LPR-A-184

From: [redacted]
To: PlanningPolicyConsultation
Subject: Representations to Cherwell Local Plan Review
Date: 14 September 2020 19:16:12
Attachments: LOA Call for Sites Representation.pdf
LOA - Comm Involvement Paper Representation.pdf

Dear Planning Policy Team

Please see attached the following submitted on behalf of Oxford Aviation Services Ltd (the owners of London Oxford Airport)

1. Representations to the Community Involvement Paper
2. Representations to Call for Sites.

Please contact me should you have any queries

Kind regards

Nick Alston
Principal
[redacted]

Avison Young
65 Gresham Street
London
EC2V 7NQ
United Kingdom

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Cherwell Local Plan Review 2040
Planning for Cherwell to 2040 - A Community Involvement Paper
July 2020

Representation Form

Cherwell District Council has prepared a document called *Planning for Cherwell to 2040: A Community Involvement Paper* which is the first stage of consultation to inform a new district wide Local Plan.

We wish to engage with our local communities, partners and stakeholders. We want to ensure that a wide cross-section of views are obtained to help us identify, understand and examine the main social, environmental and economic needs that we will have to consider when we plan for Cherwell's future development needs. This Paper does not contain any proposals or policy options, but highlights needs and issues to stimulate discussion and debate.

We are also making a 'call for sites' and inviting comments on a Sustainability Appraisal Scoping Report.

These documents are available to view for comment from **Friday 31 July 2020 to 11.59pm Monday 14 September 2020**.

To view the Community Involvement Paper and the accompanying Sustainability Appraisal Scoping Report and Call for Sites form please visit www.cherwell.gov.uk/planningpolicyconsultation.

We are currently unable to place hard copy documents for viewing at our normal deposit locations due to COVID–19 restrictions.

How to use this form
Please complete **Part A** in full.
Then complete **Part B for each question you wish to comment on**.

PLEASE NOTE THAT ANONYMOUS OR CONFIDENTIAL COMMENTS CANNOT BE ACCEPTED. ANY COMMENTS RECEIVED WILL BE MADE PUBLICLY AVAILABLE.

The information you provide will be stored on a Cherwell District Council database and used solely in connection with the Cherwell Local Plan Review 2040.

Representations will be available to view on the Council's website, but address, signature and contact details will not be included. However, as copies of representations must be made available for public inspection, they cannot be treated as confidential. Data will be processed and held in accordance with the Data Protection Act 2018.

Your details will be added to our mailing list which means that you will be automatically notified of future stages of the local plan preparation process. If you subsequently wish to be removed from our mailing list, please contact us.

Please return completed forms:
By Email to: PlanningPolicyConsultation@cherwell-dc.gov.uk

Or by post to: Planning Policy Team, Planning Policy, Conservation and Design, Cherwell District Council, Bodicote House, Bodicote, Banbury, OX15 4AA.

If you have any questions about completing the form or accessing documents, please telephone 01295 227985 or email planning.policy@cherwell-dc.gov.uk.

PART A

	Details of the person / body making the comments	Details of the agent submitting the comments on behalf of another person / body (if applicable)
Title		
First Name		
Last Name		
Job Title (*where relevant*)		
Organisation (*where relevant*)	**Oxford Aviation Services Ltd**	**Avison Young**
E-mail Address		[redacted]
Postal Address		65 Gresham Street, London,
Post Code		[redacted]
Telephone Number *(optional)*		

PART B – Please complete Part B for each question you wish to comment on

Question 1: Purpose of this Document – What planning policies might we need to help us if COVID-19 persists? What lessons can we learn to help us plan for the future?

We recommend that the new Local Plan is driven by the primary objective of needing to re-build/boost the economy. In line with recent Government announcements, this is the principal role that the planning system is able to play in managing the effects of the Covid-19 crisis.

Accordingly, and in line with the NPPF, policies should be put in place that ensure that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity, as a means of meeting the national objective of re-building a strong, responsive and competitive economy. A positive, supportive local plan policy position is essential, with unnecessary planning barriers to economic development removed.

In balancing the inevitable policy conflicts between economic development and other considerations (Green Belt protection for instance) it is essential that much greater weight is placed on economic development than has been the case in the past.

Refer to Enclosure 2 for further details.

Question 2: Identification of Issues and Needs – What evidence do you think the Council needs to prepare the Cherwell Local Plan Review?

We recommend that the new Local Plan is driven by the primary objective of needing to re-build/boost the economy. This should be afforded much greater weight than has been the case in the past, over-riding other policy considerations in the planning balance where necessary.

This requires a sound economic strategy which should be informed by evidence of the specific economic and development needs of key existing local economic assets such as London Oxford Airport.

Refer to Enclosure 2 for further details.

Question 3: District Wide Planning Issues – Do you have any observations on the district-wide issues we have identified? Are there any others you would like to raise?

As noted in our response to Question 1, we strongly recommend that the new Local Plan is driven by the primary objective of needing to re-build/boost the economy. In line with recent Government announcements, this is the principal role that the planning system is able to play in managing the effects of the Covid-19 crisis.

Accordingly, in preparing the new local plan much greater focus should be given to the economy than is the case in the overview of key issues presented in the consultation paper to ensure that the new local plan is able to be as effective as possible.

Question 4: Banbury Planning Issues – Do you have any observations on the Banbury issues we have identified? Are there any others?

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Question 5: Bicester Planning Issues – Do you have any observations on the Bicester issues we have identified? Are there any others you would like to raise?

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Question 6: Kidlington Planning Issues – Do you have any observations on the Kidlington issues we have identified? Are there any others you would like to raise?

We welcome the recognition of London Oxford Airport (LOA) and other key local economic assets in the review of Kidlington, including:

- Provision of a new park and ride at LOA
- Support for high value employment uses at LOA
- Review of the Green Belt boundary at LOA

However, in line with our response to other questions, we consider that much greater emphasis should be placed on economic development issues, particularly the needs of existing economic assets in/around Kidlington. Helping to meet these needs should undoubtedly be the primary objective of the new Local Plan.

Refer to Enclosure 2 for details of the key issues facing LOA and the need for development at the site.

Question 7: Heyford Park Planning Issues – Do you have any observations on the Heyford Park issues we have identified? Are there any others you would like to raise?

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Question 8: Rural Area Planning Issues – Do you have any observations on the rural issues we have identified? Are there any others you would like to raise?

-

Question 9: Key Themes – Do you agree with the Key Themes identified? Are there other Key Themes the Plan should address?

We agree that economic development should be the leading theme.

Question 10: Maintaining and Developing a Sustainable Local Economy – Do you have any observations on the issues we have identified for this theme? Are there any others you would like to raise?

As per our response to other questions, we recommend that the new Local Plan is driven by the primary objective of needing to re-build/boost the economy, accordingly the issues set out in this section should be afforded great weight. In line with recent Government announcements, this is the principal role that the planning system is able to play in managing the effects of the Covid-19 crisis. In line with this, in balancing the inevitable policy conflicts between economic development and other considerations (Green Belt protection for instance) it is will be necessary for the new Local Plan to place much greater weight on economic development considerations than has been the case in the past.

Furthermore, the economic strategy for the district and sub-region is dependent on a number of key economic assets which act as anchors for the economic 'ecosystem' as a whole. It is essential that the new Local Plan recognises this and supports the continuation and growth of these key existing assets. These assets include London Oxford Airport.

Refer to Enclosure 2 for further details.

Question 11: Meeting the Challenge of climate change – Do you have any observations on the issues we have identified for this theme? Are there any others you would like to raise?

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Question 12: Healthy Place-shaping – Do you have any observations on the issues we have identified for this theme? Are there any others you would like to raise?

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Question 13: Establishing a Vision and Objectives – Do we need a new vision for the Cherwell Local Plan Review 2040? What should be its key priorities?

Yes – An updated vision and set of key overarching objectives should drive the preparation of the new Local Plan.

We recommend that the Vision and primary objective should be focussed on the need to re-build/boost the economy.

Question 14: Call for Sites – Do you wish to propose any sites for the Cherwell Local Plan Review 2040? Please provide us with a location plan and details of your proposals. We have prepared a site submission form to help you.

A completed call-for-sites form is submitted alongside this form in respect to the London Oxford Airport site.

National planning policy (and relevant guidance) is clear that local plans should adopt a positive approach to meeting the assessed development needs for their area and should place significant weight on supporting economic growth. This includes specific support for the needs of the aviation sector and small airports such as London Oxford Airport (LOA).

LOA is a valuable economic asset of strategic county-wide significance, which plays a key role in supporting many of the County's major employers and economy as a whole. Accordingly, there is a strategic economic need to ensure the long term continuation of the airport use. However, the Airport currently operates at an unsustainably low profit level. Satisfying the aforementioned economic need is dependent on making the airport a more viable going concern, which is dependent on generating additional value from the Site/asset.

LOA's intended response to this need is to invest in airport facilities/infrastructure in order to maintain/grow its market share. The capital investment necessary to deliver the above development will be significant and unlikely to be viable in its own rights. LOA's intention is to facilitate this by generating value (capital injection and long term income stream) from the airport estate via the development of surplus land for complimentary non-aviation uses.

The Site is uniquely suitable for the proposed development, in that it offers the opportunity to satisfy economic needs that otherwise would not be capable of being met, which has significance for the delivery of the economic strategy for the district and sub-region as a whole. This is subject to it being accepted that the economic need for development here constitutes exceptional circumstances to justify removing part of the site from the Green Belt.

The Site is available for development and the emerging plans are considered to be achievable.

The owners of LOA wish to work with CDC over the course of 2020/21 to prepare a masterplan (with supporting evidence) for the site to underpin a site specific policy (allocation) and associated revision to the Green Belt boundary in the new Local Plan.

The proposed development comprises (1) aviation related development; and (2) Non-aviation related development:

(1) Aviation-related development:

- New/upgraded vehicle access;
- Pilot training facility (including residential accommodation and 'campus' amenities);
- Helicopter training facility;
- New fire station and fire training facility:
- Hangars and sheds;
- Hotel (potentially including conference and exhibition facilities); and
- Upgraded/extended terminal facilities.

(2) Complimentary Non-aviation development:

- Employment (Class E(g), B2, B8)
- Hotel
- Park and Ride
- Other complimentary uses such as healthcare

Question 15: Preparing the Plan – Do you have any comments specifically on the Sustainability Appraisal Scoping Report that accompanies this consultation paper?

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Question 16: Methods of engagement – Are there any specific methods of engagement you would like us to consider in preparing the Local Plan and updating our Statement of Community Involvement (SCI)?

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THANK YOU FOR TAKING THE TIME TO RESPOND TO THIS CONSULTATION. PLEASE RETURN THIS FORM BY 11.59PM ON 14 SEPTEMBER 2020 BY EMAIL TO: PlanningPolicyConsultation@cherwell-dc.gov.uk

ALTERNATIVELY, PLEASE SEND BY POST TO:

Planning Policy Team
Planning Policy, Conservation and Design
Cherwell District Council
Bodicote House
Bodicote
Banbury
OX15 4AA

Enclosure 1
Site Plan

Site Location Plan - London Oxford Airport

Promap®

Enclosure 2
Supporting Statement

London Oxford Airport

Cherwell Local Plan Call-for-Sites – Supporting Statement

September 2020

Contents

Appendices

For and on behalf of Avison Young (UK) Limited

1. Introduction

1.1 The purpose of this statement is to provide details that demonstrate the suitability, availability and achievability of land at London Oxford Airport (the Site) for development, and to provide details of the emerging development proposals for the Site. Refer to Site Plan at Appendix A.

1.2 It has been prepared by Avison Young on behalf of Oxford Aviation Services Ltd (the owner and operator of the airport) and forms part of its submission to the Cherwell Local Plan Call-for-Sites exercise.

1.3 In summary, the Site is uniquely suitable for development in that it offers the opportunity to satisfy economic needs that otherwise would not be capable of being met, which has significance for the delivery of the economic strategy for the district and sub-region as a whole. The Site is available for development now and the emerging proposals are achievable. The key policy issue is the Site's Green Belt designation, nonetheless there is a sound Exceptional Circumstances case to justify the removal of part of the site from the Green Belt to enable economic development needs to be met. It follows that the site should be scored positively in the forthcoming Housing and Employment Land Availability Assessment (HELAA) and progressed as an allocation in the new Local Plan.

1.4 This statement is structured as follows:

- **Section 2** describes the Site;
- **Section 3** sets out the strategic planning policy context;
- **Section 4** sets out the unique economic need to allocate the Site for development in the new Local Plan;
- **Section 5** describes the emerging development proposals;
- **Section 6** considers suitability, achievability, and availability matters; and
- **Section 7** concludes the document.

2. The Site

Location

2.1 The LOA site extends to approximately 508 acres / 206ha. It is located within the administrative area of Cherwell District Council (CDC) on the north-western edge of Kidlington, to the south-east of Woodstock and approximately 10km north of Oxford City Centre (refer to Site Plan at Appendix A).

Figure 2.1 Aerial Photograph

2.2 It is bound to the south by Langford Lane, the west by Woodstock Road (A44)/Upper Campsfield Road, the north by The Straight Mile, and the east by Banbury Road (A4260). A cluster of commercial uses (including significant offices and the Oxford Motor Park) lie adjacent to the site to the south east, with a mix of commercial and institutional uses to the south along Langford Lane. It is mainly open countryside to the north, west and east.

Existing Use

2.3 The site has been used as an airport since the 1930's (it originally extended over an area much greater than today). Current airport activities include the CAE Oxford Aviation Academy (which we understand is the UK's largest flight school), business/general aviation, and aircraft maintenance. Complementary activities include aerospace/aviation related industries and research and development.

2.4 The operation of the airport is subject to two principal controls:

- Civil Aviation Authority (CAA) Licence; and
- Section 106 Agreement with CDC - which restricts the airport's maximum annual operating capacity to 160,000 movements per year.

Existing Built Form

2.5 The airport's main runway (running north-to-south) extends to approximately 1.5km. The secondary runway (east-to-west) extends to approximately 770m.

2.6 Existing buildings extend to approx. 418,619sq.ft., of which around half comprises aircraft hangers, with the remainder comprising a mix of offices, workshops, and the airport terminal. The built form has been developed incrementally and some of which date back to the 1940's. Many of the existing buildings have reached the end of their functional economic life.

3. Strategic Policy Context

National Planning Policy Framework

3.1 The NPPF establishes the principle that the purpose of the planning system is to contribute to the achievement of sustainable development, with overarching interdependent economic, social and environmental objectives. For the economy the objective is to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure (para 8).

3.2 In line with this, it establishes the presumption in favour of sustainable development which for plan-making means:

(a) Plans should positively seek opportunities to meet the development needs of their area, and be sufficiently flexible to adapt to rapid change;

(b) Strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless:

- the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or
- any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.

3.3 Beyond the above, the principal NPPF policies of relevance to the Site are those associated with the economy, transport and Green Belt.

<u>Economy</u>

3.4 Paragraph 80 is explicit that planning policies should help to create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. This is particularly important where Britain can be a global leader in driving innovation, and in areas with high levels of productivity, which should be able to capitalise on their performance and potential.

3.5 Of further note is paragraph 82, which requires planning policies to recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries.

<u>Transport</u>

3.6 Para. 102 requires local plans to seek to realise opportunities arising from existing or proposed transport infrastructure and changing transport technology and usage, with para 103 requiring significant development

to be focussed on locations which are or can be made sustainable……. by offering a genuine choice of transport modes.

3.7 Para. 104(f) requires planning policies to recognise the importance of maintaining a national network of general aviation airfields, and their need to adapt and change over time – taking into account their economic value in serving business, leisure, training and emergency service needs, and the Government's General Aviation Strategy. Annex 2 includes a definition for 'General Aviation Airfields' as 'Licenced or unlicenced aerodromes with hard or grass runways, often with extensive areas of open land related to aviation activity'.

Green Belt

3.8 Para.136/137 allows Green Belt boundaries to be altered only where exceptional circumstances are fully evidenced and justified. The need for changes should be established and all other reasonable alternative options for meeting that need should be fully examined.

National Planning Practice Guidance (PPG)

3.9 The PPG states that 'aviation makes a significant contribution to economic growth across the country, including in relation to small and medium sized airports and airfields (aerodromes). An aerodrome will form part of a larger network. Local planning authorities should have regard to the extent to which an aerodrome contributes to connectivity outside the authority's own boundaries, working together with other authorities and Local Enterprise Partnerships as required by the National Planning Policy Framework. As well as the National Planning Policy Framework, local planning authorities should have regard to the Aviation Policy Framework, which sets out government policy to allow aviation to continue making a significant contribution (National Planning Policy Framework paragraph 80). A working or former aerodrome could be put forward for consideration as a site for mixed use development that includes continuing, adapting or restoring aviation services in addition to other uses'. Paragraph: 012 Reference ID: 54-012-20150313

Airports National Policy Statement (2018)

3.10 The Airports National Policy Statement's (NPS) primary purpose is to provide a decision-making basis for any future Development Consent Order (DCO) application for a new runway at Heathrow Airport, but is also a relevant material consideration for other airport DCO applications.

Aviation Policy Framework

3.11 The Aviation Policy Framework (APF) is a material consideration in the preparation of local plans. It highlights the significant economic benefits of the aviation sector as a whole, and in particular recognises the very important role that airports outside of London make to the growth of regional economies including the adjacency/co-location benefits airports offer to non-aviation sectors. It establishes the principle that the continued growth of the sector should be supported, while having regard to climate change considerations, noise, and other local environmental impacts.

General Aviation Strategy

3.12 The aim of the General Aviation Strategy (GAS) is for the UK to be the best place in the world for General Aviation as a flourishing, wealth generating and job producing sector of the economy.

Permitted Development Rights

3.13 The Site benefits from permitted development rights under Part 8 (Class F) of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order (as amended), which allow airport related development (including the erection of new buildings) to proceed without the need to apply for planning permission.

4. The Economic Need for Development at LOA

4.1 As explained in the previous section, national planning policy (and relevant guidance) is clear that local plans should adopt a positive approach to meeting the assessed development needs for their area and should place significant weight on supporting economic growth. This includes specific support for the needs of the aviation sector and small airports such as LOA. We note that this now has increased importance in order to re-build the UK economy post-Covid. It also makes clear that proposals to remove land from the Green Belt must be justified by evidence of need.

4.2 The purpose of this section is to demonstrate that there is a significant economic need for the new Local Plan to support LOA. LOA is a significant economic asset to Cherwell, Oxfordshire, and the South Midlands economic areas in terms of direct and indirect employment and the supporting role it plays to the wider economy as a piece of transport infrastructure. However, the airport use is a fragile commercial entity and it operates at an unsustainably low EBITDA level. The long-term continuation of the airport use (and therefore its continued contribution to the district's wider economic growth over the forthcoming plan period) is dependent on improving its viability. For the purposes of plan-making, this should be treated as a site-specific economic need which the new Local Plan should seek to address positively and proactively in accordance with NPPF paragraphs 80-82.

4.3 This section explains this economic need, covering the following scope:

(i) A description of the UK aviation sector and the contribution that this makes to the economy;

(ii) An overview of the local economy;

(iii) An explanation of the contribution that LOA makes to the local economy; and

(iv) A description of how the airport operates today, with details of the economic challenges it currently faces.

(i) Strategic Economic Context – the UK Aviation Sector

4.4 The Airports National Policy Statement (NPS) (2018) provides extensive details regarding the UK aviation sector insofar as this is relevant to the planning system. It firmly establishes the principle (in planning terms), that the sector is an important part of the UK economy.

