3. SOCIO-ECONOMIC ASPECTS

3.1 INTRODUCTION

3.1.1 This chapter provides an assessment of the likely socio-economic aspects of the proposed development described within ES chapter 2. It follows the 2016 Scoping Report prepared by the Applicant and the Scoping Opinion issued by Secretary of State for Transport, but has also been updated to include the requirements of the 2017 regulations where relevant. The assessment sets out the anticipated employment requirements and economic effects when the Proposed Development, i.e., the SRFI, is complete and operating at its potential capacity. The additional employment and economic effects likely to be generated as an indirect effect are also estimated.

3.1.2 The chapter comprises the following sections:

- **Policy context:** an overview of the strategic initiatives relevant to the Proposed Development;
- **Method of assessment:** an overview of the approach adopted;
- **Baseline conditions:** an assessment of the prevailing socio-economic condition in the Study
- **Area in terms of:** demographic profile, economic activity, unemployment, deprivation, skills and occupational structure.
- **Assessment:** a statement of likely impacts in relation to the proposed development arising duringboth construction and operation including employment impacts, economic activity;
- **Mitigation/enhancement measures:** to enhance the potential benefits;
- **Residual effects:** an outline of the residual effects of the Proposed Development once additional measures haven been implemented;
- **Conclusion:** an overall indication of the socio-economic effects of the Proposed Development.

3.1.3 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 this 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 likely impacts of the proposals on human health and the local population. In addition, Chapter 15 Cumulative Effects also provides an overview of the combined health and population issues with reference to all relevant ES chapters.

3.2 POLICY CONTEXT

National Policy Statement

3.2.1 The National Policy Statement for National Networks (NPSNN) provides guidance for applicants for NSIP projects. While Section 5 of the NPS contains information about generic impacts, it focuses on a range of environmental impacts and issues and does not contain any specific guidance on assessing socio-economic impacts as part of the application process.

3.2.2 However, the NPS as a whole is clear about the economic role and importance of SRFIs and the role they play as part of the national transport networks which stimulate and support local and national economic growth, with numerous references to the role played by a shift of freight from road to rail in delivering productivity and employment growth, as well as links to climate change and environmental agendas. The separate Planning Statement (Document 6.6) provides a more detailed assessment of the NPS.

National Planning Policy Framework

3.2.3 The National Planning Policy Framework (NPPF) provides secondary national policy for NSIPs and seeks to support sustainable development and economic growth. Specifically, paragraph 18 states that: "the government is committed to securing economic growth in order to create jobs and prosperity, building on the country's inherent strengths and to meeting the twin challenges of global competition and of a low carbon future". Paragraph 19 states that: "The Government is committed to ensuring that the planning system does everything it can to support sustainable economic growth. .... Therefore significant weight should be placed on the need to support economic growth through the planning system."

3.2.4 Paragraph 17 of the NPPF sets out a number of core land use planning principles that should underpin decision taking, including to: "proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth."

West Northamptonshire Joint Core Strategy Local Plan[1]

3.2.5 The West Northamptonshire Joint Core Strategy Local Plan Part 1 (WNJCS) was adopted in December 2014 and is a key part of the Development Plan for South Northamptonshire, with a plan period to 2029. Policy S7 indicates that *"provision will be made for a minimum net increase of 28,500 jobs in the period 2008-2029 in order to maintain a broad balance between homes and jobs and to maintain a diverse economic base".* Paragraph 8.16 of the Core Strategy states: *"at the regional level, there is strong support for further rail related strategic distribution development and that further provision should be made in the West Northamptonshire area".* The Core Strategy identifies a strategic allocation for additional employment land at a location adjacent to the east of Junction 16 of the M1 Motorway (Policy E8 – Northampton Junction 16 Strategic Employment Site).

3.2.6 The WNJCS did not allocate any additional land for SRFI capacity beyond that approved at DIRFT, and refers to the intention to work with Network Rail and the freight industry "to consider and support further sustainable opportunities for rail freight interchanges in the longer term" (WNJCS paragraph 5.72).

3.2.7 A South Northamptonshire Local Plan Part 2, which will build on the WNJCS and set out policies to guide the planning decision-making process across South Northamptonshire, is also in preparation. It is anticipated that this document will become part of the development plan by the end of 2018.

South Northampton Council Economic Development Strategy

3.2.8 An Economic Development Strategy for 2016-2019 (Delivering Economic Growth for South Northamptonshire) was adopted by the Council in July 2016[2]. The strategy sets out the economic development priorities for the District based on four themes (set out in Section 1 of the Strategy report, and which form chapter headings for the Strategy):

- Improved skills and employment
- Effective business support
- Strengthening the town and village economies
- Supporting the visitor economies.

1 http://www.westnorthamptonshirejpu.org/connect.ti/website

2 https://www.southnorthants.gov.uk/info/275/strategy-and-research/167/economic-growth-strategy

3.2.9 A number of actions are set out for each of the priorities, those that are relevant to this scheme are as follows:

- Work with partners to prepare young people for work and retain future workforce by increasing take up of apprenticeships across the district for all ages (page 8);
- Ensuring the delivery of new strategic employment sites (page 8);
- Build on our locational advantage to grow the Logistics sector while protecting what is special about the District by enabling growth in appropriate locations around the M1 (page 11);
- Work with local Logistics businesses to ensure vacancies can be filled through the SNC Job Club and Job Match Service (page 15);
- Address the Logistics skills issues through partnership with resources outside the District (page 15).

Local Enterprise Partnerships

3.2.10 South Northamptonshire (and the Proposed Development) sits within an area covered by the South East Midlands Local Enterprise Partnership (SEMLEP)[3]. SEMLEP aspires to be *'one of the most innovative, successful and high performing local enterprise partnerships in England, as measured in over all terms, by growth in Gross Value Added per head relative to other LEPs and as demonstrated by the effective collective leadership provided by local authority and private sector partners'*[4]. SEMLEP emphasises the importance of economic growth, where the next challenge for the LEP area is to increase growth in key sectors in conjunction with development of suitably skilled workforce.

3.2.11 A report by SEMLEP on the Logistics Sector estimated that around 11% of all workers are employed in the logistics sector in the South-East Midlands area[5]. With employment of over 16,000 people in the sector (in 2012), Northampton is second only to Milton Keynes, and considerably higher than other locations such as Daventry with 7,700 employed and South Northamptonshire which has 2,800 people employed in the logistics sector.[6]

3.2.12 The Logistics Sector report also identified three areas which will serve to address existing issues and improve the economic wellbeing of the individuals and employers in the SEMLEP area[7]. The first is to attract new recruits into the industry, not only to achieve a reduction in the age profile, but to improve the gender and minority balance. Second, SEMLEP identify a need to develop people and skills so they can progress up the career ladder, or avoid the need to leave the sector. Third, the provision of support in skills training in the sector.

3 The Northamptonshire Enterprise Partnership (NEP), which also used to cover South Northamptonshire, has merged with SEMLEP: both have been operating as a single LEP serving the South East Midlands since October 2016.

4 SEMLEP, Getting down to business: Plan for growth April 2012-March 2013 (2012), page 4.
Accessed online at https://www.semlep.com/resource-hub/key-publications/

5 SEMLEP, Logistics Report. Skills for Logistics (2013), page 7.
Accessed online at http://www.semlep.com/resources/uploads/files/SEMLEP_LOGISTICS_REPORT_2013_final.pdf

6 Ibid, page 8

7 Ibid - Section 3 re: challenges, and Section 5 re: solutions to challenges

3.3 METHODOLOGY

Development assessed

3.3.1 Chapter 2 of the ES sets out the details of the Proposed Development which has been used in undertaking the assessment. In the context of the socio-economic analysis it is important to note that the following assumptions have been made:

- The Main Site would include a total floor space of up to 623,00m^2 gross internal area (GIA), including the full 155,00m^2 of mezzanine floor space allowed for in the proposals;
- Because employment densities are based on gross external area, the GIA above has been converted to GEA assuming that GIA is 95% of GEA (623,000/95x100 = 655,789m^2 GEA);
- The Main Site would commence operation in 2021, with construction completed over a period of 5-years assumed to begin in 2020;
- The Proposed Development Site includes a large proportion of land in arable production (as well as much smaller areas of highway land) and does not support a significant level of employment;
- The Proposed Development includes a rail freight terminal, which is shown on the Parameters Plan to comprise up to 1,858m^2 floor space (GIA), which is equivalent to 1,955m^2 GEA.

Geographic scope of the assessment

3.3.2 The Study Area used for this assessment is shown as the yellow area on Figure 3.1. It comprises the local authority areas of South Northamptonshire Council, Northampton Borough Council, Daventry District Council, the Borough Council of Wellingborough, Kettering Borough Council and Milton Keynes Council. Whilst the Proposed Development lies at the northern edge of South Northampton District, a small part of the Proposed Development lies within Northampton Borough.

3.3.3 The spatial scope of the Study Area has been derived using the 2011 Census Travel to Work data, combined with information utilised in the transport assessment, such as drive times and commuting patterns. The origins of trips from home by 21,000 individuals to work within the area covered by Middle Layer Super Output Areas Northampton 028 and 029 have been used. Approximately 65% of these trips originate from within the Northampton area, and overall, some 90% originate from addresses in the six local authority areas making up the Study Area.

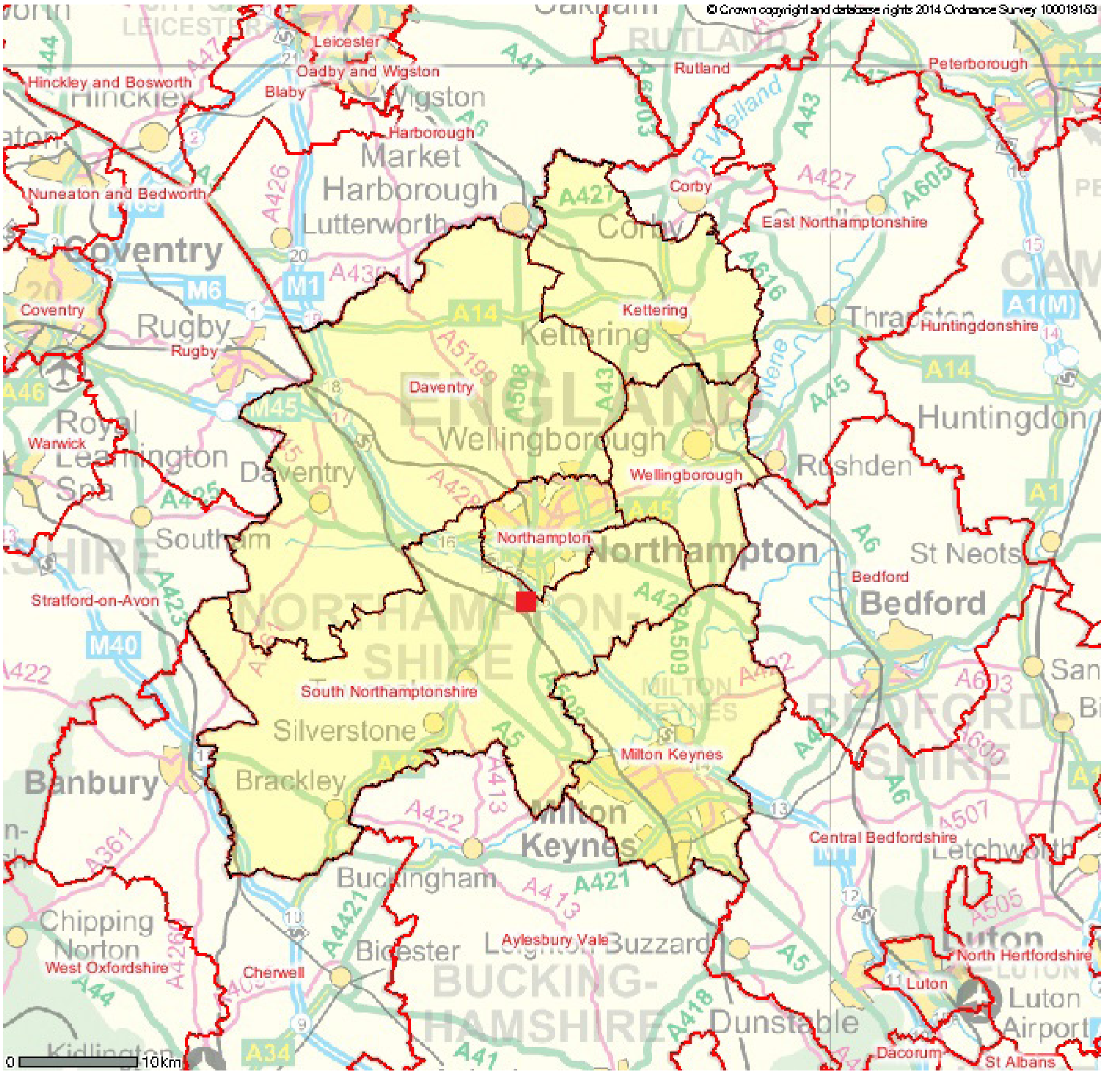

Figure 3.1 Study Area (yellow) around the Proposed Development

3.3.4 The overall Study Area and the District Areas are shown in Figure 3.1. The Local Study Area, which covers the four Parishes of Courteenhall, Roade, Blisworth and Milton Malsor is shown shaded pink on Figure 3.2 below. This comprises three Lower Super Output Areas of South Northamptonshire (003A, 003C and 003I) which have been used to source data from ONS.

