
MIRA TECHNOLOGY PARK, SOUTH SITE

ECONOMIC BENEFITS STATEMENT

Prepared on behalf of
ERI MTP Limited

August 2022

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JOBS SUPPORTED THROUGHOUT CONSTRUCTION PHASE

DIRECT:
774
INDIRECT:
751

GVA GENERATED THROUGHOUT A 5 YEAR CONSTRUCTION PERIOD

DIRECT: **£262.9M** INDIRECT: **£205.5M**
TOTAL GVA:
£468.4M
(OVER CONSTRUCTION PERIOD)

JOBS ON-SITE ACROSS A RANGE OF OCCUPATIONS

2,500
FTE JOBS

£175.9M
IN GVA PER ANNUM

SUPPLY CHAIN NETWORK

SUPPORTING
3,250
INDIRECT JOBS

APPROXIMATELY
£177.9M
IN GVA PER ANNUM

BUSINESS RATES

£5.1M
PER ANNUM

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1.0 INTRODUCTION

- 1.1 This Economic Benefits Statement (EBS) has been prepared by Barton Willmore's Development Economics Team on behalf of ERI MTP Limited ('the Applicant') in support of an outline application comprising the following:

Extension of MIRA Technology Park to comprise advanced manufacturing (Class B2); associated office and service uses (Class E); and storage (Class B8); new spine road; car parking; landscaping; and enabling works' at the site known as MIRA Technology Park, South Site ("the Site").

- 1.2 This report establishes the economic benefits generated by the Development, focusing on its contribution to local economic growth aspirations and diversifying the local employment profile. To that end:
- 1.3 Section 2 details the Development and its location.
- 1.4 Section 3 summarises the relevant local and strategic economic policy, reviewing how the Development will support economic growth aspirations.
- 1.5 Section 4 examines the labour supply, establishing a labour catchment area for the Development and profiling the characteristics of the local labour force.
- 1.6 Section 5 establishes an employment profile for the Development, having regard to the industry of employment and occupations likely to be supported on-site.
- 1.7 Section 6 assesses the economic benefits associated with the construction and operation of the Development, expressed in terms of jobs on site, indirect and supply chain jobs, Gross Value Added (GVA)¹, and business rates.

¹ Gross Value Added (GVA) is a measure of economic output, distributed through retained profit and wages

2.0 THE PROPOSED DEVELOPMENT

- 2.1 The MIRA Technology Park South Site is located on the outskirts of Nuneaton, to the south of the wider MIRA Technology Park. It is bounded by the A5 (Watling Street) to the north and the A444 (Weddington Lane) to the south.
- 2.2 The Site lies at the edge of the administrative area of North Warwickshire, bordering Hinckley and Bosworth to the north and Nuneaton and Bedworth to the east. The Site is located within the Coventry and Warwickshire Local Enterprise Area.
- 2.3 Currently the site comprises four enclosed arable fields (c59 hectares). The majority of the site is allocated for approximately 40 hectares of employment space within the North Warwickshire Local Plan (adopted September 2021) and is recognised as a highly strategic site within the Midlands Engine. The application site encompasses a larger area than the allocation in the local plan but this is to allow the provision of a link road through the site and strategic landscaping. The overall scale of net developable area proposed remains at 40 hectares.
- 2.4 Once operational the Site will be linked to the existing MIRA Technology Park (north), providing advanced manufacturing and R&D jobs and linking with the wider West Midlands engineering network. The indicative schedule plans for seven units as part of the strategic employment development park, equating to a total floor area of up to 213,500m² with associated office and service uses (Class E), and storage (Class B8). The indicative plan allows flexibility for detailed proposals to come forward in a bespoke manner depending on occupier requirements.
- 2.5 The proposals will incorporate a range of building sizes, suitable for manufacturing and research companies, with associated office space and storage, depending on tenant requirements. The range of employment unit sizes will be carefully judged to complement existing and proposed future land uses in the area and to meet the needs and requirements of businesses in the growing hi-tech manufacturing industry.
- 2.6 The Development is considered in support of North Warwickshire Council identifying a need for an additional 58 hectares of employment land within the Borough in the period to 2033 to support economic growth. The MIRA Technology Park South Site is a key element of this strategy providing c42 hectares of this requirement.

- 2.7 The Borough Council is especially keen to develop and assist research and development and other knowledge-based companies/facilities in order to broaden the range of higher skilled employment generating uses in the Borough. The proposed development seeks to draw on the leading research and development activities taking place at MIRA Technology Park South Site and the surrounding area to provide opportunities for manufacturing and production that cannot be accommodated on the North Site due to size constraints.

3.0 ECONOMIC POLICY

3.1 The Site's location within North Warwickshire Borough and the Coventry and Warwickshire Local Enterprise (CW LEP) Area, means it must contribute to local, strategic, and regional economic growth plans. Section 3 seeks to understand how the development of MIRA Technology Park South Site can support relevant economic policy.

i. North Warwickshire Local Plan 2021

3.2 The MIRA Technology Park South Site is referred to within Policy LP39 E4, of the recently adopted North Warwickshire Local Plan (September 2021), 'Land to the South of Horiba MIRA Technology Park & Enterprise Zone' with an allocated 42 ha.

3.3 The Site lies to the south of the existing MIRA Technology Park & Enterprise Zone, which was established in 2013. Although the majority of the northern site falls within the Borough of Hinckley & Bosworth the Borough Council (HBBC), North Warwickshire collaborate with HBBC and Nuneaton & Bedworth BC to ensure the benefits of its growth are far reaching².

3.4 Production of the North Warwickshire Local Plan has provided opportunity to examine how further growth could enhance the delivery of different job types within the Borough. The Local Plan supports the focus on advanced manufacturing and engineering consistent with the vision established by the Coventry and Warwickshire Local Enterprise Partnership.

3.5 The Local Plan encourages a broadening of its employment base, establishing that MIRA Technology Park South Site should focus on E(g)(ii) (research and development) and B2 uses. The Borough Council refers to a unique opportunity to build on the success of Horiba MIRA and does not wish to see this diluted in any way. Development will be carried out in accordance with a master plan³. B8 (warehouse and distribution) will not be permitted unless it is ancillary to the main use.

3.6 The spatial vision set out within the Local Plan seeks to generate employment opportunities benefiting local residents and ensuring long lasting benefits to the Borough, including improved skills and reducing out commuting.

3.7 Whilst North Warwickshire has seen one of the largest growths in terms of logistics and support facilities across the West Midlands, the Local Plan describes a fragile economy, with a high

² North Warwickshire Local Plan, September 2021, Paragraph 14.49

³ North Warwickshire Local Plan, September 2021, Paragraph 14.51

dependency on a narrow range of sectors and larger employers. The growth of the small to medium sized enterprises, in particular, will continue to be supported.

