

November 2023

London Luton Airport Expansion

Planning Inspectorate Scheme Ref: TR020001

Volume 8 Additional Submissions (Examination)

8.81 Applicant's response to Written Questions - Socio-economic Effects

Infrastructure Planning (Examination Procedure) Rules 2010

Application Document Ref: TR020001/APP/8.81

The Planning Act 2008

The Infrastructure Planning (Examination Procedure) Rules 2010

**London Luton Airport Expansion Development Consent
Order 202x**

**8.81 APPLICANT'S RESPONSE TO WRITTEN QUESTIONS - SOCIO-
ECONOMIC EFFECTS**

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1 RESPONSE TO EXAMINING AUTHORITY WRITTEN QUESTIONS (SOCIO-ECONOMIC EFFECTS)

Table 1.1: Responses to the Examining Authority's Written Questions (Socio-economic effects)

PINS ID	Question / Response
Social effects	
SE.1.1	<p>Question to the Applicant and Joint Host Authorities:</p> <p>Equity The New Economics Foundation [REP1-114, paragraphs 75 to 79] have highlighted that key impacts of the scheme have not been assessed through an equity lens. Why has this assessment not been undertaken and given the emphasis that has been placed on how the Proposed Development would contribute to delivering the levelling up agenda should it be and, if not, why not?</p> <p>Response: The reference to the requirement for an equity assessment is cross referenced by within Written Representation (WRs) [REP1-115] (Dr Chapman) at Annex A3 of the Treasury Green Book referring to 'Distributional Appraisal' (REF 1). The Applicant's view remains that such an appraisal (WebTAG appraisal) is not required for the application for development consent for the reasons previously set out Section 1.10 of the Applicant's Response to Deadline 3 Submissions Appendix A New Economics Foundation [REP3-131].</p> <p>Nonetheless, an Equality Impact Assessment [APP-227] was undertaken and submitted as part of the application for development consent and this sets out any differential impacts on different parts of society arising from the Proposed Development.</p> <p>In terms of the contribution to levelling up, it is highlighted in the Equality Impact Assessment that positive impacts (an additional £ of income) is worth more to those on lower incomes than those on higher incomes. This highlights how the economic stimulus from growth at the airport would have a disproportionately greater impact in helping to overcome deprivation.</p>
Economic effects	
SE.1.2	<p>Question to the Applicant:</p> <p>Out-commuting The Need Case states the future economic strategy for Luton is seeking to develop higher value-added employment, more job opportunities and to clawback current out-commuting to higher paid jobs. It is stated that the potential of the aerospace sector and aviation, including the airport, to support these aspirations is well recognised as well as opportunities to attract green technology enterprises to the local area. Please explain:</p> <ol style="list-style-type: none"> 1. What are the current levels of out-commuting to higher paid jobs, locations in the vicinity of the airport where this is being experienced and how expansion of the airport will help to claw this back; and 2. Provide examples of how airport expansion has attracted green technology enterprises.

