

FLIGHTPATH 2040

Farnborough Airport Limited

Environmental Statement Volume I: Main Report

Chapter 6: Socio-Economic

November 2023

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6. SOCIO-ECONOMICS

6.1. BACKGROUND

6.1.1. The socio-economic assessment has been undertaken by York Aviation LLP. This chapter reports the outcome of the assessment of likely significant effects arising from the Proposal upon socio-economics. In particular, it assesses the following potentially significant effects:

- Employment and gross value added (GVA) impacts (direct, indirect and induced); and
- Catalytic impact on the wider UK economy.

6.1.2. This chapter (and its associated figures and appendices) is intended to be read as part of the wider ES. It should be read in conjunction with the Need Case.

- **Appendix 6.1, Volume II** – Detailed Policy and Guidance Context.

6.2. LEGISLATIVE FRAMEWORK, POLICY AND GUIDANCE

LEGISLATIVE FRAMEWORK

6.2.1. There are no specific legislative documents that impact on the socio-economic assessment.

POLICY

6.2.2. The policy context within which the S73 Application should be determined, in particular the specific support provided in aviation policy to the role played by the air transport sector in supporting economic growth and the specific role of business and general aviation (GA) within the sector, is set out in detail in **Appendix 6.1, Volume II**.

6.2.3. The relevant elements of regional and local planning and development policies that support general aviation, business aviation and the associated impacts on socio-economic benefits are also considered in **Appendix 6.1, Volume II**.

6.2.4. Below are listed the policy and strategy documents that have been considered as relevant to aviation in the context of socio-economics.

National policy and strategy

6.2.5. The key relevant national policy documents are as follows:

- Aviation Policy Framework (APF) 2013;
- General Aviation Strategy (GAS) 2015;
- Airports National Policy Statement (ANPS) and Making Best Use Policy (MBU) 2018;
- National Planning Policy Framework (NPPF) 2023;
- General Aviation Roadmap (GAR) 2021;
- Flightpath to the Future (FtF) 2022;
- Jet Zero 2022; and
- Build Back Better – Our Plan For Growth 2021.

Regional Policy

6.2.6. The key regional policy documents considered here are:

- The London Plan, 2021;
- Hampshire Economic Strategy, 2023; and
- Enterprise M3 Local Enterprise Partnership (LEP), Strategic Economic Plan, 2018.

Local planning policy

6.2.7. The following local planning documents are considered below:

- Rushmore Local Plan, 2019;
- Hart Local Plan, 2032; and
- Draft Surrey Heath Local Plan: Preferred Options (2019 – 2038).

6.2.8. In addition, this chapter has been prepared in accordance with the Government's National Planning Practice Guidance ¹

6.2.9. Also taken into consideration is the guidance document: Your Future Your Place – A Vision for Aldershot and Farnborough 2030. "Your future, your place - a vision for Aldershot and Farnborough 2030" sets out our aspirations for Aldershot and Farnborough over the next ten years and was developed by Rushmore Borough Council following widespread consultation and engagement with residents, businesses, councillors and local organisations and our Council approved it in July 2019.

6.2.10. The vision sets out six major ambitions for the future of Aldershot and Farnborough, identified as being most important to all, including:

- Vibrant and distinctive town centres;
- Housing for every stage of life;
- Strong communities, proud of our area;
- Healthy and green lifestyles;
- **A growing local economy - kind to the environment;** and
- Opportunities for everyone - quality education and a skilled local workforce.

GUIDANCE

6.2.11. The Socio-economic assessment is not supported by any specific guidance and hence, professional judgement and experience in the completion of socio-economic ES chapters on similar applications for other UK airports has been used.

¹ planning practice guidance - <https://www.gov.uk/guidance/environmental-impact-assessment>

6.3. CONSULTATION

CONSULTATION UNDERTAKEN TO DATE

6.3.1. **Table 6-1** provides a summary of the consultation activities undertaken in support of the preparation of this assessment.

Table 6-1 - Summary of consultation undertaken

Body/ Organisation	Meeting dates and other forms of consultation	Summary of outcome of discussions
Rushmoor Borough Council	06/09/23 via Teams Call	Information sharing session with the Planning team at Rushmoor to present findings of the Need Case assessment Questions generally to understand calculations and assumptions relating to jobs and GVA
Members of the public	6 dates in September	FAL team/Consultations talking to the Socio Economics points at the public consultations events. Shared high level view of economic benefits; jobs, GVA etc – how this influences other disciplines information, Noted feedback to ensure questions and concerns would be addressed in the application
Rushmoor Borough Council	19/10/23	Rushmoor Borough in Agreeance with the scope of the Socio-Economic Chapter
Rushmoor Borough Council – Planning Pre-App	19/10/23	Conclusions of need case documents Question relating to fleet mix, specifically the zero emission introduction assumptions from the need case due to the dependencies with other chapters of the application Data was provided in the Fleet Mix section of the need case with Appendix A detailing year by year acft type changes

6.4. SCOPE OF THE ASSESSMENT

SCOPE OF THE ASSESSMENT

6.4.1. The main socio-economic impacts of the Proposal are outlined in **Table 6-2**. The assessment takes into account the likely socio-economic impact of the Proposal for each assessment year.

Table 6-2 - Socio Economic Impacts

Impact	Scope of the Assessment
Employment and GVA Impacts (direct, indirect and induced)	A quantitative assessment of additional direct, indirect and induced employment and associated GVA at or related to Farnborough Airport.
Catalytic impact on the wider economy	<p>An assessment of the wider socio-economic impact of the Proposal on the UK economy in the form of:</p> <p>The impact on inward investment and location decisions, which are reflected in business productivity effects; and</p> <p>Trade effects, which are also reflected in business productivity effects;</p>

ELEMENTS SCOPED OUT OF THE ASSESSMENT

6.4.4. There are no elements that are scoped out of the assessment.

ELEMENTS SCOPED INTO THE ASSESSMENT

6.4.5. The following elements are considered to have the potential to give rise to likely significant effects and have, therefore, been considered within this assessment:

- Employment and GVA impacts (direct, indirect and induced) during operation - An assessment of employment at Farnborough Airport and the GVA impact on the local and regional economy, allowing for anticipated productivity effects.
- Catalytic impact on the wider UK economy - an assessment of the wider socio-economic impact of the Proposal on the South East and London economy in terms of business productivity effects and socio-economic welfare effects (including journey time savings). The assessment will also consider impacts on key sectors and key growth areas.