- 3.8 Within the Local plan there is strong focus on nurturing infant companies within the research and development arena, ensuring future growth and focusing on maximising the benefits both for and from the developments taking place at MIRA Technology Park (both north and south of the A5).

ii. Coventry and Warwickshire Local Enterprise Partnership Strategic Reset Framework

- 3.9 Before the pandemic hit, the previous decade had seen the Coventry and Warwickshire economy grow at a rate unsurpassed by any other LEP area in the country. The unemployment rate of 3.8%, was lower than the regional (5.1%) and national rates (4.1%). Average workplace earnings in 2018 were £30,2713, having grown 12.6% since 2014. This growth was higher than any of the other LEP areas. CW LEP held a top 10 growth position since 2014 (15.5%) amongst all LEP areas on proportion of people aged 16-64 with an NVQ Level 4 or above.
- 3.10 The Reset Framework seeks to deliver a successful, inclusive, sustainable, and resilient future within the CW LEP area. It focuses on bold interaction with emerging global mega-trends that build on existing sector strengths. One of these being a focus on digitisation, automation, robotics and AI, electrification, active, intelligent and autonomous mobility.
- 3.11 The CW LEP area is home to around 1,500 dedicated automotive suppliers, with 16 of the top 20 global first tier suppliers located within the area. Importantly the industry is supported across the LEP area by key partner top tier universities, including Coventry and Warwick. Graduates and researchers within the CW LEP area benefit from direct partnerships, linking business and education, ensuring vital skills development for future growth. The CW LEP recognises the university network as a key partnership to MIRA, The Manufacturing Technology Centre, the Institute for AME and the Warwick Manufacturing Group.
- 3.12 Coventry University for example is globally recognised for its focus on applied research and close links with the automotive industry. Existing partnerships, such as that between Coventry University and Unipart Manufacturing Group, the IAME refers to itself as the UK's first faculty on the floor, producing engineering graduates trained in the best practice manufacturing methodology
- 3.13 Recognised education excellence within the CW LEP area identifies knowledgeable future labour networks and business clusters within the advanced manufacturing and automotive industry.

iii. West Midlands Strategic Economic Plan

- 3.14 This West Midlands Strategic Economic Plan (SEP) sets out the vision, objectives, strategy and actions to improve the quality of life for everyone who lives and works in the West Midlands. One of the priority actions is to develop a 'new manufacturing economy', harnessing the biggest concentrations of high value manufacturing businesses in Europe and their supply chains.
- 3.15 The Strategy refers to the area's 'universities, including broad-based, research and specialist institutions, and six science and research parks housing many innovative start-ups and growing businesses. Coventry University's Institute of Advanced Manufacturing and Engineering is the UK's first "faculty on the factory floor".
- 3.16 According to the Strategy, Warwickshire's HORIBA MIRA is a research and technology organisation, assisting with business-to-business, and government research and innovation services, including, delivering advanced engineering, research and product testing.
- 3.17 Low productivity is acknowledged within the Strategy as an issue across the Region. Productivity levels in the West Midlands are below the national average; taking the UK figure for GVA worked per hour as 100, the average for the West Midlands area is 89.7, for Greater Birmingham and Solihull it is 91.4, for Coventry and Warwickshire it is 91 and for the Black Country 87.
- 3.18 Support from Government has enabled the Midlands Engine to submit a strong proposal for a science and innovation audit to build on relationships with businesses and universities to map strengths and maximise the economic impact of, for example, the regional and national research base. The WMCA will support innovation which enables business growth.
- 3.19 The Strategic Economic Plan seeks to generate £8bn in GVA and over 20,000 jobs (increase of 10.4%) by 2030, aiming to double productivity of the advanced manufacturing sector (a targeted increase by 94.2%).

iv. West Midlands Local Industrial Strategy (May 2019)

- 3.20 The Development has clear synergy with the economic growth aspirations set out within the West Midlands Industrial Strategy. The West Midlands is now a global force and a major part of the UK economy, generating £99bn of GVA — five per cent of UK output. The region is growing fast, with output up 27 per cent over the past five years.
- 3.21 Future success across the West Midlands, according to The Strategy, relies on the Region's ability to influence and adapt to the unprecedented change in transport technology. The Strategy describes the West Midlands as being at the centre of transport innovation in the UK. The Strategy commits to continue driving progress towards this priority, seeking to partner with local specialist manufacturers and R&D centres to help create new markets and foreign direct investment opportunities.
- 3.22 The Strategy highlights that clusters located within the region include cutting edge research and development and established original equipment manufacturers. These are supported by globally competitive, robust and interconnected supply chain firms, including in aerospace, automotive, rail and the crucial supporting industries of metals and materials. These supply chain strengths underpin the West Midlands' manufacturing expertise and will drive the wider innovation needed to secure a successful and balanced transition to new mobility solutions.

Summary

- 3.23 MIRA Technology Park South Site is referred to within the North Warwickshire Local Plan Policy LP39 E4, (September 2021) as 'Land to the South of Horiba MIRA Technology Park & Enterprise Zone' with an allocated 42 ha.
- 3.24 Local and strategic policy clearly emphasis a need for economic growth to enhance the delivery of different job types. The Local Plan gives clear direction that MIRA Technology Park South Site should focus on E(g)(ii) (research and development) and B2 uses and generate employment opportunities that benefit local residents and ensure long lasting benefits to the Borough.
- 3.25 Development must facilitate the growth of the small to medium sized enterprises but at the same time continue to interact with emerging global mega-trends that build on existing sector strengths. Importantly the Development must improve the existing skills base, particularly utilising and nurturing key partnerships across local university networks.

4.0 LABOUR SUPPLY

i) Geographical Context

- 4.1 MIRA Technology Park South Site is located on the outskirts of Nuneaton, to the south of the wider MIRA Technology Park. It is bounded by the A5 (Watling Street) to the north and the A444 (Weddington Lane) to the south. The Site lies within the administrative area of North Warwickshire, but borders Hinckley and Bosworth to the north and Nuneaton and Bedworth to the east.
- 4.2 Figure 4.1 identifies the Site's location within the local authority area of North Warwickshire, and the wider Coventry and Warwickshire Local Enterprise Area.

Figure 4.1: Site Location Plan



ii) Labour Market Catchment Area

- 4.3 Having established the geographical location of the Site, it is necessary to identify the possible area on which the Development will have an effect. For example, where will the Development's labour force be drawn from (labour catchment area).
- 4.4 A range of data is analysed to define the labour catchment area. This includes commuting patterns (2011 Census), distance travelled to work data (2011 Census) and drivetime areas (Experian).
- 4.5 A review of 2011 Census 'distance travelled to work' data informs that on average, North Warwickshire residents aged 16 to 74 in employment travel 15.4km to work.
- 4.6 As is evident from Figure 4.1, the Site is located on the edge of the North Warwickshire Authority boundary. Based on this, commuter statistics from the neighbouring authority areas of Hinckley and Bosworth, and Nuneaton and Bedworth have also been considered. On average residents of Hinckley and Bosworth travel 15.1km to work, compared to 13.4km by Nuneaton and Bedworth residents.
- 4.7 Data collected as part of the ONS Labour Force Survey published between 2016 to 2018 suggests that North Warwickshire residents have a 'usual home to work travel time' of between 21 and 25 minutes. For Hinckley and Bosworth residents this equates to between 23 and 35 minutes, and between 26 to 28 for Nuneaton and Bedworth residents.
- 4.8 Noting both the distance travelled to work and work travel time data, Figure 4.2 defines a 15km radius from the Application Site. Individual 20-, 25- and 30-minute drive time boundaries have also been created around the Site in order to sense check the corresponding drivetime with the 15km travel distance.
- 4.9 It is evident from Figure 4.2 that, based on the corresponding travel time and distanced data a 25-minute drivetime (peak time) area from the MIRA Technology Park South Site would represent a realistic Labour Catchment Area.
- 4.10 Figure 4.3 sets out how the Labour Catchment Area (25-minute drivetime) relates to the local authority area boundaries, establishing that the majority of North Warwickshire, Nuneaton and Bedworth, and a large area of Hinckley and Bosworth will be incorporated.

