January 2022

Symmetry Park, Oxford North

Socio-Economic Impact Assessment

Prepared on behalf of Tritax Symmetry and Siemens Healthineers

SQW

Contents

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Date: 12/01/2022

Siemens Healthineers Magnet Technology's current role within an economic context

In 2020/21:

528 staff employed

of which

60% are process operators

40% are engineers, R&D, HR, admin & management

90% of staff live in Oxfordshire

of which

42% of staff live in **Cherwell**

SHMT is part of a wider physics-related technologies cluster, in particular cryogenics **in Oxfordshire**

The cryogenic* cluster is part of a **growth priority** at a multitude of spatial scales:

Local

to be a **'top three global innovation ecosystem'** through prioritising investment in breakthrough technologies **including cryogenic and life science**

Oxfordshire's Local Industrial Strategy

Regional

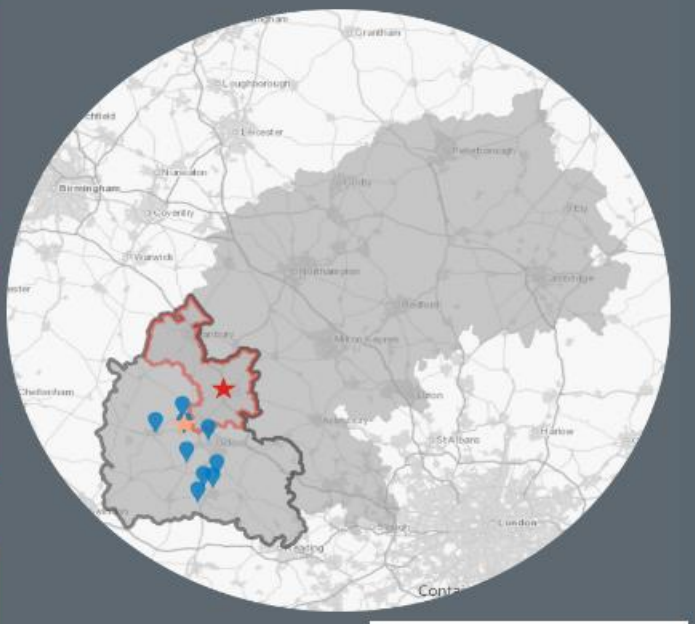
The vision is for the Arc to be the **world leading place** for high-value growth, innovation and productivity promoting the green economy, **innovation and technology**

Oxford-Cambridge Arc Economic Vision & Spatial Framework

National

Recognises the effectiveness of **wider innovation systems within clusters.**
A focus on **technology or disease-specific life science** sectors

UK Innovation Strategy & Life Sciences Vision



*Cryogenics is an enabling low-temperature technology rooted in the application of physics and therodynamics

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Economic impact estimates of the proposed Symmetry Park Oxford North development

All figures below relate to the *net impact of operational employment, wages and output/GVA estimates* across both sites arising from the current operations stopping in 2030 and the proposed development over the period 2022 -2040

1. Operational Employment

By 2040, we estimate

1,126 jobs in **Oxfordshire**

2,268 jobs in across the **UK**

With the proposed development, employment in Oxfordshire ↑ **618** jobs

Without the proposed development, employment in Oxfordshire ↓ **598** jobs

2. Output/GVA Estimates

By 2040, we estimate the proposals to contribute to a net increase of:

In Oxfordshire

£820m of GVA

Across the rest of the UK

£360m of GVA

The proposed development adds

£60m+ of GVA per annum to Oxfordshire

3. Wages

By 2040, we estimate annual additional wages to be:

In Oxfordshire

↑ **£29m** higher

Across the rest of the UK

↑ **£16m** higher

4. Construction Jobs

670 additional construction jobs

Social Value delivered in 2020/21

Jobs: Local skills & employment

- **81%** of employees **live within 20km** of the existing factory **51% of which live within 10km**
- **40 secondary school students** helped with interview skills and CV writing workshops
- **15 apprentices** are employed across a 3-year programme at any given time.

Growth: Supporting Growth of Responsible Business

Over **3,199 Health and Wellbeing Encounters** recorded, including:

Physical Health:

- onsite gym used **335 times per month** with multiple exercise classes held weekly

Mental Health:

- 10 workshops offering support for anxiety, mindfulness, & stress management attended by **155 participants**

Environment: decarbonising & safeguarding our world

20 employees engaged in the local Biodiversity Team who have carried out:

- **Two meadow walks**
- **Wildflower planting** activities
- **Animal box making** workshops
- Supported the production of **local wildlife information boards** in partnership with ENRN and local schools

Social: Stronger, healthier communities

- **Main sponsor** of the Oxford Science Festival & the annual charitable Wytham Wood 10km run
- **Raised £25,000** over the last 3 years for **Cancer Research**
- **120 days of volunteering** from employees annually

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Executive Summary

1. Siemens Healthineers Magnet Technology (SHMT) is the world's leading designer and manufacturer of superconducting magnets used in MRI scanning technology, playing a leading role in both manufacturing market-leading components and pioneering new technologies through its R&D operations.

2. As existing SHMT operates from a factory situated to the west of Oxford in the village of Eynsham. The existing facility is operating at its capacity and due to site constraints, expansion in situ is not feasible. In order to both commence the manufacturing of new product lines, utilising more sustainable materials and technologies, and to scale up production, SHMT need a significantly larger facility.

3. A site has been identified on land to the north of the A41 and east of the M40 near Junction 9, in Cherwell District, Oxfordshire, situated just to the north of Oxford in relatively close proximity to its existing facility.

4. By developing a new production facility in relatively close proximity to its existing site, SHMT believes that it will be able to achieve three main outcomes: it will effect the **transition from one technology to another**; it will **expand overall levels of production** to meet anticipated demand; and it will **retain most of its specialist workforce**.

5. By locating to symmetry Park Oxford North it will also continue to benefit from, and contribute to, the **overall vibrancy of the Oxfordshire cryogenics cluster within the wider Ox-Cam Arc innovation ecosystem**.

6. Over **80% of its c 550 existing employees reside within 20km** of its existing factory at Eynsham. The proposed facility, once fully operational and the existing factory has been wound down, is **projected to employ c. 1,345 staff** across all functions, representing both (a) the obvious potential for retention of existing staff, the majority of whom live locally, and (b) to create significant additional employment growth in Cherwell District.

7. The net effect on employment of the current operations and additional activity through the proposed development is estimated to **support 1,126 jobs in Oxfordshire** after allowing for potential displacement and supply chain multiplier effects.

8. It is forecast that the proposed development will deliver a **net additional £820m GVA in Oxfordshire by 2040** and £**360m net additional GVA across the rest of the UK**, equating to **£60m net additional GVA per annum by 2040 in Oxfordshire**.

9. The quantifiable economic benefits of the proposed relocation and expansion of SHMT are demonstrably significant. The broader contribution of SHMT to the wider cryogenics cluster in Oxfordshire and the innovation ecosystem of the Ox-Cam Arc is no less material or tangible, for example **reinforcing a specialist labour market** and **facilitating both informal and formal collaborations** within the broader cluster.

10. SHMT generates **significant social value** both in terms of its role as **responsible employer** and in terms of its **external impacts on its local community** and stakeholders. SHMT makes significant local contributions, including a commitment to training and supporting the wellbeing of its workforce which in turn bolsters the resilience of the locally specialised labour market, The proposed development will unlock a scaling of SHMT's capacity to generate significant social value within Cherwell District and Oxfordshire more widely.

11. Should the proposed development not go ahead then SHMT have indicated that their existing facility would wind down and cease operations by 2030 with the consequence being that a key source of local, specialist, high-skilled employment and GVA generator would be lost along with economic and social value benefits foregone both in relation to the existing position and the proposed expansion.

1. Introduction

1.1 This report is provided in support of an application for planning permission sought for the development of up to 56,162 sqm (GIA) of Class use B2 floor space (and other ancillary uses) on land to the north of the A41 and east of the M40 near Junction 9, in Cherwell District, Oxfordshire.

1.2 Specifically, Tritax Symmetry Limited (TSL), a commercial property development company, is seeking approval for a new high-quality production and research and development facility for Siemens Healthineers Magnet Technology (SHMT), an existing Oxfordshire based business. The proposed development will accommodate SHMT's future growth requirements and allow them to invest in the continued development and production of superconducting magnets for medical devices used in MRI systems. As existing, SHMT is based in the village of Eynsham situated to the north-east of Oxford. These proposals will allow SHMT to expand its operations whilst remaining based in Oxfordshire.