4.5 The UK aviation industry provides international and domestic connectivity which is critical for the movement of people and goods and it makes a significant contribution to the UK economy as a consequence. The NPS notes that the sector generated around £20 billion of economic output and directly employed around 230,000 workers in 2014. Oxford Economics go further in their report dated November 2014 (entitled 'Economic Benefits from Air Transport in the UK), estimating that the aviation industry contributes £52 billion per annum to UK GDP (3.4%) (directly and indirectly) and supports around 961,000 direct and indirect jobs.

4.6 Much of this economic contribution relates to the UK's largest airports such as Heathrow, nonetheless smaller airports also play a valuable role in local/regional economies. The independent Airports Commission investigated the role of small airports in the UK as part of its investigations into the growth of airport capacity in/around London (commonly known as the Davies Review). It defined a 'small airport' as one with a Civil Aviation Authority Licence which handles fewer than 5m passengers per annum – which would include LOA.

Its report (2013) provides helpful information as to the role of these smaller airports in local/regional economies. Headline details are set out below:

- Smaller airports provide a range of services including scheduled and chartered domestic/international passenger flights, freight/cargo flights, flying schools, helicopter operations, and aircraft maintenance;
- They are economic and social enablers – allowing businesses and people to transport themselves, visitors, customers, and products nationally and internationally which facilitates both exports and internal investment;
- Small airports are employers and often provide an anchor for clusters of aviation-related businesses;
- UK smaller airports as a whole have been in decline since 2005 (and were disproportionally affected by the 2008-9 recession compared to larger airports). Since 2008 Bristol Filton, Plymouth, Penzance, Manston, and Blackpool Airports have all closed. Many smaller aerodromes remain under threat of closure; and
- They are typically 'fragile commercial entities'. While they operate from fixed locations, airlines and other aviation businesses are highly mobile. Diversification of aviation and other economic activities is key to maximising resilience and commercial viability.

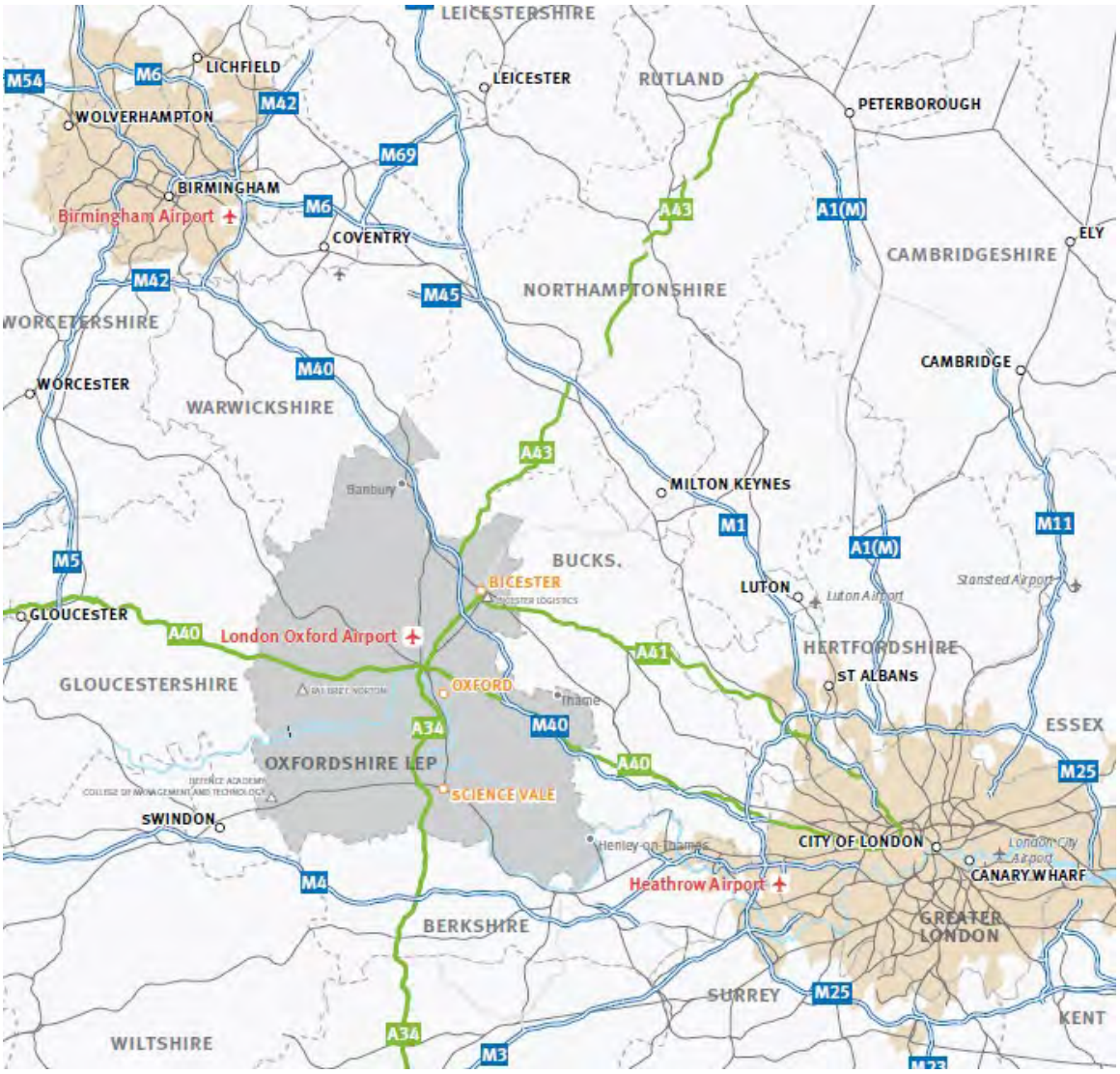
(ii) Local Economic Context

Oxfordshire/Cherwell (Functional Economic Area)

4.7 LOA is a small airport located approximately 10km north of Oxford within Cherwell District and the county of Oxfordshire.

4.8 Oxfordshire is located mid-way between London and Birmingham in south-central England. It is well served by the strategic road network (notably the M40, A34 and A40) and national rail (Chiltern, First Great Western, and Virgin Cross-Country services) which ensures that it benefits from good access to/from domestic markets. The closest airports (that provide scheduled passenger services) are Heathrow, Birmingham and Luton, which are all approximately 1 hour journey time.

Figure 4.1 Oxfordshire Context



Source: Oxfordshire LEP, Strategic Economic Plan, 2014

4.9 For the purposes of this report we consider the site to be located within a Functional Economic Market Area (FEMA) which is broadly as per the extent of Oxfordshire and the associated Oxfordshire Local Enterprise Partnership (LEP). Oxfordshire County Council's (OCC) Economic Assessment (2012) and the Oxfordshire Local Enterprise Partnership (LEP) Strategic Economic Plan (2016) provide helpful details of the key attributes of the County's economy. Headlines are as follows:

- Strategically located close to London (World-City) and within the UK's Golden Triangle (London – Oxford – Cambridge);
- Resident population of approximately 666,000 people (2013);
- 30,000 businesses;
- Around 400,000 jobs;
- Contribution of approximately £20.5 billion (2014) a year to national output and is one of only three areas of the UK that are positive contributors to the Exchequer;
- Between 2011 and 2014 the number of jobs in Oxfordshire increased by 7.8% and GVA by 15.6% (both above the national average);

- GVA per hour worked/per job filled is around 5% higher than the national average;
- Two highly rated Universities, one of which is world-renowned;
- Globally significant science and technology-based clusters;
- A highly skilled workforce with 46% of the resident working age population qualified to NVQ Level 4 (degree level) and above (above the national average of 34.9%);
- Unemployment at 0.6% (i.e. approaching full employment);
- Significant in-commuting (approximately 57,000 people commute into Oxfordshire daily – filling around 14% of total jobs in the county) linked to housing affordability issues; and
- Highly values environmental, cultural, and historic resources.

Oxfordshire/South Midlands (Oxford – Cambridge Corridor)

4.10 The Oxfordshire FEMA forms part of the wider economic area encompassing Oxfordshire and the South Midlands, of which the 'Oxford-Cambridge Corridor' is of particular significance.

4.11 Anchored by two of the world's leading research and teaching universities the broad corridor that connects Oxford to Cambridge is home to some of the country's most innovative science, technology, high performance engineering and advanced manufacturing businesses. The corridor's businesses act globally and are a key driver of productivity in the UK, their network and supply chains cross administrative borders and have far-reaching benefits for other regions in the UK.

4.12 The success of the corridor is built on an intricate network of infrastructure, education, business, institutional and labour market relationships that enable new ideas to be formed, developed, produced and taken to market within the area. Critically these networks are truly cross-sector, enabling a mix of skills and experience to come together to identify innovative solutions to industry challenges and technology development.

4.13 The integrated nature of the economy of the corridor means that it is difficult to capture the true value of any single component in isolation through traditional approaches to economic valuation and impact analysis. Whilst estimates of specific employment, output and supply chain impact can be developed they only really tell part of the story and fail to adequately capture the role it plays in supporting the wider network.

Key Activity within the Corridor

4.14 The corridor between Oxford and Milton Keynes is a considerable focus for economic growth in the coming decades driven by the presence of key high value sectors that are meeting the needs of national and international markets.

4.15 By 2031 the areas covered by the Oxfordshire LEP (OxLEP), South East Midlands LEP (SEMLEP) and Northamptonshire LEP (NLEP) will accommodate over 200,000 new jobs and 200,000 new homes, this will require both existing and new economic infrastructure and assets to work harder to ensure growth is delivered sustainably.

4.16 Critically, the Strategic Economic Plans for all LEPs seek to achieve employment growth in a range of high value sectors, evolving the existing network of activities and infrastructure to provide an ecosystem that delivers innovation and world leading products and services.

Key Sectors and Activities

4.17 The corridor between Oxford and Milton Keynes and Northampton is world renowned as the home of motorsport. Focussed on the Grand Prix circuit at Silverstone "Motorsport Valley" is seen as the hub of innovation within an industry that generates over £9bn of GVA to the UK economy per annum (Review of the Motorsport Valley Business Cluster, MIA, 2013).

4.18 The area is home to 5 leading Formula One racing teams including series leading Mercedes and Red Bull who in turn attract a wide range of supplier and associated technology businesses to the area. More widely the racing pedigree and heritage attracts and retains a wide range of major international names including Cosworth, Mahle Powertrain and Prodrive. Further niche activities include the cluster of vehicle heritage activities at Bicester.

4.19 Outside of the core motorsport offer a range of other automotive businesses, such as BMW, Aston Martin, and Jaguar Land Rover have also located in the corridor in order to benefit from the skills, knowledge and infrastructure it provides.

4.20 Through its history as a major focus for military aviation the corridor has retained a strong aerospace focus. Whilst much of the RAF and USAAF activity has ceased its legacy can be seen in the number of businesses still active in the sector as well as those now exploiting opportunities in a range of related sectors, such as space exploration and satellite technology. The presence of the Satellite Applications Catapult at Harwell is attracting the next generation of businesses to the area within this sector.

4.21 The presence of these two major activities has drawn together a wide range of other specialist and high value businesses and sectors that deepen the network and internal supply chains. A range of businesses involved in High Performance Engineering, composites, data analysis and computing applications are all drawn to the potential client pool and labour force within the area.

4.22 Unrelated, but equally important, is the presence of major life science and other scientific research and development fuelled both by higher education (University of Oxford for example), the presence of unique research apparatus (such as the Diamond Light Source), major corporates and innovation centres such as the European Centre for Space Applications and Telecommunications.

4.23 What is common across all of these activities is their international reach, both in terms of the markets they serve but also the network of suppliers they draw on. As high value production businesses they are reliant on high quality components delivered reliably on time, in order to maintain high value output. The nature and value of the good imported, the role in wide high value production means the area relies on a range of airports to provide choice and resilience alongside bespoke service opportunities.

4.24 Both the OxLEP and NLEP Strategic Economic Plans make reference to the international role of the businesses and research institutions in their areas (OxLEP SEP Page 9, NLEP SEP Page 44) and the importance of enhancing and maintaining the international connections offer by the region's airports. They recognise access to international connections is a vital component in attracting and retaining businesses in the area.

(iii) The Role of London Oxford Airport in the Local Economy

4.25 As noted above, the success of the corridor and the high value businesses that reside within it relies on the wider ecosystem and assets within the area. The Strategic Economic Plan's (SEPs) for all three LEP areas highlight the importance of international and national connectivity to the high number of businesses that are truly global in terms of their supply chain and client base. They recognise that proximity to airports, rail stations and the strategic road network aid the movement of goods and transfer of knowledge driving the economy forward.

4.26 Lying at the centre of this corridor of innovation is LOA, which is recognised as a key part of the ecosystem. OxLEP's Strategic Economic Plan (2016) sets the framework for future growth within the Oxfordshire part of the Corridor and identifies that London Oxford Airport has experienced increase in business use (OXLEP SEP, Page 44), underlining its important role in the economy. SEMLEP also highlights the Airport as a key asset within the SEP (Key Assets Map, Page 8).

4.27 The Strategic Economic Plan for OxLEP goes on to identify a series of actions that are required to deliver the growth ambitions of the area, supporting the aspirations for *"growth of air related business activities at London Oxford Airport"* (OxLEP SEP, Page 48).

4.28 The business-orientated bespoke service it offers is recognised as providing critical access for a range of businesses and is highlighted within the "Oxford Innovation Engine" study published by OxLEP (SQW, 2013, Page 69) as providing important connectivity for locations such as Begbrooke Science Park and an important connection for unlocking the potential of Oxford Technology Park (SQW, 2016, Page 3).

4.29 The importance of the Airport to the cluster of knowledge intensive activity is highlighted by the nature of flights and services the Airport provides. Flight and user data provided by LOA to inform this report clearly identifies the nature of businesses and flight types that utilise the Airport.

4.30 LOA's function as a Business Aviation Airport now serves almost 500 business-related flights per month (2016) almost 20% of the total non-recreational flights leaving the Airport. The operators of London Oxford Airport report that of these business related flights, a notable proportion serve the UK Formula 1 and motorsport industries located within close proximity to the airport. This includes major international brands such as ProDrive, Williams, Red Bull Racing, BWM Mini, Jaguar Land Rover and Aston Martin. LOA sees the 5th highest throughput of private business aviation flights of any airport in mainland UK.

4.31 A further key element of the overall business aviation demand is the use by the automotive industry, which is driven by its need for Just in Time (JIT) deliveries of key component parts. Such JIT freight flights currently average approximately 10-15 per month, and primarily serve key car plants including BMW Mini (Cowley) and Honda (Swindon).

4.32 This JIT need is used to minimise disruptions to production, which would have a considerable cost to the business which, we have been told anecdotally can be as high as £60,000 per minute (2016). LOA is therefore seen as critical for minimising production down time given its accessibility and is therefore well used for the high-speed delivery of such parts. By being closer and less affected by congestion than other major airports (such as Heathrow, East Midlands etc) it can be seen to play a fundamental role in the economic sustainability of the companies that use its services, and underpin much of the high technology corridor within which it sits.

4.33 The role of LOA is not limited to the automotive and motorsport sectors, it also provides a key asset for the life sciences include major R&D medical and technological industries located within close proximity to the airport. These high-tech medical companies use the airport in a similar way to that of the motor-vehicle industry, to allow the timely delivery and export of key technologies.

4.34 Other key services that use LOA throughout the year include:

- National Air Ambulance Service/Medevac;
- GetMapping Satellite Imagery Operations;
- Pilot Training School;
- National Grid Helicopter Survey Operations; and
- Aviation Maintenance (including the majority of the UK's police helicopter fleet).

4.35 Again these form part of the rich ecosystem of innovative businesses that drive high levels of economic output across the three LEP areas and are reliant on the Airport for their businesses to function.

4.36 Outside of this daily business aviation demand LOA is a critical asset for maintaining the profile for the area internationally. As the closest major airport to Silverstone it is a vital component of the infrastructure for major event days, most notably when the Formula 1 Grand Prix is on.

Assisting Major Growth Hubs

4.37 The need for high value business flights from London Oxford Airport is likely to continue to grow in line with broader local economic growth. Employment growth is focussed on growing the high performance sectors that are demonstrated users of the Airport. As such the airport should be seen to be a critical component in the ecosystem that will make the area a continued economic success.

4.38 The OxLEP area contains three Enterprise Zone locations, focussed on bringing forward further growth within the life sciences, aerospace and other high technology activity. Located at Harwell, Milton Park and Didcot London Oxford Airport will be the closest and most easily accessed location for international connectivity.

4.39 Similarly, and more locally to the Airport, the growth and expansion plans for Begbrooke Science Park and Oxford Technology Park will both be supported by the ability to bring goods and people in and out of an airport more efficiently than trying to use other options further away.

4.40 The continued health and growth of Silverstone as both a major international sports venue and new employment and innovation hub for the area will be greatly supported by the continuation of London Oxford Airport. As already set out a number of Race Team, Motorsport businesses and the circuit itself make significant use of the Airport both for everyday activity and to service flagship events.

An Economic Contributor in its Own Right

4.41 The value of the Airport does not solely lie within its role as a supporting piece of infrastructure to the wider economic activities undertaken within the corridor. The Airport and the businesses that operate from it generate a large number and range of direct jobs and also have a 'knock on' benefits through its supply chain.

4.42 London Oxford Airport currently employs approximately 800 personnel on site, which comprises a signification proportion of the location population. In addition, London Oxford Airport tenants and users currently indirectly employs approximately 1,800 employees within the UK.

(iv) The Airport Today

4.43 The airport site extends to approximately 206ha and accommodates the following assets:

- A main runway (running north-to-south) extending to approximately 1.5km, plus a secondary runway (east-to-west) extending to approximately 770m;
- Existing buildings extending to approx. 418,619sq.ft. (38,891sq.m), of which around half comprises aircraft hangers, with the remainder comprising a mix of employment, training and residential student accommodation;
- Technical aviation-related assets include a Thales Primary and Secondary radar system (installed in 2012) and a CAT1 Instrument Landing System (ILS); and
- Full MET service system providing digital local weather reports to LOA Air Traffic Control and the wider aviation community.

4.44 The site is controlled in full by Oxford Aviation Services Ltd. (either under their ownership or option agreement). We are advised by LOA that the extent of the site is much greater than is necessary to meet current and anticipated future needs associated with the airport use.

Aviation Activities

4.45 The site has been used as an airport since the 1930's. It serves three distinct market sectors:

1. General Aviation (light). Primarily private, recreational flying activity along with pilot flight training, both private and professional.
2. Business Aviation. The use of aircraft (and helicopters) privately and on charters, mainly turbine-engined, for business purposes and private travel needs on both domestic and international trips. Aircraft tend to have 5-15 seats.
3. Commercial Aviation. Commercial flights open to the general public whether scheduled airline services or seasoned charter flights to given destinations. Currently no such services are offered, but have been in the past and it is anticipated will again in the future.

Aviation-Related and Other Activities

In addition to the core aviation activities, the site accommodates a broad range of aerospace/aviation related and other activities. This includes over 20 businesses that employ over 800 people and pilot training schools that host over 400 full-time students per year.

Recent History

4.46 LOA has faced significant economic challenges over recent years, but has responded through capital investment and diversification of its offer.

