < 50%.
- **Group D (smaller employment concentrations):** Emp >= 50.

In the first instance, we report on all forms of cluster in 2023-24 in the four groups above. Together they account for 151 clusters, 4,126 companies and a total employment of 103,549. Table 6.1 shows the proportions accounted for by each type of cluster, highlighting the

dominant role played by business parks – 69% of employment and 79% of number of companies.

Table 6.1 Overview of all forms of cluster in 2023-24

Types of cluster	Number of clusters	%	Number of companies	%	Total cluster employment	%
Business parks	106	70%	3,278	79%	71,423	69%
Other employment clusters	15	10%	818	20%	13,602	13%
Single large companies	30	20%	30	1%	18,524	18%
All clusters	**151**	**100%**	**4,126**	**100%**	**103,549**	**100%**

Table 6.2 examines business parks, clusters and large companies in the Cambridge City Region in 2023-24. It separates them into four groups: A large life sciences clusters; B other large KI clusters; C other large clusters; and D smaller clusters. It shows that together these 151 parks, clusters and large companies account for 47% of the total corporate employment in the region – a very significant figure.

The nine parks, clusters and large companies in Group A represent 17% of total employment across these business agglomerations. The twenty-eight parks, clusters and large companies in Group B have 38% of total employment across these business agglomerations. In turn, Group C has 36% of employment, while Group D makes a more limited contribution of 9% of employment.

Figure 6.1 shows the spatial distribution of business parks (green bubbles), clusters (blue bubbles) and large companies (red bubbles) in 2023-24 by placing them on a map. Each bubble identifies a business park, cluster or large company and is sized by total employment in 2023-24. The map also shows the three railway stations in the city (), the major stops of the guided busway (b) as well as the motorways and trunk roads (——).

The map vividly illustrates the scale of these business agglomerations – all of the top 20 largest agglomerations have more than a thousand employees.

The dominant role of business parks in the Cambridge City Region is apparent when examined alongside clusters and large companies – business parks far exceed in number and size the other types of employment concentration. Some of the largest parks including Cambridge Science Park and the Cambridge Biomedical Campus are located in, or around, the city. Several other parks are situated farther away from the city but along key transport corridors. Examples are Granta Park and the Babraham Research Campus off the A11; Cambourne Park off the A428; and Buckingway Business Park off the A14.

Nevertheless, clusters of companies not on a park, particularly near Cambridge railway station and to the South of the city, are also a major part of the local economy. Cambridge Station, Cambridge North and Cambridge South are major hubs of economic activity in their own right.

Large employers not on a park or cluster include Marshall off Newmarket Road; Domino in Bar Hill off the A14; and AVEVA off Madingley Road.

Table 6.2 Business parks, clusters and large local companies

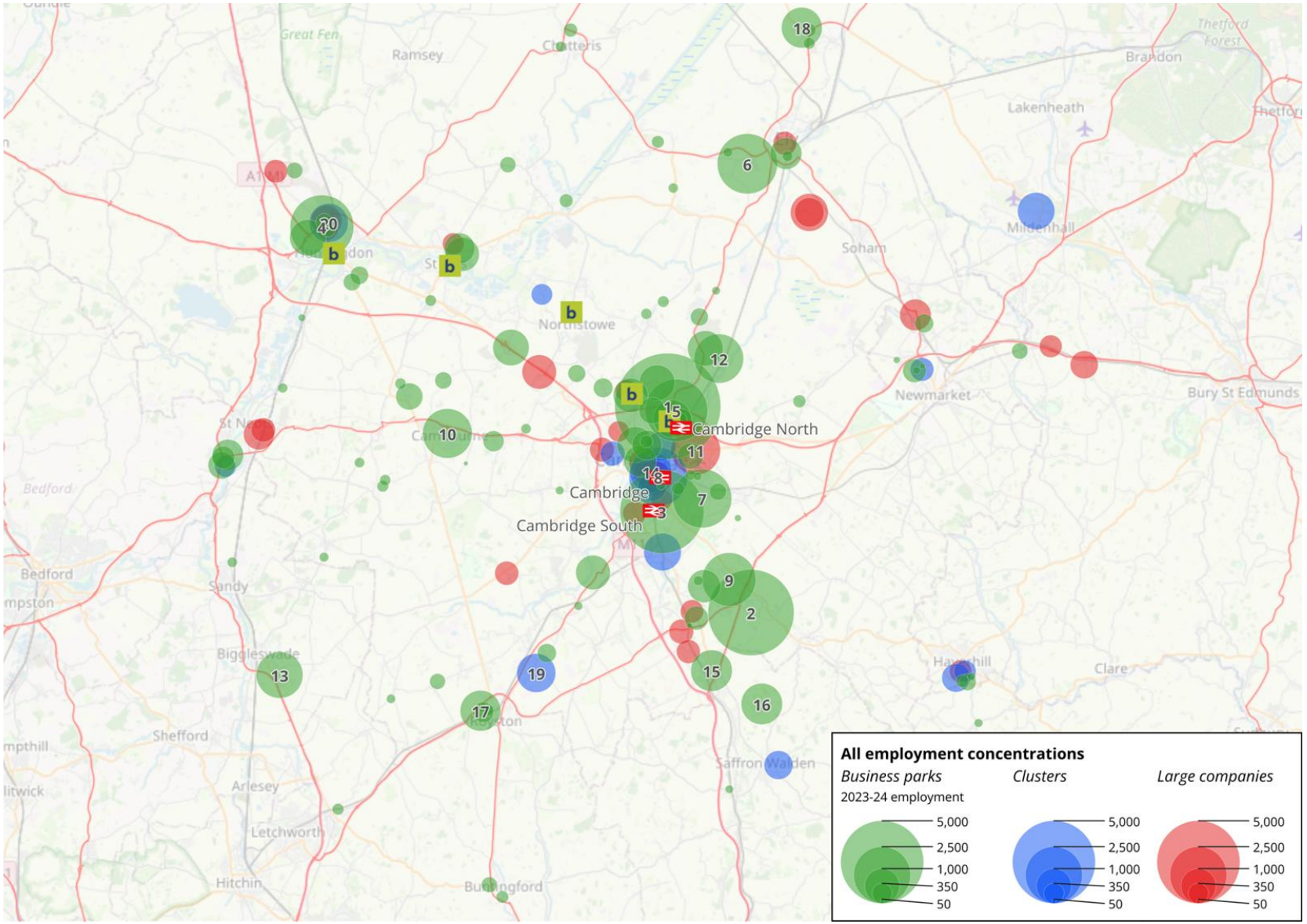
ALL	2023/24					
	No. of Parks & Clusters & Large Cos	No. of Cos	Total Emp	% of All grouping Emp	Weighted average Emp per Company	Weighted average Emp of Parks & Clusters & Large Cos
A) Emp > 350 and Life Science Emp >= 50%	9	237	17,817	17%	75	1,980
B) Emp > 350 and KI Emp >= 50% but not in group A)	28	1,388	39,384	38%	28	1,407
C) Emp > 350 and KI Emp < 50%	48	1,649	36,875	36%	22	768
D) Rest: Emp >= 50, other than Res Inst.	66	852	9,473	9%	11	144
Business Parks, Clusters & Large Companies A, B, C & D	**151**	**4,126**	**103,549**		**25**	**686**
CBR Corporate Database Total		25,912	220,279			
Business Parks, Clusters & Large Cos as % of CBR Corporate Database Total		16%	**47%**			

Figure 6.1 Map of business parks, clusters and large companies in 2023-24

Business parks, clusters and large companies
2023-24
[Groups a, b, c and d]

Top 20 largest concentrations

Concentration number	Concentration name	2023-24 employment
1	Cambridge Science Park	7,835
2	Granta Park	5,350
3	Cambridge Biomedical Campus	5,094
4	Ermine Business Park	3,069
5	St John's Innovation Park	2,981
6	Lancaster Way Business Park	2,762
7	Peterhouse Technology Park	2,663
8	Cambridge Station	2,619
9	Babraham Research Campus	2,226
10	Cambourne Business Park	1,926
11	Marshall of Cambridge (Cambridge estimate)	1,908
12	Cambridge Research Park	1,901
13	Stratton Business Park	1,707
14	Hill's Road, Cambridge	1,399
15	Wellcome Genome Campus	1,365
16	Chesterford Research Park	1,364
17	Royston Business Estate	1,321
18	E-Space North	1,319
19	Melbourn	1,217
20	The Bridge Centre, Huntingdon	1,210



6.3 The growth of business clusters since 2015

This section turns to the changes in business parks and other forms of employment concentration since 2015.