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	<p>Response: It is note that-</p> <p>1. Information from the 2021 census (Ref 2) shows the level of out-commuting from Luton by type category of employment and is set out in Table 1 below. Table 2 shows the equivalent data for the whole of England.</p> <p>Table 1: Distance travelled to work by occupation - Luton</p> <table border="1"> <thead> <tr> <th>Occupation (current)</th> <th>Total</th> <th>Less than 10km</th> <th>10km to less than 30km</th> <th>30km and over</th> <th>Works mainly from home</th> <th>Not in employment or works mainly offshore, in no fixed place or outside the UK</th> <th>Proportion commuting 10km or more</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>98,725</td> <td>38,221</td> <td>14,091</td> <td>6,862</td> <td>21,200</td> <td>18,351</td> <td>26%</td> </tr> <tr> <td>1. Managers, directors and senior officials</td> <td>8,547</td> <td>2,530</td> <td>1,172</td> <td>785</td> <td>2,926</td> <td>1,134</td> <td>26%</td> </tr> <tr> <td>2. Professional occupations</td> <td>15,550</td> <td>5,063</td> <td>1,679</td> <td>1,349</td> <td>6,462</td> <td>997</td> <td>21%</td> </tr> <tr> <td>3. Associate professional and technical occupations</td> <td>9,938</td> <td>2,958</td> <td>1,207</td> <td>794</td> <td>4,100</td> <td>879</td> <td>22%</td> </tr> <tr> <td>4. Administrative and secretarial occupations</td> <td>8,434</td> <td>3,202</td> <td>859</td> <td>421</td> <td>3,610</td> <td>342</td> <td>16%</td> </tr> <tr> <td>5. Skilled trades occupations</td> <td>9,660</td> <td>2,250</td> <td>1,199</td> <td>729</td> <td>534</td> <td>4,948</td> <td>41%</td> </tr> <tr> <td>6. Caring, leisure and other service occupations</td> <td>10,527</td> <td>5,834</td> <td>1,379</td> <td>542</td> <td>997</td> <td>1,775</td> <td>22%</td> </tr> <tr> <td>7. Sales and customer service occupations</td> <td>7,854</td> <td>4,465</td> <td>1,137</td> <td>424</td> <td>1,381</td> <td>447</td> <td>21%</td> </tr> <tr> <td>8. Process, plant and machine operatives</td> <td>11,486</td> <td>3,670</td> <td>1,549</td> <td>739</td> <td>545</td> <td>4,983</td> <td>35%</td> </tr> <tr> <td>9. Elementary occupations</td> <td>16,729</td> <td>8,249</td> <td>3,910</td> <td>1,079</td> <td>645</td> <td>2,846</td> <td>36%</td> </tr> </tbody> </table> <p>Table 2: Distance travelled to work by occupation - England</p> <table border="1"> <thead> <tr> <th>Occupation (current)</th> <th>Total</th> <th>Less than 10km</th> <th>10km to less than 30km</th> <th>30km and over</th> <th>Works mainly from home</th> <th>Not in employment or works mainly offshore, in no fixed place or outside the UK</th> <th>Proportion commuting 10km or more</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>26,405,208</td> <td>9,334,245</td> <td>3,802,269</td> <td>1,130,936</td> <td>8,321,249</td> <td>3,816,509</td> <td>22%</td> </tr> <tr> <td>1. Managers, directors and senior officials</td> <td>3,403,916</td> <td>839,978</td> <td>458,439</td> <td>179,954</td> <td>1,608,547</td> <td>316,998</td> <td>21%</td> </tr> <tr> <td>2. Professional occupations</td> <td>5,356,649</td> <td>1,392,291</td> <td>813,222</td> <td>255,607</td> <td>2,639,982</td> <td>255,547</td> <td>21%</td> </tr> </tbody> </table>							Occupation (current)	Total	Less than 10km	10km to less than 30km	30km and over	Works mainly from home	Not in employment or works mainly offshore, in no fixed place or outside the UK	Proportion commuting 10km or more	Total	98,725	38,221	14,091	6,862	21,200	18,351	26%	1. Managers, directors and senior officials	8,547	2,530	1,172	785	2,926	1,134	26%	2. Professional occupations	15,550	5,063	1,679	1,349	6,462	997	21%	3. Associate professional and technical occupations	9,938	2,958	1,207	794	4,100	879	22%	4. Administrative and secretarial occupations	8,434	3,202	859	421	3,610	342	16%	5. Skilled trades occupations	9,660	2,250	1,199	729	534	4,948	41%	6. Caring, leisure and other service occupations	10,527	5,834	1,379	542	997	1,775	22%	7. Sales and customer service occupations	7,854	4,465	1,137	424	1,381	447	21%	8. Process, plant and machine operatives	11,486	3,670	1,549	739	545	4,983	35%	9. Elementary occupations	16,729	8,249	3,910	1,079	645	2,846	36%	Occupation (current)	Total	Less than 10km	10km to less than 30km	30km and over	Works mainly from home	Not in employment or works mainly offshore, in no fixed place or outside the UK	Proportion commuting 10km or more	Total	26,405,208	9,334,245	3,802,269	1,130,936	8,321,249	3,816,509	22%	1. Managers, directors and senior officials	3,403,916	839,978	458,439	179,954	1,608,547	316,998	21%	2. Professional occupations	5,356,649	1,392,291	813,222	255,607	2,639,982	255,547	21%
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As made clear in the Luton Covid-19 Economic Plan (REF 2), the airport and its growth is an integral part of that plan:</p> <p><i>“To do this we will bring forward the work of our Inclusive Economy Strategy with the aim of growing our economy to provide more high-value and well-paid jobs for our residents; drive growth in key sectors, including the airport; and bring forward our new Town Centre Masterplan to make our town centre a more attractive destination for office, retail and leisure use.”</i></p> <p><i>The role of the airport in supporting economic development in Luton is across all three of the dimensions – “higher value-added employment, more job opportunities and to clawback current out-commuting to higher paid jobs”.</i></p> <p>The growth of the airport is expected to deliver 4,400 additional jobs (including indirect and induced effects) in Luton over the period to 2043, before taking into account the wider impacts that the enhanced air connectivity can have in attracting more businesses to the area. A proportion of the jobs directly at the airport would be higher paid and this would contribute to the broader objective of creating more opportunities for higher paid employees to work locally.