◆ Socioeconomics

INTRODUCTION

1. Intermodal Logistics Park North Ltd. ('the Applicant') is promoting proposals for a new strategic rail freight interchange (SRFI) and associated development on land to the east of Newton-le-Willows, in the jurisdictions of St Helens Borough Council (SHBC), the Metropolitan Borough of Wigan Council (MBWC) and Warrington Borough Council (WBC). An SRFI is a large multi-purpose freight interchange and distribution centre linked into both the rail and trunk road systems. SRFIs reduce the cost of moving freight by rail and encourage the transfer of freight from road to rail, thereby reducing carbon emissions and contributing to the UK's target to achieve net zero by 2050.

2. Under the Planning Act 2008, the Proposed Development qualifies as a Nationally Significant Infrastructure Project (NSIP). Accordingly, an application for a Development Consent Order (DCO) is to be made to the Planning Inspectorate (PINS), which will examine the DCO application on behalf of the Secretary of State (SoS) for Transport.

3. Before making a DCO application, an Environmental Impact Assessment (EIA) of the Proposed Development will be undertaken in accordance with the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017 ('the EIA Regulations'). EIA is a process that provides the decision maker with sufficient information about the likely environmental effects of a project and is used to improve the environmental design of a development proposal. The first stage of this process was the submission of a request for a formal scoping opinion under Regulation 10 of the EIA Regulations.

4. The Applicant submitted an EIA Scoping Report to the Planning Inspectorate in October 2024. This outlined the work undertaken to date and sought advice from the Inspectorate on the likely significant effects of the Proposed Development and the topics that needed to be assessed as part of the Environmental Impact Assessment (EIA). A Scoping Opinion was received in December 2024 and this will be used to inform the EIA process for the Proposed Development. A summary of the main comments received and how the Applicant intends to address these are set out in the table below.

Table 1 Scoping Opinion comments and responses

Inspectorate's Comments	Applicant's Response
The Inspectorate considers that given the stage of the Proposed Development and the lack of information on the impact of	The Applicant notes this comment and on that basis this is scoped in for construction. The Applicant will engage informally with

Inspectorate's Comments	Applicant's Response
construction, that the effects from an increase in on-site jobs on social infrastructure cannot be scoped out at this stage.	statutory consultees to agree on an appropriate assessment methodology, on the geographical scope, and on types of social infrastructure to be considered.

5. This Topic Paper sets out the methodology and approach to assessing the potential socioeconomic effects of the Proposed Development during the construction phase and subsequently on completion. This includes an assessment of impacts on key socioeconomic factors, including existing population groups – 'population' being identified as an environmental receptor under the EIA Regulations – such as the future labour force of the Proposed Development, existing businesses in the Study Area, existing skilled labour in the Study Area, existing users of the DCO Site, in the context of wider economic development and property market dynamics in the Study Area.

6. In line with the EIA Regulations, this Topic Paper has been compiled by appropriately qualified, experienced, and competent experts. The author of this paper is Jonathan Adcock-Shepherd BSc MSc, a Senior Economist in Savills Economics. This paper has been reviewed by Gabriel Baudard BCom MSc, Associate in Savills Economics, and approved by Mark Powney BSc MBA MRTPI (Director in Savills Economics with over 20 years of relevant UK experience). Mark Powney, Gabriel Baudard and Jonathan Adcock-Shepherd have wide-ranging experience in undertaking socioeconomic impact assessments of large scale Industrial & Logistics development proposals across the UK, including proposals that have undergone the DCO process such as the Hinckley National Rail Freight Interchange.

RELEVANT LAW, POLICY AND GUIDANCE

7. The DCO application will be determined pursuant to the Planning Act 2008 and relevant regulations, the National Networks National Policy Statement ('NPSNN', adopted 2024) and the National Planning Policy Framework (NPPF). Relevant local planning policy are material considerations.

8. In assessing the likely effects of the Proposed Development on socioeconomics receptors, the intention is to identify how and to what degree it would contribute to meeting economic priorities and addressing socioeconomic issues. The methodology for the assessment of potential effects on socioeconomic receptors takes into account the following legislation, policy and guidance. Relevant legislation, policy and guidance documents inform and provide insights into potential study areas, economic priorities, socioeconomic challenges, baseline conditions, and methodological approach.

9. There is no legislation specifically relevant to undertaking an assessment of socio-economic effects.

10. There are a range of Planning Policies and evidence-base documents relevant to the undertaking of this socioeconomic assessment at national, regional, and district level. These are outlined below.

National Planning Policy

11. The following national policy documents are relevant to the assessment:

- National Policy Statement for National Networks (2024) (NPSNN)
- National Planning Policy Framework (NPPF) (2024)

National Policy Statement for National Networks (2024)

12. The NPSNN, sets out the need for and the Government's policies to deliver the development of Nationally Significant Infrastructure Projects (NSIPs) on the national road and rail networks in England. The overall goal is to boost competitiveness for the domestic economy and international trade (p.11).

13. There has been a steady growth in Great Britain's population over the last 20 years, with the population projected to increase by a further 7.2% between 2025 and 2060. As such, it is recognised that without investment and infrastructure interventions, the increased demand will lead to decreasing network performance for users (Paragraph 3.2).

14. It is highlighted that an increase in the demand for rail freight is forecast, and to continue meeting the needs of freight customers, the railway network will need to reallocate capacity to support intermodal changes (Paragraph 3.59).

15. The transformational impacts that well targeted rail investment can have are emphasised within the NPSNN, including: generating economic growth, reducing geographical inequality, creating opportunities to drive agglomeration and providing relief to the constrained road network (Paragraph 3.60 to 3.65).

16. Rail freight investment reinforces the UK supply chain by providing access to international trade. Currently one in four containers entering the UK is moved by rail freight. As such, further improvements to the network are recommended to support economic growth and to improve capacity to meet demand (Paragraph 3.64).