iii) Local Socio-Economic Context

- 4.11 The Site's location within a 25-minute drivetime will be considered as the Labour Catchment Area for the socio-economic review. Below, we present an appraisal of the labour catchment area's socio-economic characteristics, alongside the comparable wider Coventry and Warwickshire Local Enterprise Partnership (CW LEP) area and the West Midlands Region.
- 4.12 The appraisal has been informed through reference to data published by Experian. Experian data allows analysis for bespoke geographical areas, for example, the MIRA Technology Park South Site Labour Catchment Area catchment area, which is not available from official statistics published by the Office for National Statistics (ONS). Nonetheless, Experian's data is derived from ONS' data and is consistent with ONS data published for higher geographies, for example, local authorities or regions. Despite this, there may appear to be differences between Experian and ONS data at local authority, county, regional and national level; this is due to differences in the frequency of data (annual/quarterly), the level of detail (for example, sector breakdown) and the reporting of age groups (16 to 74 years/16 to 64 years/16+ years).
- 4.13 The socio-economic characteristics considered include:
- **The People**
 - **Population** – the number of residents and their age profile
 - **Labour Supply**
 - **Participation** – the adult population that is economically active, including employment, unemployment, and claimant count estimates.
 - **Skills and Occupations** – the current skill level and occupational profile of the resident working age population.
 - **Industry of Employment** – an analysis of the industry of employment at broad sector level of the resident population.
 - **Labour Demand**
 - **Workplace jobs** – the number of jobs and the industries of employment

a) The People

- 4.14 The population living within the MIRA Technology Park South Site Labour Catchment Area is estimated to be c367,000. This is projected to increase to around c398,000 by 2033⁴, and represents a 7% increase in the population living within a 25-minute commute of the Site. This compares to a 9% increase over the same period across the CW LEP area and 6% across the West Midlands region.
- 4.15 The Labour Catchment Area has an age profile akin to the wider CW LEP and regional profile. The Catchment area age profile is slightly older with a lower proportion of 20- to 29-year-olds than wider comparable areas, particularly compared to the CW LEP area. It has a marginally higher proportion of people aged 45 to 64 than the CW LEP area, but reflective of the wider regional levels.

Table 4.1: Age Profile (2020)

	Labour Catchment Area	CW LWP	West Midlands
Age 0 - 4 %	6%	6%	6%
Age 5 - 9 %	6%	6%	6%
Age 10 - 14 %	6%	6%	6%
Age 16 - 17 %	2%	2%	2%
Age 18 - 19 %	2%	2%	2%
Age 20 - 24 %	5%	8%	6%
Age 25 - 29 %	6%	8%	7%
Age 30 - 34 %	7%	7%	7%
Age 35 - 39 %	6%	6%	6%
Age 40 - 44 %	6%	6%	6%
Age 45 - 49 %	7%	6%	6%
Age 50 - 54 %	7%	6%	7%
Age 55 - 59 %	7%	6%	7%
Age 60 - 64 %	6%	5%	6%
Age 65 - 69 %	5%	5%	5%
Age 70 - 74 %	6%	5%	5%
Age 75 - 79 %	4%	4%	4%
Age 80 - 84 %	3%	3%	3%
Age 85 - 89 %	1%	2%	2%
Age 90 or more %	1%	1%	1%
TOTAL 0-15	19%	19%	20%
TOTAL 16-64	61%	63%	62%
TOTAL 16-74	72%	73%	71%
TOTAL 65+	20%	18%	19%

Source: Experian, 2011 Census-based Current Year Estimates, 2020

⁴ North Warwickshire Local Plan 2021 – 2033

b) Labour Supply

Economic Activity

- 4.16 The Labour Catchment Area estimates of economic activity are derived from Experian and use the population age 16 to 74 years as their base. As discussed above, we use Experian because the ONS data is not available at catchment area level, and for consistency we continue to use the Experian economic activity (employment and unemployment) estimates at local authority, county and regional level.
- 4.17 The Labour Catchment Area employment is estimated by Experian to be 73% of the population age 16-74, a total of about 193,751 employed catchment area residents. This represents a higher proportion of economically active residents than the CW LEP area (71%) and the West Midlands (70%).

Table 4.2: Economic Activity (residents aged 16 to 74 years) (2020)

	Labour Catchment Area	CW LEP	West Midlands
Econ. Active: Total (Res1674) %	73% (193,751)	71% (494,744)	70% (3,004,734)
Employed	68% (179,167)	65% (447,463)	63% (2,710,248)
Unemployed	3% (8,164)	3% (20,569)	4% (154,620)
Full-Time Student	2% (6,419)	4% (26,711)	3% (139,865)
Economically Inactive (Res1674)	27% (71,001)	29% (198,686)	30% (1,273,500)
<i>Retired</i>	<i>55%</i>	<i>44%</i>	<i>44%</i>
<i>Student (including FT students)</i>	<i>12%</i>	<i>25%</i>	<i>20%</i>
<i>Inactive: Looking after home or family</i>	<i>14%</i>	<i>13%</i>	<i>15%</i>
<i>Long-term sick or disabled</i>	<i>14%</i>	<i>12%</i>	<i>14%</i>
<i>Other</i>	<i>6%</i>	<i>6%</i>	<i>8%</i>

Source: Experian, 2011 Census-based Current Year Estimates, 2020

- 4.18 The economically inactive population in the Catchment Area numbers around 71,001 persons, or 27% of the population aged 16-74, according to Experian. This is comparatively low against the CW LEP (29%) and regional (30%) level. Of those who are economically inactive across the Catchment Area, there is a comparably high proportion of retired residents and fewer students compared to the wider study areas. One contributory factor of this will be the university locations across the CW LEP area and wider West Midlands. The

Catchment Area contains around c8,000 students, compared to the c51,000 across the CW LEP area and c253,000 across the region.

Occupation Profile

- 4.19 The greatest proportion of the Catchment Area's working resident population are employed within elementary occupations (13.5%, 24,062 people) and professional occupations (13.5%, 23,915 people).
- 4.20 The level of elementary occupations is marginally higher within the Labour Catchment Area compared to the CW LEP and regional area. In contrast the proportion of residents working in professional occupations is lower than the wider study areas (Table 4.3).
- 4.21 Notably higher within the Labour Catchment area than the CW LEP regional profile, is the proportion of residents working within process, plant and machine occupations (see Table 4.3), accounting for a working population of 17,692 or 10% of residents aged 16 to 74 in employment.

Table 4.3: Occupation Profile of Residents (2020)

	Labour Catchment Area	CW LEP	West Midlands
Managers, directors and senior officials %	10.7%	11.2%	10.8%
Professional occupations %	13.5%	17.6%	16.1%
Associate professional and technical occupations %	11.3%	11.7%	11.0%
Administrative and secretarial occupations %	11.3%	10.8%	10.8%
Skilled trades occupations %	12.3%	10.9%	12.3%
Caring, leisure and other service occupations %	9.2%	9.2%	9.8%
Sales and customer service occupations %	8.2%	8.4%	8.6%
Process, plant and machine operatives %	10.0%	7.7%	8.8%
Elementary occupations %	13.5%	12.6%	11.8%
Total	100.0%	100.0%	100.0%

Source: Experian, 2011 Census-based Current Year Estimates, 2020

Industry of Employment

- 4.22 The wholesale and retail sector is the highest resident employing industry across the three study areas. Within the Catchment Area, the wholesale and retail sector accounts for 18.3% of all resident employment; a higher proportion than in the CW LEP (16.4%) and West Midlands (16.3%).
- 4.23 The second highest employing industry within the Labour Catchment Area is manufacturing, employing around 23,479 residents, equating to 13.2% of the labour force. This is notably higher than across the CW LEP (10.7%) area and region (11.4%).
- 4.24 The transport and storage sector accounts for 9.3% of resident employment in the catchment area; again, higher than across the CW LEP (7.8%) and West Midlands (11.4%).
- 4.25 Professional, scientific and technical activities support 9,054 residents within a 25-minute commute of the Site, this equates to 5.1% of the working population. A marginally higher proportion of residents across the CW LEP (6.9%) and region (5.8%) are employed within this industry.