Purpose of the Report

1.3 The purpose of this report is to provide the socio-economic rationale for the proposed development through the following principal areas of investigation:

i) A **review of the wider economic context** to articulate SHMT's origins in Oxfordshire and the rationale for its proposed expansion including the importance of its role within the Oxfordshire innovation ecosystem.

ii) An **economic impact assessment** using an employment and GVA-based model to demonstrate the proposed net economic impacts of this proposed development.

iii) Demonstration of the **social value benefits** delivered by SHMT's existing business and the potential additional benefits which could be delivered through their proposed relocation and expansion.

1.4 At all stages this report considers (a) the existing contribution of SHMT (b) the proposed impact and benefits associated with this proposed development and (c) the potential adverse socio-economic consequences for the locality if the proposed development fails to go ahead acknowledging the likely fallback position will see the SHMT's existing facility winding down over time ahead of closure in 2030 with relocation and expansion necessarily taking place outside of Oxfordshire.

SQW Credentials

1.5 SQW (www.sqw.co.uk) is a consultancy specialising in economic and social development. Founded in 1983, we currently have 50 staff, operating from offices in Cambridge, London, Edinburgh and Manchester. We have expertise in a broad range of inter-linked socio-

economic domains, including innovation and spatial development, particularly relating to place-based competitiveness and the interface between economic development and planning. In 2019, BBP Regeneration became part of SQW, bringing to the business a RICS-accredited land and property team inclusive of RICS-accredited Chartered Surveyors and MRTPI-accredited Chartered Planners with experience of advising in relation to all stages of the planning and development process.

1.6 SQW has extensive experience undertaking economic and social research, policy research and development, project development, appraisal and business planning and impact assessment

1.7 SQW's clients include international bodies such as the European Commission, government departments and agencies in the United Kingdom and overseas, devolved administrations, local authorities, Local Enterprise Partnerships, higher education institutions, charities, energy and infrastructure providers, investors and developers, and service providers.

1.8 We have particular knowledge of Oxfordshire's economy and innovation ecosystem including leading a previous SQW study of the Oxfordshire Innovation Engine, commissioned by the University of Oxford and leading the delivery of a Science and Innovation Audit for Oxfordshire on behalf of the Oxfordshire Transformative Technologies Alliance.

2. Site details and proposed development scheme

The site and surroundings

2.1 The Site, currently in agricultural use, comprises land to the north of the A41 and east of the M40 near Junction 9, in Cherwell District, Oxfordshire. There are a number of buildings in agricultural or commercial use located in the northeast part of the site. The eastern extent of the site is defined by field boundaries and hedgerows, the Grange Farm Industrial Estate, and Lower Grange Farm. The Wendlebury Brook defines the western edge of the site, flowing from north to south towards a small area of woodland, where its course then changes to flow east across the site, before passing under the A41.

2.2 The Site is located approximately 10 miles north-east of Oxford and 3 miles south-west of Bicester. The Site is approximately 13 miles (by road) from SHMT's existing site in Eynsham which is located to the north-west of Oxford.

The proposed development

2.3 The Site comprises c. 20 hectares and is accessed from the A41 (eastbound). The proposed development will comprise the following:

i) The demolition of existing agricultural buildings within the red line boundary

ii) The development of up to 56,162 sqm of Use Class B2 floorspace (GIA)

iii) Ancillary space for workshops, offices and a security gatehouse

iv) A building for use as an energy centre

v) Loading bays, service yard and waste management areas

vi) External plant

vii) Roof-level PV array

viii) Parking for electric cars, accessible parking, bicycles, cars and motorcycles

ix) Landscaping and outdoor space for staff recreation

x) Realignment of an existing watercourse

xi) Sustainable drainage

2.4 The site will be developed in two phases, as set out below. The whole of the site will be set out in Phase 1, including the estate road, car parking, the service yard and associated structures,

landscaping and the production facility and office accommodation. Phase 2 consists of the extension of the production facility by 19,400 sqm, to a total production area of 44,563 sqm.

2.5 The building will be bespoke to SHMT's design and production process and will support 1,345 skilled jobs when fully operational including physicists, engineers and cryogenic experts.

2.6 The project will be delivered to net zero carbon in construction to accord with the UK Green Building Council's definition. The facility will achieve a rating of BREEAM Excellent.

3. Economic Context

Introduction

3.1 This chapter provides the following economic context:

- An overview of SHMT's origins;
- Explanation of the role that SHMT plays within the Oxfordshire physics-technology related cluster, and specifically its position within the cryogenics cluster;
- The strategic alignment between the expansion of SHMT and the objectives of local, regional and national policy; and
- The rationale for the expansion of SHMT in Oxfordshire with consideration of potential implications and disbenefits that might otherwise arise should they be required to relocated out of Oxfordshire.

Origins of Siemens Healthineers Magnet Technology

3.2 Under various names and ownerships – and since the 1950s – **SHMT** has been both a product of high-tech Oxfordshire and a formative part of it[1].

3.3 In describing its history, reference needs to be made to **Oxford Instruments** which was formed in 1959 by Sir Martin and Lady Audrey Wood. At the time, Martin Wood was working in the University of Oxford's physics department and – despite the success of Oxford Instruments – he continued to have a role within the physics department for a further decade. Oxford Instruments grew quickly and the Woods became significant local investors and philanthropists; they formed The Oxford Trust in 1985 and they invested in around fifty local science-based businesses in the period from the 1960s to the 2010s. Some of these (e.g. Sophos) have grown to become substantial global businesses.

3.4 Within this context, **Oxford Magnet Technology** was founded by Oxford Instruments in 1982. Its purpose was to commercialise proprietary technology for magnets and accessories used in magnetic resonance imaging (MRI) scanners. Oxford Magnet Technology was wholly owned by Oxford Instruments until 1989 when Siemens acquired a stake through a joint venture arrangement. In 2003, Siemens acquired the remaining equity (and Oxford Magnet Technology became **Siemens Healthineers Magnet Technology**). At the time, it was reported that the firm employed 700 people at its factory in Eynsham and was the world leader in superconducting MRI magnets[2].

[1] A wider account is provided in *Oxfordshire Innovation Engine*, Report by SQW, 2013; and *Oxfordshire Innovation Engine Update*, Report by SQW, 2016

[2] Siemens snaps up OMT for £9.1 million | The Engineer The Engineer – accessed August 2021

Siemens Healthineers Magnet Technology and the wider cluster

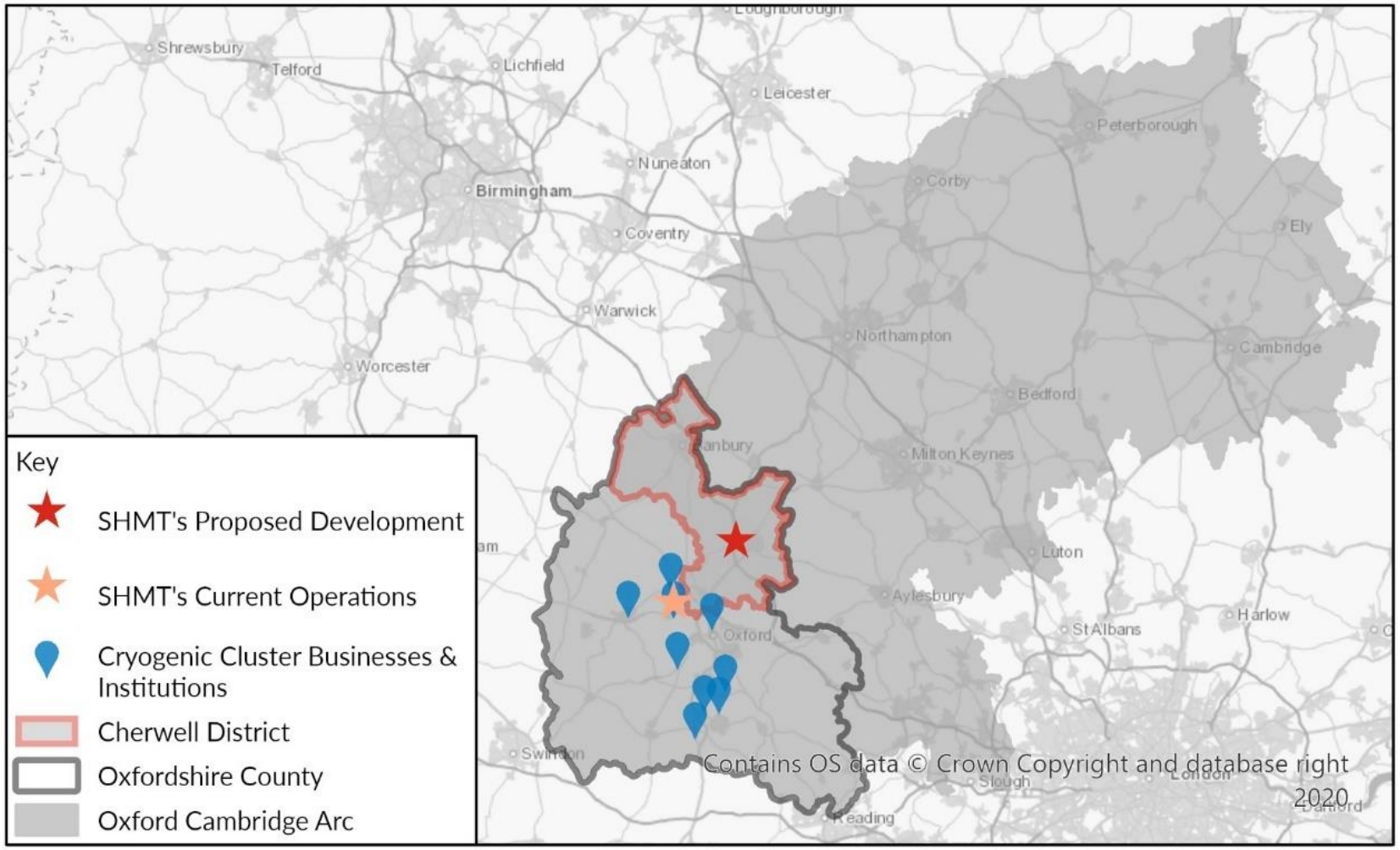
3.5 SHMT has thrived in Oxfordshire. It has been part of a wider cluster with a strong focus on physics-related technologies (with medical and other applications), and skills. Within this, cryogenics has been a particular specialism.