17. Regarding socioeconomic impacts, the construction and operation of NSIPs can have short or longer term social and economic impacts on local communities, businesses or services. As such, the NPSNN highlights that applicants should seek to maximise local employment opportunities during both the construction and operational phases. Where appropriate the socioeconomic impacts should be reported at the regional and local levels (Paragraphs 5.243 to 5.244).

18. Applicants are expected to describe the existing socioeconomic conditions of the local area, as well as outline how the Proposed Development correlates with relevant planning policies. (Paragraph 5.246).

19. Applicants are also expected to outline how the Proposed Development will benefit workforce conditions once operational. This is expected to include improved facilities for drivers (including Heavy Goods Vehicles) such as parking, hygiene facilities and hospitality establishments. (Paragraph 5.247).

National Planning Policy Framework NPPF (2024)

20. The NPSNN states that the NPPF is likely to be an important and a relevant consideration in decisions on NSIPs, but only to the extent relevant to an individual project.

21. The NPPF supports plan-making to create the conditions for economic growth and inward investment, with specific reference to planning for storage and distribution operations. Paragraph 85 states that:

'Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development.'

22. Paragraph 86 notes that

'Planning policies should: [...] pay particular regard to facilitating development to meet the need of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics.'

23. Paragraph 87 states that:

'Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for:

a) clusters or networks of knowledge and data-driven, creative or high technology industries; and for new, expanded or upgraded facilities and infrastructure that are needed to support the growth of these industries (including data centres and grid connections);

b) storage and distribution operations at a variety of scales and in suitably accessible locations that allow for the efficient and reliable handling of goods, especially where this is needed to support the supply chain, transport innovation and decarbonisation; and

c) The expansion or modernisation of other industries of local, regional or national importance to support economic growth and resilience'

Regional Planning Policy

24. The following regional policy documents are relevant to the assessment:

- Transport for the North Freight and Logistics Strategy (November 2022);
- Liverpool City Region Strategic Housing and Employment Land Market Assessment (SHELMA) (March 2018);
- Liverpool City Region LEP Delivery Plan 2021/22;
- Greater Manchester Places for Everyone Joint Development Plan 2022-39 (Adopted March 2024); and

- Greater Manchester Strategy 2021-31.

Transport for the North Freight and Logistics Strategy (November 2022)

25. The freight and logistics sector is recognised as a vital component of the North of England's economy. By 2050, it is estimated to be worth more than £30bn and employ more than 500,000 driving growth across a range of sectors (Page 6, Paragraph 1).

26. Currently, 90% of all freight in the North is moved via the road and highway networks. Improving the rail network to reduce the proportion of freight transported by the road in line with decarbonising agendas is considered vital (Page 14, Paragraph 6).

27. Developments which promote industrial and logistics clusters, international gateways and intermodal terminals are recognised as ideal opportunities to drive growth and improve connectivity and capacity across the North of England (Page 47).

Liverpool City Region SHELMA (March 2018)

28. The Liverpool City Region's economy is forecast to grow by 1.9% p.a. to 2037, with employment growth of circa 60,000 over the same period. Construction and business support sectors are identified as key sectors for the strongest employment growth over that period (Paragraph 6.3).

29. Over the period to 2037, a need for between 308 ha and 397 ha of land for strategic B8 development is identified (Paragraph 12.24).

Liverpool City Region Local Enterprise Partnership Delivery Plan 2021/22

30. The Liverpool City Region's corporate plan includes the target outcomes of: increasing and diversifying the area's business base, more new businesses being created and increasing the proportion of high growth firms in the region (Page 15, Paragraph 1).

31. The Local Enterprise Partnership intend to harness this desired economic growth to reduce the gap between rich and poor within the Liverpool City Region (Page 17, Paragraph 2).

Greater Manchester Places for Everyone Joint Development Plan 2022-39 (Adopted March 2024)

32. The Joint Development Plan recognises that freight is an essential sector with significant growth potential. A need to increase the proportion of freight which is transported by rail is recognised to reduce highway congestion and greenhouse gas emissions (Paragraph 10.67).

33. Policy JP-JI: Supporting Long Term Economic Growth identifies logistics as one of Greater Manchester's target economic sectors, it is considered that driving growth this sector will increase economic opportunities for residents whilst also helping to attract and retain skilled workers (Paragraph 6.15).

Greater Manchester Strategy 2021-31

34. The Strategy's intention is to drive levelling up and increase inclusivity and equity within

Greater Manchester (Page 22, Paragraph 1).

35. To drive this growth, the strategy outlines a series of frontier sectors. Focusing on key sectors is intended to create better jobs with greater productivity, which in turn will improve standards of living and help to address Greater Manchester's societal issues including: achieving net zero carbon emissions and addressing the challenges of an aging population (Page 27, Paragraph 3).

Local Planning Policy

36. The following local policy documents are relevant to the assessment:

- St Helens Borough Local Plan up to 2037 (July 2022);
- St Helens Inclusive Growth Strategy 2023-28;
- St Helens Employment Land Needs Study (October 2015);
- St Helens Local Economy Supplementary Planning Guidance (November 2013);
- Wigan Local Plan Core Strategy (March 2024);
- Wigan 'Places for Everyone' Joint Development Plan (March 2024);
- Warrington Local Plan 2021/22-2038/39 (December 2023); and
- Warrington Economic Development Needs Assessment (August 2021).

St Helens Borough Local Plan up to 2037 (July 2022)

37. Improving on the high levels of deprivation and increasing the number of residents with academic qualifications are identified as priorities over the plan period (Paragraph 2.42).

38. Due to St Helens' location and strong transport connections, the Local Authority has an opportunity to develop its economic competitiveness over the plan period, particularly in the logistics sector (Paragraph 2.4.1).

39. New B2 and B8 employment development will be primarily located at undeveloped sites in close proximity to the M6 and M62 to meet modern requirements and market demand (Paragraph 4.3.15).

40. Encouraging a shift towards more sustainable modes of transport for people, goods and freight and encouraging the use of lower carbon transport is identified as a local priority (Page 29, Paragraph 6b).

