



Preliminary Environmental Information (Work in Progress) Report (PEIR)

Draft Environmental Statement

Chapter 12: Socio-Economics

On behalf of
Oxfordshire Railfreight Limited

Prepared by Hatch Ltd
Revision C
May 2022

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12.1 INTRODUCTION

- 12.1.1 This draft Chapter, prepared by Hatch, presents an initial assessment of the likely socio-economic effects of the Proposed Development on the existing socio-economic conditions within the local and wider area relevant to the Application Site.
- 12.1.2 It follows the Scoping Report prepared by the Applicant and the Scoping Opinion issued by PINS in July 2021.
- 12.1.3 The draft Chapter provides a description of the methods used in the socio-economic assessment, a description of the relevant baseline conditions of the Main Site and surrounding area. An assessment of the likely significant effects of the proposed Development during construction and once the Development is completed and operational has not yet been completed. Some elements of the final assessment will have regard to the outcomes from the Transport Assessment modelling which has not yet been undertaken.
- 12.1.4 Mitigation measures are identified where appropriate to avoid, reduce or offset any likely significant adverse effects and enhance any likely significant beneficial effects. The Chapter concludes by examining the nature and significance of likely residual effects.
- 12.1.5 As referred to in Chapter 1 this Chapter responds to the 2017 EIA Regulations (Regulation 5(2)) by including consideration of relevant 'human health and population' issues associated with the proposed Development. Along with other Chapters of the ES, such as Air Quality, this assessment also provides analysis of relevance to the existing characteristics of human health in the vicinity of the proposed Development, as well as an assessment of the likely impacts of the proposed Development on human health and population.

Competency

- 12.1.6 This Chapter has been prepared by Zoe Crampton, an Associate Director at Hatch Ltd, with over 15 years' experience specialising in commercial and residential economic development consultancy and who leads on Hatch's methodologies for both Socio-economic ES Chapters and Human Health Assessments.

12.2 ASSESSMENT SCOPE AND METHODOLOGY

Overview

- 12.2.1 There are no published standards or technical guidelines that set out a preferred methodology for assessing the likely socio-economic effects of a development. However, there are a series of commonly used methodologies for quantifying effects both during the construction of a development and following the completion. Other established qualitative techniques are frequently adopted to assess the social and

human effects of a development. The following section outlines the approach used to conduct this assessment. Where possible, the likely significant socio-economic effects are quantified, but where this is not feasible, a qualitative assessment is provided using professional judgement and experience.

Establishing the Baseline

12.2.2 A baseline of existing socio-economic characteristics of the Main Site and its surrounds has been established drawing on the following sources of data and information:

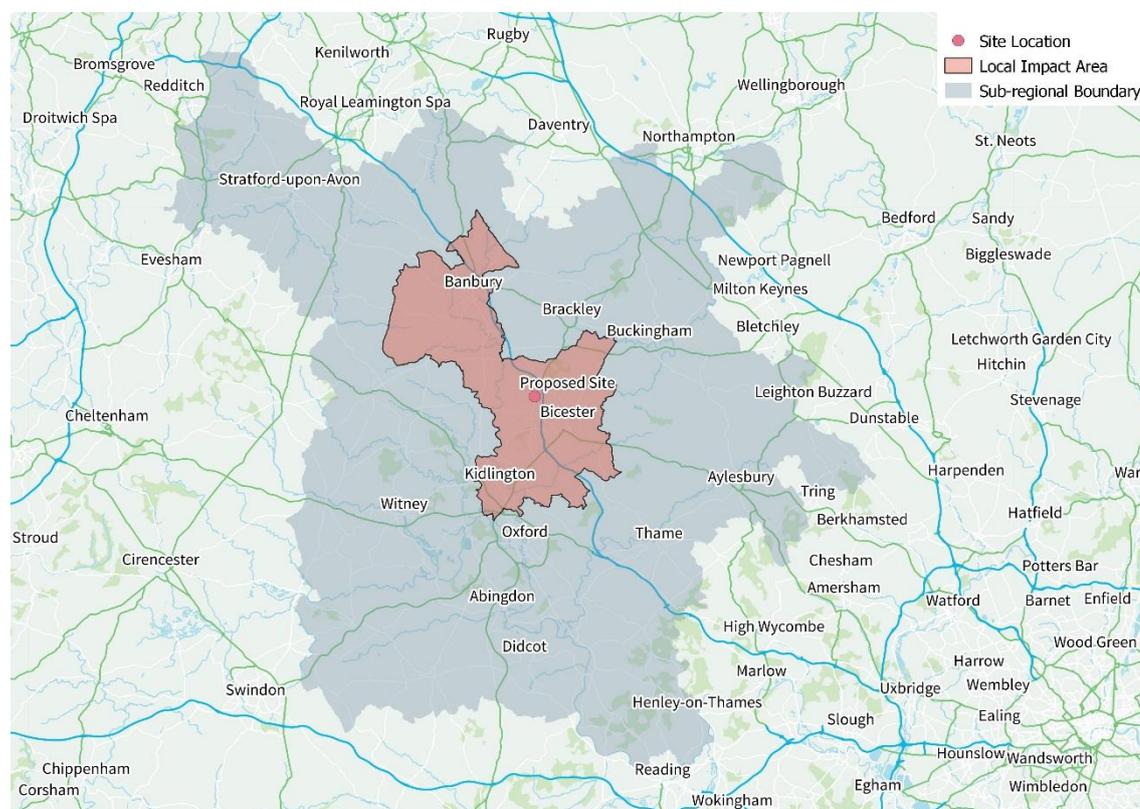
- The Business Register and Employment Survey (BRES), (Office for National Statistics (ONS))
- Mid-year Population Estimates, (ONS)
- Annual Population Survey, (ONS)
- Indices of Multiple Deprivation (ONS)
- Annual Survey of Hours and Earnings (ONS)
- Public Health Data
- Census of Population 2011
- Cherwell District Local Plan
- Oxfordshire Strategic Housing Market Assessment (“SHMA”, 2014)

12.2.3 The relevant baseline conditions are described according to the following areas:

- Local: Cherwell District Council, the administrative area in which the Application Site is located.
- Sub-regional: covering Oxfordshire together with the area that covers South Northamptonshire (formerly defined as a local authority), Aylesbury Vale (formerly defined as a local authority) and Stratford-upon-Avon. This has been based on an assessment of travel-to-work patterns and drive-times from the Site and includes the above mentioned local authorities in their entirety on the basis of availability of key data at local authority level. (See Appendix 1 for data).
- National: England – where appropriate and for ‘benchmarking’ purposes to set the relevant baseline data in context.

12.2.4 Figure 12.1 below illustrates the local and sub-regional assessment areas that have been used within this assessment. The assessment considers the likely impacts and effects at each of these scales.