Table 4.4: Resident Industry of Employment (2020)

	Labour Catchment Area	CW LEP	West Midlands
Wholesale and retail; repair of motor cycles and vehicles %	18.3%	16.4%	16.3%
Manufacturing %	13.2%	10.7%	11.4%
Human health and social work activities %	11.0%	11.6%	13.0%
Transport and storage %	9.3%	7.8%	6.7%
Education %	8.3%	10.1%	9.6%
Construction %	7.7%	6.4%	7.8%
Professional, scientific and technical activities %	5.1%	6.9%	5.8%
Administrative and support service activities %	4.7%	5.1%	4.9%
Accommodation and food service activities %	4.4%	5.1%	4.9%
Industry: Other %	4.4%	4.8%	4.6%
Public administration, defence, compulsory social security %	3.7%	3.7%	4.2%
Information and communication %	2.9%	4.0%	3.1%
Financial and insurance activities %	2.4%	2.9%	2.7%

Real estate activities %	1.6%	2.2%	2.4%
Electricity, gas, steam and air conditioning supply %	1.3%	0.8%	0.7%
Water supply; sewerage, waste mgt. and remediation %	0.9%	0.8%	0.8%
Agriculture, forestry and fishing %	0.6%	0.7%	0.9%
Mining and quarrying %	0.2%	0.1%	0.0%
Total	100.0%	100.0%	100.0%

Source: Experian, 2011 Census-based Current Year Estimates, 2020

People Seeking Employment

- 4.26 Data on the number of people claiming out of work-related benefits provides an indication of the number of people who are actively seeking employment. This is referred to as the Claimant Count and represents all people who are claiming either Jobseekers Allowance (JA), National Insurance (NI) Credits or Universal Credit (UC) principally for the reason of being unemployed.
- 4.27 In February 2022, 11,370 residents within the Labour Catchment Area, were claiming unemployment related benefits. This is equivalent to 4.7% of all residents aged 16 to 64 years.

Skills Profile

- 4.28 The profile of highest qualification level across each of the study areas is shown in Table 4.5. Across all four areas, the largest proportion of residents are qualified to Level 4 and above (degree or higher or professional qualification, see Table 4.6 for further explanation of qualification levels).
- 4.29 23.7% of residents across the Labour Catchment Area (approximately 70,388 people) are qualified to level 4+; a lower proportion compared to the CW LEP area (30.4%) and West Midlands (27.2%).
- 4.30 On average, residents within the catchment area have a lower level of educational attainment than the average for the CW LEP and West Midlands. 23.0% of residents within the catchment area have no qualifications, which is comparable to regional profile (22.7%) but higher than the CW LEP (19.4%).

- 4.31 The Labour Catchment Area contains 12,497 residents undertaking apprenticeships, 4.2% of residents aged over 16. This compares to 3.9% and 3.2% of residents across the CW LEP area and region.

Table 4.5: Profile of Highest Qualification Level (2020)

	Labour Catchment Area	CW LEP	West Midlands
No qualifications	23.0%	19.3%	22.7%
Level 1	13.4%	11.3%	12.1%
Level 2	14.8%	12.8%	13.7%
Apprenticeship	4.2%	3.9%	3.2%
Level 3	16.6%	16.7%	16.1%
Level 4 and above	23.7%	30.4%	27.2%
Other	4.3%	5.6%	5.2%

Source: Experian, 2011 Census-based Current Year Estimates, 2020

Table 4.6: Qualification Summary (2020)

Highest Qualification	Summary Description
No Qualifications	No Formal Qualification
Level 1	1-4 GCSEs, Scottish Standard Grade or equivalent qualifications
Level 2	5 or more GCSEs, Scottish Standard Grade or equivalent qualifications
Level 3	2 or more A-levels, HNC, HND, SVQ level 4 or equivalent qualifications
Level 4	First or higher degree, professional qualifications or other equivalent higher education qualifications
Other Qualification	Other vocational/work related qualifications and non-UK/foreign qualifications
Apprenticeships	Apprenticeships

Median Wage Levels

- 4.32 Utilising the ONS, Annual Survey of Hours and Earnings (ASHE), Table 4.7 sets out the median weekly wage across North Warwickshire, Hinckley and Bosworth, and Nuneaton and Bedworth. Data for the catchment area is not available. Median wage levels for residents are compared to median wage levels for the workforce.

Table 4.7: Median Wage Levels

	Resident	Workforce
North Warwickshire	£620.8	£579.2
Nuneaton and Bedworth	£559.0	£512.4
Hinckley and Bosworth	£575.7	£552.8

Source: Annual Survey of Hours and Earnings (2021), download from Nomis (20TH March 2022)

- 4.33 Median wages for residents in North Warwickshire are higher than the median wage for people who work in North Warwickshire, this is also the case for Hinckley and Bosworth, and Nuneaton and Bedworth. This suggests a degree of out commuting to higher paid employment opportunities by residents in higher paid occupations than are available locally.
- 4.34 Confirmation of this is provided by the 2011 Census data, suggesting up to 66%⁵ of the resident workforce commute out of North Warwickshire for work.

a) Workplace Employment (Labour Demand)

Number of Workplace Jobs and Industry of Employment

- 4.35 Earlier in this section we identified that according to Experian estimates, 179,167 residents within the Labour Catchment Area are in employment. Data from the ONS Business Register and Employment Survey (BRES) identifies that there are 253,000 jobs within the same area⁶. Based on this there are fewer residents in employment within the Labour Catchment Area, than jobs.
- 4.36 Table 4.8 shows that within the Labour Catchment Area the single largest sector (by employment) is Manufacturing services (29,000 jobs). This industry accounts for 11.5% (29,000 jobs) of all employment across the catchment area, marginally higher than the 11.3% (28,500 jobs) of employment within the health industry, 11.1% (28,000 jobs) within the Transport and Storage Industry and 10.9% (27,500 jobs) within the Professional, Scientific and Technical industry.
- 4.37 The proportion of employment within the Manufacturing sector is representative of the CW LEP and West Midlands level, containing 11.2% and 10.6% respectively. The notable contrast is the Labour Catchment Area's higher proportion of employment within the

⁵ Not accounting for residents who work from home

⁶ Labour Catchment Area – recreated utilising Lower Output Area geography that bests fits the corresponding Labour Catchment Area

Transport and Storage and Professional Scientific and Technical industry, compared to the CW LEP and West Midlands area, as shown in Table 4.7.

Table 4.8: Percentage of Workforce (workplace-based) by Industrial Sector

Industry	Labour Catchment Area		Coventry and Warwickshire		West Midlands	
Manufacturing (C)	29,000	11.5%	52,500	11.2%	279,500	10.6%
Health (Q)	28,500	11.3%	53,500	11.4%	355,000	13.4%
Transport & storage (inc postal) (H)	28,000	11.1%	31,000	6.6%	157,500	6.0%
Professional, scientific & technical (M)	27,500	10.9%	39,500	8.4%	184,500	7.0%
Retail (Part G)	22,000	8.7%	38,000	8.1%	238,000	9.0%
Business administration & support services (N)	19,500	7.7%	40,000	8.5%	252,000	9.5%
Education (P)	15,000	5.9%	44,500	9.5%	234,000	8.8%
Accommodation & food services (I)	14,500	5.7%	29,000	6.2%	162,500	6.1%
Wholesale (Part G)	14,000	5.5%	21,500	4.6%	125,500	4.7%
Construction (F)	12,500	4.9%	17,500	3.7%	118,500	4.5%
Arts, entertainment, recreation & other services (R,S,T and U)	9,500	3.8%	21,000	4.5%	118,500	4.5%
Motor trades (Part G)	8,500	3.4%	13,000	2.8%	60,000	2.3%
Information & communication (J)	7,000	2.8%	16,500	3.5%	73,000	2.8%
Mining, quarrying & utilities (B,D and E)	6,000	2.4%	11,000	2.3%	32,000	1.2%
Public administration & defence (O)	4,750	1.9%	17,000	3.6%	99,000	3.7%
Financial & insurance (K)	3,750	1.5%	11,000	2.3%	63,000	2.4%
Property (L)	3,000	1.2%	6,000	1.3%	44,500	1.7%
Agriculture, forestry & fishing (A)	240	0.1%	6,500	1.4%	48,000	1.8%

Source: BRES, 2020. Columns may not sum due to rounding

- 4.38 Over the period 2015 to 2020 the largest employment increase was within the health industry (+ 4,000 jobs). This was closely followed by an increase of 3,500 jobs within the professional scientific and technical industry. In comparison employment within the transport and storage sector increased by 500 jobs, whereas employment within the manufacturing industry decreased by 1,500 jobs.