6.5. STUDY AREA

EXTENT OF THE STUDY AREA

6.5.1. The assessment considers the following study areas:

- **Rushmoor:** The Airport's immediate local planning authority area.
- **Local Impact Area (LIA):** The local boroughs of Rushmoor, Hart and Surrey Heath, where the vast majority of on-site employees reside, and a greater share of supply chain activities take place. The LIA has been selected on the basis it is consistent with that previously adopted by Lichfields² in assessing the economic importance of the Airport for Rushmoor

² The Economic Impact of Business Aviation at Farnborough Airport, Nathaniel Lichfield and Partners for Rushmoor Borough Council, May 2009.

Borough Council, and takes account of where the majority of employees have historically resided.

- **South East and London:** The inclusion of London is significant as it is an important source of demand for aircraft movements at Farnborough Airport. Farnborough Airport is also included in the Greater London Area network of airports, which makes London a very important market (the largest Business Aviation market in Europe) and, hence, a region where the substantial part of the economic benefits will be realised.

6.6. METHODOLOGY

METHOD OF BASELINE DATA COLLATION

Desk Study

- 6.6.1. Desk based assessments have been undertaken primarily to estimate the baseline and future employment and GVA impacts which are further outlined in the assessment methodology below.
- 6.6.2. The Office for National Statistics (ONS) was a key source for various regional and subregional GVA, employment and socio-economic indicators to inform the desk based assessment.
- 6.6.3. Data from the Lichfields 2022³ study was also used to better understand the makeup of a number of employment categories, drawing on a survey conducted of on-site tenants. In addition, data from the Applicant was also used to complete the assessment, such as its on-site employment count and projections of future employment, along with an assessment of employee numbers using the count of tenants issued permanent security passes required to access the Airport.

Surveys/Consultation

- 6.6.4. For the purpose of this assessment, no site visit was required. However, an in depth consultation took place with the Applicant to understand the current operations on-site and how the operations of the various on-site tenants relate to the overall volume of aircraft movements to be able to estimate the future on-site employment.
- 6.6.5. A further consultation took place with Lichfields to better understand the current on-site employment make up for companies beyond the Applicant and how the on-site tenants survey results should be extrapolated to estimate future on-site employment.

ASSESSMENT METHODOLOGY

Operational Impacts

Direct Jobs

- 6.6.6. The direct employment supported by the Airport was established using the number of permanent staff passes issued by the Airport, combined with in depth consultation with the Applicant to clarify information received and to discuss changes in on-site tenants between 2019 and at the present.

³ Economic impact of Farnborough Airport, Lichfields, 2022.

6.6.7. 2019 has been identified as the year to assess the impacts for the current state of the environment. This is because 2019 was the most recent year where there has not been any interruptions in services due to pandemic.

Direct GVA Impacts

6.6.8. To estimate GVA Impacts, an estimated output per employee was used to extrapolate the direct impacts by multiplying the GVA output by the number of jobs, adjusted to 2023 values. The following sources of data were used:

- ONS Regional Gross Value Added (balanced) by industry: all ITL4 regions – to identify the national GVA by industry to help generate output estimates specific to the employment type.
- ONS Business Register and Employment Survey (BRES) by NOMIS – to identify the national employment by industry to help estimate employee productivity by industry.
- ONS GDP Deflators – to adjust GVA impacts to 2023 values. This is to maintain consistency across all monetary variables that are reported in different years to one price base.

Indirect and Induced Impacts

6.6.9. The indirect and induced impacts were estimated using a series of multipliers derived from the UK Input-Output tables published by ONS⁵. Different multipliers were calculated for Rushmoor, the LIA and South East and London, for the different functions on-site at the Airport. The national multipliers have been adjusted to provide regional and sub-regional level multipliers using location quotients and gravity effects.

6.6.10. The indirect and induced GVA impacts were estimated using a nationwide overall productivity estimate, similar to estimating direct GVA impacts, and this was applied to the volume of indirect and induced jobs estimated using multipliers.

Estimating Future Impacts

6.6.11. The future employment and GVA impacts were assessed based on the aircraft movement forecast scenarios as set out in **Appendix 2.3, Volume II**. With Development, the resultant impacts are driven based on the elasticities to aircraft movement outlined **Table 6-3** below.

6.6.12. Elasticity is understood as the ratio of the proportion of change in the dependent variable to the proportion of change in the independent variable, typically expressed as a multiple. Therefore, in the context of employment elasticity to aircraft movement, it is the ratio of the proportional change in employment to the given proportional change in aircraft movement. A ratio of 1 suggests that the employment changes proportionately to the change in aircraft movement. A ratio less than 1 means that the proportion of employment changes less than the proportion of change in aircraft movement. So a ratio of 0.7 suggests that for a 100% growth in aircraft movements, there is a 70% growth in employment.

6.6.13. These elasticities were developed with the following considerations:

⁴ International Territorial Level as used by ONS.

⁵ Office for National Statistics, United Kingdom Input-Output Analytical Tables 2019 published 2023

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- Consultation with the Airport on each tenant's activity related to aircraft movement growth.
- A review of employment elasticities outlined in Lichfield's 2022 Study.
- Regression analysis on a number of operators and tenants on-site using historical employment information from publicly available accounts and historical aircraft movements at Farnborough Airport.

