

# West Suffolk Council Employment Land Review, 2021

## Revised Addendum: 12<sup>th</sup> May 2022

### Introduction

Following publication of the District's *Employment Land Review* (ELR) in December 2021, the Council identified an error in the Appendix where the Jockey Club was listed as having been interviewed as a stakeholder, when in fact they had only been included in the wider business survey. Consequently Ramidus has been asked by the Council to prepare this Addendum to the report. The main aim of the Addendum is to highlight the significance of the Horse Racing Industry (HRI) which is headquartered in Newmarket, and to interview a representative of the Jockey Club.

This addendum will form part of the ELR and references within it are directly linked to those contained within the full report.

The addendum is structured around three issues.

- 1.) **Horse Racing Industry** Highlight the relevance of the Horse Racing industry and how supply chain activities are picked up in the research methodology, including a statement about how the forecasting tools (such as EEFM) are embedded in the process.
- 2.) **Business survey** A report on the Jockey Club's response to the wider business survey that was undertaken as part of the ELR process, in order to highlight any comments relevant to the wider findings of the study.
- 3.) **Jockey Club** An interview with the Jockey Club, as a major user of land within the area, in order to highlight any relevant issues to be considered as part of the wider Local Plan preparation process.

### The significance of the horse racing cluster in and around Newmarket

The ELR highlights that the District has a number of industry sector strengths. Alongside the headquarters and facilities of the British Horse Racing Industry at Newmarket, the District is also home to two of the largest military air bases in the UK, RAF Lakenheath and RAF Mildenhall. The District also has strengths in agritech, agrifood, biotechnology, equine life science, food and drinks processing (with a strong brewing industry concentrated around Bury St Edmunds). These industries demand skilled workers. The study recommended the Council should seek to consolidate and nurture these strengths, perhaps starting with awareness raising and general marketing of sites where 'clusters' of activity can be identified (ELR, page 80).

The Newmarket area is renowned as the birthplace and global centre of thoroughbred horse racing, underpinning major economic sectors including horse training, breeding and bloodstock, and equine health and a related tourist economy (ELR, P26-27). The ELR was informed by two key reports on Newmarket's equine role, namely: *SQW Newmarket's Equine Cluster* (Jan 2014) and *Deloitte Newmarket Horseracing Industry* (June 2015). Data to inform the ELR on the economic significance of the cluster was also found in the *Newmarket Neighbourhood Plan* (February 2020), which states that in 2012 alone the total economic contribution of the industry to Newmarket and the area within a 25-mile radius of the town was estimated at over £208 million (ELR, P9).

The ELR goes on to state that Newmarket's position as the home of horse racing means there are more racehorses, trainers, stable staff, stud farms and racing organisations based in and around the town than anywhere else in the world. According to the *West Suffolk Business Pack* (WSC, 2017) the HRI is directly responsible for about 3200 jobs and the £208m benefit to the wider local economy supports around 8,500 jobs (ELR, p29-30).

The HRI, like the other major sectors and employers highlighted above, has an impact on the demand for B-space through supply chain effects. The sector includes not only Newmarket Racecourse itself, but also the associated horse training services, stud farms, bio-science institutions and suppliers of equine equipment. The industry also contributes to the local economy through the recreation and leisure expenditure generated by visitors to the racecourse (ELR, P36).

The ELR investigated the 'Cambridge effect' and concluded that it was not significant generally but that the "*single possible exception to this rule is Newmarket, which sits a very short distance from Cambridge, with its unique equine focus*" (pii). The report also suggested that "*proximity to Cambridge means that Newmarket is the location within West Suffolk most likely to benefit from some 'Cambridge effect', as business look outwards*" (p30).

These wider impacts are picked up in the ELR process through the standard forecasting method we apply.

The ELR adopted two quantitative methods to forecast the demand for B-space. The first method used sectoral projections from the *East of England Forecasting Model* (EEFM). Occupiers of B-space in West Suffolk who are suppliers to the HRI will be accounted for in their relevant sectors.

The second method used trend projections of B-class floorspace stock. Again, occupiers of B-space in West Suffolk who are suppliers to the HRI, as well as the other industries noted above, form an integral part of that trend projection.