Summary

- 4.39 Within a 25-minute drivetime of the existing MIRA Technology Park South Site (the Labour Catchment Area) there is a working age population of 193,751, which accounts for 73% of the total working age population.
- 2.1 Around 68% of the working age population in the catchment area are in employment, with around 24,062 (13.5%) working in elementary occupations, a further 23,915 (13.5%) work within professional occupations, and 17,692 (10.0%) within process, plant and machine

occupations. MIRA Technology Park South Site has the potential to generate opportunities across these occupation types.

- 2.2 The Development will predominantly create jobs in the professional, scientific and technical, and manufacturing sectors. Combined these sectors currently employ 32,533 Labour Catchment Area residents, identify an existing labour force.
- 2.3 Based on 2020 BRES data 22% of employment within the Labour Catchment Area is within existing manufacturing and professional, scientific and technical roles. In comparison this accounts for 20% of the wider CW LEP employment profile and 18% across West Midlands.
- 2.4 Furthermore, there are at least 11,000 unemployed residents currently in the catchment area who are seeking unemployment related benefits. The MIRA Technology Park South Site has the potential to create movement within the labour market and provide employment opportunities.
- 2.5 In summary therefore, the labour market profile of the catchment area is aligned with the proposed use of the Development.

5.0 FUTURE EMPLOYMENT PROFILE ON-SITE

i) MIRA Technology Park - Employment Profile

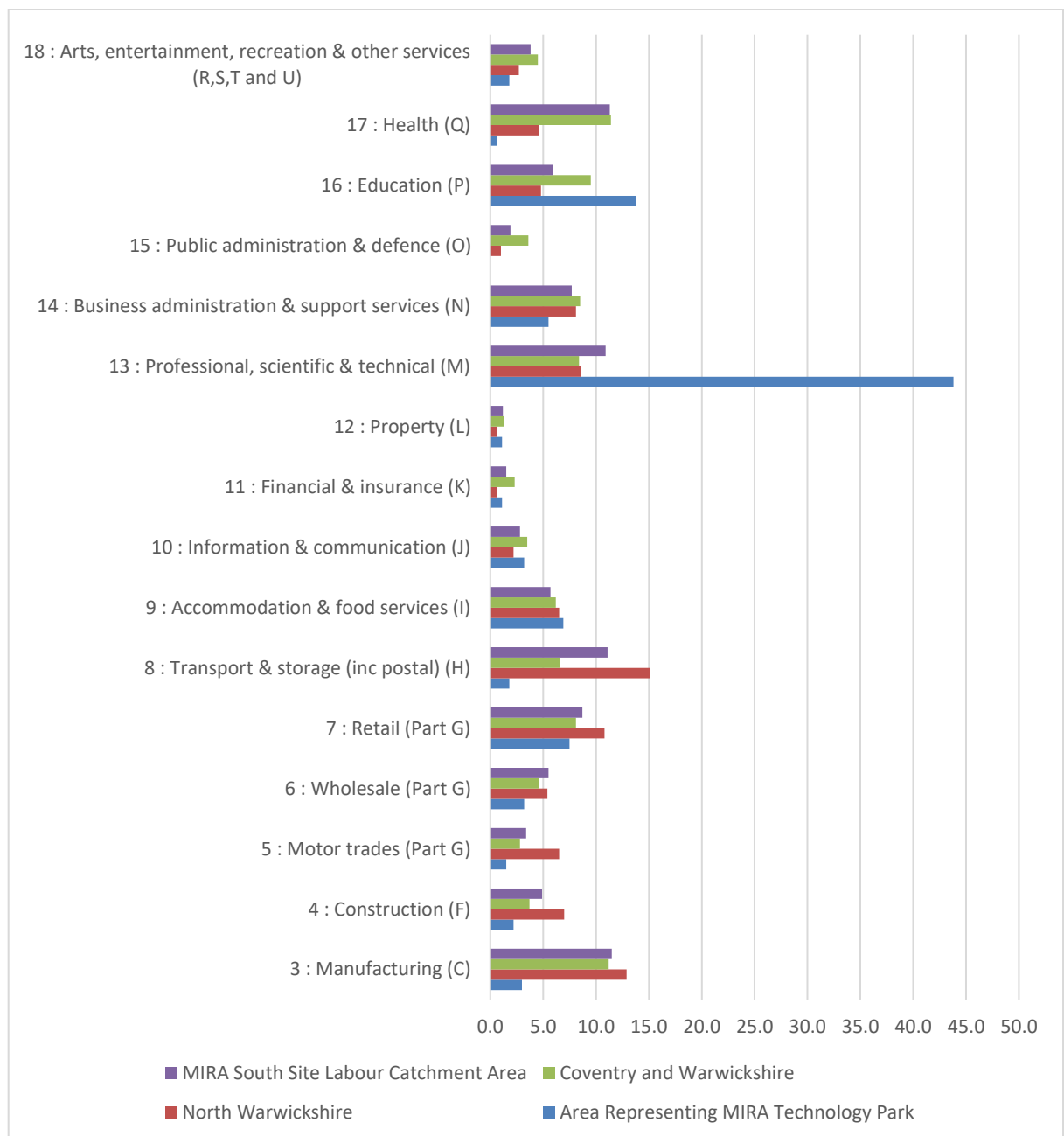
- 5.1 The employment profile supported by the MIRA Technology Park South Site development will help diversify the local employment spectrum. Growth plans for the Site align perfectly with local and strategic policy aspirations to broaden the employment profile, as confirmed within the North Warwickshire Local Plan, which states “further growth could enhance the delivery of different job types within the Borough. This Local Plan supports the focus on advanced manufacturing and engineering consistent with the vision established by the Coventry and Warwickshire Local Enterprise Partnership”. It also emphasises a need to build on the success of the existing Horiba MIRA location.
- 5.2 The established MIRA Technology Park provides operational evidence that the proposed Development at MIRA Technology Park South Site is a key asset in enhancing the local and regional employment profile. The Site employs is home to over 35 companies and is recognised as a centre of excellence in transport R&D.
- 5.3 Utilising a geographic representation of the neighbouring MIRA Technology Park⁷ to the north of the MIRA Technology Park South Site, Supper Middle Output Area (MSOA) Hinckley and Bosworth 008, it is possible to broadly understand the existing employment profile, this gives a comparable indication of the industry and occupation profile that could be created on-site at MIRA Technology Park South Site.
- 5.4 Figure 5.1 compares data from the ONS Business Register and Employment Survey (BRES) 2020, comparing the employment profile of the MIRA Technology Park (MSOA Hinckley and Bosworth 008), North Warwickshire, the MIRA Technology Park South Site Labour Catchment Area and the CW LEP the area.
- 5.5 There are two prominent observations from figure 5.1:
1. 43.8% of the jobs within the MIRA Technology Park (MSOA Hinckley and Bosworth 008) are within professional, scientific and technical roles, significantly higher than the comparable study areas. This compares to 10.9% across the MIRA Technology Park South Site Labour Catchment Area currently and 8.4% across the CW LEP area.

⁷ Middle Supper Output Area (MSOA) Hinckley and Bosworth 008 is the geographic area chosen to represent the existing MIRA Technology Park

Out of the four study areas, North Warwickshire displays the lowest proportion of professional, scientific and technical roles at 8.1%.

2. There is a high proportion of transport and storage jobs within North Warwickshire, accounting for 15.1% of the employment profile. This compares to 11.1% within the MIRA Technology Park South Site Labour Catchment Area, 6.6% across the CW LEP area and only 1.8% within the MIRA Technology Park.

