

**Potential Economic Implications of the NCF for
Central Lancashire
Cuerdale Garden Village**

April 2025

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Client

Story Homes

Our reference

STOM3025

April 2025

Executive Summary

1. This report has been commissioned by Story Homes to support representations to the emerging Central Lancashire Local Plan, concerning its proposals for Cuerdale Garden Village.
2. Cuerdale Garden Village is proposed to be located within the A59 Growth Corridor, adjacent to Junction 31 of the M6 and near the Samlesbury Enterprise Zone (EZ). The Development Framework identifies the potential to deliver a broad range of high-quality employment space (up to 492,5000 sqm), co-located with residential development (up to 2,300 homes) in a liveable environment, supported by accessible infrastructure.
3. The National Cyber Force (NCF) headquarters is currently progressing on Samlesbury EZ and is anticipated to be gradually occupied from 2025. It is expected that the facility will accommodate personnel from GCHQ, the Ministry of Defence (MOD) the Secret Intelligence Service and the Defence Science and Technology Laboratory.
4. Recognising the scale of the investment in the NCF and the potential for Cuerdale Garden Village to accommodate additional floorspace requirements and future workers to retain associated benefits within Central Lancashire, this report explores the scale of potential complementary investment and arising needs. It draws upon work undertaken by Plexal in 2024 on behalf of Lancashire County Council (LCC) which has specifically sought to understand in detail how this nationally significant investment can create wider opportunities for the county. It also references other published materials which have sought to consider the importance of the defence and cyber security sectors, with a specific focus on the North West.

Economic expectations of the NCF

5. The Government's Green Paper Industrial Strategy, *Invest 2035*, identifies the 'defence' sector, along with 'digital and technologies' as two of its eight defined growth-driving sectors. Its commitment to the sector has been enhanced by the recently stated commitment to see defence spending in the UK increase to 2.5% of GVP by 2027, with a view to further increasing it to 3.0% within the next parliament. It has also highlighted its intention to grow onshore production capability and support UK based businesses, including start-ups and SMEs. It recognises that this will require a strengthening of critical supply chains within the UK defence industry.
6. Aside from the South East and South West, the North West represents the largest concentration of defence expenditure and is home to a significant number of businesses and their employees in the sector.
7. The cyber security sector represents a significant and growing component of the overall defence sector and the North West also has a significant presence of businesses, institutions and partnerships in this sub-sector.
8. The Government has, in this context articulated the role it sees its investment in the NCF as supporting these sectors to grow, stating that:

“Within the next few years NCF will establish its centre of gravity in the north west of England. It will contribute to driving growth in the technology, digital and defence sectors, and encourage the creation of partnerships between government, industry and universities in the region. This growth will allow us to enhance and broaden our collective skillset, deepening existing partnerships and forging new ones, strengthening the UK’s cyber ecosystem”¹.

9. Similarly, the Lancashire Combined County Authority (LCCA) has recently consulted on a draft of a Growth Plan which confirms its view that *‘the location of the National Cyber Force provides opportunity to harness new corporates, SMEs and talent into the region’²*. Indeed, in supporting this ambition it has already given its agreement to fund a £13.2 million innovation hub within the EZ, to complement the existing Advanced Manufacturing Research Centre North West already located on the site. This new facility is understood to have the capacity to deliver 27,000sqft of floorspace to provide *‘multi-functional business premises’³*.

Case study precedents

10. The report has considered a range of case studies, recognising the unique nature of the investment in the NCF, to assist in framing an understanding of potential impacts and benefits. This initially included two case studies identified by Plexal in the work they have undertaken for LCC as representing comparable large-scale public-sector relocations. In reviewing these they show:
- the potential to generate indirect and induced employment opportunities in terms of supply chains but also more widely in attracting business investment which is keen to co-locate to benefit from proximity to public sector investment;
 - that opportunities will be created for local recruitment; and
 - that there are impacts on local labour-force demand with reasonable proportions of workers understood to live in reasonable proximity, albeit that a proportion of ‘new’ labour will travel from further afield but within a travel to work geography based on reasonable travel times.
11. The experience at Cheltenham and specifically the Golden Valley development which is near the GCHQ affirms the scale of opportunity perceived to capitalise on attracting business interest from within the Cyber sector and other sectors, drawn by the location of the Government’s investment. The scale of the development is noted where it has the capacity to accommodate over 11,000 additional jobs along with new residential development, with commercial space primarily focussed on quality office provision within a campus location.
12. Two other global case studies, Maryland Virginia USA and Be-er Sheva in Israel, illustrate the potential scale of impact that the growing cyber sector can have on local

¹ https://assets.publishing.service.gov.uk/media/61b9f526d3bf7f05522e302e/Force_Explainer_20211213_FINAL_1_.pdf

² Lancashire Combined County Authority (February 2025) The Lancashire Growth Plan 2025 – 2035, consultation version, p36

³ <https://www.lancashiretelegraph.co.uk/news/24878197.new-13m-innovation-hub-agreed-open-samlesbury/>

economies where there is a combination of public, private and academic institutions and a clear ambition to capture an agglomeration of benefits.

Estimating the potential economic impact

13. Work undertaken by Plexal on behalf of LCC suggests that the NCF will accommodate in the order of 2,000 direct jobs but will potentially generate a further 1,120 indirect jobs. This would suggest a total of 3,120 additional jobs within Central Lancashire being generated by the NCF.
14. Where this is based on assumptions around achieving indirect multipliers as other comparable developments, with reference specifically to Cheltenham / GCHQ it is understood, it is recognised that there is a potential to support further growth through the potential to plan for additional commercial floorspace in proximity to the NCF and Samlesbury EZ. This recognises wider forecasting of the potential scale of additional economic and employment growth in the cyber sector and more widely in the context of the Government's commitment to increased local spending in the defence sector.
15. JLL have considered the potential for such wider commercial market interest drawing on their experience of other clustering of commercial floorspace and in recognising the potential needs which could arise from the investment at the NCF and more widely in providing supporting housing development to accommodate additional labour.

Appreciating other potential benefits

16. Through the creation of new jobs and attraction of investment the NCF will stimulate additional needs for infrastructure, including the provision of housing to accommodate a growing labour-force. The profile of employment opportunities generated can be expected to have an impact on the local housing market, creating additional demand for a range of types and tenures within Central Lancashire.

Cuerdale Garden Village

17. The proposed development offers a unique opportunity to capitalise on the investment being made by the NCF and provide complementary commercial floorspace that, as with the examples identified, can provide businesses with the opportunity to co-locate in proximity to the NCF and existing and developing cyber and defence eco-system on Samlesbury EZ. The phasing of delivery will ensure that this space is provided in parallel with the occupation of the NCF, responding to additional needs which are generated, and in alignment with the Government's anticipated investment and growth in the sector within the UK and region. JLL have confirmed that the profile of space will align with potential occupier demands in the sector and considered potential types of occupier needs.
18. Similarly, the proximity of the Garden Village to the NCF and other employment opportunities – within Samlesbury EZ and in the Garden Village itself – offers a unique opportunity to provide housing to accommodate additional arising needs by attracting and retaining workers in close proximity. It will provide an attractive residential environment offering which will be of considerable value in helping to attract workers to locate to the area and reducing the need to travel.

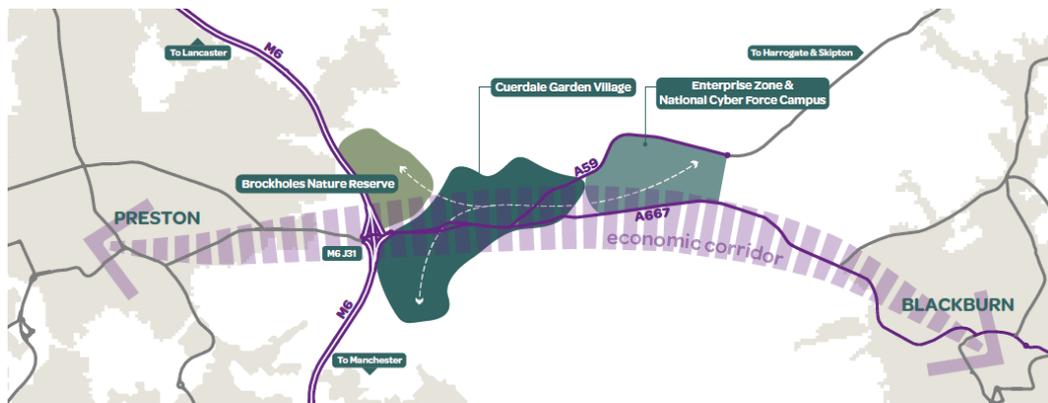
1. Introduction

- 1.1 This report has been commissioned by Story Homes to support representations to the emerging Central Lancashire Local Plan, concerning its proposals for Cuerdale Garden Village.

Context: the National Cyber Force Campus and Samlesbury Enterprise Zone

- 1.2 Cuerdale Garden Village is proposed to be located within the A59 Growth Corridor, adjacent to Junction 31 of the M6 and near the Samlesbury Enterprise Zone (EZ). The Development Framework identifies the potential to deliver a broad range of high-quality employment space, co-located with residential development in a liveable environment, supported by accessible infrastructure. Figure 1.1 shows the strategic location of the proposed development.

Figure 1.1: A59 Growth Corridor



Source: Cuerdale Garden Village Development Framework Document (2023)

- 1.3 The previous UK Government announced the establishment of the new NCF in November 2020. It was subsequently announced that a permanent base for the NCF would be established and located at Samlesbury EZ.
- 1.4 The NCF is currently under construction within the EZ and is anticipated to be gradually occupied from 2025, with the first jobs on site currently advertised. It is expected that the facility will accommodate personnel from GCHQ, the Ministry of Defence (MOD) the Secret Intelligence Service and the Defence Science and Technology Laboratory.
- 1.5 The decision to locate at Samlesbury recognises that the region is already home to related assets in the form of GCHQ's Manchester office and the Digital Security Hub (DiSH). Furthermore, leading defence and intelligence companies like Raytheon, BAE Systems Applied Intelligence and Northrop Grumman are already embedded in the regional economy. It is expected that such businesses will seek to leverage growing supply chain opportunities arising from the NCF where key initiatives have already been established to capture wider benefits such as the North West Cyber Corridor and the North West Cyber Security Cluster.

Scope and objective of this report

- 1.6 Recognising the scale of the investment in the NCF and the potential for Cuerdale Garden Village to accommodate additional floorspace requirements and future workers to retain associated benefits within Central Lancashire, this report explores the scale of potential complementary investment and arising needs. It draws upon work undertaken by Plexal in 2024 on behalf of Lancashire County Council (LCC) which has specifically sought to understand in detail how this nationally significant investment can create wider opportunities for the county and is referenced within the recently published Lancashire Growth Plan⁴. It also references other published materials which have sought to consider the importance of the defence and cyber security sectors, with a specific focus on the North West.
- 1.7 Where it is acknowledged that the nature of the proposed investment means that there is more limited publicly available information than would normally be expected, consideration is given to a range of case study material. This includes information which has been developed by Plexal for LCC and shared with Story Homes to support their wider research as well as commercial market insight from JLL's research team.

Report structure

- 1.8 The remainder of this report is structured as follows:
- **Section 2: Overview of the NCF**
 - **Section 3: The Defence and Cyber Sectors in Central Lancashire**
 - **Section 4: Comparable Case Studies**
 - **Section 5: Estimating the Potential Economic Impact**
 - **Section 6 Other Potential Benefits and Impacts**
 - **Section 7: Cuerdale Garden Village**
 - **Section 8: Conclusion**

⁴ Lancashire Combined County Authority (February 2025) The Lancashire Growth Plan 2025 – 2035, consultation version

2. Overview of the NCF

- 2.1 The establishment of the NCF was confirmed by the previous Government in November 2020, as part of its Integrated Review of Security, Defence, Development and Foreign Policy.
- 2.2 This section presents an overview of the NCF and the Government's expectations and ambitions of its role in elevating the UK's cyber security and economic growth.

The NCF

- 2.3 The NCF is a partnership between defence and intelligence. It is intended to operate *'in and through cyberspace to disrupt, deny, degrade and contest those who would do harm to the UK and its allies, to keep the country safe and to promote the UK's interests at home and abroad'*⁵.
- 2.4 To facilitate the new partnership of agencies the previous Government identified the need for a new headquarters which it confirmed would be established and located at Samlesbury EZ. It is anticipated that the facility will accommodate personnel from GCHQ, the MOD, the Secret Intelligence Service and the Defence Science and Technology Laboratory.

The decision to locate in Central Lancashire

- 2.5 The decision to locate at Samlesbury recognises that the region is already home to related assets in the form of GCHQ's Manchester office and DiSH. Local academic institutions, including Lancaster University – the lead academic partner in DiSH – also have reputations for delivering new qualified graduates in the sector and leading research and development (R&D) for instance through the Cyber Foundry project⁶.
- 2.6 Furthermore, leading defence and intelligence companies like Raytheon, BAE Systems Applied Intelligence and Northrop Grumman are already embedded in the regional economy. It is expected that such businesses will seek to leverage growing supply chain opportunities arising from the NCF where key initiatives have already been established to capture wider benefits such as the North West Cyber Corridor and the North West Cyber Security Cluster.
- 2.7 The Government has facilitated the creation of the Lancashire Cyber Partnership to support the delivery of these initiatives with the express aim of shaping, supporting and promoting the cyber ecosystem in the region. It represents a partnership which includes, alongside the NCF, LCC, the Lancashire Enterprise Partnership, the University of Central Lancashire, Lancaster University and BAE Systems⁷.

⁵ https://assets.publishing.service.gov.uk/media/61b9f526d3bf7f05522e302e/Force_Explainer_20211213_FINAL_1_.pdf

⁶ <https://www.lancashirecyberfoundry.co.uk/>

⁷ <https://www.gov.uk/government/news/new-partnership-for-cyber-collaboration>

Expectations for supporting wider growth

- 2.8 The new Government's Green Paper Industrial Strategy, *Invest 2035*, identifies eight growth-driving sectors which are considered to represent the services and manufacturing industries that present the greatest opportunity for outputs and productivity growth over the long-term⁸. The 'defence' sector, along with 'digital and technologies' make up two of these sectors.
- 2.9 The Government has continued to set out how it intends to drive sustainable economic growth, identifying sector-specific actions and strategies. This has included detailed consideration of the potential that the cyber security sector has, noting its alignment with each of the growth-driving sectors noted above. Its recently published sectoral analysis documents the growing global demand for services in this sector and its fundamental role in realising wider opportunities related to artificial intelligence, noting the importance of ensuring that systems are secure and trustworthy⁹.
- 2.10 The NCF clearly aligns with the current Government's economic priorities, with it having described in explaining the investment that:
- "Within the next few years NCF will **establish its centre of gravity in the north west of England. It will contribute to driving growth in the technology, digital and defence sectors, and encourage the creation of partnerships between government, industry and universities in the region. This growth will allow us to enhance and broaden our collective skillset, deepening existing partnerships and forging new ones, strengthening the UK's cyber ecosystem**"¹⁰*
- 2.11 This ambition was originally articulated within the previous Government's Levelling Up White Paper which expected the NCF to *'boost the local economy and create jobs'*¹¹. The same Government's National Cyber Strategy similarly anticipated that the investment would drive *'growth in the technology, digital and defence sectors outside of London and helping create new partnerships in the region'*¹². This was followed by a commitment to *'increase...support for innovators and entrepreneurs outside of London and the South East to develop their products and services, grow their businesses and recruit skilled staff'*.

Facilitating supply-chain investment

- 2.12 Success in stimulating wider economic growth will depend on attracting and retaining business investment, which is driven by the benefits of proximity and connectivity with the NCF.

⁸ UK Government (October 2024) *Invest 2035: the UK's Modern Industrial Strategy*

⁹ Department for Science, Innovation and Technology (March 2025) *Cyber security sectoral analysis 2025*

¹⁰

https://assets.publishing.service.gov.uk/media/61b9f526d3bf7f05522e302e/Force_Explainer_20211213_FINAL_1_.pdf

¹¹ HM Government (February 2022) *Levelling Up the United Kingdom White Paper*, p269

¹² HM Government (December 2022) *National Cyber Strategy 2022: Pioneering a cyber future with the whole of the UK*, paragraph 80

- 2.13 The Lancashire Combined County Authority (LCCA) has recently consulted on a draft of a Growth Plan which confirms its view that *‘the location of the National Cyber Force provides opportunity to harness new corporates, SMEs and talent into the region’*¹³.
- 2.14 Public sector investment aimed at facilitating agglomeration benefits has already been confirmed with the agreement to fund a £13.2 million innovation hub within the EZ, to complement the existing Advanced Manufacturing Research Centre North West already located on the site. This new facility is understood to have the capacity to deliver 27,000sqft of floorspace to provide *‘multi-functional business premises’*¹⁴.
- 2.15 Other infrastructure investment to support the NCF has included the provision of a new 33,000-volt substation at Samlesbury by Electricity North West, to support an expected increase in power requirements as businesses on the site grow and develop¹⁵.
- 2.16 The wider opportunity presented to create associated employment was articulated by the pro-vice chancellor for research and enterprise at the University of Central Lancashire, Professor St John Crean, who is noted as identifying that the development of a wider cyberspace industry would bring the broadest benefits to the county, stating:
- “When you get something as influential as the National Cyber Force coming to Lancashire, setting up a huge security-based operation, suddenly you’re going to become very attractive to the cyber security arena and all its adjuncts”*¹⁶.
- 2.17 He is further quoted as saying that:
- “...Lancashire has an opportunity to build an ecosystem – a connected set of businesses that have direct reliance on the cyber world – but also the wraparound services like project management, legal and ethics and accounting.... We want to have a cyber workforce based in Lancashire, not commuting from outside the region”*.