Table 6.3 examines business parks, clusters and large companies in the Cambridge City Region in 2023-24 and 2015-16. In each year the parks, clusters and large companies are grouped, according to their characteristics in that year, into four groups: A large life sciences clusters; B other large KI clusters; C other large clusters; and D smaller clusters.

The table shows 130 parks, clusters and large companies in 2015-16 and 151 in 2023-24. The total number of companies is 3,466 in 2015-16 and 4,126 in 2023-24. Their total employment is 69,129 in 2015-16 and 103,549 in 2023-24.

These employment concentrations represent 42% of the CBR's total corporate employment in the region in 2015-16 and this rises to 47% by 2023-24.

We should note the rise in KI intensity in these different forms of employment clusters over this period. The percentage of cluster employment taken by the life sciences clusters (Group A) rises from 10% to 17%. At the same time, the proportion of employment in other KI intensive clusters (Group B) rises from 30% to 38%.

Total employment on these business agglomerations has grown by 5% pa since 2015-16. The table highlights the role of the life sciences clusters (Group A) and the other KI intensive clusters (Group B) as key drivers of this growth – total employment grew by 13% pa for the life sciences clusters and by 9% pa for the other KI intensive clusters. The less KI intensive clusters saw a more modest growth of 2% pa.

Table 6.3 Business parks, clusters and large local companies in 2023-24 and 2015-16

ALL	2023/24				2015/16				Growth % pa
	No. of Parks & Clusters & Large Cos	No. of Cos	Total Emp	% of All grouping Emp	No. of Parks & Clusters & Large Cos	No. of Cos	Total Emp	% of All grouping Emp	Total Emp
A) Emp > 350 and Life Science Emp >= 50%	9	237	17,817	**17%**	5	230	6,901	**10%**	13%
B) Emp > 350 and KI Emp >= 50% but not in group A)	28	1,388	39,384	**38%**	19	725	20,486	**30%**	9%
C) Emp > 350 and KI Emp < 50%	48	1,649	36,875	36%	39	1,543	31,909	46%	2%
D) Rest: Emp >= 50	66	852	9,473	9%	67	968	9,833	14%	0%
Business Parks, Clusters & Large Companies A, B, C & D	**151**	**4,126**	**103,549**		**130**	**3,466**	**69,129**		**5%**
CBR Corporate Database Total		25,912	220,279			25,194	166,070		
Business Parks, Clusters & Large Cos as % of CBR Corporate Database Total		16%	**47%**			14%	**42%**		

It is worth pulling out a key finding of this research which is of great importance for public policy. Table 6.4 summarises this finding, which concerns the super concentration of KI employment on business parks and other agglomerations. It shows that business parks now have 61% of KI employment in the Cambridge City Region. This percentage rises to 77% when other agglomerations are included.

It is apparent that KI businesses favour such locations for various reasons such as: potential collaborations, recruitment of employees, enhanced reputation, improved transport links and common facilities. Since KI businesses have exhibited faster growth, then regional growth is associated with the growth of successful business parks and other clusters.

Table 6.4 The rising importance of employment on business parks and clusters in the Cambridge City Region

	2015-16		2023-24	
	Number of companies	Total employment	Number of companies	Total employment
ALL COMPANIES				
CBR Corporate database	25,194	166,070	25,912	220,279
Business parks	2,740	47,599	3,278	71,423
% of CBR corporate database	11%	29%	13%	32%
Business parks, clusters & large cos	3,466	69,129	4,126	103,549
% of CBR corporate database	14%	**42%**	16%	**47%**
KI COMPANIES				
CBR Corporate database	4,884	48,990	4,741	75,189
Business parks	832	25,559	1,046	46,136
% of CBR corporate database	17%	**52%**	22%	**61%**
Business parks, clusters & large cos	980	32,921	1,277	58,004
% of CBR corporate database	20%	**67%**	27%	**77%**

The next two figures further explore the sectoral specialisms of the business parks, clusters and large companies by providing a snapshot in 2015-16 and 2023-24. We distinguish between Life Science clusters (group A: Emp > 350 and Life Science Emp >= 50%), Other KI-intensive clusters (group B: Emp > 350 and KI Emp >= 50% but not in group A) and Less KI-

intensive clusters (Group C: Emp > 350 and KI Emp < 50%). The evolution of these employment agglomerations can be assessed by quickly moving between the two maps.

The maps display where the growth of KI clusters has been happening spatially. Life Science concentrations tend to be located to the South of the city; Other KI concentrations can be found in the city and around the Northern fringes; and Non-KI concentrations are more dispersed.

The growing specialisation in Life Science and Other KI sectors of these employment concentrations is also apparent from the maps. These concentrations have expanded much faster than Less KI-intensive ones and appear to have benefited from improvements in transport infrastructure (e.g. Cambridge North and guided busway).

The sectoral specialism of some of these agglomerations has also changed over time. For example, Cambridge Research Park and Lancaster Way Business Park have shifted from Less KI-intensive to Other KI-intensive. Similarly, the Cambridge Station cluster went from being a Non-KI cluster to being a major Other KI cluster.

The growing dominance of the knowledge intensive parks has been helped by the emergence of the Cambridge Biomedical Campus as a major corporate employment location. The Campus transitioned from being almost exclusively a non-corporate employment concentration to hosting a mixture of world's leading corporate and non-corporate organisations in biomedical research, healthcare and education. The scale of the Campus has increased substantially over time with the decision of major Life Science employers such as AstraZeneca and Abcam to move there, highlighting the value of co-location and collaboration with existing occupiers (e.g. Addenbrooke's Hospital).

Evolution Business Park off the A10, where CMR Surgical has its headquarter, has become one of the largest Life Science parks in the city region.

Some noticeable Non-KI clusters have also emerged (e.g. Hill's Road cluster, located in close proximity to the Cambridge Station cluster).

The opening of Cambridge North Station in 2017 has further supported the growth of the employment concentrations north of Cambridge city centre. In turn, the addition of Cambridge South Station is set to further contribute to the expansion of the Cambridge Biomedical Campus.

The guided busway has enabled the growth of employment concentrations in and around Cambridge, particularly on the North West edge of the city, by providing an alternative mode of transport for people living in St Ives, Huntingdon and, more recently, Northstowe.

The A14 does not seem to have dispersed businesses along the motorway. However, there is some evidence that the £1.5bn A14 improvement scheme, including the 12-mile bypass between Huntingdon and Swavesey opened in 2020, has unlocked growth at Buckingway Business Park.

Figure 6.2 Map of business parks, clusters and large companies by sectoral specialism in 2015-16

Business parks, clusters and large companies
2015-16
[Groups a, b and c]

Top 20 largest concentrations

Concentration number	Concentration name	2015-16 employment
1	Cambridge Science Park	5,471
2	Granta Park	3,300
3	Cambridge Station	2,593
4	Ermine Business Park	2,361
5	Marshall of Cambridge (Cambridge estimate)	2,174
6	St. Ives Business Park	2,031
7	Stratton Business Park	1,637
8	Peterhouse Technology Park	1,472
9	Cambridge Business Park	1,431
10	The Bridge Centre, Huntingdon	1,342
11	Babraham Research Campus	1,244
12	Cambourne Business Park	1,224
13	Cambridge Research Park	1,147
14	E-Space North	1,140
15	Lancaster Way Business Park	1,135
16	St John's Innovation Park	1,120
17	Vision Park	1,087
18	Westbrook Centre	1,078
19	Shelford	1,054
20	Wellcome Genome Campus	1,027