41. Policy LPA09 identifies the Parkside East site (which forms part of the DCO Site) as being suitable for development of a Strategic Rail Freight Interchange, with other forms of B2 and B8 employment use also considered suitable (Page 79, Paragraphs 1 and 2a).

St Helens Inclusive Growth Strategy 2023-28

42. Attracting new businesses to invest and locate within St Helens Borough (SHB) is considered a priority, with a particular focus on sectors such as logistics and high value e-commerce (Page 15).

43. Establishing a 'Logistics Centre of Excellence' to support businesses in SHB and to increase innovation as well as to aid the transition to net zero is identified as a priority for the borough (Page 17).

44. Ensuring the delivery of the Strategic Rail Freight Interchange on Parkside East (The DCO Site) is considered vital to securing significant long term investment in SHB (Page 25).

St Helens Employment Land Needs Study (October 2015)

45. Opportunities for large scale logistics businesses in SHB are limited due to a lack of suitable employment premises. For SHB to take advantage of interests from major logistics operators, driven by SHB's strategic location, new stock would need to be built (Page ii, Paragraph vii).

St. Helens Local Economy Supplementary Planning Document (LE SPD) (November 2013)

46. This document acknowledges the LA's ambitions of encouraging economic growth that benefits the residents and businesses SHB. The SPD provides guidance for new developments to promote the employment of local SHB residents and to support spending and investment in SHB's businesses and supply chains.

47. SHB is currently in the process of updating Local Economy and Social Value SPD, which is anticipated to be adopted in the course of 2025.

Wigan Local Plan Core Strategy (March 2024)

48. Increasing employment is considered a priority as Wigan has one of the highest net commuting outflows in Greater Manchester (Paragraph 2.29).

49. Enabling the development of rail freight in the borough is necessary to maximise the potential of the West Coast mainline (Page 76, Paragraph 4).

Places for Everyone Joint Development Plan (March 2024)

50. Prepared by the Greater Manchester Combined Authority (GMCA) for its constituent Local Authorities, including Wigan, the 'Places for Everyone' Joint Development Plan sets out the ambitions for the city region.

51. It identifies the city region as a 'Place for Jobs' with key strategies to support long-term economic growth, delivering employment sites and premises, inclusive of warehousing development. It also defines policies to create 'places for people', with improvements in education, skills and knowledge.

Warrington Local Plan 2021/22-2038/39 (December 2023)

52. The Transport for the North (TfN) identify Warrington as an important authority whose strategic location can drive growth and connectivity in the North (Paragraph 2.1.22).

53. Improving rail freight transport routes to improve the sustainable and efficient movement of goods is identified as a local priority (Page 86).

Warrington Economic Development Needs Assessment (EDNA) (August 2021)

54. The EDNA acknowledges that the North West, particularly Warrington, has been unable to capitalise on national logistics growth driven by increasing e-commerce, due to a lack of logistics supply (Page 2 Paragraph IV).

55. The EDNA recognised that the Proposed Development may be in competition with strategic schemes delivered in Warrington, with Port Warrington (where a multi-modal rail linked logistics scheme was proposed) considered most likely to come forward (Page 171).

56. It should be noted however, that since the EDNA was published, the Port of Warrington scheme was not taken forward as an allocation as part of the recently adopted Warrington Local Plan (December 2023). This further emphasises how important the Proposed Development will be to enhancing the strategic rail connectivity within the region.

57. The relevant policy to be considered as part of the socioeconomic chapter includes but is not limited to the above documents.

SITE DESCRIPTION

Site location

58. The DCO Site is located on the eastern extent of Newton-le-Willows in a flat, agricultural landscape. The DCO Site is located within the local authority areas of St Helens Borough Council (SHBC), within the Liverpool City Region Combined Authority; The Metropolitan Borough of Wigan Council (MBWC), within the Greater Manchester Combined Authority; and Warrington Borough Council (WBC).

59. The DCO Site is split broadly in two sections:

- the Main Site – land to the east of the M6 motorway, to the south of the Chat Moss Line and to the west of Winwick Lane incorporating the triangular parcel of land located to the west of Parkside Road and to the north of the Chat Moss Line;
- the Western Rail Chord – land to the west of the M6 motorway, which bisects the DCO Site in a northwest southeast orientation, and to the east of the West Coast Mainline.

60. The majority of the land contained within the Main Site is bound to the north by the Chat Moss Line (Liverpool-Manchester railway line), to the west by the M6 motorway and to the southeast by Winwick Lane (A579). The Main Site south of the Chat Moss Line is approximately 198 hectares in size. The Highfield Moss Site of Special Scientific Interest (SSSI) is also adjacent to the north of the DCO Site, which is described in more detail below. A

number of other uses exist at the Main Site currently, including:

- Kenyon Hall Airfield, which is a small airfield used by the Lancashire Aero Club for recreational flying of small propeller planes;
- Warrington Model Flying Club, which is a model club for radio controlled model aircraft; and
- Highfield Farm, which is comprised of two agricultural/residential buildings set within a curtilage surrounded by agricultural fields.

61. The majority of the Main Site is comprised of agricultural fields used for arable crops, with some small patches of woodland in the east. There are also a number of residential properties, farmsteads and a commercial yard within the Main Site. Parkside Road (A573) runs through the DCO Site to the south before passing over the M6 where it provides access to Parkside Link Road West.

62. The triangular parcel of land located to the north of the Chat Moss Line and to the east of Parkside Road also forms part of the Main Site.

63. The Western Rail Chord of the DCO Site is approximately 12 hectares in size and is bordered to the west by the West Coast Mainline railway, to the north by the Chat Moss Line and to the east by the Parkside West Development. The Western Rail Chord is comprised of safeguarded land for the rail-turn head to enable trains to be serviced to and from the North and the East.

64. The Western Rail Chord is comprised of scrub land and areas of woodland which are set within the context of an area of redevelopment with commercial uses proposed, which is known as Parkside West, and is currently being promoted through the Town and Country Planning Act process.