Latest position

- 2.18 Recent headlines have indicated that the NCF is expected to open later in 2025, with expectations that it will deliver positive benefits for Lancashire¹⁷. Indeed, the Commander of the NCF is quoted as confirming the intention to recruit from within Lancashire and highlighting the breadth of job opportunities that will be provided. The same press release states an expectation that:

¹³ Lancashire Combined County Authority (February 2025) The Lancashire Growth Plan 2025 – 2035, consultation version, p36

¹⁴ <https://www.lancashiretelegraph.co.uk/news/24878197.new-13m-innovation-hub-agreed-open-samlesbury/>

¹⁵ <https://www.enwl.co.uk/about-us/news/latest-news-and-views/2020/electricity-north-west-to-begin-work-on-7.5m-investment-in-samlesbury/>

¹⁶ <https://www.lancashiretelegraph.co.uk/news/24920474.excitement-benefits-samlesbury-national-cyber-force-hq/>

¹⁷ *Ibid*

“...having the NCF base at the heart of Lancashire will generate around 2,000 jobs within the next decade – not just those directly employed by the organisation, but in relevant businesses that it is hoped will cluster around the new HQ”.

- 2.19 It is understood that the first jobs on site were advertised in early 2025 ahead of the facility opening¹⁸.

¹⁸ It is noted that the [GCHQ Careers](#) website (accessed April 2025) included positions being advertised as located at Samlesbury. This included software developers and engineers.

3. The Defence and Cyber Sectors in Central Lancashire

3.1 The decision to locate the NCF within Central Lancashire was strongly influenced by the strength of the defence and cyber sectors within the North West and specifically within Lancashire.

3.2 This section reviews published materials which document the current strength of the sector within these geographies, and see this as providing a strong foundation from which to expect further growth.

Defence sector in Lancashire

3.3 At a national level, the Government has identified the defence sector as one of eight priority growth-driving sectors, as noted in the previous section. This has been reinforced in 2025 with the Government's announcement that defence spending in the UK will be increased to 2.5% of GDP by 2027, with a view to further increasing it to 3.0% within the next parliament.

3.4 The Spring Statement allocated an additional £2.2 billion of funding to the MOD in 2026 and committed to the publication of a Strategic Defence Review and Defence Industrial Strategy¹⁹. The latter is anticipated to provide further detail on how the defence sector will be transformed into an engine for growth, delivering benefits that will be felt by people in all nations and regions of the UK.

3.5 In this context the Government has already clearly highlighted its intention to grow onshore production capability and support UK based businesses, including start-ups and SMEs. It recognises that this will require a strengthening of critical supply chains within the UK defence industry.

3.6 In identifying the economic significance of the sector, the following key statistics are noted²⁰:

- Government defence spending in 2022/23 supported around 434,000 jobs across the UK, equivalent to 1 in 60 UK jobs.
- The MOD spent £28.8 billion with UK industry and commerce in 2023/24. This represented an 8% increase to the previous year, when accounting for inflation. This included £8.7 billion in the technical, financial and other business services sector, representing a 34% increase compared to the previous year²¹.
- The majority (68%) of defence spend with UK industry and commerce goes outside of London and the South East.

¹⁹ HM Treasury (March 2025) Spring Statement 2025

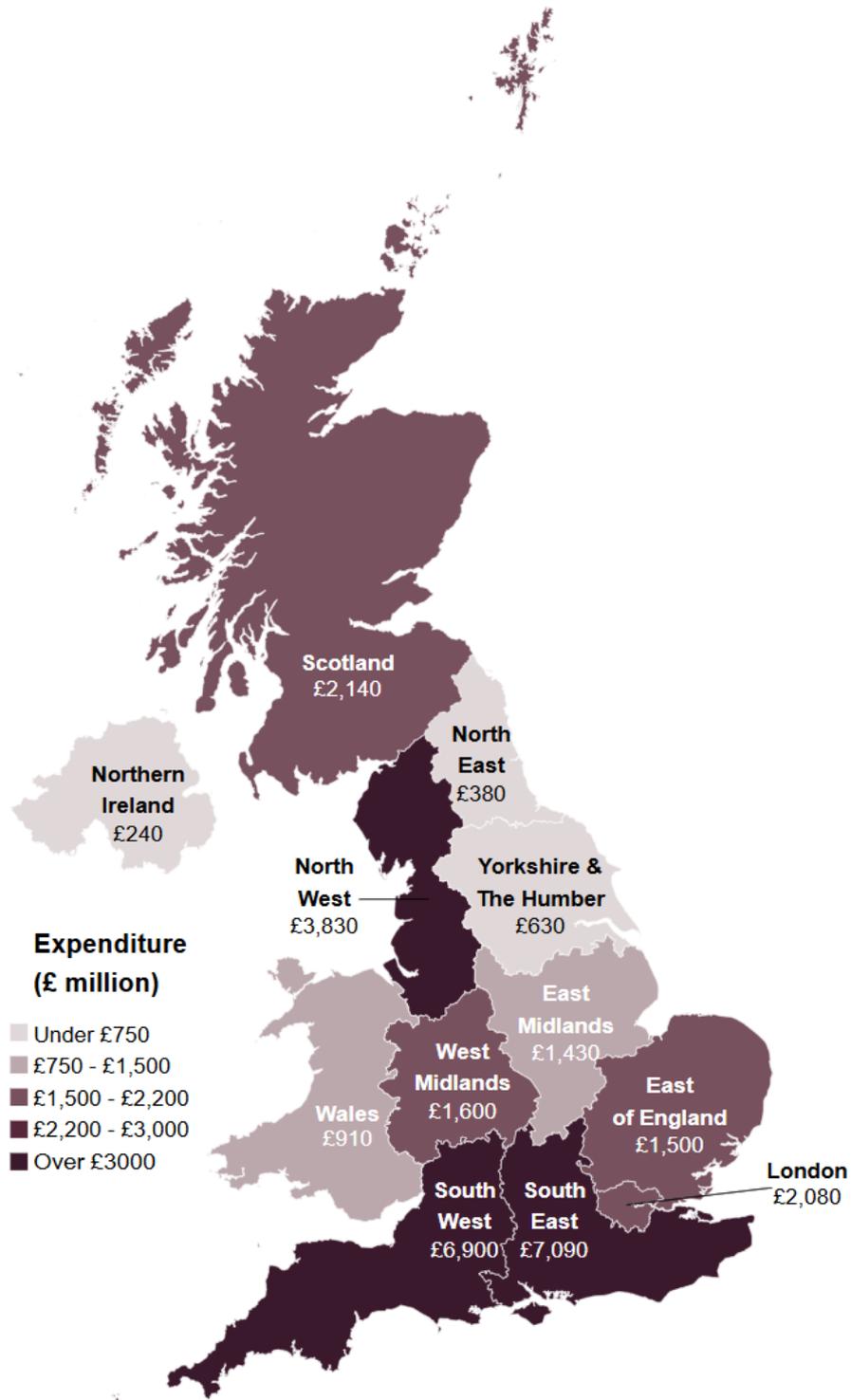
²⁰ Ministry of Defence (December 2024) Defence Industrial Strategy – Statement of Intent

²¹ Ministry of Defence (November 2024) MOD regional expenditure with industry 2023/24

- Data from the largest UK defence companies in 2022 showed the training of 4,800 apprenticeships and 1,670 graduate trainees.

3.7 The following plan shows that some £3.8 billion of defence spending was in the North West, ranking behind only the South West and South East.

Figure 3.1: MOD Expenditure with UK Industry by Region (2023/24)



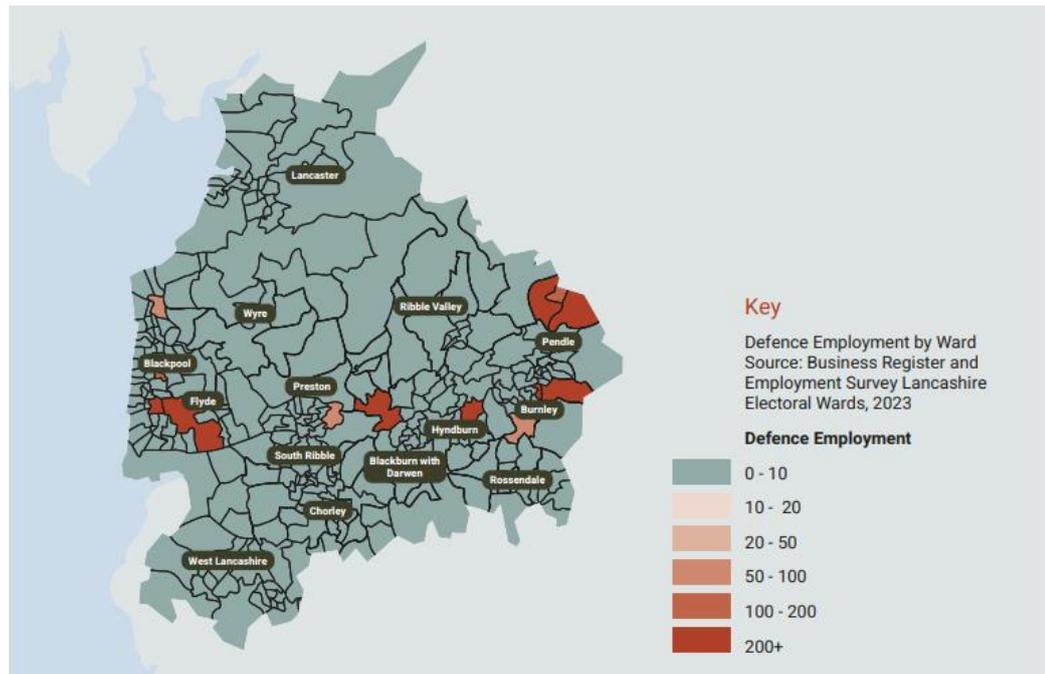
Source: MOD Regional expenditure statistics (2023/24), Analysis Directorate

3.8 Within the North West, Lancashire has a strong representation of businesses associated with the defence sector. The emerging Lancashire Growth Plan, being developed by the LCCA, sets as its first priority having ‘*an economy at the heart of the UK’s security and resilience*’²². This specifically references existing strengths with regards the production of military aircraft, nuclear fuel and cyber capabilities. It states with reference to the central hosting of these industries in the county that:

*“These industries are powerful economic drivers locally, regionally, and nationally. By harnessing the intersections of these industries, and their underlying technological needs, we can establish unique clusters where industry, academia, and wider society collaborate to forge new products and capabilities that enhance national security”*²³.

3.9 The Growth Plan presents a map showing defence manufacturing employment distribution, which is replicated at Figure 3.2. This shows a concentration across an arc of Lancashire, with South Ribble and Samlesbury sitting at the centre of this important geographic cluster.

Figure 3.2: Defence Manufacturing Employment Distribution



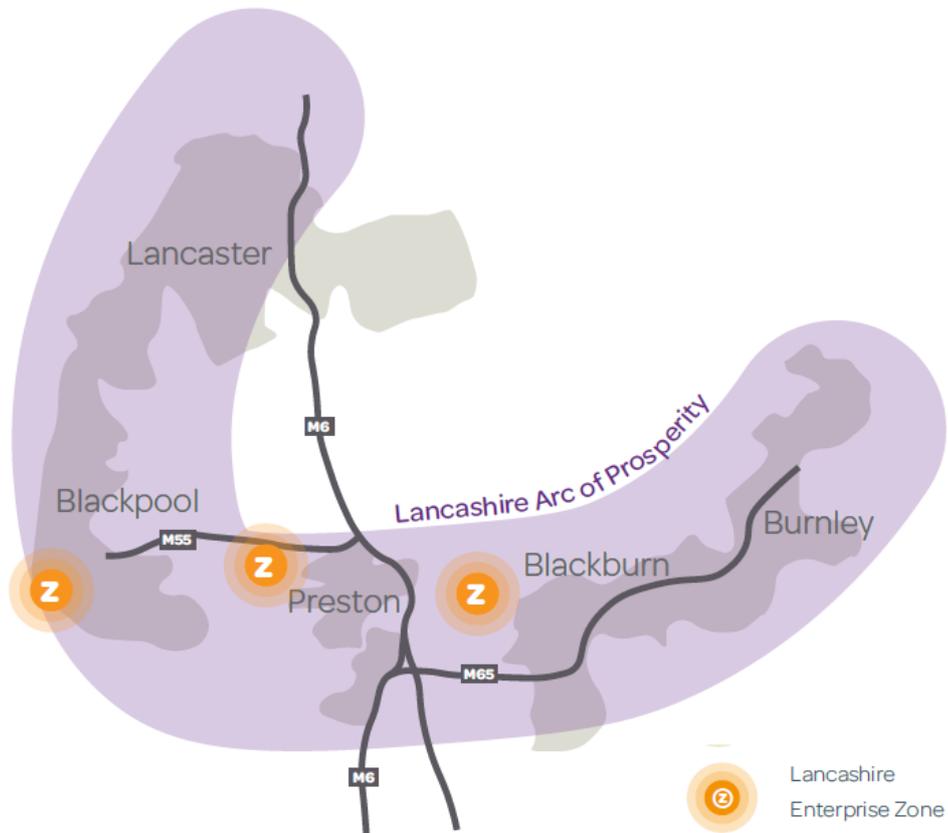
Source: Draft Lancashire Growth Plan (2024), page 191

3.10 It is noted that this clustering of defence manufacturing employment closely mirrors the ‘*Arc of Prosperity*’ previously defined by the former Lancashire Enterprise Partnership, which is shown at Figure 3.3. It reported that this area accounted for some 75% of the county’s economic output.

²² Lancashire Combined County Authority (February 2025) The Lancashire Growth Plan 2025 – 2035, consultation version, p18

²³ *Ibid*, p18

Figure 3.3: Lancashire Arc of Prosperity



Source: Lancashire Enterprise Partnership

3.11 It also broadly mirrors the main identified 'economic corridors' in the Growth Plan, as shown in Figure 3.4 overleaf.

Figure 3.4: Lancashire's Growth Map



Source: LCCA

- 3.12 Several components are identified as underpinning the strength of the defence sector currently in Lancashire, including the military air sector, the NCF and the AUKUS supply chain. Further consideration is given specifically to the cyber sector in the second half of this section but these other specialist areas of the economy are considered further below.
- 3.13 Within the military air sector BAE Systems evidently represents a critical component of this part of Lancashire's economy. A detailed study of the impact of its air sector

business on the UK economy was recently produced by Oxford Economics²⁴. This indicated that its military air sector work, largely centred at sites in Lancashire:

- Contributes over £5 billion to UK GDP, alongside an additional £2.6 billion in exports – a figure that has doubled since 2016;
- Supports almost 70,000 jobs across the UK in highly skilled roles, including combat air design, engineering, support, and training, with 20,000 of these jobs in the North West;
- Partners with 1,400 UK suppliers, returning nearly £2.5 billion to UK businesses through its supply chain; and
- Offers highly skilled roles throughout its air sector business, in which approximately 69% of staff are employed in engineering or related operations roles. These workers had an average productivity of £82,000 in 2023, which is approximately 15% above the UK average.

3.14 The Government’s commitment to defence spending has been exemplified by the commitment to the production of the SSN-AUKUS, which will be the largest advanced submarines the Royal Navy has ever operated. Manufacture of these submarines is expected towards the end of the decade with the award of the contract resulting in significant infrastructure investment at BAE Systems’ site in Barrow-in-Furness. The Growth Plan identifies that this investment, plus further investment in the supply chain, could result in the recruitment of more than 5,000 people, with a workforce predicted to peak at 12,000.

3.15 The above highlights the important inter-connections between the defence sector and wider parts of the economy, specifically capabilities and strengths in manufacturing, including advanced manufacturing, as well as professional services which complement and have developed to directly respond to the specific needs of the sector. The ecosystem related to the defence sector within the region and in Lancashire is therefore both sizeable and complex, and will be expected to further grow from its established base given the Government’s commitments to the sector and its ambition to on-shore through procurement.

Baselining the cyber economy in Lancashire

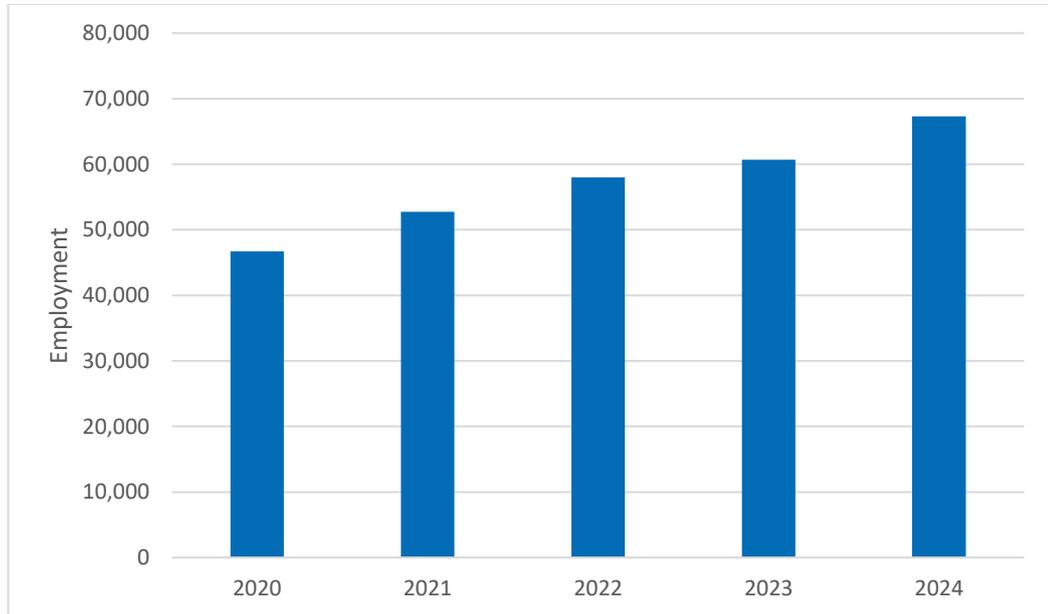
3.16 The Government’s acknowledgement of the cyber security sector not only within the context of defence but also more widely – noting, as referenced in section 2, the relationship with emerging AI opportunities – is a demonstration of its rapid recent growth. It identifies that the sector now employs 67,300 people across the UK, having created 6,600 new jobs in the last year alone²⁵ (11% increase). These jobs are within 2,165 firms currently active, with the sector generating £13.2 billion in revenue and £7.8 billion in GVA.