4.47 The aviation function has historically been dominated by professional pilot flight training, however the scale of this activity has declined significantly over the past 10-15 years due to changes in the way training is provided. The pilot training schools based at LOA have shifted all 'fair weather' training overseas and a large proportion

of remaining practical activities have been replaced with ground-based flight simulators. This is the principal reason why annual aircraft movements have dropped from their peak of over 230,000 to around 45,000 today. This reduction in activity translated into a significant loss of income for the airport.

4.48 LOA's response has been to invest in the asset to enable it to diversify into other aviation sectors and to attract other aviation related (and complementary non-related) businesses to locate on the site in order to generate an income stream from its surplus property assets. This has included:

- Investment into new navigation and air traffic control systems;
- Safety-related changes such as runway widening and strengthening of paved surfaces;
- Replacement of all fire and rescue tenders;
- New lighting; and
- New built-facilities to host different types of aircraft (including larger) and new operators/passenger groups (such as VIP lounge facilities).

4.49 In total, well over £20m has recently been invested in the asset in order to evolve from its long-term dependence on flight training activities (General Aviation) into being a suitable base to host both visiting and resident business aircraft, and to comply with Civil Aviation Authority standards whilst providing adequate facilities and systems for business aircraft usage. Not only were there significant capital costs involved, there was also a four-fold increase in the costs of just running the airport with the requisite safety compliance. All these costs are borne by the private owners of the airport, with no subsidies or grants whatsoever from government, regional authorities, nor EU funding, unlike many regional airports in the rest of Europe which are commonly underwritten by regional or central government funding (Gloucestershire and Newquay Airports for instance are understood to be funded from the public purse).

4.50 It is now a fit-for-purpose regional airport for the Thames Valley which is compliant with CAA standards (and the only all-weather day and night airport between London and Birmingham).

4.51 While the business has been successfully diversified from an operational perspective, EBITDA remains unsustainably low.

Operational Constraints

4.52 The aviation function is subject to a number of operational constraints, of which the following are key:

- **Opening Hours**. The operation of the airport is subject to the provisions of a s.106 agreement which prevent aircraft movements between 00:00 and 06:00. Many of LOA's competitors in this sector have a 24 hour capability, such as Luton, which puts it at a competitive disadvantage.
- **Distance from London**. LOA is 60 miles from London, which is at the outer edge of the zone the market generally accepts as being the 'London' region. Surface transport via the new Oxford Parkway Station and the M40 provides sub-hour journeys and opportunities to provide helicopter links to Battersea (London's only licensed heliport) help address this.
- **Runway Length.** The runway length prevents larger aircraft from being able to use the airport, and constrains other medium sized aircraft types which would need to sacrifice passenger load or fuel (and therefore range capability in order to use the airport). Furthermore, some other aircraft are not able to land at LOA in wet conditions.

- **All weather, any wind direction capability.** LOA does not have precision approach capability (lights/navigational systems) from the south, so in poor visibility conditions many aircraft operators are reluctant to use the airport. The A44/Langford Lane junction configuration prevents this issue from being resolved.
- **Busy Airspace** – with proximity to RAF Brize Norton and the levels of general aviation activity in the local area, along with the airspace design and certain no-go areas nearby, Oxford is known as being challenging airspace which puts off some prospective users. A state of the art radar has recently been installed to address this and an Airspace Change Proposal (ACP) is currently being progressed in cooperation with RAF Brize Norton to enhance the overall airspace environment.
- **Fire and Rescue capability.** LOA does not have the necessary fire and rescue capability to accommodate all sizes of aircraft that the runway is capable of handling without prior notice. This is mainly a resource (and therefore operational cost) related issue.
- **Fit-for-purpose Built Facilities**. LOA's built facilities are in many cases not fit-for-purpose for modern aircraft and operator requirements (typified by decaying office blocks and 1930's hangars), and are a significant maintenance liability.

Limits to Expansion and Market Challenges

4.53 Addressing each business sector, the following highlights the challenges the airport faces and the opportunities there may be for further evolution in the decades to come.

General Aviation

4.54 So far as recreational flying is concerned, that is very much limited by catchment area – light aircraft owners tend to base their aircraft either at the closest aerodrome to their home, or the cheapest base in under an hour's drive. In some cases, owners will choose to base an aircraft where there is a maintenance company specialising on their type. Oxford has very limited maintenance capabilities on this market sector, so there is scope to attract new maintenance companies to support a broader range of aircraft. Otherwise, the 20 or so residential light aircraft fleet (was once up to 40) is not likely to grow extensively. Landing fees for these light aircraft types have not increased for over a decade (Source: Civil Aviation Authority, 2016).

4.55 On the pilot training front, there has been a radical change in training practices whereby today there is far greater use of ground-based simulators. Accordingly, Oxford Aviation Academy (CAE OAA), Europe's preeminent and largest pilot training school, has reduced their fleet from what was once over 75 aircraft to just 20 today. The airport would like to court more schools to migrate here, both for fixed wing and helicopter pilot training, but in order to do so, we have to build adequate training facilities. Likewise, any expansion of training facilities will require the replacement of what are predominantly 1960s and 1970s buildings in a relatively poor state of repair – again significant capital expenditure required. Ideally, the airport would like to provide an entirely new campus and onsite residential accommodation.

Business Aviation

4.56 Limited by geography and runway length, LOA competes for London region business against Luton, Stansted, Farnborough, Biggin Hill and RAF Northolt predominantly albeit, Birmingham, Cranfield, Cambridge and RAF Brize Norton take business and occasionally vice-versa. Where Luton is busiest with an average of 38 business aircraft departures a day, Oxford only sees about 6% of the London region market at just 7 business aviation

departures a day, much of which is dependent on residential aircraft. Owners will tend to base their aircraft at airports closest to their homes or their business interests, or, again, at airports where their aircraft type can be maintained. On that front, there is scope for Oxford to continuously build its maintenance capabilities both with incumbent maintenance providers but also enticing new providers to migrate to Oxford from some of those peer airports. However, for that, most of the airport's older, airside hangarage of 1930s vintage, is wholly inadequate in terms of size and efficient usage and as such new facilities with landside access have to be built on greenfield sites otherwise this evolution simply is not possible.

4.57 Most of our visiting business aviation traffic is for passengers either originating or destined for places within a 30-40 miles radius of Kidlington, but due to the efficiency of the M40 motorway, the airport sees perhaps 20-25% of traffic being London-destined or originated. Any growth in visiting traffic has to be pulled from the London market which is hugely challenging as the airport is 60 miles away and the furthest of all our competitors on this front. Additionally, Oxford's runway is the shortest, limiting aircraft range and payload capabilities significantly. Four fifths of the common business aircraft types cannot land on the runway when it is wet after a rainstorm.

Commercial Aviation

4.58 Within the last decade, Oxford Airport has explored opportunities within this sector as the airport had put in all the infrastructure required for the business aviation sector which also meets the needs of the commercial sector to a significant degree. Additionally, Oxford is acknowledged as a good prospective catchment area for the provision of commercial services with the city over an hour away from either Birmingham or Heathrow, indeed, Oxford city is surprisingly, one of the most isolated in the country in terms of access to regional air services. The relative wealth and propensity to travel of the local population is high. The great challenge however in establishing new routes and services from an airport like Oxford is that it requires considerable risk on both the part of the airport and the airline concerned and a massive marketing push to raise awareness of new services as promoting new routes from a relatively unknown airport (commercially) with typically an unheard of airline is very challenging. Airlines expect the airport to take much of the risk and the airport is somewhat averse to taking such risk. Marketing costs are huge for the small return on the investment when providing the passenger terminal and security staff to process the flights.

4.59 Nevertheless, it is quite clear that there is a market to serve on the most viable routes (typically an hour or so flights with a strong business need bias – Edinburgh, Dublin, Belfast, Amsterdam, Glasgow) were small regional airliners with day-return services facilitated. Seasonal weekend charters to holiday destinations also have some viability – skiing in winter, Channel Islands and other near-Europe holiday destinations. However, the catchment size and our runway length dictate that the routes can only practically be served by smaller regional aircraft types, the smaller the aircraft the higher the seat-mile costs and hence higher ticket prices.

4.60 It is the airport's desire to get back into this sector as another useful revenue stream, but not at any cost. Today, the most likely route to be reinstated would be Oxford-Edinburgh. Longer term, any evolution on the commercial (airline) side will require expanded passenger facilities as the current VIP business aviation terminal is designed for very small passenger throughput.

4.61 The airport continues to support a growing air cargo activity. Although most UK airfreight tends to move during the hours of darkness, there is a growing demand because of 'Just in Time' manufacturing / assembly principles

to support local manufacture at times when the normal supply chain processes fail. This failure could be a restriction in the availability of the channel tunnel or a failure at the manufacturing point. Local final assembly, particularly in the automotive sector relies on Europe wide component manufacture and subsequent timely delivery and is critically sensitive to any late delivery of components. The airport accepts incoming freight to overcome any supply chain failure sometimes accepting up to 6 flights per day from this sector. This enables local production/assembly lines to continue without disruption.

Economic Impact

4.62 A high level economic impact assessment is enclosed at Appendix C which quantifies the value of LOA's contribution to the local economy. Key points are as follows:

- LOA currently supports over 800 jobs directly within the site and a further 321 indirect jobs elsewhere within the OxLEP/SEMLEP region; and
- The Airport generates a total of over £105m in GVA within the local/sub-regional economy, with almost £70m generated within the Airport site itself.

Summary

- The aviation sector makes a significant contribution to the UK economy both directly and indirectly in terms of its support to other economic sectors;
- LOA is an important economic asset in its own rights, generating an estimated £105m GVA per annum (direct). More significantly, it forms a key piece in the 'ecosystem' of the local economy, supporting the continued success and growth of other sectors;
- The airport is operating at an unsustainably low EBITDA level. There is a need to generate additional value in order to address this and to enable the continuation (and potential growth) in its economic contribution and its function as a piece of transport infrastructure.

5. Proposed Development

5.1 As explained in the previous section, LOA is a valuable economic asset of strategic county-wide significance, which plays a key role in supporting many of the County's major employers and economy as a whole. Accordingly, there is a strategic economic need to ensure the long term continuation of the airport use. However, the Airport operates in a very challenging marketplace and is currently at an unsustainably low profit level. It furthermore requires continual investment in order to continue to compete effectively. Accordingly, satisfying the aforementioned economic need is dependent on making the airport a viable concern, which is dependent on generating additional value from the site/asset.

5.2 LOA's intended response to this need is to extend its aviation function (general, business, and commercial) as a means of maintaining and preferably growing its market share and increasing its income. This requires further investment in airport facilities/infrastructure, including the following potential development:

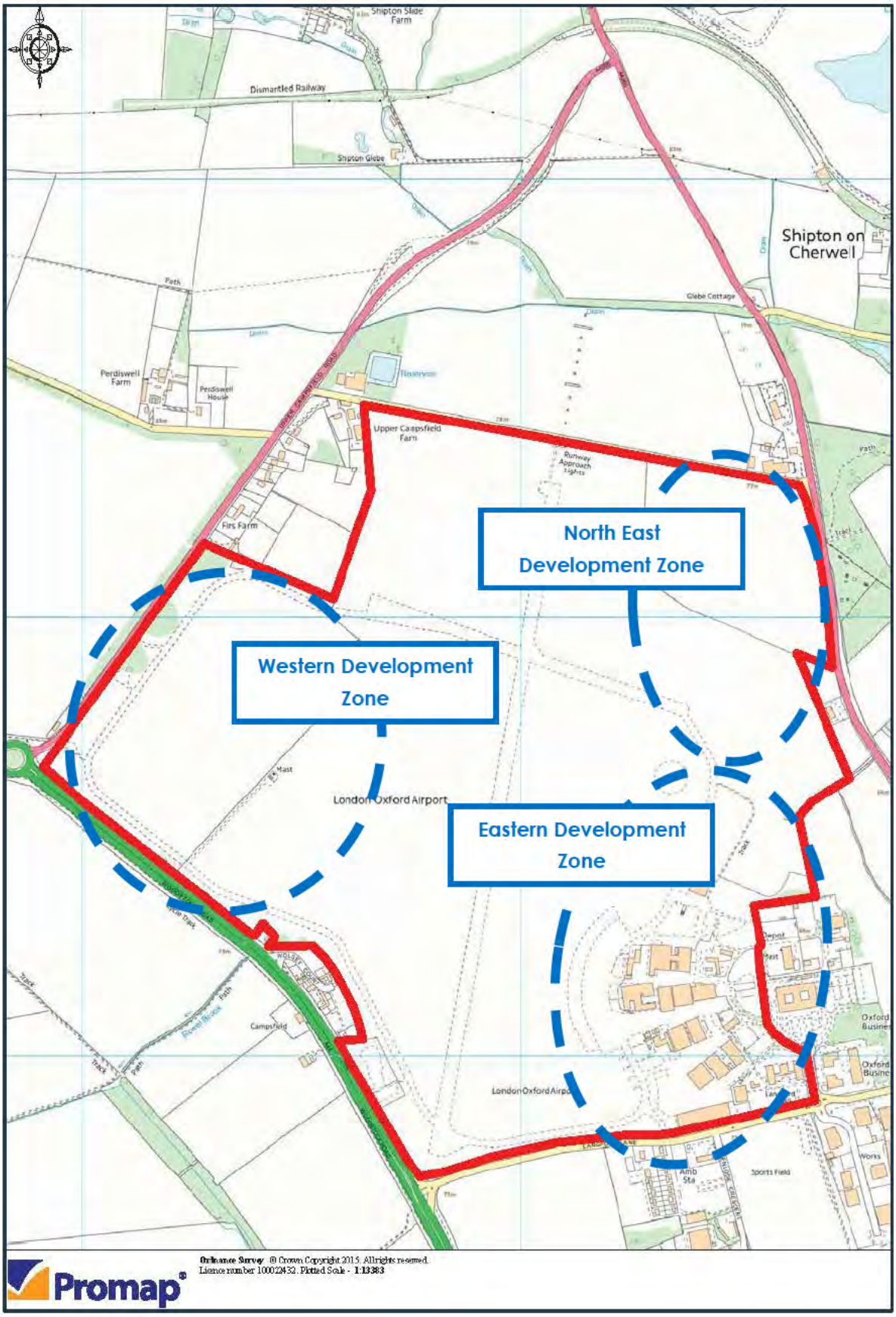
- New/upgraded vehicle access;
- Pilot training facility (including residential accommodation and 'campus' amenities);
- Helicopter training facility;
- New fire station and fire training facility:
- Hangars and sheds;
- Hotel (potentially including conference and exhibition facilities); and
- Upgraded/extended terminal facilities.

5.3 The capital investment necessary to deliver the above development will be significant and unlikely to be viable in its own rights. LOA's intention is to facilitate this by generating value (capital injection and long term income stream) from the airport estate via the development of surplus land for complimentary non-aviation use. LOA intends to prepare a masterplan for the airport site as a whole over the course of 2020/21 in consultation with CDC, and which it is anticipated would form part of future representations to the Local Plan. This will be informed and supported by a business plan to demonstrate the viability case.

5.4 Preliminary emerging proposals include (refer to Figure 5.1):

- Eastern Development Zone – Intensification and expansion of the existing built-up part of the site to provide a mixed use aviation/employment cluster, comprising employment uses (classes B1, B2, B8) and aviation-related development, with supporting uses such as a hotel (use class C1) and/or residential accommodation for pilot training school students (use class C2).
- Western Development Zone – Park and ride facility, alongside employment (B1, B2, B8) and potentially other complimentary uses such as healthcare; and
- North East Development Zone – Aviation related development (as detailed above).

Figure 5.1 – Broad Development Zones



6. Site Suitability, Availability and Achievability

Suitability

6.1 The economic need explained in Section 4 is only capable of being satisfied by development on this site (i.e. it is a location specific need). The matrix below provides a high-level appraisal of the suitability of the site for the proposed development identified as being necessary to satisfy the need (as described in the previous section).

6.2 The appraisal draws upon a review of current local plan policy designations and existing evidence and identifies where further survey and assessment work will be undertaken in due course to inform future representations to the Local Plan. It provides a 'RAG Rating' against a series of relevant criteria on the following basis: Green (suitable for development); Green/Amber hatched (suitable for development but with known constraints/policy issues that can be satisfied); Amber (likely to be suitable for development – further work required to confirm); Red (unlikely to be suitable for development).

Criteria	Appraisal	Rating
Green Belt	The entire site is designated as Green Belt. **Contribution to the Purposes of Green Belt** The contribution that the Site makes to the purposes of including land in the Green Belt was assessed in the Oxford Green Belt Study (LUC) (2015) (site ref. KI9). In summary the study found that the Site: • Makes **No Contribution** to Purpose 1: To check the unrestricted sprawl of large built-up areas; • Makes a **Low Contribution** to Purpose 2: preventing neighbouring towns merging into one another; • Makes a **Medium Contribution** to Purpose 3: To assist in the safeguarding of the countryside from encroachment; • Makes **No Contribution** to Purpose 4: To preserve the setting and special character of historic towns. Accordingly, the site's 'value' in Green Belt terms is considered limited. **Exceptional Circumstances** The fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open, however national planning policy allows Green Belt boundaries to be altered where exceptional circumstances exist. The economic need for the proposed development (as presented in Sections 4 and 5) represents the exceptional circumstances necessary to justify removing parts of the site from the Green Belt (the Eastern, Western, and north-eastern Development Zones), in our view. In addition to the specific needs associated with LOA, the following further location specific exceptional circumstances apply: • The principle of removing the Eastern Development Zone from the Green Belt has already been established by Local Plan Part 1, in order to allow for 'high value employment' development here (necessary to deliver the district's economic strategy). The stated intention was that the boundary revision would be undertaken as part of Local Plan Part 2 which has now been superseded in practice by the new Local Plan being prepared. The Exceptional Circumstances necessary to justify the removal of this part of the site from the Green Belt (the need for land for high value employment development) remain, and therefore this principle should carry forward into the new Local Plan.	