Baseline environment

Population and Economic Activity

65. The DCO Site straddles the Local Authorities of SHBC, MBWC and WBC. These have populations of 183,400, 329,800 and 211,200 respectively, based on the 2021 Census, with 61.6%, 62.3% and 62.8% of residents in SHBC, MBWC and WBC respectively of working age (16-64), compared to 62.5% in the North West and 63.0% for England as a whole.

66. According to the ONS 2018-based population projections (2020), SHBC's working age population (16-64) will grow by 0.3% between 2024 and 2034, whereas MBW's and WBC's working age populations will fall by 1.1% and 2.9% respectively. Over the same period, the working age populations in the North West and England are expected to grow by 0.2% and 0.9% respectively.

67. Between 2012 and 2021, the population growth in SHBC (4.1%), MBWC (3.5%) and WBC (3.7%) was slower than the North West (4.8%) and England (5.7%).

68. According to the ONS Annual Population Survey (APS), in the twelve months to March 2024,

76.0% of working-age people (people aged 16-64 years old) in SHBC, 70.6% in MBWC and 79.2% in WBC were economically active[1], compared to 76.3% in the North West region and 78.8% in for England as a whole. Unemployment[2] rates of working age people in SHBC (3.6%), MBWC (2.8%) and WBC (3.4%) were lower than the North West (4.6%) and England (4.0%).

69. Also according to the APS, the proportion of economically inactive[3] residents who want a job in SHBC, MBWC and WBC are 16.4%, 21.1% and 25.1% respectively, compared to 16.7% in the North West and 17.5% for England as a whole.

Skills and Qualifications

70. The APS also indicates that both SHBC and MBWC have lower skills and qualification levels than the North West and England, with a higher share of working-age people with no qualification and a lower share of people with high qualification levels (Regulated Qualification Framework (RQF 4+)). This does not apply to WBC however, which has a higher share of working-age people with high qualification levels and a lower share of people with no qualifications compared to the regional and national averages.

71. The ONS categorises all occupations of working age residents within nine categories (or 'SOC', Standard Occupational Classification), which can be an indicator of skills levels. SOCs 1-2-3 are indicators of high skill levels, SOCs 4-5-6 are indicators medium skill levels, and SOCs 7-8-9 denote occupations with low skill levels. MBWC has a lower share of high skilled residents and a higher share of low skilled residents compared to the regional and national averages, in line with its qualification profile. WBC has both a higher share of high skilled residents and low skilled residents compared to the region and nation, with an occupation profile categorised by high level of medium-skilled residents. For SHBC, the qualifications gap introduced in paragraph 73 is not translated into the share of employment by occupations type and skills levels. According to the March 2024 APS, SHBC has a higher share of residents in high-skills occupations than the North West and England, and inversely a lower share of residents in low-skills occupations.

Deprivation

72. The Ministry of Housing, Communities and Local Government (MHCLG) publish the English Indices of Deprivation to measure relative deprivation in communities across the country. The last indices were released in 2019, and provide a measure for every local authority and Lower Super Output Area (LSOA) in England. Local authorities and LSOAs are ranked accordingly to how deprived they are relative to each other.

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[1] Economically active: residents aged 16 to 64 years old who are either in employment or unemployed.

[2] Unemployed: residents aged 16 to 64 years old who are either without a job and have been actively seeking work in the past four weeks and are available to start work in the next two weeks, or out of work but have found a job and are waiting to start it in the next two weeks

[3] Economically inactive: residents aged 16 to 64 years old who are without a job and who have not sought work in the last four weeks and/or are not available to start work in the next two weeks. The main economically inactive groups are students, people looking after family and home, long-term sick and disabled, temporarily sick and disabled, retired people and discouraged workers.

73. These indices of multiple deprivation (IMD) consider a range of indicators, and a household is considered deprived if they meet one or more of the following conditions:

- Employment – Any member of a household, not a full-time student, is either unemployed or long-term sick;
- Education – No person in the household has at least level 2 education, and no person aged 16-18 is a full time student;
- Health and disability – Any person in the household has general health 'bad or very bad' or has a long term health problem; and
- Housing – Household's accommodation is either overcrowded, with an occupancy rating -1 or less, or is in shared dwellings, or as no central heating.

74. Deprivation rankings are primarily determined at the LSOA level. Each LSOA is given a deprivation 'score', which are then ranked, from most to least deprived, where a rank of '1' denotes the most deprived LSOA. The DCO Site straddles three LSOA's, St Helens 015A, St Helens 015D, Warrington 001B and Wigan 39E.

75. As can be seen in Table 2 below these LSOA's are ranked in the 7th and 8th deciles, (where the 1st decile is the most deprived 10% of LSOA's) which indicates that the LSOAs are less deprived than average and experience low levels of deprivation, compared to SHBC and MBWC as a whole.

Table 2 Host LSOA IMD Rankings

LSOA	Deprivation Ranking (1-32,844)	Decile Ranking
St Helens 015A	20,664	7th decile
St Helens 015D	26,367	8th decile
Wigan 39E	26,171	8th decile
Warrington 001B	23,250	7th decile

Source: Index of Multiple Deprivation 2019

76. MHCLG also provides deprivation ranks at the local authority level, using aggregates of each LA's LSOA. Given the aggregated nature of those ranks at the LA level, multiply measures are available. As shown in Table 3 below, on the average of each LA's LSOAs deprivation rank SHBC, MBWC and WBC are ranked 26th, 75th and 148th respectively out of 317 Local

Authority Districts, with 1 being the most deprived, which suggests very high levels of deprivation within SHBC and MBW.

77. The deprivation rankings of SHBC, MBWC and WBC under the income and employment deprivation subdomains follow a similar pattern as for overall deprivation, though the three LAs display greater levels of deprivation in those two subdomains.

Table 3 Local Authority IMD Rank

LA	Deprivation Ranking (1-317)
St Helens	26
Wigan	75
Warrington	148

Source: Index of Multiple Deprivation 2019

Employment by Industries

78. The ONS categorises economic activities and jobs within 21 industrial sectors, or 'SIC' (Standard Industrial Classification). As shown in Table 4, in SHBC, MBWC and WBC there are a high proportion of workers in the 'construction' sector compared to the regional and national averages. SHBC and WBC have a higher proportion of workers in the 'transportation and storage' sector compared to MBWC, the North West and England.