3.3.5 The scale of the receptors used in the assessment are shown in Table 3.1.

Table 3.1 Scale of receptor

Level	Scale
Study Area	Effects at the scale of six Local Authorities (Figure 3.1)
District	Effects principally in the area of Northampton and South Northamptonshire
Local	Parishes of Courteenhall, Roade, Blisworth and Milton Malsor

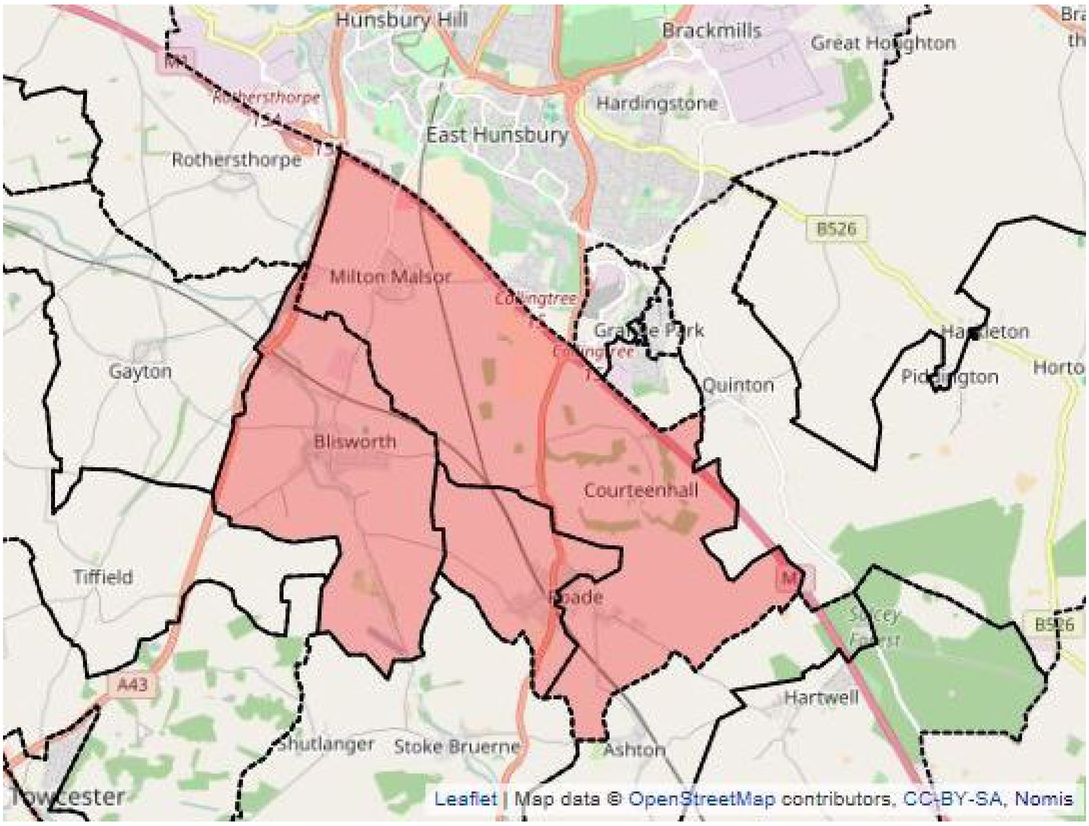

Figure 3.2 Local Study Area

Temporal scope

3.3.6 The temporal scope for the assessment takes into account the temporary and permanent impacts of the development, using the following timescales to indicate the duration of an effect:

- Short term: 0 - 5-years, immediate impacts;
- Medium term: 5 - 12-years;
- Long term: 12 - 20-years, and beyond, permanent impacts.

Magnitude of effects

3.3.7 The following terms are used to indicate the magnitude of an effect:

- Major: effects at the Regional scale / of long-term duration;
- Moderate: effects at the District scale / of medium-term duration;
- Minor: effects at the Local scale / of short to medium-term duration.

3.3.8 Determining the level of significance in the assessment is approached using professional judgement of factors, including the sensitivity and scale of the receptor, the magnitude (amount of change) of the impact and its duration. Qualitative assessment has been used where possible and significance criteria have been defined in an attempt to present a consistent identification of effects applied during the assessment. This is summarised in Table 3.2.

Table 3.2 Significance of effect

		Magnitude of impact			
		Major	Moderate	Minor	Negligible
Receptor scale	Study Area	Major	Moderate/major	Moderate	Negligible
	District	Moderate/major	Moderate	Moderate/minor	Negligible
	Local	Moderate	Moderate/minor	Minor	Negligible

3.3.9 Effects determined as being Moderate or greater are considered to be significant for the purpose of the assessment, as indicated by the shaded cells.

Information used to inform the assessment

3.3.10 Baseline information on the conditions of the area has been collated from a variety of sources referenced in the text, including: National Census (2011) and other information produced by the Office for National Statistics (ONS)[8]; NOMIS: labour market statistics (provided by the ONS); Index of Multiple Deprivation (2010); South Northamptonshire Council: Economic Development Strategy for 2012 – 2015 & State of the District's Economy 2013/14[9]; Northamptonshire Analysis[10]; and South East Midlands LEP.

3.3.11 A broad quantitative 'baseline' of socio-economic conditions has been identified. Data is provided at a Local Authority, County or Regional level information as appropriate to give context to the various figures. The methodology for assessing economic impacts has involved an analysis of the current state of the economy in the Study Area including unemployment and general employment provision and workforce skills, an assessment of the proposal and the indirect effects it may have within the Study Area.

3.3.12 Many social and community effects are, by definition, complex, interrelated, and difficult to characterise or measure in a precise way. Human health is a good example of such an issue. As such, it is not appropriate or feasible to undertake quantitative analysis of all social effects, as many of the benefits and costs that arise relate to the quality of life and are thus subjective. Due to these complexities and the numerous interactions that can occur, it is not possible to predict the precise scale of each impact. The level of significance of an impact will be determined through professional judgement of factors including sensitivity of the receptor group, the magnitude (amount of change) of the impact and its duration. As such, effects have mainly been identified qualitatively in terms of whether they are major, moderate, minor or negligible, and beneficial or adverse. However, where it has been possible, quantitative analysis has been undertaken, for example the number of direct and indirect jobs to be created by the proposed development.

Construction employment

3.3.13 An estimate of the number of construction workers that would be required is made using information published in 2011 by The Homes & Communities Agency (HCA)[11]. The HCA used a range of sources to derive coefficients for the number of workers required over one year to deliver £1.0 million of construction investment. For private commercial development, a coefficient of 16.6 is provided, and for infrastructure, a coefficient of 13.9 is given. Detailed development costs have not yet been calculated for the Proposed Development, but an initial estimate of £400 million has been used in this assessment.

8 http://www.ons.gov.uk/ons/datasets-and-tables/index.html
9 http://apps.southnorthants.gov.uk/website/images/SOTD_201314.pdf
10 https://www.northamptonshireanalysis.co.uk/
11 HCA, 2015. Calculating Cost Per Job. Best Practice Note (3rd edition)

3.3.14 By necessity, construction site workers are highly mobile, travelling between sites as contracts require. Research for the Construction Industry Training Board[12] indicates that the average (mean) distance for travelling from home to site was 22 miles (62% travelled less than 20 miles).

Employment Densities

3.3.15 Employment densities refer to the floor space that is required on average per full-time equivalent (FTE) member of staff for different business activities. This can be used as a guide to estimate the number of employees that could be accommodated in buildings that are not yet constructed or occupied. Warehouse and distribution use has a lower employment density than office space i.e., fewer people present in any given area of work space. This assessment uses the HCA guidance (Employment Densities Guide 2015[13]) to assign the job densities for the Main Site proposals.

3.3.16 The 2015 HCA Guide updates the previous 2010 guidance on the Storage and Distribution Sector in response to changes in demand placed upon the network of distribution spaces. The analysis supporting the HCA guidance found that ‘whilst some factors have decreased the density of employment (such as increased automation within the order picking activity) these have been more than offset by the wider range of job roles required to ensure the distribution facility functions. Similarly changing shift patterns towards 24 hour working as distribution needs increase are also offsetting reductions in the number of workers per shift. ...Furthermore, the data shows a reduction in the proportion of workers employed at the lowest levels of ‘warehouse staff’ decreasing from 68% to 43% of the total workforce. This fall has been offset by increases in the share of workers within admin, managerial and ‘other’ roles. Given the shifts in the sector’s occupational profile it is unsurprising that actual employment densities have risen in recent years. ...Despite increased mechanisation and deployment of technology the data suggests that as logistics becomes more specialised both a greater number of employees and range of skills are required to operate a modern distribution facility.’ (paragraph 3.71).

3.3.17 Three job densities are identified in the HCA Guide: National Distribution Centres - 95m^2 per job; Regional Distribution Centres - 77m^2 per job; and Final Mile Distribution Centres - 70m^2 per job. Whilst the occupiers at the Main Site are not yet known, the Proposed Development is likely to contain a mixture of national and large regional distribution centres. Given the findings of the HCA Guide that a greater number of employees are required to operate a modern distribution facility, it is considered appropriate to estimate the job capacity of the Proposed Development using the density of 77m^2 per job. This has been applied to the ground floor space (468,000m^2 GIA[14]) to indicate the job creation in the study area. However, it is not considered appropriate to apply the same job density to the element of mezzanine floorspace included in the assessment (155,000m^2 GIA): for this area a 50% lower density of has been used - 154m^2 floorspace per job.

3.3.18 To predict the job types that would be required in the Proposed Development, the Prologis Technical Note[15] on employment generation from distribution warehouses has been used to inform this assessment. Prologis has periodically collected empirical data from the occupiers of B8 units. The research by Prologis indicates the types of jobs required to operate distribution centres: the majority of staff (50%) work in the warehouse, drivers account for 8% of staff, 13% have office-based roles and 8% are managerial staff, with 21% represented in other categories such as IT, customer services, sales and engineering functions.

12 CITB Workforce Mobility and Skills in the UK Construction Sector 2015

13 Homes and Communities Agency (2015) Employment Densities Guide. 3rd edition

14 Gross Internal Area. GIA has been factored up to Gross External Area to correspond with the HCA guide: applying GIA as 95% of GEA

15 Distribution warehouse deliver more jobs, Prologis. May 2015.

Additionality

3.3.19 Additionality is a process of assessing the effect of regeneration projects that has been developed by English Partnerships (EP) and advocated by both HM Treasury[16] and the Office of the Deputy Prime Minister (ODPM)[17]. EP's Additionality Guide[18] sets out a methodology for assessing a variety of potential impacts through a common framework.