	• The Oxfordshire Transport Strategy and the current Local Plan Part 1 identifies a need for a new park and ride facility south of Woodstock on the A44, with the Western Development Zone at LOA identified as being the preferred location. The facility is needed in order to support significant housing growth planned for in the current Local Plan (which we anticipate being carried over into the new Local Plan). This need comprises the Exceptional Circumstances necessary to justify the removal of the land here from the Green Belt as necessary in order to accommodate the facility. We note that this will make it one of the most accessible locations in the district, making surrounding land in the Western Development Zone particularly suitable for development. The extent of and the detailed boundary of the Green Belt release should be defined in the new Local Plan. We recommend that this should be informed by a masterplan for the Airport site (as a whole) which LOA intend to prepare (working closely with CDC), and which will inform future representations to the new Local Plan.	
Land Uses	The principle of aviation and aviation-related uses on the Site is already established. There are no other sites in the district capable of meeting this need. The proposed Park and Ride facility is also a location specific need, dictated by the Oxford Transport Strategy. Therefore in principle the site is suitable for the use. The benefits of co-locating various non-aviation economic activities alongside airports is recognised in national guidance as a unique economic opportunity that airports generate.	
Previously developed land	The site is part previously developed. Having regard to policy, guidance and relevant case law the following land should be treated as meeting the definition of previously developed land which extends to approximately 50% of the site: • The entirety of the 'built-up' south eastern part of the site; • Land that is covered by permanent hardstanding and other fixed surface infrastructure including runways and taxiways; and • Areas of soft-surfacing surrounding fixed surface infrastructure and hardstanding which is essential to the established use of the site as an airfield (for access, safety, security, visibility, storage, maintenance etc). Refer to Appendix B for further explanation.	
Transport	The site is highly accessible: • It is adjacent to ONS and Sustrans National cycle route (Woodstock-Oxford). • It is served by 2 Premium Bus Routes (Oxford-Woodstock and A4165-Langford Lane) and in future will benefit from the planned new park and ride facility. • It is located within 2.5km of a train station. • It is the only site in the district containing an airport. • It benefits from road access onto Langford Lane and the A44. A transport strategy will be prepared to inform/support the masterplanning process.	
Flood risk	The Site is classified as Flood Zone 1 (low risk of flooding)	
Heritage	The site contains no designated or non-designated heritage assets. There are a number of designated heritage assets (including the Blenheim Palace World Heritage Site and Listed Buildings) in proximity to the site, nonetheless in principle this should not constrain the development of the site. Future masterplanning work should be informed by a Heritage Assessment.	
Landscape	The site was assessed in the CDC Landscape Character Sensitivity and Capacity Assessment (WYG) (2017) (site ref. LSCA118). This concludes that the landscape sensitivity of the site is medium to low and that the site has a medium landscape value. It goes on to conclude that the site has medium to high landscape capacity (to accommodate development). The assessment recognises that the site's capacity to accommodate development (in landscape terms) varies across the site and will be influenced	

	by the potential to introduce mitigation (i.e. through design/landscape measures). A more detailed site specific landscape appraisal should be undertaken as part of the site masterplanning process	
Minerals	The Site is not designated as a Minerals Safeguarding area.	
Ecology/ Biodiversity	The Site predominantly comprises managed grassland which typically has limited biodiversity value. Any potential will be confirmed via the preparation of a Phase 1 Habitat Survey in due course. The site is not subject to any environmental Local Plan designations, however the Shipton-on-Cherwell & Whitehill Farm Quarries Site of Special Scientific Interest (SSSI) is approx. 800m to the north-east; the Rushy Meadows SSSI is located approx. 800m to the south-east; and Blenheim Park SSSI approx. 1.3km to the west. These designations are not anticipated the constrain the suitability of the site for the development proposed.	
Noise	The airport itself is a noise source (due to aircraft movements), as is the A44. However, this noise environment is suitable for the uses proposed which are not sensitive to noise. Noise surveys/modelling will be undertaken to inform masterplanning work.	
Air quality	There are no known significant air quality constraints relevant to the proposed development. This will be confirmed via technical work as part of the masterplanning process.	
Ground conditions	There are no known significant ground condition constraints relevant to the proposed development. This will be confirmed via technical work as part of the masterplanning process.	
Aerodrome Safeguarding	The Airport is a Registered Aerodrome which is subject to safeguarding provisions. These do not preclude development, nonetheless will be accounted for in masterplanning work in due course.	

6.3 On the basis of the above, the site is considered to be suitable for the proposed development.

Availability

6.4 The site is under the full control of Oxford Aviation Services Ltd. Accordingly, it is available for development now.

6.5 Land within the Western, Eastern and North Eastern Development Zones is available for development now, and can be developed without compromising the operation of the airport.

6.6 The Western Development Zone is surplus to current and projected future operational requirements associated with the airport use. Development of non-aviation uses here would not compromise the operation of the airport. This land is available for development now.

Achievability

6.7 The airport related development is deliverable only in conjunction with the non-aviation development. A Business Plan demonstrating development viability will be prepared in parallel with the masterplan and submitted as part of future representations.

7. Conclusion

7.1 National planning policy (and relevant guidance) is clear that local plans should adopt a positive approach to meeting the assessed development needs for their area and should place significant weight on supporting economic growth. This includes specific support for the needs of the aviation sector and small airports such as LOA.

7.2 LOA is a valuable economic asset of strategic county-wide significance, which plays a key role in supporting many of the County's major employers and economy as a whole. Accordingly, there is a strategic economic need to ensure the long term continuation of the airport use. However, the Airport currently operates at an unsustainably low profit level. Satisfying the aforementioned economic need is dependent on making the airport a more viable going concern, which is dependent on generating additional value from the Site/asset.

7.3 LOA's intended response to this need is to invest in airport facilities/infrastructure in order to maintain/grow its market share. The capital investment necessary to deliver the above development will be significant and unlikely to be viable in its own rights. LOA's intention is to facilitate this by generating value (capital injection and long term income stream) from the airport estate via the development of surplus land for complimentary non-aviation uses.

7.4 The Site is uniquely suitable for the proposed development, in that it offers the opportunity to satisfy economic needs that otherwise would not be capable of being met, which has significance for the delivery of the economic strategy for the district and sub-region as a whole. This is subject to it being accepted that the economic need for development here constitutes exceptional circumstances to justify removing part of the site from the Green Belt.

7.5 The Site is available for development and the emerging plans are considered to be achievable.

7.6 As explained in Section 6, the owners of LOA wish to work with CDC over the course of 2020/21 to prepare a masterplan (with supporting evidence) for the site to underpin a site specific policy (allocation) and associated revision to the Green Belt boundary in the new Local Plan.

Appendix A
Site Plan

Site Location Plan - London Oxford Airport

Promap®

Appendix B
Previously Developed Land Review

London Oxford Airport

Previously Developed Land Assessment

The purpose of this note is to summarise relevant policy and guidance on the definition of previously developed land (PDL) and precedent case studies concerning the redevelopment of airfields in order to ascertain the extent of the London Oxford Airport (LOA) site that constitutes PDL.

1. Policy and Guidance

One of the core planning principles of the NPPF is that strategic planning policies should set out a clear strategy for accommodating objectively assessed needs in a way that makes as much use as possible for previously developed land (except where this would conflict with other policies in the Framework).

The NPPF defines Previously Developed Land at Annex 2 as:

'Land which is or was occupied by a permanent structure, including the curtilage of the developed land (although it should not be assumed that the whole of the curtilage should be developed) and any associated fixed surface infrastructure. This excludes: land that is or was last occupied by agricultural or forestry buildings; land that has been developed for minerals extraction or waste disposal by landfill, where provision for restoration has been made through development management procedures; land in built-up areas such as residential gardens, parks, recreation grounds and allotments; and land that was previously developed but where the remains of the permanent structure or fixed surface structure have blended into the landscape'.

An explanatory note to Planning Policy Guidance note 3, while having been superseded first by PPS3 and then the NPPF, remains a useful aid in the interpretation of the limits of previously developed land in this context:

"For example, where the footprint of a building only occupies a proportion of a site of which the remainder is open land (such as an airfield or a hospital) the whole site should not normally be developed to the boundary of the curtilage. The local planning authority should make a judgement about site layout in this context bearing in mind other planning considerations, such as policies for the protection of open space and playing fields or development in the countryside, how the site relates to the surrounding area, and requirements for on-site open space, buffer strips, landscaped areas, etc."

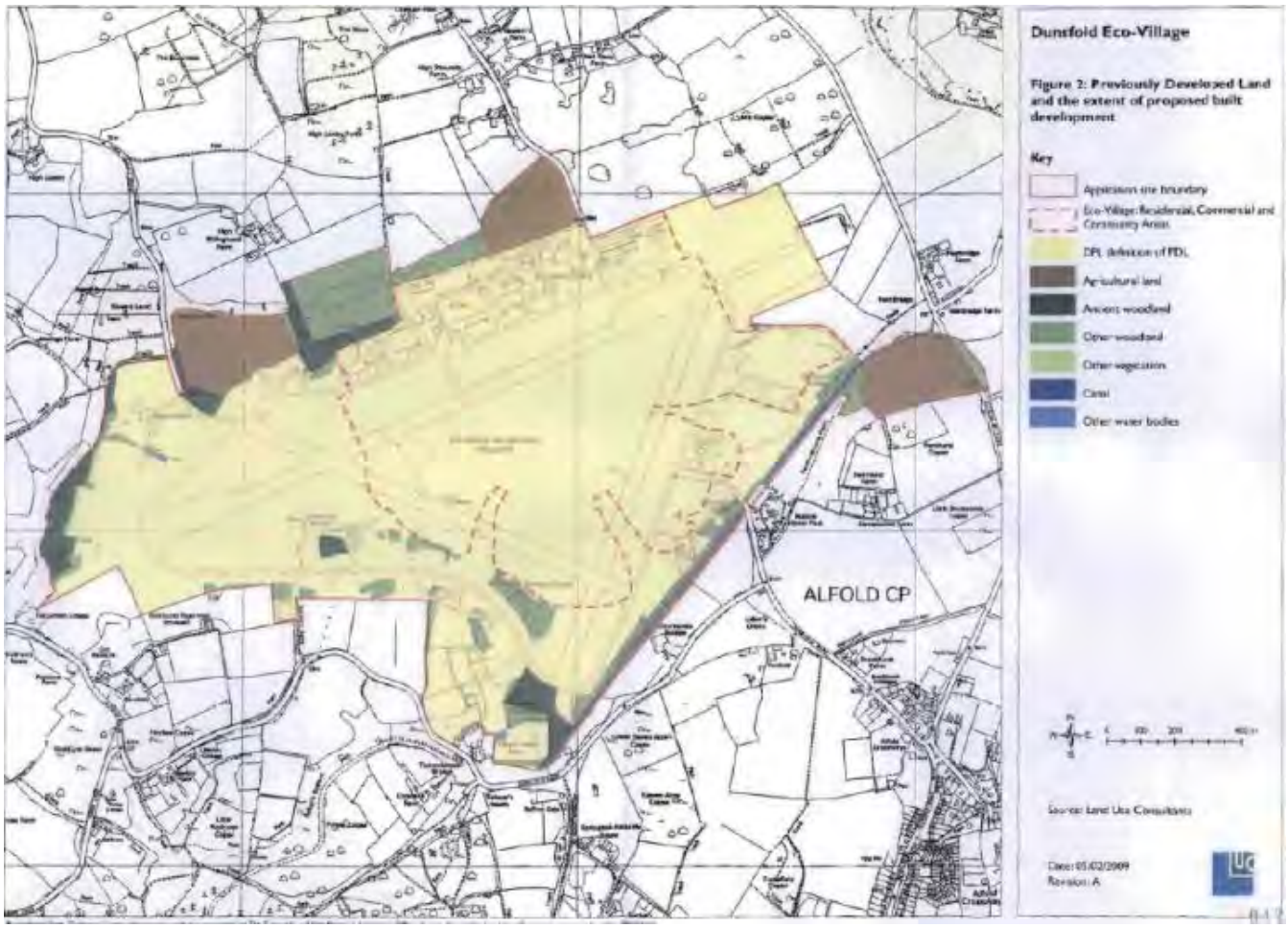
The extent to which a site such as an airfield will form PDL is a matter for interpretation; however, the following considerations will apply:

1. The extent to which the Site is covered by permanent structures (including hard standings, fixed surface infrastructure, etc)
2. For land that is not covered by permanent structures, the extent to which it forms a functional part of the permanent structures on the site (e.g. is not separate; and
3. Whether a site has "blended into the landscape" (e.g. whether it has natural features or whether it has since become overgrown)

2. Case Studies

Dunsfold Aerodrome

Dunsfold aerodrome is an unlicensed airfield in Surrey, originally constructed by the Canadian army and commanded by the Royal Canadian Airforce during WWII. It was declared inactive by the RAF after the war and has since been in use for flight testing and more recently for motor shows, driving schools, etc. In 2006 the owners of the aerodrome sought consent for redevelopment of the site for a mix of uses. The application was refused by the Waverly Borough Council and subsequently dismissed at appeal on 24/09/2009 (ref: APP/R3650/A/08/2089143/NWF).



Extract from the Inspector's Report (emphasis added) (see Enclosure 1)

'The aerodrome has been in existence for the best part of a century and has to be considered as a whole. Many of the hangars and other buildings in the northern part of the site are actively used for aviation purposes such as the storage and repair of aircraft. There are also other buildings and structures, such as fuel storage tanks, scattered about elsewhere. All of these either were or still are associated with the aviation use' (para 356).

The rest of the land is open but that does not mean that it is undeveloped. The runways, taxi ways and perimeter road are central to the functioning of the aerodrome. They are engineering structures that quite clearly constitute development' (para 357).

'The grassed areas in between the runways are functionally related to them. They provide safe run off areas for aircraft and a means of direct access to them for emergency vehicles. They are managed so as to maintain the necessary visibility for aircrew, air traffic controllers and emergency staff. They include a grass runway for aircraft that cannot land on concrete. These areas are all ancillary to and essential to the established use of the site. In short, the operational part of the aerodrome, including the runways and interstitial grassed areas, is developed land' (para 358).

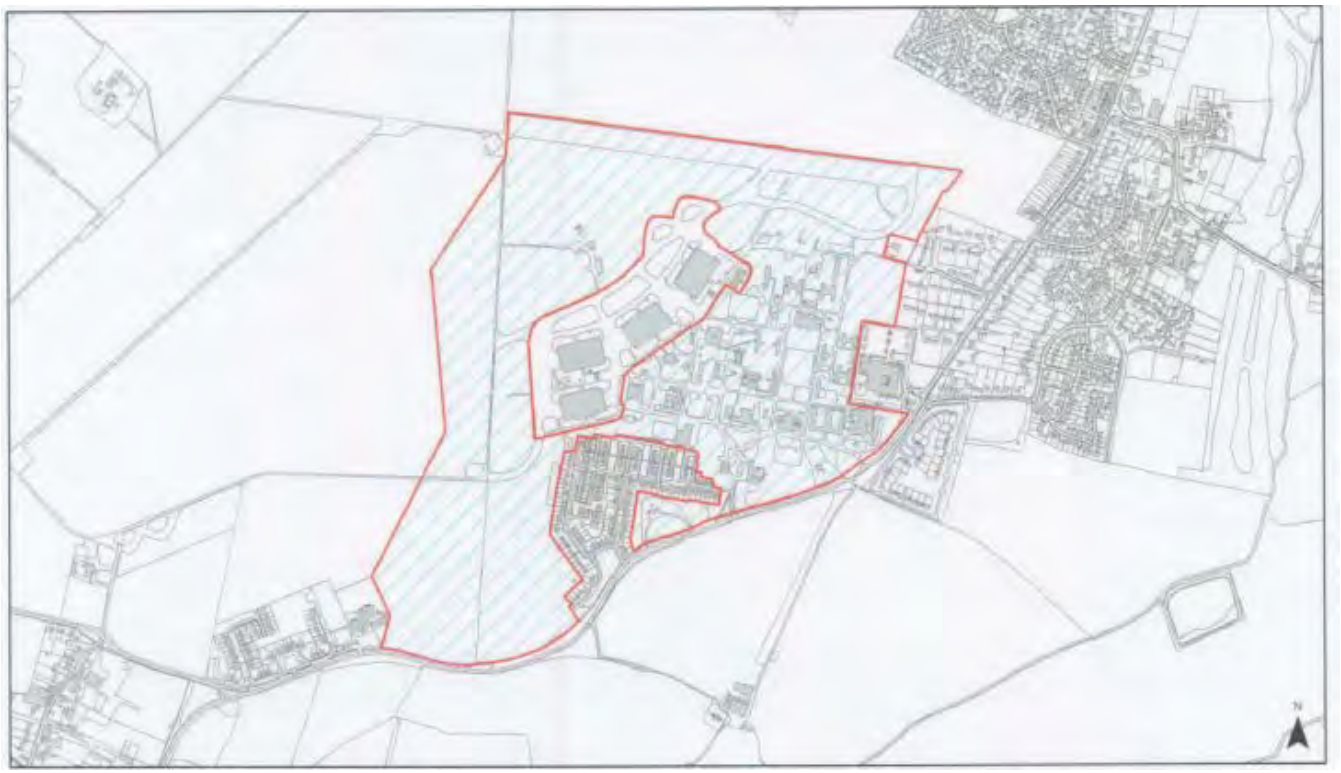
Extract from the Secretary of State's Decision Letter (see Enclosure 1)

'The Secretary of State has also taken account of the Inspector's comments at IR355-358, and he agrees with the Inspector that the operational part of the aerodrome, including the runways and interstitial grassed areas, is previously developed land'. (para 18).

The Inspector's Report makes it clear that PDL in this case comprises all areas of the site ancillary to and essential to the established use of the site as an operational airport. We consider this to be an appropriate comparison for the purposes of definition Previously Developed Land at the LOA Site

RAF Upwood

RAF Upwood is a former Royal Air Force station adjacent to the village of Upwood in Cambridgeshire. It was built in 1917 and in occupied by the RAF until 1981, when the control of the base was handed over to the United States Air force. The base was closed by the Ministry of Defence in 1994, at which time much of the station was vacated. An application for outline consent for redevelopment of the site for a mix of use was appealed on grounds of non- determination and dismissed by an Inspector at appeal on 18/08/2010 (APP/H5020/A/09/2112959).



Extract from the Inspector's Report (see Enclosure 2):

'I note that both parties rely upon the definition of PDL in Annex B of PPS 3. This leaves room for judgement, on the ground, as to what is, and what is not PDL, depending largely on matters of character and

appearance. That may explain why there is such a discrepancy between the parties on this matter: whereas the applicants say there is about 57 ha. of PDL at the 71 ha. appeal site, the Council say there is only about 25 ha'. [A,S] (para 293).

'In my view, based on both parties' evidence (in [A] and [S]) and my own 2 site inspections, the most robust figure lies somewhere between these conflicting estimates. In brief, there are 4 disputed areas, best shown in' [see below].

Plan 1

Plan 2

Plan 3

Plan 4

'I consider that while plans 2, 3 and 4 show areas best described as PDL (as asserted by the appellants, and contrary to the Council's view), much of the land in plan 1 is not PDL, owing to the extent to which it has "blended into the landscape in the process of time" (PPS 3, Annex B). This is a very substantial area. My view is that the amount of PDL at the appeal site'

The Inspector's judgement regarding Plan 1 is based on his view that the part of the site comprising the former runway, taxiways and grassed interstices had "blended into the landscape in the process of time." RAF Upwood was vacated in 1994 and had been abandoned for 16 years by the time of the appeal. No comparison can be made between this case and the Application Site.