</p> <p>2. The reference to green technologies in the Need Case [AS-125] is a forward looking comment and, in part, relates to the broader objectives for the Green Horizons Park. The driver for this is expected to be the requirement to decarbonise airport operations – zero emissions by 2040 – and the investment being stimulated in low carbon aircraft. Nearby Cranfield University is a leader in this field and this creates opportunities for London Luton Airport to be a demonstrator for such initiatives.</p> <p>Examples of how airport expansion acts as an attractor to green technology enterprises include:</p> <p>Airport expansion can attract green technology enterprises in various ways, as these enterprises often seek to provide sustainable solutions for the aviation industry. Here are some examples of how airport expansion can encourage the growth of green technology companies:</p> <p>a. Sustainable Infrastructure Development:</p> <p>Green technology companies can be involved in designing and constructing sustainable airport infrastructure, such as energy-efficient terminals, eco-friendly runways, and environmentally friendly buildings. For instance, green construction firms may incorporate renewable energy sources, efficient lighting systems, and advanced insulation materials, and advanced building materials to reduce the airport's carbon footprint.</p>	3. Associate professional and technical occupations	3,499,749	838,240	443,067	172,162	1,755,715	290,565	19%	4. Administrative and secretarial occupations	2,446,565	862,616	313,298	59,929	1,135,992	74,730	16%	5. Skilled trades occupations	2,683,139	698,824	346,792	112,473	230,596	1,294,454	33%	6. Caring, leisure and other service occupations	2,447,148	1,319,205	373,532	82,893	282,756	388,762	22%	7. 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	<p>b. Renewable Energy Integration: Expanding airports can create opportunities for green technology enterprises to install renewable energy systems, such as solar panels, wind turbines, or geothermal heating and cooling systems. These technologies can help airports reduce their reliance on fossil fuels and decrease greenhouse gas emissions.</p> <p>c. Electric Ground Support Equipment (GSE): As airports expand, there is often a need for more ground support equipment, such as baggage tugs, aircraft tugs, and maintenance vehicles. Green tech companies can provide electric or hybrid alternatives to traditional GSE, reducing emissions and noise pollution.</p> <p>d. Sustainable Transportation Options: Expanding airports often necessitate better transportation links to and from the airport. Green tech enterprises can participate by developing and operating eco-friendly transportation options, such as electric shuttle buses, electric vehicle charging infrastructure, or hydrogen fuel cell-powered shuttles.</p> <p>e. Sustainable Waste Management: Green technology companies can offer innovative waste management solutions for airports, helping them reduce waste, increase recycling rates, and minimize environmental impacts. For instance, they may introduce composting programmes, waste-to-energy technologies, or advanced recycling systems.</p> <p>f. Eco-Friendly Aircraft Ground Operations: With airport expansion, there may be an increased demand for services like aircraft de-icing and refuelling. Green tech enterprises can provide more eco-friendly methods for these operations, such as using biodegradable de-icing fluids or sustainable aviation fuels (SAFs) or hydrogen for refuelling.</p> <p>g. Green Terminal Solutions: Expanding airports often require the construction of new terminals or the renovation of existing ones. Green technology companies can offer solutions for energy-efficient lighting, heating, and cooling systems, as well as smart building management systems to optimize energy consumption.</p> <p>h. Sustainable Airside Operations: Green technology enterprises can also focus on optimising airside operations. For instance, they can develop software and systems for air traffic control and airport management that help reduce fuel consumption, lower emissions, and improve overall efficiency.</p> <p>i. Biodiversity and Landscaping: As airports expand, they may need to consider environmental conservation and landscaping. Green technology firms can assist in creating wildlife habitats, green spaces, and sustainable landscaping that support biodiversity and improve the airport's overall sustainability.</p> <p>j. Research and Innovation: Airports can collaborate with green tech companies to establish research and development centres focused on aviation sustainability and decarbonisation. These centres can work on innovative solutions for reducing carbon emissions, noise pollution, and other environmental impacts associated with airport operations.</p> <p>Overall, airport expansion can serve as a catalyst for the growth of green technology enterprises by providing a demand for sustainable solutions, reducing the environmental footprint of aviation, and fostering innovation in the industry.</p>
SE.1.3	<p>Question to the Applicant:</p> <p>Demand for private rented homes The Planning Statement [AS-122, paragraph 8.3.31] considers that the private rented homes sector would be the principal sector for accommodating demand from 'non-home based' construction workers, which considers that sufficient supply to meet demand exists based on figures from 2018. It is noted that paragraphs 8.3.44 to 8.3.46 describe 'Hotel Need' although only considers need from passengers and other airport related visitors as a consequence of the proposed growth at the airport.</p> <p>Explain whether any assessment of the potential demand on hotel accommodation from 'non-home based' construction workers has been undertaken. If not, to what extent would demand from 'non-home based' construction workers during the construction phases affect the supply of available hotel rooms.</p>