Figure 12.1 Assessment Areas



Methodology for Assessing the likely Impacts

Employment During the Construction Phase

12.2.5 To estimate employment during the construction, Homes and Communities Agency (HCA) Labour Coefficients (workers per £1m spend per annum) are applied to the forecast costs associated with construction. The total number of workers is then divided by the expected timescale of the construction to provide the average annual number of construction jobs the construction is expected to support. This includes both on-site and off-site workers supported through supply chain expenditure and off-site construction activities such as pre-fabrication.

12.2.6 The impact of employment during the construction phase is assessed at the sub-regional and national level.

Operational Employment (on-site and off-site)

12.2.7 The assessment of the completed and operational employment effects of the Proposed Development is based on the schedule of commercial floorspace uses as set out in Chapter 2, and as expressed on the Parameters Plan.

- 12.2.8 The HCA Employment Densities Guide¹ was used to calculate the likely number of full-time equivalent (FTE) jobs that would be supported by each type of floorspace proposed. For warehouse buildings a density of 77 sqm per 1 FTE has been assumed. Where necessary, adjustments have been made to these densities to reflect more modern logistics operations with a 50% lower density applied to any upper and mezzanine floors of warehouse (Use Class B8) buildings.
- 12.2.9 A review of empirical data and research has been undertaken to estimate the type of occupations and skills levels that are likely to be supported across the Proposed Development to understand the impact on the local labour market.
- 12.2.10 A series of additionality adjustments are applied to on-site job numbers to identify the degree to which these are net additional. The adjustments are based on best practice from the HCA's Additionality Guide, and include:
- Displacement: refers to the proportion of outputs (such as jobs, GVA and business rates) accounted for by reduced outputs elsewhere within the impact areas assessed. In this case, the overall level of displacement is assumed to be low based on the size of the existing sector, and therefore a figure of 25% (as per the HCA's Additionality Guide) is used for all on-site uses.
 - Leakage: refers to the proportion of outputs (in this case jobs and the following changes in GVA output) that benefit people outside the impact area(s) as a result of the Proposed Development. Travel to Work (TTW) data indicates that 87% of journey's to work originate from local authorities within the sub-regional assessment area. In this case, leakage to areas outside of the sub-regional assessment area is therefore assumed to be 10%.
 - Deadweight: deadweight refers to the jobs, GVA and business rates that are currently generated on-site which will be lost (and replaced) as a result of the Proposed Development coming forward. It is assumed that the site of the Proposed Development does not currently host any permanent employment and deadweight is therefore assumed to be zero; and
 - Multipliers: indirect and induced multipliers are used to measure the off-site jobs supported by the direct, on-site jobs occurring as a result of the Proposed Development:
 - Indirect (also referred to as supply chain) impacts are generated as a result of spend by the on-site activities on services and/ or supplies required for their day-to-day operations.
 - Induced impacts are associated with local expenditure as a result of those who derive incomes from the direct (i.e. on-site) and / or supply chain (i.e. off-site) impacts of the Proposed Development.

¹ Homes and Communities Agency (November 2015), Employment Density Guide, 3rd Edition

- A composite multiplier 1.5 has been used based on The HCA Additionality Guide².

Economic Output

- 12.2.11 The economic output of the operational jobs supported by the Proposed Development is measured in terms of GVA. This is a measure of the increase in the value of the economy due to the production of good and / or services supported on-site. In simple terms, GVA is a measure of the additional profits generated within businesses plus the additional salaries that are paid to employees.
- 12.2.12 GVA for on-site jobs is calculated using benchmarks of GVA output per employee for relevant sectors (in line with the proposed use classes within the Proposed Development), taken from the ONS's Annual Business Survey. For off-site jobs, an all sectors average is used.

Business Rates

- 12.2.13 Non-domestic business rates (also known as just 'business rates') are a form of local taxation covering all property consisting of land and / or buildings not classified as domestic property or exempt from rating. Business rates apply to a wide range of property regardless of whether they are used for actual business purposes or not.
- 12.2.14 The assessment of business rates is based on average rateable value (per m²) for Warehouse floorspace in Cherwell (data taken from the Valuation Office Agency (VOA)). The next step in the identification of the business rates bill is the application of the business rates multiplier. For the purposes of this assessment, the National Non-Domestic Rate Multiplier³ (i.e. 51.2p in the pound (£)) is used.

Housing

- 12.2.15 The impact of the Proposed Development on the demand for housing will be assessed based on a combination of existing housing market evidence, the existing labour market context, commuting and travel to work patterns and the estimate of labour resource (direct jobs) that the Proposed Development will support. Regard will be had to planned housing and population growth represented by Local Plans in the area. However, it is not possible to accurately quantify the precise number of employees that will choose to reside or already reside in the impact areas and therefore this assessment will be largely qualitative in nature.

² Homes and Community Agency, 2014, Additionality Guide, Fourth Edition

³ [Estimate your business rates - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Deprivation

12.2.16 A qualitative assessment is made of the impact on the Proposed Development on deprivation based on professional judgement together with the latest Index of Multiple Deprivation produced by MHCLG across a range of domains including overall deprivation, crime, income and employment.

Health and Wellbeing

12.2.17 A qualitative assessment is made of the likely impact of the Proposed Development on the mental and physical wellbeing of local residents, users and visitors to the Main Site based on the existing health of the population and the way in which the Proposed Development may affect a range of human health receptors including deprivation, physical activity, access to open space and employment opportunities.

Methodology for Defining Effects

12.2.18 The assessment of the effects resulting from the Proposed Development takes account of both the period of demolition and construction works, as well as once it is complete and occupied. The scale of effect is assessed based on the magnitude of change and sensitivity of receptor resulting from the Proposed Development (based on best practice guidance, professional judgement and experience from similar projects elsewhere).

Receptor Sensitivity

12.2.19 The sensitivity of each receptor is evaluated as being high, medium, low or negligible based on a review of the baseline position of each receptor and its performance against benchmark areas, together with consideration of the importance of the receptor in policy terms. Sensitivity is relevant to both potentially negative as well as positive effects. This can be summarised as shown in Table 12.1 below.

Table 12.1: Definition of Sensitivity of Receptor

Sensitivity	Definition
High	Evidence of direct and significant socio-economic concern relating to the receptor. May be given a high priority in local, regional or national economic and regeneration policy.
Medium	Some evidence of socio-economic concern linked to receptor, which may be indirect. Change relating to receptor has medium priority in local, regional and national economic and regeneration policy.
Low	There is little evidence of socio-economic concern relating to receptor. Receptor is given a low priority in local, regional and national economic and regeneration policy.

Negligible	Very low importance and rarity with little or no priority event at the local scale.
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Magnitude of Impact

12.2.20 The magnitude of impact to a receptor is determined by considering the estimated deviation or change from baseline conditions both before and (if required) after mitigation and draws on professional judgment. The criteria used for the assessment of the magnitude are shown in Table 12.2 below.