Figure 5.1: Employment Profile



Source: BRES 2020

- 5.6 Over the period 2015 to 2020 the proportion of professional, scientific and technical roles within the MIRA Technology Park study area increased from 28.0% to 43.5%, representing an approximate increase of 700 to 1,750 jobs. Over the same period the proportion of information and communication roles increased from 1.4% to 3.2%, from approximately 35 to 135 jobs.
- 5.7 A more detailed review of industry type within the MIRA Technology Park study area reveals that 31.2% of employment is within 'research and experimental development on natural sciences and engineering'. A further 7.5% of roles are within 'technical testing and analysis'. Computer programming, consultancy and related activities represent 3% of employment within the area.
- 5.8 The existing employment profile across the MIRA Technology Park study area highlights the successful infusion of employment diversity to the area and emphasises the growth potential within these industries.

ii) Advanced Manufacturing Modernisation

- 5.9 Development at MIRA Technology Park South Site will provide a diverse set of employment opportunities, focusing on advanced manufacturing and R&D. These sectors are constantly absorbing new technology and therefore creating new skill sets and job roles.
- 5.10 The UK Commission for Employment and Skills (UKCES) report (2015) describes advanced manufacturing as 'intensive in its use of capital and knowledge and requires a high level of technology utilisation and Research and Development (R&D)'. The report published projections of occupation change across the industry over the period 2012 to 2022, refereeing a 'significant increase in jobs for production managers and directors in manufacturing, biological scientists and production and process engineers. In contrast, the level of employment for metal working production and maintenance fitters and assemblers was projected to fall. However, due to replacement the reported forecast there would still be job opportunities in these two occupations.
- 5.11 The Report discusses a general shift towards production managers/directors requiring more business-related skills. Employers reported facing a significant challenge in ensuring staff that have both the business skills and technical production skills to perform role effectively. Some employers interviewed at the time forecast needing to split occupations into two distinct roles. One focusing on quality assurance and regulatory aspects of the job. The other role will involve overseeing the design process and management.

- 5.12 Figure 5.2 was taken from the Advanced Manufacturing UK Commission for Employment and Skills (UKCES) report (2015). It demonstrates the projected change in occupation profile, the likes that we are now experiencing across the sector.

Figure 5.2: Employment Skills Projections

Table 5.1 Employment projections for key occupations within manufacturing, 2012-2022

Occupation	Persons employed (2012)	Persons employed (2022)	Change persons employed	% change in persons employed	Replacement demand
Production managers and directors in manufacturing	284,800	349,000	64,200	23%	109,800
Biological scientists and biochemists	86,600	104,300	17,700	20%	28,000
Production and process engineers	52,800	63,600	10,800	20%	17,100
Metal working production and maintenance fitters	214,100	197,700	-16,400	-8%	66,900
Assemblers (electrical and electronic products)	30,500	22,600	-8,000	-26%	8,500
<i>Total selected occupations</i>	668,900	737,300	68,300	10%	230,300
Total manufacturing	2,646,000	2,417,000	-229,000	-9%	650,000

UKCES Working Futures 2012-2022 (Wilson et al., 2014)

- 5.13 The broad skills profile required within the industry is put forward within Advanced Manufacturing UK Commission for Employment and Skills (UKCES) report (2015), concluding the following:

- Production and process engineers are highlighted as needing to understand an increasingly range of different production methods, meeting the need to produce bespoke products. This requires a continuous level of professional development training and self-learning. The role of process engineers is particularly important in the aerospace and transport industries, where the use of composites and additive manufacturing increases the need for concessions design and stress tests of new products.
- Production engineers are the forefront of new development and innovation, relaying affordable, reliable and deliverable methods to manufacturing teams or the supply chains. The increasing complexity of production methods and growing use of sub-

contracting also requires production and process engineers to require greater skills in project management, supply chain management and maintaining quality across multiple manufacturing sites.

- Production and process engineers also need to be proficient in a range of Computer-Aided Design or Computer-Aided Manufacturing (CAD/CAM) software packages. Skills and performance challenges in the advanced manufacturing sector.
- Further employer interviews within the report suggest the skills required from production and process engineers have reportedly changed significantly. The growing automation of production processes require production and process engineers to be familiar with bespoke software to control the production process. Employers report that, in some cases, production and process engineers require software development skills to control newer, more complex machines.

5.14 The manufacturing workforce has been absorbing new technology for more than two centuries. The industry is currently experiencing the Fourth Industrial Revolution, which is set to transform work at an unprecedented pace through exponential technologies such as artificial intelligence, advanced robotics and cognitive automation, advanced analytics, and the Internet of Things (IoT).¹ And, contrary to some predictions, technology is likely to create more jobs than it destroys—as it has done historically⁸.

5.15 Manufacturing is experiencing a digital transformation as part of the Fourth Industrial Revolution. This is creating a mismatch between the industries perception and current workforce, and the skills necessary to support the shift in job specification. According to the Manufacturing Institute Skills Gap and Future of Work Study, Deloitte, (2018) employers are increasing seeking computer skills that enable core production workers to program a CNC (computer numeric control) machine for a new job or interact with CAD/CAM (computer-aided design/computer-aided manufacturing) and other engineering or manufacturing software ⁹. Research¹⁰ indicates that the top five skill sets due to the influx of automation and advanced technologies are: technology/computer skills, digital skills, programming skills for robots/ automation, working with tools and technology, and critical thinking skills.

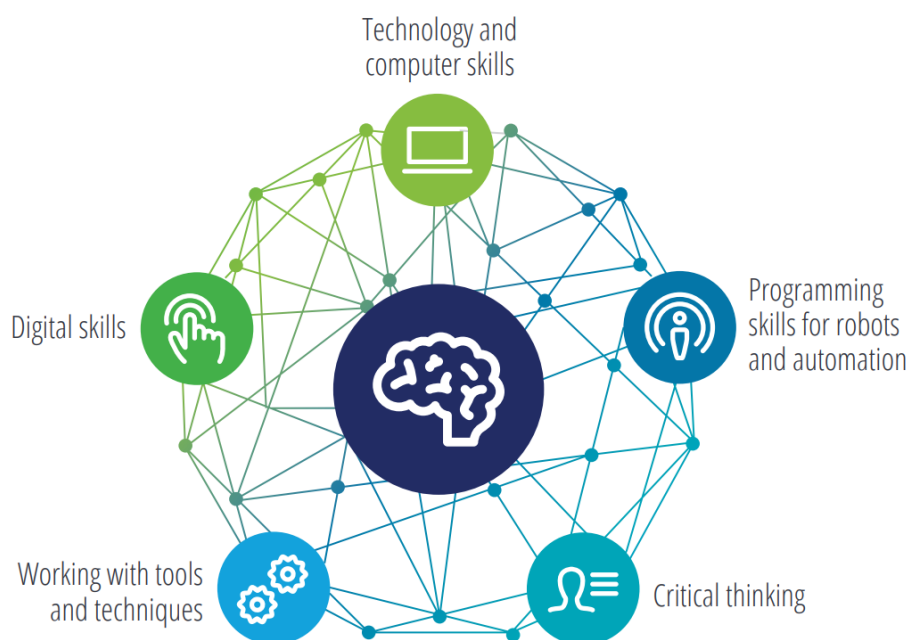
⁸ The Manufacturing Institute Skills Gap and Future of Work Study, Deloitte, 2018, Page 7

⁹ The Manufacturing Institute Skills Gap and Future of Work Study, Deloitte, 2018, Page 7

¹⁰ The Manufacturing Institute Skills Gap and Future of Work Study, Deloitte, 2018, Page 7

- 5.16 The Report highlights ‘critical thinking’—as a ‘return to “human” skills in the face of technology transformation. As technology could replace many of the manual or repetitive tasks today’s jobs entail, it would free up space for skills that are uniquely human, often called “soft” skills. A recent World Economic Forum study found human skills such as critical thinking, creativity and originality, attention to detail, problem-solving, and people management are expected to see an outsized increase in demand relative to their current prominence. Companies need workers that can demonstrate these skills as well as the digital skills necessary to work alongside automation’.
- 5.17 Many organisations, according to the Manufacturing Institute Skills Gap and Future of Work Study, are working hard to put humans in the loop—rethinking work architecture, retraining people, and rearranging the organization to leverage technology to transform business (see figure 5.3)¹¹

Figure 5.3: Fourth Industrial Revolution Skills
Five key skills are expected to be needed to succeed in the Fourth Industrial Revolution



- 5.18 Based on operations at the existing MIRA Technology Park and industry profiling it is clear the future employment profile created on-site at MIRA Technology Park South Site will generate diverse jobs roles with constantly development skills sets.