3.6 The cluster is difficult to define very precisely. It clearly includes the University of Oxford – and Martin Wood's connections and roles were a critical part of the early narrative. But it is broader than the University. Significant UKAEA facilities at Harwell Campus (including the Rutherford Appleton Laboratory (RAL)) and Culham Science Centre have created a wider skills and knowledge base which has both generated and attracted companies in related fields.

3.7 In its 2015 report on the impact of the cryogenics sector in the UK, the Science and Technology Facilities Council estimated that the Oxfordshire cryogenics cluster contributed £97 million to the UK economy annually[3]. Subsequently, Oxfordshire's Local Industrial Strategy (2019) stated that the county is a global leader in cryogenics. Alongside Oxford Instruments and SHMT, it identified Oxford Cryosystems, Quantum Cryogenics, Innovative Cryogenic Engineering, and Thames Cryogenics as key businesses. The Economic Vision for the Oxford Cambridge Arc concurred, asserting that "Oxfordshire is the global leader in cryogenics, with the most powerful concentration of cryogenic expertise in the world".

[3] *Cryogenics Impact Report,* by Warwick Economics and Development, March 2015 on behalf of the Science & Technology Facilities Council

Figure 3-1: Spatial context of the proposed development



Source: Prepared by SQW

3.8 Whatever the definition, the growth of the cluster is on-going and SHMT continues to be part of the wider narrative. One element of its indirect role can be illustrated with reference to Tokamak Energy Ltd which was formed in 2009 as a spin-off from Culham Centre for Fusion Energy. Based on discussions with the company's managers in 2016, a case study on the growth of Tokamak noted that:

> **…the mix of expertise available within southern Oxfordshire – in particular the combination of deep expertise in nuclear fusion, high field superconducting magnets and advanced engineering processes is unique to this area and crucial to the growth and establishment of Tokamak Energy… Informal collaboration has continued with Oxford Instruments, SHMT, the Rutherford Laboratory as well as Culham[4]**

3.9 Five years on, Tokamak announced in July 2021 that it would create "*more than 160 new roles for scientists and engineers*" in Oxfordshire over the next three years, and it received a visit from the Secretary of State for Business, Energy and Industrial Strategy. Its focus continues to be the development of commercial fusion power which relates in turn to two key technologies, one of which is high temperature superconductor (HTS) magnets[5]. Hence the link to cryogenics – and the wider cluster – is clear.

3.10 There are many other overlapping business narratives that point to the strength of the overall cluster.

3.11 The inference, then, is that SHMT has had – and continues to have – a formative role in shaping the growth of the cluster, both directly (through its own growth) and indirectly (through formal or informal collaborations, and through its role in the wider local labour market).

Alignment with local, regional and national policy

3.12 Although difficult to define, the cluster of which SHMT is a part is a growth priority at a range of spatial scales.

3.13 At a local level, the clearest and most up-to-date statement is from **Oxfordshire's Local Industrial Strategy** (which itself built on an earlier Innovation Strategy). Published in 2019, the LIS is underpinned by an ambition for the county to be "*a top three global innovation ecosystem by 2040*". To achieve this ambition, the LIS states that Oxfordshire will develop the five foundations of productivity and build on the area's science and technology clusters. It

[4] See *Oxfordshire Innovation Engine Update*, Report by SQW, 2016
[5] See Tokamak Energy signals major expansion with over 160 new jobs as it pioneers commercial fusion energy » Tokamak Energy – accessed August 2021

goes on to prioritise local R&D investment and growth in Oxfordshire's breakthrough sectors and technologies, which include cryogenics and life sciences.

3.14 At a regional level, ambitions for the **Oxford-Cambridge Arc** are relevant. An **Economic Vision** was published (by three LEPs and the Cambridgeshire and Peterborough Combined Authority) in April 2019:

> **Our vision is for the Arc to be the world leading place for high-value growth, innovation and productivity. A global hub where ideas and companies are generated and thrive, home to exemplary models of 21st century development, with a high-quality environment and outstanding quality of life, and with a strong economic focus that drives inclusive clean growth[6].**

3.15 A consultation document on a **vision for a spatial framework** for the Arc has been published more recently. It states simply that "t*he government's priority for the Oxford-Cambridge Arc is sustainable economic growth*"; and, further, that "*we are putting sustainable economic growth first because we think that the Arc can be one of the most productive places in the world"*. In developing an appropriate spatial framework, the significance of key clusters is recognised, and government commits to "*setting policies to meet the needs of different sectors and businesses – from large firms to start-ups and promoting the green economy, industry, innovation and technology"*[7].

3.16 In relation to national policy, the new **UK Innovation Strategy** is important. It emphasises government's commitment to innovation-led growth, focusing especially on fuelling businesses that want to innovate; attracting and creating innovation talent; and putting in place the institutions needed for effective innovation. It also focuses on the importance of mission-led approaches to innovation. It treads carefully in relation to the spatial dimensions of innovation – and commitments to levelling up are woven through the document – but in emphasising the effectiveness of the wider innovation system, it is implicitly recognising the criticality of innovation within clusters.

3.17 The key themes within the **Life Sciences Vision** – published by government in July 2021 and including pharmaceuticals, biotechnology and medtech sectors – are broadly similar, and they have been sharpened by experiences of, and learning from, the pandemic. As with the Innovation Strategy, the focus will be on missions which are technology or disease-specific; and there is also a recognition of wider responsibilities in relation to levelling up across the

[6] *Economic Vision – Oxford Cambridge Arc: Home of the new innovation economy.* Published by OXLEP, SEMLEP, BTVLEP and Cambrideshire and Peterborough Combined Authority, April 2019
[7] *Creating a vision for the Oxford-Cambridge Arc – Consultation.* Published July 2021 by HM Government

UK. Beyond that, there is acknowledgement that "*to remain competitive and to deliver on the ambition set out in this Vision, the UK will focus relentlessly on areas in which it has, or can gain, competitive advantage".*

Siemens Healthineers Magnet Technology's rationale for expansion in Oxfordshire

3.18 SHMT forecasts strong global market demand for MRI scanners. However within the sector, technologies are changing. The company anticipates a limited lifespan for the wet magnets (produced using considerable amounts of liquid helium) produced at its Eynsham facility given a transition to 'dry-magnet' technology. There are two main reasons for this.

3.19 First, compared to wet magnets, dry-magnet technology has much less demand for liquid Helium – and looking ahead, this is likely to be significant. Helium is used in various sectors including scientific research, medicine and space technologies. It is a non-renewable resource, and there are concerns about the security of future supply:

> **20 The use of helium is at present concluded to be unsustainable with respect to long-term supply security, because of lack of significant recycling. There is no risk for significant helium scarcity in the short term (before 2030), but in the long term, the scarcity risk is unavoidable under business as usual.[8]**

3.21 Second, the new dry-magnet MRI-suites are smaller (requiring less supporting coolant plant) and therefore easier and more efficient to locate in hospitals and other medical facilities. They are also easier to operate.

3.22 For both reasons, SHMT anticipates that the demand for wet magnets will slowly decline. As a consequence, production of wet magnets in the existing Eynsham factory is likely to cease by 2030.

