Goldthorpe Application LPA 2023/1105

Employment and Economic: Summary Note

Date: 12th December 2024



Introduction

This note provides a brief summary of the number, type, quality and variety of jobs that are likely to be created as a result of the proposed employment development on land to the south of Dearne Valley Parkway Goldthorpe (ES10 Local Plan Allocation) drawing upon evidence and information that forms part of the planning application and other relevant supporting documents.

The note also demonstrates how the development will help to facilitate regeneration aims within the Dearne Valley and improve overall levels of access to skills, training and employment. The evidence shows that the development will boost economic activity and expenditure in the area to fundamentally underpin and align with the economic growth policy ambitions of the Council.

Labour Supply

In terms of understanding the characteristic of the local labour supply, the Land Requirement, Labour Supply and Economic Benefits Report dated November 2023, submitted with the planning application, sets out the key findings which are as follows:

- The prospect of Barnsley and South Yorkshire sustaining development-led employment growth are good, based on past trends in population growth and planned housing growth.
- There is capacity in the current labour supply and a further latent supply people who want to work but are not currently seeking work and classified as
 economically inactive. The report estimates that at least 7,900 economically
 inactive Barnsley residents want a job, a figure that rises to about 40,300
 persons across South Yorkshire. This represents a sizeable actual and latent
 labour pool to support business growth locally.
- The occupations, skills, and industry of employment profiles are indicative of a local workforce likely to be well suited to employment in industrial logistics operations, which would require a range of skill levels, from level 1 upwards, as well as offering apprenticeships and career progression for people who are currently without recognised skills accreditation.
- The logistics industry can provide social value to the Dearne Towns through helping to facilitate those who are unemployed and economically inactive into employment. This represents approximately 1,000 unemployed people and 2,600 who are economically inactive but want a job in the Dearne Towns.
- The Logistics Industry can also help social mobility; 63% of managers in the logistics industry do not have university degrees while 51% of managers have been promoted from non-managerial roles, indicating that logistics can

provide opportunities for those without qualifications to reach a higher socio economic standing. This is evidenced within the Frontier Economics Report¹ which confirms that logistics jobs provide growth opportunities for people with low formal qualifications. It confirms that workers in entry-level jobs, and more broadly workers with low levels of formal qualifications, can create careers in logistics thereby enabling access to high-quality jobs and enabling progression within the job market which in terms help improving social mobility.

Construction Jobs: Numbers and Types

The submitted Land Requirement, Labour Supply and Economic Benefits Report predicts that over an estimated construction period of 20 months and using the Labour Forecasting Tool (LFT), 1,349 direct construction jobs could be supported by the development each month.

Furthermore, indirect employment would be created as a result of spin-off and multiplier effects. This could result in a further 1,585 indirect jobs being supported per month over the construction period.

The LFT accounts for 28 occupation groups, split into the following work types:

- **Design** those involved in the 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.

Table 4.1 in the report provides a detailed occupational profile and breakdown of the types of jobs. This can be summarised as follows:

Group	No of Jobs
Design	207
Management	332
Operatives	809
Total	1,349

The types of construction jobs are fairly detailed as we can forecast these based on clearly defined parameters.

Reference is also made to the Hoyland West case study in the Social Values Framework Report which confirms that for that development it generate about 1,600 construction worker jobs.

¹ The Impact Of Logistics Sites In The UK Frontier Economics June 2022

Operational Jobs: Numbers

The Land Requirement, Labour Supply and Economic Benefits Report at Table 4.7 estimates **3,282 FTE** gross direct jobs accommodated on site by the mix of Class B8 and Class B2 uses (70/30 split). Below is a simplified version of this table:

Employment Benefits	Dearne Towns	Barnsley	South Yorkshire
Gross Direct Job Creation	3,282		
Net Direct Job Creation	3,118	2,790	2,462
Direct Employment	1,182	1,739	2,243
Indirect Employment	1,536	2,261	2,916
Total Net Employment Effect	2,718	4,001	5,160

A series of potential discounts to the jobs created total was modelled to arrive at an estimate of the number of jobs created that will be filled by local residents.