3.3.20 In simple terms, the methodology compares the impact of a project in terms of increasing output or employment to the situation without the intervention (i.e. making allowances for what would happen in its absence). The difference is the net additional effect of the project, or the effect that can be attributed to the project that would not have occurred otherwise.

3.3.21 A number of parameters are used to describe the effect of a project and the baseline so they can be compared on a like for like basis. In the EP guide, those relevant to the project are defined as:

- Leakage: "the proportion of outputs that benefit those outside of the projects target area". For example, the number of jobs that are filled by people outside the Study Area (page 22).
- Displacement: "the proportion of the projects outputs/outcomes accounted for by reduced outputs/outcomes elsewhere in the target area". For example, the amount of a new business' income is likely to be generated from competition with similar businesses in the Study Area (page 28).
- Economic Multiplier Effects: further economic activity (jobs, expenditure, income) associated with additional income and supplier purchases (page 33).

3.3.22 In respect of economic multipliers, the Additionality Guide provides estimates of multiplier effects based on a number of studies. For B8 uses that are of a regional nature, such as the proposed development, Table 4.12 indicates that a multiplier of 1.44 is appropriate (page 35).

Gross value added (GVA)

3.3.23 GVA is a measure of the contribution to the economy of a business or industry. It is used as a headline indicator to monitor economic performance at regional and national level (GVA per head of population). It can also be used at the project level to provide an indication of the workplace income (wages and profits) generated in the process of producing goods and services (GVA per filled job).

3.3.24 The ONS data for West Northamptonshire (NUTS3 code UKF24[19]) in 2015 shows that the GVA per filled job was £46,204. This figure will be used with the net FTE employment that could be accommodated within the completed development to provide an indication of the overall GVA that could be added into the economy.

16 HM Treasury. 2003 as amended. Appraisal and Evaluation in Central Government (The Green Book).
17 ODPM. 2004. Assessing the Impacts of Spatial Interventions: Regeneration, Renewal and Regional Development.
18 English Partnerships 2014. Additionality Guide, 4th Edition.
19 UKF24 covers South Northamptonshire, Northampton and Daventry

3.4 BASELINE CONDITIONS

Site context

3.4.1 Located adjacent to Junction 15 of the M1 motorway, the Main Site is within the administrative area of South Northamptonshire Council. The land required for the Proposed Development is predominantly in agricultural use, with a low level of related employment. Information on the farming operations is presented in ES chapter 13.

Economy

3.4.2 The South East Midlands LEP consists of 11 local authority areas, representing a population of 1.7 million[20]. Key sectors identified for economic growth within the SEMLEP Strategic Economic Plan are: the automotive trade, business and other services, construction, engineering, food and drink manufacturing, information and communication, recreation, tourism and hospitality, and transport and logistics[21].

3.4.3 The Transport and Logistics sector is a significant employer within the LEP area, accounting for 4% of employment and generating 5% of the South East Midlands area's GVA[22]. According to SEMLEP, productivity in the sector (GVA per employee in 2012)[23] was above the South East Midlands average. This is reflected in the 'Location Quotient' for the Logistics sector, which has a highest share of employment within the South East Midlands compared to that throughout England[24]. This indicates the important contribution that the sector makes to the economy in the Study Area.

Population

3.4.4 At the time of the 2011 Census data, the population of the Study Area (Figure 3.1) was 792,753. Table 3.3 outlines the population figures for each local authority making up the Study Area and shows that the population of the area grew from 707,009 in 2001 to 828,300,300 in 2015, which represents a 17% increase. Also see the sections below relating to 'human health' - in combination these sections, and the corresponding narrative in Sections 3.5 and 3.7, respond to the 2017 EIA Regulations (Regulation 5(2)) which refer to 'human health and population'.

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20 SEMLEP, Strategic Economic Plan 2015-2020 (2015), page 6.
Accessed online at https://www.lepnetwork.net/modules/downloads/download.php?file_name=33

21 SEMLEP, Strategic Economic Plan Evidence Base, page 9-12.
Accessed online at https://www.semlep.com/modules/downloads/download.php?file_name=147

22 Ibid, page 12

23 Ibid

24 SEMLEP, Where Innovation Fuels Growth. Strategic Economic Plan (2017), page 22.
Accessed online at https://www.semlep.com/modules/downloads/download.php?file_name=742

Table 3.3 Population

Study Area	2001	2011	2015*
Daventry	71,838	77,843	80,000
Kettering	81,844	93,475	97,700
Northampton	194,458	212,069	222,500
South Northamptonshire	79,293	85,189	89,100
Wellingborough	72,519	75,356	77,200
Milton Keynes	207,057	248,821	261,800
Total	707,009	792,753	828,300
Local study area			
LSOA South Northamptonshire 003A		1,785	1,804
LSOA South Northamptonshire 003C		1,643	1,741
LSOA South Northamptonshire 003I		1,552	1,539

Source: ONS Census 2001 (KS001), 2011 (KS101EW) and *mid-year estimate

3.4.5 In terms of future growth, the West Northamptonshire Joint Planning Unit (representing South Northamptonshire, Northampton and Daventry Councils) has published forecasts of population, household and the labour force in support of the West Northamptonshire Joint Core Strategy (JCS) over the plan period (to 2029) and beyond[25].

3.4.6 The forecast growth of the population in South Northamptonshire between 2011 and 2029 is an additional 15,890 people, and for Northampton, 48,580[26]. This represents a growth of 18% and 22% respectively to 2029. These population projections and most likely patterns of future household formation rates have been used in the JCS to inform the spatial distribution of future housing provision. Principally this will be delivered via Sustainable Urban Extensions around Northampton, Daventry, Towcester and Brackley[27].

3.4.7 The population in the locality of the application site is set to increase significantly over the period to 2029 and beyond, thereby fulfilling its regional role as the principal centre for Northamptonshire.

3.4.8 Milton Keynes is also an area where high population growth is forecast (one of the fastest in England), with its population expected to grow to 302,100 by 2026, or an increase of 49,700 (19.7%) between 2012 and 2026[28].

3.4.9 Table 3.4 below shows the age structure of the population within the Study Area: people of working age (16-64) currently represent 65% of the population.

Table 3.4 Population age structure

	Study Area	
0-15	163,456	20.7%
16-64	518,667	65.4%
65+	110,630	13.9%
All ages	792,753	100%

Source: ONS Census 2011 (KS102EW)

25 West Northamptonshire Joint Planning Unit, Population, Households and Labour Force. Technical Paper Second Update (December 2013). Accessed online at http://www.westnorthamptonshirejpu.org/connect.ti/website/view?objectId=2759824

26 Ibid, page 9 (Table 1)

27 West Northamptonshire Joint Planning Unit, Joint Core Strategy Local Plan (Part 1) (2014), page 33

28 2015/2016 JSNA Population and Growth, accessed online at http://www.milton-keynes.gov.uk/social-care-and-health/draft-2015-16-jsna/draft-2015-16-jsna-population-and-places/2015-16-draft-jsna-population-and-growth

Employment

3.4.10 Employment activity is an important indicator of the general economic characteristics of an area. In 2017, 82.8%[29] of the working age population (aged 16 to 64) in the Study Area was 'economically active', which is higher than the national average (79.2% in England)[30]

Unemployment

3.4.11 An indication of the level of unemployment in the area is provided by the claimant count. This provides a record of the number of people claiming Jobseekers Allowance, plus those who claim Universal Credit and who are required to seek and be available for work. Table 3.5 outlines the claimant count within each of the local authorities of the Study Area. For comparison, the rate across England in December 2017 was 2.3%.

3.4.12 Currently, this represents approximately 8,800 individuals on out of work benefits. The unemployment rate in South Northamptonshire is lower than in the rest of the Study Area. In part, this is attributable to the South Northamptonshire Job Clubs, Job Matching Service and Enterprise Club which have ensured that vacancies are kept as short as possible by matching skills requirements with those of unemployed people and those seeking to change career.

Table 3.5 Claimant count (Source: ONS February 2018)

Local Authority	Number	Rate (% of resident population aged 16-64)
Daventry	925	1.8%
Kettering	1,150	1.9%
Northampton	2,750	1.9%
South Northamptonshire	325	0.6%
Wellingborough	930	2.0%
Milton Keynes	2,755	1.6%

Income

3.4.13 Across the Study Area, the median average gross weekly income for those in full-time employment varies between the different local authorities from £468 in Wellingborough to £615 in South Northamptonshire, with the average weekly income for the Study Area overall being £542. This is slightly below the national average of £555 (England).

Table 3.6 Gross average weekly income across the Study Area and in England

Local authority	Full Time Worker	Part Time Worker
Daventry	£562.4	£206.1
Kettering	£521.9	£177.3
Northampton	£509.4	£191.7
South Northamptonshire	£615.1	£201.4
Wellingborough	£468.2	£163.2
Milton Keynes	£576.0	£192.6
Average Study Area	**£542**	**£188**
England	£555.8	£181.8

Source: ONS Annual survey of hours and earnings – 2017 (provisional)

29 NOMIS Labour Market Profiles, accessed online at https://www.nomisweb.co.uk/home/profiles.asp
Percentage based on economic activity statistics for October 2016-September 2017 and population aged 16-64 in 2016

30 NOMIS Labour Market Profile, accessed online at https://www.nomisweb.co.uk/home/profiles.asp.
Percentage based on economic activity statistics for November 2017-January 2018 and population aged 16-64 in 2016

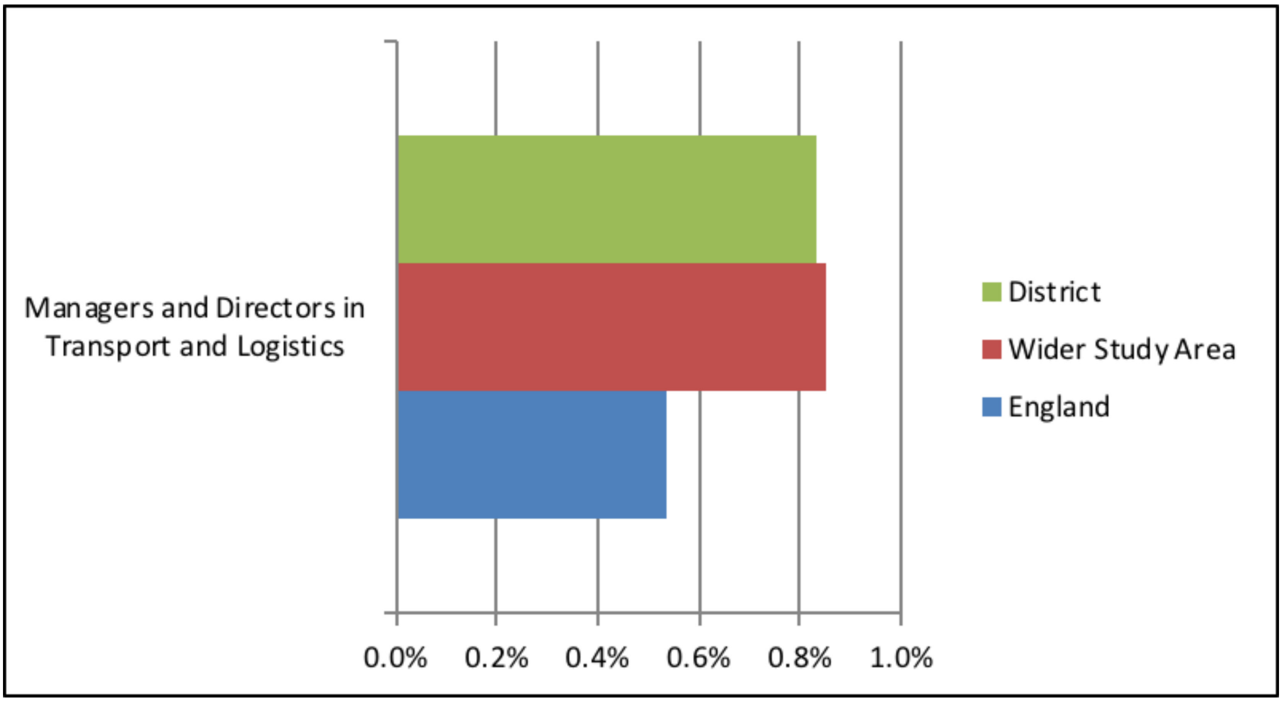
Occupations

3.4.14 The following paragraphs provide a snapshot of employment by occupation within the Study Area based on the 2011 Census results. These classify usual residents aged 16 to 74 in employment the week before the census by occupation according to the Standard Occupational Classification 2010 (SOC2010). Created by the Office for National Statistics, SOC2010 classifies jobs into groups in terms of their skill level and skill content and has 9 "major groups" and 25 "sub-major groups", which are further subdivided into 90 "minor groups".