3.23 The proposed new production facility will enable SHMT to produce dry-magnets.

3.24 When questioned, SHMT confirmed that it is neither practical, nor commercially viable, to locate the new production lines within the Eynsham facility. Two main reasons were given:

- the difficulty of accommodating a new production process whilst also sustaining the existing one during the transitional period

[8] Olafsdottir, A.H., Sverdrup, H.U. Assessing the Past and Future Sustainability of Global Helium Resources, Extraction, Supply and Use, Using the Integrated Assessment Model WORLD7. Biophys Econ Sust 5, 6 (2020). https://doi.org/10.1007/s41247-020-00072-5

- the age and condition of the existing building.

Options and risks with regard to expansion

3.25 The risks of different options need to be considered in the context of three main issues:

- the strength, cohesion, and innovativeness of the wider Oxfordshire cluster;
- local, regional and national policy commitments to innovation-led growth;
- the imperative for SHMT to shift from one technology to another.

3.26 SHMT is a key part of Oxfordshire's wider cryogenics/medtech cluster, which is recognised as globally significant. The company's role in that cluster has many different facets:

- although local supply chain links may be limited SHMT is a major local employer and, over time, its employees (or former employees) have helped to define the wider specialist labour market on which other businesses within the cluster can draw
- some informal collaborations are in evidence and these are linked to long-established relationships between relevant institutions and businesses across Oxfordshire.

3.27 It is important to recognise that these relationships are not statements of sentiment. Although very difficult to evidence, there is some suggestion that – at times – the culture of a German multinational company has sat rather uneasily within an Oxfordshire cluster that historically has been substantially owned, controlled, managed and financed 'from within'. At the same time, this 'uneasiness' may actually have given the cluster as a whole greater resilience and commerciality than would otherwise have been the case.

3.28 These observations are highly speculative and there is no counterfactual. However, they do at least provide some basis from which to reflect on the wider risks that surround different options in relation to the future expansion of SHMT. We make two comments in this context:

- If the company was to expand within (or very close to) Oxfordshire, it would plausibly retain most of its current workforce. This is important for it is a specialist labour market that SHMT and other cluster businesses have done much to create. The extent to which this can be stretched spatially whilst also retaining its specialist character is necessarily limited. Equally, the specialist labour market in Oxfordshire would be significantly depleted in the absence of SHMT– and implications would follow for other businesses.
- Wider forms of collaboration and knowledge exchange may in practice have a more tenuous relationship to location: although there are some local links, SHMT functions as a global company and there is little to suggest strong on-going relationships (other than through recruitment) to the University of Oxford or other key institutions. Its relationship to the wider cluster is therefore likely to be rather different from that of its forebears.

3.29 The inference is that the labour market effects of any relocation decision are especially important – both for SHMT, and for the wider cluster.

3.30 By developing a new production facility in relatively close proximity to its existing site, SHMT believes that it will be able to achieve three main outcomes: it will effect the transition from one technology to another; it will expand overall levels of production to meet anticipated demand; and it will retain most of its specialist workforce. It should also continue to benefit from, and contribute to, the overall vibrancy of the Oxfordshire cluster.

4. Economic Impact Assessment

Introduction

4.1 This section presents estimates of the economic impact of the proposed Symmetry Park Oxford North development. This is defined in terms of the change in employment, wages and gross value added (GVA) that would be created. The calculations are based on an employment profile provided by SHMT and broad descriptions of the activities that will be undertaken. These estimates, in turn, depend on the performance of the global market for the goods and services produced.

4.2 The proposal case is compared with a "reference" case to determine the difference it will make. The reference case is based on the client's view that activity at the current site will decline to zero at the end of 2030. Due to the specialist nature and aging condition of the current facility, we assume that the current facility would need to be demolished and the site redeveloped to be brought back into productive use. The analysis, therefore, assumes that no further redevelopment of the current facility occurs prior to 2040. The analysis also assumes that the new site remains in agriculture use until 2040. The economic impact is divided into two parts, the Operational phase and the Construction phase.

Operational Phase

Employment profile

The operations phase is modelled from 2021 to 2040 and brings together the employment patterns for the old and new sites. The analysis assumes that future employees continue to be drawn from the same areas as currently. The percentages drawn from each geography are shown in Table 4-1.

Table 4-1: % of employees by area of residence

Area	Profile from existing postcodes
Cherwell	42%
Rest of Oxfordshire	48%
South East	2%
Rest of UK	8%
Total	100%

Source: Client data

Number of jobs

4.3 Employment across the two factories is shown in Table 4-2. These projections reflect the best estimates of the client at the time and are subject to the performance of the market. Direct employees are described broadly as process operators. Indirect employees are engineers, research and development staff, management, HR, administration etc, and third party/visitors are contractors and temporary staff. The profile shows that most of the anticipated growth is among the direct, production jobs. Between 2022 and 2040 these increase by 696 (from 318 to 1,014) and the indirect jobs grow by 91 (210 to 301). The proposal therefore protects and increases the number of indirect jobs.

Table 4-2: Employment projections with the project

New factory	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Direct	0	0	103	143	183	230	301	375	455	578	626	675	723	772	820	869	917	965	1014
Indirect	0	0	220	220	219	222	223	227	231	282	284	286	288	290	292	295	297	299	301
3rd party/visitors	0	0	20	20	20	20	20	30	30	30	30	30	30	30	30	30	30	30	30

Existing factory	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Direct	318	318	225	195	184	169	142	114	80	0	0	0	0	0	0	0	0	0	0
Indirect	210	210	53	53	53	53	53	53	53	0	0	0	0	0	0	0	0	0	0
3rd party/visitors	25	25	30	30	30	20	20	10	10	0	0	0	0	0	0	0	0	0	0
Total	**553**	**553**	**651**	**661**	**689**	**714**	**759**	**809**	**859**	**890**	**940**	**991**	**1041**	**1092**	**1142**	**1194**	**1244**	**1294**	**1345**

Source: Client estimates

Employment multipliers

4.4 The current and any future, additional economic activity will have knock-on effects through supply chains and as a result of the wages and profits that are re-spent in the economy. There are two types of multipliers:

- **Type I multipliers** reflect the supplier linkage effects (sometimes referred to as indirect effects) arise as beneficiaries increase their demands for goods and services from supplier businesses. These businesses in turn increase their demands for goods and services and so on down the supply chain: and
- **Type 2 multipliers** include *both* the supplier linkage effects described above and the income effect as the increased income is re-spent on final products.

4.5 The value of these multiplier effects varies depending on the geographical area. For example, the multiplier effects for a smaller area such as a neighbourhood or town, will be much smaller than for a region or nation. In this case we have used multipliers for two areas, Oxfordshire and the UK as a whole. The multipliers for the UK are a lot higher because they capture more of the supply chain (and more the re-spent earnings).

4.6 Employment multipliers at a UK level are available from the Office for National Statistics (ONS), but only for Type 1 effects (supply chain). The analysis here uses the ONS' Standard Industrial Classification Code 26 (SIC 26, manufacture of computer, electronic and optical products) which gives a Type 1 employment multiplier of 1.61[9] for the UK.

4.7 To convert this to a Type 2 multiplier we have used the ratio of Type 1 and Type 2 multipliers reported in the Scottish Input Output Tables for the same SIC. The Scottish multipliers are the only public and robust source available at a sufficiently detailed industrial categorisation. Applying this ratio gives a Type 2 multiplier value to 1.98 for the UK.

4.8 For Oxfordshire, the process is slightly different. There are no industry or sector multiplier values at this level of geography. Instead, Homes England Additionality Guidance[10] provides some broad guidance on the values that could be used at different geographies. For activities with limited local supply linkages and induced or income effects it suggests a multiplier effect between 1.05 at a neighbourhood level to 1.3 at a regional level. Oxfordshire is between these two geographies and the analysis therefore uses 1.2 as a Type 2 multiplier.