PINS ID	Question / Response
	<p>Response: An assessment of the potential demand on hotel accommodation from ‘non-home based’ construction workers has not been undertaken. As outlined in Paragraph 11.5.24 of Chapter 11 Economics and Employment of the ES [APP-037], demand for accommodation is best represented by the private rented homes sector given that the long duration of the construction period necessitates accommodation which can be readily used for longer periods of time.</p> <p>It is also noted in Paragraph 11.9.21 of Chapter 11 Economics and Employment of the ES [APP-037] that if further demand from housing does arise from ‘non-home based’ construction workers for shorter stays, a supply of bed and breakfast accommodation would be able to meet this demand.</p>
SE.1.4	<p>Question to the Applicant and Luton Borough Council:</p> <p>Employment and training strategies The s106 agreement attached to the current planning consent for the airport requires the delivery of an employment, skills and recruitment plan:</p> <ol style="list-style-type: none"> 1. Under the s106 agreement annual monitoring of this plan should have occurred. Can you provide details of what outcomes has it delivered since the granting of consent? 2. What would happen to this strategy given Articles 44 and 45 in the draft DCO [REP2-003] ie would it be in addition to or replaced by the proposed Employment and Training Strategy (ETS)? 3. The Green Horizons Park s106 requires the delivery of an employment, skills, procurement and training strategy. Would the ETS be in addition to or replace this strategy? 4. Given what the ETS is delivering should it be secured through a requirement rather than a s106 agreement as has been done on other DCOs? If not, why not, and what is the advantage of securing it through a s106 as opposed to a requirement? <p>Response: It is noted that -</p> <ol style="list-style-type: none"> 1. Annual reporting of the effectiveness of the Employment Skills and Recruitment Plan is undertaken by LLAOL through its Annual Monitoring Report (which from 2022 is now incorporated into LLAOL’s Sustainability Report) (REF 5). Headline findings from the 2022 report include: <ol style="list-style-type: none"> a. around 53% of procurement spend going to local suppliers; b. becoming a Real Living Wage employer; c. recruiting 76 corporate and management colleagues; d. delivering 13 recruitment events and assessment days; e. hiring 75 security officers; f. delivering the “Get into Airports” Programme; and g. delivering seven airport careers events. <p>Further information can be found in the 2022 Annual Sustainability Report.</p> 2. The proposed ETS would replace (supersede) the existing strategy, given the Proposed Development ETS is greater in ambition, reflecting the increased scale of the Proposed Development 3. The Applicant views the Green Horizons Park the Proposed Development as two separate schemes. The Luton Employment and Skills Strategy 2022-2027 (REF 4) published by Luton Borough Council outlines the need for the development of an Employment and Training Strategy specific to the expansion of the airport. The Applicant recognises that there may be overlap across both schemes and will ensure that there is alignment and collaboration across both schemes. The London Luton Airport Expansion ETS has been developed to tailor to the specific needs of the construction and operational phase of the expansion and would have different requirements to the strategy for the Green Horizons Park. Therefore, the proposed ETS can (and does) align with Green Horizons Park, however, would not replace it. 4. As outlined in the proposed ETS, a s106 agreement would secure the ETS and the commitments required to deliver it. The ETS is being secured through a section 106 agreement rather than by a DCO requirement to enable greater flexibility for the terms of the ETS to be amended at a later date. The process for making an amend to an obligation secured by section 106 is quicker than the process for amending a DCO requirement. The Applicant is keen to retain this flexibility.
SE.1.5	<p>Question to the Applicant:</p> <p>Availability of construction workers</p> <ol style="list-style-type: none"> 1. The ES [APP-037] uses a sixty-minute commute time when assessing availability of construction workers who would not therefore need to live/ move to Luton. Whilst this might be appropriate in less dense/ urban areas where workers are used to commuting for longer periods for work, why is a sixty-minute commute distance appropriate in this instance?