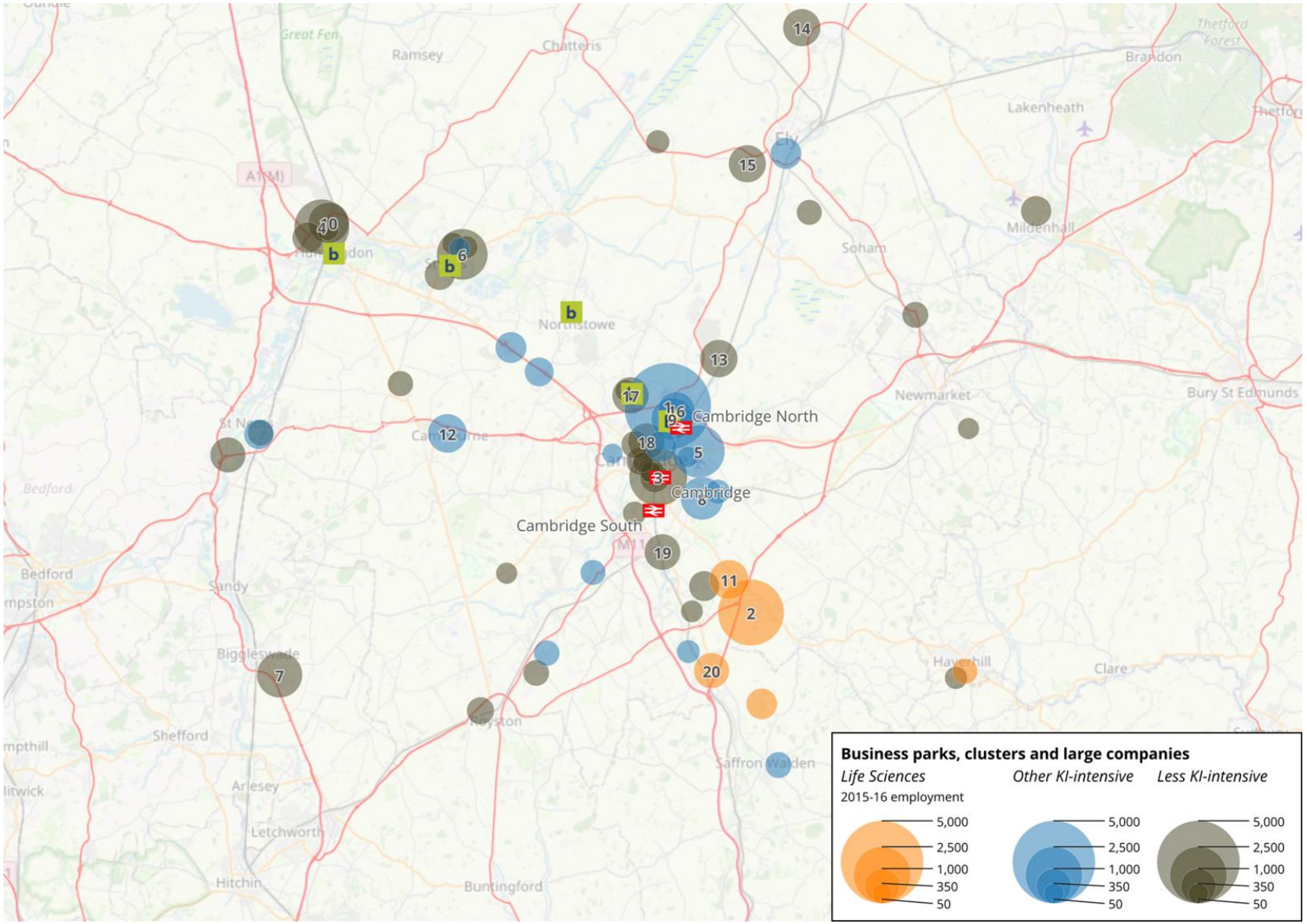
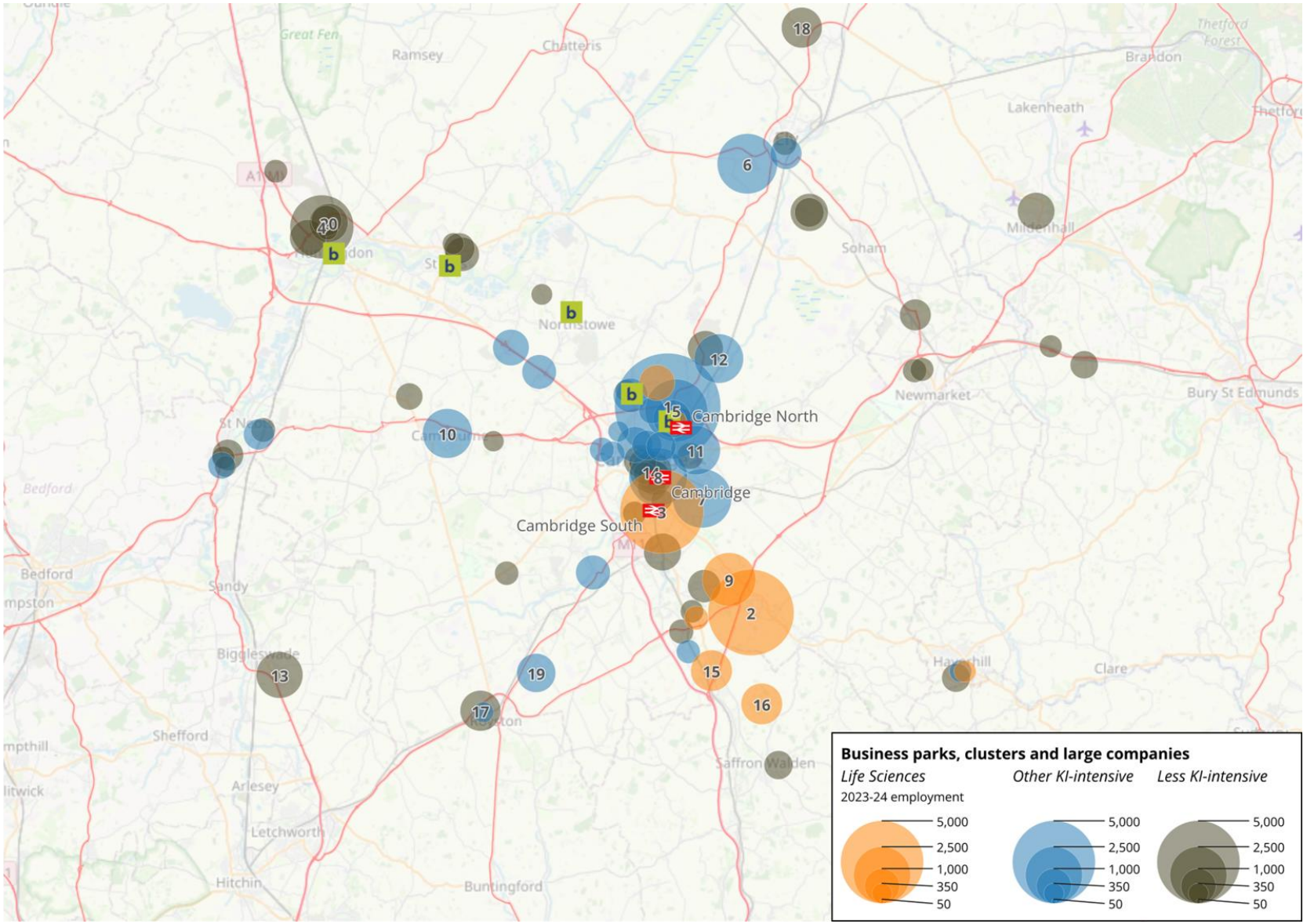


Figure 6.3 Map of business parks, clusters and large companies by sectoral specialism in 2023-24

Business parks, clusters and large companies
2023-24
[Groups a, b and c]

Top 20 largest concentrations

Concentration number	Concentration name	2023-24 employment
1	Cambridge Science Park	7,835
2	Granta Park	5,350
3	Cambridge Biomedical Campus	5,094
4	Ermine Business Park	3,069
5	St John's Innovation Park	2,981
6	Lancaster Way Business Park	2,762
7	Peterhouse Technology Park	2,663
8	Cambridge Station	2,619
9	Babraham Research Campus	2,226
10	Cambourne Business Park	1,926
11	Marshall of Cambridge (Cambridge estimate)	1,908
12	Cambridge Research Park	1,901
13	Stratton Business Park	1,707
14	Hill's Road, Cambridge	1,399
15	Wellcome Genome Campus	1,365
16	Chesterford Research Park	1,364
17	Royston Business Estate	1,321
18	E-Space North	1,319
19	Melbourn	1,217
20	The Bridge Centre, Huntingdon	1,210



6.4 Factors influencing the location of business parks

We have shown above that the growth of the Cambridge economy over the last decade or so has been intimately associated with the growth of employment on business parks and their growth of knowledge intensity. We now turn to explore the various factors that are associated with the growth of these parks.