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[9] *ONS UK employment multiplier values https://www.ons.gov.uk/file?uri=/economy/nationalaccounts/supplyandusetables/adhocs/009746typeiukemploymentmultipliersandeffectsreferenceyear2015/ftemultipliersfull.xls*

[10] *Homes England Additionality Guidance suggests that for activities with a limited local supply linkages and induced or income effects, the multiplier effect will be between 1.05 at a neighbourhood level to 1.3 at a regional level. For Oxfordshire we have used 1.2. See https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf*

Table 4-3: Estimated employment multipliers

	UK Type 2 multiplier estimate	Oxfordshire Type 2 multiplier estimate
Employment	1.98	1.20

Source: SIC 26.02: Computer, electronic and optical products

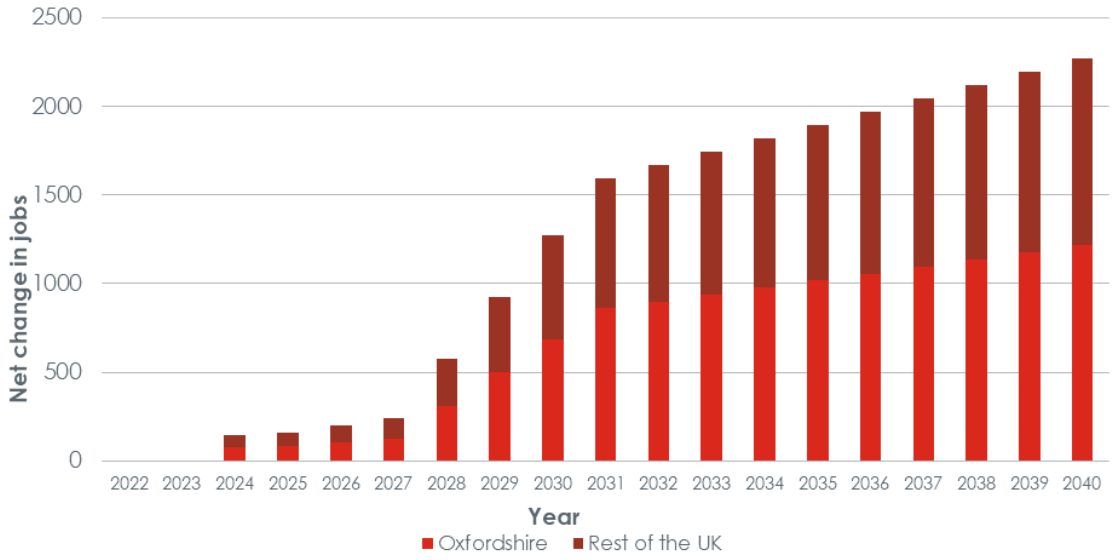
Displacement

4.9 Displacement is the extent to which an increase in activity in one place is at the expense of activity somewhere else. Although there will be no product market displacement due to the nature of the product, there may be some labour market displacement given the high level of employment in Oxfordshire and the demand for technical skills. In other words, some of the additional employment created by the development will impact on the labour market making it harder for other businesses to recruit. From the employment projections, more than half of the employment impact of the proposal is in retaining the existing workforce, so there is no displacement effect. The project creates 792 new posts (in addition to retaining the 553 existing posts). Most of these are direct process operators, and will be trained, rather than necessarily requiring significant experience. This is likely to limit potential displacement. Based on the Homes England Additionality Guide, the analysis here uses an estimate of low displacement (25%) described as "there are expected to be some displacement effects, although only to a limited extent". This is applied to the number and value of the new posts created.

Net impact on employment

4.10 Applying displacement and multipliers estimates gives the profile of change in employment shown in Figure 4-1. This is the *change in employment* across both sites arising from the proposed development, compared to the reference case. The number of additional jobs is relatively small over the first few years as activity continues at the old site until 2030.

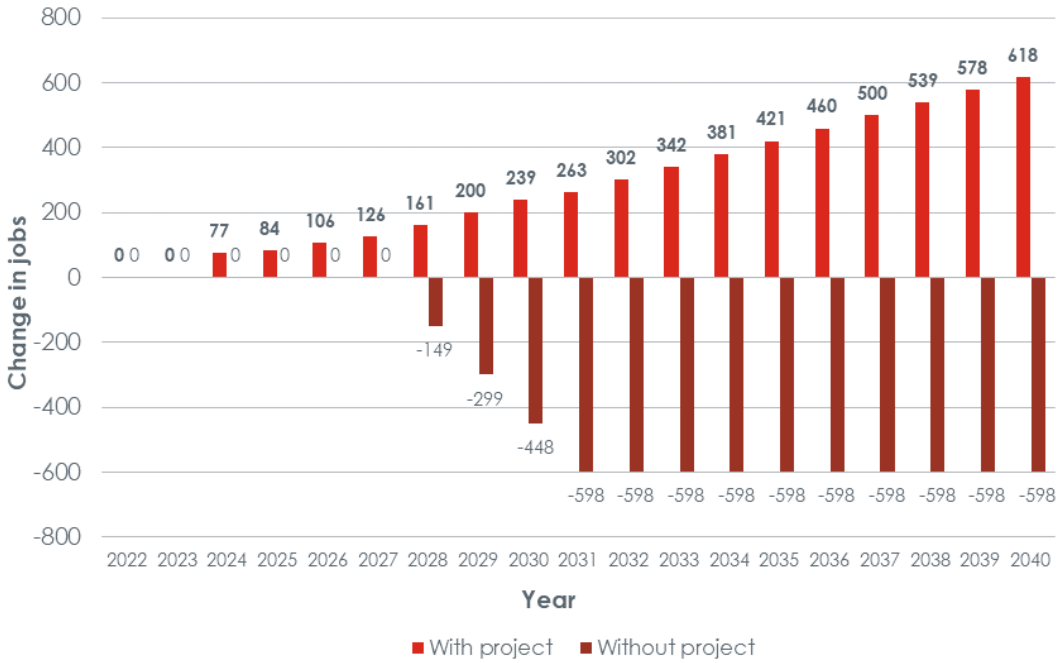
Figure 4-1: Change in employment across both sites arising from the proposed development compared to the reference case



Source: SQW estimates

4.11 Figure 4-2 shows the effect of the Proposal relative to the current position, that is, the number of new posts created (the top part of the chart) and the fall in employment if the Proposal does not proceed. With the project, employment in Oxfordshire would be expected to rise by 618. Without it, employment falls by 598. The Proposal therefore has a net effect of 1,216 jobs by 2040.

Figure 4-2: Change in employment with and without proposed development



Source: SQW estimates

4.12 The net change combines the effects of the 792 new posts created and the retention of the 553 current posts to give the 1,345 jobs. After applying displacement to the new posts gives 1,147 net jobs. At a UK level, applying the employment multiplier of 1.98 gives 2,268 in total by 2040. 90% of the jobs at the plants are Oxfordshire residents (1,121) and after allowing for displacement and the multiplier of 1.2, this gives 1,216 net change in jobs in Oxfordshire. This is around half the UK total.

4.13 The value to the rest of the UK is substantial because of the importance of the wider UK supply chain (reflected by the larger multiplier effects at a UK level).

Output/GVA estimates

4.14 Data on the forecast financial performance of the new and current sites is not available. To provide some indication of these values we have used the Office for National Statistics Annual Business Survey data (2019 released 24 June 2021)[11]. This provides turnover, GVA and employment figures for specific sectors. In this case the analysis uses SIC 26.6 (manufacture of irradiation, electromedical and electrotherapeutic equipment). An alternative would be company accounts, but at a UK level these included a lot of different activities and would not capture the specific site activities very well.

4.15 The ABS estimates 140 enterprises in this category and allows us to calculate ratios per employee, averaged over five years. These are set out in Table 4-4.

Table 4-4: Annual Business Survey ratios for SIC26.6

Ratio	£s (2019 values)
Turnover per employee	334,892
GVA per employee	108,738
Employment costs per employee	55,476

Source: ONS ABS 2019, SIC 26.6

4.16 These ratios are applied to the *net additional* employment at the site to give estimates of the turnover and GVA to 2040.

Output and GVA multipliers

4.17 For commercial reasons SHMT is unable to disclose the value or distribution of suppliers that are used. The estimates here use the UK multiplier values for SIC 26[12]. These are Type 1

[11] Office for National Statistics Annual Business Survey data (2019 released 24 June 2021 https://www.ons.gov.uk/file?uri=%2fbusinessindustryandtrade%2fbusiness%2fbusinessservices%2fdatasets%2fuknonfinancialbusinesseconomyannualbusinesssurveysectionsas%2fcurrent/abssectionsas.xls

[12] ONS United Kingdom Input-Output Analytical Tables, 2017 https://www.ons.gov.uk/file?uri=%2feconomy%2fnationalaccounts%2fsupplyandusetables%2fdatasets%2fukinputoutputanalyticaltablesdetailed%2f2017/nasu1719pr.xlsx

multipliers which exclude the effects of the re-spending of wages and profits in the economy. As was done for employment we have used the ratio of Type 1 and Type 2 multipliers reported in the Scottish Input Output Tables to uplift the UK Type 1 values to provide an estimate for Type 2.

4.18 For Oxfordshire, the analysis uses 1.2 as described above from the Homes England Additionality Guidance[13]. This is used as a Type 2 multiplier. The multiplier values applied are shown in Table 4-5.