²⁴ Oxford Economics (November 2024) The Impact of BAE Systems’ Air Sector Business on the UK Economy – An Independent Report

²⁵ Department for Science, Innovation and Technology (March 2025) Cyber security sectoral analysis 2025

3.17 Looking at employment, Figure 3.5 illustrates the rapid pace of growth nationally over the last five years.

Figure 3.5: UK employment counts in the cyber security sector (2020-24)



Source: Department for Science, Innovation and Technology

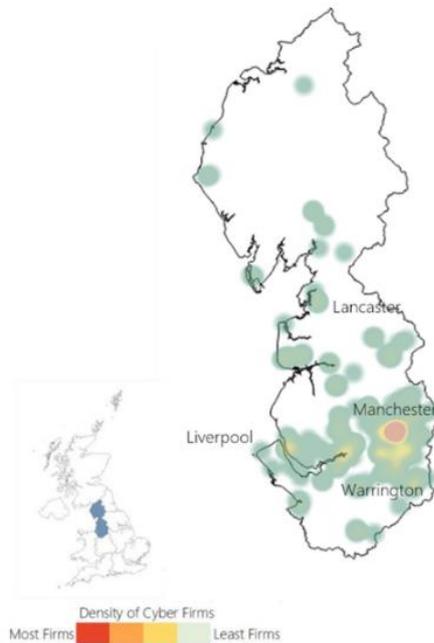
3.18 In its latest published analysis of the sector, the Government states that:

“For the first time, the highest proportion of external investment was in the North West, home to a growing number of cyber businesses and soon to be home of the National Cyber Force in Lancashire”²⁶.

3.19 A visual snapshot of the sector’s representation in the North West is included within the Government’s analysis and replicated at Figure 3.6 overleaf.

²⁶ *Ibid*

Figure 3.6: North West Cyber Security Sector Snapshot



North West

| Percentage of UK Cyber security offices | Estimated percentage of UK based cyber security employment | Mean Advertised Salaries (2024 in core cyber security roles) |
|--|---|---|
| 8% | 10% | £54,600 |

Source: Government’s cyber-security sectoral analysis (2025)

- 3.20 In the context of the relocation of the NCF, considerable work has been undertaken by several expert consultancies to understand the potential benefits and implications for the North West region and specifically Lancashire.
- 3.21 This has included work led by Perspective Economics which is captured within the published North West Cyber Corridor Innovation Impact Report, and accompanying Evidence Base²⁷. It also includes work undertaken by Plexal on behalf of LCC, which is referenced in the Perspective Economics study and the emerging Lancashire Growth Plan. Reference is also made to the Government’s latest published analysis of the sector, which is noted as having built on previous analysis published in May 2024.
- 3.22 These studies contain a wealth of detailed analysis of the cyber security sector, including an in-depth consideration of its current profile across the region and specifically Lancashire. Key aspects of this analysis are summarised below, with separate consideration given later in this report to expert predictions on future growth

²⁷ Perspective Economics (2023) The North West Cyber Corridor Innovation Impact Study: Evidence Base

prospects of the sector and the implications for the supply of additional floorspace and infrastructure.

3.23 With reference to the North West, the Perspective Economics analysis identifies that the region has:

- Approximately 300 unique cyber security companies, making it one of the UK's leading regions in cyber. It is estimated that the region is home to approximately 9% of the UK's cyber security sector (in terms of office count), with this translating to just over 5,000 full-time equivalent (FTE) workers in the region's private cyber security sector. At least 15% of UK registered cyber security businesses are reported to have at least one office in the North West. This data highlights that **the North West is the UK's largest cyber security ecosystem outside of London and the South East.**
- Over 150 public, defence, and research assets relevant to cyber security. These are not typically 'cyber security businesses' but include a wider range of organisations critical to the success of the ecosystem. These include for example business clusters in Greater Manchester, research excellence in Lancaster and cyber degree apprenticeships in Sellafield.
- Circa 12,000 FTE jobs across the cyber security sector, capturing the private and public sectors as well as academia, with over £550m paid in salaries each year and £760m of GVA generated per annum.
- A broadly even split between cyber security companies that are "pure-play" (52%) – providing only cyber security – and those that are "diversified", offering products and services across verticals (48%). The latter is identified as being much higher than for the UK as a whole (28%) which highlights how strongly cyber security capabilities are embedded within broader sectors in the North West. Specific reference is made to BAE Systems, Cisco and other service providers including Deloitte and PwC.
- Over a third of cyber security employers that are either large (250+ staff) or medium (50+ staff). This is identified as suggesting the opportunity to build the skills pipeline through entry-level pathways into cyber among key employers, including the NCF and the National Cyber Security Centre (NCSC).
- Recently experienced a sharp increase in demand for cyber security professionals. The analysis suggests that there were at least 4,500 job postings for technical cyber security roles in the region in 2022, almost twice the number in 2020. The research also identified a further 5,100 job postings within the North West in 2022 which requested some knowledge of cyber security, even if they were not a core or technical cyber security role. It observes that this *'highlights the significant demand for cyber security talent within the region, and this is only set to grow with incoming investments by GCHQ, NCSC and NCF in the region, who will require considerable volumes of talent to resource new centres*

*of excellence in areas such as threat intelligence, risk, programming, incident response, and offensive cyber*²⁸.

- Ten Higher Education Institutions (HEIs) offering cyber security and computer science courses, placing it as a top region for skills provision. The number of graduates in the region in cyber and computer science is reportedly growing by circa 15% per annum, with more than 3,400 graduates in 2020/21.

3.24 The latest analysis produced by the Government considers the scale of investment at a UK and regional level²⁹. It highlights that in 2024 the highest proportion of investment was in the North West (49%) with six deals to the value of £102 million. It observes that this was largely due to the £88 million raised by Cheshire-based web application firm PortSwigger, as well as firms such as CultureAI, Cytix, CloudGuard, and Zally. Investor views were sought through the Government research, with a venture capital investor noted as stating for example that:

*“We’re very bullish on the growth for cyber security. Cyber security is not going away. More and more things are being done online, everything is becoming digital. AI is starting to change the world and that’s going to lead to security issues and the need for security around all that new infrastructure. We think that there’s going to be a huge number of very attractive companies to continue to invest in for years to come”*³⁰.

3.25 The aforementioned work by Perspective Economics specifically identifies the strong complementarity between the region’s cyber capabilities and other sectors, including aerospace and defence, energy and nuclear, finance and professional services and manufacturing. It states, however, that the *‘data also highlights that the region could benefit from further external investment and collaboration with these adjacent sectors’*³¹. This is an important consideration and reinforces the observations above with regard to the defence sector more widely.

3.26 Within Lancashire specifically, Plexal have more recently supported LCC in appraising the opportunity presented by the NCF and the actions required to capitalise on the investment. It has drawn from the above data to outline the county’s current assets in cyber security and its profile of businesses and employees. This revealed that:

- Lancashire is home to approximately 36 business premises which are occupied by cyber security companies. It is observed that since some of these spaces are occupied by the same companies, it is host to around 30 distinct cyber security businesses.
- A higher proportion of these businesses are dedicated solely to cyber work (78%) than is noted above as being typical across the North West (52%).

²⁸ Perspective Economics (2023) The North West Cyber Corridor Innovation Impact Study: Evidence Base, p41

²⁹ Department for Science, Innovation and Technology (March 2025) Cyber security sectoral analysis 2025

³⁰ *Ibid*

³¹ Perspective Economics (2023) The North West Cyber Corridor Innovation Impact Study: Evidence Base, p27

- Lancashire’s cyber businesses tend to be smaller in size compared to those in the wider region, with 58% classified as ‘micro’ businesses employing no more than ten people.
- While it is challenging to pinpoint the exact number of people employed in the cyber sector in Lancashire, estimates suggest that around 900 individuals work in core cyber roles, with an additional 1,300 in related positions. A total of 2,200 people are therefore estimated to be working in the sector in Lancashire.
- The cyber sector is estimated to contribute around £79m to the county’s GVA.
- In 2022 there were around 2,218 vacancies in cyber-related roles.
- Lancashire is home to over 40 assets that contribute to the local cyber economy. These include significant sites like BAE Systems, the Lancashire Cyber Partnership and the Advanced Manufacturing Research Centre in Samlesbury.
- Lancaster University is involved in delivering over £10m of funded cyber projects, which comprises 34% of the total in the North West, more than any other area. These include over 20 grants that have been used to set up their Academic Centre of Excellence in Cyber Security Research, conduct research projects such as ‘Dynamic Polices for Shared Cyber-Physical Infrastructure under Attack’ as well as working on collaborative R&D initiatives.

Figure 3.7: Plexal illustration of the cyber economy in Lancashire



Source: Plexal

Summary

- 3.27 The Government has committed to increasing defence spending and aims to on-shore investment and related economic outputs. Aside from the South East and South West, the North West represents the largest concentration of defence expenditure and is home to a significant number of businesses and their employees in the sector.
- 3.28 The cyber security sector represents a significant and growing component of the overall defence sector and the North West also has a significant presence of businesses, institutions and partnerships in this sub-sector. The investment in the NCF has already stimulated complementary investment and will be expected to further expand Lancashire’s presence and specialism in this sub-sector.

4. Comparable Case Studies

- 4.1 The nature of the NCF investment means that whilst there is some information in the public domain there are limitations to what is available on its anticipated economic impact, and what the investment could mean for host local economies and the population. Given the sensitive nature of the project this is not considered to be unusual. As described in section 2, however, where information has been made available it is evident that it implies a strong expectation that investment will translate into positive local economic impacts and have a catalytic effect in line with national economic objectives.
- 4.2 Plexal, referenced in the preceding section, have in preparing evidence for LCC sought to consider several comparable case studies to address this gap and provide reasonable insights to inform the future planning of infrastructure and support the investment to achieve the spin-off value sought by the Government. These are summarised in this section, drawing on additional sourced material where appropriate, along with a higher-level consideration of further case studies cited in another comparable assessment, relating to the GCHQ facility in Cheltenham, which whilst not directly comparable falls within the same economic and sectoral sphere.

Large-scale public-sector relocations – Plexal case studies

- 4.3 Two of the case studies which were identified by Plexal are summarised here. Both are noted as having been driven by the ‘Places for Growth’ programme which aimed to decentralise Government departments away from London and the South East, and stimulate economic growth in other parts of the country.

Met Office HQ – Exeter

- 4.4 In 2003 the Met Office moved over 1,000 employees from its previous location in Bracknell to Exeter, circa 150 miles away. The new site provided a state-of-the-art office building with enhanced sustainability credentials and improved amenities for staff.
- 4.5 In terms of key metrics of relevance to the NCF, Plexal drew upon a 2005 Economic Impact Assessment³². This identified that:
- The Met Office employed 1,087 FTE staff in Exeter at the time, over 200 of whom were local people recruited as a result of the move to this area. This suggests that in the order of 80% of staff relocated.
 - Of the circa 1,000 employees, 422 (or approximately 40%) lived in Exeter, whilst the remaining 665 lived outside of the city, primarily within Devon. It is of note in this regard that Exeter as a city is comparatively small and that, similar to the NCF, the new site of the Met Office was chosen for its accessibility being located off a junction on the M5.

³² Exeter City Council (November 2005) Economic Impact of the Met Office: Report to Economy Scrutiny Committee

- The average wage of directly employed staff was considerably above the average local wage in Exeter and Devon, with many of the jobs relatively highly skilled and knowledge based. It noted that of the more highly paid jobs in the Met Office, over 70 (full-time and part-time) had gone to people recruited locally.
- Some 1,395 FTE jobs had been created in Exeter as a consequence of the Met Office's presence in the city, injecting around £32 million of GVA each year. Over 1,700 jobs had been created throughout the South West region, including Exeter, where over twice as much GVA was generated. This is summarised in the following table.

Figure 4.1: Economic Impact of the Met Office in Exeter and the South West

| | FTE employment | | GVA per annum (£m) | |
|--------------|--|--------------|--------------------|---------------|
| | Exeter | South West | Exeter | South West |
| Direct | 422 live and work in Exeter <hr/> 665 work in Exeter but live elsewhere | 1,087 | £18.09 | £46.26 |
| Indirect | 146 | 245 | £6.82 | £11.38 |
| Induced | 162 | 378 | £7.05 | £16.44 |
| Total | 1,395 | 1,710 | £31.96 | £74.08 |

Source: Exeter City Council

- 4.6 The assessment also highlighted the role of relocation in elevating the perception of and confidence in the city. It is noted as having helped to anchor private sector investment from energy companies, provided impetus for the modernisation of local schools and helped to progress plans for the development of the now established Exeter Science Park which makes a large contribution to Exeter's science and knowledge economy. The Science Park is now a STEMM business park and conference venue which is host to 45 STEMM focussed companies and offers around 100,000sqft of high quality office and lab space³³.

Darlington Economic Campus (DEC)

- 4.7 The previous Government facilitated the opening of the circa 30,000 DEC, to accommodate staff from the Treasury and departments for business, local government and trade. The campus is estimated to accommodate 1,400 employees with approximately 20% relocating from London, circa 240 miles away.
- 4.8 In 2023 the Institute for Government produced a report titled '*Settling in: Lessons from the Darlington Economic Campus for civil service relocation*'. This drew on a range of

³³ <https://exetersciencepark.co.uk/>

data and stakeholder interviews to explore the lessons which could be learnt from the relocation. The following are considered pertinent:

- At the time of reporting the facility was expected to accommodate around 1,400 officials, in addition to the 700 existing Department for Education (DfE) staff based in the town. As of 2023 it was observed as accommodating 600 staff from multiple government departments in addition the 700 DfE staff.
- There were around 35 senior civil servants based at the campus, including two director generals and Beth Russell one of the Treasury's then second permanent secretaries. It was noted that approximately 2.7% of the DEC's staff were senior civil servants, higher than the average across the whole civil service of 1.5%. This represented a point of difference to previous relocations which have mainly focused on dispersing low and mid-level administrative functions.
- The presence of senior staff has contributed to a greater potential ecosystem forming around the area, including private sector investment.
- Approximately 80% of staff were recruited from the north of England, with the remaining 20% being relocated from London. It notes that many of the 80% of staff recruited from the north of England are from Darlington's travel-to-work area, rather than directly living in the town.
- It observes that the economic benefits of attracting the DEC are most obviously seen in the demand for office space in Darlington town centre, which has increased since the campus was established. In this regard it was noted that Deloitte announced that they could open a small office with circa 200 jobs in order to access the DEC.

GCHQ Cheltenham and the Golden Valley

- 4.9 The above case studies have highlighted, with reference to the Met Office relocation, the potential to generate considerable spin-off investment and growth.
- 4.10 The development of a new GCHQ in Cheltenham – which opened in 2003³⁴ – provides another useful case study in this regard, noting the direct alignment in terms of the nature of employment opportunities created.
- 4.11 Where the analysis in the previous section highlighted the existing concentration of cyber security and defence activities within the south, this includes GCHQ which is accepted as having helped to establish Cheltenham as a *'global hot spot for cyber and digital business'* with *'the largest concentration of businesses in this sector in the UK outside London'*. This cluster is some eleven times larger than the national average³⁵ and made up of over 200 organisations³⁶.

³⁴ <https://www.gchq.gov.uk/section/locations/cheltenham>

³⁵ <https://movingtocheltenham.com/>

³⁶ Golden Valley Development Supplementary Planning Document: a Garden Community Development and home of Cyber Central UK, July 2020, p8

- 4.12 GCHQ was acknowledged by the former GFirst Local Enterprise Partnership – now subsumed into Gloucestershire County Council – as having ‘*created a large pool of skills and talent with benefits that spill over into finance, computing and management consultancy micro-businesses in high-growth sectors*’³⁷. Its presence alone has been seen to create:

*“...opportunities for people and ideas spinning out of GCHQ into local businesses and start-ups. These businesses are at the forefront of high-tech research and development into opportunities such as artificial intelligence and big data, which promise to revolutionise the economy”*³⁸.

- 4.13 The Cheltenham Local Plan was adopted in 2020 and the Economy Background Paper identified the beneficial impact and potential arising as a result of the GCHQ facility, stating:

*“There is a large concentration of employment in Defence and the strongest employment growth has occurred in this sector. There is likely to be a continuing demand for subcontracting and supplier arrangements focussing in and around Cheltenham over the next 5 – 7 years. In this regard, GCHQ runs a small business innovation programme, which is a mechanism for procuring innovative new solutions from technology and innovation-based Small and Medium Enterprises (SMEs) and there is considerable growth sector potential for the cyber security industry”*³⁹.