Table 12.2: Definition of Magnitude of Impact

Magnitude	Definition
High	Loss of resources and / or integrity of resource; severe damage to key characteristics features or elements.
	Large scale of major improvement of resource quality; extensive restoration or enhancement; major improvement of attribute quality.
Medium	Loss of resource, but not adversely affecting its integrity; partial loss of and / or damage to key characteristics, features or elements.
	Benefit to and / or addition of key characteristics, features or elements; improvements of attribute quality.
Low	Some measurable change in attributes, quality or vulnerability; minor loss of and / or alteration to one (or more) key characteristics, features or elements.
	Minor benefit to and / or addition of one (or more) key characteristics, features or elements; some beneficial impact on attribute or a reduced risk of negative impact occurring.
Negligible	Very minor loss and / or detrimental alteration to one (or more) characteristics, features or elements.
	Very minor benefit to and / or positive addition of one (or more) characteristics, features or elements.

Nature and Scale of Effect

12.2.21 The nature of the effects has been defined as either:

- Beneficial – an advantageous effect on the identified study area;
- Adverse – detrimental effect on the identified study area; or
- Neutral – neither beneficial nor adverse effect on the study area.

12.2.22 The likely effect is also defined in terms of the timescale along which the likely effect on receptors could be felt. For the purposes of this assessment, the effects generated as a result of the demolition and construction phase of the Proposed Development are classified as 'short-term'. Effects that result from the Proposed Development (once fully complete and fully occupied) are classified as 'long-term'.

12.2.23 Further details of the general criteria used to describe the likely effect (i.e. direct, indirect) is presented within ES Chapter 1).

Table 12.3: Matrix to Determine Scale of Effect

Sensitivity of Receptor	Magnitude			
	Negligible	Low	Medium	High
Negligible	Negligible	Negligible	Minor	Minor
Low	Negligible	Minor	Minor	Moderate
Medium	Minor	Minor	Moderate	Major
High	Minor	Moderate	Major	Major

12.2.24 Effects are classified as being either significant or not significant consistent with environmental topics of the ES. Likely effects described as moderate and major in scale are considered significant (shaded grey within Table 12.3 above whilst those of minor or negligible scale are considered as not significant in ES terms, but the final ES Chapter will also include a professional judgement and narrative regarding the magnitude of likely effects and change identified by the assessment.

12.2.25 Where the assessment considers mitigation measures to either avoid or reduce the likelihood for significant adverse effects, these are incorporated into the Proposed Development. This assessment presents whether the residual effects are significant or not (refer section ‘Residual Effects’).

Limitations and Assumptions

12.2.26 The assessment of effects is carried out against the socio-economic baseline conditions as defined by the data sources referenced above. As with any dataset, baseline data will change over time and is often characterised by a short lag to account for data collection, analysis and publishing. In all instance, the most recent datasets published and available are used – e.g. the latest BRES data is available for up to 2020. The assessment is based on information accessed from various sources (see section ‘Data Sources’) (including the Applicant), which are assumed to be accurate.

12.2.27 The assessment of the sensitivity and magnitude of the impacts once the Proposed Development is completed is based on best practice, professional judgement and experience from similar projects elsewhere.

12.3 POLICY CONTEXT

National

National Policy Statement for National Networks (NPSNN)

- 12.3.1 The NPSNN sets out the government’s policies to deliver development of nationally significant infrastructure projects on the national road and rail networks. The document sets the parameters for decision making on the development consent on nationally significant projects. It does not provide any specific guidance on assessing socio-economic impacts as part of the process but is clear that the Government policy will deliver national networks, including encouraging SRFIs, that meet the country’s long-term needs; supporting a ‘prosperous and competitive economy’ and a shift towards a lower carbon economy. As such the Government are seeking to deliver networks with the capacity and connectivity resilience to support national and local economic activity and facilitate and create jobs, and the NPS explicitly recognises that there is a need for an expanded network of SRFIs.

National Planning Policy Framework (NPPF)

- 12.3.2 The NPPF sets out the Government’s economic, environmental and social planning policies for England and sets out secondary national policy for NSIPs. The latest iteration of the NPPF was published in 2021 and states that the purpose of the planning system is to contribute to the achievement of sustainable development and support sustainable economic growth.
- 12.3.3 The NPPF identifies several key principles in relation to building a strong, competitive economy and creating the conditions which can support businesses’ expansion. In this regard, it recommends identifying strategic sites which can match this strategy and encourage sustainable economic growth. The NPPF attaches “*significant weight*” (NPPF paragraph 81) on the need to support economic growth and productivity, and recognises the need for planning policies to make provision for storage and distribution operations “*at a variety of scales and in suitable accessible locations*” (NPPF paragraph 83).
- 12.3.4 The NPPF states that in order to achieve a strong and competitive economy planning policies should identify sites for inward investment and address potential barriers to investment such as inadequate infrastructure and services.

Sub-Regional

OX-Cambridge ARC prospectus

- 12.3.5 The prospectus sets out the vision for the Arc to become a global hub for innovation that will inspire communities around the world. The Arc is seeking to build upon the regional strengths in research, high-technology expertise and innovation assets to

propel the country's green recovery with the Arc at the heart of it. Oxfordshire forms the western part of the Arc.

- 12.3.6 As an area, it is home to 4 million people and 2 million jobs, which together with the high-tech clusters and science parks generates an economic output of over £11bn. The Arc has ambitions to build upon its strengths and contribute to a doubling of GVA by 2050 to over £200bn. In order to achieve its ambitions, the Prospectus highlights the need to provide the necessary environment by investing in the underlying infrastructure including rail, digital and skills development. Through providing the necessary environment it aims to create an 'investor ready' region.
- 12.3.7 Since the publication of the prospectus, there is now a degree of uncertainty about whether the Government will continue to support these plans and goals for the Arc, it does however, remain a relevant part of the sub-regional context.

Oxfordshire Local Economic Partnership (OXLEP)

- 12.3.8 OXLEP are a Local Economic Partnership tasked with championing economic growth across Oxfordshire. The OXLEP's Delivery Plan (2021/22) states that over the last decade, OXLEP has overseen a £3.1bn growth programme for Oxfordshire and helped secure £1bn of direct investment. By March 2025, OXLEP aims to:

- Support or accelerate 11,000 new homes;
- Support 2,500+ new learners;
- Secure £993m+ in Enabled Funding; and
- Supported 26,000+ indirect jobs

- 12.3.9 The Oxfordshire LEP's Local Industrial Strategy (August 2020) notes that the logistics sector is key to supporting new jobs growth over the next decade and that improvements to the strategic rail network and other infrastructure projects will be vital for supporting the sub-regions growth and prosperity and increasing productivity.

'Oxfordshire Plan 2050' – Joint Statutory Spatial Plan (emerging)

- 12.3.10 Oxfordshire's local authorities are preparing the Oxfordshire Plan 2050, a Joint Statutory Spatial Plan (JSSP). The Plan is a commitment as part of the Housing and Growth Deal agreed by the authorities, and will set out the framework for future planning decisions about housing and infrastructure needs while seeking to protect the natural environment, tackle climate change and improve quality of life.
- 12.3.11 Looking further ahead than District level local plans (referred to below) this Plan will set high-level strategic policies on issues such as housing and employment growth, and infrastructure across the County.