Table 4 Proportion of Employment by Sector (%)

Sector	SHBC	MBWC	WBC	North West Region	England
Construction	5.9%	9.9%	7.8%	5.2%	4.9%
Transportation and Storage	8.8%	4.5%	8.6%	4.7%	5.1%

Source: BRES 2022

79. Table 5 presents the level of employment in the construction and transport and storage sectors in SHBC, MBWC and WBC.

Table 5 Employment by Sector (Number)

Sector	SHBC	MBWC	WBC
Construction	4,000	11,000	11,000
Transportation and Storage	6,000	5,000	12,000

Source: BRES 2022

Labour Productivity

80. Table 6 compares average GVA per job per sector in construction and transport & storage sectors in SHBC, MBWC and WBC. As can be seen, there is disparity across sectors and areas, the Proposed Development offers the opportunity to increase labour productivity in the region and in sectors which are lagging behind.

Table 6 Average GVA per Job (2022)

Sector	SHBC	MBWC	WBC
Construction	£53,198	£47,907	£112,215
Transportation and Storage	£26,330	£48,403	£41,172
Average (All Sectors)	£42,521	£50,353	£62,206

Source: Oxford Economics 2024

Future Baseline

81. According to Oxford Economics forecasts, as shown in Table 7, SHBC, MBWC, and WBC all have strong employment growth forecast in the construction and transport and storage sectors to 2034. Over the same period, a decline in manufacturing employment across all three local authorities is anticipated.

82. Forecast growth in the construction sector across all three LA's is well above the average forecast employment growth, whilst forecast growth in transport and storage is broadly in line with the average in all LA's.

Table 7 Forecast employment Change by Sector (Percentage) (2022-2034)

Sector	SHBC	MBWC	WBC
Construction	11.9%	15.0%	12.8%
Transportation and Storage	5.3%	6.8%	6.1%
Total (All Sectors)	5.3%	6.5%	6.7%

Source: Oxford Economics 2024

83. Table 8 contains the forecast change in GVA per job in the construction, transport and storage sectors in SHBC, MBWC, and WBC between 2022 and 2034, according to Oxford Economics. As can be seen, a fall in average GVA per transport and storage worker in both SHBW and MBWC is anticipated. The Proposed Development offers the opportunity to prevent further decline in productivity per worker in the construction and transport and storage sectors to 2034.

Table 8 Forecast Change in Average GVA per Job (2022-2034)

Sector	SHBC	MBWC	WBC
Construction	-1.5%	10.8%	6.6%
Transportation and Storage	-2%	-2.6%	6.0%
Average (All Sectors)	3.3%	8.6%	6.7%

Source: Oxford Economics 2024

Summary of Baseline Environment

84. SHBC and WBC have a higher share of high skilled residents compared to the regional and national averages, though MBWC has a lower share, with all three LA's having lower rates of unemployment (as a proportion of economically active residents aged 16-64) compared to the region and nation. Overall, across the three LA's, there is a pool of highly qualified and skilled residents relative to England who could work at the Proposed Development once it is operational.

85. As MBWC and WBC have a higher proportion of economically inactive residents who want a job compared to the North West and England averages, there is an opportunity to create new high-quality and well-paid employment opportunities in the logistics sector to bring people back into the labour force.

86. Across the three LA's, there is a strong existing pool of workers who are employed in the construction, transport and storage sectors, which indicates that, once operational, the Proposed Development will benefit from a skilled labour pool over the long term. There are also opportunities for re-skilling and training of workers in related industrial sectors and of economically inactive residents wanting a job. This is particularly relevant given a forecasted decline in employment level in the manufacturing sector across all three LA's to 2034.

87. With employment growth in the construction and transport and storage sectors forecast across all three LA's to 2034, it is vital that projects such as the Proposed Development take place to contribute to this growth by creating new jobs.

DEVELOPMENT DESCRIPTION

88. The Proposed Development is an SRFI with associated development comprising:

- provision of a rail terminal serving up to 16 trains per day, including ancillary development such as container storage, cranes for the loading and unloading of shipping containers, Heavy Goods Vehicle (HGV) parking, rail control building and staff facilities;
- a rail turn-back facility within the Western Rail Chord;
- up to c.767,000 square metres (m^2) (gross internal area) of warehousing and ancillary buildings with a total footprint of c.590,000m^2 and up to c.177,050m^2 of mezzanine floorspace, subject to ongoing design and market assessment, comprising a mixture of units with the potential to be rail-connected, rail served and additional units;
- new road infrastructure and works to existing road infrastructure;
- provision of overnight lorry parking for users of the SRFI;
- new energy centre and electricity substations, including central battery storage and potential provision of central Combined Heat and Power (CHP) units to augment the grid supply in the case of demand exceeding instantaneous firm and variable supplies;
- provision of photovoltaics and battery storage on site;
- strategic landscaping and open space, including alterations to public rights of way and the creation of new ecological enhancement areas;
- demolition of existing on-site structures (including existing residential dwellings / farmsteads and commercial premises);

- potential relocation of the Huskisson Memorial; and
- earthworks to regrade the DCO Site to provide appropriate access, connections to the railway, development plots and landscape zones.