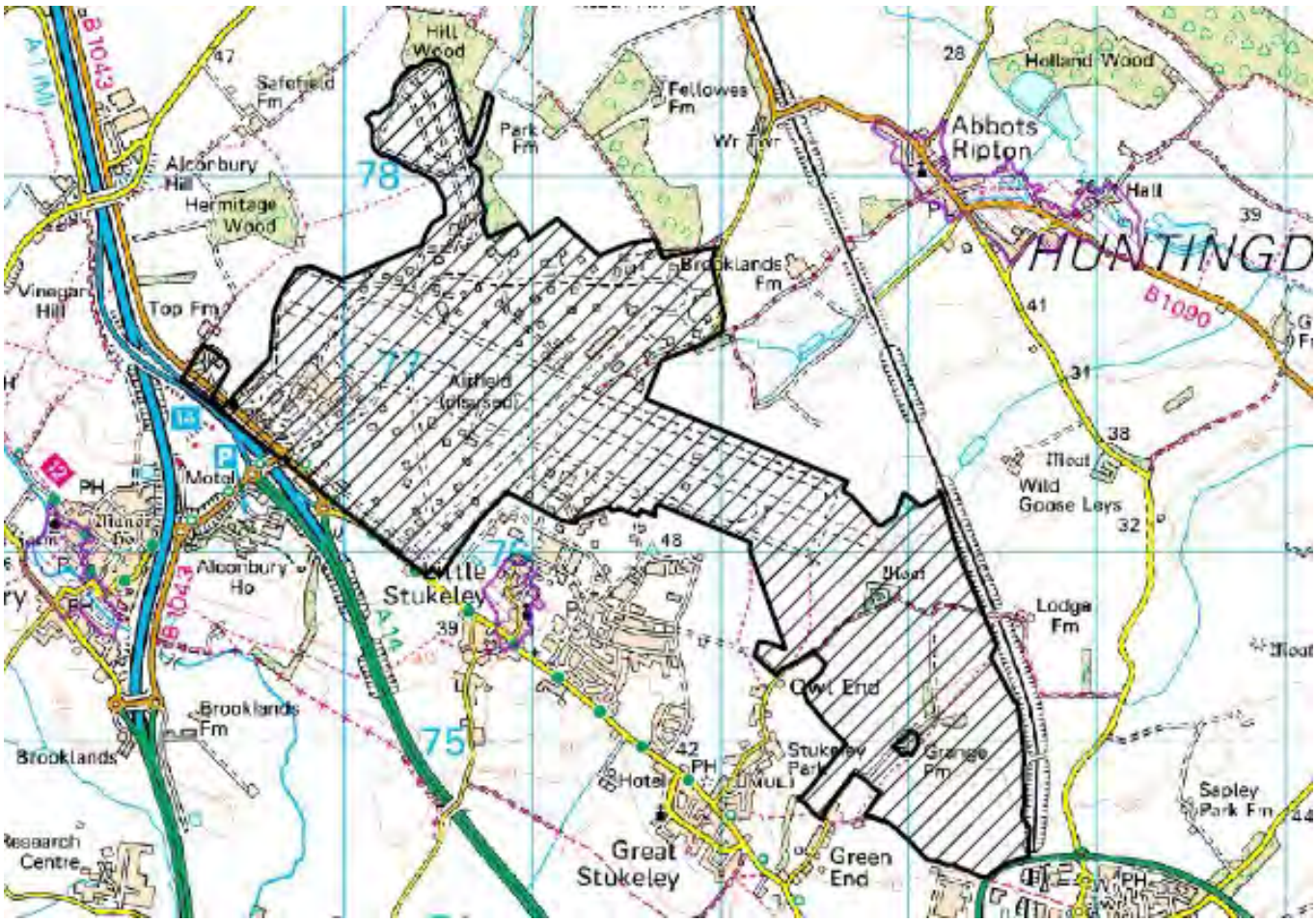
<u>Alconbury Airfield</u>

Alconbury Airfield is a 580 hectare site located in Cambridgeshire. It had a long history of former military use, from 1938 to when the airfield was made redundant by the MoD in 1995. An outline application was submitted for mixed use redevelopment and approved by Committee 01/10/2014 (ref. 1201158OUT).

Committee Report (see Enclosure 4)

'*Material has been produced and examined by the District Council and it is therefore fair to judge that around 414 ha of the overall 580 ha application site (i.e. the former airfield land) would properly be considered to constitute previously developed land'* (para 8.19).

The majority (70%+) of the application site for Alconbury was acknowledged by the Council as comprising PDL. Although not specified within the Committee Report, we would anticipate that the south-eastern portion of the site would be the most obvious area of exclusion based on the plan below:



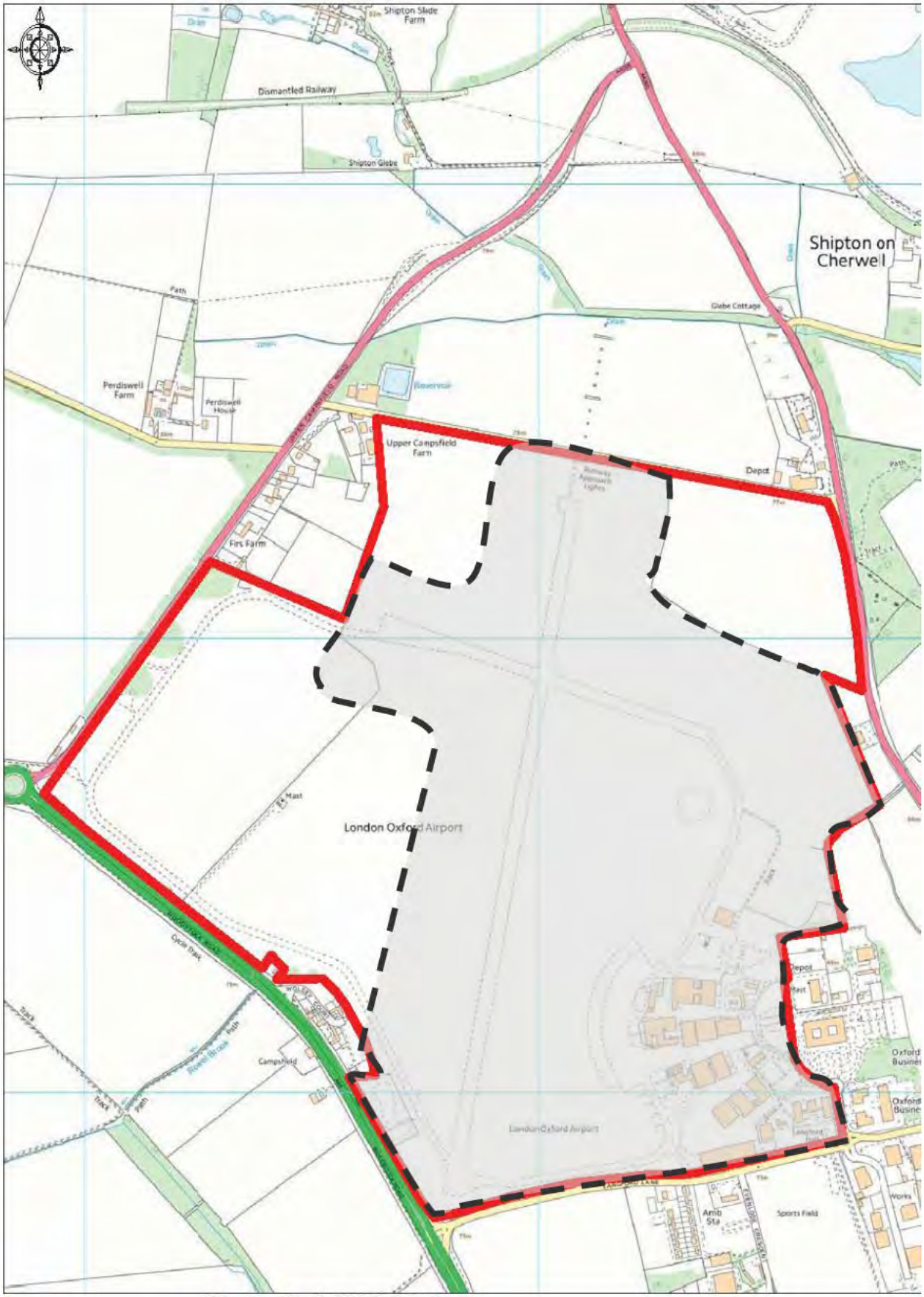
3. London Oxford Airport

Having regard to the above, it is our view that the following land should be treated as meeting the definition of PDL at the LOA site:

- The entirety of the 'built-up' south eastern part of the site;
- Land that is covered by permanent hardstanding and other fixed surface infrastructure including runways and taxiways; and
- Areas of soft-surfacing surrounding fixed surface infrastructure and hardstanding which is essential to the established use of the site as an airfield (for access, safety, security, visibility, storage, maintenance etc).

Our view on the approximate extent of this land is illustrated in figure 3.1 below, and extents to over 50% of the site.

Figure 3.1 London Oxford Airport (broad extent of Previously Developed Land shown in grey)



Appendix C
Economic Impact Assessment

London Oxford Airport

High Level Assessment of Economic Impact (2017)

1.1 London Oxford Airport is a key component of the economic ecosystem that supports a range of high value activities within the Oxfordshire and South Midlands area. As part of a network of key assets the Airport supports a large number of jobs and significant levels of economic output both directly and indirectly, acting as a catalyst for innovation and activity.

1.2 Whilst recognised as an important contributor to this wider activity it is not possible to isolate the specific quantitative 'value' the Airport has within the supporting network of assets that help a range of high value sectors thrive. Whilst the Airport's wider role cannot be robustly measured, the value of its own activity can be estimated, based on an assessment of the economic output and jobs provided at the Airport itself and the indirect and induced impacts these create within the wider economy.

1.3 Drawing on the HCA Additionality Guide (2014) to measuring economic impact this section sets out the strategic assessment of the economic contribution made by the Airport to the local and regional economy. The purpose of this is to quantify the economic benefits of supporting the continuation of the airport use going forwards, achieved via the proposed local plan policy response set out in the previous section.

Impact Assessment Approach

1.4 To provide a robust estimate of the direct economic contribution London Oxford Airport makes to the local economy we have prepared a strategic economic impact assessment based on the activities and jobs provided within the Airport today.

1.5 The assessment considers both the direct contribution of the Airport and also the indirect impacts its operation and activity creates through supply chain expenditure and the activities of its employees.

- Direct impacts calculated include the number of jobs provided by businesses based at the Airport and those working for the Airport itself as well as an estimate of the value of economic activity in terms of Gross Value Added contributions to the areas GDP.
- Indirect impacts consider the jobs supported and GVA contributions created within the Airport businesses supply chains.

1.6 In line with the HCA's Additionality Guide (2014) indirect impacts have been calculated at 2 spatial scales. The first scale considers the 'local' benefits, i.e. those benefits that are likely to accrue within Cherwell District. The second scale considers 'regional' benefits; this represents the wider supply chain that is likely to service the Airport activities and, for this analysis is considered to cover the OxLEP and SEMLEP areas.

1.7 Given the greater scale of the supply chain opportunities at the larger 'regional' scale the multiplier for this impact is greater than that for the 'local' area, where supply chain relationships are likely to be fewer.

1.8 Research undertaken by the Airport owners also indicates that there are further economic benefits created through activities of businesses based at the Airport but undertaken elsewhere in the UK. These are included in the Economic Impact analysis, however it is not possible to say where the benefits actually accrue within the UK, in reality these are likely to be relatively well spread.

Calculating GVA

1.9 No primary data is available from which to establish the level of GVA generated by the Airport, as such an estimated level has been calculated based on data available for sector specific activity undertaken within the Airport site and national estimates of productivity.

1.10 The starting point has been to review the nature of business activity undertaken, drawing on occupier information provided by the Airport owner and aligning this with 2 digit SIC codes to identify the sector within which it operates. Drawing on data provided by Experian we have established the total value of economic output for that sector within Cherwell.

1.11 The Airport owners also provided a schedule of employment numbers (Full Time Equivalent – FTE) for each business, which were also aligned with the specific sectors. Similarly, total employment (FTE) in Cherwell for the sector was established from Experian data.

1.12 Using the Experian output and employment data the GVA per worker for each sector has been calculated, this then used to calculate the estimated GVA for the Airport by multiplying the GVA per worker figure by the number of workers within each sector. This figure is then used as the basis for the Economic Impact Assessment.

Aviation and Non-Aviation Activities

1.13 The Airport accommodates a range of ancillary business activities that, whilst linked to its operation, do not fall within the aviation sector. The nature of these businesses is mixed and includes a UK Border Agency presence, chauffeur service and car rental business.

1.14 The nature of these sectors means they will generate lower levels of GVA than businesses within the aviation sector, as such the economic value of these is estimated based on the average output per worker for Cherwell District across all sectors.

1.15 These sectors are also likely to have lower supply chain and other indirect benefits, as such the 'multipliers' applied to these activities are lower. The nature of the businesses also means their activities are not likely to have a regional impact so benefits are assessed at the local level only.

Existing: On-Site

1.16 The first component of the economic impact assessment considers the impacts that accrue from the on-site business and employment activities. These include the activities of the Airport itself and the range of businesses that are based within the Airport site.

Direct

1.17 The airport site accommodates over 800 full-time equivalent jobs, the majority of these are generated by the businesses located within the site and making direct use of the Airport facilities. In line with the county-average in-commuting trends (source: Office for National Statistics, 2011), we estimate that around 690 of these jobs are held by Oxfordshire residents.

1.18 Of these jobs 790 are provided within the aviation sector (i.e. the overwhelming majority), with a further 24 within other supporting/ancillary activities. Drawing on data from Experian the GVA per worker for the aviation sector in Cherwell is estimated to be £87,400 per annum, with the average for other activities to be £61,834 per annum.

Table 1 Direct Economic Benefits - GVA

	Aviation Activity	Other Activity
Employment	790	24
GVA per Worker	£87,400	£61,834
Total GVA	**£69,046,000**	**£1,484,017**

Source: GVA Analysis of LOA and Experian data

1.19 As shown the total direct GVA impact from activities contained within the Airport site is in excess of £70m per annum.

Indirect Impact

1.20 To assess the indirect impacts of London Oxford Airport two multipliers have been applied to provide an estimate of local and regional impacts. These multipliers have been identified based on the range provided by the HCA Additionality Guide and compared to multipliers used in the assessment of the economic impact of other regional, business orientated Airports, including Farnborough (NLP, 2009) and London Luton (Oxford Economics, 2015).

1.21 In line with these assessments, the Additionality Guide, our understanding of the operational characteristics of London Oxford Airport and the nature of economic activity within Cherwell and the OxLEP/SEMLEP region we have applied a local multiplier of 1.2 for aviation related activities and 1.1 for other activity. Regionally we have applied a multiplier of 1.3 for aviation related activity and (as discussed above) not considered there to be any regional impact from the other activities undertaken on site.

Table 2 Indirect Economic Benefits - GVA

	Aviation Activity	Other Activity
Employees	790	24
GVA per Worker	£87,400	£61,834
Total GVA	£69,046,000	£1,484,017
Local Multiplier	1.2	1.1
Local Additional Impact	£13,809,200	£148,402
Local Direct + Indirect	£82,855,200	£1,632,419
Regional Multiplier	1.3	0
Regional Additional Impact	£20,713,800	£0
Regional Direct + Indirect	£89,759,800	£0
Total GVA Impact	£103,569,000	£1,632,419
Total Benefit	**£105,201,419**	

Source: GVA Analysis of LOA and Experian data

1.22 As shown in Table 2 the indirect benefits from aviation create an additional £34.5m of GVA within the local and regional economy, a further £148,000 of GVA is generated by the other activities occurring locally.

1.23 Taking direct and indirect impacts together it is estimated that London Oxford Airport generates in excess of £105m of GVA per annum within the local and regional economy which, if the Airport ceased to operate, would most likely be lost to the area entirely.

1.24 Alongside the economic value created the Airport also creates and supports further employment provision within its supply chain. Again these employment benefits have been calculate using multipliers that draw on similar assessments of aviation impacts, the HCA Additionality Guide and our understanding of the wider economy.

1.25 It should be noted that the multipliers used to calculate indirect employment benefits are lower than those for economic output, albeit they demonstrate a similar proportional relationship between local and regional levels. The reason for this is that the majority of supply chain activities are likely to lie within highly productive sectors where it is possible to generate significant levels of output increases without an equal increase in workforce numbers. The increased use of automation and other technology will allow a number of supply chain businesses to provide the Airport with the goods and services it needs more efficiently, increasing their output at a greater rate than their employment base.

Table 3 Indirect Economic Benefits - Jobs

	Aviation Activity	Other Activity
Employees	790	24
Local Multiplier	1.15	1.05
Local Direct + Indirect	119	5
Local Additional Impact	909	29
Regional Multiplier	1.25	0
Regional Additional Impact	198	0
Regional Direct + Indirect	988	0
Total Jobs Impact	1,106	29
Total Benefit	**1,135**	

Source: GVA Analysis of LOA and Experian data

1.26 The activity underpinned by London oxford Airport generates in the region of 322 additional jobs within the region, the majority of which are likely to be in the higher value sectors linked to aviation activity.

1.27 Taken together with the direct onsite employment the Airport is estimated to support 1,135 jobs within the OxLEP and SEMLEP areas.

Existing: Off-Site

1.28 As noted above the Airport owners have surveyed the businesses located within the Airport to identify the scale of 'off site' employment that activity within the Airport site supports within each organisation. Whilst these benefits do not necessarily accrue to Cherwell or the OxLEP/SEMLEP region, they are an important component of the benefits the Airport creates within the UK economy.

Direct Benefits

1.29 Using the same approach as set out for the on-site benefits, it is possible to provide an estimate of employment and GVA output for the off-site employment. Given it is unlikely that activity will be less productive just because it is undertaken outside of Cherwell we have retained the same GVA per worker assumptions for ease of comparison.

Table 4 Direct Economic Benefits

	Aviation Activity	Other Activity
Employees	1,798	25
GVA per Worker	£87,400	£61,834
Total GVA	**£157,145,200**	**£1,545,851**

Source: GVA Analysis of LOA and Experian data

1.30 As shown in Table 4 activity linked to the Airport but undertaken elsewhere generates in excess of 1,800 FTE jobs and £158mn worth of GVA.

Indirect Benefits

1.31 Turning to Indirect Benefits, again using a consistent method to the On-Site activity, it is possible to estimate the total impacts in terms of GVA and employment arising from activity at London Oxford Airport.

Table 5 Indirect Economic Benefits - GVA

	Aviation Activity	Other Activity
Employees	1798	25
GVA per Worker	£87,400	£61,834
Total GVA	£157,145,200	£1,545,851
Local Multiplier	1.2	1.1
Local Additional Impact	£31,429,040	£154,585
Local Direct + Indirect	£188,574,240	£1,700,436
Regional Multiplier	1.3	0
Regional Additional Impact	£47,143,560	£0
Regional Direct + Indirect	£204,288,760	£0
Total GVA Impact	£235,717,800	£1,700,436
Total Benefit	**£237,418,236**	

Source: GVA Analysis of LOA and Experian data

1.32 As shown in Table 5 the indirect benefits from aviation create an additional £78.5mn of GVA within the local and regional economy, a further £154,000 of GVA is generated by the other activities occurring locally.

1.33 Taking direct and indirect impacts together it is estimated that London Oxford Airport generates in excess of £237mn of GVA per annum within the local and regional economies where the offsite activity takes place.

Table 6 Indirect Economic Benefits - Jobs

	Aviation Activity	Other Activity
Employees	1,798	25
Local Multiplier	1.15	1.05
Local Direct + Indirect	270	5
Local Additional Impact	2068	30
Regional Multiplier	1.25	0
Regional Additional Impact	449.5	0
Regional Direct + Indirect	2,248	0
Total Jobs Impact	2,517	30
Total Benefit	**2,547**	

Source: GVA Analysis of LOA and Experian data

1.34 The activity off-site underpinned by London Oxford Airport generates in the region of 750 additional jobs, the majority of which are likely to be in the higher value sectors linked to aviation activity.

Key Messages

- London Oxford Airport currently supports over 800 jobs directly within the site and a further 321 elsewhere within the OxLEP/SEMLEP region.
- The Airport generates a total of over £105m in GVA within the local/sub-regional economy, with almost £70m generated within the Airport site itself.
- Failure to enhance the Airport offer in terms of capital investment and the removal of unnecessary operating restrictions risks its long term viability. In the worst case, this would result in the closure of the airport and the consequent loss of the above GVA to the area in its entirety (in the absence of an alternative airport).