The report confirms that of the 3,282 total operational jobs calculated, the direct employment effect to Dearne Towns residents is 1,182 FTE jobs, for Barnsley residents it is 1,739 FTE jobs and for South Yorkshire residents it is 2,243 FTE jobs.

A further 1,536 Dearne Town residents, 2,261 Barnsley MBDC residents, and 2,916 South Yorkshire residents will benefit from employment opportunities created within the district as a result of supply chain and other expenditure by the Proposed Development's occupiers and their employees.

Operational Jobs: Types and Quality

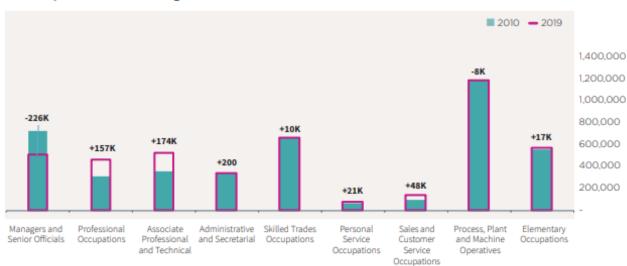
Compared to assessing the types of construction jobs, operation jobs associated with the development are more difficult to accurately assess, as they will ultimately depend on the nature of the future occupiers. However assumptions can be made based and profiled on the Class B8 (70%)/Class B2 (30%) split that will feature within the planning permission.

Savills' Levelling Up – The Logic of Logistics report dated 2022² details the employment changes seen in the I & L sector over recent years. It confirms that alongside traditional roles such as factory / warehouse managers, forklift operators and delivery drivers, there are a diverse range of new roles such as software engineers in charge of automated systems, supply chain managers and data analysts. To accommodate these new roles, Savills confirms the amount of office space found in I&L premises has increased over the last five years. Within the proposed development there would be an opportunity to allow for ancillary office space as part of the planning permission.

The Savills graph below shows the increase in diversity of I & L jobs between 2010 and 2019:

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² Savills' Levelling Up – The Logic of Logistics report dated 2022



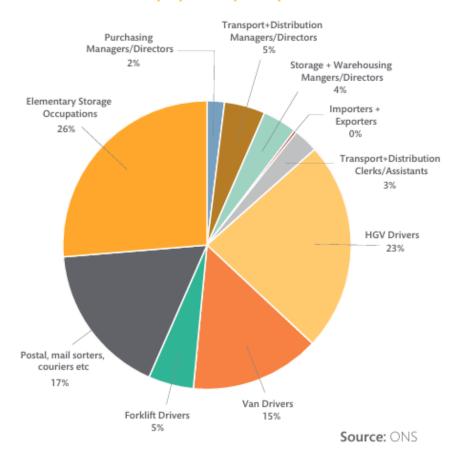
I&L occupations are becoming more diverse

The Savills report notes that the trend to increase occupational diversity means the I&L sector can play an important role in re-employing people that have lost jobs in other sectors of the economy which fits well with regenerating a local economy.

Also, the report provides evidence that the I&L sector pays more. It is therefore a misconception that it is a low-paid, low-skilled employer. The reality is very different. Firstly, average pay is higher than the UK average. Data from the Office for National Statistics (ONS) show annual wages above average at +£4,600 for Manufacturing and +£4,900 for Logistics.

To confirm the sector requires a broad range of roles, reference is made to research by the Freight Transport Association (FTA), in 2019, suggested that c.15% of the total sector workforce was in high-level occupations, with a further 43% in medium-skilled roles. This means that less than half the roles in the sector are now considered to be elementary or low-skilled.

Share of Employment by Occupation 2019



Moreover, analysis by South East Midlands LEP and, more recently the British Property Federation, considered how the nature of employment in the sector is changing and found that the most significant growth was in higher level occupations whilst several lower skilled roles contracted. This ongoing shift complements changes that are occurring within more traditional roles. Research by UK Commission for Employment and Skills identified that all roles within the sector are subject to increasing skill levels because of the deployment of even modest levels of technology.