PINS ID	Question / Response
	<p>2. Buckinghamshire Council [REP1A-001, paragraph 3.6.12] highlighted that there are a number of other major infrastructure projects which are either under construction or likely to be constructed at the same time as the Proposed Development (eg HS2 and the East-West rail link) which could affect the availability of construction workers to work on the Proposed Development. Has this been assessed, if so signpost where in the documentation this can be found and if it hasn't, explain why not and whether it should be?</p> <p>3. Explain whether the answer to these questions would affect the conclusions contained in the ES.</p> <p>Response: It is noted that -</p> <ol style="list-style-type: none"> 1. A 60-minute drive time was applied in the assessment of availability of home-based construction workers on the basis of available research and professional experience. As set out in Paragraph 11.6.2 of Chapter 11 Economics and Employment of the ES [APP-037], a research survey completed by IFF Research on behalf of Construction Skills, the Engineering Construction Training Board, South East England Development Agency and the Department of Trade and Industry in 2005 found construction labour can travel up to a 50 mile/90-minute drive time area for major projects. This was based on consideration of both urban and less urban project contexts. This is further supported by a recent study completed by the Construction Industry Training Board in April 2019 which found that nearly half (48%) of the construction workers in the South East of England, a comparable area in respect of transport accessibility, have travelled more than 50 miles away from their permanent home. Based on this evidence, a 60-minute drive time was considered appropriate to reflect the high local and wider density of labour and also capture construction workers likely to be travelling from a further distance from the Proposed Development Site. The location of the Proposed Development at a highly accessible location in the Thameslink Corridor will also provide potential for workers to commute from locations within 60-minutes by public transport from some areas beyond the identified drive time catchment. 2. The impact of the project on the availability of construction workers is discussed in Paragraph 11.9.7 of Chapter 11 Economics and Employment of the ES [APP-037]. Through comparing the Proposed Development's employment requirements to the total supply of construction workers within the 60-minute drive time, need from the Proposed Development represents less than 2% of the workforce on a per annum basis. This impact on labour availability is not considered sufficient to have an impact on capacity within the construction sectors to respond to economic change and growth. The need for construction workers arising from the Proposed Development is considered sufficiently limited that the requirements of other major infrastructure projects could also be met without impact on labour market availability. In respect of the two most notable projects, HS2 and East-West Rail, the known or potential location of construction worksites in relation to the Proposed Development are such that they would draw on a labour market catchment that includes areas lying beyond the 60-minute drive time from Luton Airport, particularly in respect to HS2 given its alignment lies a distance to the west of the Proposed Development. Therefore, when these considerations are taken into account, the cumulative effect from the Proposed Development on the availability of construction workers is not expected to result in significant adverse effects. 3. Based on the responses above, the conclusions to the assessment within Chapter 11 Economics and Employment of the ES [APP-037] would not be affected.
SE.1.6	<p>Question to the Applicant:</p> <p>Local procurement One of the potential economic benefits highlighted in the application documents is the opportunities to local companies and businesses during both construction and operation.</p> <ol style="list-style-type: none"> 1. Are there the companies and businesses locally that could deliver the resources to meet the needs of construction/ operation opportunities? 2. How would these benefits be secured? <p>Response: It is noted that -</p> <ol style="list-style-type: none"> 1. The Employment Training Strategy (ETS) is an overarching strategy which provides a framework to ensure that as many of the jobs and economic opportunities generated by the Proposed Development as possible go to the residents of Luton and surrounding areas. The ETS sets out how the Applicant and its strategic partners can maximise employment benefits of the expansion for the ETS Study Area through collaborative and good practice approaches to employment and training support for residents and businesses at the airport. For example, as part of LLAOL's procurement process, we have seminars to encourage local suppliers to bid for contracts and the social value question rewards local suppliers. The ETS is therefore an overarching strategy that has been developed to support the application for development consent, it is not a detailed study that sets out the route to market or provides analysis on the existing market conditions. It is a strategy to provide a framework to allow benefits to be realised locally. 2. As outlined within the ETS, benefits will be secured through a s106 agreement.
SE.1.7	<p>Question to the Applicant:</p> <p>Displaced jobs</p>