OUR APPROACH TO THE ASSESSMENT

89. The assessment of likely significant effects will be undertaken using the following methodology and/or tools:

- an analysis of the current state of the local, wider area and regional economy including economic activity, unemployment, labour productivity (in terms of Gross Value Added (GVA) per worker), skills and occupation profile of residents and the labour force, to define receptor sensitivity;
- an assessment of the employment potential of the Proposed Development during the construction and operational phases, following best practice guidance and applying assumptions to account for leakage, displacement and multiplier effects, to define impact magnitude;
- the employment potential of the construction of the Proposed Development will be derived from construction costs and average turnover per worker in the region;
- the employment potential of the operation of the Proposed Development will be derived from employment densities for the relevant land uses, accounting for relevant guidance, research and evidence base;
- an assessment of the likely skills and occupation profiles required for the operation of the Proposed Development, based on standard profile in the logistics sector, and its availability within the labour force, to define impact magnitude;
- an assessment of the economic output potential of the Proposed Development, measured in terms of GVA, resulting from the construction and operational employment generated, drawing from data on average labour productivity (GVA per worker), to define impact magnitude;
- a review of key supply and demand indicators in the logistics Property Market Area, using data from other consultant reports, to define impact magnitude; and
- an assessment of the potential increase in local authority revenues from additional Business Rates Income (BRI) generated by the employment floorspace delivered by the Proposed Development and retained locally, to define impact magnitude. Given that part of the DCO Site sits within Freeport designation, the businesses locating on that portion of the DCO Site will not be liable to paying business rates, though the host authorities will continue to receive the income via the Government. This will foster the DCO Site's attractiveness to businesses while still ensuring the growth of local authorities' revenues.

Geographical Scope

90. The concept of a Study Area is standard in EIA practice, however, there is no standard measure. For socioeconomic impact assessments, this is further complicated by the mobility and network of potential receptors.

91. The Study Area has yet to be finalised but will be determined with reference to socioeconomic data and to the insights and analysis of other consultants' technical reports, including the Transport Assessment and Logistics Need Assessment.

92. The process of defining an appropriate Study Area will account for planning policy and guidance, labour and skills pool, local authority boundaries, travel to work time, and travel to work distance.

93. As a result of this approach, it may be that multiple Study Areas will be defined depending on the receptor considered. In this instance, the definition of multiple Study Areas will be clearly justified and the approach taken to define those Study Areas will be explained. The assessment of socioeconomics effects may, for instance, be undertaken in reference to the following types of Study Area:

- a labour market area, which would account for the existing location of jobs and of the labour force; and

- a Property Market Area (PMA), which is defined as the broad ‘area of search’ the DCO Site sits within, that prospective Logistics occupiers will consider when looking to lease space. Effectively, the PMA includes the competitor locations to the DCO Site for attracting occupier demand. This is the geography within which market supply and demand factors will be considered.

94. The two types of Study Areas above are likely anticipated to include, at a minimum, the LA boundaries of SHBC, MBWC, and WBC. However, additional LA’s may be considered depending on what is being assessed:

- A draft Labour Market Area, which will be kept under review, includes the 13 LA’s of Wigan, St. Helens, Warrington, Halton, Knowsley, Liverpool, West Lancashire, Chorley, Bolton, Bury, Salford, Trafford and Manchester.

- A draft Property Market Area, which will be further defined following engagement with local logistics market agents, includes the three LA’s of St. Helens, Wigan and Warrington, and may extend further along the M6 corridor beyond those three LA’s.

Temporal Scope

95. Potential impacts and effects upon socioeconomic receptors will be assessed in relation to temporary and permanent impacts. As a general rule, temporary impacts relate to the construction phase of development and permanent impacts relate to the occupation/operational phase. The temporal scope includes:

- short term – temporary effects related to a specific construction event of no more than a year's duration – such as the construction of an individual building or a specific element of infrastructure such as a section of road;

- medium term – temporary effects of longer duration, such as those arising over an extended period of construction ranging from one year to the full construction period, envisaged to be eleven years, which may be subject to change; and

- long term – permanent effects arising from the operation of the SRFI or from the permanent presence or removal of physical features.

96. Unless otherwise stated, the assessment of permanent and long term effects will assume that the Proposed Development is fully complete and operational.

LIKELY MAIN EFFECTS OF THE PROPOSALS

97. It must be noted that the analysis of likely main effects of the proposals, in both the construction and operational phases, presented in the following paragraphs, and notably the quantification of employment, business rates income and Gross Value Added created by the Proposed Development, have been assessed at a high level, based on available information to date. As the proposals progress, modelling assumptions are refined, and further engagement and consultation are undertaken in due course, those quantified estimates will be subject to change.

Impact of Construction Employment

98. The construction of the Proposed Development would support construction firms operating in the region and provide jobs in the construction industry. The Proposed Development will lead to the creation of new direct jobs on-site and indirect jobs – through supply chain benefits and new expenditure introduced to the local economy.

On-site Employment

99. To estimate the number of jobs required for the construction of the Proposed Development, the estimated value of the construction work will be divided by the average output per construction worker for the North West[4]. This will yield an estimate of the number of 'worker years' required for the construction of the Proposed Development. Dividing the number of 'worker years' by the duration of the construction programme will provide an estimation of the average number of workers required on-site per annum to complete the construction of the Proposed Development.

100. Due to the nature of the construction industry and different stages involved with the construction of the Proposed Development, not all trades would be required on-site permanently and some would be on-site for less time than others. The construction process would include the range of occupational levels including unskilled or labouring jobs to more senior positions, as well as across a range of professional disciplines.

[4] This will be based on data from the ONS and the Department Business, Energy & Industrial Strategy (BEIS) on employee and total turnover in the Construction sector employed in the North West, averaged over a three year period.

101. The level of construction activity taking place on-site is also likely to vary across the construction period. The assessment of on-site construction employment will therefore take into account the phasing of the construction of the Proposed Development, to assess the likely peak employment level and peak year.

Off-site employment and Additionality

102. In addition, business in the local, and regional economy, would benefit from the trade linkages that would be established to construct the development, meaning that further indirect jobs would be supported locally in suppliers of construction materials and equipment.

103. The concept of 'leakage' is not considered relevant when assessing the employment impacts in construction as it is a nationally significant infrastructure project and effects are assessed at the national level.

104. In line with guidance from the HCA (2014) Additionality Guide's ready reckoners, a 25% displacement rate is utilised, to account for low displacement effects. The displacement rate will be informed by further research on labour market dynamics.

105. At a national level, multiplier employment effects are estimated to be 2.18 of the on-site employment effects. To capture effects at the regional level, a multiplier rate of 1.97 is considered appropriate[5].

