

# PLACE AND GROWTH INTERNAL MEMORANDUM

**From:** Senior Economic Growth Officer

**To:** Team Leader - Major Development (Andy Bateson)

**Our Ref:** Pre-Application Response      **Your Ref:** 21/01708/PREAPP

**Ask for:** Steven Newman

**Ext:** 1860

**Date:** 09/11/2021

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## PRE-APPLICATION CONSULTATION ECONOMIC GROWTH RESPONSE

**This response raises the key local economic issues only.**

**The response is provided without prejudice to the consideration of applications for planning permission.**

<b>Pre-Application No.</b>	21/01708/PREAPP
<b>Address / Location</b>	Part of M40 in OS Parcels 1800 5680 5633 7648 0068 5656 and 4300, Part of M40 through Ardley Parish, Ardley
<b>Proposal</b>	Logistics development
<b>Key Economic Observations</b>	<p><b>Introduction</b></p> <ol style="list-style-type: none"><li>1) According to the submitted documents, the Development would deliver up to 270,000 sqm. GIA of new employment floorspace in a strategic location adjacent to J10 of the M40.</li><li>2) The extensive scale of the development, and in particular the large size of the units indicated on the masterplan, indicate that this would be a dedicated, specialist large scale logistics park aimed at regional and/or national operations.</li><li>3) Such a significant proposal would normally be considered through the Local Plan Review process and indeed other similar schemes are being promoted through this channel. However, the applicant believes that demand outstrips supply and that the needs of the booming logistics sector require more urgent provision of premises, including at this location. It argues that sites allocated through the Local Plan (2015) are incomparable, unavailable and/or unsuitable.</li></ol> <p><b>Context</b></p> <ol style="list-style-type: none"><li>4) Over the past decade, it has been demonstrated that Cherwell plays an important role in the <u>regional</u> logistics sector. Within the parameters of allocated sites in the Local Plan, some previous 'light industrial' allocations were extended to also include general industry and distribution/logistics (B2 and B8). Market confidence in logistics has been helpful in guiding the size and flexible design of the units being built by investors, meaning that logistics companies have not been the only beneficiaries. 'High value' local companies have also been able to expand (e.g. Prodrive, Arrival and Crompton Technology) into speculative or bespoke premises.</li><li>5) As the M1 has become more congested, north Oxfordshire is being considered for the <u>national</u> logistics market (here at J9 of the M40 and also at J10). The</li></ol>

scale of development now being proposed is, however, a very different consideration for Cherwell District Council. This is because it is unclear as to how such huge units would contribute to the Local Plan's aims, supporting the growth of businesses alongside the economic development policies of the Council and its partners, such as Oxfordshire Local Enterprise Partnership.

### **Jobs**

- 6) Whilst there would be a significant number of jobs created, it is unclear where the workforce would be drawn from in an area of existing high economic activity, where higher paid residents are already generally required to commute out of the area to access higher paid jobs.
- 7) The density of the jobs in relation to developed greenfield land would also be expected to be lower than for other employment uses (e.g. offices and manufacturing). Whilst it is accepted that there are technical, office and managerial roles in modern logistics operations, the majority of posts would be expected to be in lower skilled roles and it would need to be established how many of those roles could be filled locally.
- 8) It is therefore unclear how a local labour force would be recruited and maintained. A realistic skills and employment plan would be essential, implemented well in advance of both the construction and operational phases.
- 9) The risk is that, if the skills and employment plan is ineffective, the limited local labour pool would lead to a significant amount of commuting to and from locations beyond the district and county boundaries.
- 10) Even if labour could be drawn from nearby towns, the geographical location of the site - far from residential neighbourhoods and sustainable transport options - would mean that personal vehicular access would predominate. Investment in sustainable and permanent solutions would be required.
- 11) Whilst the operations of the Large Goods Vehicles would have efficient access to the strategic road network, there would be likely to be localised issues adjacent to the site. Indeed, the masterplan does not indicate improvements to the already congested access onto the roundabout on the A43. Unless enhanced, this could impact negatively upon local businesses and residents, and on the long-distance traffic passing through.

### **Framework**

- 12) The framework against which this development can be considered is crucial to define. There is currently no identified local need for such a 'super-scale logistics' development within the Local Plan or local economic strategies. However, there are likely to be regional and national considerations of whether or not this site is required to support the needs of the wider logistics and supply chain sectors.
- 13) This site is strategically located at a key road junction along the 'Oxford to Cambridge Arc' and equidistant between London and Birmingham on the M40, of a suitable rare physical nature to accommodate large floorplans.
- 14) The logistics sector has evolved and boomed in recent years, providing valuable supply chains and e-commerce services. Logistics developers have increasingly looked westwards to identify investment opportunities beyond the established 'big box' logistics operations on the M1.
- 15) It would therefore be appropriate for the Oxfordshire Plan 2050 and the Arc to provide a framework for the context of this proposal to be considered alongside local/district matters.

### **Sustainability**

- 16) Environmental, economic and social sustainability are fundamental considerations, alongside actions to address climate change. A series of questions should be answered as part of any detailed development proposal on

this site. For instance:

- a) How can this site be initially developed and then maintained as a genuinely sustainable operation?
- b) Recognise the challenges in recruiting locally and explain in detail how the skills and career development matters will be managed?
- c) How can structures to enhance skills across all levels be provided for in advance to avoid relying upon and unduly drawing staff from local employers or from further afield?
- d) How will functional relationships with local schools, further/higher education providers be established to develop recruitment and genuine career paths?
- e) Recognise the unsustainable elements of this site and explain how mitigation will effectively, in the long term address those concerns?
- f) Recognise the likely impact on local roads and propose investment in them to enhance conditions locally?
- g) How would sustainable fuels for transport and energy use on site off-set the environmental harm caused by the development and operation of the site
- h) How will the supply chains in the local and regional economy benefit?
- i) What is the strategic need to provide for 'super-scale logistics' in Cherwell alongside neighbouring districts/counties?
- j) Are such larger units needed for economic resilience of, for example, the UK's food supply chains?
- k) How will this reflect and contribute positively to the nationally significant concept of nearby Bicester Garden Town and eco-exemplar development, including the provision of sustainable transport options?
- l) How will it help to tackle the Climate Change Emergency?
- m) How can it contribute towards the 'Green Arc' ambitions?
- n) How does it relate to / compete with other schemes on the Arc corridor?
- o) Will it incorporate higher standards of construction and operation beyond the regular 'BREEAM very good'?
- p) How will its external design enhance the appearance of the green fields it places, or at least how can the design be of exceptional quality to mitigate the scale of development and tendency for such schemes to be alien to the landscape?

### **Conclusion**

- 17) The logistics market has transformed in recent years as the importance of e-commerce and supply chain management has developed. With its strategic location on the highway network, Cherwell has proven itself to be successful for regional logistics alongside advanced engineering which can often be accommodated within a similar, easily adaptable building type. The national importance of logistics now means that Cherwell may have a role to play in accommodating larger-scale units focused solely upon logistics. The proposed site may be suitable but would ideally be considered through the Local Plan process alongside other options. If more urgency is required, then considerations of the need for this development should also be considered within the Oxfordshire to Cambridge Arc and M40 context.
- 18) If this proposal is to proceed further, it should demonstrate the genuine quality suggested by its 'next generation logistics' narrative. It would be reasonable to expect the highest standard of design, development and operation throughout.
- 19) Please advise me if further consideration is required.