Contact Details

Enquiries
Nick Alston
[redacted]

Visit us online
avisonyoung.co.uk

Invitation to submit sites for consideration within the Cherwell District Housing and Employment Land Availability Assessment (HELAA) and Brownfield Land Register (BLR)

The Council is updating its 2018 Housing and Economic Land Availability Assessment (HELAA) and Brownfield Land Register (BLR) and is inviting the submission of new sites.

All site forms should be received by 11.59pm on Monday 14 September 2020.

Please complete this form if you would like to submit a site (land and/or buildings) for consideration, of at least 0.25 hectares in area, or which might be capable of accommodating at least 5 dwellings or at least 500 square metres of employment floor space or a site for gypsies and travellers or travelling showpeople. An appropriately scaled OS map showing the boundaries of the site must be provided. This form can also be used to provide updates on existing HELAA or BLR sites. A separate section for Local Green Space submissions is available at the end. Please complete as much information as possible on the site submission form below.

The existing HELAA can be viewed at www.cherwell.gov.uk/helaa, and the BLR at www.cherwell.gov.uk/info/33/planning-policy/384/brownfield-land-register.

Housing and Economic Land Availability Assessment (HELAA)

Local planning authorities are required to assess the amount of land that is available for housing and economic development in their areas. The HELAA is a technical study that determines the suitability, availability and achievability of land for development. It is an important evidence document to inform plan-making. It does not establish policy nor does it determine whether a site should be allocated for future development.

Brownfield Land Register (BLR)

Local planning authorities are required to prepare, maintain and publish a Brownfield Land Register. The HELAA is used to inform Part 1 of the register which contains previously developed sites that have been assessed as being suitable, available and achievable for residential development. The register is reviewed at least once a year.

Subject to a process of publicity, notification and consultation, the Council can formally decide to add sites from Part 1 of the register onto a Part 2. 'Allocation' on Part 2 of the register results in a grant of ‘Permission in Principle’. Permission in Principle is limited to the location, land use and amount of development. It can only be granted for housing-led developments. An application for 'Technical Details Consent' must be applied for and granted before development can proceed.

Submissions should be sent to:

Planning Policy, Conservation and Design Team
Cherwell District Council
Bodicote House
Bodicote, Banbury
Oxfordshire, OX15 4AA

01295 227985
PlanningPolicyConsultation@cherwell-dc.gov.uk

Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

HOUSING AND ECONOMIC LAND AVAILABILITY ASSESSMENT / BROWNFIELD LAND REGISTER - SITE SUBMISSION

Important:
Information provided, including the names of those making submissions, may be made publically available. Submissions cannot be made anonymously. Personal information (such as addresses (other than of the suggested site), telephone number and email address) will not be published.

The information provided will be used for the purpose of preparing planning policy documents and supporting evidence. It may be provided to consultants, consultees and other Council service areas involved in the production of planning policy documents. Information may also be considered as part of the wider Oxfordshire Plan 2050.

Your details will be added to our consultation mailing list which means that you will be automatically notified of future planning policy consultations by the Council. If you wish to be removed from our mailing list, please contact us. Your information will be processed in accordance with the Council's Privacy Notice, a copy of which is available upon request.

Legal Ownership	
Owner's Name (Please provide details of all owners to inform assessment of availability and achievability)	Oxford Aviation Services
Owner's Address	[redacted]
Owner's Contact Details (unless using an agent)	
Is the site in single ownership?	Yes
Is there a developer option on the site which can be disclosed? (please provide details)	N/A

Agent Details (where applicable)	
Agent's Name	Avison Young
Agent's Address	65 Gresham Street, London, EC2V 7NQ
Agent's Contact Details	[redacted]
If you are not the owner, has the owner been made aware of this submission?	N/A

Cherwell
DISTRICT COUNCIL
NORTH OXFORDSHIRE

Site Information	
Site address	London Oxford Airport, Langford Lane, Kidlington, OX5 1RA
Grid reference	
Total Site area (hectares)	206ha
Developable site area (the area of the site capable of being developed in hectares). Please provide a supporting plan / show on the location plan	206ha Refer to attached Site Plan at Enclosure 1.
Has the site been submitted through the Oxfordshire Plan 2050 during the consultation in 2019?	No

Land Use and Planning	
Brownfield/Greenfield/Mix	Approximately 50:50 Refer to Appendix B of Enclosure 2
Current use of the site (e.g. vacant, agriculture, employment – include use class if known)	Airport (and associated uses)
Past uses	Airport (and associated uses)
Current planning status e.g. with planning permission, no planning permission, allocated in the Local Plan (include application number if known)	Subject to Policy Kidlington 1 in Local Plan Part 1 which confirms that a review of the Green Belt will be undertaken in order to accommodate high value employment needs at the site. Benefits from extensive permitted development right pursuant to Part 8 of the General Permitted Development Order (as amended)
Relevant planning history	Small scale airport/non-airport related planning applications Consultations pursuant to Part 8 of the General Permitted Development Order (for airport related development)
What are the surrounding uses?	North: Principally agriculture East: Business park, agriculture South: Vehicle sales, business park, institutional uses West: Principally Agriculture

Current Policy / Physical Constraints	
Local Plan Context/Designations	Designated as Green Belt. Subject to Policy Kidlington 1 in Local Plan Part 1 which confirms that a review of the Green Belt will be undertaken in order to accommodate high value employment needs at the site.
	Provide Details
Do you consider the site to be within a built-up area?	Yes (in part) The south east part of the site and the fixed surface infrastructure which extends north and westwards from this (including the runways and taxiways) comprise continuous built up urbanising features which form part of the built-up existing form of Kidlington. Refer to Sections 1 and 6 of Enclosure 2 for further details
Does the site fall within the Green Belt?	Yes Refer to Section 6 of Enclosure 2 for further details
Does the site fall within an Area of Outstanding Natural Beauty?	No
Does the site fall within Flood Zone 2 or 3?	No
Does the site fall within a Registered Battlefield?	No
Does the site fall within a Historic Park and Garden?	No
Does the site fall within a Site of Special Scientific Interest?	No
Does the site contain any ecological interest?	No
Does the site contain any designated heritage assets? (e.g. listed buildings, scheduled monuments, conservation area)	No

Is there any known contamination on site?	No
Is the site affected by any physical constraints?	No
Any legal or ownership issues that may prevent development ?	No
Other	No

Accessibility	
Public Transport Accessibility (e.g. range of means of transport and frequency of service)	The site is currently highly accessible by public transport: - It is currently served by 2 Premium Bus Routes (Oxford-Woodstock and A4165-Langford Lane) - It is located within 2.5km of a train station. The site is subject to planned investment in public transport which will significantly increase its level of accessibility. The Oxfordshire Transport Strategy identifies the western part of the site as the preferred location for a new park ad ride facility, which is intended to provide fast, high frequency 'tram-like' services to/from Oxford. This will create a public transport hub/interchange on the site akin to a train station, making it one of the most accessible locations in the district.
Access to Services and facilities (e.g. employment, retail, leisure, health, school, post office)	The site is located on the western edge of Kidlington, whose town centre provides a broad range of social infrastructure and services. The site forms part of a large employment and commercial area.
Access to the site (vehicle and pedestrian access)	Vehicular, pedestrian, and cyclist access to the site is via a single access point off Langford Lane (via The Boulevard).

Suggested Development – Please provide justification	
Suggested potential type of development (e.g. economic development uses – retail, leisure, cultural, office, warehousing etc; community facilities; residential – by different tenures, types and needs of different groups such as older people housing, private rented housing, travellers and people wishing to build or commission their own homes)	Refer to Enclosure 2 for full details of the proposed development and its justification. National planning policy (and relevant guidance) is clear that local plans should adopt a positive approach to meeting the assessed development needs for their area and should place significant weight on supporting economic growth. This includes specific support for the needs of the aviation sector and small airports such as LOA. LOA is a valuable economic asset of strategic county-wide significance, which plays a key role in supporting many of the County's major employers and economy as a whole. Accordingly, there is a strategic economic need to ensure the

	long term continuation of the airport use. However, the Airport currently operates at an unsustainably low profit level. Satisfying the aforementioned economic need is dependent on making the airport a more viable going concern, which is dependent on generating additional value from the Site/asset. LOA's intended response to this need is to invest in airport facilities/infrastructure in order to maintain/grow its market share. The capital investment necessary to deliver the above development will be significant and unlikely to be viable in its own rights. LOA's intention is to facilitate this by generating value (capital injection and long term income stream) from the airport estate via the development of surplus land for complimentary non-aviation uses. The Site is uniquely suitable for the proposed development, in that it offers the opportunity to satisfy economic needs that otherwise would not be capable of being met, which has significance for the delivery of the economic strategy for the district and sub-region as a whole. This is subject to it being accepted that the economic need for development here constitutes exceptional circumstances to justify removing part of the site from the Green Belt. The Site is available for development and the emerging plans are considered to be achievable. The owners of LOA wish to work with CDC over the course of 2020/21 to prepare a masterplan (with supporting evidence) for the site to underpin a site specific policy (allocation) and associated revision to the Green Belt boundary in the new Local Plan. The proposed development comprises (1) aviation related development; and (2) Non-aviation related development: (1) Aviation-related development: - New/upgraded vehicle access; - Pilot training facility (including residential accommodation and 'campus' amenities); - Helicopter training facility; - New fire station and fire training facility: - Hangars and sheds; - Hotel (potentially including conference and exhibition facilities); and - Upgraded/extended terminal facilities. (2) Complimentary Non-aviation development: - Employment (Class E(g), B2, B8) - Hotel

	- Park and Ride - Other complimentary uses such as healthcare
Number of dwellings or employment floorspace/area suggested?	**Minimum –** To be determined via a masterplanning process **Maximum –** To be determined via a masterplanning process
Is the site Suitable? Are there any barriers to delivery and if so, how can these be overcome?	Yes. The Site is uniquely suitable for development in that it offers the opportunity to satisfy economic needs that otherwise would not be capable of being met, which has significance for the delivery of the economic strategy for the district and sub-region as a whole. The key policy issue is the Site's Green Belt designation, nonetheless there is a sound Exceptional Circumstances case to justify the removal of part of the site from the Green Belt to enable economic development needs to be met. It follows that the site should be scored positively in the forthcoming Housing and Employment Land Availability Assessment (HELAA) and progressed as an allocation in the new Local Plan. Refer to Enclosure 2 for full details.
Is the site Available? Are there any barriers to delivery and if so, how can these be overcome?	Yes Refer to Enclosure 2
Is the site Achievable? Are there any barriers to delivery and if so, how can these be overcome?	Yes The capital investment necessary to deliver the aviation related development will be significant and unlikely to be viable in its own rights. LOA's intention is to facilitate this by generating value (capital injection and long term income stream) from the airport estate via the development of surplus land for complimentary non-aviation use. The achievability of aviation development is dependent on non-aviation development proceednig. Refer to Enclosure 2
Indicative timescale to complete and reasons	**0-5 years –** Yes. The owners of London Oxford Airport are preparing a masterplan with a target delivery period of around 5 years. Refer to Enclosure 2 for more details. **6-11 years -** **11-15 years -** **Over 15 years -**
Other considerations: **Appropriateness and likely market attractiveness for the type of development proposed**	Refer to Enclosure 2

Contribution to regeneration priority areas **Environmental/amenity impacts experienced by would be occupiers and neighbouring areas**	
How will the site be delivered? Single developer, multiple developers, etc	Development will be coordinated by the owners of the site.

Local Green Space

Please use this section if you would like to identify possible green area(s) to be protected by being designated as a Local Green Space(s).

An appropriately scaled OS map showing the boundaries of the site must be provided.

The National Planning Policy Framework's criteria for the designation of a Local Green Space is shown below. Please provide any information that you consider may help the site to meet the criteria set out.

-	
Site address	-
Is the site in reasonably close proximity to the community it serves?	-
Is the site demonstrably special to a local community and holds a particular local significance, for example because of its beauty, historic significance, recreational value (including as a playing field), tranquillity or richness of its wildlife?	-
Is the site local in character and is not an extensive tract of land?	-

Enclosure 1
Site Plan

Site Location Plan - London Oxford Airport

Promap®

Enclosure 2
Supporting Statement

London Oxford Airport

Cherwell Local Plan Call-for-Sites – Supporting Statement

September 2020

Contents

Appendices

For and on behalf of Avison Young (UK) Limited

1. Introduction

1.1 The purpose of this statement is to provide details that demonstrate the suitability, availability and achievability of land at London Oxford Airport (the Site) for development, and to provide details of the emerging development proposals for the Site. Refer to Site Plan at Appendix A.

1.2 It has been prepared by Avison Young on behalf of Oxford Aviation Services Ltd (the owner and operator of the airport) and forms part of its submission to the Cherwell Local Plan Call-for-Sites exercise.

1.3 In summary, the Site is uniquely suitable for development in that it offers the opportunity to satisfy economic needs that otherwise would not be capable of being met, which has significance for the delivery of the economic strategy for the district and sub-region as a whole. The Site is available for development now and the emerging proposals are achievable. The key policy issue is the Site's Green Belt designation, nonetheless there is a sound Exceptional Circumstances case to justify the removal of part of the site from the Green Belt to enable economic development needs to be met. It follows that the site should be scored positively in the forthcoming Housing and Employment Land Availability Assessment (HELAA) and progressed as an allocation in the new Local Plan.

1.4 This statement is structured as follows:

- **Section 2** describes the Site;
- **Section 3** sets out the strategic planning policy context;
- **Section 4** sets out the unique economic need to allocate the Site for development in the new Local Plan;
- **Section 5** describes the emerging development proposals;
- **Section 6** considers suitability, achievability, and availability matters; and
- **Section 7** concludes the document.

2. The Site

Location

2.1 The LOA site extends to approximately 508 acres / 206ha. It is located within the administrative area of Cherwell District Council (CDC) on the north-western edge of Kidlington, to the south-east of Woodstock and approximately 10km north of Oxford City Centre (refer to Site Plan at Appendix A).

Figure 2.1 Aerial Photograph

2.2 It is bound to the south by Langford Lane, the west by Woodstock Road (A44)/Upper Campsfield Road, the north by The Straight Mile, and the east by Banbury Road (A4260). A cluster of commercial uses (including significant offices and the Oxford Motor Park) lie adjacent to the site to the south east, with a mix of commercial and institutional uses to the south along Langford Lane. It is mainly open countryside to the north, west and east.

Existing Use

2.3 The site has been used as an airport since the 1930's (it originally extended over an area much greater than today). Current airport activities include the CAE Oxford Aviation Academy (which we understand is the UK's largest flight school), business/general aviation, and aircraft maintenance. Complementary activities include aerospace/aviation related industries and research and development.

2.4 The operation of the airport is subject to two principal controls:

- Civil Aviation Authority (CAA) Licence; and
- Section 106 Agreement with CDC - which restricts the airport's maximum annual operating capacity to 160,000 movements per year.

Existing Built Form

2.5 The airport's main runway (running north-to-south) extends to approximately 1.5km. The secondary runway (east-to-west) extends to approximately 770m.

2.6 Existing buildings extend to approx. 418,619sq.ft., of which around half comprises aircraft hangers, with the remainder comprising a mix of offices, workshops, and the airport terminal. The built form has been developed incrementally and some of which date back to the 1940's. Many of the existing buildings have reached the end of their functional economic life.

3. Strategic Policy Context

National Planning Policy Framework

3.1 The NPPF establishes the principle that the purpose of the planning system is to contribute to the achievement of sustainable development, with overarching interdependent economic, social and environmental objectives. For the economy the objective is to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure (para 8).

3.2 In line with this, it establishes the presumption in favour of sustainable development which for plan-making means:

(a) Plans should positively seek opportunities to meet the development needs of their area, and be sufficiently flexible to adapt to rapid change;

(b) Strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless:

- the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or
- any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.

3.3 Beyond the above, the principal NPPF policies of relevance to the Site are those associated with the economy, transport and Green Belt.

<u>Economy</u>

3.4 Paragraph 80 is explicit that planning policies should help to create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. This is particularly important where Britain can be a global leader in driving innovation, and in areas with high levels of productivity, which should be able to capitalise on their performance and potential.

3.5 Of further note is paragraph 82, which requires planning policies to recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries.

<u>Transport</u>

3.6 Para. 102 requires local plans to seek to realise opportunities arising from existing or proposed transport infrastructure and changing transport technology and usage, with para 103 requiring significant development

to be focussed on locations which are or can be made sustainable……. by offering a genuine choice of transport modes.

3.7 Para. 104(f) requires planning policies to recognise the importance of maintaining a national network of general aviation airfields, and their need to adapt and change over time – taking into account their economic value in serving business, leisure, training and emergency service needs, and the Government's General Aviation Strategy. Annex 2 includes a definition for 'General Aviation Airfields' as 'Licenced or unlicenced aerodromes with hard or grass runways, often with extensive areas of open land related to aviation activity'.

Green Belt

3.8 Para.136/137 allows Green Belt boundaries to be altered only where exceptional circumstances are fully evidenced and justified. The need for changes should be established and all other reasonable alternative options for meeting that need should be fully examined.

National Planning Practice Guidance (PPG)

3.9 The PPG states that 'aviation makes a significant contribution to economic growth across the country, including in relation to small and medium sized airports and airfields (aerodromes). An aerodrome will form part of a larger network. Local planning authorities should have regard to the extent to which an aerodrome contributes to connectivity outside the authority's own boundaries, working together with other authorities and Local Enterprise Partnerships as required by the National Planning Policy Framework. As well as the National Planning Policy Framework, local planning authorities should have regard to the Aviation Policy Framework, which sets out government policy to allow aviation to continue making a significant contribution (National Planning Policy Framework paragraph 80). A working or former aerodrome could be put forward for consideration as a site for mixed use development that includes continuing, adapting or restoring aviation services in addition to other uses'. Paragraph: 012 Reference ID: 54-012-20150313

Airports National Policy Statement (2018)

3.10 The Airports National Policy Statement's (NPS) primary purpose is to provide a decision-making basis for any future Development Consent Order (DCO) application for a new runway at Heathrow Airport, but is also a relevant material consideration for other airport DCO applications.

Aviation Policy Framework

3.11 The Aviation Policy Framework (APF) is a material consideration in the preparation of local plans. It highlights the significant economic benefits of the aviation sector as a whole, and in particular recognises the very important role that airports outside of London make to the growth of regional economies including the adjacency/co-location benefits airports offer to non-aviation sectors. It establishes the principle that the continued growth of the sector should be supported, while having regard to climate change considerations, noise, and other local environmental impacts.

General Aviation Strategy

3.12 The aim of the General Aviation Strategy (GAS) is for the UK to be the best place in the world for General Aviation as a flourishing, wealth generating and job producing sector of the economy.

Permitted Development Rights

3.13 The Site benefits from permitted development rights under Part 8 (Class F) of Schedule 2 of the Town and Country Planning (General Permitted Development) (England) Order (as amended), which allow airport related development (including the erection of new buildings) to proceed without the need to apply for planning permission.

4. The Economic Need for Development at LOA

4.1 As explained in the previous section, national planning policy (and relevant guidance) is clear that local plans should adopt a positive approach to meeting the assessed development needs for their area and should place significant weight on supporting economic growth. This includes specific support for the needs of the aviation sector and small airports such as LOA. We note that this now has increased importance in order to re-build the UK economy post-Covid. It also makes clear that proposals to remove land from the Green Belt must be justified by evidence of need.