¹¹ The Manufacturing Institute Skills Gap and Future of Work Study, Deloitte, 2018, Page 8

6.0 ECONOMIC BENEFITS

- 6.1 The Proposed Development at MIRA Technology Park South Site, located within North Warwickshire Council, is the 'extension of MIRA Technology Park to comprise advanced manufacturing (Class B2); associated office and service uses (Class E); and storage (Class B8); new spine road; car parking; landscaping; and enabling works'. at the site known as MIRA Technology Park, South Site'. This will comprise a total site area within the red line boundary is 59.5ha of which the total net developable area is 41.9ha and the total floor area proposed is up to 213,500m², equating to a site coverage of 35.9%.
- 6.2 Table 6.1 sets out the indicative area schedule, identify seven individual plots. The illustrative framework masterplan includes an indicative area schedule confirming that any ancillary E(g)(i), E(g)(ii) or B8 will be no more than 10% of the total building floor area.

Table 6.1: Indicative Area Schedule

Unit Ref	B2 Floor Area (m2)	Ancillary Uses Floor (m2)	Total Floor Area (m2)
1	15,793	1,579	17,372
10	16,722	1,672	18,394
20	23,782	2,378	26,161
21	34,373	3,437	37,810
22	29,264	2,926	32,190
30	56,669	5,574	62,243
31	17,187	1,765	18,952
Total			213,122

Construction Phase

a) Direct Employment and Associated GVA

- 6.3 The number of direct jobs generated during the construction period is calculated using the Construction Industry Training Board (CITB) Labour Forecasting Tool (LFT). Utilising the value, a start date, duration, and location, the LFT predicts labour demand on a month-by-month and trade-by-trade basis. Forecasts are based on historic data from past projects and updated as new data becomes available, taking account of time and location.

- 6.4 For the purposes of estimating the number of construction jobs, these have been calculated based on a construction cost provided by the Applicant. A construction period of 60 months has been adopted. The LFT has then been run using the indicative construction cost over the 60-month construction programme. Based on this the LFT estimates that 744 direct construction jobs could be supported each month over this period.
- 6.5 The LFT accounts for 28 occupation groups, split into the following work types:
- Design - those involved in design process, including senior managers and support staff with design organisations.
 - Management of construction - those staff involved with the management of the delivery of the construction or installation. This includes professionals employed for the construction stage or the projects; and
 - Construction operatives - those operatives involved in the delivery of the construction or installation.
- 6.6 Table 6.2 sets out the split across the three groups that make up the occupations assessed within the LFT. It emphasises the varied occupation profile and skill requirements across the sector. Demand for each occupation type will vary throughout the construction period.

Table 6.2: Construction Employment – Skills Profile

Construction Period Employment Sector	Skill Requirement
Design	• Senior, executive and business process managers; • Non-Construction professionals, technical, IT and other office-based staff; • Civil Engineers; • Architects; • Surveyors; • Other construction professionals and technical staff.
Management of Construction	• Senior, executive and business process managers; • Construction project managers; • Process Managers; • Non-construction professionals; • Construction trade supervisors; • Civil Engineers; • Architects; • Surveyors; • Other construction professionals and technical staff.
Construction Operatives	• Wood trades; • Bricklayers; • Building envelope specialists;

Construction Period Employment Sector	Skill Requirement
	• Painters and decorators; • Plasters; • Roofers; • Floorers; • Glaziers; • Specialist builders; • Scaffolders; • Plant operatives; • Plant mechanics; • Steel erectors; • Labourers; • Plumbing and heating engineers; • Logistics; • Civil engineering; • Non-construction operatives.

6.7 Direct employment activity throughout the construction phase will generate economic output, measured through the generation of GVA. GVA is a measure of economic output, distributed through retained profit and wages. Based on an average GVA per construction worker of around £67,900 per annum for North Warwickshire Oxford Economics¹², the Development could generate a direct GVA of approximately £52.6m per annum over the construction period (equivalent to £262.9m in total over the construction phase).

b) Indirect Employment and Associated GVA

6.8 In addition to the direct jobs created as a result of the construction and management of the Development, further indirect employment would be created as a result of spin-off and multiplier effects.

6.9 The level of indirect employment generated during the construction period has been calculated by applying the ONS Type 1 Employment Multiplier (2015) for construction (1.97) to the number of direct construction jobs. This could result in a further 751 indirect jobs being supported per month over the construction period. These supply chain jobs could support employment on a local to national scale.

¹² Oxford Economics, April 2021 Global Forecasting and Quantitative Analysis (2015-2020 average)

- 6.10 The indirect jobs are expected to generate £41.1m in economic output per annum, based on applying the UK average GVA per worker figure of £54,700¹³. This would equate to £205.5m in total over the 60-month construction period.

c) Total Employment and Associated GVA

- 6.11 Construction of the Development could therefore support 1,525 jobs per month (direct and indirect). This would provide a combined GVA of £93.7m per annum, and £468.4m in total over the construction period.

Operational Phase

d) Gross Employment (on-Site) and Associated GVA

- 6.12 Based on the current indicative area schedule, the Development will support approximately 2,500 gross FTE¹⁴, incorporating roles associated with advanced manufacturing (Class B2) R&D, along with associated office and service uses (Class E); and storage (Class B8) related employment. The current area schedule allows flexibility for detailed proposals to come forward in a bespoke manner depending on occupier requirements, which will influence the exact level of employment.
- 6.13 Based on the estimated operational employment profile at the adjacent MIRA Technology Park, this could yield over 1,125 jobs within professional, scientific, and technical related roles.
- 6.14 2,500 FTE jobs supported on-Site could generate a total GVA of £175.1m per annum based on an average regional GVA per worker (£70,000¹⁵) across the manufacturing sector.
- 6.15 2,500 gross on-Site jobs could support approximately 3,250 gross indirect jobs across the supply chain network, generating £177.9m in GVA per annum based on a national GVA per worker figure (£54,700).

¹³ Oxford Economics, April 2021 Global Forecasting and Quantitative Analysis (2015-2019 average)

¹⁴ Information provided by the Applicant

¹⁵ Oxford Economics, Global Forecasting and Quantitative Analysis (2015-2020 average)

e) *Estimating the Net Direct Employment Effect to North Warwickshire*

6.16 Whilst the Development will support at least 2,500 FTE jobs on-site, guidance from the HCA, Additionality Guide¹⁶ ("Additionality Guide") and more recently, HM Treasury Green Book¹⁷ ("The Green Book") establishes that the on-Site jobs created by the Development would most likely be subject to the following factors¹⁸

- **Substitution** - where firms substitute one type of labour for another to benefit from an intervention but do not increase employment or output;
- **Displacement** – the extent to which an increase in economic activity or other desired outcome is offset by reductions in economic activity or other desired outcome in the area under consideration or in areas close by; and
- **Leakage** - the extent to which effects "leak out" of a target area into others. For an intervention designed to increase employment in a particular area, leakage could take the form of increased employment in neighbouring areas.