106. Accounting for the positive multiplier effects and discounting for potential adverse displacement effects will have the potential to result in the creation of further off-site jobs in the supply chain. The majority of these would be in businesses linked to the construction sector, but some would be local businesses such as cafés and accommodation that would benefit from the new expenditure associated with the on-site workers. Net additional on- and off-site jobs generated by the construction of the Proposed Development will benefit residents of the Study Area.

Impact on Economic Output During Construction

107. Given the likely scale of the construction of the Proposed Development, this has the potential to generate significant economic output for the economy. The Gross Value Added generated by the construction of the Proposed Development will be estimated by comparing average GVA per worker in the construction sector in the Study Area to the on-site jobs created, net of displaced jobs. This will further benefit residents of the Study Area as well as its economy.

Disruption Caused to Local Businesses, Employment and Amenity Uses During Construction

108. The construction of the Proposed Development will result in the loss of agricultural activities taking place at the DCO Site, though the landowners will gain financially from the sale of the land. The construction of the Proposed Development will also result in the loss of the business Procon 24/7 Ltd on the DCO Site and of the private Warrington Model Flying Club active at the Kenyon Hall Airfield.

[5] ONS (2022) UK input-output analytic tables, 2018

109. It is anticipated that land use and accessibility will be impacted during the construction phase, with the severance of public rights of ways on-site. There will however be opportunities to replace impacted routes.

110. Additionally, construction traffic may cause temporary disruption to businesses and employment uses located in proximity to the DCO Site, specifically those businesses positioned along routes with additional traffic flow. Continued access to those businesses will be maintained throughout the construction phase. However, local businesses may benefit from additional spending generated by the construction workers employed at the Proposed Development.

111. These impacts and mitigation will be assessed as part of the PEIR. Engagement with the relevant businesses and stakeholders is being undertaken and will continue as the proposals evolve.

112. Temporary disruption caused to local businesses and employment uses during the construction phase will be managed through the implementation of the Construction Environment Management Plan (CEMP) and Construction Transport Management Plan (CTMP). As such, negligible impact on local businesses and employment during construction is anticipated.

Impact on Demand for Housing during Construction

113. The PEIR Socioeconomic chapter will assess the Proposed Development’s impact on labour availability and housing need during the construction period and identify any necessary mitigation measures.

Impact of New On-site Jobs on Local Social Infrastructure

114. Following the publication by PINS of the Scoping Opinion, this impact has been requested to be scoped in. The PEIR will assess if the new employment will result in impacts on local social infrastructure.

115. Informal consultation is being held with statutory consultees to agree on an approach to assessing this impact, on the relevant geographical scope to be considered, and on the type of social infrastructure to be considered in the assessment.

Impact of Operational Employment

116. The number of operational on-site jobs likely to be generated by the Proposed Development is derived from guidance on employment density (in terms of floorspace per job) and the proposed floorspace provision for the relevant land uses.

117. Based on the HCA Employment Density Guide (2015), employment density of logistics and warehousing space (use class B8) can range from 95 sqm (GEA) per Full-Time Equivalent (FTE) worker for national distribution centres (NDCs), 77 sqm (GEA) per FTE worker for regional distribution centres (RDCs) and 70 sqm (GEA) per FTE worker for local and last-mile

distribution centres[6]. Although the nature of employment activities in warehouses is likely to have evolved since 2015, the 2015 HCA guide remains the widely accepted benchmark of employment density.

118. Given the nature and size of the Proposed Development's units, it is likely to accommodate a mix of NDCs and RDCs, whose employment density would be applied to the proposed 590,000 sqm of B8 floorspace. The assessment will account for average vacancy rates in line with relevant property market data. Combining floorspace, employment density and average vacancy rate, it is estimated that the Proposed Development would create up to 6,000 on-site jobs.

119. Though there is an existing business (Procon 24/7 Ltd) and flying club on-site, the existing on-site employment is likely to be negligible in comparison to the on-site employment generated by the Proposed Development, as such no reference case has been used when assessing the economic impacts of the Proposed Development. It is however noted that the Proposed Development will potentially result in the permanent loss of employment and economic value from the agricultural activities located at the DCO Site.

120. The concept of 'leakage' is not considered relevant when assessing the operational employment impacts as it is a nationally significant infrastructure project and effects are assessed at the national level.

121. It is likely that a high proportion of the occupiers at the Proposed Development will be relocated from existing, functionally sub-optimal distribution premises in the Study Area. In line with guidance from the HCA (2014) Additionality Guide's ready reckoners, a 50% displacement rate is utilised. The displacement rate will be informed by further research on property market dynamics.

122. At a national level, multiplier employment effects are estimated to be 2.35 of the on-site employment effects for the warehousing and support services for transportation sector. To capture effects at the regional level a multiplier rate of 1.75 is considered appropriate[7].

123. As such, the anticipated on and off-site employment generated by the Proposed Development in its operational phase at the regional level would be circa 5,250. This accounts for displacement (50%) and multiplier effects (1.75). As highlighted above, this may be subject to further changes.

Impact on the Skills and Training Levels of the Local Residents

124. Drawing on ONS data on the split of jobs in the logistics sector by Standard Occupation Categories (defined in paragraph 67), the occupational split of the on and off-site jobs generated by the Proposed Development will be compared to the occupational split of unemployed residents in the Study Area. This will inform whether the local labour force is sufficiently skilled to staff these roles or whether additional training and upskilling needs to be provided or whether additional labour force is required from outside of the Study Area.

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[6] HCA Employment Density Guide, 2015

[7] ONS (2022) UK input-output analytic tables, 2018

Impact on Demand for Housing in Operational Phase

125. The PEIR Socioeconomic chapter will assess the Proposed Development's impact on labour availability and housing need during the operational period and identify any necessary mitigation measures.