Table 4-5: Output and GVA multipliers

	UK	Oxfordshire
Output	1.71	1.20
GVA	1.73	1.20

Source: ONS United Kingdom Input-Output Analytical Tables, 2017 and Homes England Additionality Guidance

Displacement

4.19 As described in the employment section, this is based on the Homes England Additionality Guide and uses low displacement (25%) primarily to take account of a modest labour market impact.

Discounting (Present Value)

4.20 Financial values are presented in 2021 prices but are discounted at the Treasury Green Book rate of 3.5%.

Net impact on GVA

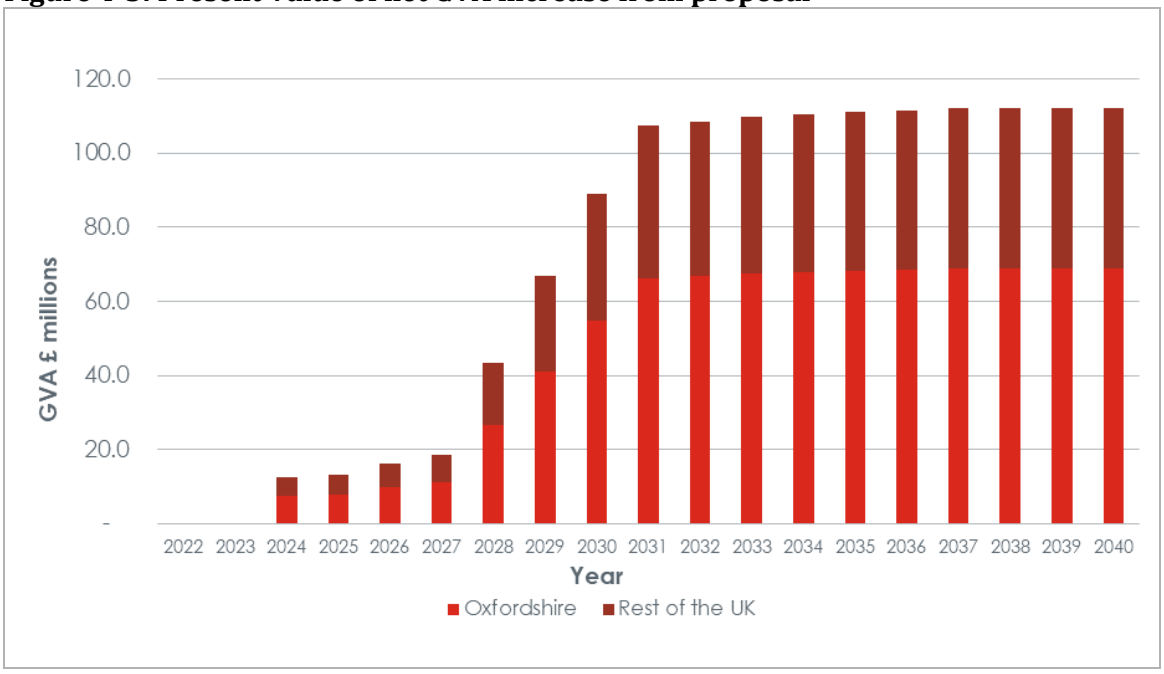
4.21 The following Chart shows the Present Value of the net GVA increase estimated from the proposal in Oxfordshire and the rest of the UK. The growth in GVA is slower than the growth in employment in Figure 4-3, because of the discounting.

4.22 Over the whole period, to 2040, the additional GVA would be around £820 million in Oxfordshire and £360 million in the rest of the UK. By 2040, these estimates suggest that the proposed development would add more than £60 million of GVA a year to the Oxfordshire economy.

[13] Homes England Additionality Guidance suggests that for activities with a limited local supply linkages and induced or income effects, the multiplier effect will be between 1.05 at a neighbourhood level to 1.3 at a regional level. For Oxfordshire we have used 1.2. see https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf

4.23 For comparison, GVA from manufacturing in Oxfordshire was £2.8 billion in 2018, including £740 million in Cherwell[14].

Figure 4-3: Present Value of net GVA increase from proposal



Source: SQW estimates

Wages

4.24 The direct wage estimates are based on a client estimate of an average gross wage of £43,000 and we have assumed that this continues to be the average for future employment (in 2021 prices). Wages paid by businesses in the supply chain are estimated by applying the median wage for Oxfordshire/UK to the number of net additional jobs supported in the supply chain in these areas (Oxford £29,642 and UK £25,780)[15]. These are adjusted to allow for displacement and the value of wages is discounted to provide Present Value estimates.

4.25 This gives two elements:

- the direct wages paid (mainly in Oxfordshire) to the new, additional employees hired, and
- the wages that are associated with the additional jobs in the multiplier effects.

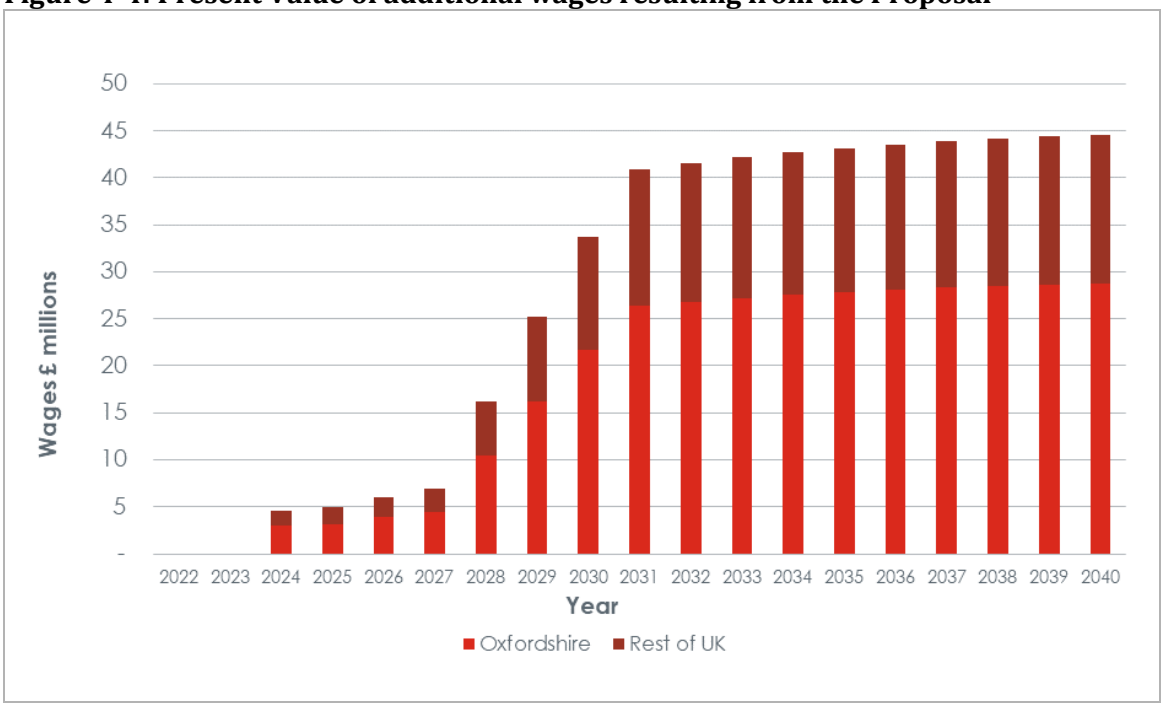
[14] Regional gross value added (balanced) by industry: local authorities by NUTS1 region - https://www.ons.gov.uk/file?uri=%2feconomy%2fgrossvalueaddedgva%2fdatasets%2fregionalgrossvalueaddedbalancedlocalauthoritiesbynuts1region%2fukjsoutheast/regionalgrossvalueaddedbalancedbyindustrylocalauthoritiesukjsoutheast.xlsx

[15] Earnings and hours worked, place of work by local authority, 2020: ASHE Table 7 https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/placeofworkbylocalauthorityashetable7

Net impact on wages

4.26 The two elements are aggregated in Figure 4-4. The growth in the wages paid is slower than the growth in employment in Figure 4-2 because of the discounting. By 2040, the annual additional wages in the Oxfordshire would be £29 million higher as a result of the Proposal and £16 million higher in the rest of the UK (almost £45 million across the UK as a whole).

Figure 4-4: Present Value of additional wages resulting from the Proposal



Source: SQW estimates

Construction phase

4.27 The economic impact of the construction phase is temporary, creating employment over the duration of the site development and build, with a wide range of contractors. The contractors used will have a considerable effect on the proportion of employment created in Oxfordshire. The estimates here are indicative, to provide a broad assessment of the number of jobs that would be associated with a construction project of this size.