Management

3.4.15 The employment created by the project will include managerial posts. Figure 3.3 indicates that the Study Area has a higher proportion of Managers and Directors employed in the Transport and Logistics sector than England, which reflects the fact that this industry is one of the biggest employers in the local area.

Figure 3.3 Management Occupations (% of all working age residents 16 to 74)



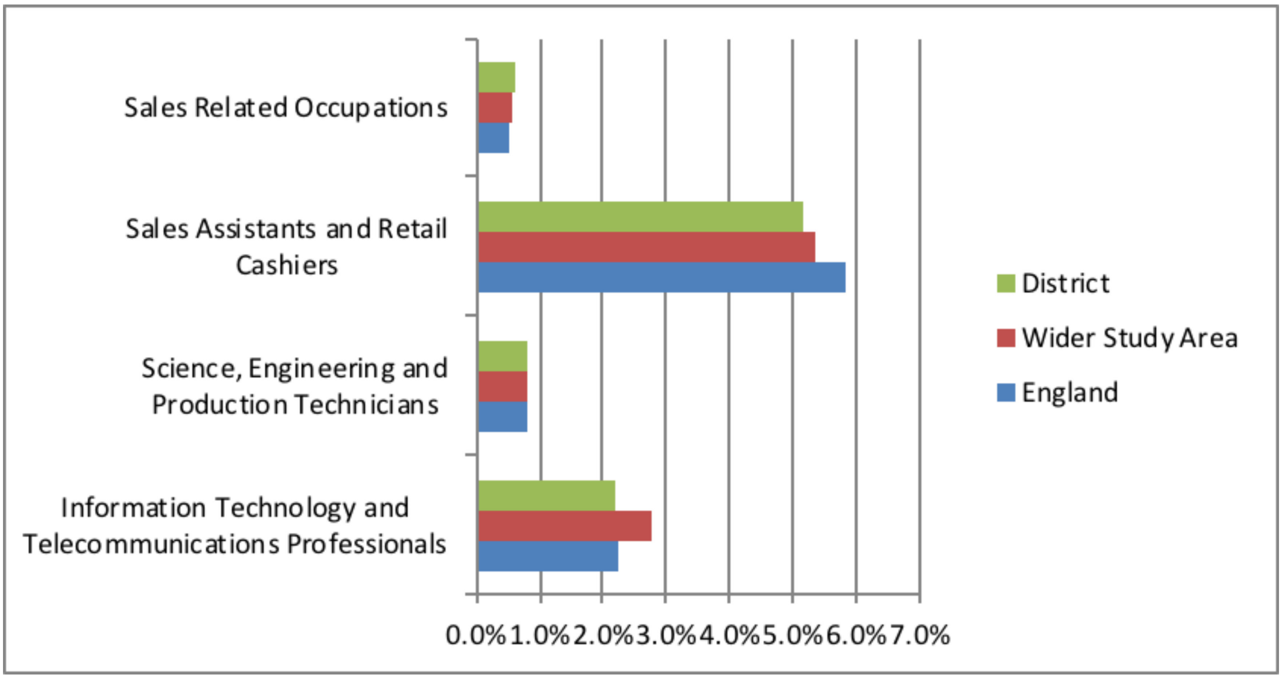
Source: ONS Census 2011 (QS606EW) – District level includes Northampton and South Northamptonshire

3.4.16 According to the Census 2011, 3,436 individuals are Managers and Directors in Transport and Logistics (SOC Minor Group 116) within the Study Area.

Professional, technical and sales occupations

3.4.17 The employment created by the project will include job creation within the professional, technical and sales occupations. Figure 3.4 below shows that there are more individuals employed as Information Technology and Telecommunications Professionals in the Study Area, compared to England. For all the other associate and sales occupations, the figures are comparable at the national and study area levels.

Figure 3.4 Professional, technical and sales occupations (% of working age residents 16 to 74)



Source: ONS Census 2011 (QS606EW) - District level includes Northampton and South Northamptonshire

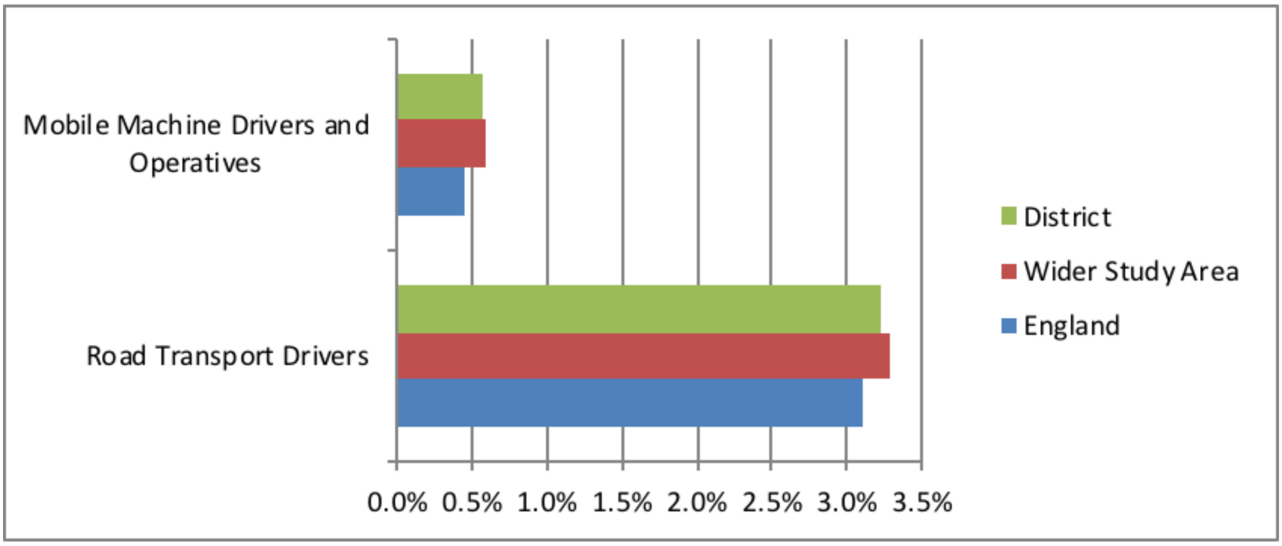
3.4.18 Within the Study Area, there is a total of 38,278 individuals employed in these occupations:

- 11,152 Information and Technology Telecommunications Professionals (SOC minor group 213)
- 3,328 Science, Engineering and Production Technicians (SOC minor group 311)
- 21,567 Sales Assistants and Retail Cashiers (SOC minor group 711)
- 2,231 Sales Related Occupations (SOC minor group 712).

Process operatives

3.4.19 During its operational phase, the businesses will employ process operatives such as mobile machine drivers and road transport drivers. Figure 3.5 shows that there is a slightly greater proportion of people employed in these occupations than in England, reflecting the prominence of the logistics sector in the Study Area.

Figure 3.5 Process Operatives Occupations (% of working age residents 16 to 74)



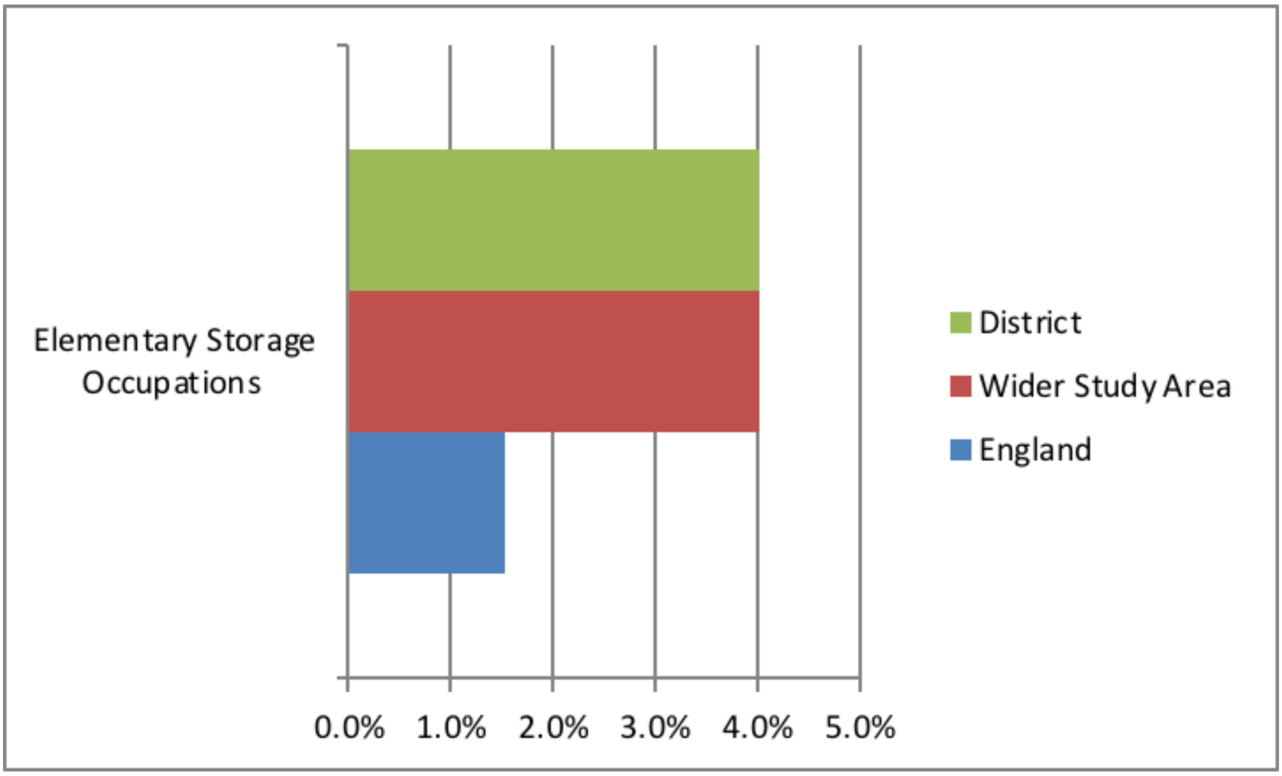
Source: ONS Census 2011 (QS606EW) - District level includes Northampton and South Northamptonshire

3.4.20 According to the Census 2011, 15,598 individuals in total are employed in these occupations within the Study Area.

Elementary storage occupations[31]

3.4.21 Figure 3.6 demonstrates that there are proportionally more people employed in elementary storage occupations in the Study Area than in England.