Impact on Economic Output Generated through Permanent Operations

126. GVA is an indicator of wealth creation, which will be used to estimate the Proposed Development's potential contribution to the nation's economy. The estimate for GVA is based on the estimated operational employment associated with the Proposed Development multiplied by the average GVA generated per warehouse worker in the North West[8]. The Proposed Development is anticipated to generate approximately £175 million per annum in GVA, which will have a positive impact on the local, regional and national economies.

Impact on Local Authority Revenues

127. The Proposed Development will generate public sector revenues, through new Business Rates which can be re-invested in the community and local services. The scale of this potential revenue will be estimated as a gross estimate (i.e. not discounting for potential displacement effects elsewhere). The estimated revenues could be significantly higher in real terms given anticipated growth in the economy over time.

128. Given that part of the DCO Site sits within freeport designation, the businesses locating there will not be liable to paying business rates, though the host authorities will continue to receive the income via the Government. This will foster the DCO Site's attractiveness to businesses while still ensuring the growth of local authorities' revenues.

129. The estimate of business rates will be based on current rates and values of comparable premises in the Study Area. The Proposed Development is expected to generate business rates of around £15.7 million per annum, a portion of which will be allocated to the Local Authorities. This will have a positive on the revenues of SHBC and MBW.

Impact on Local Logistics Businesses

130. The logistics sector is the fastest growing sector of our economy, both in recent years and over the long term. Between 2015 Q1 and 2024 Q1, the number of jobs in the logistics sector grew by 27% compared to only 10% across the economy as a whole[9].

131. Compared to the all-sector averages, logistics sector' annual median wages in the North West are +£3,000 per annum higher[10]. In addition, entry-level jobs in logistics are relatively well paid, with the median annual pay being 47% higher than across jobs in the same occupational

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[8] ONS Productivity per Worker in the Transport and Storage Sector (Sector H)

[9] ONS (2024), Workforce Jobs by Industry JOBS02

[10] ONS (2024) Annual Survey of Hours and Earnings - Workplace Analysis

category[11].

132. The indirect GVA of logistics in the UK is 2.0 times the direct GVA[12], vastly greater than other sectors. This effectively measures the role it plays in supporting other business sectors and the economy more generally.

133. The local logistics market is supply constrained. This can be inferred from the following points:

- Availability for premises of over 100k sq.ft in the North West is low at 5.4% which is below the 8% equilibrium rate at which demand and supply are typically considered to be in balance.

- As a result of the tight supply, occupiers need to compete for available stock which has pushed up rents by 94% over the last 10 years, over 3 times above inflation (29%).

- Net leasing demand has been 36% higher than the delivery of new floorspace further corroborating the low availability and strong rental growth.

134. These figures indicate a clear need for new logistics floorspace to meet the current and future demand of strategic logistics operators along the M6 corridor and in the North West more generally.

135. However what makes the Proposed Development nationally significant, and a major regional driver of growth, is that the new logistics premises will benefit from their immediate proximity to the Railport on the SRFI.

136. As discussed in greater detail in the ILP North Policy & Need Topic Paper, the Government recognises that there is a clear need to expand the nation's SRFI network to avoid overreliance on existing RFI's and road based logistics (NPSNN Paragraph 3.102).

137. Additionally, SRFI delivery can realise a range of environmental benefits including the facilitation of network performance and resilience, meet the changing needs of the logistics industry, support connectivity and generate economic growth/competitiveness (NPSNN Chapter 3).

138. Furthermore, national networks provide the opportunity to facilitate modal shift, prioritising decarbonisation and improving air quality outcomes. Whilst also supporting the continuous improvement of the economic efficiency and reliability of end-to-end freight journeys, with greater resilience built into the system (NPSNN Chapter 2).

PROPOSED APPROACH TO MITIGATION

139. Though there is the potential for disruption to businesses and employment uses located in proximity to the DCO Site, specifically those businesses positioned along routes with

[11] Frontier Economics (2023)

[12] ONS (2019) Input Output Tables

additional traffic flow during the construction phase, this will be managed through the implementation of the CEMP and CTMP. As such, negligible impact on local businesses and employment during construction is anticipated.

140. The preparation and implementation of a Skills and Training Plan during the construction and operational phases would represent an additional mitigation measure or enhancement action. This would aim to maximise benefits for local residents and workers, including for those suffering from deprivation the most. This could also provide opportunities for up-skilling or re-skilling of the workforce, or enable the return to work from currently unemployed or economically inactive residents. It is anticipated that commitments with regards to skills and employment will be confirmed at a later date.

NEXT STEPS

141. The next steps for the socioeconomic impact assessment include:

- reviewing and responding to feedback and/or suggestions received during the public consultation process for this Topic Paper;
- Informally consult with relevant statutory consultees, including SHBC, MBW and WBC, and integration of consultation feedback within the PEIR;
- Engage in statutory consultation with the local authorities, including SHBC, MBW and WBC;
- co-ordinating with the transport modelling work to refine the assumptions about the relevant Study Area (in this instance the labour market area); where the majority of the operational workforce is likely to live. The above assessment of socioeconomic impacts will be amended as required;
- co-ordinating with local agents operating in the logistics market to refine the assumptions about the relevant Study area (in this instance the Property Market Area);
- liaising with the air quality, noise and vibration, lighting, and population and health topics to understand if there are any adverse impacts on existing businesses;
- liaising with the traffic and transport topic to understand if there is likely to be any residual adverse impacts of community severance from construction or operational traffic;
- producing a preliminary assessment for further public consultation as part of the Preliminary Environmental Impact Report. This would include an assessment of the significance of land use and socioeconomic effects, potential mitigation measures and residual effects (post-mitigation);
- revising the assessment, taking on board any feedback and/or suggestions received during the consultation process; and
- producing the final assessment to become a chapter of the ES.

142. This topic paper forms part of the material available for the informal consultation that is taking place between 27 January 2025 and 21 March 2025. Should you wish to comment on this paper or any other matters related to the Proposed Development you can respond to the informal consultation via:

- ILP North website – *www.tritaxbigbox.co.uk/our-spaces/intermodal-logistics-park-north*
- Email *ilpnorth@consultationonline.co.uk*
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