6.6.14. In the Without Development Scenario, an additional adjustment is made. As growth is slower in this scenario and, consequently, it takes longer to reach 50,000 movements, it is assumed that productivity growth over time erodes the amount of employment required to support the same level of activity at the airport. Within the assessment, this has been achieved by reducing the extent to which employment grows in line with air transport movement growth over time. The adjustment made reflects the long run trend in labour productivity in the UK economy. The elasticities under both scenarios are outlined in **Table 6-3** below:

Table 6-3 - Employment Elasticity to Aircraft Movements

Employment Category	Elasticity to Aircraft Movements (With Development)	Elasticity to Aircraft Movements (Without Development)
Airport Company		
<i>Operations</i>	0.75	0.66
<i>Admin</i>	0.20	0.18
Airport Support		
<i>Core Support (Air Traffic Control, Border Force, Security)</i>	0.50	0.44
<i>Contractor/Cleaner</i>	0.10	0.09
On-Site Tenants		
<i>Operators</i>	0.50	0.44
<i>Maintenance, Repair & Overhaul (MRO)</i>	0.30	0.27
<i>Cleaning & Detailing</i>	0.30	0.27
<i>Charter/Broker</i>	0.20	0.18
<i>Land Transport</i>	0.30	0.27
<i>Other**</i>	0	0
Off-Site		
<i>Hospitality (Aviator & Wider)</i>	1.00	0.88
<i>Other**</i>	0	0

Source: York Aviation Analysis

** Other includes companies such as Farnborough International and Flight Safety International located on-site or immediately adjacent that are not strictly directly operationally connected to the Airport but form part of the catalytic footprint.

6.6.15. The GVA impacts were then estimated using the output per employee as estimated for the baseline adjusted in line with future productivity levels as aircraft movements grow.

Wider Impacts

- 6.6.16. The effects on GVA and employment supported by inward investment, trade and competitiveness are considered holistically, as an overall effect on productivity in the study area economies stemming from the connectivity provided to business travellers by the airport.
- 6.6.17. Assuming a fixed number of passengers per aircraft movement, a total estimated passenger volume was generated for the With and Without Development scenarios to assess the value of the connectivity added With Development.
- 6.6.18. The results were then used to estimate the role that the Airport plays in supporting productivity in the wider UK economy. These impacts were calculated using a statistical relationship originally developed by Oxford Economics⁶ as part of research undertaken for Transport for London around the Airports Commission process. This relationship correlates the level of business air travel and air freight from an area to total factor productivity in the economy. It identified an econometric relationship whereby a 10% increase in combined business air travel and air freight would result in a 0.5% increase in productivity in the economy. The employment associated with this increased GVA was assessed based on the average GVA per job across the UK economy, allowing for the fact that a large proportion of the GVA gain will not result in additional employment but be reflected in increased individual productivity.
- 6.6.19. The wider impacts are not considered for the smaller study areas, namely Rushmoor and the LIA, as there is no data on which to base an assessment as to the surface origin of users of the Airport. However, it is expected that the great majority of the impacts would accrue within South East and London and, therefore, the wider impacts are applicable to the wider area of South East and London.

CURRENT STATE OF THE ENVIRONMENT YEAR

Principal Assessment Years

- 6.6.20. The principal assessment years are 2031, when the airport reaches the current 50,000 annual aircraft movements in the With Development Scenario and 2045 when the current 50,000 annual aircraft movements is expected to be reached in the Without Development Scenario.

SIGNIFICANCE CRITERIA

- 6.6.21. There are no standard significance criteria used to assess the socio-economic effects of a Proposal. The assessment, therefore, considered a range of contextual information to provide scale to the size of the effect and to provide a basis for assessing significance via professional judgement.

SENSITIVE RECEPTORS

- 6.6.22. The employment and GVA Impacts in Rushmoor, the LIA and South East and London have been assessed as receptor sensitive to socio-economic effects. The sensitivity of this receptor in the different study areas is described in **Table 6-4**.

⁶ Oxford Economics, Impacts on the UK Economy through the Provision of International Connectivity, 2013.

Table 6-4 - Receptor sensitivity assessment

Receptor	Study Area	Sensitivity	Rationale
Employment and GVA in the Local Economy	Rushmoor	High	Rushmoor is a relatively small economy and Farnborough Airport makes up a significant proportion of employment. The economy is likely to be responsive to changes in employment and GVA stemming from the airport. Equally, the area is affluent with low unemployment, which may limit its sensitivity. Therefore, sensitivity has been assessed as High.
	Local Impact Area	Medium	The local impact area is a relatively small economy. The economy is likely to be responsive to changes in employment and GVA stemming from the airport. Equally, the area is affluent with low unemployment, which may limit its sensitivity. Therefore, sensitivity has been assessed as medium.
	South East and London	Low	The South East and London is a very large regional economy, which is highly affluent, with relatively low unemployment. It is unlikely that it will be sensitive to GVA and employment stimulus from Farnborough.

Source: York Aviation

6.6.23. **Table 6-5** outlines the approach taken to defining the magnitude of impacts on receptors. This is followed by a matrix in **Table 6-6** that outlines the criteria for the relevant receptor sensitivity and the magnitude of the impact in the given study area.

Table 6-5 - Magnitude of Impact on Receptors and Typical Descriptions

Magnitude of Impact		Typical description
High	Adverse	Loss of resource and/or quality and integrity of resource; severe damage to key characteristics, features or elements.
	Beneficial	Large scale or major improvement of resource quality; extensive restoration; major improvement of attribute quality.
Medium	Adverse	Loss of resource, but not adversely affecting the integrity; partial loss of/damage to key characteristics, features or elements.
	Beneficial	Benefit to, or addition of, key characteristics, features or elements; improvement of attribute quality.