There are many factors that have influenced the growth of KI businesses on these parks. The companies will want suitable and affordable premises along with the possibility of future nearby expansion. Good transport links are important for the cluster. Communal facilities such as meeting rooms, restaurants, cafeteria and recreational facilities are also important for attracting and retaining employees. The proximity to key facilities (e.g. the Biological Support Unit, BSU, and Flow Cytometry facilities provided by the Babraham Institute); organisations (e.g. Cambridge University Hospitals); and other companies will have a significant effect on the success of a park, or cluster. The image and reputation of the park benefit greatly from being part of the Cambridge cluster but can also grow over time due to the success of the existing companies on the site. Employees are attracted to the Cambridge ecosystem partly by the cutting-edge science but also due to future job opportunities within the cluster.

Some of these factors are beyond the scope of this work. For example, the planning issues, land values and associated rent differentials that influence the location of new parks and clusters and the expansion of existing ones are not examined here. Similarly, without further evidence we cannot evaluate the relative importance of the reasons why companies and their employees chose their location. However, we can examine further the association between the location of parks and clusters and: (1) transport links; and (2) key research institutions.

Transport links

In Figure 6.1 above we looked at the scale of business agglomerations in 2023-24 on a map that showed the key transport corridors. It shows the major cluster around Cambridge North station, a cluster first formed by the creation of the Cambridge Science Park, but substantially augmented since that time. The redevelopment of Cambridge Station has also been associated with an increase in the KI businesses operating in that cluster. Cambridge South station will open at the start of 2026 and will improve the transport links of the Cambridge Biomedical Campus and the hospitals. The three stations show that the development of these stations both responds to business needs and creates new opportunities for business. The guided busway links Huntingdon and St Ives with Cambridge and its stations providing better commuting options. Several other parks are situated farther away from the city but along key transport corridors. Examples are Granta Park and the Babraham Research Campus off the A11; Cambourne Park off the A428; and Buckingway Business Park off the A14.

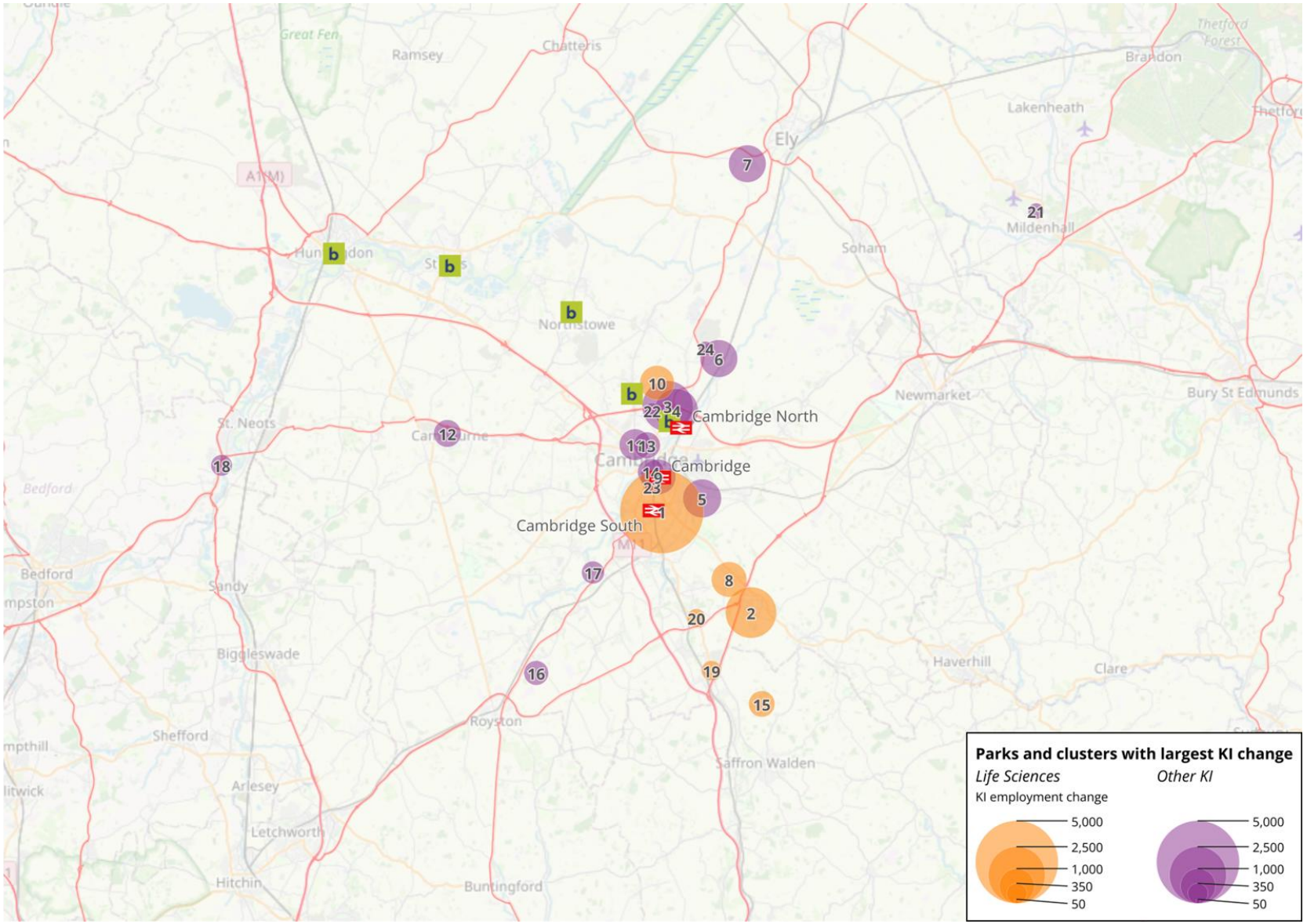
We can examine the location of **changes** in KI employment since 2015 for the parks and clusters with the largest KI employment change between 2015-16 and 2023-24. It shows that the improved transport links are associated with bringing employees into the city centre in a more acceptable manner. The growth in KI employment around the two existing railway stations is very obvious, with the guided bus offering further commuter options. The need for Cambridge South Station is immediately apparent from the growth in employment around the Cambridge Biomedical Campus. Indeed, total employment on that site including all forms of employment has doubled in the last decade from 12,000 to 24,000, partly benefiting from improved infrastructure provision including the Park and Ride offer in south Cambridge at Trumpington and Babraham Road. The Campus is currently Cambridge's largest employment site when measured in terms of both corporate and non-corporate employment.

The map also indicates areas of employment growth where transport changes have not yet been made. The link between Cambridge and the centres of growth at Babraham and Granta Park still has difficulties, but could be tackled by the adoption of the Cambridge South East Transport (CSET) plan. The growth at Cambourne has not yet been supported by improved transport links, but the C2C busway is planned in the short term and possibly East West Rail in the longer term. Another area of growth of KI employment has been on the A10 to Ely with Cambridge Research Park, Cambridge Innovation Park and Lancaster Way Business Park. The latter is becoming a key centre for high-tech manufacturing in the area with tenants such as: CMR Surgical's manufacturing plant; Porotech; and Nyobolt. We see that growth can happen without transport improvements, but arguably requires such improvements to continue to flourish.

Figure 6.4 Parks and clusters with largest KI employment change between 2015-16 and 2023-24 – 24 clusters showing transport links

Parks and clusters with largest KI employment change between 2015-16 and 2023-24

Concentration number	Concentration name	KI empl change
1	Cambridge Biomedical Campus	5,094
2	Granta Park	2,036
3	Cambridge Science Park	2,022
4	St John's Innovation Park	1,505
5	Peterhouse Technology Park	1,191
6	Cambridge Research Park	1,133
7	Lancaster Way Business Park	1,126
8	Babraham Research Campus	1,015
9	Cambridge Station	1,006
10	Evolution Business Park	971
11	Journey Campus (was Castle Park)	807
12	Cambourne Business Park	621
13	Barclays Eagle Labs	587
14	Hill's Road, Cambridge	581
15	Chesterford Research Park	572
16	Melbourn	502
17	Harston Mill	431
18	Knowledge Centre	381
19	Wellcome Genome Campus	338
20	Iconix Park / Unity Campus	290
21	Mildenhall	221
22	Allia Future Business Centre (Cambridge)	209
23	Eastbrook, Cambridge	181
24	Cambridge Innovation Park	176



Research institutions

Our work over the years has enabled us to track the growth of non-corporate KI research organisations in the Cambridge area such as Addenbrooke's Hospital, the MRC Laboratory of Molecular Biology and the Royal Papworth Hospital. The key research institutions in the Cambridge area are shown in Figure 6.5. Within the life sciences sector the key institutions are in the southern arc from the Cambridge Biomedical Campus to Fulbourn, the Babraham Research Campus and the Wellcome Genome Campus. Many other major research institutions, including the University and its Colleges, are concentrated in the city centre.