12.3.12 The consultation draft Plan (Regulation 18, July 2021) contains various themes and policy options, including:

- *Theme 1 – Addressing climate change*
- *Theme 4 – Planning for sustainable travel and connectivity*
- *Theme 5 – Creating jobs and providing homes.*

12.3.13 The consultation document also provides high-level 'spatial strategy options' for the distribution of growth. Theme 4 includes reference to the importance of freight and distribution to the economy, and the importance of identifying sustainable ways of moving goods in the context of a low or net zero carbon transport network.

Local

Cherwell Local Plan (adopted 2015, and readopted 2016)

12.3.14 The Local Plan sets out how the district will grow and change in the period up to 2031 outlining the development plans of the district with development policies set out within three key themes to ensure a sustainable local economy, sustainable communities and sustainable development.

12.3.15 Policy SLE1 'Employment Development' specifies that employment development on new sites allocated in the Plan will be the type of employment specified in each Site policy.

12.3.16 Policy SLE4 relates to the improvement of transport and connections with an emphasis on new rail investment which provides the opportunity to strengthen the role of the towns and their locations as places to live and work. The Plan also notes that M40 corridor provides links to the wider national motorway network and rail links help secure a central location for rail-based freight movement.

12.3.17 Although the Local Plan does not make specific reference to the Main Site as a location for an SRFI, it does note that a skilled workforce is available at Bicester which is one of the necessary locational factors for the SRFI to operate successfully. It goes on to note that the range of jobs in logistics has widened to include a higher proportion of higher wage jobs and that Bicester has a unique opportunity to benefit from the presence of the logistics sector (para B.82).

12.3.18 In terms of new housing, the Local Plan states in its foreword that their strategy "is to focus housing growth on Bicester and Banbury, to maximise the investment opportunities in our towns, and to ensure that the level of development at our villages respects the character and beauty of our rural areas while meeting local needs". Policy BSC 1 further outlines this point by outlining a delivery target of 22,840 new homes by 2031 with 76% (17,448) of the housing to be delivered in Banbury and Bicester.

12.3.19 Across the local area there are a number of major growth locations which will deliver new housing. The most notable is the Bicester New Garden City with 13,000 new homes proposed which will bring in a high concentration of new residents looking for employment. Cherwell District Council agreed to around 4,400 new homes to be built in Kidlington and Yarnton. The Local Plan (Policy Villages 5) also refers to the long-allocated new settlement at the former RAF Upper Heyford base which was originally identified in the Oxfordshire Structure Plan. The Local Plan allocates brownfield and greenfield land over 520ha to deliver a new settlement of approximately 2,360 dwellings (including the 761 net permitted at the time of Local Plan adoption), 120,000 sqm of employment land (uses B1, B2 and B8), and a wide range of community facilities and open space.

12.4 BASELINE CONDITIONS

Site Context

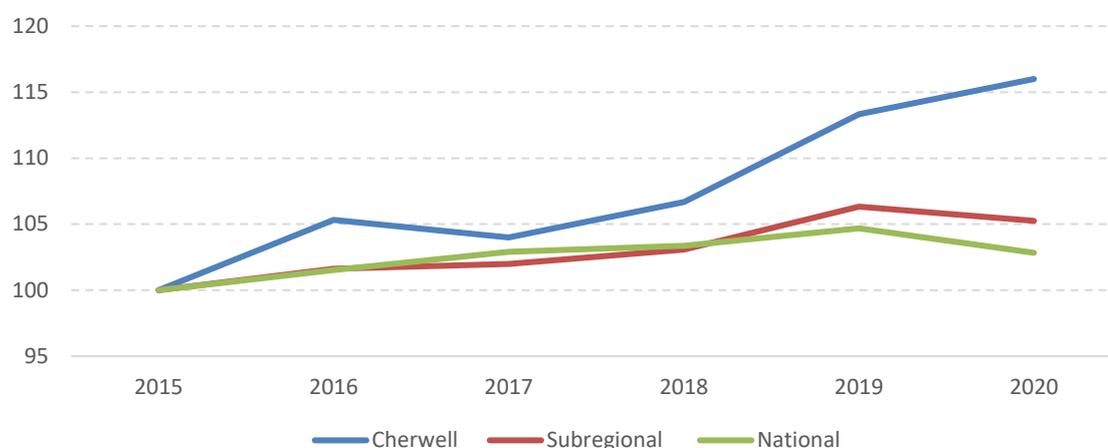
12.4.1 The 'Main Site' is located between the B430 and the former Upper Heyfield Airfield, which is located to the west of the Main Site and is immediately south of the Chiltern Railway line. The Main Site currently comprises agricultural land use for mixed arable and grazing purposes as well as a number of existing Bridleways, the Severn Trent Green Power IVC facility and an underground reservoir.

12.4.2 The Highways Works are also primarily on land currently in largely agricultural use, and existing highway land.

Economy

12.4.3 The most recent employment data (2020) shows that there were 87,000 people employed in Cherwell District and this has increased by 12,000 over the last 5 years (+16%). Over the last 5 years Cherwell has significantly outperformed both the subregional and national average employment growth (both +5%) by over three times (See Figure 12.2 and Table 12.4).

Figure 12.2 Indexed Employment Growth



Source BRES 2020

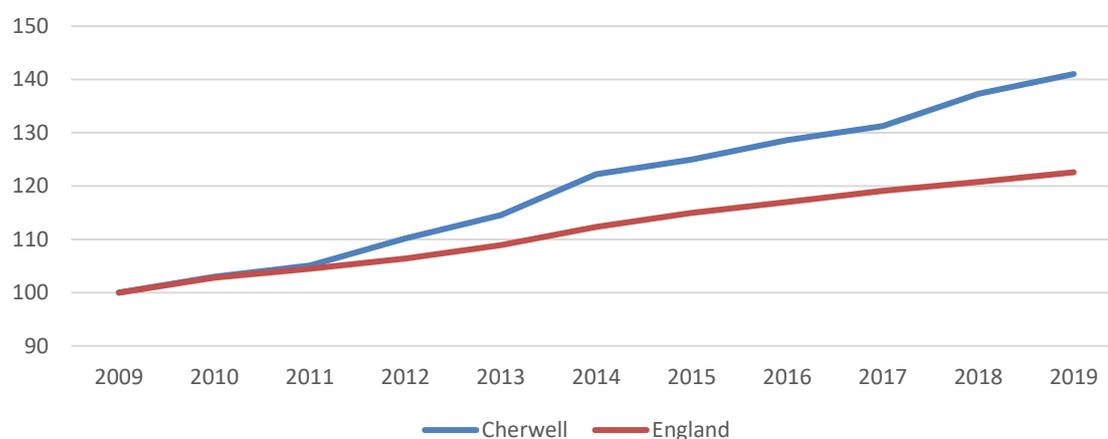
Table 12.4 Employment Growth

Location	Growth since 2015
Cherwell	+16%
Sub Regional	+5%
National	+5%

Source: BRES 2020

- 12.4.4 Appendix 12.2 shows the largest sectors in Cherwell are the business administration and retail sectors (both 11,000 employees or 13%) followed by the health and manufacturing sectors (both 9,000 employees or 10%). At the sub-regional level, the largest sectors are education, health and professional and scientific.
- 12.4.5 Cherwell has a number of sectors that have experienced significant growth over the last 5 years with the business admin sector increasing by 83% and the real estate sector increasing by 40%. The transport and storage sector has also seen a relatively large increase at both the local (29%) and sub-regional level (25%) compared to the national level (14%) albeit from a relatively low base. Comparatively, the financial & insurance sector has declined by 20% at the local level over the same period and the wholesale sector by 10%.
- 12.4.6 Cherwell has a current sector specialism relative to England in the motor trades sector (LQ 1.6), the manufacturing, retail and business administration sectors (LQ of 1.4 each) which are greater than the subregional location quotients. At the sub-regional level, sector specialisms include agriculture, education and construction.