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	<p>The ES [APP-037] only considers jobs that would be physically displaced as a result of the construction of the Proposed Development ie because the land/ building is needed to enable it. Has any assessment of displacement of jobs from current businesses by employees choosing to work for the airport either during construction/ operation been assessed? If so signpost where in the documentation this can be found and if not, why not and should it be?</p> <p>Response: Displacement of jobs during construction from current businesses by employees choosing to work for the airport has not been assessed. The large size of the construction workforce (194,320 people) within a 60-minute drive time means that displacement of workers is unlikely to undermine the capacity of the construction sector to meet demand for workers at other projects. As stated in Paragraph 11.9.7 of Chapter 11 Economics and Employment of the ES [APP-037] comparing the Proposed Development's employment requirements to the size of the workforce generates a need of less than 2% of this workforce on a per annum basis, such that there is likely to be capacity within the construction sectors to respond to economic change and growth. Also, the application of displacement would have a significant limitation given there would be no certainty that it would remain accurate over a long construction period to 2043. Based on these considerations, an assessment of displacement of jobs from current businesses by employees choosing to work for the airport during construction is unnecessary.</p> <p>Similarly, factor displacement in terms of overall employment in Luton has not been taken into account for the operational phase as this is not considered relevant in the context of higher levels of unemployment in Luton.</p>
SE.1.8	<p>Question to the Applicant:</p> <p>Displaced jobs The ES [APP-037, paragraph 11.9.10] calculates the impact of job displacement as 1 job for every 36m² of floorspace. Given that it is known which organisations would be affected:</p> <ol style="list-style-type: none"> 1. Are the actual job numbers known? If so, could these be used, and would they result in a different conclusion? 2. If the actual job numbers are not known are the industries/ organisations affected known and, if so, could a more refined formula based on the type of floorspace (eg office, warehouse, production) be used for calculating the jobs that would be displaced and would this result in a different conclusion? If not, why not? <p>Response: It is noted that -</p> <ol style="list-style-type: none"> 1. There are several business premises which would be displaced by the Proposed Development. These comprise of both occupied premises and vacant premises. The actual number of jobs at the occupied premises are not known while the vacant premises currently do not support any employment. On this basis it was deemed appropriate to estimate employment consistently across both occupied and vacant premises using an employment density that would represent a reasonable worst case derived from the Homes and Communities Agency (now Homes England) Employment Densities Guide 3rd Edition (2015) (REF 6). This represents recognised guidance used to estimate employment when provided with existing and proposed floorspace as part of the economic appraisal of projects. <p>If actual job numbers were known for the occupied premises, the magnitude of impact is not expected to change and hence the assessment conclusion would remain the same. The 'medium' magnitude of impact assessed in Paragraphs 11.9.10-11.9.12 of Chapter 11 Economics and Employment of the ES [APP-037] was based on 350 jobs being displaced which fell within a threshold range of between 251 to 1,000 jobs. The majority of employment floorspace displaced by the Proposed Development is known to comprise of either light/general industrial or warehousing, sectors with low intensive levels of employment. Given this, the number of displaced jobs should still remain within the 251-1,000 range.</p> <ol style="list-style-type: none"> 2. Whilst actual job numbers are not known, industries are known for the occupied premises which are displaced. Assumptions would need to be made regarding the likely users of vacant floorspace which would limit the extent of a more refined formula. Given the majority of employment floorspace displaced by the Proposed Development is known to comprise of either light/general industrial or warehousing, 36m² per job is considered to be a fair representation. On this basis, the Applicant does not consider that a refined formula would result in a different conclusion.
SE.1.9	<p>Question to the Applicant:</p> <p>Impact of COVID-19 The studies done by Oxford Economics are based on employment levels in and around the airport in 2019. During COVID a significant number of staff directly employed by the airport were furloughed/ laid off. In addition, post COVID many industries which furloughed staff have reviewed their operating procedures/ employment needs and subsequently do not employ as many people or employ in the same way. Has any assessment of changing employment practices post-COVID been included in the employment and economic assessments? If so, please signpost where this can be found. If not, why not and should it be?</p>