Magnitude of Impact		Typical description
Low	Adverse	Some measurable change in attributes, quality or vulnerability; minor loss of, or alteration to, one (maybe more) key characteristics, features or elements.
	Beneficial	Minor benefit to, or addition of, one (maybe more) key characteristics, features or elements; some beneficial impact on attribute or a reduced risk of negative impact occurring.
Negligible	Adverse	Very minor loss or detrimental alteration to one or more characteristics, features or elements.
	Beneficial	Very minor benefit to or positive addition of one or more characteristics, features or elements.
No change		No loss or alteration of characteristics, features or elements; no observable impact in either direction.

6.6.26. **Table 6-6** shows the matrix for classifying the significance of potential effects in relation to the receptor's sensitivity.

Table 6-6 - Matrix for classifying effects

Magnitude of impact						
Receptor Sensitivity		No Change	Negligible	Low	Medium	High
	Very High	Negligible	Minor	Moderate or Major	Major or Substantial	Substantial
	High	Negligible	Minor	Minor or Moderate	Moderate or Major	Major or Substantial
	Medium	Negligible	Negligible or Minor	Minor	Moderate	Moderate or Major
	Low	Negligible	Negligible or Minor	Negligible or Minor	Minor	Minor or Moderate
	Negligible	Negligible	Negligible	Negligible or Minor	Negligible or Minor	Minor

Source: Farnborough Airport Flightpath 2040, Planning & EIA Briefing Note

Assessment of Cumulative Effects

6.6.27. A qualitative assessment of the cumulative effects has been undertaken. This took in to account the nature and magnitude of the developments that are scoped into the exercise (see **Appendix 5.5, Volume II**). Each development in question was evaluated to identify any potential limitations or conflicts that could occur, be it competition for labour or land use, or any cumulative benefits that might occur from increased agglomeration.

6.7. LIMITATIONS AND ASSUMPTIONS

- 6.7.1. The description of the current state of the environment draws on data from the Lichfield's 2022 study⁷ but there was insufficient information on the employment on-site from both the limited tenants' survey undertaken and the fact that some of the data related to current (2022) employment rather than 2019. To mitigate this, we have used the employment information from publicly available annual accounts for key employers in 2019 and 2022, and undertaken consultations with Farnborough Airport representatives to better understand current on-site employment, changes since 2019, as well as the evaluation of staff pass data.
- 6.7.2. Further assumptions have been made in relation to the reporting of socio-economic impacts. For example, to estimate GVA impacts, industry specific values for output per employee were estimated at a national level due to lack of available industry specific GVA data at a local authority level. Considering the higher productivity per employee observed in Rushmoor, this may underestimate the direct GVA impacts at the local level but is considered robust.
- 6.7.3. We have distinguished between on-site, off-site, direct and operational impacts. The key direct impacts are strictly related to impacts associated with operations at Farnborough Airport, i.e. aircraft movements.

6.8. CURRENT STATE OF THE ENVIRONMENT

OPERATIONAL IMPACTS

Direct Jobs

- 6.8.1. **Table 6-7** below outlines the direct on-site jobs associated with activity at Farnborough Airport in 2019. The Applicant and its Support Services made up around 260 jobs (or 18% of the total direct jobs).
- 6.8.2. On-site tenants formed the single biggest contributor to the Airport's direct employment (61% of the total direct jobs) with 890 jobs. Over half of these jobs related to aircraft operators (390 jobs) and businesses involved in aircraft maintenance, repair and overhaul (180 jobs).
- 6.8.3. We also include a number of off-site activities, namely the Aviator Hotel, the wider hospitality sector and Farnborough International. Although these activities are not directly on the Airport site, they are dependent on the existence of Farnborough Airport. Together they supported around 300 jobs in 2019. Such employment is not anticipated to grow directly as a consequence of the Proposal.

⁷ Economic impact of Farnborough Airport, Lichfields, 2022.

Table 6-7 - Direct Jobs by Airport companies

Direct Jobs in 2019	Jobs	%
Airport Company (The Applicant)	150	10%
Airport Support (Security, Air Traffic Control, Customs, Cleaning & Contractors)	110	8%
On-Site Tenants:	890	61%
<i>Aircraft Operators</i>	390	27%
<i>Maintenance, Repair & Overhaul</i>	180	12%
<i>Aircraft Cleaning & Detailing</i>	20	1%
<i>Charter/Broker</i>	30	2%
<i>Land Transport</i>	10	1%
<i>Other Tenants</i>	260	18%
Off-Site Companies	300	21%
Direct Jobs	1,450	

Source: York Aviation

Airport Employee Residency

- 6.8.4. **Table 6-8** below outlines the results from Farnborough Airport's most recent survey on employee residency, which covers the Applicant and the Aviator Hotel. In the absence of other information, these results are assumed to be indicative of the overall employee residency across the entire direct jobs.
- 6.8.5. Around 42% of the Applicant and the Aviator Hotel employees reside in Rushmoor, with 71% in the LIA. All direct employees live in London and the South East.