Figure 12.3 Indexed GVA



Source BRES 2020

- 12.4.7 Figure 12.3 presents the most recently available GVA data (2019) and shows that Cherwell District’s GVA stood at £4,944m. The overall GVA for Cherwell has increased at a rate far exceeding the national average with an uplift of +41% which is almost double the rate seen nationally +23%.
- 12.4.8 In terms of productivity Cherwell mirrors the national average with a GVA per filled job of £57,331 in 2019⁴, which was marginally lower than the England average (£57,583). Additionally, the rate of productivity has increased over the 10-year period by 20% in Cherwell, slightly lower than the England average of 22%.
- 12.4.9 There are a number of high GVA producing sectors (Table 12.5) with real estate having the highest GVA by a sector in 2019 accounting for around 17% of the overall GVA of Cherwell. The GVA for the transport and storage sector accounts for £131m annually which accounts for 2.6% of the total GVA for Cherwell. The sector’s GVA has increased by 46% over the last decade (2009 – 2019) which outperforms the growth for Cherwell as a whole (41%) and the national average (23%).

Table 12.5: GVA by Sector

Rank	Sector	GVA
1	Real Estate	£821m
2	Manufacturing	£682m
3	Wholesale & retail	£663m
4	Public admin & defence	£417m
5	ICT	£412m
13	Transport & Storage	£131m

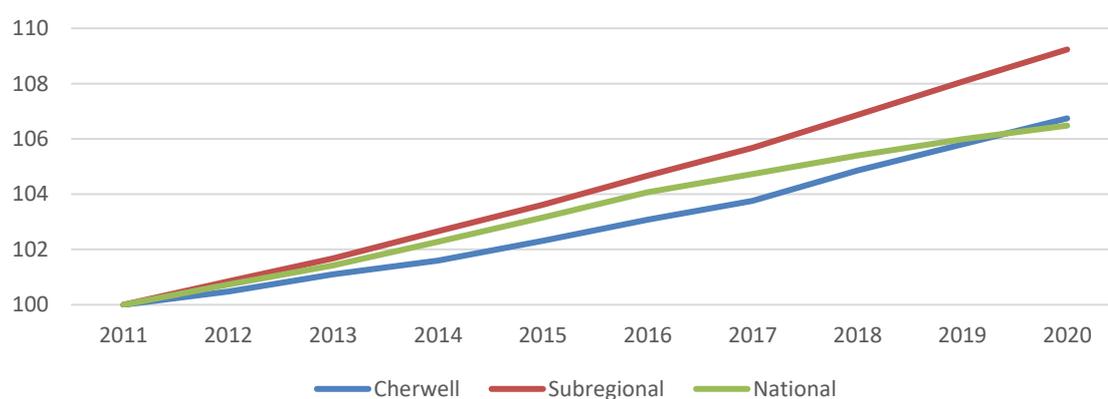
Source: ONS 2020

⁴ ONS, 2019, Subregional productivity: labour productivity indices by local authority district

Population and Housing

12.4.10 According to the most recent data in 2020, Cherwell had a population of 151,800 people, this figure has increased by 7% since 2011, which is a smaller increase than the subregional uplift (+9%) but greater than the national increase (+6%) over the same time period. Cherwell's rate of population growth lagged behind the national average until 2020. Cherwell's total population accounts for 13% of the sub-region, which has an overall population of 1,132,000.

Figure 12.4 Indexed Population Growth



Source ONS

12.4.11 Cherwell's 2020 population breakdown by age group mirrors both the subregional and national pictures with a slightly higher proportion of people aged between 0 to 15 (20% compared to 19%) and a slightly lower proportion of people aged between 16 and 64 as well as residents aged 65 and over. Despite the current population snapshot mirroring the two comparator areas there are differences in the population change since 2011. The 65 and over category has driven Cherwell's population growth with a 28% increase, which is in line with the subregional (+27%) but notably higher than the national average (+20%). In terms of the working age population Cherwell has experienced a small uplift of 1%, which is less than both the subregional and national rate (4% and 3% respectively).

Table 12.6 Population Age Structure and Change

Age	Cherwell		Subregional		National	
	2020	% Change (2011-20)	2020	% Change (2011-20)	2020	% Change (2011-20)
0-15	20%	8%	19%	11%	19%	8%
16-64	61%	1%	62%	4%	62%	3%
65+	18%	28%	19%	27%	19%	20%

Source ONS

- 12.4.12 Cherwell’s population is expected to continue to increase over the Local Plan period to 2031 with the Plan also estimating that the large growth in people aged over 65 will continue.
- 12.4.13 The Local Plan states that their strategy “*is to focus housing growth on Bicester and Banbury, to maximise the investment opportunities in our towns, and to ensure that the level of development at our villages respects the character and beauty of our rural areas while meeting local needs*” (Local Plan Foreword). Policy BSC 1 further outlines this point by outlining a delivery target of 22,840 new homes by 2031 with 76% (17,448) of the housing to be delivered in Banbury and Bicester.
- 12.4.14 Across the local area there are a number of major growth locations in terms of new housing. The most notable is the Bicester New Garden City with 13,000 new homes proposed which will bring in a high concentration of new residents looking for employment. Cherwell District Council agreed to around 4,400 new homes to be built in Kidlington and Yarnton. The Local Plan (Policy Villages 5) also refers to the long-allocated new settlement at the former RAF Upper Heyford base which was originally identified in the Oxfordshire Structure Plan. The Local Plan allocates brownfield and greenfield land over 520ha to deliver a new settlement of approximately 2,360 dwellings (including the 761 net permitted at the time of Local Plan adoption), 120,000 sqm of employment land (uses B1, B2 and B8), and a wide range of community facilities and open space.

Labour Market

- 12.4.15 Cherwell has an economically active population with 87% of the population economically active (Table 12.7), which is 9 percentage points higher than the national average. Cherwell also ranks favourably against the subregion comparator which is 7.7 percentage points lower. Since 2015 Cherwell’s economic activity rate has increased substantially by 8.1 percentage points which is opposing the negative trend seen both sub regionally and nationally (-3.5 and -0.1 respectively).