4.2 The purpose of this section is to demonstrate that there is a significant economic need for the new Local Plan to support LOA. LOA is a significant economic asset to Cherwell, Oxfordshire, and the South Midlands economic areas in terms of direct and indirect employment and the supporting role it plays to the wider economy as a piece of transport infrastructure. However, the airport use is a fragile commercial entity and it operates at an unsustainably low EBITDA level. The long-term continuation of the airport use (and therefore its continued contribution to the district's wider economic growth over the forthcoming plan period) is dependent on improving its viability. For the purposes of plan-making, this should be treated as a site-specific economic need which the new Local Plan should seek to address positively and proactively in accordance with NPPF paragraphs 80-82.

4.3 This section explains this economic need, covering the following scope:

(i) A description of the UK aviation sector and the contribution that this makes to the economy;

(ii) An overview of the local economy;

(iii) An explanation of the contribution that LOA makes to the local economy; and

(iv) A description of how the airport operates today, with details of the economic challenges it currently faces.

(i) Strategic Economic Context – the UK Aviation Sector

4.4 The Airports National Policy Statement (NPS) (2018) provides extensive details regarding the UK aviation sector insofar as this is relevant to the planning system. It firmly establishes the principle (in planning terms), that the sector is an important part of the UK economy.

4.5 The UK aviation industry provides international and domestic connectivity which is critical for the movement of people and goods and it makes a significant contribution to the UK economy as a consequence. The NPS notes that the sector generated around £20 billion of economic output and directly employed around 230,000 workers in 2014. Oxford Economics go further in their report dated November 2014 (entitled 'Economic Benefits from Air Transport in the UK), estimating that the aviation industry contributes £52 billion per annum to UK GDP (3.4%) (directly and indirectly) and supports around 961,000 direct and indirect jobs.

4.6 Much of this economic contribution relates to the UK's largest airports such as Heathrow, nonetheless smaller airports also play a valuable role in local/regional economies. The independent Airports Commission investigated the role of small airports in the UK as part of its investigations into the growth of airport capacity in/around London (commonly known as the Davies Review). It defined a 'small airport' as one with a Civil Aviation Authority Licence which handles fewer than 5m passengers per annum – which would include LOA.

Its report (2013) provides helpful information as to the role of these smaller airports in local/regional economies. Headline details are set out below:

- Smaller airports provide a range of services including scheduled and chartered domestic/international passenger flights, freight/cargo flights, flying schools, helicopter operations, and aircraft maintenance;
- They are economic and social enablers – allowing businesses and people to transport themselves, visitors, customers, and products nationally and internationally which facilitates both exports and internal investment;
- Small airports are employers and often provide an anchor for clusters of aviation-related businesses;
- UK smaller airports as a whole have been in decline since 2005 (and were disproportionally affected by the 2008-9 recession compared to larger airports). Since 2008 Bristol Filton, Plymouth, Penzance, Manston, and Blackpool Airports have all closed. Many smaller aerodromes remain under threat of closure; and
- They are typically 'fragile commercial entities'. While they operate from fixed locations, airlines and other aviation businesses are highly mobile. Diversification of aviation and other economic activities is key to maximising resilience and commercial viability.

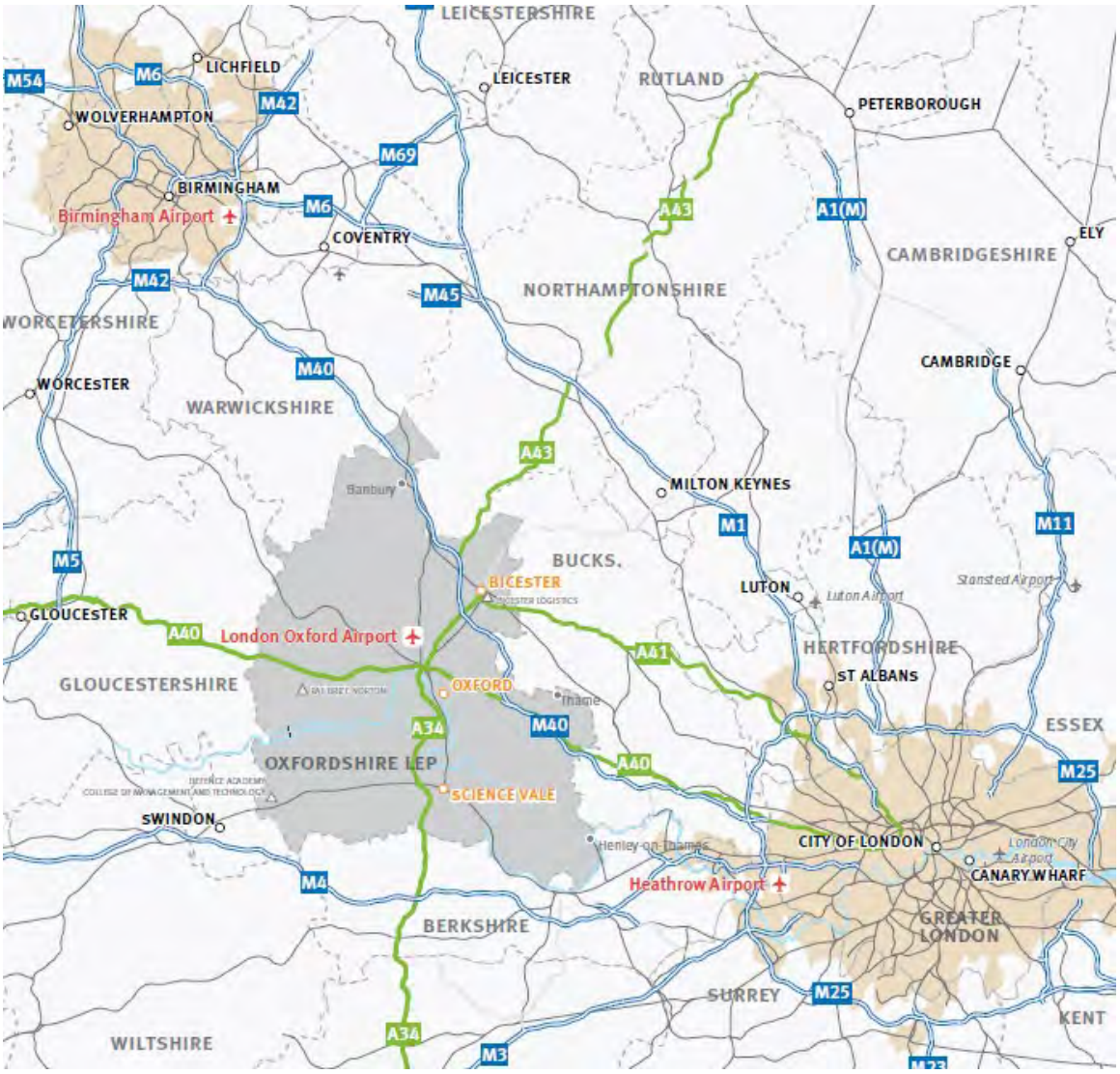
(ii) Local Economic Context

Oxfordshire/Cherwell (Functional Economic Area)

4.7 LOA is a small airport located approximately 10km north of Oxford within Cherwell District and the county of Oxfordshire.

4.8 Oxfordshire is located mid-way between London and Birmingham in south-central England. It is well served by the strategic road network (notably the M40, A34 and A40) and national rail (Chiltern, First Great Western, and Virgin Cross-Country services) which ensures that it benefits from good access to/from domestic markets. The closest airports (that provide scheduled passenger services) are Heathrow, Birmingham and Luton, which are all approximately 1 hour journey time.

Figure 4.1 Oxfordshire Context



Source: Oxfordshire LEP, Strategic Economic Plan, 2014

4.9 For the purposes of this report we consider the site to be located within a Functional Economic Market Area (FEMA) which is broadly as per the extent of Oxfordshire and the associated Oxfordshire Local Enterprise Partnership (LEP). Oxfordshire County Council's (OCC) Economic Assessment (2012) and the Oxfordshire Local Enterprise Partnership (LEP) Strategic Economic Plan (2016) provide helpful details of the key attributes of the County's economy. Headlines are as follows:

- Strategically located close to London (World-City) and within the UK's Golden Triangle (London – Oxford – Cambridge);
- Resident population of approximately 666,000 people (2013);
- 30,000 businesses;
- Around 400,000 jobs;
- Contribution of approximately £20.5 billion (2014) a year to national output and is one of only three areas of the UK that are positive contributors to the Exchequer;
- Between 2011 and 2014 the number of jobs in Oxfordshire increased by 7.8% and GVA by 15.6% (both above the national average);

- GVA per hour worked/per job filled is around 5% higher than the national average;
- Two highly rated Universities, one of which is world-renowned;
- Globally significant science and technology-based clusters;
- A highly skilled workforce with 46% of the resident working age population qualified to NVQ Level 4 (degree level) and above (above the national average of 34.9%);
- Unemployment at 0.6% (i.e. approaching full employment);
- Significant in-commuting (approximately 57,000 people commute into Oxfordshire daily – filling around 14% of total jobs in the county) linked to housing affordability issues; and
- Highly values environmental, cultural, and historic resources.

Oxfordshire/South Midlands (Oxford – Cambridge Corridor)

4.10 The Oxfordshire FEMA forms part of the wider economic area encompassing Oxfordshire and the South Midlands, of which the 'Oxford-Cambridge Corridor' is of particular significance.

4.11 Anchored by two of the world's leading research and teaching universities the broad corridor that connects Oxford to Cambridge is home to some of the country's most innovative science, technology, high performance engineering and advanced manufacturing businesses. The corridor's businesses act globally and are a key driver of productivity in the UK, their network and supply chains cross administrative borders and have far-reaching benefits for other regions in the UK.

4.12 The success of the corridor is built on an intricate network of infrastructure, education, business, institutional and labour market relationships that enable new ideas to be formed, developed, produced and taken to market within the area. Critically these networks are truly cross-sector, enabling a mix of skills and experience to come together to identify innovative solutions to industry challenges and technology development.

4.13 The integrated nature of the economy of the corridor means that it is difficult to capture the true value of any single component in isolation through traditional approaches to economic valuation and impact analysis. Whilst estimates of specific employment, output and supply chain impact can be developed they only really tell part of the story and fail to adequately capture the role it plays in supporting the wider network.

Key Activity within the Corridor

4.14 The corridor between Oxford and Milton Keynes is a considerable focus for economic growth in the coming decades driven by the presence of key high value sectors that are meeting the needs of national and international markets.

4.15 By 2031 the areas covered by the Oxfordshire LEP (OxLEP), South East Midlands LEP (SEMLEP) and Northamptonshire LEP (NLEP) will accommodate over 200,000 new jobs and 200,000 new homes, this will require both existing and new economic infrastructure and assets to work harder to ensure growth is delivered sustainably.

4.16 Critically, the Strategic Economic Plans for all LEPs seek to achieve employment growth in a range of high value sectors, evolving the existing network of activities and infrastructure to provide an ecosystem that delivers innovation and world leading products and services.

Key Sectors and Activities

4.17 The corridor between Oxford and Milton Keynes and Northampton is world renowned as the home of motorsport. Focussed on the Grand Prix circuit at Silverstone "Motorsport Valley" is seen as the hub of innovation within an industry that generates over £9bn of GVA to the UK economy per annum (Review of the Motorsport Valley Business Cluster, MIA, 2013).

4.18 The area is home to 5 leading Formula One racing teams including series leading Mercedes and Red Bull who in turn attract a wide range of supplier and associated technology businesses to the area. More widely the racing pedigree and heritage attracts and retains a wide range of major international names including Cosworth, Mahle Powertrain and Prodrive. Further niche activities include the cluster of vehicle heritage activities at Bicester.

4.19 Outside of the core motorsport offer a range of other automotive businesses, such as BMW, Aston Martin, and Jaguar Land Rover have also located in the corridor in order to benefit from the skills, knowledge and infrastructure it provides.

4.20 Through its history as a major focus for military aviation the corridor has retained a strong aerospace focus. Whilst much of the RAF and USAAF activity has ceased its legacy can be seen in the number of businesses still active in the sector as well as those now exploiting opportunities in a range of related sectors, such as space exploration and satellite technology. The presence of the Satellite Applications Catapult at Harwell is attracting the next generation of businesses to the area within this sector.

4.21 The presence of these two major activities has drawn together a wide range of other specialist and high value businesses and sectors that deepen the network and internal supply chains. A range of businesses involved in High Performance Engineering, composites, data analysis and computing applications are all drawn to the potential client pool and labour force within the area.

4.22 Unrelated, but equally important, is the presence of major life science and other scientific research and development fuelled both by higher education (University of Oxford for example), the presence of unique research apparatus (such as the Diamond Light Source), major corporates and innovation centres such as the European Centre for Space Applications and Telecommunications.

4.23 What is common across all of these activities is their international reach, both in terms of the markets they serve but also the network of suppliers they draw on. As high value production businesses they are reliant on high quality components delivered reliably on time, in order to maintain high value output. The nature and value of the good imported, the role in wide high value production means the area relies on a range of airports to provide choice and resilience alongside bespoke service opportunities.

4.24 Both the OxLEP and NLEP Strategic Economic Plans make reference to the international role of the businesses and research institutions in their areas (OxLEP SEP Page 9, NLEP SEP Page 44) and the importance of enhancing and maintaining the international connections offer by the region's airports. They recognise access to international connections is a vital component in attracting and retaining businesses in the area.

(iii) The Role of London Oxford Airport in the Local Economy

4.25 As noted above, the success of the corridor and the high value businesses that reside within it relies on the wider ecosystem and assets within the area. The Strategic Economic Plan's (SEPs) for all three LEP areas highlight the importance of international and national connectivity to the high number of businesses that are truly global in terms of their supply chain and client base. They recognise that proximity to airports, rail stations and the strategic road network aid the movement of goods and transfer of knowledge driving the economy forward.

4.26 Lying at the centre of this corridor of innovation is LOA, which is recognised as a key part of the ecosystem. OxLEP's Strategic Economic Plan (2016) sets the framework for future growth within the Oxfordshire part of the Corridor and identifies that London Oxford Airport has experienced increase in business use (OXLEP SEP, Page 44), underlining its important role in the economy. SEMLEP also highlights the Airport as a key asset within the SEP (Key Assets Map, Page 8).

4.27 The Strategic Economic Plan for OxLEP goes on to identify a series of actions that are required to deliver the growth ambitions of the area, supporting the aspirations for *"growth of air related business activities at London Oxford Airport"* (OxLEP SEP, Page 48).

4.28 The business-orientated bespoke service it offers is recognised as providing critical access for a range of businesses and is highlighted within the "Oxford Innovation Engine" study published by OxLEP (SQW, 2013, Page 69) as providing important connectivity for locations such as Begbrooke Science Park and an important connection for unlocking the potential of Oxford Technology Park (SQW, 2016, Page 3).

4.29 The importance of the Airport to the cluster of knowledge intensive activity is highlighted by the nature of flights and services the Airport provides. Flight and user data provided by LOA to inform this report clearly identifies the nature of businesses and flight types that utilise the Airport.

4.30 LOA's function as a Business Aviation Airport now serves almost 500 business-related flights per month (2016) almost 20% of the total non-recreational flights leaving the Airport. The operators of London Oxford Airport report that of these business related flights, a notable proportion serve the UK Formula 1 and motorsport industries located within close proximity to the airport. This includes major international brands such as ProDrive, Williams, Red Bull Racing, BWM Mini, Jaguar Land Rover and Aston Martin. LOA sees the 5th highest throughput of private business aviation flights of any airport in mainland UK.

4.31 A further key element of the overall business aviation demand is the use by the automotive industry, which is driven by its need for Just in Time (JIT) deliveries of key component parts. Such JIT freight flights currently average approximately 10-15 per month, and primarily serve key car plants including BMW Mini (Cowley) and Honda (Swindon).

4.32 This JIT need is used to minimise disruptions to production, which would have a considerable cost to the business which, we have been told anecdotally can be as high as £60,000 per minute (2016). LOA is therefore seen as critical for minimising production down time given its accessibility and is therefore well used for the high-speed delivery of such parts. By being closer and less affected by congestion than other major airports (such as Heathrow, East Midlands etc) it can be seen to play a fundamental role in the economic sustainability of the companies that use its services, and underpin much of the high technology corridor within which it sits.

4.33 The role of LOA is not limited to the automotive and motorsport sectors, it also provides a key asset for the life sciences include major R&D medical and technological industries located within close proximity to the airport. These high-tech medical companies use the airport in a similar way to that of the motor-vehicle industry, to allow the timely delivery and export of key technologies.

4.34 Other key services that use LOA throughout the year include:

- National Air Ambulance Service/Medevac;
- GetMapping Satellite Imagery Operations;
- Pilot Training School;
- National Grid Helicopter Survey Operations; and
- Aviation Maintenance (including the majority of the UK's police helicopter fleet).

4.35 Again these form part of the rich ecosystem of innovative businesses that drive high levels of economic output across the three LEP areas and are reliant on the Airport for their businesses to function.

4.36 Outside of this daily business aviation demand LOA is a critical asset for maintaining the profile for the area internationally. As the closest major airport to Silverstone it is a vital component of the infrastructure for major event days, most notably when the Formula 1 Grand Prix is on.

Assisting Major Growth Hubs

4.37 The need for high value business flights from London Oxford Airport is likely to continue to grow in line with broader local economic growth. Employment growth is focussed on growing the high performance sectors that are demonstrated users of the Airport. As such the airport should be seen to be a critical component in the ecosystem that will make the area a continued economic success.

4.38 The OxLEP area contains three Enterprise Zone locations, focussed on bringing forward further growth within the life sciences, aerospace and other high technology activity. Located at Harwell, Milton Park and Didcot London Oxford Airport will be the closest and most easily accessed location for international connectivity.

4.39 Similarly, and more locally to the Airport, the growth and expansion plans for Begbrooke Science Park and Oxford Technology Park will both be supported by the ability to bring goods and people in and out of an airport more efficiently than trying to use other options further away.

4.40 The continued health and growth of Silverstone as both a major international sports venue and new employment and innovation hub for the area will be greatly supported by the continuation of London Oxford Airport. As already set out a number of Race Team, Motorsport businesses and the circuit itself make significant use of the Airport both for everyday activity and to service flagship events.

An Economic Contributor in its Own Right

4.41 The value of the Airport does not solely lie within its role as a supporting piece of infrastructure to the wider economic activities undertaken within the corridor. The Airport and the businesses that operate from it generate a large number and range of direct jobs and also have a 'knock on' benefits through its supply chain.

4.42 London Oxford Airport currently employs approximately 800 personnel on site, which comprises a signification proportion of the location population. In addition, London Oxford Airport tenants and users currently indirectly employs approximately 1,800 employees within the UK.

(iv) The Airport Today

4.43 The airport site extends to approximately 206ha and accommodates the following assets:

- A main runway (running north-to-south) extending to approximately 1.5km, plus a secondary runway (east-to-west) extending to approximately 770m;
- Existing buildings extending to approx. 418,619sq.ft. (38,891sq.m), of which around half comprises aircraft hangers, with the remainder comprising a mix of employment, training and residential student accommodation;
- Technical aviation-related assets include a Thales Primary and Secondary radar system (installed in 2012) and a CAT1 Instrument Landing System (ILS); and
- Full MET service system providing digital local weather reports to LOA Air Traffic Control and the wider aviation community.

4.44 The site is controlled in full by Oxford Aviation Services Ltd. (either under their ownership or option agreement). We are advised by LOA that the extent of the site is much greater than is necessary to meet current and anticipated future needs associated with the airport use.