Figure 3.6 Elementary Occupations (% of working age residents 16 to 74)



Source: ONS Census 2011 (QS606EW) - District level includes Northampton and South Northamptonshire

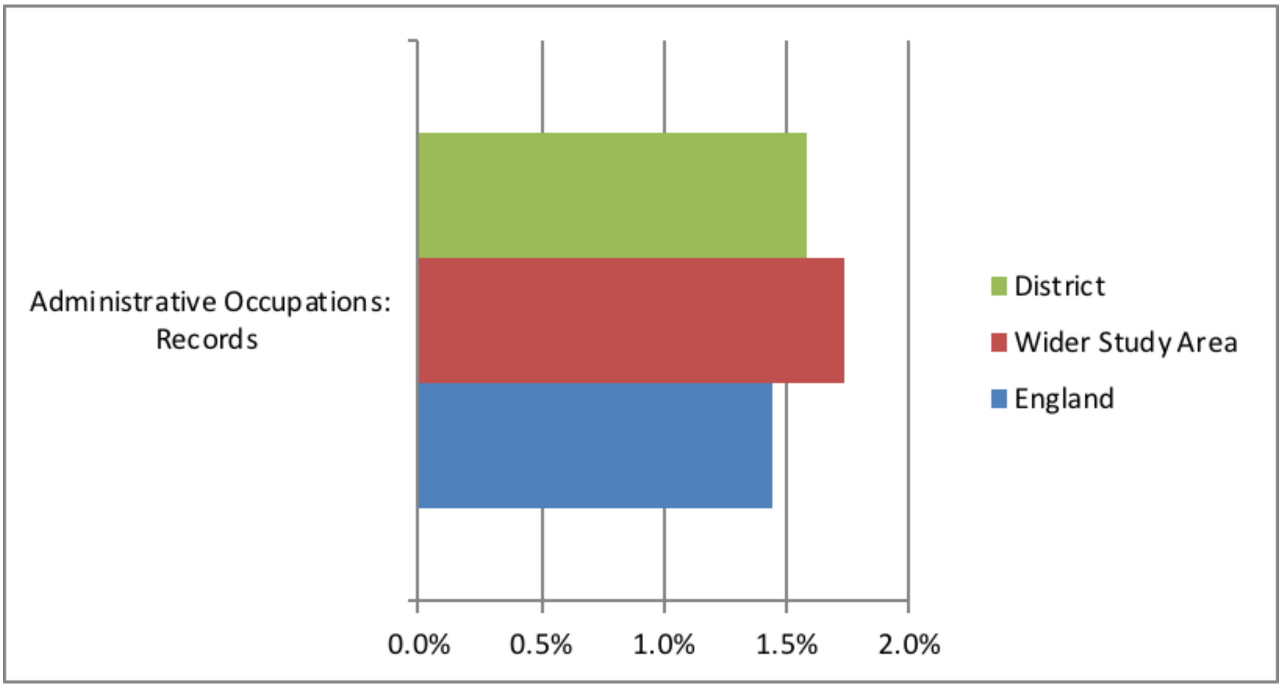
31 'Workers in this minor group load and unload cargo from ships, boats and barges, supply berthed ships with water, oil and fuel, load, unload and convey furniture, goods and other equipment in and around warehouses, depots and similar establishments, and accompany motor vehicle and other road vehicle drivers' in Standard Occupational Classification 2010, Volume 1: Structure and description of unit groups, Office for National Statistics (Palgrave Macmillan, 2010), page 251

3.4.22 In total, the Census 2011 reveals that 16,249 people in the Study Area are employed in these elementary storage occupations.

Administrative occupations: records

3.4.23 Figure 3.7 demonstrates that there are proportionally more people employed in administrative occupations (records) in the Study Area than in England.

Figure 3.7 Administrative Occupations (% of working age residents 16 to 74)



Source: ONS Census 2011 (QS606EW) - District level includes Northampton and South Northamptonshire

3.4.24 In total, the Census 2011 reveals that 6,992 people in the Study Area are employed in these administrative occupations.

3.4.25 The Prologis studies show that there will be a requirement for personnel for the SRFI within the following categories of employment:

- Sales (SOC 71)
- Customer services (SOC 72)
- Road transport drivers (SOC 821)
- Mobile machine drivers and operatives (SOC 822)
- Elementary storage occupations[32] (SOC 926).

3.4.26 The 2011 Census indicates that within the Study Area:

- 26,041 individuals are employed in sales (SOC 71)
- 6,942 individuals are employed in customer services (SOC 72)
- 13,248 individuals are employed as road transport drivers (SOC 821)
- 2,350 individuals are employed as mobile machine drivers and operators (SOC 822)
- 16,249 individuals are employed in elementary storage occupations (SOC 926).

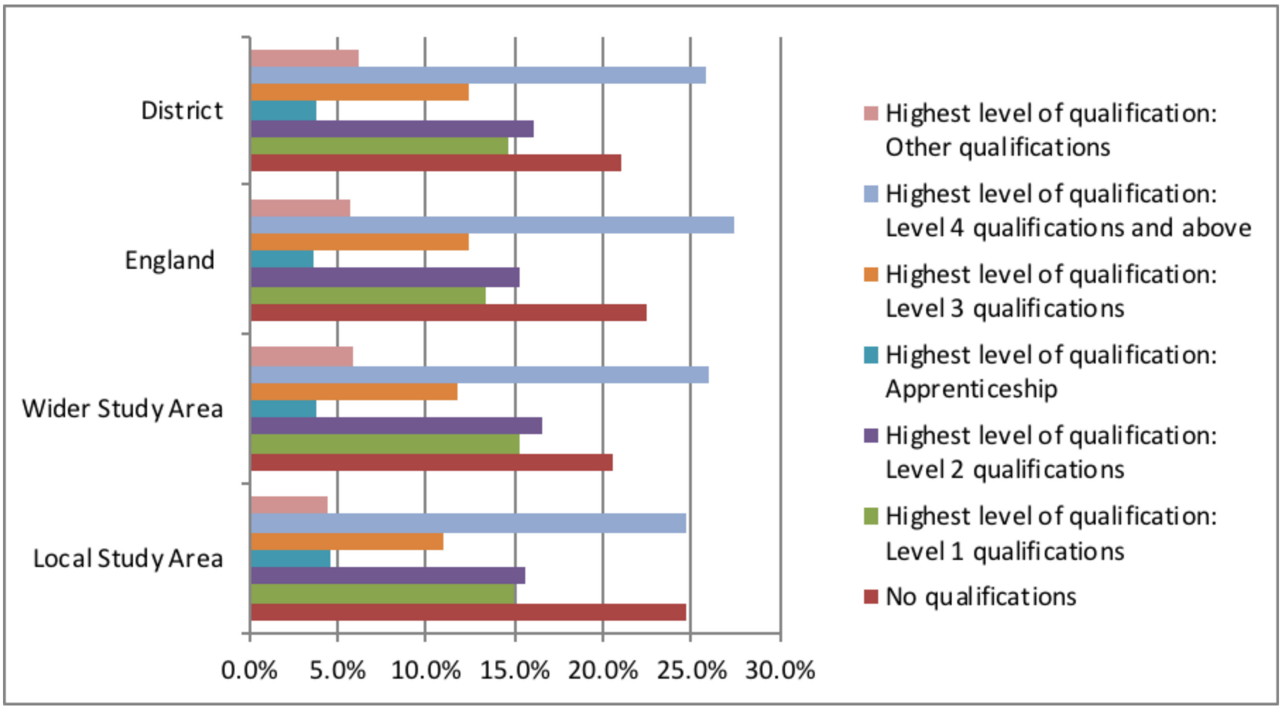
32 Typically associated with distribution

Qualifications and skills

3.4.27 Figure 3.8 below shows that:

- The proportion of individuals without qualifications is higher within the Local Study Area than the wider Study Area, District and in England;
- There is a slightly higher percentage of individuals in the Local Study Area with apprenticeships than in the Study Area and in England;
- In the Study Area, there are fewer individuals without qualification than in the rest of England.

Figure 3.8 Highest Level of Qualification

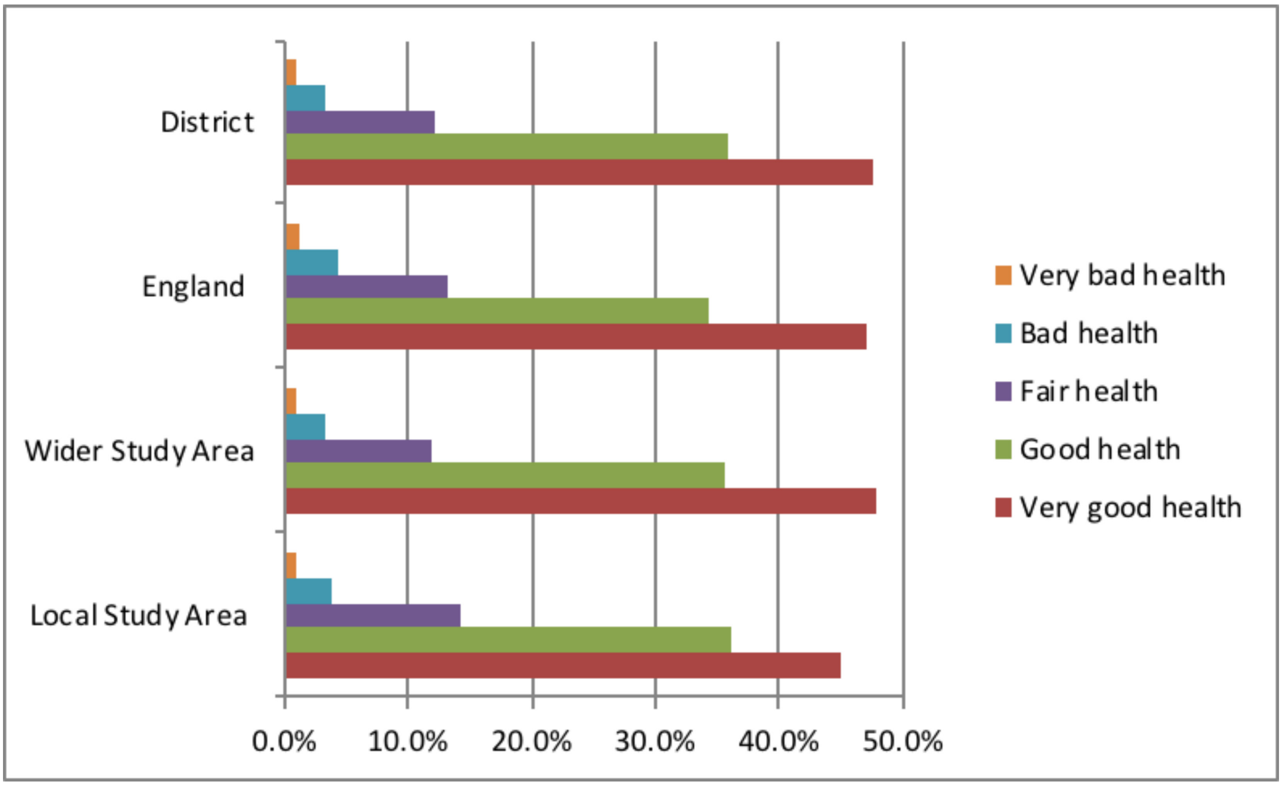


Source: ONS 2011 Census (KS501EW) - District level includes Northampton and South Northamptonshire

Human Health

3.4.28 In terms of human health, the Study Area closely reflects the national averages, with the majority being in 'good' or 'very good' health. The proportion of people being in bad health is also lower in the Study Area, compared to the national average.

Figure 3.9 General Health



3.4.29 In general terms, overall 'health' is directly related to a range of other indicators and local environmental and socio-economic characteristics. As referred to above, unemployment is generally low across the wider study area and levels of economic activity are relatively high, and as described below, levels of deprivation are also low across the Study area as a whole when compared with national data.

3.4.30 From a socio-economic perspective, these wider indicators serve as a good proxy for direct indicators and signals of the overall likely state of human health across the local population.

Deprivation

3.4.31 The English Indices of Deprivation 2015, published by the then Department of Communities and Local Government (DCLG) is a comprehensive measure of deprivation for small areas (Lower-layer Super Output Areas) across England, bringing together 37 different indicators under the following 'domains': Income; Employment; Health and Disability; Education, Skills and Training; Barriers to Housing and Services; Living Environment; and Crime. As referred to above, in addition to the 'health and disability' domain some of these indicators - for example, those relating to housing and living environment - have a direct relevance to consideration of the overall 'human health' agenda. These two categories are less directly 'economic' in their focus and instead have a more direct relationship to health and well-being issues. They include representative data relating to comparative illness and disability and acute morbidity (relating to benefits claimants and emergency admissions to hospital), as well as issues relating to housing condition, and road traffic accidents involving pedestrians and cyclists.

3.4.32 Data gathered for each of these can be represented as an overall 'Index of Multiple Deprivation' (IMD), which is created through a weighted combination of the domains to produce a score. The scores for local authority areas can be ranked, with 1 being the most deprived and 326 being the least deprived.