4.28 The total cost of the construction and development of the site has been estimated by Savills to be around £80 million. Employment can be broadly estimated using ratios produced by Homes & Communities Agency (HCA) in the Calculating Cost Per Job | Best Practice Note 2015 (3rd Edition)[16]. This provides an estimate of 10 jobs per £1 million for private industrial construction, in 2011 prices. This can be inflated to 2021 prices using the ONS Construction

16 http://www.nwueu.ac.uk/NWUEU/LatestUpdates/PDF/CPJ%20BPN%20%202015%203rd%20Edition%20-%20Final.pdf

Output Price Indices (OPIs)[17]. This gives an inflation adjusted figure of 8.38 jobs per £1 million. A total construction cost of £80 million would therefore support 670 jobs.

Table 4-6: Estimate of construction jobs

	Estimate of jobs
Construction phase employment (UK)	670

17 https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/datasets/interimconstructionoutputpriceindices

5. Social Value Benefits

Introduction

5.1 The purpose of this section of the report is to set out the social value benefits which SHMT delivers through its existing operations as well as considering the opportunities for delivering additional social value through the relocation and expansion of its operations. It demonstrates the centrality of social value to the operational model of SHMT and the clear potential these proposals have for extending the depth and reach of its social value generating activities.

5.2 We also analyse the potential social value benefits to be secured during the construction process.

Defining social value and a framework for analysis

5.3 There is no single adopted definition of social value, but in the context of this report we have adopted the definition provided by the UK Green Building Council:

> **In the context of the built environment, social value is created when buildings, places and infrastructure support environmental, economic and social wellbeing, and in doing so improve the quality of life of people[18]**

5.4 There are a number of alternative frameworks and tools in existence which can be utilised to structure an analysis of social value benefits. This report references the Social Value Portal's National Themes Outcomes and Measures (TOMs) Measurement Framework[19] which has been developed and endorsed by the National Social Value Taskforce, founded to establish a good practice framework for integrating the Public Services (Social Value Act) 2012 into the UK public sector and business community[20].

[18] *Framework for Defining Social Value: A framework for defining and delivering social value on built environment projects* by UK Green Building Council, February 2021 – accessed August 2021
[19] https://socialvalueportal.com/national-toms/ - accessed August 2021
[20] https://www.nationalsocialvaluetaskforce.org/ - accessed August 2021

5.5 The National TOMs Framework defines a number of overarching Themes spanning aspects such as the environment and responsible business practice; these Themes are then broken down into more specific defined Outcomes with a range of accompanying Measures relevant for each Outcome.

5.6 The TOMs Framework has been utilised and adapted in this report as a basis for articulating the existing social value contributions of SHMT. Not all of the TOMs identified by the Social Value Portal are relevant to the operations of SHMT and its existing or proposed operations, or indeed the construction stage.

5.7 The TOMs Framework also applies proxy values to calculate the monetary equivalent of social value contributions, however a monetised approach has not been taken given the purpose is to articulate the range of social outcomes supported by SHMT rather than their proxy monetary value equivalent.

5.8 Further consideration is also given to the stakeholder groups impacted by the activities generating social value.

Local policy context

5.9 Cherwell District Council do not have a specific adopted social value policy or strategy, however the Vision for Cherwell District set out in the adopted plan includes a clear focus on quality of life and wellbeing:

> **By 2031, Cherwell District will be an area where all residents enjoy a good quality of life. Those who live and work here will be happier, healthier and safer**[21]

5.10 This overarching Vision is supported by a number of Strategic Objectives defined to support the implementation of the Vision to deliver:

i) A sustainable local economy

ii) Sustainable communities

iii) Sustainable development

[21] *Cherwell Local Plan 2011-2031 Part 1* by Cherwell District Council (adopted December 2016)

5.11 Whilst these Strategic Objectives are not repeated here, fundamentally these Objectives include a significant focus on improving the quality of life for the communities which live and work within Cherwell.

5.12 One of the dimensions worth highlighting of the Local Plan's Vision and Strategic Objectives, as well as Cherwell District's Sustainable Community Strategy, is the importance of supporting the creation of skilled jobs in the right places as a key component of retaining the District's younger population[22] and *"reducing the need for the District's residents to travel outside the area for work"*[23]. The nature, scale, location and quality of employment created by commercial developments is clearly a priority for the District and essential to delivering quality of life for the District's residents and employees; therefore significance can be attributed to the specific employer which will *occupy* the proposed development even though typically this is not within the control of the planning process.

5.13 Accordingly, this section of the report does not comprise a planning policy assessment but instead provides more of a qualitative insight into how SHMT as an existing, significant employer, delivers social value in its existing location in Eynsham, West Oxfordshire and the potential contribution it could make in the proposed relocation to Symmetry Park Oxford North.

Developer Contributions Supplementary Planning Document (SPD) (2018)

5.14 This SPD sets out the Council's requirement for an increase in apprenticeships to be delivered through development, in line with Strategic Objective 3 of the Local Plan which aims to support an increase in skills and innovation, and paragraph B14 of the Local Plan which states that the Council will support proposals to strengthen the skills base of the local economy which will include the promotion of local training providers.

5.15 The SPD sets out a guidance and a formula for calculating a minimum number of new construction apprenticeships (or apprenticeship starts) as part of a required Employment, Skills and Training Plan (ESTP) for each new development to be secured by S106 Agreement.

5.16 Importantly, the SPD recognises that a formulaic approach to identifying apprenticeship requirements will always be bespoke to the scheme, so whilst the guidance indicates c. 3 apprentices per 1,000 sqm of non-residential floorspace delivered, this is guidance only and a negotiated approach based on an understanding of the development project and its contract value is also articulated at Appendix 13 of the SPD.

5.17 The ESTP is also intended to cover employment in the 'end user phase' for commercial developments to support/provide training and skills needed by local people to access the new job opportunities created by the development's end user.

[22] *Cherwell Local Plan 2011-2031 Part 1* by Cherwell District Council (adopted December 2016)
[23] *Cherwell Sustainable Community Strategy* by Cherwell Community Planning Partnership (2009)

Siemens Healthineers Magnet Technology's existing social value contribution

5.18 The principal focus of this section is to articulate the ways in which SHMT delivers social value at its existing Eynsham factory using the National TOMs as an organising framework.

5.19 This analysis focuses predominantly on the economic, social and environmental themes and outcomes which specifically impact upon existing employees as well as the surrounding community and stakeholder groups.

5.20 Less focus is applied to the environmental and sustainability dimensions of the TOMs Framework that do not directly impact local stakeholders, as these are dealt with extensively elsewhere in this planning application, in line with adopted planning policy requirements.

Table 5-1: SHMT's social value contribution applied to the National TOMs framework

Theme	Outcome	Measure	Quantification
Jobs: Promoting Local Skills and Employment	More people in local employment	A high proportion of existing employees at SHMT live within 20km of the existing factory	81% (c. 450) of employees live within 20km of the existing factory 50% (c. 275) of employees live within 10km of the existing factory
	Improved skills & employability of young people	SHMT works in partnership with local secondary and primary schools. A senior SHMT employee is an Enterprise Advisor to the local secondary school working collaboratively to optimise the school's engagement and interaction with business	Key outputs; - SHMT host interview skills and CV sessions for secondary school students: 8 employees x 0.5 days engaging with 40 students - SHMT mentor student – 6 x students for academic year 20/21 - SHMT host factory tours for students – 3 x tours p/a for 20 students each
		SHMT run an Apprenticeship programme (up to NVQ Level 3) within its manufacturing business, run in partnership with BMW (OXfrod) and the Birmingham Metropolitan College (delivery partner)	Key outputs: - 15 apprentices employed at any given time either working at the factory in Eynsham or in the classroom, across a 3 year programme
Growth: Supporting Growth of	Improving staff wellbeing and mental health	SHMT places significant emphasis on supporting the wellbeing of its staff through the principal areas of:	Over 3199 Health and Wellbeing Encounters recorded in the financial year 20/21 including a mix of

Theme	Outcome	Measure	Quantification
Responsible Business		- Physical health - Mental health - Nutrition - Medical care and assistance Linked to this, SHMT place significant emphasis on personal development and supporting career progression for all of its employees through the Healthineers Performance System	regular/rolling programmes and activities, as well as one-off events: Physical health: - Gym on site – avg. 75 people use it with 335 visits per month - Yoga session held weekly – avg. 7 attendees - Circuits session held weekly – av. 5 attendees - Nordic walking taster session held – 10 attendees Mental Health: - HENRY (healthy lifestyle charity) workshop – 1 session, 10 attendees - MIND 5 ways to Wellbeing – 1 session, 18 attendees - MIND Understanding Anxiety – 1 session, 21 attendees - Boost Wellbeing Anxiety workshop – 1 session, 45 attendees - SMART (Stress, Management and Resilience Training) – Every people manager has to do it and SHMT has run 6 employee workshops – 61 attendees Healthy Nutrition – - Nutrition Workshop – 1 session, 14 attendees - Baxter Storey engagement for healthier options - Free fruit Medical Care and Assistance: - Massage – 44 slots per month, 40 attend on average - Body Mechanics - 8 sessions – 65 attendees