There is also the opportunity for the Class B2 element of the proposal to accommodate advanced manufacturing operations. These are businesses that have production processes that rely on cutting-edge science and technology research and a highly skilled and diverse workforce. South Yorkshire has already been identified in the Government's Industrial Strategy³ as an area where advanced manufacturing is acknowledged to be 'thriving' and the site at Goldthorpe is well located to build upon this opportunity and contribute towards enhancing this business sector within the region.

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³ Invest 2035: The UK's modern Industrial Strategy October 2024

Aligning Training and Skills to Employment Provision

Newlands are committed to delivering significant social values in the form of training as part of this scheme and, as such, propose construction phase and operational phase Employment and Skills related planning conditions to deliver these initiatives. The objective is to help enhance Goldthorpe's profile and address underlying issues by raising the overall level of access to skills, training and employment, as well as boosting economic activity and expenditure in the area.

The Construction Phase Social Value Framework document submitted with the planning application details how the development will improve performance against local socio-economic indicators and drive targeted interventions into communities where they are needed most.

Stakeholder engagement has been front and centre of plans to develop the Goldthorpe site with strong partnerships established with local colleges, local training providers, apprenticeship teams and many others. These stakeholders include:

- Barnsley Council Employment and Skills Team
- CITB Barnsley
- Coalfields Regeneration Trust
- Go4Growth
- Barnsley Chamber
- Barnsley College
- Barnsley Pathways to Work Commission
- Astrea Academy
- Barnsley Council Employment and Skills Service

Through their social values initiatives, Newlands are committed during the construction phase to:

- Support more local people into employment;
- Create more opportunities for local MSMEs and VCSEs
- Support and deliver careers talks, careers events and provide mentoring opportunities; and
- Work with the Community

Local Economic Growth and Employment Strategies

The Council have released a final draft this month of their Barnsley Inclusive Economic Growth Strategy⁴. This provides a vision not just for continued economic growth in Barnsley but for inclusive economic growth in the borough to allow everyone to thrive.

The Strategy set out three missions which are:

⁴ Barnsley Inclusive Economic Growth Strategy Dec 2024

- establishing Barnsley as the UK's leading digital town,
- future-proofing the logistics and manufacturing sectors, and
- empowering all communities to thrive.

The document provides a roadmap for a future where economic opportunity is accessible to everyone.

The Council's Economic Growth Strategy provides a specific focus on cementing the borough's reputation as a place that delivers results, reinforcing the borough's position as a leading digital hub with a cutting-edge logistics and manufacturing sector.

The strategy contains a clear vision which includes by 2030, Barnsley's manufacturing and logistics sectors will be exemplars of a pro innovation, protechnology economy - fuelling job creation and diversification by leveraging the borough's prime location, advanced digital capabilities, and a commitment to sustainable growth.

It states that manufacturing and logistics are critical to Barnsley's economic vitality. 15% of the local working age population is employed in manufacturing jobs, and it recognizes that the logistics sector has been one of our fastest growing industries in recent years.

Similar to our own evidence, the strategy confirms that manufacturing, warehousing and transportation are the creators of higher-skilled and better-paid innovation-focused jobs. The strategy is also exploring ways to connect logistics and manufacturing sector employees to the region's digital and tech supply chains to support the adoption and diffusion of digital and tech solutions which will further broaden the range and skills of jobs on offer.

Aligned with the applicants' approach to their social values framework, the Growth Strategy confirms that the provision of accessible upskilling and reskilling opportunities to prepare and develop employees for the roles of the future will safeguard local residents from changing ways of working and ensure they have the skills today for the jobs of tomorrow.

The translation of the nationally significant Pathways to Work Commission⁵ into innovative local solutions, will also establish Barnsley as leaders in addressing economic inactivity.

Conclusions

We have demonstrated that there will be a significant quantum and diversity of job types both at the construction and operational phases of the development to deliver inclusive economic growth for the local area to thrive.

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⁵ Pathways into Work Commission

The proposed development will strongly align with the ambitions identified in the Economic Growth Strategy for Barnsley by positioning the borough at the forefront of logistics and manufacturing which is one of the key mission statements to deliver the overall vision by 2030.