- 4.14 It was identified through the plan-making process that ‘*the challenge will be to use the planning system to help nurture and support this potential*’⁴⁰. To this end, the Local Plan included a specific policy seeking to positively promote the location of appropriate businesses within Cheltenham, taking advantage of immediate opportunities related to GCHQ and its supply chain, but also to provide suitable sites and premises for new and expanding suppliers or new and existing SMEs in this cluster.

- 4.15 In July 2020, Cheltenham Borough Council and its partners adopted a Supplementary Planning Document (SPD) for the Cyber Central Garden Community – also known as the “Golden Valley” – which sought to capture the next phase of related growth and investment. This described Cyber Central UK as:

*“...a campus that integrates high-tech workplaces with academic facilities, accommodation and leisure, attracting and developing the best talent. These cutting edge facilities will be set within a new garden community with homes of all tenures and types, contributing significantly to local housing needs”*⁴¹.

- 4.16 The Golden Valley was allocated for employment, housing and wider mixed-use development under Policy A7 of the adopted Gloucester, Cheltenham and Tewkesbury

³⁷ GFirst LEP (2019) Draft Local Industrial Strategy, p24

³⁸ *Ibid*, p43

³⁹ Cheltenham Borough Council (January 2018) Economy Background Paper: The Cheltenham Plan 2011 – 2031, paragraph 1.18

⁴⁰ *Ibid*

⁴¹ Golden Valley Development Supplementary Planning Document: a Garden Community Development and home of Cyber Central UK (July 2020)

Joint Core Strategy. Provision was made for 1,100 new homes and 45ha of employment land, reflecting the underpinning evidence produced by the Councils which recognised the land requirements of GCHQ.

Figure 4.2: Golden Valley / Cyber Central Allocation



Source: Golden Valley Development SPD

- 4.17 The Councils' Employment Land Assessment, updated to support the Core Strategy through the examination, noted that:

"GCHQ has written to the Inspector...setting out its objectives for future growth. The letter states that the availability of suitable land which is well located in relation to the existing site is necessary for its own future operations and the expansion of its supply chain"⁴²

- 4.18 It also proceeded to confirm that:

"Although the quantum of land needed for the supply chain is not known, GCHQ has identified a requirement for additional land to meet its future operational requirements. It has expressed its support for the early release of the safeguarded site to the west of Cheltenham. This area has the capacity to accommodate the level of growth required by GCHQ together with a business park oriented to serve the cyber security sector and thereby enable Cheltenham to compete with other areas on the M5 corridor that are actively seeking to attract GCHQ supply chain businesses. This is a

⁴² NLP (2015) Gloucester, Cheltenham and Tewkesbury JCS: Employment Land Assessment Update, paragraph 2.23

critically important sector and provision should be made to accommodate its increasing needs⁴³.

- 4.19 Cheltenham Borough Council subsequently commissioned an impact study of Cyber Central which was published in 2020⁴⁴. This included an estimate of the potential impacts of development, replicated at Figure 4.3.

Figure 4.3: Cyber Central potential development impacts



Source: Hatch Regeneris

- 4.20 It is evident from the above that providing a significant amount of new commercial floorspace (185,000 sqm of B1a) could generate some 11,700 new jobs, bringing with them substantial economic value. The study identifies by way of context that the NCSC, a part of GCHQ, was estimated at the time to have in the order of over 6,000 employees on site. This suggests that the realisation of the planned growth of the additional development area would have a pronounced impact on the cumulative scale of employment, with the study identifying strong growth potential within the cyber sector to support the provision of new floorspace.
- 4.21 In October 2023 Henry Boot Development submitted an outline planning application on the southern parcel of the wider Golden Valley site, which is due for determination in 2025⁴⁵. This seeks permission for 125,000 sqm of non-residential space for a variety of commercial uses as well as 576 new homes and publicly accessible open space. The illustrative masterplan is shown at Figure 4.4 overleaf.

⁴³ *Ibid*, paragraph 2.24

⁴⁴ Hatch Regeneris (May 2020) Gloucestershire Cyber and Digital Sector Impact Study

⁴⁵ Planning application reference 23/01875)/OUT

Figure 4.4: Golden Valley Illustrative Masterplan (Outline Planning Application)



Source: <https://www.goldenvalleyuk.com/2025consultation>

- 4.22 A reserved matters application has also been subject to consultation this year, including detailed design proposals for an innovation centre along with a mobility hub and supporting infrastructure. The innovation centre is proposed to provide around 15,000 sqm of commercial office space and event spaces.
- 4.23 It is clear from the experience in Cheltenham that the provision of a facility such as the NCF has the potential to attract a significant quantum of complementary employment activity and business growth. These businesses will require accommodation and facilities reasonably close to the new development.

Other global case studies

Maryland Virginia, USA

- 4.24 Maryland is the primary location of the US National Security Agency. It is also home to a number of other related assets including the Annapolis' Cyber Innovation Center and the Baltimore Cyber Range, the latter of which is a state-of-the-art training facility.
- 4.25 Virginia is home to over 650 cyber security companies, the highest per capita in the United States, with an estimated 67,850 people working in cyber security alone and many of Virginia's universities at the forefront of cyber security research and development⁴⁶. It is noted in this regard that Virginia – which has a similar population to the North West of England – has a cyber security workforce approximately five times larger, highlighting the scale of opportunity to replicate the impact of the sector in a local economy.
- 4.26 Within this context it is noted that an ambitious urban redevelopment project within Port Covington originally branded itself as CyberTown USA, with the focus on attracting significant investment from industry in the sector. It has rebranded more recently as Baltimore Peninsula with development of the 235-acre part of the town commencing in 2019 and attracting significant private sector investment and a clustering of businesses. The masterplan proposes provision for⁴⁷:
- Under Armour's 50-acre, 3.9 million sqft global headquarters;
 - Additional 1,500,000sqft of office space;
 - 500,000sqft of 'maker' and industrial / light manufacturing space;
 - 1,500,000sqft of destination, attraction, entertainment and speciality retail; and
 - More than 7,500 residential units.

Be'er Sheva, Israel

- 4.27 Be'er Sheva is located in Israel's desert region and is an expanding cyber hub which has established itself as the country's newest cyber capital and successfully becoming a magnet for related investment.
- 4.28 Its growth has been driven by the relocation of Government assets making it home to a unique ecosystem which includes Ben Gurion University, the Cyberspark Innovation Arena, Cyber Security Research Center and Government agencies such as the National Cyber Directorate.
- 4.29 The city has attracted a range of large multinationals and start-ups, such as Oracle, Deutsche Telekom, Paypal and Lockheed Martin.

⁴⁶ Perspective Economics (2023) The North West Cyber Corridor Innovation Impact Study: Evidence Base, p58

⁴⁷ <https://www.southbmore.com/2018/10/18/port-covington-touted-as-cyber-town-usa-as-three-startup-building-companies-announced-for-chapter-1/>

- 4.30 The agglomeration of investment is reflected in Margalit Startup City Be-Er Sheva which promotes itself as pioneering the next wave of cyber security and big data companies progressing from the original Cyber Center⁴⁸.

Summary

- 4.31 This section has presented information drawing from a range of case studies. It has initially considered two case studies identified by Plexal as representing comparable large-scale public-sector relocations. In reviewing these they show:
- the potential to generate indirect and induced employment opportunities in terms of supply chains but also more widely in attracting business investment which is keen to co-locate to benefit from proximity to public sector investment;
 - that opportunities will be created for local recruitment; and
 - that there are impacts on local labour-force demand with reasonable proportions of workers understand to live in reasonable proximity, albeit that a proportion of 'new' labour will travel from further afield but within a travel to work geography based on reasonable travel times.
- 4.32 The experience at Cheltenham and specifically the Golden Valley development which is in close proximity to GCHQ affirms the scale of opportunity perceived to capitalise on attracting business interest from within the Cyber sector and other sectors, drawn by the location of the Government's investment. The scale of the development is noted where it has the capacity to accommodate over 11,000 additional jobs along with new residential development, with commercial space primarily focussed on quality office provision within a campus location.
- 4.33 Two other global case studies are used to illustrate the potential scale of impact that the growing cyber sector can have on local economies where there is a combination of public, private and academic institutions.

⁴⁸ <https://margalitsc.com/cyber-in-beer-sheva/>

5. Estimating the Potential Economic Impact

- 5.1 It is apparent from the previous sections that Governments have long had significant expectations regarding the economic benefits that could be stimulated by the decision to locate the NCF in Lancashire.
- 5.2 This section draws on available information, including the aforementioned work by Plexal, to establish reasonable estimates of the potential scale and nature of benefits for the local and wider economy. With this report informing representations to the Central Lancashire Local Plan, particular consideration is given to impacts generated at this scale, albeit whilst recognising that the investment is of a national scale and will therefore have benefits which extend beyond this geography.

Plexal predictions of direct and indirect employment generation

- 5.3 The Plexal research included predictions as to the level of employment that could be expected to be accommodated both directly within the NCF and indirectly because of multiplier effects in the wider economy.
- 5.4 The outputs of this research are set out in Table 5.1 and are directly referenced within the Lancashire Growth Plan⁴⁹.

Table 5.1: Plexal predictions of employment impacts of the NCF

| Direct Jobs | Indirect Jobs | Total |
|-------------|---------------|--------------|
| 2,000 | 1,120 | 3,120 |

Source: Plexal

- 5.5 The direct jobs referenced above are understood as being made up of personnel from:
- GCHQ
 - Ministry of Defence
 - Secret Intelligence Service
 - Defence Science and Technology Laboratory.
- 5.6 In calculating the number of jobs that could be indirectly generated, it is understood that Plexal have drawn upon published Government reports which have indicated that NCSC in Cheltenham – introduced in section 3 – has triggered a 1.5 – 2.5 multiplier as a result of stimulating start-ups and other business investment. It is also understood that consideration has been given to data from the Office for National Statistics which suggests that public sector investment in related sectors generates multiplier effects of

⁴⁹ Lancashire Combined County Authority (February 2025) The Lancashire Growth Plan 2025 – 2035, consultation version, p19

between 1.43 and 1.87. These multipliers align with the derived calculation of 1,120 indirect jobs from the 2,000 direct NCF on-site jobs.

- 5.7 The addition of these jobs, as shown in Table 5.1 overleaf, suggests that the composite effect would be the generation of over 3,100 jobs as a result of the NCF. The Growth Plan also references that the NCF investment is expected to represent a GVA contribution of £112.6 million.
- 5.8 It is noted that these indicative figures are slightly lower than the Councils’ own initial assessment, with the consultation on Preferred Options for their new Local Plan suggesting in December 2022 that the NCF *‘is likely to provide around 5,000 jobs during the plan period’*⁵⁰.

Forecasts of wider growth in cyber jobs across Lancashire and the North West

- 5.9 The Innovation Impact Study, introduced in section 4, includes a consideration of the potential growth potential associated with cyber security and its associated ecosystem.
- 5.10 With reference to the Cyber Corridor initiative, this estimates the potential to support over 30,000 FTE jobs by 2034, generating £2.7 billion per annum in direct GVA. As shown in the following table, extracted from the report, this represents an additional 18,000 jobs from a 2022 base position. This provides an important framing context for the Plexal estimate of the additional jobs associated with the NCF specifically, where it is stated that the Innovation Impact Study takes account of the NCF investment within its estimates.

Table 5.2: Estimated Employment Impacts of Cyber Security and Ecosystem in the North West

| | Current (2022) | Target (2035) |
|------------|---|---|
| Employment | 12,000 FTEs in the wider cyber ecosystem (i.e. 5,000 in cyber security and 7,000 in broader economy) | 30,000 FTEs (13,000 in cyber sector and 17,000 in broader economy) |

Source: North West Cyber Corridor Innovation Impact Study

- 5.11 These estimates of future growth are based on the application of the following annual growth rates:
- **Cyber security sector** – circa 10% per annum until 2030⁵¹ and 5% per annum thereafter (until 2035)

⁵⁰ Preston City Council, Chorley Council and South Ribble Borough Council (December 2022) Central Lancashire Local Plan: preferred Options – Part One Consultation, p32

⁵¹ It is noted that this rate of growth has been seen typically since 2017 when the Cyber Security Sectoral Analysis was first published.

- **Cyber security professionals in wider sectors in the region** – mid-growth estimate of 7% per annum to 2035. It specifically notes that much of wider growth within the wider security ecosystem in the North West is expected to be generated through investments made by NCF in Samlesbury, and GCHQ in Manchester.
- 5.12 The study is clear to document that achieving this level of growth in the sector *‘will require significant investment in skills and workforce planning to ensure that the region develops greater volumes of talent, and attracts people to the North West’*⁵².
- 5.13 Importantly, it also highlights the role of ‘crowding-in’, where public investments in cyber security may further attract inward investment. It notes that access to external investment and growth should be supported by initiatives such as Cyber Runway, DiSH, and NCSC for Start-Ups but encourages further support to businesses engaging with R&D and innovation projects in the sector.

The growing defence sector

- 5.14 As set out in section 3 the Government has committed to an increase in defence spending and procurement approaches which would see an increase in on-shoring of spending. Where further information will be available through the Spending Review scheduled for June 2025 it is already the case that significant additional investment and spending has been committed to Lancashire in Barrow and that the increase in monies available would be expected to have a positive impact on other defence-based industries, including BAE, which are a key part of Central Lancashire’s economy.
- 5.15 An increase in investment and contracts would be expected to create further employment opportunities, directly but also within the wider supply-chain. Such growth would be expected to have implications for the demand for commercial floorspace, specifically recognising the distinct requirements of the sector. This is considered further in the final part of this section.

Stimulating potential additional commercial floorspace requirements

- 5.16 Where the above both anticipate the generation of spin-off business investment in sectors related to the NCF, there is an implicit expectation that this in turn will generate additional requirements for commercial floorspace.
- 5.17 The consideration of case studies, and the research undertaken by Plexal, both emphasise the value and precedent of agglomeration within the sector. This infers that businesses see a benefit in co-locating. As referenced earlier in this report this has already been recognised in the funding support provided to deliver the Innovation Hub at Samlesbury EZ in parallel with the NCF. Where this provides a modest amount of floorspace the scale of growth and investment suggested above would indicate a more pronounced requirement for commercial floorspace, catering for a range of potential occupiers.

⁵² The North West Cyber Corridor: Innovation Impact Study (2023), Perspective Economics, page 63

5.18 JLL were commissioned by Story Homes to undertake a commercial floorspace impact study, with their report included in full at **Appendix 1**. In recognising the NCF as a nationally significant development the study specifically explored how proximity to such a strategic facility would be likely to generate strong demand from businesses and occupiers seeking to benefit from agglomeration economies. The study arrives at several key conclusions, including identification that:

- The development is uniquely positioned to benefit from agglomeration economies in the cyber security and defence sectors, given the proximity to the NCF and the established Samlesbury EZ.
- Growth in these sectors, combined with the site's geographical advantages, could see Cuerdale Garden Village evolve into a hub of innovation and high-skilled employment.'
- In providing a range of modern, high-quality commercial spaces, Cuerdale Garden Village could attract businesses and talent, potentially accelerating the growth of cyber security and defence sectors in the region. This in turn would be expected to promote further innovation, economic growth, and employment in the local economy.

5.19 JLL cite a number of case studies, including the Birchwood Park Nuclear Cluster (Warrington), Manchester Airport and Moderna – the Innovation and Technology Centre (MITC) in Oxfordshire, as demonstrating the power of industrial clustering and agglomeration economies.

Summary

5.20 The above analysis presents the outputs of work undertaken by Plexal for LCC which suggests that the NCF will accommodate in the order of 2,000 direct jobs but will potentially generate a further 1,120 indirect jobs. This would suggest a total of 3,120 additional jobs within Central Lancashire being generated by the NCF.

5.21 Where this is based on assumptions around achieving indirect multipliers as other comparable developments, with reference specifically to Cheltenham / GCHQ it is understood, it is recognised that there is a potential to support further growth through the potential to plan for additional commercial floorspace in proximity to the NCF and Samlesbury EZ. This recognises wider forecasting of the potential scale of additional economic and employment growth in the cyber sector and more widely in the context of the Government's commitment to increased local spending in the defence sector.

5.22 JLL have considered the potential for such wider commercial market interest drawing on their experience of other clustering of commercial floorspace and in recognising the potential needs which could arise from the investment at the NCF and more widely in providing supporting housing development to accommodate additional labour.

6. Other Potential Benefits and Impacts

- 6.1 The preceding section outlines the substantial benefits that the NCF investment is expected to generate in reinforcing the local economy and specifically in creating new jobs both directly and through the likely attraction of supply chain businesses and the creation of indirect employment opportunities. As a number of the case studies in section 4 articulate, as indeed do the policy ambitions considered in section 3, the benefits and impacts associated with investment in the NCF will extend beyond the creation of employment and commercial floorspace needs.
- 6.2 The implied growth in the size of the local workforce will have implications for the local housing market, for example. This section considers from a high-level perspective the nature of such impacts, highlighting again the importance of fully understanding and planning for these impacts if the related benefits are to be realised locally and in a sustainable way.