Table 12.7 Economic Activity:

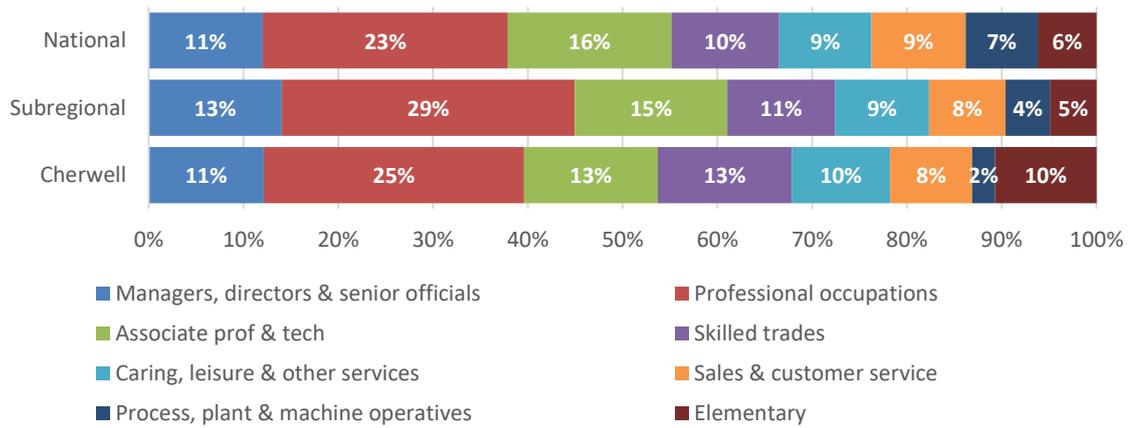
	Economic Activity Rate			Unemployment rate		
	Cherwell	Subregional	National	Cherwell	Subregional	National
2015	79.0	82.9	77.9	2.2	3.1	5.3
2021	87.1	79.4	77.8	2.4	2.7	5.0
Change	+8.1	-3.5	-0.1	+0.2	-0.4	-0.3

Source: Annual Population Survey 2021

- 12.4.16 Cherwell also ranks well in terms of unemployment in 2021, with around 1,900 people unemployed (2.4%) which is half the rate seen nationally 5%. Despite a lower unemployment rate in 2021, Cherwell is the only region to experience an increase in unemployment rate (+0.2), albeit a small uplift over the 6-year period.

12.4.17 Around 49% of Cherwell’s residents are employed in SOC (standard occupational classification) groups 1 -3, which represents managers, directors, associate and professional occupations – this is below both the subregional (57%) and national averages (50%). In contrast, Cherwell has a relatively high proportion of people employed in elementary occupations (10%) compared to the subregional (5%) and the national average (6%).

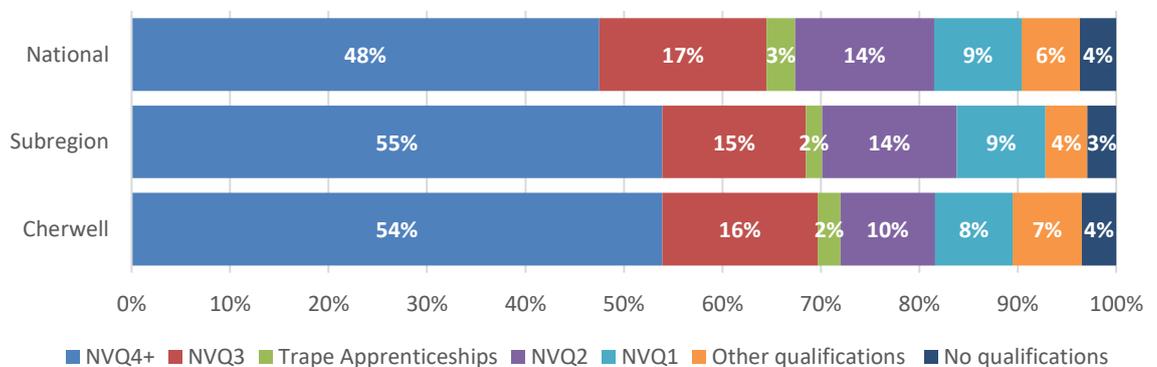
Figure 12.5 Occupational Profile, 2021



Source: Annual Population Survey, ONS, 2021

12.4.18 Cherwell is home to a well skilled population with high concentrations of degree qualified (54%) residents relative to the national average (48%). The region also has a low percentage of residents without a qualification – which is in line with the national average (both 4%). There has also been an upskilling of the regions residents with NVQ4+ qualifications increasing by 42% since 2015 which is over double the rate seen nationally (+20%).

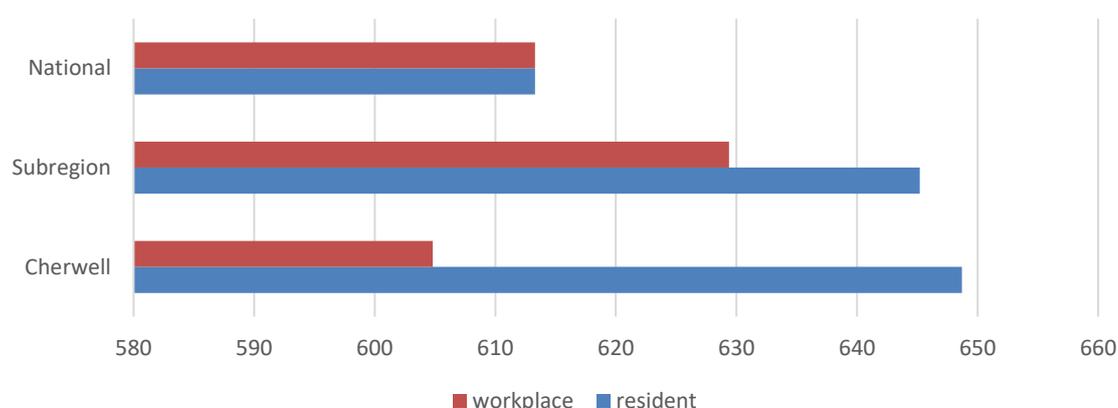
Figure 12.6 Qualification Profile



Source APS, 2020

12.4.19 Average resident earnings are high in Cherwell compared to both the subregional and national averages (£649, £645 and £613 respectively). However, the workplace wages (£605) are lagging behind both the subregional and national averages (£629 and £613 respectively). The large variation between the resident and workplace earnings in Cherwell indicate a workforce that commutes outside of the district for higher paid employment. This is consistent with TTW data which suggests that Cherwell is a net exporter of people commuting out of the district for work (see Figure 12.10).

Figure 12.7 Workplace and Resident-Based Salaries, £per week, 2021



Source: Annual Survey of Hours and Earnings, ONS

12.4.20 Cherwell ranks as the 220nd most deprived local authority in the country (Table 12.8), which places it in the top 30% least deprived nationally. However, Cherwell ranks as one of the most deprived out of the other local authorities within the sub-region with the exception of City of Oxford. The district is the most deprived in terms of the living environment where it ranks as 141st most deprived nationally, which places it in the top 40% most deprived out of the local authorities.