Table 3.7 Index of Multiple Deprivation

Local Authority	Index of Multiple Deprivation	Income	Employment	Health, Deprivation	Living environment
Daventry	238	258	257	252	204
Kettering	168	152	148	133	205
Northampton	108	128	144	100	162
South Northamptonshire	317	323	323	317	241
Wellingborough	133	124	113	147	236
Milton Keynes	181	135	184	146	323

Source: DCLG, IMD 2015 - Rank of Average Rank

3.4.33 Of the local authorities in the Study Area, South Northamptonshire has a significantly higher score than the rest and is the least deprived authority within the Study Area, followed by Daventry (see also Figure 3.10). However, as shown, while there is some difference between the overall scores between different component Local Authorities, the wider area is not considered to experience any major or large-scale challenges associated with deprivation overall.

3.4.34 With regards to human health, and living environment, the IMD data shows a similar picture and relative performance to that for the more economically focused measures. However, it is notable that Northampton is shown to be the 100th most deprived place (out of the 326) for health deprivation, with a greater disparity with the other surrounding local authorities, It is also notable that, while still in the 'best' or top half of the UK, the local authorities perform generally less well (i.e. they are relatively more deprived) with regard to these indicators relating to health and living environment than they are for those relating to income and employment.

3.4.35 The overall picture painted by these data remains that the study area, while not consistent or homogeneous in socio-economic terms (including relating to health related indicators), is a relatively prosperous place with good levels of well-being.

Commuting

3.4.36 Within the Study Area, Census data[33] shows that net commuting flows for South Northamptonshire are predominantly out of the area (c.11,000), some 4,000 to Milton Keynes and 2,500 to Northampton, with Daventry being the only area that has a small net flow into South Northamptonshire. There is also a net flow out to Cherwell District (not within the Study Area).

3.4.37 Commuting flows show that Northampton and Milton Keynes are key centres of employment[34], with each having greater number of movement commuting in than out. Northampton having a net flow in the region of +12,000 and Milton Keynes +16,000. Within the Study Area the greatest number of movements into Milton Keynes originate from South Northamptonshire, followed by Northampton[35].

33 ONS, Census 2011, Table WU03UK - Location of usual residence and place of work by method of travel to work. Accessed online at https://www.nomisweb.co.uk/census/2011/WU03UK/chart/1132462263

34 Ibid

35 Ibid

3.4.38 Similarly, net flows into Northampton are greatest from South Northamptonshire and Wellingborough, followed by Daventry and Kettering[36]. There is a net flow of commuters travelling from Northampton in the direction of Milton Keynes. Daventry, Kettering and Wellingborough each have a net outflow of commuters, with Northampton being the key destination from each of these areas.

3.5 ASSESSMENT DURING THE CONSTRUCTION PERIOD

3.5.1 The construction phase of development would require a range of professional and associated skills ranging from managerial roles to manual labour, with designers and engineers, construction workers and machine operatives.

3.5.2 With regard to the number of jobs supported over the construction phase, numbers employed will vary according to the nature of work being carried out during each phase of the construction. An estimate of construction employment has been made based on the projected total capital expenditure (construction cost) for the built development and supporting infrastructure. At this stage the total construction cost for the Proposed Development is projected to be in the order of £400 million.

3.5.3 Information used by the HCA[37] indicates that to deliver £1.0 million of commercial development over 12 months requires 16.6 worker years, and for supporting infrastructure development, 13.9 worker years. Because at this stage a split between the elements of the scheme is not known, a blend of the two coefficients has been used. Applying a coefficient of 15 to a £400 million investment indicates that some 6,000 worker years would be required to deliver the project.

3.5.4 If the Proposed Development were to be constructed over a period of some five years, approximately 1,200 ‘worker years’ would be supported over this period. This is an average and in reality the number of people required will vary, with a mix of full-time, part-time, permanent and temporary contractors. If it is assumed that the average permanent job lasts for 10 years, then 10 worker years equate to one permanent job. Therefore the Proposed Development would directly support 120 jobs over the construction period.

3.5.5 Within the Study Area, there are some 28,000 skilled construction workers, including 3,600 in South Northamptonshire and 7,800 in the Borough of Northampton[38]. The proposed development will support the industry in which these people work, and given the skills resource identified it is considered that leakage will be negligible and construction employment is likely to be retained within the Study Area. Movement of people within companies or within a sector, is a possibility. However, it is likely that any displacement that does occur will be readily adjusted within the Study Area, with the result being an overall net increase in employment activity. Seventy four percent of construction personnel that are resident in the East Midlands area, also work in the region ([8]CITB, 2015). This would suggest that a substantial proportion of the jobs in construction could be held within the local economy. As such, displacement is considered to be ‘low’ (10%) as defined in the English Partnerships Additionality Guide[39]. This reflects the fact that much construction work is transient and the workers are mobile, regularly moving from site to site.

36 Ibid

37 HCA, 2015. Calculating Cost Per Job. Best Practice Note (3rd edition)

38 Occupation 2011 (KS605EW)

39 English Partnerships, 2014. Additionality Guide 4th Edition.

3.5.6 As well as providing direct income for employees, there will be a wider beneficial effect as a result of increased expenditure in the local supply chain to source materials, utilisation of local support services and facilities (such as plant hire) and increased spending by those in the construction workforce. Applying an employment multiplier of 1.29 to the FTE construction employment (ref. EP Additionality Guide) indicates that an additional 31 FTE jobs would be supported indirectly (Table 3.8, (H-E) 139 - 108 = 31). Given the current use of the Proposed Development Site there is no construction employment applicable to the baseline situation.

Table 3.8 Construction employment additionality (not permanent)

	1. Proposed construction	2. Existing baseline
A. Employment (FTE)	120	0
B. Leakage	0%	0%
C. Gross direct effect (A-B)	120	0
D. Displacement	10%	10%
E. Net direct effect (C-D)	108	0
F. Multiplier	1.29	1.29
G. Effect (E x F)	139	0
H. Total FTE (G - baseline)	139	

3.5.7 It is considered that the construction phase of the proposed development would have a beneficial effect on employment levels within the District Study Area, within which the effect would be minor and short-term (albeit 5-years), the significance is considered to be minor beneficial in nature.

3.6 ASSESSMENT OF THE COMPLETED SCHEME

Direct Employment

3.6.1 The 2015 HCA employment density guide advises that regional distribution centres typically accommodate 1 full time equivalent employee per 77m^2 of floor space (paragraph 3.3.18). The Proposed Development will create the equivalent gross external area of 492,600m^2 of floorspace plus 163,150m^2 mezzanine floor space (3.3.1). Applying a 1:77m^2 ratio to the floorspace and 1:154m^2 to the mezzanine indicates that when completed and operational, the Proposed Development would have the capacity to provide 7,457 FTE jobs. Whilst this is an indication based on established guidance, it is important to note that the overall capacity would grow incrementally as units become occupied, and that ultimately the number of employees could be higher or lower, and may also vary over time.

3.6.2 It is possible to estimate the approximate number of jobs created by job type. The Prologis research shows that the majority of staff (50%) are warehouse operatives, while drivers account for 8% of staff, administration and support for 13% of staff and managerial roles for 8%. In addition, 21% of staff work in other categories comprising IT, customer service, sales and engineering functions. It can therefore be estimated that the proposed development could create around:

- 3,729 warehouse jobs;
- 597 driver jobs;
- 969 administration and support roles;
- 597 managerial posts; and
- 1,566 other posts in IT, customer service, sales and engineering support.

3.6.3 The Prologis research found that 89% of employees were employed on a full time basis, with the remaining 11% working part-time. Therefore the Proposed Development has the potential to create up to 6,637 full time jobs and 1,640 part time jobs.

3.6.4 A further 87 staff would be required for a rail terminal, assuming that there would be an average of 29 staff for each of three shifts operating over a 24-hour period. It can therefore be seen that the completed project in operation would directly support 7,544 FTE jobs (7,457 + 87). This figure forms the basis for the calculation of likely direct employment effects (see below).

3.6.5 The job types and the split of full time and part time positions are shown below using the assumption that 2 part-time positions are equivalent to 1 FTE.

Table 3.9 Projected direct employment by job type

Job type	% of job type	Approx FTE jobs	Full time	Part time
Warehouse staff	50%	3,729	3,318	820
Drivers	8%	597	531	131
Office staff	13%	969	863	213
Managers	8%	597	531	131
IT, engineering, sales, customer services	21%	1,566	1,394	345
Rail terminal staff	n/a	87	87	0
	TOTAL	**7,544**	**6,724**	**1,640**

3.6.6 The Gross Value Added (GVA) to the UK economy associated with these employees has been estimated applying an annual GVA of £46,200 per filled job (ONS. NUTS3 UKF24). This would represent a contribution of some £348 million annually.

3.6.7 Economic circumstances could vary the rate at which companies take up available space. Nonetheless, the proposal will ultimately yield a beneficial effect for employment opportunities, providing a number of high quality, well-connected distribution centres in a strategic location. In summary, the direct economic effects of the scheme are considered to be long-term major beneficial at the regional level and therefore of major significance.

Additionality

Leakage of Employment

3.6.8 As outlined in the methodology section, the Study Area for the assessment has been derived from 2011 Census Travel to Work data combined with information prepared to inform the transport assessment. Approximately 60% of Travel to Work trips originate from within the Northampton area, and overall, some 90% originate from addresses in the local authority areas of South Northamptonshire Council, Northampton Borough Council, Daventry District Council, the Borough Council of Wellingborough, Kettering Borough Council, and Milton Keynes Council.

3.6.9 The Public Transport Strategy for the SRFI Main Site refers to Swan Valley Business Park as an example to give an indication of known workforce movements in a similar location. Census data shows that 60% of those travelling to Swan Valley for employment came from Northampton Borough, and 81% of employee trips originated within Northamptonshire.

3.6.10 It can therefore be considered that a significant majority of future employees will be located within the Study Area, with the majority of benefits remaining within this area. On this basis, leakage to areas beyond the Study Area has been set at 10%.

Displacement

3.6.11 There is a strong possibility that the development will lead to the movement of people between different companies and sectors. However, any displacement that may arise as a result of the development is likely to be readily adjusted with the result being a net increase in employment activity and a reduction in overall unemployment within the Study Area. As such, displacement has been set at 25% ('low').

Multiplier Effects

3.6.12 Based on the HCA Additionality Guide (2014), a multiplier of 1.44 is considered appropriate given the nature and scale of the development proposed. Such an investment into the economy will act as a stimulus to related businesses in the area.

Additionality Calculation

3.6.13 Table 3.10 sets out the additionality calculations. It is assumed there is no baseline employment as employment on the site is currently negligible. The calculation is based on a total of 7,544 employees (FTE) and £348 million GVA (paragraph 3.6.6).

3.6.14 As a result of the adjustment for leakage and displacement, the estimated net effect of the Proposed Development in the Study Area is employment equivalent to 7,332 full-time jobs, and an annual GVA of some £338 million.

Table 3.10 Employment additionality in the Study Area

Stage	Employment, FTE		GVA £million	
	1 Project	2 Baseline	1 Project	2 Baseline
A. Direct Employment	7,544	0	£348	0
B. Leakage (beyond the Study Area)	-10%	0	-10%	0
C. Gross Direct Effect (A - B)	6,790	0	£313	0
D. Displacement	-25%	0	-25%	0
E. Effect in Study Area (C - D)	5,092	0	£235	0
F. Multiplier (indirect effects)	x 1.44	0	x 1.44	0
G. Net Effect in Study Area (E x F)	7,332	0	£338	0
H. Total Net Additional Effect (1 - 2)	7,332 FTE jobs		£338 million	

Workforce

3.6.15 Table 3.10 (C) shows that 90% of the workforce in the new development would be likely to come from within the six local authority areas: 7,544 x 0.9 = 6,790.

3.6.16 There is also the strong possibility that the development will lead to the movement of people between different companies and sectors, which is known as 'displacement'. For our assessment this has been set at 25%. Applying this factor to the potential new workforce based in the Study Area suggests a need of some 5,100 (6,789 x 0.75 = 5,091).