Figure 6.6 populates this map with the Cambridge business parks. It is immediately apparent that the southern life sciences cluster is intimately associated with the life sciences institutions. This is partly because these institutions are stimulating and fostering new company formation and partly because companies choose to locate near the research base, facilities and operations of these key research institutions.

The direct association between the other research institutions is less clear and whilst the strong clustering of KI companies near the city centre is related to the intellectual ambience and culture they create, the specific geography is less clear.

Figure 6.5 Map of key research institutions in 2023-24

Key research institutions 2023-24

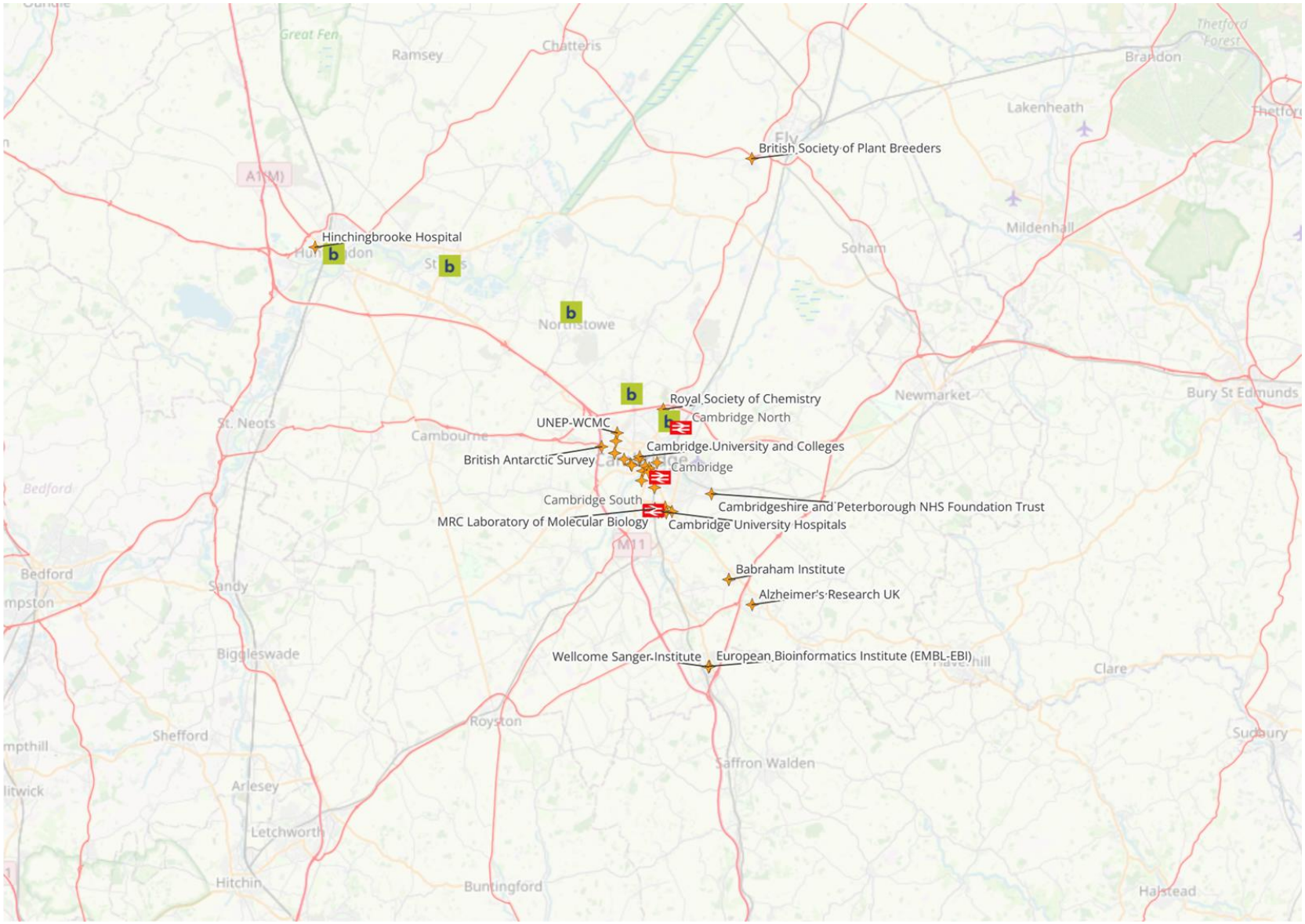


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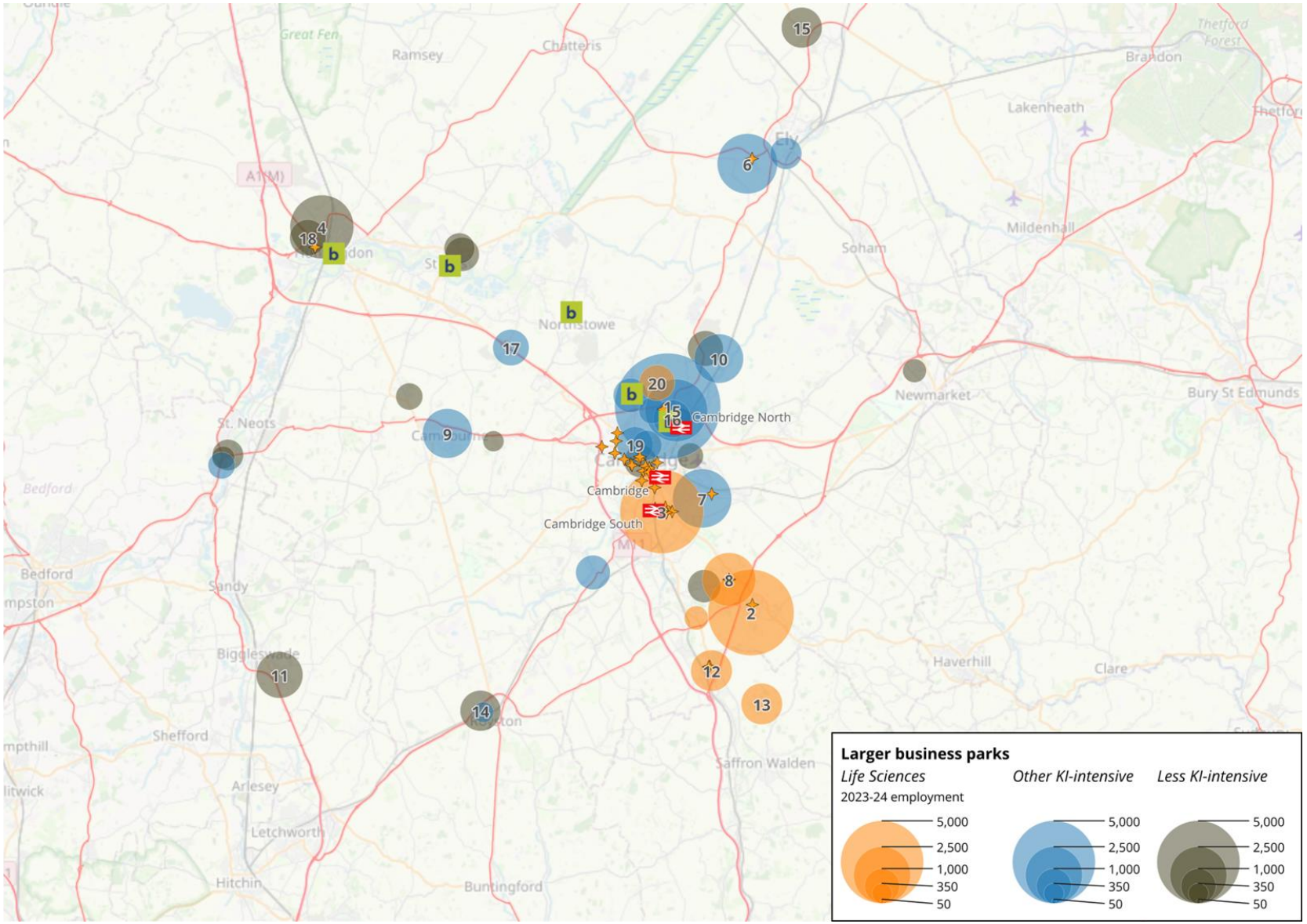
Figure 6.6 Map of business parks and key research institutions in 2023-24