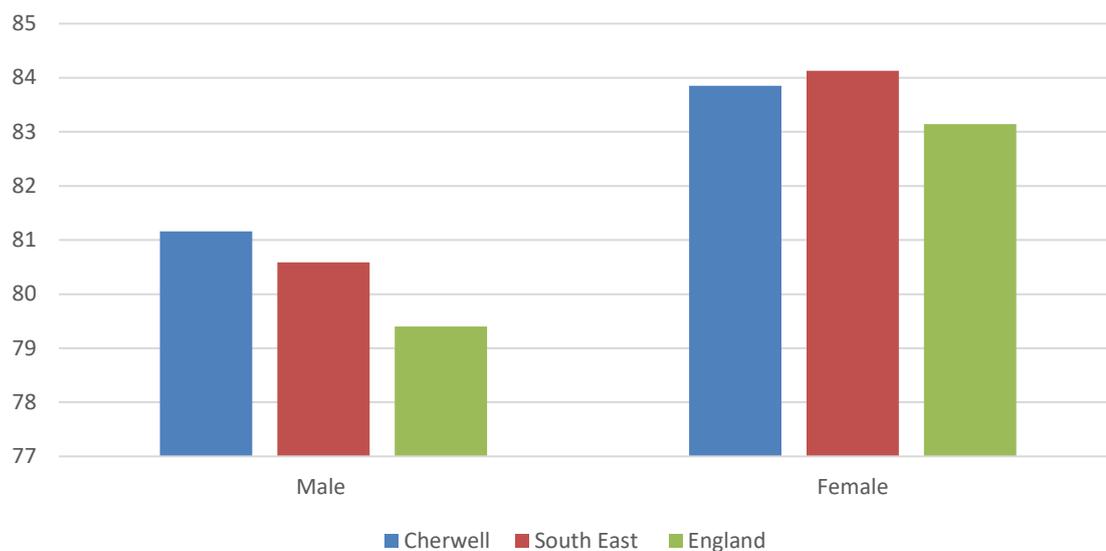
Table 12.8 Index of Multiple Deprivation

	Index of Multiple Deprivation	Income	Employment	Health deprivation	Living environment
Cherwell	220	256	264	197	141
Stratford-on-Avon	259	264	271	250	100
South Northamptonshire	312	314	313	301	261
Aylesbury Vale	277	276	283	269	280
City of Oxford	189	211	254	177	62
South Oxfordshire	302	309	312	309	229
Vale of White Horse	305	297	298	305	264

West Oxfordshire	301	290	300	292	285
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12.4.21 The life expectancy in Cherwell is higher for females than it is for males (84 and 81 respectively). Cherwell has the highest life expectancy for males out of the three locations, however it is lagging very slightly behind the south east average in terms of female life expectancy.

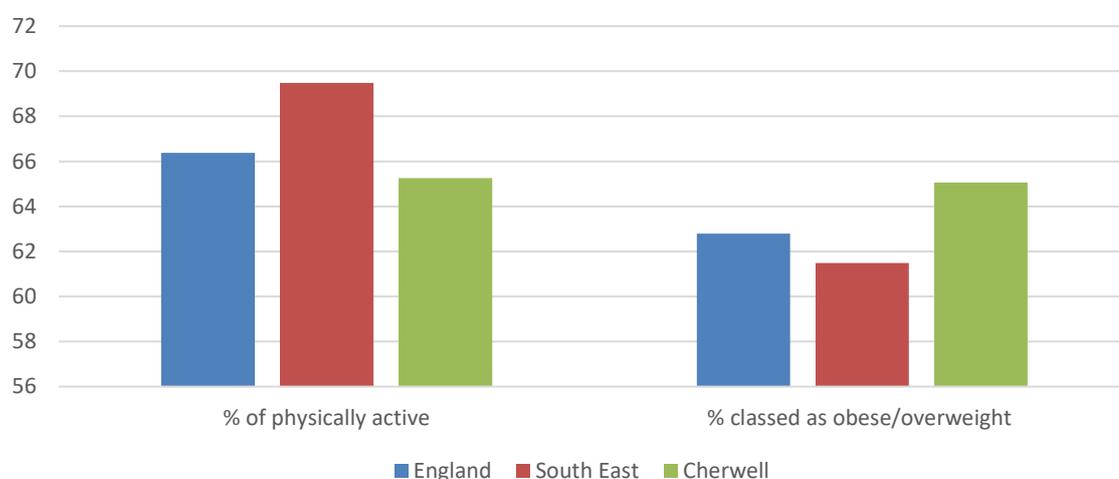
Figure 12.8 Life Expectancy at Birth, 2018 - 20



Source: Fingertips, Public Health Data

12.4.22 The level of adults engaged in physical activity is lower in Cherwell (65.3%) than both the regional and national averages (69.5% and 66.4% respectively). Additionally, Cherwell has a higher rate of adults classified as obese or overweight compared to both the regional and national averages. (65.1%, 61.5% and 62.8% respectively).