3.6.17 The number of positions to be filled would progressively increase overall in line with the phased completion of the distribution warehousing. The detailed phasing will be largely market demand led. However, if the occupation of new premises commences in 2021/2022 with a steady increase in new floor space occupied thereafter through to 2025/2026, it can be envisaged that some 1,000 people based within the Study Area will be employed in the first year of operation, and increase by 1,000 annually through to 2025/2026.

Availability

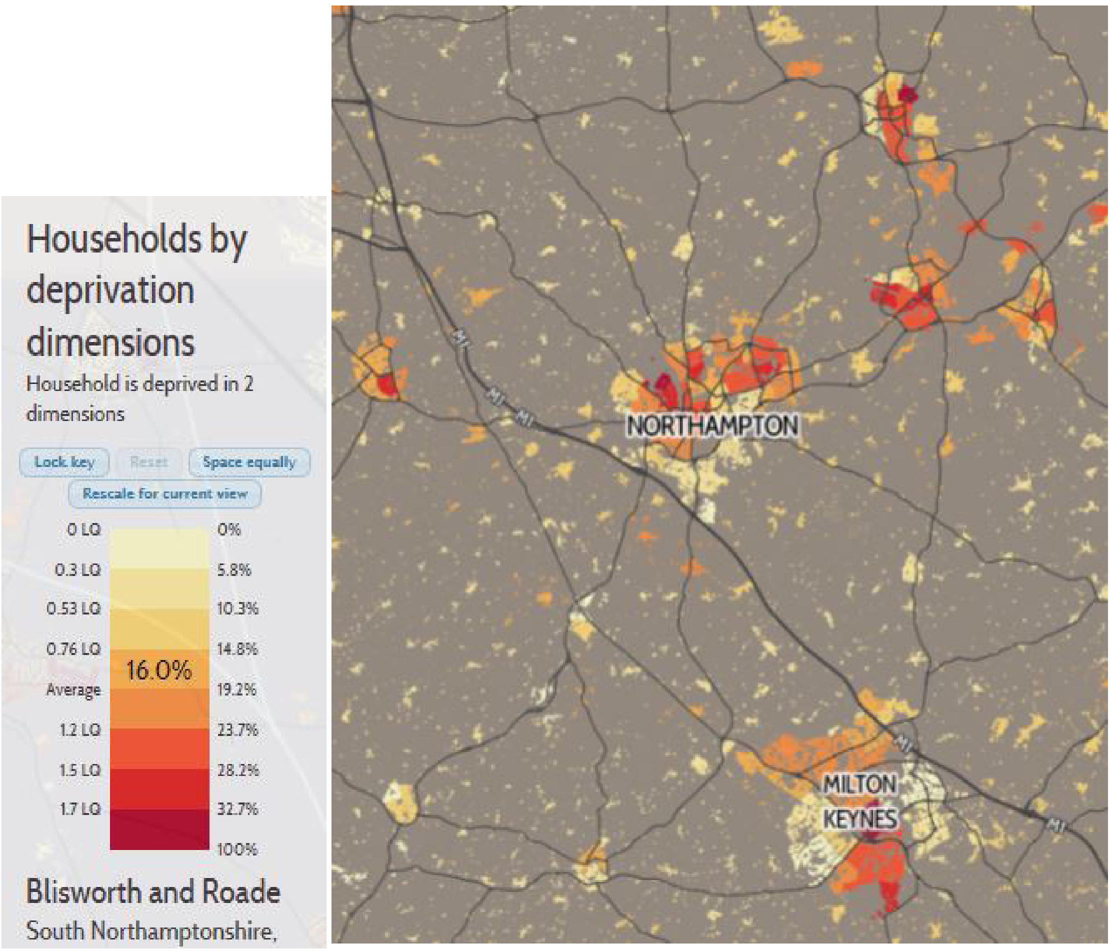
3.6.18 As of February 2018, within the Study Area there was a total of some 8,800 people claiming benefits and in theory available to work. Most significantly, NOMIS official labour market statistics show c.2,750 claiming in Northampton and c.2,755 in Milton Keynes.

3.6.19 As an indication of individuals in the Study Area on benefits and seeking occupations in the categories typically required in the Proposed Development, early in 2017, 20 were seeking management positions, 20 in ICT, 240 were seeking employment in office/sales/customer services, 60 road transport drivers/mobile machine drivers and 740 in warehouse type occupations.

3.6.20 In respect of unemployment, this assessment acknowledges the low claimant rate that exists in South Northamptonshire. Unemployment within South Northamptonshire is consistently low (and the only local authority in the Study Area where unemployment did not increase over the preceding 6 month period). Within the Local Study Area, less than 1% of the working age population is claiming out of work benefits (c.20 individuals[40]).

3.6.21 Whist this is a snap-shot of the present situation, the need for new employees would arise several years from now, anticipated to be from 2021 through to 2026. If household deprivation is considered as an indicator of long-term unemployment, it gives an insight into where potential exists to target an element of potential future workforce. In the vicinity of the proposal, the locations of households that are recorded by Census data as ‘deprived’ in two dimensions (paragraph 3.4.29) tend to be concentrated within Northampton, the central and south side of Milton Keynes, and local areas within Daventry, Wellingborough and Kettering (red colour on Figure 3.10).

Figure 3.10 Household deprivation



[source: http://blog.datashine.org.uk/]

40 Note: official labour market statistics are rounded to the nearest 5

Housing

3.6.22 A substantial number of additional new homes are to be delivered during the WNJCS period, concentrated primarily around Northampton, Daventry, Towcester and Brackley. Likewise, Milton Keynes will see the formation of some 1,500 new households each year. Overall, the housing delivery projections of the six planning authorities in the Study Area indicate the completion of some 4,000 to 7,000 new households each year through to 2026.

3.6.23 It is projected that 28,000 homes would be delivered from 2021/22 though to 2025/26, that period when the Proposed Development would be constructed and progressively occupied. Clearly this housing delivery is to meet planned population growth balanced with job creation, as well as an element of existing need. The proportion of potential future employees that might wish move to the area cannot be predicted in any reliable way, however, the sustained delivery of this number of new homes available in the open market, in particular, around Northampton would add to the availability in the potential workforce, and for people wishing to move to the area to take up new employment. Those in closest proximity to the Proposed Development are the sustainable urban extensions Northampton South and Northampton South of Brackmills (together at least 2,000 homes), and within South Northamptonshire, Towcester South.

3.6.24 Given the potential labour resource outlined it is expected that a significant proportion of the jobs available at the Proposed Development would be taken by people that are already resident within the Study Area, people changing jobs and moving house, or people unemployed and seeking work. Taking into account the future increase in housing supply, impact on housing demand is considered to be negligible at the Study Area scale.

Commuting patterns

3.6.25 The vehicles movements within the Northamptonshire Strategic Transport Model have been used to inform the Transport Assessment and indicate the areas from where trips that will be generated by the Proposal may originate. As would be expected, the patterns relate to the denser urban areas, which also correspond with the planned strategic urban extensions (committed developments) and the increasing number of households/workforce. In broad terms this indicates that some 40% of the commuting connects the Northampton area and areas to the north east; 20% from the area to the south east (M1 south); 25% from the north west (M1 north); and 10% from South Northamptonshire. Considering the known commuter flows and areas having greater unemployment/deprivation, the Public Transport Strategy has been prepared to link with areas where recruiting could be focussed and maximise the opportunities of the closest densely populated area (see below).

3.6.26 In terms of how this changes commuting, it is likely to reduce the amount of the net outward movements from South Northampton into Northampton and Milton Keynes. For Northampton, it may also potentially alter by reducing the net outward movements from Northampton to Milton Keynes.

Human health, well-being and population

3.6.27 A review of the health of Britain's working age population was prepared for the Secretary of State for Health and the Secretary of State for Work and Pensions in 2008[41]. It reported that around 175 million working days were lost to illness in 2006, representing a significant cost, not only economically, but also in terms of social exclusion. It also found that evidence suggests work can be good for health. Importantly, health and well-being is not just a medical issue, and can be directly influenced by a range of factors. This includes the nature and characteristics of the jobs that employees do which are vitally important in terms of job satisfaction, reward, and control, all of which can influence well-being and 'health' in general terms.

41 Crown Copyright. Working for a Healthier Tomorrow. 2008. Dame Carol Black.

3.6.28 As there is a generally healthy population within the Study Area (Figure 3.9) it is considered that the proposed development could have an indirect minor beneficial effect for the medium/long-term on the health and wellbeing of those taking up employment within the Proposed Development, representing a moderate/minor effect.

3.6.29 The wider economic effect from the proposal has the potential to help reduce relative deprivation in the area of influence. This could be particularly beneficial for the area of Northampton. Table 3.7 shows that for the relative measure of multiple-deprivation it is within the most deprived third of LPAs in England when scored on a range of indicators. As this is the area where the highest proportion of future employees is likely to be resident, it can be seen that the financial benefits associated with additional local employment could contribute in a positive way to the overall IMD ranking, including with regard to health and well-being.

3.6.30 Similarly, improvements to walking and cycling routes to and from the site including provision of new infrastructure to enable new connectivity by these modes of transport could play a role in supporting or improving health. This is also multi-faceted, ranging from benefits in terms of new walking and cycling infrastructure reducing the likelihood of accidents but also encouraging and enabling increased use of these modes of travel which would have wider health and well-being benefits. Chapter 12 (Transportation) contains further details about the accessibility and transport elements of the proposals. The provision of 'green infrastructure' on-site in the form of landscaping, retained and new woodland planting, accessible pedestrian routes and diverted rights of way within the site, and new habitat creation, is also of direct relevance to the wider health agenda. Such provision on-site will deliver opportunities for physical activity by employees based on-site, such as running or walking, supporting physical and mental health and well-being.

3.6.31 Furthermore, the forecast improvements in air quality as a result of reduced through-traffic in many nearby communities, including the villages of Milton Malsor, Blisworth, and Roade, could also enable health benefits and a relative improvement in deprivation associated with this indicator (see Chapter 9 for details regarding Air Quality).

Business rate retention

3.6.32 An estimate of the Business Rates for the Proposed Development indicates that this will create a potential receipt of some £12-13 million annually, depending on the confirmed rating valuations. Currently, 50% of business rates goes to central government and 50% is retained locally by the County Council and the District Council (20% and 80% respectively). The government has committed to altering this so that local government can retain 100% of business rates raised locally. This was due to come into effect 2020, but the implementation period has been extended. As the first occupations of the Proposed Development are anticipated in 20121/22, the new arrangements are likely to come into effect in the early stages of its operation. The revenue could be used to support existing and provide new services/facilities in South Northamptonshire and the County. Whilst at this time it is not possible to state precisely the overall amount of benefit the local authorities, it is clear that the business rates associated with the Proposed Development will represent a substantial addition to their revenue stream.

3.7 MITIGATION MEASURES

Development construction

3.7.1 Whilst the effect on employment is considered to be beneficial and therefore specific mitigation measures are not necessary, there are enhancement measures that could be used to increase the positive aspects and potential supply chain benefits to local businesses, such as: use of local sourcing where possible to maximise the proportion of local employment; a recruitment/training programme with a focus on the South Northamptonshire Jobs Club; advertising jobs using Universal Jobmatch, and liaison with Jobcentre Plus in locations where deprivation has been identified (Figure 3.10);

3.7.2 The adoption of best practice in this way will ensuring that local businesses can be offered the opportunity of participating in its construction, to retain the economic benefit locally and to support job opportunities.

3.7.3 As the construction period will last several years, this presents the opportunity to establish training or apprenticeships for the types of trades that will be required. This could take place in conjunction with the local college and training centres. If necessary, specific courses could be established so that those taking part are ready for site work when the input from their trade is required.

Proposed Development in operation

Commuting

3.7.4 Whilst the implementation of a significant employment centre will influence the commuting patterns in the surrounding network, the Proposed Development has the benefit of being in close proximity to the M1 and includes new infrastructure, road improvements and enhancements to improve walking and cycling routes to the site. Alongside this, a Public Transport Strategy (PTS) and Framework Travel Plan have been prepared.