Accommodating a new workforce

- 6.3 The emerging Lancashire Growth Plan is clear to identify the important role of housing in facilitating and enabling its vision to deliver economic growth, alongside other forms of infrastructure. It establishes an expectation that LCCA will help to design and drive economic and housing growth plans in synergy with local planning authorities to this end.
- 6.4 With direct relevance to the NCF the Plan is explicit in highlighting that to support the employment hubs, focused amongst other things on defence and cyber, *'will require local housing markets to respond with an improved housing offer that is sufficiently diverse to attract high-skilled workers and break down the skills and transport barriers that prevent social mobility and inclusive growth'*⁵³.
- 6.5 In this regard it recognises the need to support *'housing growth locations, in conjunction with robust Local Plans'*⁵⁴.
- 6.6 The previous section outlined an expectation that the NCF will accommodate circa 2,000 jobs directly, with a further 1,120 jobs conservatively estimated as being created indirectly.
- 6.7 The case studies identified by Plexal in their work for LCC, referenced in section 4 of this report, included consideration of the drive-times seen amongst staff at other public sector facilities that have relocated. While there will inevitably be differences in the profile of employees between such facilities and the NCF, Plexal are believed to have used this analysis to conclude that it would be reasonable to assume that under 50% of Government employees (i.e. a component of the 2,000 direct jobs) would be likely to choose or need a home within the immediate area, assumed here to be

⁵³ Lancashire Combined County Authority (February 2025) The Lancashire Growth Plan 2025 – 2035. Consultation Version, p32

⁵⁴ *Ibid*

Central Lancashire⁵⁵. The remainder of staff would be likely to live elsewhere in Lancashire and potentially into Greater Manchester and Merseyside. This would suggest that fewer than half of the 2,000 directly created jobs would be filled by people needing homes nearby.

6.8 It is, however, also reasonable to expect a proportion of those taking up indirect jobs to live within the immediate area. Where this proportion could be lower, with the work by Plexal implying that the majority of such jobs would be located elsewhere in the region, even if, on a cautious basis, 40% was assumed this would equate to circa 500 of the jobs filled by people living in the immediate area. This would suggest **a total of 1,500 additional jobs filled by people needing a home in the immediate area.**

6.9 In considering the above it is acknowledged that:

- Some of the jobs filled may be taken by individuals already residing in close proximity and not needing a new home. However, the fact that a proportion of the jobs directly created are understood to involve relocations of roles would strongly suggest that a reasonable proportion would be new residents to the area;
- A range of jobs will be likely to be accommodated within the NCF, given the profile of the cyber sector as discussed in section 3. It is reasonable to assume, based on the profile of employment in this sector, that this will include relatively well-paid jobs affirming the importance of offering housing that matches aspirations as identified in the emerging Lancashire Growth Plan; and
- If supporting infrastructure is provided, as noted in section 5, there is a reasonable chance that more jobs will be created as a result of enabling agglomeration benefits and recognising the wider opportunities presented by a growing defence sector within the local economy, including at Samlesbury EZ. This in turn would be expected to create additional needs within the local housing market.

6.10 Drawing on the above it is firstly clear that the accommodation of the NCF and the scale of the investment and wider economic benefits will have an impact on the local housing market. It is therefore important, as per the emerging Lancashire Growth Plan, that this need is assessed in seeking to understand the wider need for housing in the host area and here the Central Lancashire Local Plan. A failure to do so will run the risk of creating issues in the local housing market and potentially undermining investment by constraining the ability to attract and retain the labour required to sustainably support growth.

6.11 It is also apparent that whilst there is a degree of uncertainty around the scale of the additional housing need which will arise, a set of reasonable assumptions can be made to inform an evidential assessment of housing need. Separate consideration is given later in this section to an exercise undertaken by Stantec to consider this issue, on

⁵⁵ It is noted that as of April 2025 the job advert for software developers to work at the Samlesbury facility confirmed that the job would be full-time office-based role, due to the sensitivity of the nature of the work involved and that applicants would need to live within a commutable distance.

behalf of a consortium of housebuilders making representations during the current consultation.

Evidencing a higher need for housing in Central Lancashire

- 6.12 Story Homes, as part of a consortium of housebuilders, commissioned Stantec to prepare an assessment of housing need across Central Lancashire to inform representations to the Draft Local Plan⁵⁶.
- 6.13 This considered a range of different potential drivers of housing need and concluded that over the plan period there was a need to provide for at least 1,643 homes per annum, or 29,574 homes in total (2023 – 2041). This represented a higher level of housing provision than the Councils' independent evidence concluded and that was currently proposed as a housing requirement.
- 6.14 In arriving at this conclusion Stantec identified that a higher level of housing would be needed, than was concluded in the Councils' evidence base, to support forecast employment growth. This recognised the strong economic growth potential of the plan area, with a baseline growth of in the order of 26,550 additional jobs identified as reasonable. This again represented a higher level of job growth than the Councils' evidence had identified.
- 6.15 Stantec were clear to observe that even this higher level of job growth took no account of the positive additional benefits of major planned projects or investment, including but not limited to the NCF where the report also highlighted the anticipated growth of the University of Central Lancashire over the plan period and the jobs this would be expected to create.
- 6.16 Specific consideration was given in the study as to the potential for the additional jobs associated with the NCF, and detailed above, to create an elevated level of need for housing within Central Lancashire. The report concluded, based on the indicative assumption stated above that of the 3,000 + additional direct and indirect jobs associated with the NCF in the order of 1,500 of these would be filled by people needing a home in Central Lancashire, **that approximately 1,500 additional homes would be needed above that needed to support the baseline economic forecast.**
- 6.17 The study observes that these additional homes are not currently provided for within the draft Local Plan nor the Councils' informing evidence base. It estimates that accommodating a reasonable level of economic growth and the additional investment represented by the NCF would require the Plan to provide for in the order of 27,555 homes, or 1,531 homes per annum over the plan period (2023 – 2041).
- 6.18 A failure to provide for these homes would present a risk for the recruitment of staff to the NCF and the encouragement of less sustainable transport patterns where there would be an elevated level of workers living outside of Central Lancashire and having to commute in to access their work.

⁵⁶ Stantec (2025) Central Lancashire Housing Need

- 6.19 The study, alongside identifying the additional need arising from supporting economic growth over the plan period, identifies a significant and elevated need for affordable housing and a specific need to accommodate specialist housing for older people. These are recognised as representing separate and complementary drivers of housing need which will place pressures on the local housing market.

Summary

- 6.20 This section has highlighted that along with the creation of additional employment opportunities and growth within the local economy the investment in the NCF will create additional needs for infrastructure, including importantly the provision of housing to accommodate a growing labour-force.
- 6.21 The profile of employment opportunities in the NCF can be expected to have an impact on the local housing market, creating additional demand for a range of types and tenures within Central Lancashire. This has been specifically identified in work commissioned by Story Homes, along with a consortium of housebuilders, that has concluded that the generation of additional employment opportunities associated with the NCF investment would generate a higher level of housing need than the Councils' evidence has considered. A failure to provide for these homes would present a risk for the recruitment of staff to the NCF and the encouragement of less sustainable transport patterns where there would be an elevated level of workers living outside of Central Lancashire and having to commute in to access their work.

7. Cuerdale Garden Village

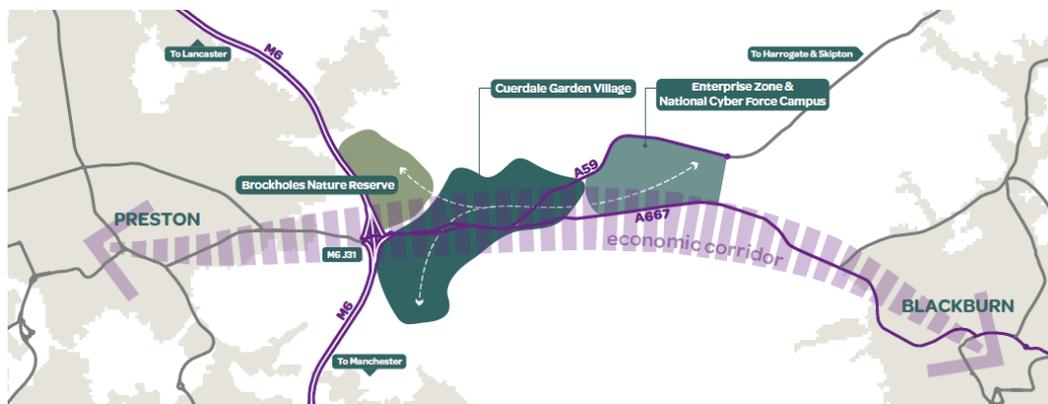
7.1 The preceding sections have affirmed the Government’s expectations regarding the growth potential of the defence and cyber security sectors, and highlighted the critical role of the NCF in enabling its ambitions both in growing the sectors but also in ensuring that the benefits extend beyond London and the South. It has also affirmed that substantial benefits could be generated within Lancashire and Central Lancashire, albeit recognising that to capture these in full will require supportive investment in infrastructure including commercial floorspace to accommodate new businesses and new homes to house a growing labour force.

7.2 This section considers the unique role that Cuerdale Garden Village can play in responding to arising needs and providing the infrastructure and space to optimise the value generated by the NCF investment.

Location: Supporting agglomeration effects

7.3 Cuerdale Garden Village is located within the A59 Growth Corridor, itself forming part of the Lancashire Arc of Prosperity which extends up to Lancaster, as referenced earlier in this report. This Corridor includes Samlesbury EZ, which as referenced throughout this report accommodates the NCF. The geographic proximity and connections are shown in Figure 7.1.

Figure 7.1: A59 Growth Corridor



Source: Cuerdale Garden Village Development Framework Document

Potential profile of development

7.4 Cuerdale Garden Village is comprised of several parcels of development land which, in combination, can delivery a holistically planned, sustainable new settlement.

7.5 An outline planning application for the development of an initial phase was submitted in May 2022 and is currently being determined by South Ribble Borough Council⁵⁷. This proposes up to 1,300 homes and up to 164,000 sqm of employment floorspace along with supporting social infrastructure and amenities. Further land to the north of the

⁵⁷ Planning application reference 07/2022/00451/OUT

A59 forms the balance of land promoted by Story Homes to create the Garden Village, with this land having the ability to deliver a further 1,000 homes (2,300 in total) and a further 88,800 sqm of commercial floorspace (252,800 sqm in total), along with additional supporting infrastructure. It is of note that further land, representing an eastern extension, is also being promoted by Logic Developments which would add additional commercial floorspace, with the potential to accommodate a further 175,000 sqm of B2/B8 and office floorspace.

7.6 In total Cuerdale Garden Village could therefore have the capacity to deliver 2,300 high quality homes of varied type and size and 429,500 sqm of varied employment space.

7.7 It therefore provides a strong potential supply of both homes and commercial floorspace to support the investment and additional associated needs which can be expected to arise from the NCF based on the analysis in this report, along with local demand from the local economy more widely.

Complementary phasing of development

7.8 Within the Development Framework consideration has been given to the indicative phasing of the development within the broad phasing implied above, with regards the initial application and subsequent phases. This is illustrated at Figure 7.1 below. Phases are indicatively presented in numeric order. This shows early phased delivery of employment floorspace along the strategic road corridor, including space in closest proximity to Samlesbury EZ, as well as the M65 junction. This space would provide early accommodation for spin-off and supply chain business needs generated as the NCF grows and expands, which would be complementary to the more limited provision that can be accommodated on residual parcels of the EZ.

Figure 7.2: Indicative Phasing Strategy Plan



Source: Cuerdale Garden Village Development Framework Document (2025)

- 7.9 The phasing plan also suggests the potential to see the early parallel delivery of new residential communities which will be sustainably connected to the new employment areas and the EZ.

Complementary new commercial floorspace

- 7.10 The JLL market report (**Appendix 1**) identifies that the Garden Village has an important role to play in supporting the growing cyber-sector and defence eco-system where it can provide a wide portfolio of commercial spaces, offering choices for businesses at different stages in their evolution.
- 7.11 It identifies that most jobs relating to cyber security are office-based but that the real estate needs of companies in these and other related sectors including defence are varied and include office space, R&D facilities, good manufacturing practice (GMP) compliant manufacturing units, specific storage facilities and distribution centres.
- 7.12 JLL estimate that a growing cyber security sector will generate significant additional demand for office floorspace, estimating that across Lancashire the sector could generate 270,000 sqm of floorspace across the North West and circa 43,000 sqm in Lancashire alone. It asserts that these forecasts should be seen as conservative projections of the minimum future office requirement.
- 7.13 Where the above relate primarily to the impact of additional needs generated by the attraction of businesses related to the NCF investment it is important to recognise that a large component of the demand for commercial floorspace will reflect more general local or sub-regional demand, recognising the strategic connectivity of the site to the motorway network and proximate existing urban centres.

A quality of place to attract and retain a new workforce

- 7.14 The previous section highlighted evidence that identifies that the additional employment opportunities generated by the NCF will have implications for an increased need for housing within the locality.
- 7.15 The proximity of the Garden Village to the NCF and other employment opportunities – within Samlesbury EZ and in the Garden Village itself – offers a unique opportunity to provide housing to attract and retain workers in close proximity. It will provide an attractive residential environment offering which will be of considerable value in helping to attract workers to locate to the area and reducing the need to travel.
- 7.16 Where a range of types and tenures of homes will be provided it is important to recognise that this will enable it to respond to the additional needs generated by workers retained or attracted to live within the area. In line with the study referenced in section 6, this will include affordable housing, where this suggests there will be a significant need for this tenure of housing alongside market housing. It will also allow for the accommodation of housing which can meet the needs of older cohorts, which the study similarly identifies that there will be a significant and growing need.

8. Conclusion

- 8.1 This report has been commissioned by Story Homes to support representations to the emerging Central Lancashire Local Plan, concerning its proposals for Cuerdale Garden Village.
- 8.2 Cuerdale Garden Village is proposed to be located within the A59 Growth Corridor, adjacent to Junction 31 of the M6 and near the Samlesbury EZ. The Development Framework identifies the potential to deliver a broad range of high-quality employment space (up to 492,5000 sqm), co-located with residential development (up to 2,300 homes) in a liveable environment, supported by accessible infrastructure.
- 8.3 The NCF headquarters is currently progressing on Samlesbury EZ and is anticipated to be gradually occupied from 2025. It is expected that the facility will accommodate personnel from GCHQ, the MOD the Secret Intelligence Service and the Defence Science and Technology Laboratory.
- 8.4 Recognising the scale of the investment in the NCF and the potential for Cuerdale Garden Village to accommodate additional floorspace requirements and future workers to retain associated benefits within Central Lancashire, this report explores the scale of potential complementary investment and arising needs. It draws upon work undertaken by Plexal in 2024 on behalf of Lancashire County Council (LCC) which has specifically sought to understand in detail how this nationally significant investment can create wider opportunities for the county. It also references other published materials which have sought to consider the importance of the defence and cyber security sectors, with a specific focus on the North West.

Economic expectations of the NCF

- 8.5 The Government's Green Paper Industrial Strategy, *Invest 2035*, identifies the 'defence' sector, along with 'digital and technologies' as two of its eight defined growth-driving sectors. Its commitment to the sector has been enhanced by the recently stated commitment to see defence spending in the UK increase to 2.5% of GVP by 2027, with a view to further increasing it to 3.0% within the next parliament. It has also highlighted its intention to grow onshore production capability and support UK based businesses, including start-ups and SMEs. It recognises that this will require a strengthening of critical supply chains within the UK defence industry.
- 8.6 Aside from the South East and South West, the North West represents the largest concentration of defence expenditure and is home to a significant number of businesses and their employees in the sector.
- 8.7 The cyber security sector represents a significant and growing component of the overall defence sector and the North West also has a significant presence of businesses, institutions and partnerships in this sub-sector.
- 8.8 The Government has, in this context articulated the role it sees its investment in the NCF as supporting these sectors to grow, stating that:

“Within the next few years NCF will establish its centre of gravity in the north west of England. It will contribute to driving growth in the technology, digital and defence sectors, and encourage the creation of partnerships between government, industry and universities in the region. This growth will allow us to enhance and broaden our collective skillset, deepening existing partnerships and forging new ones, strengthening the UK’s cyber ecosystem”⁵⁸.

- 8.9 Similarly, the LCCA has recently consulted on a draft of a Growth Plan which confirms its view that *‘the location of the National Cyber Force provides opportunity to harness new corporates, SMEs and talent into the region’⁵⁹*. Indeed, in supporting this ambition it has already given its agreement to fund a £13.2 million innovation hub within the EZ, to complement the existing Advanced Manufacturing Research Centre North West already located on the site. This new facility is understood to have the capacity to deliver 27,000sqft of floorspace to provide *‘multi-functional business premises’⁶⁰*.

Case study precedents

- 8.10 The report has considered a range of case studies, recognising the unique nature of the investment in the NCF, to assist in framing an understanding of potential impacts and benefits. This initially included two case studies identified by Plexal in the work they have undertaken for LCC as representing comparable large-scale public-sector relocations. In reviewing these they show:
- the potential to generate indirect and induced employment opportunities in terms of supply chains but also more widely in attracting business investment which is keen to co-locate to benefit from proximity to public sector investment;
 - that opportunities will be created for local recruitment; and
 - that there are impacts on local labour-force demand with reasonable proportions of workers understood to live in reasonable proximity, albeit that a proportion of ‘new’ labour will travel from further afield but within a travel to work geography based on reasonable travel times.
- 8.11 The experience at Cheltenham and specifically the Golden Valley development which is near the GCHQ affirms the scale of opportunity perceived to capitalise on attracting business interest from within the Cyber sector and other sectors, drawn by the location of the Government’s investment. The scale of the development is noted where it has the capacity to accommodate over 11,000 additional jobs along with new residential development, with commercial space primarily focussed on quality office provision within a campus location.
- 8.12 Two other global case studies, Maryland Virginia USA and Be-er Sheva in Israel, illustrate the potential scale of impact that the growing cyber sector can have on local

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https://assets.publishing.service.gov.uk/media/61b9f526d3bf7f05522e302e/Force_Explainer_20211213_FINAL_1_.pdf

⁵⁹ Lancashire Combined County Authority (February 2025) The Lancashire Growth Plan 2025 – 2035, consultation version, p36

⁶⁰ <https://www.lancashiretelegraph.co.uk/news/24878197.new-13m-innovation-hub-agreed-open-samlesbury/>

economies where there is a combination of public, private and academic institutions and a clear ambition to capture an agglomeration of benefits.