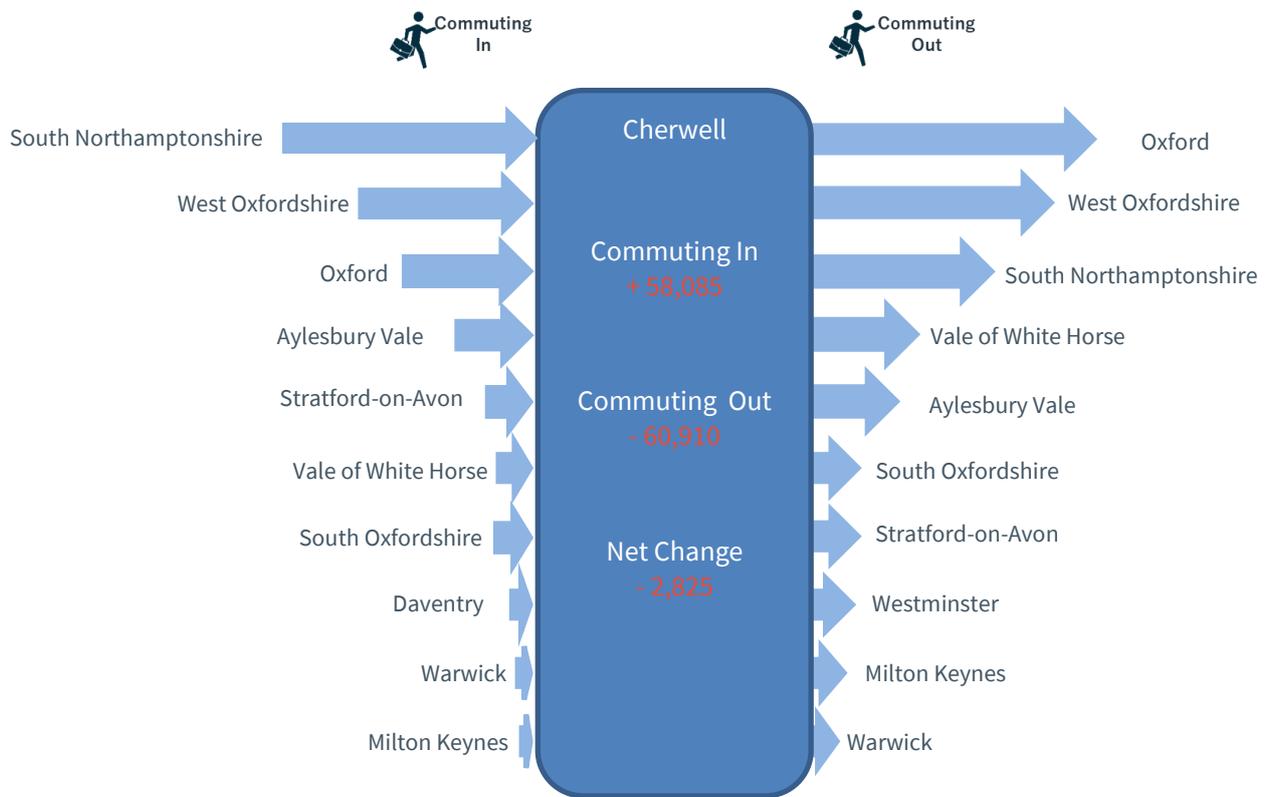
Figure 12.9 Physically Active 2018 – 20



Source: Fingertips, Public Health Data

12.4.23 Data from the Census suggests that there is a net outflow of people leaving Cherwell each day for work. Around 61,000 people leave the district to travel to their place of work, whilst around 58,000 commute into the area. All of the in commuting are from nearby areas, while the out commuting has a further reach (for example, the data shows notable flows to London, with 670 residents commuting to Westminster Borough alone). While not a major imbalance, it does show that the District has a net outflow of commuters, suggesting there are opportunities to support more sustainable patterns of travel to work, and reducing the need to travel, by additional job creation within the District.

Figure 12.10 Commuting Flows



Source: Census, 2011

Future Baseline

12.4.24 Whilst it is reasonable to assume that the baseline situation will evolve in the future, the assessment assumes that the existing uses will remain on the Application Site. In the wider area (Cherwell and the sub-region) there is likely to be a continual change in employment, business activity and economic output. This is driven by the substantial number of businesses, public sector and other organisations who trade, deliver services and operate within the area, the gains and losses in employment that these generate, and the wider impacts that result from this activity through indirect and induced impacts. As referred to above, the local area will also see significant housing and associated population change as a result of growth planned through adopted Local Plans, including in the vicinity of the Application Site at Heyford Park and Bicester.

12.4.25 Given the scale of activity described above, and the rate at which these changes over (even short periods of) time, it is not possible to provide quantitative estimates of the likely changes in baseline conditions. However, broad indicators of the scale and type of change expected are found in the Cherwell Local Plan, Oxfordshire Plan and OXLEP strategies.

12.4.26 Taking account of these policy drivers, the future baseline of Cherwell and the sub-region would be expected to see an increase in local employment provision together with economic output.

Summary of Receptors

12.4.27 Table 12.9 below sets out the existing receptors which are assessed, and their respective sensitivity based on the baseline conditions identified and taking into account the method described in **Error! Reference source not found.** Employment in Cherwell District and the sub-region has outperformed or performed in line with national average so is considered 'medium; as opposed to 'high' sensitivity. GVA has also outperformed the national average, but the importance of business rates in contributing to local revenues makes it 'high' sensitivity.

12.4.28 The receptors are assessed at the local and sub-regional. The effects of temporary construction employment have, however, been assessed only at the sub-regional and national level, as labour is expected to be drawn from the wider Region.

Table 12.9 Sensitivity of Existing Receptors

Receptor	Sensitivity	Assessment Areas
Temporary Construction Employment	Medium	National
On-Site Employment	Medium	Local and Sub-regional
Off-Site Employment	Medium	Sub-regional
Local and Sub-regional Economy – GVA and Business Rates)	High	Local and Sub-regional
Housing	Medium	Sub-regional
Deprivation	Medium	Local
Health and Wellbeing	Medium	Local

12.5 ASSESSMENT OF LIKELY EFFECTS

12.5.1 The assessment of likely effects will assess the impact of the Proposed Development on the receptors identified in Table 12.9 above. This has not yet been undertaken in full, however, a preliminary assessment indicates that the likely effects will include:

Construction Phase

12.5.2 Temporary Construction Employment: the investment into the Site and construction of the proposed development will create substantial temporary employment opportunities and contribute Gross Value Added (GVA) during the build period. There will also likely be training and apprenticeship opportunities during the Construction process for local and sub-regional residents.

Operational Phase

- 12.5.3 On-Site Employment: Once operational, it is estimated that the proposed Development could support around 9,607 gross, direct, on-site Full Time Equivalent (FTE) jobs within the transport and logistics sector. These will include a range of skills and occupation levels and will likely include both full time and part-time roles. This will help to deliver more jobs in the local area and potentially reduce the need to commute outside of the district for local residents. Additional local on-site employment may also be supported by the 'Hub' (shared and communal facilities).
- 12.5.4 The types of jobs supported on-site will include a wide range of full and part-time roles at differing skills levels and occupations and will include opportunities for local residents to access employment at entry level through to managerial and professional roles.
- 12.5.5 Local Economy: Based on the gross, direct FTE jobs, it is estimated the proposed Development could generate around £333.2m in GVA per annum to the economy. Business rates are an important source of revenue for local authorities and it is estimated the proposed quantity of warehouse floorspace, it is estimated that £20.6m in business rates could be generated per annum.
- 12.5.6 Off-Site Jobs: Off-site jobs (indirect jobs) are likely to be created as a result of the increase in spending on goods and services associated with the Proposed Development. In addition, both the direct and the indirect supply chain jobs support further employment in the economy through these workers' expenditure – this employment is referred to as an induced employment impact. A preliminary assessment of the multiplier effects of the proposed Development are estimated to support a further 4,800 FTE jobs across the sub-regional economy and a further £344.5m in GVA.

12.6 MITIGATION AND RESIDUAL EFFECTS

- 12.6.1 This section will be completed in due course.
- 12.6.2 It will identify any measures to maximise the local socio-economic benefits, and remove or mitigate any adverse effects, before summarising the likely residual effects.
- 12.6.3 It will include reference to both climate change, and human health in drawing conclusions from the assessment.

12.7 CUMULATIVE EFFECTS

- 12.7.1 This section will assesses the likely significant effects of the Proposed Development on key relevant receptors when considered in the context of other future projects within close proximity.
- 12.7.2 A list of committed developments to be taken into account will be agreed with the Local Authority to inform this and other chapters of the final ES.

12.8 SUMMARY AND CONCLUSIONS

- 12.8.1 This section will be completed in due course once the full assessment has been completed.