Table 6-8 - Farnborough Airport & Aviator Hotel Employee Residence in 2023

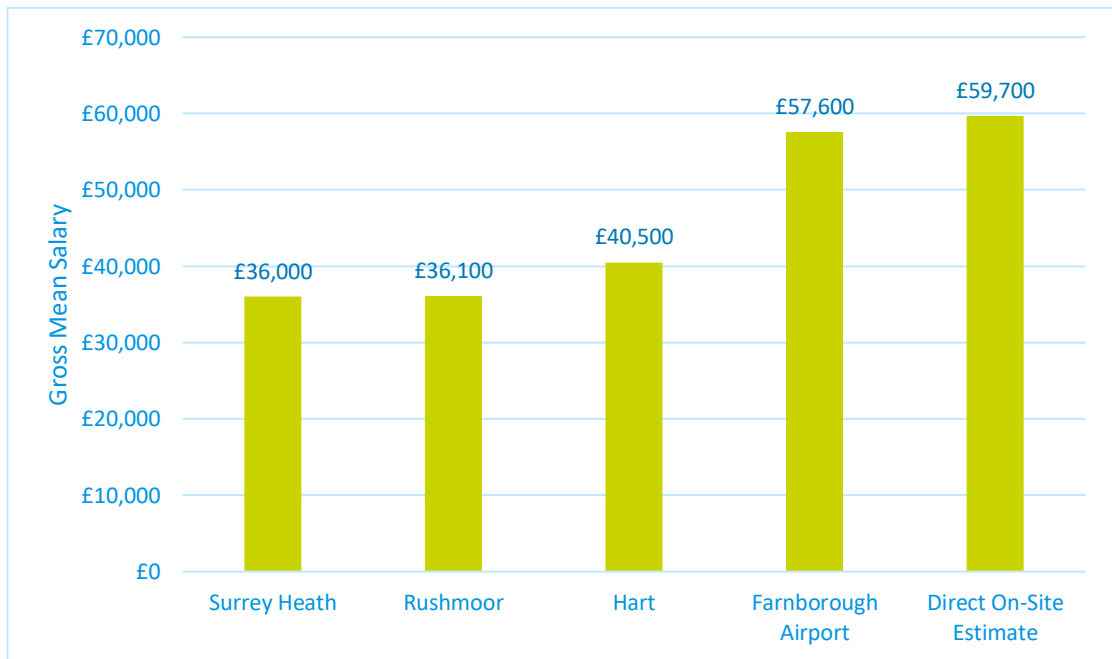
Area	% Employees
Rushmoor	42%
Local Impact Area	71%
Hampshire	72%
South East	98%
London	2%
Total	100%

Source: York Aviation Analysis of Farnborough Airport data

On-Site Wages and Salaries

6.8.6. **Graphic 6-1- Annual Pay at Farnborough Airport & On-Site Tenants and Local Authority** Average for boroughs in the LIA in 2022 outlines the estimated average salaries paid by Farnborough Airport and its Tenants in 2022. The Direct On-Site estimate takes into account a number of tenants such as the Applicant, Gulfstream, TAG Aviation, Dassault Aviation Business Services, INEOS Aviation, Flight Safety International and Flexjet Operations (together representing around 65% of the direct on-site employment in 2022). As can be seen, the overall wages and salaries paid out by the Applicant (£57,600) and the Direct On-Site Employers (£59,700) are significantly greater than the mean gross annual salaries across the three boroughs of Rushmoor (£36,000), Hart (£40,500) & Surrey Heath (£36,000). This is reflected in the nature of the high skilled jobs offered at the Airport, for example, the maintenance of business aviation jets.

Graphic 6.1- Annual Pay at Farnborough Airport & On-Site Tenants and Local Authority Average for boroughs in the LIA in 2022



Source: ONS Annual Survey of hours and earnings, Companies House accounts for Farnborough Airport, Gulfstream, TAG Aviation & Other Tenants

Total Operational Impacts

6.8.7. **Table 6-9** summarises the total operational impacts supported by the Airport across the three study areas in 2019. As can be seen, the Airport contributed around £110 million in GVA and supported around 1,850 jobs in Rushmoor. Within the LIA, the Airport contributed around £130 million in GVA and supported around 2,100 jobs and in the South East and London, the Airport contributed around £240 million in GVA and supported around 3,550 jobs.

Table 6-9 - Operational Impacts at Farnborough Airport in 2019

Impact Type		Rushmoor	Local Impact Area	South East and London
GVA (£m)	Direct	£80	£80	£80
	Indirect & Induced	£30	£50	£160
	Total	£110	£130	£240
Jobs	Direct	1,450	1,450	1,450
	Indirect & Induced	400	650	2,100
	Total	1,850	2,100	3,550
Full Time Equivalents (FTEs)	Direct	1,300	1,300	1,300
	Indirect & Induced	300	550	1,700
	Total	1,600	1,850	3,050

Source: York Aviation

WIDER IMPACTS

6.8.8. **Table 6-10** shows that in 2019, the business productivity impacts as a result of business travel to/from Farnborough were around £55 million in GVA, equivalent to around 800 jobs.

Table 6-10 - Business Productivity impacts in 2019

Impact Type	2019
GVA (£m)	£105
Jobs	1,550
FTEs	1,250

Source: York Aviation

TOTAL IMPACTS

6.8.9. **Table 6-11** outlines the total economic impacts supported by Farnborough Airport in the three study areas. As can be seen, the Airport supported around:

- £110 million in GVA in total in Rushmoor and 1,850 jobs in 2019.
- £130 million in GVA in total in the LIA and 2,100 jobs in 2019.
- £345 million in GVA in total in South East and London and 5,100 jobs in 2019.

Table 6-11 - Total Impacts at Farnborough Airport in 2019

Impact Type		Rushmoor	Local Impact Area	South East and London
GVA (£m)	Operational Impacts	£110	£130	£240
	Wider Impacts			£105
	Total	£110	£130	£345
Jobs	Operational Impacts	1,850	2,100	3,550
	Wider Impacts			1,550
	Total	1,850	2,100	5,100
FTEs	Operational Impacts	1,600	1,850	3,050
	Wider Impacts			1,250
	Total	1,600	1,850	4,300

Source: York Aviation

SOCIO-ECONOMIC CONDITIONS

6.8.10. The Borough of Rushmoor is a prosperous local authority situated in the north east of Hampshire, with a population of just under 100,000 in 2019. The Borough accounted for around a third of the LIA in terms of population and employment. Rushmoor's prosperity can be partly seen in the form of high GDP per capita of around £70,000, around 50% greater than the South East and London GDP per capita of £47,000 in 2019. Despite this, Rushmoor had a marginally higher unemployment rate (2.6%) in comparison to its neighbouring boroughs, Hart (1.7%) and Surrey Heath (2.1%), but still lower than the South East and London average of 4.0% and national average of 3.9%. **Table 6-12** outlines some of the key economic indicators for the study areas below:

Table 6-12 - Key Economic Indicators for Study Areas

Economic Indicator (2019)	Rushmoor	LIA	London and South East
Population⁸	94,600	281,000	18,150,000
Incomes (GDP per Capita)⁹	£69,900	£52,200	£46,700
Unemployment Rate¹⁰	2.6%	2.2%	4.0%
Employment¹¹	50,000	145,000	9,700,000

⁸ NOMIS: ONS Population estimates - local authority based by single year of age

⁹ York Aviation analysis of 6. and ONS: Regional gross domestic product: local authorities

¹⁰ NOMIS: ONS model-based estimates of unemployment

¹¹ NOMIS: ONS Business Register and Employment Survey

Economic Indicator (2019)	Rushmoor	LIA	London and South East
Key Industries by employment¹²	Information & Communication, Professional, scientific and technical activities, Head Office & Admin, Wholesale & Retail	Professional, scientific and technical activities, Human Health & Social Work, Head Office & Admin, Accommodation & Food Service, Wholesale & Retail	Professional, scientific and technical activities, Human Health & Social Work, Head Office & Admin, Education, Wholesale & Retail

Source: York Aviation

6.8.11. Data from NOMIS¹³ shows that employment in Rushmoor between 2009 and 2019 grew at a relatively slower rate (0.6% Compound Annual Growth Rate (CAGR)) in comparison to the LIA (0.9% CAGR), Hampshire (0.8% CAGR), London & South East (1.7% CAGR) and the UK (1.1% CAGR).

6.8.12. It is noteworthy that Rushmoor, the LIA and South East and London all had a greater proportion of employment in Professional, Scientific and Technical Activities (14%, 13% and 11% respectively) compared to the UK's share of 9%. However, what made Rushmoor stand out from the rest of the LIA and, indeed, South East and London was the concentration of employment in Information and Communication sector, which was twice the share of employment in South East and London and over three times the national share.

6.8.13. Despite the overall prosperity, data from the Index of Multiple Deprivation suggests that Rushmoor had three small pockets of deprivation that lie within England's 20% most deprived wards for multiple deprivation. This is in contrast to its immediate neighbours, Hart, Surrey Heath and Waverley, which have no wards that are in the 20% most deprived in England.

6.9. ASSESSMENT OF POTENTIAL EFFECTS, MITIGATION AND RESIDUAL EFFECTS

ASSESSMENT SCENARIOS

6.9.1. The potential effects have been assessed based on two scenarios:

- **With Development:** where the Airport is expected to reach 50,000 movements by 2031 and 70,000 movements by 2040 and set to remain fixed until 2045.
- **Without Development:** where the Airport is expected to reach 50,000 movements by 2045.

¹² Ibid.

¹³ Ibid.

FUTURE EFFECTS

Operational Effects

- 6.9.2. The future operational effects With and Without Development are outlined in **Tables 6-13-6-15** below. The assessment should be seen alongside the Current State of the Environment to enable comparison.
- 6.9.3. **Table 6-13** outlines the Applicant's operational effects in Rushmoor in 2031 and 2045. In both years, the Applicant is estimated to contribute significantly greater under a With Development Scenario than Without Development Scenario. The additional GVA contribution is around £70 million in 2031 and £150 million in 2045. In terms of employment, the Airport's contribution again, is significantly greater With Development. The additional employment supported by the Applicant is estimated to be around 250 jobs in 2031 and 450 jobs in 2045. The majority of the effects stem from the additional direct effects as a result of the consent to additional aircraft movements.
- 6.9.4. In the overall scale of effects, the potential effects of the Development represent around 1.1% of the Borough's total employment in 2019 and around 2.5% of the Borough's GVA in 2019, which makes the impact of this Development a significant one.

Table 6-13 - The Applicant's GVA & Employment contribution in Rushmoor in 2031 & 2045

Impact Type		2031			2045		
		Without Development	With Development	Difference	Without Development	With Development	Difference
GVA (£m)	Direct	£170	£230	+\$60	£220	£350	+\$130
	Indirect & Induced	£50	£50	-	£50	£70	+\$20
	Total	£210	£280	+\$70	£270	£420	+\$150
Jobs	Direct	2,200	2,400	+200	2,350	2,700	+350
	Indirect & Induced	600	700	+100	650	750	+100
	Total	2,850	3,100	+250	3,050	3,500	+450
FTEs	Direct	2,050	2,250	+200	2,200	2,500	+300
	Indirect & Induced	500	550	+50	550	650	+100
	Total	2,550	2,800	+250	2,750	3,150	+400

Source: York Aviation.

- 6.9.5. **Table 6-14** outlines the Applicant's operational effects in the Local Impact Area in 2031 and 2045. The Applicant, again, is estimated to contribute significantly greater under a With Development scenario than Without Development scenario. The additional GVA contribution is around £70 million in 2031 and £160 million in 2045. In terms of employment, the Airport's contribution is again, significant. The Applicant is estimated to support around an additional 250 jobs in 2031 and an additional 450 jobs in 2045.

6.9.6. The overall magnitude of effects are similar to the effects felt in Rushmoor which suggests that the vast majority of these effects in the Local Impact will be felt in Rushmoor, with a smaller spillover effect to the boroughs of Hart and Surrey Heath.

6.9.7. The potential effects from operational impacts are equivalent to around 0.4% of the total employment in 2019 and around 1.3% of the Sub-region's 2019 total GVA.