Business parks and key research institutions 2023-24
[Groups a, b and c]

Top 20 largest business parks

Business park number	Business park name	2023-24 employment
1	Cambridge Science Park	7,835
2	Granta Park	5,350
3	Cambridge Biomedical Campus	5,094
4	Ermine Business Park	3,069
5	St John's Innovation Park	2,981
6	Lancaster Way Business Park	2,762
7	Peterhouse Technology Park	2,663
8	Babraham Research Campus	2,226
9	Cambourne Business Park	1,926
10	Cambridge Research Park	1,901
11	Stratton Business Park	1,707
12	Wellcome Genome Campus	1,365
13	Chesterford Research Park	1,364
14	Royston Business Estate	1,321
15	E-Space North	1,319
16	Cambridge Business Park	1,166
17	Buckingway Business Park	1,064
18	Hinchingbroke Business Park	1,063
19	Journey Park (Castle Park)	1,052
20	Evolution Business Park	1,034



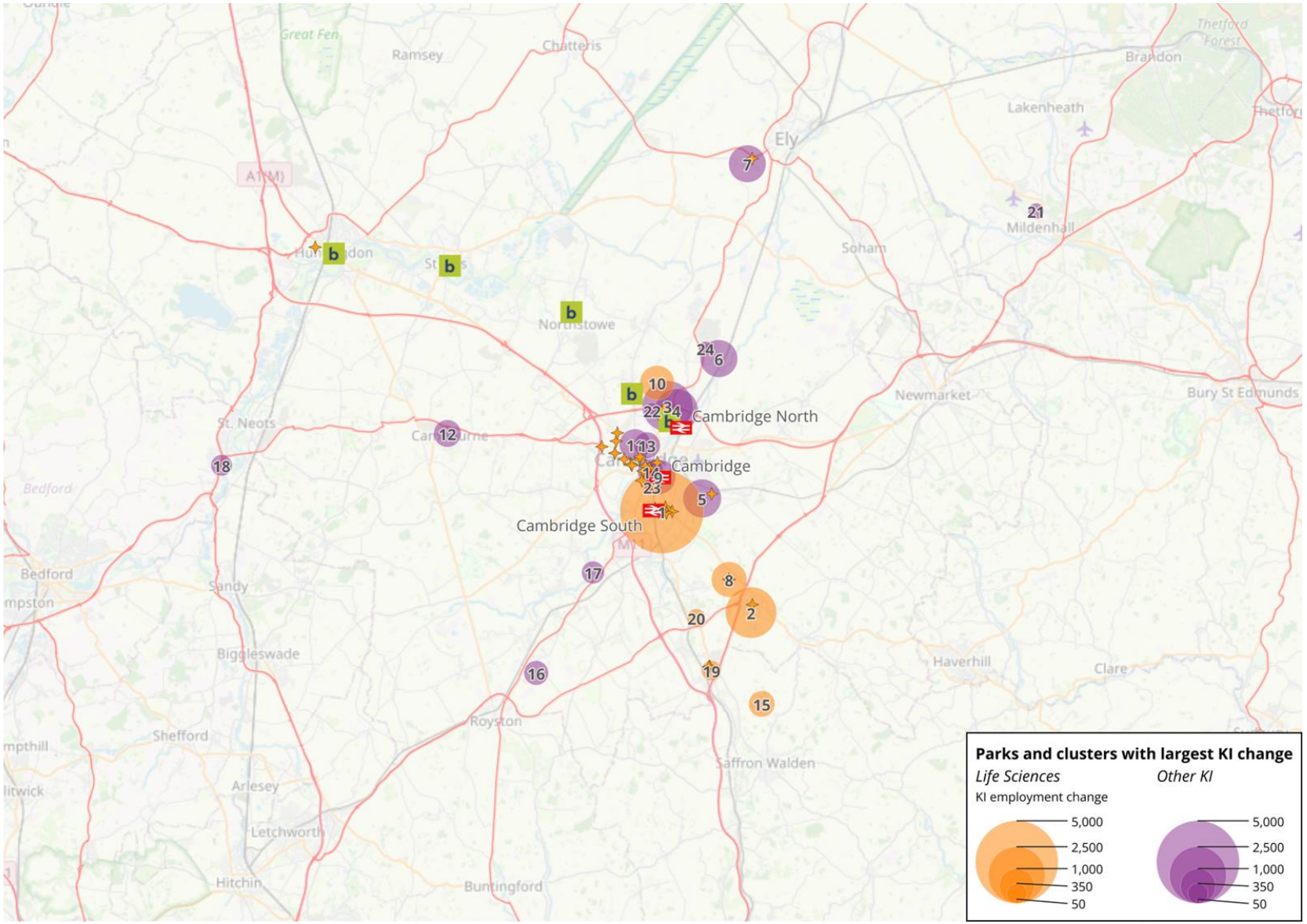
We can examine the location of **changes** in KI employment since 2015 for the parks and clusters with the largest KI employment change between 2015-16 and 2023-24 in relation to the location of key research institutions. This is shown in Figure 6.7, which demonstrates very well the association of growth in the life sciences sector and the key life sciences research organisations.

Other KI employment growth is less obviously related to specific research institutions but is clustered around the centre of the city, where much of the research activity is based.

Figure 6.7 Parks and clusters with largest KI employment change between 2015-16 and 2023-24 – 24 clusters showing key research institutions

Parks and clusters with largest KI employment change between 2015-16 and 2023-24

Concentration number	Concentration name	KI empl change
1	Cambridge Biomedical Campus	5,094
2	Granta Park	2,036
3	Cambridge Science Park	2,022
4	St John's Innovation Park	1,505
5	Peterhouse Technology Park	1,191
6	Cambridge Research Park	1,133
7	Lancaster Way Business Park	1,126
8	Babraham Research Campus	1,015
9	Cambridge Station	1,006
10	Evolution Business Park	971
11	Journey Campus (was Castle Park)	807
12	Cambourne Business Park	621
13	Barclays Eagle Labs	587
14	Hill's Road, Cambridge	581
15	Chesterford Research Park	572
16	Melbourn	502
17	Harston Mill	431
18	Knowledge Centre	381
19	Wellcome Genome Campus	338
20	Iconix Park / Unity Campus	290
21	Mildenhall	221
22	Allia Future Business Centre (Cambridge)	209
23	Eastbrook, Cambridge	181
24	Cambridge Innovation Park	176



6.5 Concluding remarks on the role of business clusters in the growth of Cambridge

This section shows that business parks and other employment clusters have played an increasingly central role in the rapid growth of the Cambridge economy. The KI intensity of business parks has increased over the recent decade as some parks transition between a commercial park towards an innovation park.

There are clear advantages for companies and their employees of being gathered together. Part of this benefit comes from the improvement to transport links for these parks, particularly in a place with limited housing availability in the centre. These links permit the location of employment and housing to be separated so that businesses can draw from a wider employment pool. Our research also shows the importance of Cambridge research institutions in the growth of the cluster, particularly in life sciences.

7. Concluding remarks

The November 2025 Update is the thirteenth in a series of updates that provide timely data on corporate employment changes in the Greater Cambridge area. The findings in this report are drawn from a large sample of 5,499 companies with accounting year ends between December 2024 and April 2025. Therefore, it captures the recovery from the 2023 recession. We compare this period with the same period the previous year, which covers the effects of the unfolding cost of living crisis.

Our analysis points to a slowdown in corporate employment growth in the Greater Cambridge area during the year to mid-February 2025. Growth in the area slowed down from 4.5% in 2023-24 to 0.7% in 2024-25, suggesting that the challenging macroeconomic backdrop has had some impact on Greater Cambridge businesses. In our previous update (June 2025 Update), we reported some evidence indicating that even KI sectors in Greater Cambridge have not been immune to the unfavourable macroeconomic environment. Our November 2025 Update casts further light on this by showing little growth in KI sectors (0.1% in 2024-25 against 4.8% in 2023-24). Nonetheless, KI employment did not decline in this period, whereas it showed negative growth in the June 2025 Update. The picture for non-KI sectors is somewhat more positive, but there are signs that the challenging macroeconomic backdrop has also had some impact on non-KI businesses. Employment growth in non-KI sectors slowed down from 4.0% in 2023-24 to 1.6% in 2024-25.