Theme	Outcome	Measure	Quantification
			- Wellpoint Kiosk – average 35 people and 113 overall visits per month - Stroke Awareness – blood pressure check, 1 session, 81 employees checked Employee development: - HPS includes a key focus on People and Leadership practices encompassing performance development, recognition and reward, talent development and leadership excellence - 12-month Leadership Development programme including mentoring and business projects – 9 x employees have undertaken the programme and 6 are already in higher-level job roles within SHMT
	Reducing inequalities	SHMT has a strong commitment to Diversity and Inclusion, defining a 3 year roadmap to provide context for annual targets – 'Champions' are assigned to lead initiatives with Management Team member sponsorship. SHMT focuses on creating awareness and understanding of Diversity and Inclusion topics, facilitating the sharing of experiences and breaking down of barriers	During FY20/21 SHMT undertook the following events and activities which occurred either on a regular or rolling basis: - Unconscious bias toolkit and workshops - Analysis of role profiles using a gender tracker tool - Culture workshops - Coffee roulette - Focus on national equality standard – gap analysis and target setting - Millenials Focus Group - Regular internal surveys to gauge employee perceptions regarding Diversity and Inclusion (fair opportunities, feeling valued, belonging etc)

Theme	Outcome	Measure	Quantification
			Additionally, a number of 'one-off' events and activities were also coordinated: - Disability focus group - National inclusion week - International men's' day - LGBT+ training
Social: Healthier, Safer and more Resilient Communities	Creating a healthier community	SHMT supports its local community in engaging in healthy activities	SHMT is the main sponsor of the annual charitable Wytham Woods 10km run, a local community fun run which raises money for local community organisations
	More working with the community	SHMT supports its employees in engaging with their local community through a combination of allowing time to be spent volunteering every year, supporting local charitable organisations and events, and contributing to charitable fundraising.	Key outputs: - SHMT employees vote to support a charitable partner which for the last 3 years was Cancer Research UK, raising over £25,000 - SHMT employees voted to support a new organisation, the Thames Valley Air Ambulance in 2020/21 - Each employees is allowed to spend 2 days of company time volunteering per year, tracked at an average of 120 days annually contributed across SHMT - SHMT is the main sponsor of the annual Oxford Science Festival (run by a charitable organisation) with the purpose of creating accessible, innovative high-quality material (research, teaching and practice in knowledge development) for public audiences with an emphasis on inclusivity and diversity
Environment: decarbonising and	Safeguarding the natural environment	SHMT employees have established a Biodiversity Team which supports the	Key outputs: - 20 SHMT employees engaged in the Biodiversity Team

Theme	Outcome	Measure	Quantification
safeguarding our world		local Eynsham Nature Recovery Network (ENRN)	- 2 meadow walks - Wildflower planting - Animal box making workshops - Supporting the production of local wildlife information boards in partnership with ENRN and local schools

Source: SHMT

Proposed social value potential at Symmetry Park, Oxford North (operational phase)

5.21 Table 5.1 provides the platform for consideration of the potential benefits which will be generated by SHMT at its proposed facility at Symmetry Park, Oxford North.

5.22 SHMT's existing model of delivering social value is characterised by the following:

i) A high proportion of its employees reside locally;

ii) A demonstrable commitment to investing in its employees to support their wellbeing and quality of life;

iii) Supporting its employees in actively engaging in the local community through a range of environmental, health and wellbeing initiatives and programmes;

iv) A commitment to developing skills and employability of young people both in the surrounding community through partnerships with local schools and in its current workforce through hosting an apprenticeship programme;

v) An alignment between SHMT's social value delivery and identified need through close stakeholder working, including both employee and community-led ideas generation.

5.23 The proposed relocation and expansion of SHMT to Symmetry Park, Oxford North will provide the opportunity to scale up the depth and breadth of its social value offer, reflecting the proposed significant expansion of its workforce with a clear opportunity to embed itself into the community in close proximity to the proposed development.

5.24 The proximity of the proposed development to SHMT's existing factory will facilitate the retention of its existing workforce and ongoing support for their wellbeing and quality of life.

5.25 The wider implication is that SHMT's continued investment in and support for skills development, professional development and wellbeing outcomes will continue to deepen the resilience and quality of the cryogenics cluster in Oxfordshire.

5.26 The benefit of this operator-led proposal is that reassurance can be provided in respect of the social value credentials of the business already making a demonstrably positive social value impact in its local community. In relation to engaging with and adding social value to the communities surrounding the proposed development, SHMT's approach will be to work closely with stakeholders to define opportunities to deliver social value aligned with identified need rather than applying a pre-defined approach, however their existing track record provides comfort that significant social value can and will be unlocked as a result of this proposal.

Proposed social value during construction

5.27 During construction Tritax Symmetry will commit to delivering a number of construction apprenticeships. The precise number and type of apprenticeships will be established in close dialogue with Cherwell District Council and will ultimately reflect the scale and nature of the proposed development and Tritax's focus on delivering meaningfully upon its commitments in a manner which is aligned with the local context. These details will be worked up as the project progresses.

5.28 As part of all its development schemes, Tritax is committed to exploring a range of measures to improve skills and training opportunities for the local workforce. Tritax seeks to foster positive working relationships between its developments and local schools and colleges. Currently Tritax has an agreed Vision Statement with Bicester Technology Studio to help establish an educational and work experience partnership with the school.

5.29 Other measures which might form part of Tritax's commitments during the construction phase might include facilitating visits to site during the construction stage process for local students or integration with the wider contractor team to give greater exposure to a range of career opportunities and providing educational inputs and assistance from the 'real world' to the curriculum.

6. Conclusions

6.1 This report has sought to demonstrate the socio-economic impact of SHMT both in terms of its existing operations in Eynsham, and in relation to the proposed development at Symmetry Park Oxford North.

6.2 Through an explanation of the cryogenic cluster of which SHMT is a key part, this report has also sought to articulate the wider value of SHMT's existing and ongoing presence in Oxfordshire and the potential implications should this proposed development fail to go ahead, potentially leading to their relocation away from Oxfordshire.

6.3 By developing a new production facility in relatively close proximity to its existing site, SHMT believes that it will be able to achieve three main outcomes: it will affect the transition from one technology to another; it will expand overall levels of production to meet anticipated demand; and it will retain most of its specialist workforce. It should also continue to benefit from, and contribute to, the overall vibrancy of the Oxfordshire cluster.

6.4 In relation to its workforce, it is notable that over 80% of its c 550 existing (direct, indirect and contractor) employees reside within 20km of its existing factory at Eynsham. The proposed facility, once fully operational and the existing factory has been wound down, is projected to employ c. 1,345 staff across all functions, representing both (a) the obvious potential for retention of existing staff, the majority of whom live locally, and (b) to create significant additional employment growth in Cherwell District.

6.5 In turn, it is forecast that the proposed development will deliver a net additional £820m GVA in Oxfordshire by 2040 and £360m net additional GVA across the rest of the UK, equating to £60m net additional GVA per annum by 2040 in Oxfordshire.

6.6 The quantifiable economic benefits of the proposed relocation and expansion of SHMT are demonstrably significant. The broader contribution of SHMT to the wider cryogenics cluster in Oxfordshire and the innovation ecosystem of the Ox-Cam Arc is no less material or tangible, for example reinforcing a specialist labour market and facilitating both informal and formal collaborations within the broader cluster.

6.7 SHMT generates significant social value both in terms of its role as responsible employer and in terms of its external impacts on its local community and stakeholders. SHMT makes significant local contributions, including a commitment to training and supporting the wellbeing of its workforce which in turn bolsters the resilience of the locally specialised labour market. The proposed development will unlock a scaling of SHMT's capacity to generate significant social value within Cherwell District and Oxfordshire mor widely.

6.8 Additionally, during the construction-phase, Tritax Symmetry is committed to delivering construction apprenticeship opportunities.

6.9 Should the proposed development not go ahead then SHMT have indicated that their existing facility would wind down and cease operations by 2030 with the consequence being that a key source of local, specialist, high-skilled employment and GVA generator would be lost along with economic and social value benefits foregone both in relation to the existing position and the proposed expansion.

SQW

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