Table 6-14 - The Applicant's GVA & Employment contribution in Local Impact Area in 2031 & 2045

Impact Type		2031			2045		
		Without Development	With Development	Difference	Without Development	With Development	Difference
GVA (£m)	Direct	£170	£230	+\$60	£220	£350	+\$130
	Indirect & Induced	£80	£90	+\$10	£80	£110	+\$30
	Total	£240	£310	+\$70	£300	£460	+\$160
Jobs	Direct	2,200	2,400	+200	2,250	2,550	+300
	Indirect & Induced	1,050	1,150	+100	1,100	1,300	+200
	Total	3,250	3,550	+300	3,500	4,000	+500
FTEs	Direct	2,050	2,250	+200	2,200	2,500	+300
	Indirect & Induced	850	950	+100	900	1,050	+150
	Total	2,850	3,150	+300	3,100	3,550	+450

Source: York Aviation.

6.9.8. **Table 6-15** outlines the Applicant's operational effects in the South East and London in 2031 and 2045. The additional GVA contribution is around £100 million in 2031 and £220 million in 2045. In terms of employment, the Airport's contribution is again, significant. The Applicant is estimated to support around an additional 550 jobs in 2031 and an additional 950 jobs in 2045.

6.9.9. The effects in the South East and London are larger due to the immense supply chain and consumption expenditure in the two regions over time. The magnitude of the indirect and induced effects here are over double the effects of the effects estimated for the Local Impact Area.

Table 6-15 – The Applicant's GVA & Employment contribution in the South East and London in 2031 & 2045

Impact Type		2031			2045		
		Without Development	With Development	Difference	Without Development	With Development	Difference
GVA (£m)	Direct	£170	£230	+\$60	£220	£350	+\$130
	Indirect & Induced	£250	£290	+\$40	£270	£360	+\$90
	Total	£420	£520	+\$100	£490	£710	+\$220
Jobs	Direct	2,200	2,400	+200	2,350	2,700	+350

Impact Type		2031			2045		
		Without Development	With Development	Difference	Without Development	With Development	Difference
	Indirect & Induced	3,400	3,750	+350	3,650	4,200	+550
	Total	5,600	6,150	+550	6,000	6,950	+950
FTEs	Direct	2,050	2,250	+200	2,200	2,500	+300
	Indirect & Induced	2,750	3,050	+300	2,950	3,400	+450
	Total	4,800	5,250	+450	5,150	5,900	+750

Source: York Aviation.

Wider Effects

- 6.9.10. The wider effects under With Development Scenario and Without Development Scenario are outlined in **Table 6-16** below. As can be seen, in the Without Development Scenario, the estimated Business Productivity benefits grow to around £140 million in GVA by 2031 and to £165 million by 2045. The employment contribution is estimated to be around 1,900 jobs in 2031 and 2,100 jobs in 2045.
- 6.9.11. The estimated benefits under the With Development Scenario are greater. In 2031, these benefits are estimated to exceed by around £30 million in GVA to £170 million and an additional 450 jobs to 2,350 jobs. In 2045, the difference is even greater, with an additional GVA contribution of around £75 million, to £235 million and an additional 1,000 jobs to 3,100 jobs.

Table 6-16 - The Applicant's contribution to Wider Benefits the South East and London in 2031 & 2045

Impacts	2031			2045		
	Without Development	With Development	Difference	Without Development	With Development	Difference
GVA (£m)	£140	£170	+£30	£165	£235	+£70
Jobs	1,900	2,350	+450	2,100	3,100	+1,000
FTEs	1,500	1,900	+400	1,700	2,500	+800

Source: York Aviation.

Total Effects

- 6.9.12. **Table 6-17** outlines FAL's total contribution across the three study areas in 2031 and 2045 With and Without Development. As can be seen, FAL's total contribution in Rushmoor and the Local Impact Area is primarily a summary of the operational effects outlined in **Tables 6-13-6-14**.
- 6.9.13. However, within the South East and London, both the operational effects and wider effects are felt. Without Development, the Airport is estimated to contribute around £560 million in GVA and support around 7,500 jobs in 2031. By 2045, these effects are estimated to be around £655 million in GVA and 8,100 jobs.
- 6.9.14. The potential effects of the Development here are significant. In 2031 alone, FAL is estimated to contribute around £690 million in GVA and support around 8,500 jobs (which in comparison to

Without Development is around £130 million additional GVA and 1,000 additional jobs in 2045). By 2045, the potential effects of the Development are even more significant, with an estimated contribution of around £945 million in GVA, supporting around 10,050 jobs (around £290 million additional GVA and 1,450 additional jobs in 2045 in comparison to Without Development).

Table 6-17 - The Applicant’s total contributions in 2031 & 2045 within Rushmoor, the Local Impact are and the South East and London.

Year	Effect	Effect Type/Study Area	2031			2045		
			Without Development	With Development	Difference	Without Development	With Development	Difference
Rushmoor	GVA (£m)	Operational Effects	£210	£280	+£70	£270	£420	+£150
		Wider Effects	-	-	-	-	-	-
		Total	£210	£280	+£70	£270	£420	+£150
	Jobs	Operational Effects	2,850	3,100	+250	3,050	3,500	+450
		Wider Effects	-	-	-	-	-	-
		Total	2,850	3,100	+250	3,050	3,500	+450
	FTEs	Operational Effects	2,550	2,800	+250	2,750	3,150	+400
		Wider Effects	-	-	-	-	-	-
		Total	2,550	2,800	+250	2,750	3,150	+400
Local Impact Area	GVA (£m)	Operational Effects	£240	£310	+£70	£300	£460	+£160
		Wider Effects	-	-	-	-	-	-
		Total	£240	£310	+£70	£300	£460	+£160
	Jobs	Operational Effects	3,250	3,550	+300	3,500	4,000	+500
		Wider Effects	-	-	-	-	-	-
		Total	3,250	3,550	+300	3,500	4,000	+500
	FTEs	Operational Effects	2,850	3,150	+300	3,100	3,550	+450
		Wider Effects	-	-	-	-	-	-
		Total	2,850	3,150	+300	3,100	3,550	+450
South East and London	GVA (£m)	Operational Effects	£420	£520	+£100	£490	£710	+£220
		Wider Effects	£140	£170	+£30	£165	£235	+£70
		Total	£560	£690	+£130	£655	£945	+£290
	Jobs	Operational Effects	5,600	6,150	+550	6,000	6,950	+950
		Wider Effects	1,900	2,350	+450	2,100	3,100	+1,000

Year	Effect	Effect Type/Study Area	2031			2045		
			Without Development	With Development	Difference	Without Development	With Development	Difference
		Total	7,500	8,500	+1,000	8,100	10,050	+1,950
	FTEs	Operational Effects	4,800	5,250	+450	5,150	5,900	+750
		Wider Effects	1,500	1,900	+400	1,700	2,500	+800
		Total	6,300	7,150	+850	6,850	8,400	+1,550

Source: York Aviation.