We complement these findings by providing a snapshot for companies with interim accounts ending in either May or June 2025. This sample is much smaller than the update sample (£340m turnover and about 2,000 employees) but allows for an even more up-to-date picture of corporate growth in Greater Cambridge. Total turnover for this group of companies rose by 3% in the first six months of the 2025 financial year compared with a fall of 11% in the same period last year – the median growth rate across this group of companies was 7% compared with -7% last year. These figures demonstrate some recovery from the consequences of the flatlining economy but are below the growth rates achieved in the past. The perusal of their interim reports also appears to confirm that these businesses are showing some kind of recovery in the first half of 2025.

We further explore our Update and Snapshot findings by considering the CBR figures alongside the latest employment data from ONS. The gain from looking at ONS data is that it also covers non-corporates (e.g. public services) and allows for a comparison against the nation. Greater Cambridge showed a superior performance compared to the nation in the period preceding Covid, driven by its KI sectors. During the pandemic, Greater Cambridge suffered a more marked slowdown than the nation. This result was caused by non-KI businesses, possibly reflecting falling staff numbers at language schools, crammers and tourism companies in Cambridge. It is hard to interpret the results over the last three years because of the very high volatility in BRES figures, particularly for KI sectors. We will return to this analysis once our 2024-25 annual draw data will be available in the new year.

Overall, our update results show some sign of recovery by Greater Cambridge businesses, although employment growth remains below the rates seen over recent years (particularly in KI sectors). Our next update will explore whether there has been a stronger recovery in more recent months and what sectors and businesses may have been driving that.

Andy Cosh & Giorgio Caselli
Centre for Business Research, University of Cambridge
December 2025

Appendix A1. Employment growth by sector in the Greater Cambridge area

November 2025 Update	Number of companies	Total empl 2024-25	Total empl 2023-24	% of GC total 2023-24	Empl growth 2024-25	Empl growth 2023-24
KNOWLEDGE INTENSIVE SECTORS						
Information technology and telecoms	719	13,827	13,558	72.6%	2.0%	5.9%
Life science and healthcare	231	17,931	18,513	88.4%	-3.1%	3.1%
High-tech manufacturing	143	6,316	6,277	74.9%	0.6%	4.0%
Knowledge intensive services	220	6,832	6,533	82.8%	4.6%	8.3%
TOTAL KI SECTORS	**1,313**	**44,906**	**44,881**	**80.3%**	**0.1%**	**4.8%**
OTHER SECTORS						
Primary	111	447	431	36.7%	3.7%	1.9%
Manufacturing	216	2,016	2,166	55.1%	-6.9%	0.6%
Wholesale and retail distribution	455	3,496	3,384	62.9%	3.3%	4.0%
Construction and utilities	573	2,907	2,956	60.3%	-1.7%	3.4%
Transport and travel	90	1,301	1,267	66.3%	2.7%	7.9%
Property and finance	781	3,777	3,716	70.5%	1.6%	6.5%
Other business services	969	5,141	5,121	52.1%	0.4%	-2.0%
Other services	667	5,693	5,647	54.5%	0.8%	6.9%
Education, arts, charities, social care	324	4,755	4,370	33.1%	8.8%	7.4%
TOTAL NON-KI SECTORS	**4,186**	**29,533**	**29,058**	**51.9%**	**1.6%**	**4.0%**
TOTAL ALL SECTORS	**5,499**	**74,439**	**73,939**	**66.1%**	**0.7%**	**4.5%**

Source: Cosh & Caselli, CBR.

Appendix A2. Employment growth by sector in Cambridge

November 2025 Update	Number of companies	Total empl 2024-25	Total empl 2023-24	% of Camb total 2023-24	Empl growth 2024-25	Empl growth 2023-24
KNOWLEDGE INTENSIVE SECTORS						
Information technology and telecoms	294	8,487	8,235	84.7%	3.1%	7.3%
Life science and healthcare	89	6,896	7,063	97.2%	-2.4%	1.6%
High-tech manufacturing	39	356	360	26.2%	-1.1%	6.8%
Knowledge intensive services	90	1,548	1,472	65.9%	5.2%	6.0%
TOTAL KI SECTORS	**512**	**17,287**	**17,130**	**83.2%**	**0.9%**	**4.8%**
OTHER SECTORS						
Primary	15	39	39	39.8%	0.0%	-4.9%
Manufacturing	54	272	269	43.5%	1.1%	-0.7%
Wholesale and retail distribution	151	709	691	51.3%	2.6%	0.3%
Construction and utilities	148	594	571	62.1%	4.0%	2.5%
Transport and travel	29	319	314	51.1%	1.6%	15.4%
Property and finance	343	2,141	2,078	73.2%	3.0%	11.1%
Other business services	371	1,705	1,728	39.5%	-1.3%	2.4%
Other services	287	2,336	2,315	49.9%	0.9%	9.3%
Education, arts, charities, social care	155	3,367	3,062	38.7%	10.0%	7.7%
TOTAL NON-KI SECTORS	**1,553**	**11,482**	**11,067**	**47.4%**	**3.7%**	**6.9%**
TOTAL ALL SECTORS	**2,065**	**28,769**	**28,197**	**64.2%**	**2.0%**	**5.6%**

Source: Cosh & Caselli, CBR.

Appendix A3. Employment growth by sector in South Cambridgeshire

November 2025 Update	Number of companies	Total empl 2024-25	Total empl 2023-24	% of S Cambs total 2023-24	Empl growth 2024-25	Empl growth 2023-24
KNOWLEDGE INTENSIVE SECTORS						
Information technology and telecoms	425	5,340	5,323	59.5%	0.3%	3.8%
Life science and healthcare	142	11,035	11,450	83.7%	-3.6%	4.1%
High-tech manufacturing	104	5,960	5,917	84.5%	0.7%	3.8%
Knowledge intensive services	130	5,284	5,061	89.4%	4.4%	9.0%
TOTAL KI SECTORS	**801**	**27,619**	**27,751**	**78.6%**	**-0.5%**	**4.8%**
OTHER SECTORS						
Primary	96	408	392	36.4%	4.1%	2.6%
Manufacturing	162	1,744	1,897	57.3%	-8.1%	0.8%
Wholesale and retail distribution	304	2,787	2,693	66.7%	3.5%	4.9%
Construction and utilities	425	2,313	2,385	59.8%	-3.0%	3.7%
Transport and travel	61	982	953	73.5%	3.0%	5.7%
Property and finance	438	1,636	1,638	67.3%	-0.1%	1.3%
Other business services	598	3,436	3,393	62.1%	1.3%	-4.1%
Other services	380	3,357	3,332	58.1%	0.8%	5.3%
Education, arts, charities, social care	169	1,388	1,308	24.7%	6.1%	6.8%
TOTAL NON-KI SECTORS	**2,633**	**18,051**	**17,991**	**55.1%**	**0.3%**	**2.4%**
TOTAL ALL SECTORS	**3,434**	**45,670**	**45,742**	**67.3%**	**-0.2%**	**3.8%**

Source: Cosh & Caselli, CBR.

Appendix A4. Greater Cambridge Employment Update methodology

This appendix describes the purpose and methodology of regular updates of the corporate database.

Annual draw

Dr Cosh and Dr Caselli at the CBR hold a corporate database of local companies with data going back fourteen years. The current database goes from 2010-11 to 2023-24 audited company data and covers the accounting periods of companies ending in the 2023-24 financial year. The results of the 2024-25 annual draw will be released in March 2026. The reasons for the delay in publication relative to the accounting periods are:

- The need to wait until most companies have filed their accounts at Companies House.
- The incorporation of all company births and deaths.
- The careful checking of any changes in ownership, or corporate structure.
- The investigation of changes of location by companies into and out of the area.

This yields a comprehensive picture each year of the total employment of all companies that are based in the Cambridgeshire and Peterborough Combined Authority, Greater Cambridge, or Cambridge Ahead (Cambridge City Region) areas. It enables us to analyse the composition of growth split into growth of continuing businesses, less the decline due to companies dying or moving out of the area, plus the contribution to growth of company births and businesses moving into the area.