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	<p>Response: No specific assessment has been carried out on changes in working practices post-Covid but the airport operator has recently updated the assessment of employment in the vicinity of the airport, which will shortly be published in its Annual Monitoring Report. This shows employment in the vicinity of the airport of 11,100 in 2022 (Source: Interdepartmental Business Register) (REF 7). This compares to a total of 11,200 in 2019. Whilst this includes some employment that is not strictly related to the operation of the airport (see Applicant's Response to Issue Specific Hearing 2 Action 5 and 6: Past Employment Estimates [TR020001/APP/8.90]), experience of the situation pre-Covid would suggest that the total needs to be adjusted by 300 to be equivalent to the stricter definition of airport related employment. This would suggest airport related employment at the airport of 10,800 in 2022, which is only 100 jobs less than assessed by Oxford Economics despite the airport traffic not having recovered to 2019 levels.</p> <p>This strongly suggests that the long-term impact of Covid-19 and staff furloughs has not impacted directly on airport related employment and the anticipated productivity trends going forward.</p>
SE.1.10	<p>Question to the Applicant and the Joint Host Authorities:</p> <p>Monitoring The ES [APP-037, paragraph 11.13.1] concludes that there would be no requirement for continued monitoring during construction or operation of the Proposed Development. Applicant: Provide further detail as to how this conclusion was reached. Joint Host Authorities: Should economic and employment effects during construction/ operation be monitored? If so why and how should this be secured?</p> <p>Response: Typically, socio-economics monitoring during construction and operation of the Proposed Development is not covered in within an environmental statement. Socio-economic monitoring will be covered as part of the Employment Training Strategy. The Employment Training Strategy sets out the approach to the monitoring and evaluation of outcomes and initiatives outlined within the Strategy. Any monitoring and evaluation will be agreed and scoped out once a decision on the DCO has been reached. The Applicant together with the airport operator will regularly monitor and review progress against its own objectives, to ensure their efficiency.</p>
SE.1.11	<p>Question to the Applicant:</p> <p>Air fare savings The New Economics Foundation submission [REP1-115, paragraph 65] has highlighted that air fare savings accruing to foreign residents have been included in the Cost Benefit Analysis. Provide further explanation as to how these were assessed, why they were included and what would happen if they were removed from the assessment. If a response to this point has already been provided signpost where in the application documentation it can be found.</p> <p>Response: This point is addressed at Section 1.2 in the Applicant's Response to Deadline 3 Submissions Appendix A New Economics Foundation [REP3-131]. This explains why it is not realistic or appropriate to exclude air fare benefits to foreign residents from the cost benefit analysis. The basis of calculating the air fare savings is set out at E4 in Appendix E to the Need Case [APP-214].</p>
SE.1.12	<p>Question to the Applicant and Luton Borough Council:</p> <p>International connections The Planning Statement [AS-122, paragraph 2.5.1] states that there are a large number of businesses with international connections in the area served by the airport and these businesses need enhanced aviation connectivity in order to remain globally competitive, and to deliver growth in productivity and output. Please provide the evidence behind this statement, including details of the companies you refer to.</p> <p>Response: Figure 4.5 of the Need Case [AS-125] illustrates a range of such companies and their location relative to the airport. See also the Applicant's response to question NE.1.5. Further information on the importance of air connectivity to the competitiveness is provided in response to questions NE.1.6 and NE.1.7.</p>

REFERENCES

- Ref 1: Treasury Green Book (2022)
- Ref 2: United Kingdom Census (2021)
- Ref 3: Luton Covid-19 Economic Plan, 3rd Edition (2015)
- Ref 4: The Luton Employment and Skills Strategy (2022-2027)
- Ref 5: London Luton Airport Sustainability Reports (2019-2022)
- Ref 6: Homes and Communities Agency Employment Densities Guide (2010)