Estimating the potential economic impact

- 8.13 Work undertaken by Plexal on behalf of LCC suggests that the NCF will accommodate in the order of 2,000 direct jobs but will potentially generate a further 1,120 indirect jobs. This would suggest a total of 3,120 additional jobs within Central Lancashire being generated by the NCF.
- 8.14 Where this is based on assumptions around achieving indirect multipliers as other comparable developments, with reference specifically to Cheltenham / GCHQ it is understood, it is recognised that there is a potential to support further growth through the potential to plan for additional commercial floorspace in proximity to the NCF and Samlesbury EZ. This recognises wider forecasting of the potential scale of additional economic and employment growth in the cyber sector and more widely in the context of the Government's commitment to increased local spending in the defence sector.
- 8.15 JLL have considered the potential for such wider commercial market interest drawing on their experience of other clustering of commercial floorspace and in recognising the potential needs which could arise from the investment at the NCF and more widely in providing supporting housing development to accommodate additional labour.

Appreciating other potential benefits

- 8.16 Through the creation of new jobs and attraction of investment the NCF will stimulate additional needs for infrastructure, including the provision of housing to accommodate a growing labour-force. The profile of employment opportunities generated can be expected to have an impact on the local housing market, creating additional demand for a range of types and tenures within Central Lancashire.

Cuerdale Garden Village

- 8.17 The proposed development offers a unique opportunity to capitalise on the investment being made by the NCF and provide complementary commercial floorspace that, as with the examples identified, can provide businesses with the opportunity to co-locate in proximity to the NCF and existing and developing cyber and defence eco-system on Samlesbury EZ. The phasing of delivery will ensure that this space is provided in parallel with the occupation of the NCF, responding to additional needs which are generated, and in alignment with the Government's anticipated investment and growth in the sector within the UK and region. JLL have confirmed that the profile of space will align with potential occupier demands in the sector and considered potential types of occupier needs.
- 8.18 Similarly, the proximity of the Garden Village to the NCF and other employment opportunities – within Samlesbury EZ and in the Garden Village itself – offers a unique opportunity to provide housing to accommodate additional arising needs by attracting and retaining workers in close proximity. It will provide an attractive residential environment offering which will be of considerable value in helping to attract workers to locate to the area and reducing the need to travel.

Appendix 1: JLL Research

Report

United Kingdom | April 2025

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Cuerdale Garden Village

Commercial floorspace impact study

Foreword

JLL have been commissioned by Story Homes to conduct a commercial floorspace impact study for the proposed development of Cuerdale Garden Village in Central Lancashire. This report aims to assess the potential demand for commercial floorspace in the local vicinity, with a particular focus on the influence of the new National Cyber Force (NCF) headquarters located in Samlesbury.

The NCF campus represents a nationally significant development that is expected to act as a catalyst for economic growth in the region. This study explores how proximity to such a strategic facility is likely to generate strong demand from businesses and occupiers seeking to benefit from agglomeration economies.

Our analysis draws upon research into floorspace demand associated with employment across various sectors, with a specific emphasis on the cyber security industry. We have also assessed the impact of 'off-shoot' sectors such as defence (with BAE Systems being located nearby) and the impact of the overall development itself in terms of the need for logistics and warehousing to serve the proposed circa. 1,300 homes in phase one and further 1,000 in phase two. Additionally, we examined relevant case studies that demonstrate the impact of similar nationally significant developments on local demand for commercial floorspace.

By leveraging this data and applying it to the unique context of Cuerdale Garden Village, this report provides an idea of the anticipated commercial floorspace requirements. The findings of this study will highlight the economic potential of Cuerdale Garden Village and its role in supporting the growth of the cyber security sector in Central Lancashire.

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Executive summary

The proposed Cuerdale Garden Village development presents a significant opportunity to meet the forecasted growth in commercial floorspace demand in Central Lancashire. Strategically located near the National Cyber Force (NCF) campus and the established Samlesbury Enterprise Zone, the development is uniquely positioned to benefit from agglomeration economies in the cyber security and defence sectors.

The site's proximity to these institutions is key in promoting growth and could attract a diverse range of businesses and occupiers looking to benefit from clustering.

Analysis suggests strong growth potential in the cyber security and defence sectors, driven by increased government investment and rising digital security needs. This growth, combined with the site's geographical advantages, could see Cuerdale Garden Village evolve into a hub of innovation and high-skilled employment.

Further to this, the development itself could generate its own demand for logistics and warehousing to service the residential aspect, creating further jobs for the local economy.

In providing a range of modern, high-quality commercial spaces, Cuerdale Garden Village could attract businesses and talent, potentially accelerating the growth of cyber security and defence sectors in the region.

In conclusion, by capitalising on the already strong sectors in the region and providing space for agglomeration in these high-growth sectors, the Cuerdale Garden Village development would promote further innovation, economic growth, and employment in the local economy, should the development go forward.

Introduction

The first phase of the proposed Cuerdale Garden Village development represents an opportunity to develop approximately 1,300 homes and circa. 164,000 sq m of commercial floorspace to the south west of Preston, alongside other community amenities and green space.

The second phase of the development, located to the north and running parallel to the A59, proposes a further 1,000 homes and 88,000 sq m of commercial floorspace, bringing the total development to 2,300 homes and 252,000 sq m.

The site is shown in Figure 1 below.

Figure 1: Cuerdale Garden Village Masterplan



The masterplan for phase one indicates that most land is located to the south of the A59 and adjacent to junction 31 of the M6 motorway. A further parcel of land is to the north and located between the A59 to the north and A677 to the south. The site is split into four parcels, providing both residential and commercial

floorspace. Parcel A (north), B and C which run alongside the A59 will provide commercial floorspace whilst parcels A (south) and D will be majority residential development.

The Cuerdale Garden Village development presents a significant opportunity to stimulate local economic growth and employment. Story Homes estimates that the project will generate £430 million in GVA during the construction phase and £515 million per annum once operational with a further 5,670 jobs in a range of occupations.

Strategically located next to an established employment zone, which includes the new NCF campus and companies like BAE in the defence sector, Cuerdale Garden Village offers the potential for clustering new businesses around the Enterprise Zone. This proximity to key employers and the opportunity for agglomeration economies makes Cuerdale an attractive location for commercial development.

JLL has been commissioned to assess the impact that Cuerdale Garden Village could have on the need for commercial floorspace in the area to allow this growth to occur. This study will examine how the development can capitalise on its location to foster economic growth, create employment opportunities, and meet the evolving needs of businesses in the region. By analysing market trends, sector-specific demands, and the potential for business clustering, this report aims to provide an understanding of the commercial floorspace requirements of the Cuerdale Garden Village development.

Innovation geographies and agglomeration economies

The opportunity to attract and drive defence and cybersecurity employment at Cuerdale is underpinned by shifts in the location considerations behind knowledge economy sectors. Leveraging critical characteristics set out in the excerpt below from the **JLL Innovation Geography 2024** report, knowledge industry (KI) employment will be redistributed along new geographies that can best reflect these attributes.

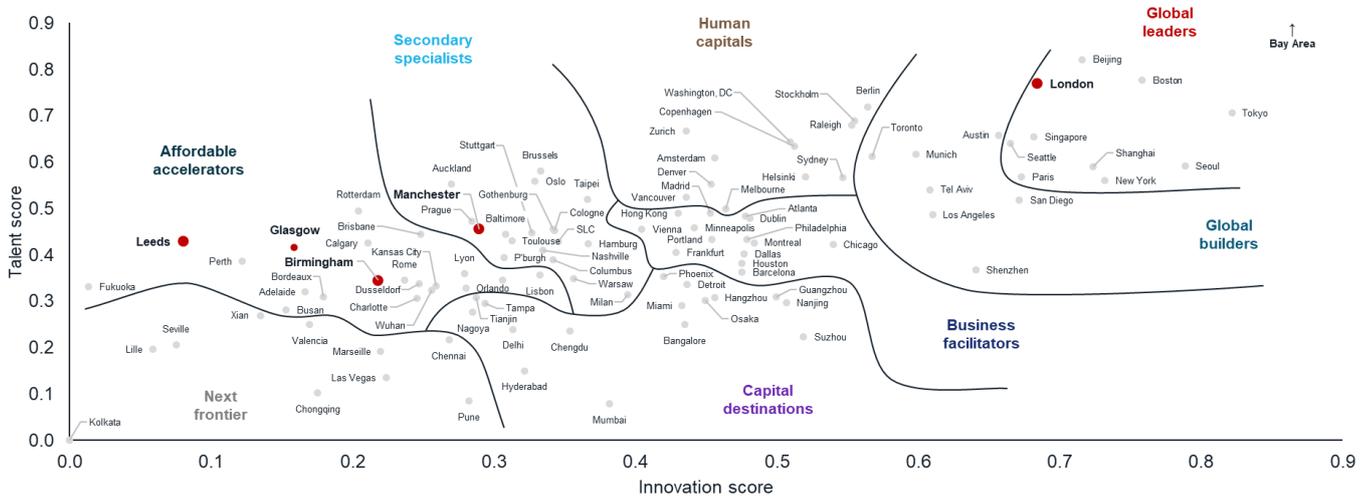
The convergence of the technology sector, knowledge-based industries and research institutions is more critical than ever in driving commercial real estate demand and reshaping the built environment.

- *Migration of innovation and talent to affordable and lifestyle-centric cities continues apace, leading to sustained growth in secondary and tertiary real estate markets.*
- *Real estate occupiers and investors alike are diversifying and optimizing their footprints and portfolios in response to talent availability, maturing markets and greater business and research specialization.*
- *Exposure to AI and other emerging sectors will be critical for occupiers and investors looking to harness this growth as new technologies are deployed, and the digitisation of traditional sectors accelerates.*
- *Geopolitics and onshoring are reshaping the global business landscape at a profound pace and opening up opportunities for new clusters of advanced manufacturing and R&D.*
- *Institutions and companies in highly knowledge-intensive sectors are anchoring sustainability-focused regeneration and bolder public-private partnerships.*

This is a profound opportunity for KI employment occupancy at Cuerdale. As part of the combined Manchester region, there are core strengths in talent, innovation and a relatively younger professional population that can be leveraged to support an induced demand for specialist defence and cyber security locally.

JLL Research classifies Manchester as a Secondary Specialist within the global hierarchy of innovation geographies. Accelerating post-pandemic, talent shortages, rising home prices and regulatory pressures have catalysed digital economy expansion into lower-cost markets, aided by more flexible working patterns and technology.

Global Innovation Hubs Classification



Source: JLL

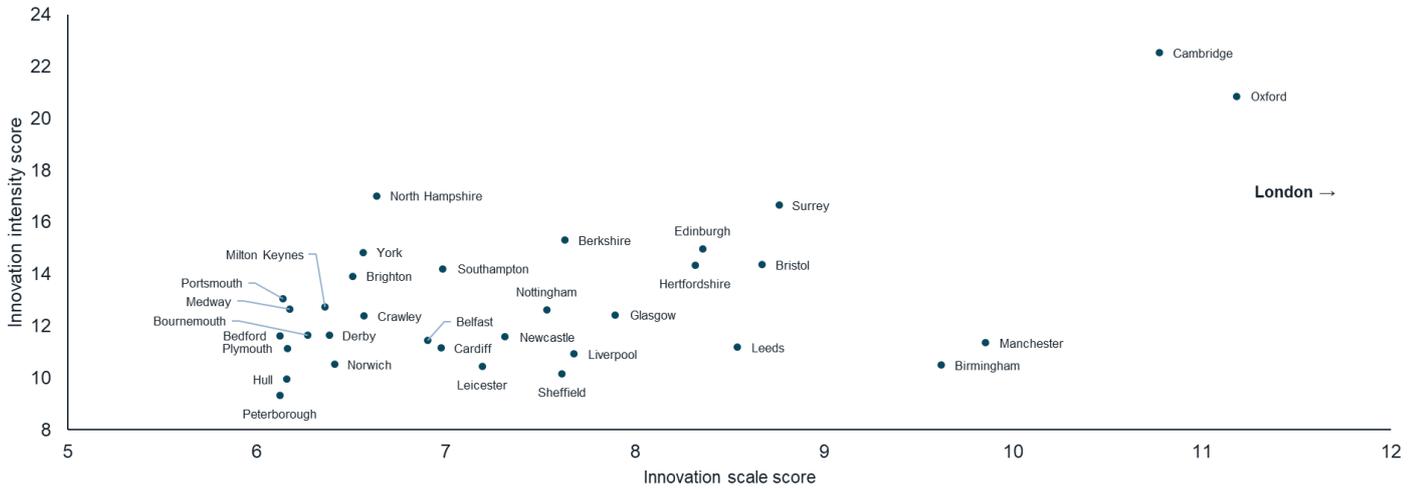
The geography of innovation is further being shaped by external geopolitical forces. Trade policy in the United States is accelerating an already emerging trend for onshoring and domestic production of critical industries. Tied to the specific need in the UK and across Europe to increase defence spending following pressure from the US, this sector will experience outsized growth in investment within the UK.

These shifts are critical for Cuerdale, as the convergence of innovation geography growth factors are poised to benefit from this acute pressure for solutions to this need within the UK. As outlined elsewhere in this report, increased defence spending will accrue at specific and established nodes.

Given the North West already has a significant presence in the UK defence sector, it would prove prudent that the region would benefit from increased spending and the growth set to be delivered. The North West is home to numerous global aerospace and defence companies including BAE systems and Rolls Royce with over 400 companies involved in the supply chain, according to Invest in Lancashire.

Further to this, Manchester ranked fourth in JLL's innovation cities index, see below. This ranking is based on a variety of factors including tech-specific business count, patent applications, and STEM employment. This demonstrates Manchester's capacity to attract innovative businesses and talent, creating fertile ground for knowledge-intensive industries to thrive.

UK Cities Innovation Score



Source: JLL

This innovation in Manchester doesn't exist in isolation but forms part of a broader, regional network that extends its benefits throughout the North West. The North West's, and in particular Lancashire's globally significant aerospace and defence industry is primed to benefit from the growing defence sector and there are already complementary characteristics in place with higher education institutions and international businesses.

By leveraging its proximity to both the NCF campus and the Samlesbury Aerospace Enterprise Zone, Cuerdale can position itself as an attractive location for businesses seeking to benefit from both the innovative environment of Manchester and the aerospace and defence specialisation of Lancashire

Agglomeration economies

The concept of agglomeration economies is particularly relevant to Cuerdale Garden Village, given its strategic location near the NCF campus and Samlesbury Enterprise Zone – home to companies such as BAE Systems. This proximity presents a significant opportunity for Cuerdale to leverage the benefits that arise when firms cluster together, potentially driving substantial economic growth in the area.

The advantages of clustering include supply chain efficiencies which can be realized through the creation of a robust network linking NCF, BAE Systems and related businesses with a concentration of cyber security and defence expertise in the area. The presence of NCF and BAE Systems as anchor institutions

provides Cuerdale with a unique opportunity to evolve into a hub for cyber security and defence related industries. This could attract complementary businesses seeking to benefit from proximity to these significant establishments. The concentration of expertise could also lead to increased innovation, potentially spawning new startups and technologies in these sectors.

The success of an ecosystem relies on its capacity to provide a wide portfolio of spaces, offering choice for those at different stages in their evolution. Cuerdale can facilitate this with a wide range of commercial floorspace. In addition, the supply chain is critical to achieving success with proximity to suppliers, manufacturers and customers.

Further to this, the potential cluster can benefit from the wide pool of talent in the region. According to the North West Cyber Corridor Innovation Impact Study, the North West has ten Higher Education Institutions that offer cyber security and computer science courses with the number of graduates in the region growing. Cuerdale could enable a growing cluster around the NCF campus with opportunity for the site to attract employment from local, highly skilled workers.

The key fundamentals of a successful cluster are an ecosystem of talent, funding, and commercial real estate. The real estate needs of companies are varied and includes office space, R&D facilities, good manufacturing practice (GMP) compliant manufacturing units, specific storage facilities and distribution centres. Furthermore, the stage of commercialisation that companies reach also dictates the type of space they require.

Unlike many other specialist clusters, Cuerdale is not part of an existing and mature urban environment, although there are examples of more disparate knowledge hubs in the aerospace, defence and advanced manufacturing sectors that underscore the potential for the Garden Village.

Case Study: Dulles Toll Road Corridor

In the United States, the Dulles Toll Road Corridor is a linear suburban artery containing the world's largest collection of data centres as well as key institutions in cyber security and defence, most notably the Pentagon, headquarters of the CIA and multiple FBI and ancillary government departments. This, in turn, drove growth in the defence contracting industry throughout the mid-2000s to the present day, as evidenced by the presence of Leidos, Booz Allen Hamilton, General Dynamics and Northrop Grumman, amongst others.