A full description of the methodology used can be found at:

https://www.jbs.cam.ac.uk/wp-content/uploads/2025/03/cbr-10-cbr-database-methodology.pdf

Various analyses can be found at:

https://www.jbs.cam.ac.uk/centres/business-research-cbr/research/research-projects/project-the-cambridge-corporate-database-regional-growth/

Updates

Timings

The current circumstances for business make it important to attempt to have more timely data. This can be achieved by using a sampling approach drawing upon the most recently published accounts.

We carry out two updates each year and this can be seen in Table A1. If we look at 2025, we have conducted June and November updates which yield estimates of growth for the years to mid-October 2024 and mid-February 2025. These periods capture: the worst impacts of recession in the second half of 2023 (June update); and the recovery from recession (November update). However, it must be remembered that the update takes no account of births or deaths, or of changes in location.

Table A1 Summary of Greater Cambridge Employment Updates

Draw Name	Sample or All	Accounting year ends within:	Median growth period	Release date	Insight into:
Annual draw 2023-24*	All companies	6th April 2023 to 5th April 2024	Year to early December 2023	February 2025	Impact of the onset of recession
Update June 2025	Sample	May 2024 to December 2024	Year to mid-October 2024	July 2025	Worst impacts of recession
Update November 2025	Sample	December 2024 to April 2025	Year to mid-February 2025	January 2026	Recovery from recession
Annual draw 2024-25*	All companies	6th April 2024 to 5th April 2025	Year to early December 2024	March 2026	Assessment of robustness of Greater Cambridge economy

Notes: * commissioned and sponsored by Cambridge Ahead, Arm, Cambridgeshire and Peterborough Combined Authority, Greater Cambridge Partnership, Marshall of Cambridge and Mills & Reeve; ** commissioned and sponsored by the Greater Cambridge Partnership and Cambridge Ahead.

Update Sample (using November 2025 Update example)

We download data from FAME for any company in Cambridge, South Cambridgeshire, Huntingdonshire, or East Cambridgeshire that has available accounts for the periods ending between December 2024 and April 2025. We then check 2022-23 and 2023-24 employment data against the existing figures on the database. Differences can occur for a number of reasons and are corrected to ensure that consistency and accuracy are maintained across the years under review.

We eliminate companies from the update sample that do not have actual employment data for the last two years. Finally, we create a file with the following information for those remaining in the update sample (**4,696** companies this time representing total employment of **76,523**):

- Company name
- Company registration number
- LA District
- Sector
- KI or non-KI
- Size class in 2023-24 – 1 = 1 employee, 2 = 2-9 employees, 3 = 10 or more employees
- Latest employment 2024-25 (on average mid-February 2025)
- Employment 2023-24 (on average mid-February 2024)
- % change in employment over last year (i.e. on average to mid-February 2025)

Next, we produce a table showing the number of companies in each of the four KI sectors and nine non-KI sectors and their total employment in the latest and previous year. This table is then reproduced separately for our three size classes.

We then create three measures of growth over the latest year: the unweighted arithmetic mean, the median and the weighted mean. The first suffers from extreme values and also attaches the same importance to a large company as that for a small company. The second will often have the values of zero since a large proportion of companies do not change size. Therefore, it is the latter that we use for the next stage of the work.

Updating the corporate database for the Greater Cambridge area

We take from our corporate database all companies currently alive that are based in Cambridge or South Cambridgeshire. We select a sample of those companies that have accounting periods ending between December 2024 and April 2025 (whether, or not, they have yet reported). For companies that were included in the update sample we enter their employment data for the last three years. For the remaining companies that have not yet reported in 2024-25 we next download the latest FAME data and check employment data for the last three years against the existing figures on the database. Following this, we create a file with all the companies based in the Greater Cambridge area (**5,499** companies representing total employment of **74,439**) with the following information:

- Company name
- Company registration number
- Local Authority District
- Sector
- KI or non-KI
- Size class in 2023-24 (as above)

- Employment 2022-23
- Employment 2023-24
- Employment 2024-25
- % change in employment between 2023-24 and 2024-25

We now use the estimates of growth by size and sector from the update sample to create an estimate of the size of each company and sector in 2024-25. This allows us to examine the most recent growth of each sector and size class over the most recent year 2024-25 in comparison with the year 2023-24 for this sample of companies. The year 2024-25 covers the recovery from recession, whereas the year 2023-24 captures the effects of the unfolding cost of living crisis. Since the UK economy exited recession in the first quarter of 2024, companies with an April 2025 year end had a higher proportion of months during the recovery period compared to companies with an earlier year end.

The resulting sample is shown in Appendices A1-A3 and these tables highlight how significant these companies are, representing about 66% of corporate employment in Greater Cambridge. The sample has a high coverage of total employment in this update because many large businesses have a March or December year end and so are captured in this update.

Analyses

Using the methodology described above we can compare the performance of our sectors over time and identify those sectors with the strongest growth in employment. A powerful tool for doing this is one that has as the horizontal axis the sector's employment growth rate in the year 2023-24 and as the vertical axis the annual growth shown in the update sample for 2024-25 – see Figure 2.4 above for an example. The position of the sector marker relative to the 45˚ line shows those growing more or less fast than last year. Sectors with positive growth in 2024-25 are found above the horizontal axis and those with positive growth in 2023-24 appear to the right of the vertical axis. This can be shown more informatively by having the size of the marker related to the total employment in that sector.

This type of chart can be used to examine different sectors, districts or company sizes. It is reinforced by an appendix that provides detailed tables (see Appendices A1-A3).

Appendix A5. Cambridge based research institutions

Science/Research Institute Employment	2015-16	2024-25	Groiwth pa #2015-16 to 204-25
British Antarctic Survey	335	521	5.0%
European Bioinformatics Institute (EMBL-EBI)	686	824	2.1%
MRC Mitochondrial Biology Unit #,*	113	51	-8.5%
MRC Laboratory of Molecular Biology	764	855	1.3%
MRC Elsie Widdowson Laboratory	164	0	-100.0%
MRC Cognition and Brain Sciences Unit #,**	144	90	-5.1%
MRC Biostatistics Unit #,***	87	79	-1.1%
PHG Foundation	22	16	-3.5%
PHE East of England	47	0	-100.0%
UKHSA East of England	n.a.	29	n.a.
Public Library of Science (UK Office)	n.a.	135	n.a.
Royal Society of Chemistry	504	494	-0.2%
Cambridge Arctic Shelf Programme (CASP)	31	15	-7.7%
Hitachi Cambridge Laboratory	21	11	-6.9%
UNEP-WCMC (United Nations Environment Programme World Conserva	117	241	8.4%
Cambridge University ****	7694	9056	1.8%
Cambridge University research students	4820	4095	-1.8%
Cambridge Colleges *****	345	374	0.9%
Needham Research Institute	17	27	5.3%
Gates Cambridge Trust	7	9	2.8%
Cambridge Commonwealth, European and International Trust	13	16	2.3%
Cambridge University Press ##	1087	n.a.	n.a.
Cambridge Assessment (UCLES) ###	1809	n.a.	n.a.
Cambridge University Press & Assessment	n.a.	3848	3.2%
Anglia Ruskin University - Cambridge Campus	1627	1905	1.8%
Anglia Ruskin University - Cambridge Campus research students	496	265	-6.7%
The Pathology Partnership	411	0	n.a.
Cambridge University Hospitals (Addenbrooke's) ####, ******	4668	7042	3.7%
Cambridgeshire and Peterborough NHS Foundation Trust *******	2235	3930	6.5%
Royal Papworth Hospital	1794	2274	2.7%
Hinchingbrooke Hospital	1814	2151	1.9%
Cancer Research Horizons - Therapeutic Innovation (CRH-TI)	39	108	12.0%
eLife Sciences Publications	28	39	3.8%
TOTAL	**31939**	**38500**	**2.1%**

* Plus non-research employment of:	n.a.	9
** Plus non-research employment of:	n.a.	17
*** Plus non-research employment of:	n.a.	7
**** Plus non-research employment of:	3659	4260
***** Plus non-research employment of:	3629	4206
****** Plus non-research employment of:	4204	6669
******* Plus non-research employment of:	587	1098

The Unit has become part of Cambridge University since 2016-17.

CUP corporate entities only employ staff overseas

Non-corporate CA employment only (see corporate cluster map for corporate entities)

Figures after 2016-17 include CUH staff in The Pathology Partnership