6.17 The above factors applied are based on the nature of the uses envisaged, professional judgement and having regard to published data and or guidance in the Additionality Guide and Green Book. Based on this, the following assumptions have been made:

- The nature of the proposed uses is not likely to result in one type of labour being substituted for another (e.g., a full-time employee substituted for a government funded trainee) therefore substitution is not considered relevant.
- Given the importance of the sector to the area and future growth plans, it is assumed that displacement will be low and therefore the Additionality Guide's low displacement factor of 25% has been applied.
- Commuting data drawn from the 2011 Census has identified that around 34% of North Warwickshire's workplace population commute from within North Warwickshire. Based on this, leakage is considered to be a relevant factor and it assumed that 66% of the jobs created by the Development will be taken by people travelling in from places outside of North Warwickshire

¹⁶ HCA, Additionality Guide, 4th edition, 2014

¹⁷ HM Treasury, The Green Book: Central Government Guidance on Appraisal and Evaluation, 2020

¹⁸ HM Treasury The Green Book: Central Government Guidance on Appraisal and Evaluation, 2020, Page 95, Paragraph A2.9

f) Estimating the Net Indirect Employment Effect

- 6.2 The direct employment effect described above addresses a series of potential discounts to the jobs created total, in this case to arrive at an estimate of the number of jobs created that will be filled by North Warwickshire residents.
- 6.3 The indirect effect addresses employment opportunities that will be created elsewhere in North Warwickshire or beyond, for example, in convenience or food and drink induced by employee expenditure, or, through businesses supply chain expenditure.
- 6.4 Indirect employment effects result from jobs created in 'tradable' sectors only. Tradable is defined as a sector that produces goods and services which are produced locally but mostly sold and consumed outside the local area. Conversely, the outputs of 'non-tradable' sectors, are mostly delivered locally and do not create indirect employment effects.
- 6.5 The Development will deliver entirely tradable uses, maximising the indirect employment effect across both tradeable and non-tradable sectors. High, central, and low place-based employment multipliers are provided by The Green Book to reflect a different extent of supply-chain 'spin-off' employment effects which are detailed in Table 6.3. For calculating the multiplier effect of the Development, it is considered appropriate to use the central multipliers.

Table 6.3: Place Based Employment Multipliers

Direct Employment Category	Tradable	Tradable	High Tech Tradable	High Skilled Tradable	Public Sector
Effect on Employment Sectors	Non-tradable	Tradable	Non-tradable	Non-tradable	Private Sector
Central	0.9	0.4	1.9	2.6	0.25
Low	0.1	0.3	0.7	2.5	-0.7
High	1.6	0.6	4.9	3.0	1.3

Source: HM Treasury the Green Book 2020, Annex A2: Place Based Analysis, Box 26

g) Bringing it All Together: The Total Employment Effect and Associated GVA

- 6.6 The factors described above (substitution, displacement, leakage, and multipliers), are collectively referred to as 'additionality' factors. Table 6.4 details the application of the additionality factors to the Development's creation of 2,500 FTE gross jobs on-Site to derive a

net direct and indirect employment effect.

- 6.7 Of the 2,500 gross FTE created on-Site by the Development, it is calculated that 625 of these jobs will have been displaced from elsewhere within North Warwickshire and therefore net direct job creation of the Development is 1,875 FTE jobs to North Warwickshire.
- 6.8 It is calculated that 1,238 of the net direct jobs created by the Development will be filled by people who live outside of North Warwickshire and therefore the net direct employment effect to North Warwickshire residents is 638 FTE jobs, generating £44.7m per annum.
- 6.9 A further 829 net indirect FTE jobs will be created by the Development as a result of spin-off in the supply chain, generating £45.4m in GVA per annum.
- 6.10 The total net employment effect to North Warwickshire of the Development is 1,466 FTE jobs, generating a GVA of £90.0m annum.

Table 6.4: Total Net Employment Effect of the Development

	FTE
JOB CREATION, LOSS AND DISPLACEMENT	
Gross Jobs Created	2,500
Substitution	0
Displacement (25%)	625
Net Direct Job Creation	1,875
DIRECT EMPLOYMENT EFFECT	
Leakage (66%)	1,238
Direct North Warwickshire Employment Effect	638
INDIRECT EMPLOYMENT EFFECTS	
Multiplier Non-tradable sector, central effect (x 0.9)	574
Multiplier Tradable sector, central effect (x 0.4)	255
Indirect North Warwickshire Employment Effect	829
TOTAL NET EMPLOYMENT EFFECT	
North Warwickshire Employment Effect	1,466

Numbers subject to rounding

Business Rates

- 6.11 The Development will generate annual business rates contributing to the funding of local public services. Rateable values are provided by the Valuation Office and taking into consideration rateable values for comparable facilities within the local area, it is estimated that the current indicative floorspace could generate around £5.1m in annual business rates payments. This does not consider proposed car parking.

Summary

- 6.12 In conclusion, based on the current indicative area schedule MIRA Technology Park South Site will support approximately 2,500 jobs on-site. According to existing commuting patterns within North Warwickshire, of the 2,500 jobs, 638 jobs will be additional and support North Warwickshire residents, generating £44.7m in GVA per annum. The remaining 1,863 jobs will predominantly be taken by employees commuting from neighbouring areas. Given the Site's location this is not unrealistic.
- 6.13 The North Warwickshire Local Plan seeks to improve outward commuting levels. The wage profile of the Borough also suggest residents are currently commuting out of the area to access higher paid jobs. The MIRA Technology Park South Site development has the potential to draw back residents who currently commute out of the area. By contributing to a broader employment offer across the Borough, providing advanced manufacturing and R&D roles, the Development could support increased containment levels.
- 6.14 A brief review of the commuting pattern by those working within the existing MIRA Technology Park study area (MSOA Hinckley and Bosworth 008), suggests that around 70% of employees live within North Warwickshire, Hinckley and Bosworth and Nuneaton and Bedworth. This indicates that a high proportion of the 2,500 jobs created on-site at MIRA Technology Park South Site would support residents within the Labour Catchment Area, which encompasses the majority of those three local authority areas.

7.0 CONCLUSION

- 7.1 This Report has reviewed how the development of MIRA Technology Park South Site could support economic growth aspirations and contribute to a broader employment base within the local area.
- 7.2 A review of the relevant economic policy guidance highlights MIRA Technology Park South Site as key contributing site to enhancing the local employment profile. The Development is specifically targeted within the North Warwickshire Local Plan to focus on E(g)(ii) (research and development) and B2 uses.
- 7.3 MIRA Technology Park South Site has the ability to facilitate bold interaction with emerging global mega-trends that build on existing sector strengths, and also support the development of SMEs to widen the range of employers.
- 7.4 Socio-economic analysis across the Sites identified Labour Catchment Area has highlighted an existing labour force working within the potential industries and occupation types needed to support operations at MIRA Technology Park South Site. North Warwickshire currently suffers with a high level of out commuting, involving residents seeking higher paid employment. Development at MIRA Technology Park South Site will deliver high value employment, helping to increase containment levels.
- 7.5 Examining the existing employment profile across the MIRA Technology Park highlighted the level of high value and knowledge intensive roles that could be created within the MIRA Technology ParkSouth Site development. Together with industry research, it is evident that the roles created on-site will require a range of skill sets that will be constantly modernising.
- 7.6 Currently, MIRA Technology Park South Site is projected to support around 2,500 gross jobs on-site, supporting a further 3,250 across the supply chain. Whilst not all of these positions are additional, a high proportion will support the local labour force, enhancing the employment spectrum within a 25-minute (labour catchment area) commute of the Site, but also having a profound effect across the strategic and regional growth engine.
- 7.7 This EBS has identified the economic benefits associated with the Development. Table 7.1 summarises these economic benefits:

Table 7.1: Summary of Economic Benefits

Economic Indicator	
<u>Construction Phase</u>	
No. of Direct Construction Jobs	744
No. of Indirect Construction Jobs	751
Total Construction Jobs	1,525
GVA from Direct Construction Jobs	£262.9m
GVA from Indirect Construction Jobs	£205.5m
Total GVA from Construction Phase	£468.4m
<u>Operational Phase</u>	
Gross Direct Employment (FTE)	2,500
GVA generated by Gross Employment	£175.9m
Net Direct Employment (FTE) (local economic effect)	638
Net Indirect Employment (FTE)	829
Total Net Employment (FTE)	1,466
GVA from total Net Employment per Annum	£90.0
Business Rates (per annum)	£5.1m