The qualitative interviews that were undertaken as part of the study are used to inform how we interpret and apply the quantitative projections, but are not part of the quantification mechanism itself.

We note that the SQW and Deloitte studies are several years old, and the District might wish to consider updating its knowledge base in this area.

## **Business Survey**

In addition to the main tasks of a standard ELR and their focus on B-space, the West Suffolk Council work also included a survey of the District's business community. This is distinct from the main tasks because it casts its net much wider and involves all employers in the District irrespective of their use of B-space. This results in a broad sample of employers being interviewed, in order to understand the business profile and the concerns and priorities of the local business base in a little more detail.

In addition to the initial sampling, West Suffolk Council asked for an additional and specific 22 companies to be contacted and included, and accounted for separately, the survey questionnaire was exactly the same as for the main survey sample. The Jockey Club was included on this list and was subsequently interviewed.

It is important to stress at this point that business surveys are undertaken with assurance of anonymity to the interviewees. Following a request from West Suffolk Council, permission

was sought from the Jockey Club for the release of its own response, in order to be included in this addendum. Permission was secured from the Jockey Club's planning advisor Turnberry.

The survey results confirm the Jockey Club's business and the nature of its use of premises and that the reason they are located in West Suffolk is due to the location's proximity to land for racehorse training.

The results show that the Jockey Club is satisfied with its premises.

The Jockey Club confirms that its premises are confined to the town centre; and that these comprise mainly office, club and hospitality facilities and that they do not foresee any change to the facilities they currently occupy.

The Jockey Club's responses to the business survey do not raise any issues that have wider relevance to the ELR.

### **Jockey Club interview**

An interview was undertaken with a representative acting on behalf of the Jockey Club in April 2022, as the Jockey Club is a major user of land within the area, in order to highlight any relevant issues to be considered as part of the wider Local Plan preparation process. While the Jockey Club is part of the wider horse racing cluster, the interview was conducted to represent the views of the Jockey Club alone.

As with the Stakeholder interviews undertaken during the preparation of the ELR, the interview was undertaken on the basis that the content would remain confidential between Ramidus, the Jockey Club and West Suffolk Council.

While respecting the confidentiality, we can confirm that most of the HRI's use of land is *sui generis*, which lies outside the scope of an ELR. Furthermore, the interview revealed no new information that would have a material effect on the conclusions of the ELR.

### **Conclusion**

While the interview with the Jockey Club identified there should be careful consideration of the need for growth in employment in Newmarket and its impact on the Horse Racing Industry, the interview and review of the Business Survey does not change the conclusions and recommendations made in the ELR published in November 2021, as the ELR assesses overall employment need for the district. As stated above, full details of the Business Survey and the Jockey Club interview are confidential and have been provided to West Suffolk Council under separate cover. We would recommend that the Council undertakes further specific evidence to establish the needs of the Horse Racing Industry cluster in more detail which together with the Employment Land Review will inform the next stage of the local plan process.

### **Endnote**

ELRs have traditionally addressed the 'B-space' market, where the 'B' refers to one particular segment of the 1986 *Use Classes Order*. This includes B1(a) Offices; B1(b) Research and Development; B1(c) Light Industry; B2 General Industry and B8 Storage and

Distribution. Recent changes to the planning system have changed these designations slightly, and B1(a), B1(b) and B1(c) now form part (E(g)) of a broader 'E' category. For clarity and simplicity, the ELR and this addendum use the generic 'B-space' to refer collectively to office, light industrial, general industrial and distribution activities.

### **May 2022 Update provided by West Suffolk Council.**

The Consultants' recommendations above are noted. We can confirm that now we have a Memorandum of Co-operation in place with the Horse Racing Industry (HRI), this will enable us to work with the HRI to prepare a piece of evidence to update the SQW and Deloitte studies which consider the needs of the HRI and the associated employment uses within the cluster. This will be in tandem with a call for employment sites alongside consultation on the preferred options. This will enable the Council to undertake an assessment of all needs to inform policies and allocations as it continues to prepare the local plan following the preferred options consultation.