This intersection of high-value corporate and employment growth in the intelligence and advanced tech manufacturing worlds, interfacing with major public and quasi-governmental organisations in a peripheral location, also exists in Kanata outside of Ottawa (Nordion, Ericsson), Macquarie Park in Sydney (Optus, Philips) and Saclay to the south of Paris (EDF, CEA).

The commercial floorspace at Cuerdale Garden Village could provide the opportunity to grow and contribute to a significant cluster in the region, offering a range of spaces that can accommodate businesses at various stages of development and across different sectors within the cyber security and defence industries.

The impact on commercial floorspace demand

Growth from the NCF

The establishment of the NCF campus in Samlesbury would impact the demand for commercial floorspace in the surrounding area and the Cuerdale Garden Village development presents an opportunity to gain from this. The NCF, and the wider growth of the cyber security sector in the North West, is anticipated to create a substantial number of high-skilled jobs which in turn is likely to drive demand for modern, high-quality commercial space.

Most jobs relating to cyber security are office-based given the nature of working with computers/software and robust IT infrastructure. The presence of the NCF could attract related businesses and services to the local area to be in the vicinity of a national significant establishment.

To understand the potential scale of this demand and its impact on the local property market, we have examined the current office stock in the region and recent trends in the commercial property sector. This context will help frame the opportunities that Cuerdale Garden Village could capitalise on in meeting the growing demand for office space driven by the NCF.

Baseline office stock

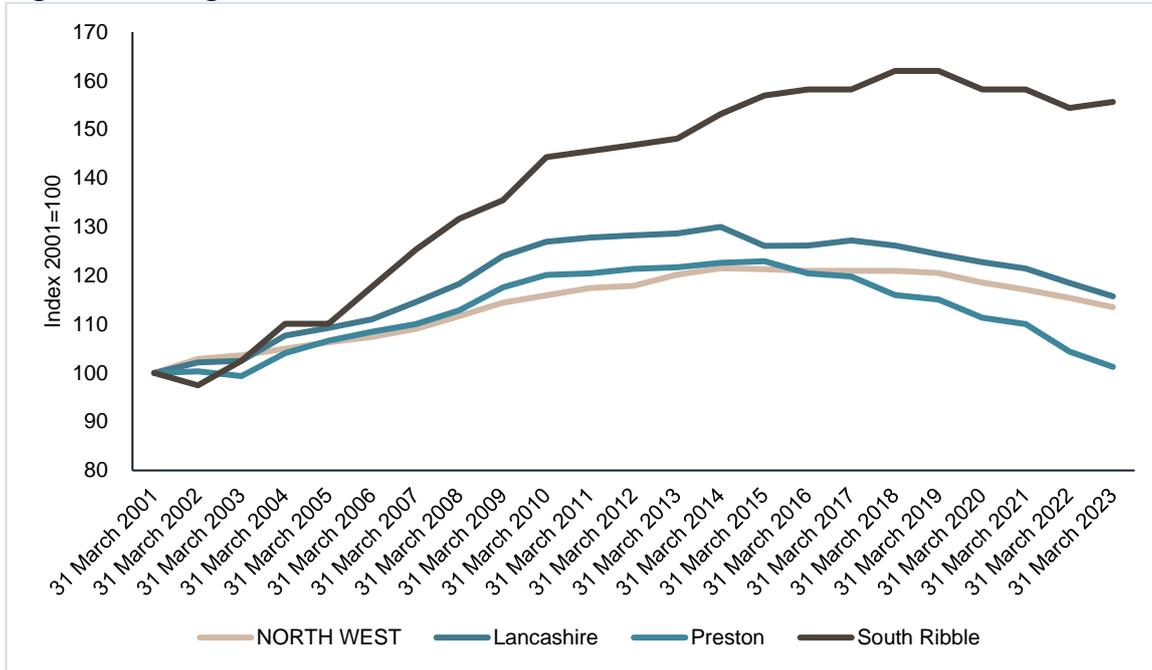
The office stock in Lancashire is estimated to be 1,215,000 sqm (NIA), which accounts for c12% of the office stock in the North West. The Borough's office stock peaked in 2014 at 1,365,000 sqm and has recorded a gradual decline since then, contracting by 11% but remains a larger office market than back in 2001.

Preston, as the largest office market in Lancashire, has an estimated office stock of 322,000 sqm, which has contracted by almost 18% since its peak of 391,000 sqm back in 2015. Much of this decline has been evident since the pandemic, with the stock declining by 9% from March 2020 to March 2023.

In comparison, South Ribble is a smaller office market of just 123,000 sqm, which has declined marginally from a peak of 128,000 sqm back in 2018. This 4% decrease in stock is one of the smallest percentage falls out of any of the Lancashire borough's and compares to an average decline of just under 12% across the region- albeit many of the boroughs are smaller less established office markets.

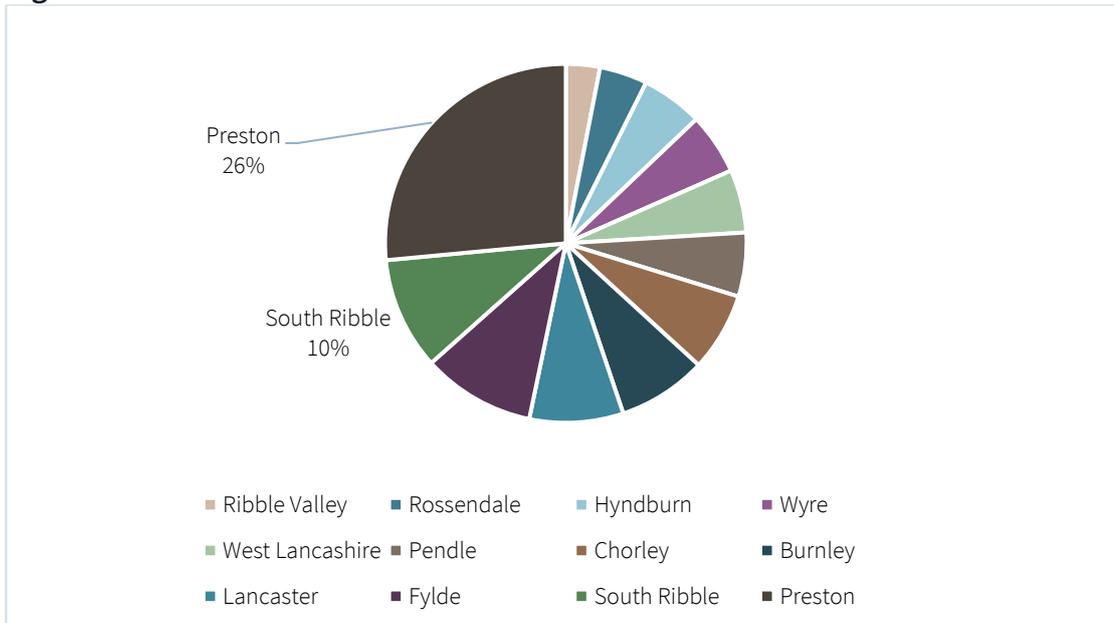
These divergent trends are illustrated in the graph below which includes the Lancashire trajectory and reinforces the contraction in office stock over the recent past.

Figure 2: Change in office stock



Source: JLL/VOA

Figure 3: Distribution of Lancashire Office Market Stock



Source: JLL/VOA

According to CoStar, less than 100,000 sq ft of new build space has been delivered in both Preston and South Ribble over the last ten years. This suggests that most of the existing stock will not be in direct competition with the new commercial space being proposed at Cuerdale Garden Village and implies that the development represents an opportunity to develop as a location for business in comparison to other parts of the region.

The evolving needs of office-based sectors will require adjustments in office supply, and future developments will need to adapt to the requirements of these industries to attract and accommodate burgeoning sectors. Companies searching for space today have different requirements to the traditional office occupier base. Workplace design, health and wellbeing, sustainability, amenity, and flexibility are all considerations. In the current economic climate, many occupier relocations will be driven by moves to take advantage of lower rents and occupancy costs, as well as being closer to where their employees live.

Assessing demand for offices

When evaluating the prospects for demand, the first step involves analysing the anticipated growth in output of business sectors that traditionally utilise office space.

Future demand prospects for the office sector appear robust across Lancashire, with growth expected across the local economy. Office based employment is expected to outpace the average all-employment growth rate over the next five and ten-year periods. Professional, Scientific & Tech (which covers software companies including Cyber Security) is anticipated to generate substantial employment opportunities, increasing by 1.8% per annum over the next five years to 44,420 jobs, and at just over 1% over the longer term to reach 47,200 by 2035, which will maintain demand for office space with increases in jobs and higher gross value add in the next 5-10 years.

Oxford Economics do not separate cyber security from the wider employment sector, so using data outlined earlier in the report suggests that within Lancashire there are around 2,200 people employed in the sector (900 in core roles and 1,300 in related positions) and c12,000 in the wider North West Region.

Table 1: Current and forecast employment trends

| | Employees (current) | Additional jobs |
|---|---------------------|-----------------------|
| North West cyber security direct* | 5,000 | 8,000 (target 2035) |
| North West cyber security indirect* | 7,000 | 10,000 (target 2035) |
| Lancashire direct** | 900 | 2,000 (Impact of NCF) |
| Lancashire indirect** | 1,300 | 1,120 (Impact of NCF) |
| Lancashire professional, scientific and tech*** | 40,930 | 6,260 (2035) |

* Source: Perspective Economics (2023) The North West Cyber Corridor Innovation Impact Study: Evidence Base

** Source: Plexal

*** Source: Oxford Economics

Forecasts of employment growth show a net addition of 18,000 total cyber security jobs between 2023 and 2030 across the North West. These forecasts have been used to estimate the net additional need for office space to accommodate the rise in employment and assume an average occupational density of 10 sqm per worker (British Council for Offices (BCO) Guide to Specification 2023).

Plexal predict that the employment impacts of the NCF would lead to an additional 3,120 jobs in the wider economy. These forecasts have also been used to extrapolate the anticipated increase in demand for office space, assuming all indirect jobs are office related.

Table 2: Estimated office demand based on employment forecasts

| Expansion based on Cyber security employment growth | Additional floorspace requirements total (no additional employment growth or space density change) | Additional floorspace requirements total (assume worker space density increase by 20%) | Additional floorspace requirements (assume additional 15% employment growth) | Additional floorspace requirement (Assume increased density and additional 15% employment growth) |
|---|--|--|--|---|
| North West cyber security total 2022-2035 | 180,000 sq m (1.937 million sq ft) | 216,000 sq m (2.325 million sq ft) | 225,000 sq m (2.422 million sq ft) | 270,000 sq m (2.906 million sq ft) |
| Lancashire cyber security total 2022-2035 | 31,200 sq m (335,800 sq ft) | 37,440 sq m (403,000 sq ft) | 35,880 sq m (386,200 sq ft) | 43,056 sq m (463,450 sq ft) |
| Lancashire professional scientific and tech | 62,600 sq m (674,000 sq ft) | 75,120 sq m (808,600 sq ft) | 68,860 sq m (741,200 sq ft) | 82,632 sq m (889,500 sq ft) |

Source: JLL based on employment growth projections (numbers rounded)

In the base case scenario outlined, which assumes no change to occupational densities, the additional future requirement for office space is 180,000 sq m between 2022 and 2035 across the North West. In a realistic scenario where average density per worker rises by 20% (to 12.0 sq m) due to greater levels of de-densification and provision of extra collaboration space, the potential additional office requirement is 216,000 sq m (2022 – 2035).

However, this requirement for additional office floorspace does not account for the uplift which arises because of developing a previously underutilised site. If employment growth is assumed to increase by an extra 15%, which is a very conservative assumption considering the uplift in new jobs that has occurred in some of the example case studies, this takes the total additional floorspace requirement to 225,000 sq m (2022 – 2035). This increases further to 270,000 sq m when factoring in a higher space per worker of 20%.

In addition to the expansion in headcount, demand for space will also be derived from occupiers already based in the region upgrading on lease expiry and although some occupiers will choose to renew existing leasing arrangements the majority will be looking for alternative accommodation. Based on current headcount estimates, the current floorspace occupation of Cyber Security firms is around 120,000 sq m in the North West, of which 24,000 sq m is potentially occupied in Lancashire.

These forecasts should be seen as conservative projections of the minimum future office requirement. They do not reflect any net addition to office space that is required to replace the ageing and increasingly obsolete stock, which is of lower quality, does not fit with space requirements of occupiers, and does not comply with regulatory standards.

It is important to note that whilst the majority of demand derived from the NCF is expected to be office-based, the cyber security sector may also generate demand for other types of commercial space. This could include laboratory and R&D facilities for developing and testing new technologies, as well as manufacturing space for producing cyber security related hardware.

Defence Sector

The new NCF campus is located within the Samlesbury Enterprise Zone which is also home to BAE System's aircraft engineering campus. This enterprise zone offers an opportunity for Cuerdale Garden Village and its commercial development to facilitate businesses to capitalise on the growing defence sector and clustering opportunities around two significant entities.

The Ministry of Defence (MOD) spending supports around 434,000 jobs in the UK, or, one in 60 UK jobs¹ and was identified as a growth driving sector in the government's *Invest 2035: the UK's Modern Industrial Strategy* report. Further to this, announcements on the 25th February from Sir Keir Starmer indicated that the UK's defence spending would increase to 2.5% of GDP from 2027 with an ambition to reach 3.0% by the next parliament – the largest sustained increase in defence spending since the Cold War.

With growing investment in the defence sector from the UK government, Cuerdale Garden Village represents an opportunity to take advantage of agglomeration economies and offer businesses commercial floorspace near established occupiers.

According to Invest in Lancashire, the county represents the largest single concentration of aerospace production in the UK, employing 14,000 people and home to over over 400 companies in the supply chain.

Following the recent announcement from the government of plans to invest in SME's in the defence sector with further spending and accessing the defence supply chain, Cuerdale presents an opportunity to expand and grow on an already globally established industry. The site being located so close to BAE

¹ <https://www.gov.uk/government/news/prime-minister-sets-out-biggest-sustained-increase-in-defence-spending-since-the-cold-war-protecting-british-people-in-new-era-for-national-security>

systems facilities and Academy for Skills and Knowledge at the Samlesbury Aerospace Enterprise Zone would provide huge benefits for smaller businesses in the industry as highlighted above from clustering.

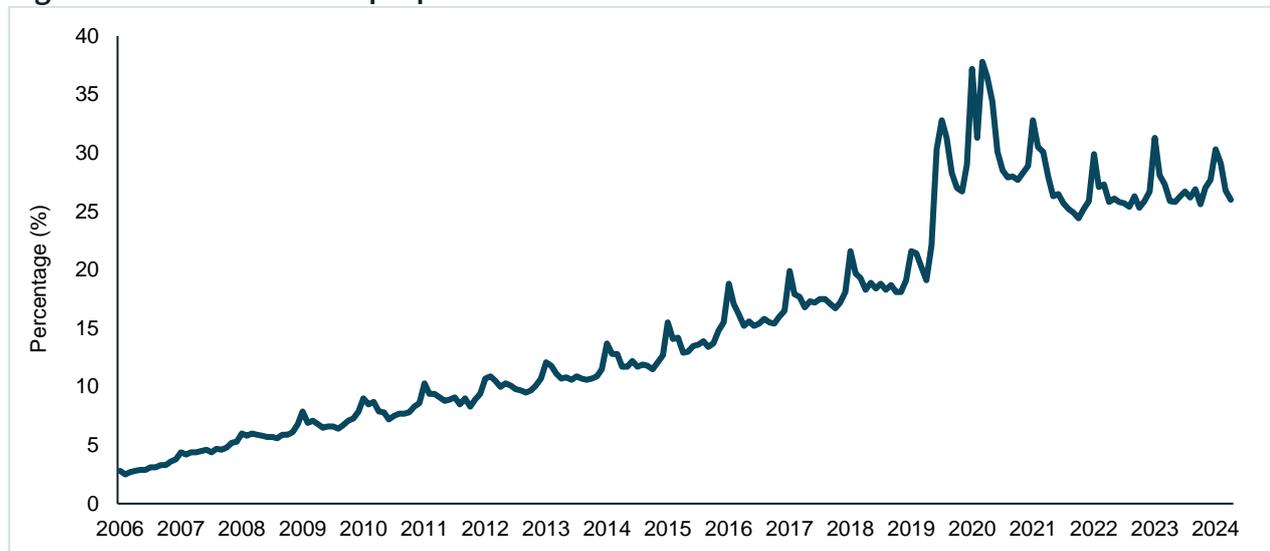
Last-mile logistics and servicing households

Alongside employment growth and the need for commercial floorspace derived from the NCF and the defence sector, the Cuerdale Garden Village development itself would promote the need for further industrial and logistics floorspace. The proposed development of approximately 1,300 homes in phase one and the further 1,000 in phase two would create a necessity for warehousing in close proximity to service these households.

The industrial and logistics sector plays a critical role in servicing both businesses and households. Company supply chain models typically involved large distribution centres, regional fulfilment centres and smaller 'last-mile' facilities in the vicinity of areas of population. With evolving consumer habits and the growth of e-commerce, the last-mile local delivery hubs have become even more important to service households.