3.7.5 Due to the distance from the centre of Northampton, it is considered that that travel by bus and car-share will be more prominent in staff trips, with modest numbers of staff walking and cycling to the Proposed Development. As public transport will play an important role in providing access for staff coming to the site, the PTS focuses specifically on local bus access and options to introduce a new express service connecting with Northampton town centre, as well as extending the existing local bus network with the provision of additional capacity and better infrastructure.

3.7.6 In coordination with this socio-economic assessment, the PTS has considered the travel-to-work patterns in the area, the distribution of unemployment - specifically in the Northampton area due to the potential workforce within a 60-minute bus journey, the potential demand for public transport trips, and importantly, the availability of a service that aligns with the timing of shift changes typical of SRFI operation. A flexible approach will allow for the most appropriate public transport solution to be implemented as each phase of the Proposed Development become operational.

3.7.7 A key outcome of the enhancement to public transport is to increase the number of people with bus access to the proposals. An indication of the geographic distribution of the likely travel times is illustrated by Figure 8-1 in the Public Transport Strategy. Importantly, these enhanced routes provide transport links between the area of highest population density and the proposal, as well as the housing delivery sites on the south east of Northampton (3.6.23). Furthermore, the enhanced services would connect to areas where a greater concentration of deprivation has been identified (see paragraph 3.6.29 and Figure 3.10).

Employment and labour market

3.7.8 Figure 3.8 indicates that the locality has proportionally higher number of individuals without qualifications, when compared to the wider area and across England. A report by the LLEP in 2011[42] found that although training and learning in the logistics sector has historically been low, this is changing, with over half of companies (51%) providing discretionary training. However, the Skills Strategy published by the SEMLEP in November 2017[43] notes that for the transport and storage sector, an element of skill shortages of existing employees in technical occupations remains.

3.7.9 There may be opportunities for training/education providers to accommodate extra places on relevant courses/training programmes in order to respond to increased demand to address skill gaps. The provision of additional skills training will need to be coordinated between training providers and the future occupiers of the proposed development as in-house training programmes will influence the residual demand for 'upskilling'.

3.7.10 Further detail of training programmes will be developed with input from potential occupiers, which will establish whether there is any basis for supporting new/enhanced training provision. With coordination of the training provision as described above, it is considered the potential barriers to training identified above can be avoided.

Housing

3.7.11 Taking into account the future increase in housing supply, impact on housing demand is considered to be negligible and no mitigation is necessary.

Health and wellbeing

3.7.12 The effect of the proposal on health and well being is considered to be negligible in most aspects but minor beneficial to those benefitting from new employment. Whilst no specific enhancement measures are considered necessary, the proposed Public Transport Strategy and Travel Plans will make the Site accessible from areas where a modest level of relative deprivation is evident. Human health is influenced by a range of socio-economic and environmental factors, many of which the Proposed Development will not have any impact or influence on at all.

3.7.13 However, the highways works would improve road safety when compared to the baseline situation for road users. Pedestrian and cycle access will be available from Collingtree over the M1 to link with new proposed routes within the scheme. Making cycle use a safer more attractive option for trips to and from work has the potential to maintain and improve health. Cycle to work opportunities will be promoted through the Travel Plan along with incentive to support walking to work.

3.7.14 The footpaths within and around the Proposed Development will be available for outdoor walk/ exercise within the landscape and open space (as shown on the parameters plan and illustrative masterplan), for use by employees and other local people. Footpath links between the site and Roade will also be improved, further enabling local walking to and from the site, or to and from communities nearby. In these indirect ways, the Proposed Development could have positive impacts with regard to supporting and promoting human health and well-being.

42 The Freight Logistics and Wholesaling Industry (Sector Skills Council - Skills for Logistics, LLEP).

43 Growing People. SEMLEP Skills Plan, November 2017

3.8 RESIDUAL EFFECTS

Construction period

3.8.1 It is considered that with the additional enhancement measures the proposed development would have a beneficial effect on employment levels within the Study Area at the District scale, and as the effect would be short-term, the significance remains minor beneficial.

3.8.2 In terms of the skills upgrading that might be achieved during the construction process, those individuals that develop skills will be in a better position to continue in employment after construction of the scheme is complete. This is to their advantage and also of potential benefit to the general economy in the longer term.

Operation upon completion

Employment

3.8.3 The completed development in operation could directly support around 7,544 full time equivalent jobs. Taking into account the potential effects of displacement and leakage of jobs, the total net additional employment to the Study Area as a result of the project is estimated to be some 5,092 FTE jobs, with a further 754 jobs benefiting those beyond the Study Area (the 10% leakage). Skills and qualification levels amongst the workforce would be improved through in-house and external training provision, which will result in a minor beneficial residual effect. The Gross Value Added (with no leakage) is estimated to be in order of £348 million annually.

3.8.4 This is considered to be a major beneficial effect over the long-term and therefore of major significance.

Housing

3.8.5 It is considered that the planned level of future housing growth in the area would be adequate to meet any additional demand associated with new staff required for the proposal. Taking into account the future increase in housing supply, impact on housing demand is considered to be negligible.

Commuting

3.8.6 The development of a new employment destination would alter the commuting patterns. The Public Transport Strategy proposes to increase the availability of bus access to the Proposed Development, limit car travel and actively support walking and cycling trips. This is considered to be a minor beneficial effect at the local level and therefore of minor significance.

Health and wellbeing

3.8.7 As there is a generally a healthy population within the Study Area it is considered that the proposed development could have an indirect minor beneficial effect on the health and wellbeing of those taking up the new jobs, and those making use of the improved or new pedestrian and cycle links.

3.8.8 Alongside this, the wider economic effect from the proposal as a result of new employment creation has the potential to help play a role in reducing relative deprivation in the area of influence, principally Northampton.

3.9 CUMULATIVE EFFECTS

3.9.1 This assessment has considered which other development proposals and commitments are of relevance to potential cumulative effects. The starting point for this was the long-list of commitments considered as part of the transport modelling work across a wide range of relevant commitments and general traffic growth as part of the assessment of future impacts. Alongside this, EIA Scoping has identified a number of sites that may be relevant in the assessment of cumulative impacts for the socio-economic assessment. The following approved, committed or proposed strategic-scale developments have been identified by SNDC within the Study Area for this assessment chapter:

Residential based commitments:

- Northampton South SUE (JCS Policy N5) – 1,000 dwellings and local centre;
- Northampton South of Brackmills SUE (JCS Policy N6) – 1,000 dwellings and local centre;
- Northampton West SUE (JCS Policy N4) - 2,550 dwellings and local centre;
- Northampton Upton Park SUE (JCS Policy N9) - 1,000 dwellings and local centre;
- Northampton Norwood Farm/Upton Lodge SUE (JCS N9A) - 3,500 dwellings and local centre;
- Towcester South SUE (JCS Policy T3) – 2,750 dwellings, employment land c.1,100 jobs;

Employment based commitments:

- Northampton Junction 16 Strategic Employment Site (JCS Policy E8) – c.4,550 jobs;
- Daventry International Rail Freight Terminal Phase 3 (DIRFT) – c.7,700 jobs;
- Silverstone Circuit (JCS Policy E5) – employment land c.7,000 jobs;

3.9.2 The first group identified above are Strategic Urban Extensions that are focussed on the delivery of additional new homes during the Joint Core Strategy period, principally around Northampton. The forecast growth of the population used in the JCS for Northampton is 48,580, and for South Northamptonshire an additional 15,890 people (paragraph 3.4.6). These form part of the overall housing delivery projections for the six planning authorities in the Study Area to complete some 28,000 new households in the period from 2021 through to 2026. In terms of potential cumulative impact in respect of employment, the residents that would be formed in these households will add to the potential workforce available in the Study Area that could be employed with the Proposed Development and within the other cumulative employment projects identified in the second group listed above. There is also a potential to grow the workforce resource (the claimant count shows there are some 8,000 people in the Study Area that are available for work).

3.9.3 The list above indicates that these sites, cumulatively with the Proposed SRFI Development, could generate some 28,500 jobs in total over the period to 2026 and beyond. Alongside the direct job creation there would be the additional benefits of sustaining of additional employment indirectly by the further economic activity associated with the purchases of goods and services.

3.9.4 In addition to the above commitments, the ‘Rail Central’ Strategic Rail Freight Interchange is now proposed to the west of the Proposed Development on land between the railway lines (WCML and Northampton Loop) and beyond the A43. This is indicated to deliver around 8,100 new jobs, meaning that together the two proposals could support some 15,600 new jobs. As noted above, the projected population growth within South Northamptonshire and Northampton is around 64,400 over the period to 2026, some 42,000 of which can be expected to be of working age. According to the known movements in the workforce that have been used to define the study area for the development proposals, a proportion of the employment opportunities would be taken by people that are resident beyond the nearest area of dense population. For example, Milton Keynes, which also an area where high growth is forecast, with its population expected to increase by 49,700 between 2012 and 2026. The number of new positions would arise progressively over a five to ten year period alongside the population increase associated with the new housing delivery, indicating that the growth in the workforce resource can be expected to match the job creation brought by the two schemes.

3.9.5 The length of the envisaged delivery period for these large-scale projects to progress from approval to complete or fully occupied provides the opportunity to plan for the increase in job opportunities and for training to be delivered that will provide the necessary skills required by the future occupiers. Therefore, the cumulative effects of both schemes, were both approved and delivered, would be positive from a socio-economic perspective over the longer-term.

3.9.6 Two other projects identified by SNDC are located further to the north have the potential for a small overlap with the Proposed Development in terms of their respective zone of influence for socio-economic impacts. These are: East Midlands Gateway SRFI located near M1 Junction 24, which is expected to generate c.7,000 jobs in distribution; and East Midlands Intermodal Park - A50 / A38, Derby, which could potentially provide c.7,000 jobs (the assessment for the project is not yet available). Given the minimal overlap of the area from which the potential workforce for these project would coincide with the proposed development at M1 J15, no significant employment effects are considered likely to arise.

3.10 CONCLUSION

3.10.1 The assessment has estimated the employment potential of the proposed development based on average occupancy rates published by the Government (HCA). This indicates that when all of the units in the scheme are operational they could support some 7,544 jobs overall (full time equivalent).

3.10.2 Using Census data that indicates the general area where people who travel to work are living, it is likely that 10% of SRFI staff would originate from home addresses beyond the Study Area. Within the Study Area, around 65% of the jobs would be occupied by people living within the Northampton area and 25% would be from the five adjacent local authority areas.

3.10.3 It is likely that some people would transfer from existing jobs to take up positions in the new development (known as 'displacement'). Taking a low level of displacement into account (25%), the potential new employment generated at the SFRI would be approximately 5,090 jobs (7,544 - 10% x 0.75).

3.10.4 The development will be developed in a phased approach, with occupation of new premises starting in 2021/2022 and continuing through to 2025/2026. Assuming a steady increase in new floor space occupied over this period, some 1,000 positions will be available in the first year of operation, and increase by 1,000 annually through to 20125/2026.

3.10.5 Overall housing delivery projections of the six planning authorities in the Study Area indicate the completion of some 4,000 to 7,000 new homes each year through to 2026. It is projected that 28,000 homes would be delivered during the period when the Proposed Development would be constructed and progressively occupied. The population growth and the associated increase in the workforce has been considered in assessing whether the proposed SFRI would lead to adverse cumulative effects with other schemes that could be delivered. It is considered that there are no likely significant adverse socio-economic effects.

3.10.6 In addition to the economic activity at the SFRI, there will be employment sustained in other businesses as a result of expenditure associated with supplies and services used by the businesses operating on the SRFI site. If a multiplier of 1.44 is applied to the 5,090, the overall net gain in employment is estimated to be just over 7,300 full time equivalent jobs.

3.10.7 The proposed development will yield significant employment opportunities, providing a high-quality business use and distribution facility in a strategic location next to the M1. In terms of the direct benefits and indirect input to the economy, an annual increase of some £338 million GVA is predicted.