HUMAN HEALTH IMPACTS

- 6.9.15. It is anticipated that the creation of jobs will have positive health benefits, both in terms of mental and physical health. Additionally, economic prosperity is generally linked to health outcomes. However, the effects are not expected to be significant or have been assessed further.

SIGNIFICANCE OF POTENTIAL EFFECTS AND RECEPTIVE SENSORS

- 6.9.16. The significance of potential effects is assessed by taking into account the magnitude of the potential effects across the three study areas, the relativity of effects in comparison to overall size of the economy and employment of the study areas and also in comparison to the results from the Current State of the Environment.
- 6.9.17. These considerations are then qualitatively assessed against the receptor sensitivity identified in **Table 6-5** in the matrix of receptor sensitivity in **Table 6-6** to deduce the overall significance of the potential effects. The effects on both employment and GVA are assessed together and the significance criteria will be applied to both effects.

Operational Impacts

- 6.9.18. Within Rushmoor, the potential effects are considered to represent a high magnitude impact. This level of impact, in conjunction with Rushmoor's high receptor sensitivity leads to a Major beneficial effect, which is significant.
- 6.9.19. Within the Local Impact Area, the potential effects are considered to represent a medium-high magnitude impact. This level of impact results in a moderate beneficial effect, which is significant.
- 6.9.20. Within the South East and London, the potential effects of around £255 million in GVA and 1,400 jobs are significant, but as a proportion of the regional GVA and employment, these effects represent less than 0.1% of the GVA and employment, which represents a low magnitude. This level of impact results in a minor beneficial effect, which is insignificant.

Wider Impacts

- 6.9.21. In the context of wider impacts in the South East and London, the potential GVA and employment are again, low when compared to the total employment and GVA across the wider area. As a result, the wider impacts are also considered to represent a low impact. This level of impact again results in a negligible or minor beneficial effect, which is insignificant.

ADDITIONAL MITIGATION

- 6.9.22. The assessment of potential effects outline that the economic impacts across the three study areas are positive and beneficial to the economy. As a result, there is no mitigation required.

Investment in Skills & Training

- 6.9.23. To accommodate the growth in additional movements, the education and skills training initiatives sponsored by the Applicant and the tenant companies will assist in producing the skilled workers the Airport and air service companies require, at the same time as equipping local residents with the skills needed to access employment at the Airport. As the Airport develops and expands its

business, it will expect to increase its input into local training and skills development, reflecting the increasing demand for specialist skilled employment from aviation service providers at the Airport.

- 6.9.24. The Applicant plays an active role in helping improve the local skills offer in Rushmoor. One initiative is the link to Farnborough College of Technology (FCOT), where the Airport has been actively involved by participating in the 'Aerospace Research and Innovation Centre' Steering Group. The Centre was designed to expand upon FCOT's historical specialism in the field of aerospace engineering and innovation and encourage greater interaction between local and international businesses within the industry and the College's students. It is also noted that the Farnborough Aerospace Cluster (FAC) have already moved onto the site¹⁴ with the intention to transform this facility into a research and development cluster where aerospace and aviation firms can collaborate.
- 6.9.25. Gulfstream has partnered with FCOT to develop a custom Aircraft Maintenance Engineering Apprenticeship, alongside Airbus & TAG Aviation. Gulfstream has already taken on 7 apprentices on completion of the three-year programme, with a further six recruited into the programme.¹⁵ This coincides with Gulfstream's intention to collaborate with the FAC to further invest in R&D¹⁶. The Airport is also an active member of the FCOT's Industry Board, providing key inputs to help ensure that the curriculum delivers the knowledge and skills employers need.

RESIDUAL EFFECTS

- 6.9.26. Given there is no mitigation required, the residual effects are the same as the potential effects.

ASSESSMENT SUMMARY

- 6.9.27. The Assessment of potential effects of the Development within Rushmoor has been identified to have major / substantial beneficial significant effects due to the magnitude of GVA contribution and employment support within Rushmoor. Within the Local Impact Area, the assessment of potential effects has been identified to have moderate beneficial significance. Within the South East and London, the potential effects of the Development are deemed to be insignificant.

ASSESSMENT OF CUMULATIVE EFFECTS

- 6.9.28. Upon review, none of the developments proposed are similar in nature to that of the Applicant, and as a result, there is not expected any significant competition for employment for uses on other developments.
- 6.9.29. A number of schemes that have received planning permission are largely and primarily residential. Therefore, the additional employment opportunities to be provided by the Applicant are likely to be available to this new population moving into Rushmoor, which does not affect the other employment markets in the local area. The residential developments highlighted in the list of schemes complement the Applicant's development in provision of housing within Rushmoor, where new employees have more options and space to reside within Rushmoor.

¹⁴ [ARIC – flying the flag for aerospace innovation | Daily Echo](#)

¹⁵ [Farnborough Airport, Gulfstream work to attract young people to STEMRunway Girl \(runwaygirlnetwork.com\)](#)

¹⁶ [Gulfstream to relocate European HQ to Farnborough \(wearefinn.com\)](#)

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6.9.30. No adverse cumulative effects have been identified. Some positive cumulative effects may occur in the context of increasing labour supply in Rushmoor.

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