The e-commerce sector has seen substantial growth since the pandemic, fundamentally changing shopping habits across Great Britain and leading to a greater need for warehousing. Figure 4 below shows how internet sales as a proportion of total retail sales has grown over time. At the beginning of the pandemic (February 2020) e-commerce sales accounted for 19.1% of total retail sales across Great Britain. As the population was forced to stay at home, our shopping habits changed, and the proportion reached a peak of 37.8% in January 2021. Whilst this has decreased, most recent figures are still way ahead of pre-pandemic levels with e-commerce sales in February 2025 accounting for 26.0%. This shift towards online shopping has created an increased demand for efficient logistics networks, including parcel hubs and last-mile delivery centres.

Figure 4: Online sales as a proportion of total retail sales



Source: ONS

With online shopping, retail supply chains typically involve a number of facilities including large e-fulfilment centres for holding stock; parcel hubs and local parcel delivery centres for final mile delivery. With the proposed development, warehousing floorspace will be needed to service the circa. 2,300 homes and to support the local economy.

Not only has online shopping grown in the UK but also consumer expectations of quicker, on-time and same-day delivery.

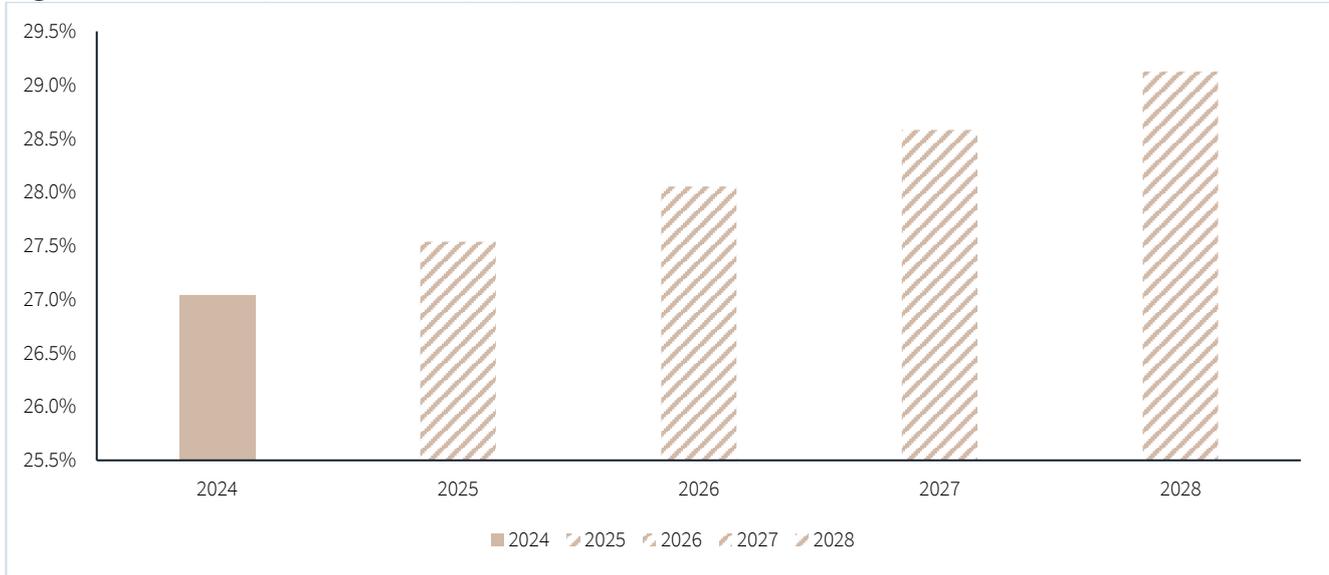
A report conducted by Turley for the British Property Federation in 2019 suggested that there was 69 sq ft of warehouse floorspace per home in England and this figure increased to approximately 85 sq ft for the North West. It is noted that this figure may increase due to the growing demand from 'pureplay' online retailers however, we can use it as a conservative baseline for estimating the logistics space needed for the new development.

Using the 69 sq ft per household metric, the proposed 1,300 homes of phase one would generate a demand for approximately 8,333 sq m (89,700 sq ft) of warehouse space. Including the total development and increasing this figure to 2,300 would equate to 14,744 sq m (158,700 sq ft). These figures represent the minimum amount of industrial and logistics floorspace that would be required to adequately service the proposed residential development. These figures are likely to grow in the future due to the increasing demand for online retail in the UK.

According to GlobalData’s Global Retail Market Data, online expenditure in the UK is forecasted to grow by a compound annual growth rate (CAGR) of 4.0% per annum for the next four years (2025-2028). As shown in figure 5 below, this would mean online sales in the UK would increase from 27.0% in 2024 to 29.1% in 2028 as a proportion of total retail expenditure. This reiterates the growing demand for

warehousing and logistics to service changing consumer behaviour and the need for further floorspace to accommodate the population.

Figure 5: Online expenditure as a proportion of total retail in the UK



Source: GlobalData

Given the consistent growth in e-commerce and the potential for further increases in online shopping, it would be prudent to consider allocating space for additional logistics infrastructure beyond the baseline estimate. This approach would help future-proof the development and ensure it can meet the evolving needs of its residents.

Case studies

The analysis presented above outlines the potential gains from the Cuerdale Garden Village development. The scheme represents an opportunity to develop commercial floorspace that will benefit from close proximity to the NCF campus and Samlesbury Enterprise Zone. By leveraging the principles of agglomeration economies, Cuerdale is well positioned to create a business ecosystem that capitalises on the presence of these major institutions and the growing cyber security and defence sectors.

The following case studies demonstrate how similar scenarios have resulted in strong economic growth, more so than even local economies (see Cambridge life sciences), employment gains, and successful

commercial developments (Manchester Airport). These examples illustrate the power of agglomeration economies in action, showing how strategic developments can attract related businesses, foster innovation, and drive regional economic growth.

Birchwood Park Nuclear Cluster, Warrington

The Birchwood Park Nuclear Cluster in Warrington, UK, serves as an exemplary case study demonstrating the power of industrial clustering and agglomeration economies. Birchwood Park illustrates how concentrated expertise can drive innovation, economic growth, and employment in a specialised sector.

The cluster's success is based on key agglomeration factors: knowledge sharing, specialised workforce, shared infrastructure, supply chain development, and collaboration. These elements have promoted innovation and technological advancements in the nuclear sector.

The park has diversified while maintaining its nuclear focus, encompassing related sectors like cyber security and engineering services by providing modern office and lab space. It leads in nuclear innovation, contributing to projects such as Small Modular Reactors (SMRs) and advanced waste management techniques. It's a significant source of high-skilled employment in the region, particularly in nuclear engineering and related fields and benefits from close proximity to both Manchester and Liverpool universities.

Significant occupiers at Birchwood Park include:

| Company | Sector |
|---|--|
| Jacobs | Engineering & Nuclear Services |
| Cavendish Nuclear | Nuclear Services |
| National Nuclear Laboratory (NNL) | Research & Development |
| Rolls-Royce Nuclear | Nuclear Engineering |
| Nuvia | Nuclear Engineering & Services |
| Sellafield Ltd | Nuclear Decommissioning |
| Wood (formerly Amec Foster Wheeler) | Engineering & Consulting |
| Assystem | Engineering |
| Nuclear Decommissioning Authority (NDA) | Government Body |
| Westinghouse Electric Company | Nuclear Power |
| AECOM | Engineering |
| Mott MacDonald | Engineering Consultancy |
| Ansaldo Nuclear | Nuclear Decommissioning & Waste Management |

Manchester Airport

Manchester Airport and the surrounding area is home to a thriving logistics industry encompassing

several developments including, the World Freight Terminal, Global Logistics at Airport City, Alpha @ Airport City and Ringway Trading Estate. These schemes benefit from their proximity to Manchester Airport, acting as a significant anchor, attracting a diverse range of businesses to the area.

Planning restrictions requiring occupiers to have an airport-related focus at the Airport City scheme has resulted in a specialised business environment, ensuring that the space is occupied by businesses that directly contribute to or benefit from the airport's operations.

Across the schemes there are numerous air cargo handling companies, freight forwarders, logistics providers and major e-commerce companies. This concentration of related businesses facilitates efficient cargo processing, customs clearance, and multi-modal transport connections.

Occupiers across the schemes include:

World Freight Terminal

| Unit | Occupier | Area (sq ft) |
|------------------|--|--------------|
| Building 3 | DNATA Limited | 146,629 |
| Building 4 | Swissport GB Limited | 92,000 |
| Building 401 | Dunwoody Airline Services Limited | 84,098 |
| Building 402 | DNATA Catering UK Limited | 87,184 |
| Land | DNATA Catering UK Limited | 52,272 |
| Unit 1 & 2 | Goldstar Heathrow Limited | 7,973 |
| Unit 3, 4 & 5 | Goldstar Heathrow Limited | 12,032 |
| Unit 6 | World Courier (UK) Limited | 3,956 |
| Unit 7 | Sandalwest Limited t/a TQ Express | 3,980 |
| Unit 8 & 9 | GAC Services (UK) Ltd | 7,995 |
| Unit 10 | Davies Turner Air Cargo Limited | 3,969 |
| Unit 11 | Jet2.com Limited | 3,972 |
| Unit 12 | Alvest Equipment Services (UK) Limited | 3,968 |
| Unit 1A | GBA Services Ltd | 4,719 |
| Unit 1B | Blacksmith Freight Services Limited | 4,093 |
| Unit 2 | Aero MAG 2000 MAN Limited | 4,156 |
| Unit 3-4 | UCH Logistics (Manchester) Limited | 8,048 |
| Unit 5 | Blacksmith Freight Services Limited | 3,983 |
| Unit 6 | Manchester Airport Plc | 3,990 |
| Lockup Unit 1 | Col Services Limited | 532 |
| Unit 3, 4, 5 & 6 | ABM Aviation UK Limited | 2,096 |
| Unit 7, 8 & 10 | Radiocom Systems Limited | 1,456 |
| Unit 3-9 | UCH Logistic (Manchester) Ltd | 30,254 |
| 314 | Air Menzies International Limited | 19,867 |
| 315 | Newrest-All Limited | 19,881 |
| 316 | Newrest-All Limited | 30,077 |

| | | |
|-------------------------------|---------------------------|--------|
| Building 317 & 318 | Kuehne + Nagel Limited | 39,771 |
| Building 319 | DNATA Catering UK Limited | 57,805 |
| Building 320 | Manchester Airport Plc | 29,099 |

Global Logistics at Airport City

| Occupier | Area (sq ft) |
|---------------|--------------|
| Amazon | 260,000 |
| DHL | 37,000 |
| The Hut Group | 765,000 |
| Alpha LSG | 103,000 |

Alpha @ Airport City

| Unit | Occupier | Area (sq ft) |
|---------|-------------------------------|--------------|
| Alpha 1 | Storage World | 21,000 |
| Alpha 2 | Move Dance (Online Retail) | 17,366 |
| Alpha 3 | EVRi | 21,000 |
| Alpha 4 | Jet 2 | 21,746 |
| Alpha 5 | Jet Glow | 17,366 |
| Alpha 6 | Fed Ex | 34,916 |

Ringway Trading Estate, Wythenshawe

| Unit | Occupier | Area (sq ft) |
|-------------|---------------------------------------|--------------|
| Unit 1A | Crecy Publishing | 6,250 |
| Unit 1B & 2 | Sterling Event Group | 11,165 |
| Unit 3 | Kanns Logistics Limited (Air Freight) | 5,000 |
| Unit 4 | DGS (Air Freight) | 5,000 |
| Unit 5 | EFE Electronic Commerce (UK) Ltd | 5,259 |
| Unit 6 | Mitie Ltd | 5,313 |
| Units 7 & 8 | Sterling Events Group | 21,110 |
| Unit 9 | European Worls (UK) Limited | 5,616 |
| Unit 10 | Drivalia UK Ltd | 12,192 |
| Unit 11 | Lloyds Autobody | 16,104 |
| Unit 12 | Bridges Worldwide | 21,490 |
| Unit 14 | Arnold Clarke Finance Ltd | 34,861 |

This case study demonstrates how strategic planning and the presence of a significant anchor like Manchester Airport can create a thriving environment for business. The airport focused planning restrictions have ensured a high concentration of related businesses, fostering synergies and driving economic growth in the region.

Moderna – Innovation and Technology Centre (MITC) – Harwell Campus, Oxfordshire

In 2023, Moderna, a biotechnology company pioneering messenger RNA (mRNA) therapeutics and vaccines, selected Harwell Campus, as the location for its Moderna Innovation and Technology Centre (MITC).

The Harwell Science and Innovation Campus is a 700-acre science and technology campus in Oxfordshire, located around 15 miles to the south of Oxford. This was originally the site for the UK Atomic Energy Authority, although as the nuclear facilities have been decommissioned the site has been transformed into a broader science-focussed park.

The park is orientated on four main sectoral clusters: Space, Energy Technology, Health Technology and Quantum research.

The MITC development will encompass a research, development and manufacturing facility, providing the UK public with access to cutting-edge mRNA vaccines for a wide range of respiratory diseases, pending regulatory assessment and licensure. The MITC will also include a clinical biomarker laboratory - a prefabricated modular laboratory constructed in Northumberland which will then be installed on the campus.

Construction of the 150,000 sq ft scheme commenced in Q1 2023 and was completed two years later in early 2025. This will result in Moderna becoming one of the largest occupiers within the Harwell Campus

The investment by Moderna in their purpose-built facility will create hundreds of jobs across Oxfordshire and the UK and will cement Harwell Campus as a national health tech hub for the pioneering research and development of mRNA and other nucleic acid therapeutics. Moderna is the latest organisation to join Harwell's thriving Health Tech cluster which has grown to over 70 life science organisations since it launched in 2016.

Knowledge Economy – Life Science Cluster, Cambridge

The 'golden triangle' between Cambridge, Oxford and London is the largest Life Science cluster in Europe and is a critical region for UK knowledge economy growth, with outsized proportions of this sector relative to the wider UK economy. Cambridge is a critical node for life science employment across the golden triangle and this has translated to a considerable wider economic benefit for the region. The following information is an extract from Growth in the Cambridgeshire and Peterborough economy 2018-24, CBR & Cambridge Ahead, March 2025:

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.

Table 3: Corporate employment and turnover growth in Cambridgeshire and Peterborough, 2018-2024

| Six years District | % KI | Empl change 2018-24 | Employment | | | Turnover | | |
|---------------------------|------------|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2023-24 | | KI | Non-KI | All | KI | Non-KI | All |
| Cambridge | 47% | 11,704 | 8.3% | 3.1% | 5.3% | 10.3% | 6.0% | 9.0% |
| South Cambs | 52% | 14,348 | 5.1% | 2.9% | 4.0% | 7.5% | 3.6% | 6.0% |
| Greater Cambridge | 50% | 26,052 | 6.2% | 3.0% | 4.5% | 8.6% | 4.4% | 7.1% |
| East Cambs | 18% | 2,815 | 2.7% | 2.3% | 2.4% | 6.5% | 5.6% | 5.7% |
| Hunts | 15% | 3,243 | 1.5% | 1.3% | 1.3% | 5.9% | 4.9% | 5.0% |
| Peterborough | 20% | 11,581 | 0.6% | 4.5% | 3.7% | 2.1% | 0.4% | 1.0% |
| Fenland | 6% | 1,642 | 3.7% | 1.4% | 1.5% | 3.8% | 3.3% | 3.4% |
| Combined Authority | 31% | 45,333 | 4.6% | 2.8% | 3.3% | 7.2% | 3.5% | 5.1% |

Source: Growth in the Cambridgeshire and Peterborough economy 2018-24, Cambridge Ahead and CBR

These figures portray a thriving corporate economy in Cambridgeshire and Peterborough against an unfavourable economic backdrop nationally. The superior performance of the Cambridgeshire and Peterborough region compared to the nation was driven by a fast-expanding KI economy. At the same time, non-KI sectors in Cambridgeshire and Peterborough also slightly outperformed non-KI sectors nationwide. This evidence suggests that non-KI sectors might have benefited from the increase in demand generated by the successful KI economy in Greater Cambridge and beyond.

This research demonstrates the clear indirect employment and economic benefits that accrue in locations that have attracted an above average proportion of highly-skilled workers as part of the overall employment mix. For Cuerdale Garden Village, this offers an example of what may be possible with a successful offer for defence and cyber security employers.

Conclusions

The Cuerdale Garden Village development presents a promising opportunity to address the potential commercial floorspace needs in the local area, particularly in light of the National Cyber Force (NCF) campus and the existing Samesbury Enterprise Zone. The development's proximity to these key institutions is advantageous and provides the opportunity for growth in the local economy.

The presence of the NCF campus and the established defence sector, including BAE Systems, creates a favourable environment for growth in cyber security and defence related industries. This concentration of expertise would attract complementary businesses and suppliers, generating demand for modern, high-quality commercial space which the Cuerdale Garden Village development could accommodate. The scale and pace of this growth will likely depend on various factors including government policies, the ability to attract and retain skilled talent, and broader market conditions.

The development and commercial floorspace in the proposed scheme offers the opportunity to provide modern, high-quality commercial space across a range of asset types to facilitate the growth of the local economy and take advantage of the proximity to the established employment zone.

Successful examples, such as the development around Manchester Airport and the Cambridge Life Science sector showcase the benefits of agglomeration economies and the impacts of clustering on the local economy.

In conclusion, the Cuerdale Garden Village development represents an opportunity to meet anticipated demand for commercial floorspace, particularly in relation to the growth of the cyber security and defence sectors. Its strategic location and the projected sector growth suggest that Cuerdale could play a role in the region's economic development, providing commercial space that allows this growth to happen. It is important to consider that an array of asset types would be beneficial to allow for growth in the sector, and service the development itself, to attract business to the opportunity presented.

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