Aviation Activities

4.45 The site has been used as an airport since the 1930's. It serves three distinct market sectors:

1. General Aviation (light). Primarily private, recreational flying activity along with pilot flight training, both private and professional.
2. Business Aviation. The use of aircraft (and helicopters) privately and on charters, mainly turbine-engined, for business purposes and private travel needs on both domestic and international trips. Aircraft tend to have 5-15 seats.
3. Commercial Aviation. Commercial flights open to the general public whether scheduled airline services or seasoned charter flights to given destinations. Currently no such services are offered, but have been in the past and it is anticipated will again in the future.

Aviation-Related and Other Activities

In addition to the core aviation activities, the site accommodates a broad range of aerospace/aviation related and other activities. This includes over 20 businesses that employ over 800 people and pilot training schools that host over 400 full-time students per year.

Recent History

4.46 LOA has faced significant economic challenges over recent years, but has responded through capital investment and diversification of its offer.

4.47 The aviation function has historically been dominated by professional pilot flight training, however the scale of this activity has declined significantly over the past 10-15 years due to changes in the way training is provided. The pilot training schools based at LOA have shifted all 'fair weather' training overseas and a large proportion

of remaining practical activities have been replaced with ground-based flight simulators. This is the principal reason why annual aircraft movements have dropped from their peak of over 230,000 to around 45,000 today. This reduction in activity translated into a significant loss of income for the airport.

4.48 LOA's response has been to invest in the asset to enable it to diversify into other aviation sectors and to attract other aviation related (and complementary non-related) businesses to locate on the site in order to generate an income stream from its surplus property assets. This has included:

- Investment into new navigation and air traffic control systems;
- Safety-related changes such as runway widening and strengthening of paved surfaces;
- Replacement of all fire and rescue tenders;
- New lighting; and
- New built-facilities to host different types of aircraft (including larger) and new operators/passenger groups (such as VIP lounge facilities).

4.49 In total, well over £20m has recently been invested in the asset in order to evolve from its long-term dependence on flight training activities (General Aviation) into being a suitable base to host both visiting and resident business aircraft, and to comply with Civil Aviation Authority standards whilst providing adequate facilities and systems for business aircraft usage. Not only were there significant capital costs involved, there was also a four-fold increase in the costs of just running the airport with the requisite safety compliance. All these costs are borne by the private owners of the airport, with no subsidies or grants whatsoever from government, regional authorities, nor EU funding, unlike many regional airports in the rest of Europe which are commonly underwritten by regional or central government funding (Gloucestershire and Newquay Airports for instance are understood to be funded from the public purse).

4.50 It is now a fit-for-purpose regional airport for the Thames Valley which is compliant with CAA standards (and the only all-weather day and night airport between London and Birmingham).

4.51 While the business has been successfully diversified from an operational perspective, EBITDA remains unsustainably low.

Operational Constraints

4.52 The aviation function is subject to a number of operational constraints, of which the following are key:

- **Opening Hours**. The operation of the airport is subject to the provisions of a s.106 agreement which prevent aircraft movements between 00:00 and 06:00. Many of LOA's competitors in this sector have a 24 hour capability, such as Luton, which puts it at a competitive disadvantage.
- **Distance from London**. LOA is 60 miles from London, which is at the outer edge of the zone the market generally accepts as being the 'London' region. Surface transport via the new Oxford Parkway Station and the M40 provides sub-hour journeys and opportunities to provide helicopter links to Battersea (London's only licensed heliport) help address this.
- **Runway Length.** The runway length prevents larger aircraft from being able to use the airport, and constrains other medium sized aircraft types which would need to sacrifice passenger load or fuel (and therefore range capability in order to use the airport). Furthermore, some other aircraft are not able to land at LOA in wet conditions.

- **All weather, any wind direction capability.** LOA does not have precision approach capability (lights/navigational systems) from the south, so in poor visibility conditions many aircraft operators are reluctant to use the airport. The A44/Langford Lane junction configuration prevents this issue from being resolved.
- **Busy Airspace** – with proximity to RAF Brize Norton and the levels of general aviation activity in the local area, along with the airspace design and certain no-go areas nearby, Oxford is known as being challenging airspace which puts off some prospective users. A state of the art radar has recently been installed to address this and an Airspace Change Proposal (ACP) is currently being progressed in cooperation with RAF Brize Norton to enhance the overall airspace environment.
- **Fire and Rescue capability.** LOA does not have the necessary fire and rescue capability to accommodate all sizes of aircraft that the runway is capable of handling without prior notice. This is mainly a resource (and therefore operational cost) related issue.
- **Fit-for-purpose Built Facilities**. LOA's built facilities are in many cases not fit-for-purpose for modern aircraft and operator requirements (typified by decaying office blocks and 1930's hangars), and are a significant maintenance liability.

Limits to Expansion and Market Challenges

4.53 Addressing each business sector, the following highlights the challenges the airport faces and the opportunities there may be for further evolution in the decades to come.

General Aviation

4.54 So far as recreational flying is concerned, that is very much limited by catchment area – light aircraft owners tend to base their aircraft either at the closest aerodrome to their home, or the cheapest base in under an hour's drive. In some cases, owners will choose to base an aircraft where there is a maintenance company specialising on their type. Oxford has very limited maintenance capabilities on this market sector, so there is scope to attract new maintenance companies to support a broader range of aircraft. Otherwise, the 20 or so residential light aircraft fleet (was once up to 40) is not likely to grow extensively. Landing fees for these light aircraft types have not increased for over a decade (Source: Civil Aviation Authority, 2016).

4.55 On the pilot training front, there has been a radical change in training practices whereby today there is far greater use of ground-based simulators. Accordingly, Oxford Aviation Academy (CAE OAA), Europe's preeminent and largest pilot training school, has reduced their fleet from what was once over 75 aircraft to just 20 today. The airport would like to court more schools to migrate here, both for fixed wing and helicopter pilot training, but in order to do so, we have to build adequate training facilities. Likewise, any expansion of training facilities will require the replacement of what are predominantly 1960s and 1970s buildings in a relatively poor state of repair – again significant capital expenditure required. Ideally, the airport would like to provide an entirely new campus and onsite residential accommodation.

Business Aviation

4.56 Limited by geography and runway length, LOA competes for London region business against Luton, Stansted, Farnborough, Biggin Hill and RAF Northolt predominantly albeit, Birmingham, Cranfield, Cambridge and RAF Brize Norton take business and occasionally vice-versa. Where Luton is busiest with an average of 38 business aircraft departures a day, Oxford only sees about 6% of the London region market at just 7 business aviation

departures a day, much of which is dependent on residential aircraft. Owners will tend to base their aircraft at airports closest to their homes or their business interests, or, again, at airports where their aircraft type can be maintained. On that front, there is scope for Oxford to continuously build its maintenance capabilities both with incumbent maintenance providers but also enticing new providers to migrate to Oxford from some of those peer airports. However, for that, most of the airport's older, airside hangarage of 1930s vintage, is wholly inadequate in terms of size and efficient usage and as such new facilities with landside access have to be built on greenfield sites otherwise this evolution simply is not possible.

4.57 Most of our visiting business aviation traffic is for passengers either originating or destined for places within a 30-40 miles radius of Kidlington, but due to the efficiency of the M40 motorway, the airport sees perhaps 20-25% of traffic being London-destined or originated. Any growth in visiting traffic has to be pulled from the London market which is hugely challenging as the airport is 60 miles away and the furthest of all our competitors on this front. Additionally, Oxford's runway is the shortest, limiting aircraft range and payload capabilities significantly. Four fifths of the common business aircraft types cannot land on the runway when it is wet after a rainstorm.

Commercial Aviation

4.58 Within the last decade, Oxford Airport has explored opportunities within this sector as the airport had put in all the infrastructure required for the business aviation sector which also meets the needs of the commercial sector to a significant degree. Additionally, Oxford is acknowledged as a good prospective catchment area for the provision of commercial services with the city over an hour away from either Birmingham or Heathrow, indeed, Oxford city is surprisingly, one of the most isolated in the country in terms of access to regional air services. The relative wealth and propensity to travel of the local population is high. The great challenge however in establishing new routes and services from an airport like Oxford is that it requires considerable risk on both the part of the airport and the airline concerned and a massive marketing push to raise awareness of new services as promoting new routes from a relatively unknown airport (commercially) with typically an unheard of airline is very challenging. Airlines expect the airport to take much of the risk and the airport is somewhat averse to taking such risk. Marketing costs are huge for the small return on the investment when providing the passenger terminal and security staff to process the flights.

4.59 Nevertheless, it is quite clear that there is a market to serve on the most viable routes (typically an hour or so flights with a strong business need bias – Edinburgh, Dublin, Belfast, Amsterdam, Glasgow) were small regional airliners with day-return services facilitated. Seasonal weekend charters to holiday destinations also have some viability – skiing in winter, Channel Islands and other near-Europe holiday destinations. However, the catchment size and our runway length dictate that the routes can only practically be served by smaller regional aircraft types, the smaller the aircraft the higher the seat-mile costs and hence higher ticket prices.

4.60 It is the airport's desire to get back into this sector as another useful revenue stream, but not at any cost. Today, the most likely route to be reinstated would be Oxford-Edinburgh. Longer term, any evolution on the commercial (airline) side will require expanded passenger facilities as the current VIP business aviation terminal is designed for very small passenger throughput.

4.61 The airport continues to support a growing air cargo activity. Although most UK airfreight tends to move during the hours of darkness, there is a growing demand because of 'Just in Time' manufacturing / assembly principles

to support local manufacture at times when the normal supply chain processes fail. This failure could be a restriction in the availability of the channel tunnel or a failure at the manufacturing point. Local final assembly, particularly in the automotive sector relies on Europe wide component manufacture and subsequent timely delivery and is critically sensitive to any late delivery of components. The airport accepts incoming freight to overcome any supply chain failure sometimes accepting up to 6 flights per day from this sector. This enables local production/assembly lines to continue without disruption.

Economic Impact

4.62 A high level economic impact assessment is enclosed at Appendix C which quantifies the value of LOA's contribution to the local economy. Key points are as follows:

- LOA currently supports over 800 jobs directly within the site and a further 321 indirect jobs elsewhere within the OxLEP/SEMLEP region; and
- The Airport generates a total of over £105m in GVA within the local/sub-regional economy, with almost £70m generated within the Airport site itself.

Summary

- The aviation sector makes a significant contribution to the UK economy both directly and indirectly in terms of its support to other economic sectors;
- LOA is an important economic asset in its own rights, generating an estimated £105m GVA per annum (direct). More significantly, it forms a key piece in the 'ecosystem' of the local economy, supporting the continued success and growth of other sectors;
- The airport is operating at an unsustainably low EBITDA level. There is a need to generate additional value in order to address this and to enable the continuation (and potential growth) in its economic contribution and its function as a piece of transport infrastructure.

5. Proposed Development

5.1 As explained in the previous section, LOA is a valuable economic asset of strategic county-wide significance, which plays a key role in supporting many of the County's major employers and economy as a whole. Accordingly, there is a strategic economic need to ensure the long term continuation of the airport use. However, the Airport operates in a very challenging marketplace and is currently at an unsustainably low profit level. It furthermore requires continual investment in order to continue to compete effectively. Accordingly, satisfying the aforementioned economic need is dependent on making the airport a viable concern, which is dependent on generating additional value from the site/asset.

5.2 LOA's intended response to this need is to extend its aviation function (general, business, and commercial) as a means of maintaining and preferably growing its market share and increasing its income. This requires further investment in airport facilities/infrastructure, including the following potential development:

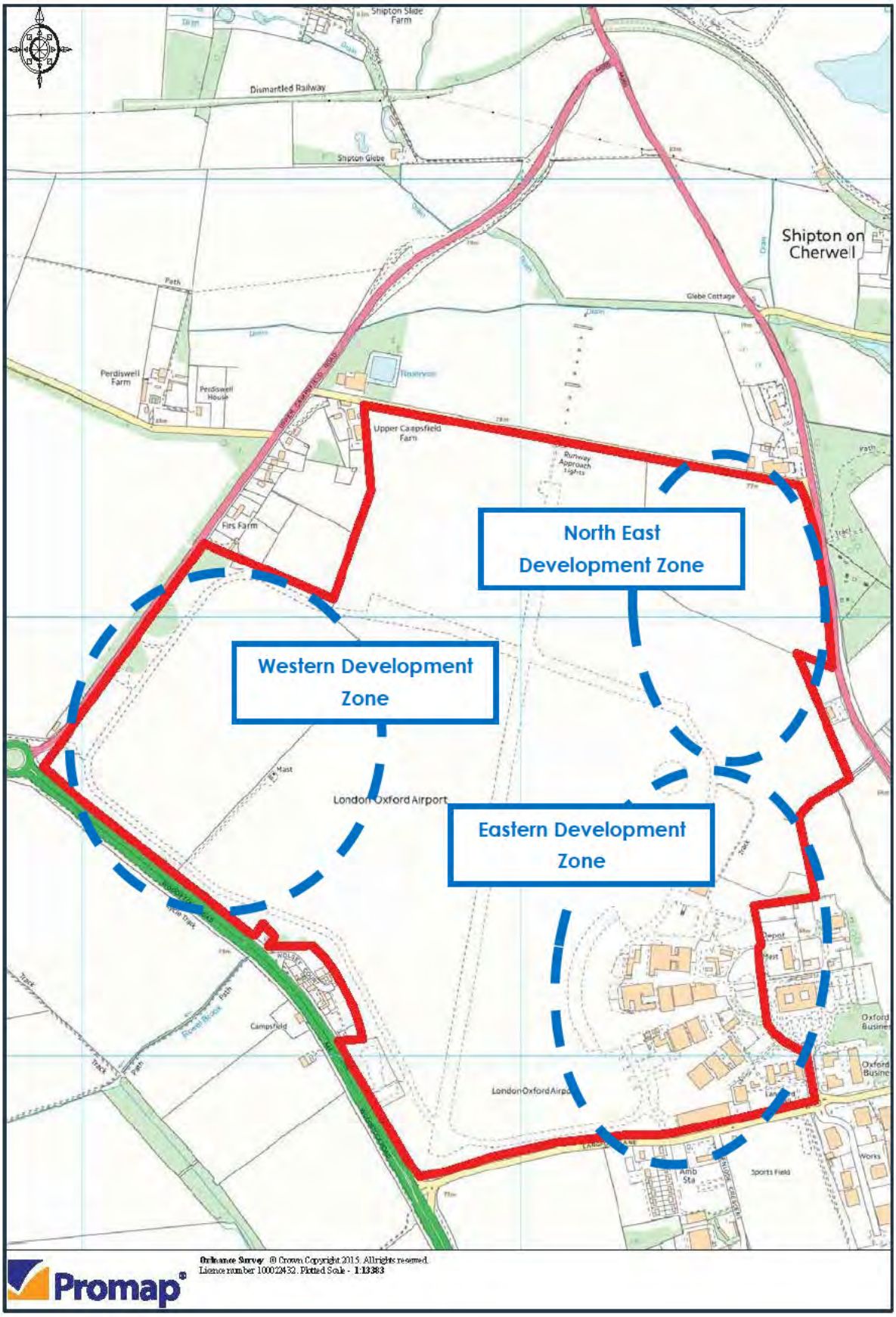
- New/upgraded vehicle access;
- Pilot training facility (including residential accommodation and 'campus' amenities);
- Helicopter training facility;
- New fire station and fire training facility:
- Hangars and sheds;
- Hotel (potentially including conference and exhibition facilities); and
- Upgraded/extended terminal facilities.

5.3 The capital investment necessary to deliver the above development will be significant and unlikely to be viable in its own rights. LOA's intention is to facilitate this by generating value (capital injection and long term income stream) from the airport estate via the development of surplus land for complimentary non-aviation use. LOA intends to prepare a masterplan for the airport site as a whole over the course of 2020/21 in consultation with CDC, and which it is anticipated would form part of future representations to the Local Plan. This will be informed and supported by a business plan to demonstrate the viability case.

5.4 Preliminary emerging proposals include (refer to Figure 5.1):

- Eastern Development Zone – Intensification and expansion of the existing built-up part of the site to provide a mixed use aviation/employment cluster, comprising employment uses (classes B1, B2, B8) and aviation-related development, with supporting uses such as a hotel (use class C1) and/or residential accommodation for pilot training school students (use class C2).
- Western Development Zone – Park and ride facility, alongside employment (B1, B2, B8) and potentially other complimentary uses such as healthcare; and
- North East Development Zone – Aviation related development (as detailed above).

Figure 5.1 – Broad Development Zones



6. Site Suitability, Availability and Achievability

Suitability

6.1 The economic need explained in Section 4 is only capable of being satisfied by development on this site (i.e. it is a location specific need). The matrix below provides a high-level appraisal of the suitability of the site for the proposed development identified as being necessary to satisfy the need (as described in the previous section).

6.2 The appraisal draws upon a review of current local plan policy designations and existing evidence and identifies where further survey and assessment work will be undertaken in due course to inform future representations to the Local Plan. It provides a 'RAG Rating' against a series of relevant criteria on the following basis: Green (suitable for development); Green/Amber hatched (suitable for development but with known constraints/policy issues that can be satisfied); Amber (likely to be suitable for development – further work required to confirm); Red (unlikely to be suitable for development).

Criteria	Appraisal	Rating
Green Belt	The entire site is designated as Green Belt. **Contribution to the Purposes of Green Belt** The contribution that the Site makes to the purposes of including land in the Green Belt was assessed in the Oxford Green Belt Study (LUC) (2015) (site ref. KI9). In summary the study found that the Site: • Makes **No Contribution** to Purpose 1: To check the unrestricted sprawl of large built-up areas; • Makes a **Low Contribution** to Purpose 2: preventing neighbouring towns merging into one another; • Makes a **Medium Contribution** to Purpose 3: To assist in the safeguarding of the countryside from encroachment; • Makes **No Contribution** to Purpose 4: To preserve the setting and special character of historic towns. Accordingly, the site's 'value' in Green Belt terms is considered limited. **Exceptional Circumstances** The fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open, however national planning policy allows Green Belt boundaries to be altered where exceptional circumstances exist. The economic need for the proposed development (as presented in Sections 4 and 5) represents the exceptional circumstances necessary to justify removing parts of the site from the Green Belt (the Eastern, Western, and north-eastern Development Zones), in our view. In addition to the specific needs associated with LOA, the following further location specific exceptional circumstances apply: • The principle of removing the Eastern Development Zone from the Green Belt has already been established by Local Plan Part 1, in order to allow for 'high value employment' development here (necessary to deliver the district's economic strategy). The stated intention was that the boundary revision would be undertaken as part of Local Plan Part 2 which has now been superseded in practice by the new Local Plan being prepared. The Exceptional Circumstances necessary to justify the removal of this part of the site from the Green Belt (the need for land for high value employment development) remain, and therefore this principle should carry forward into the new Local Plan.	

	• The Oxfordshire Transport Strategy and the current Local Plan Part 1 identifies a need for a new park and ride facility south of Woodstock on the A44, with the Western Development Zone at LOA identified as being the preferred location. The facility is needed in order to support significant housing growth planned for in the current Local Plan (which we anticipate being carried over into the new Local Plan). This need comprises the Exceptional Circumstances necessary to justify the removal of the land here from the Green Belt as necessary in order to accommodate the facility. We note that this will make it one of the most accessible locations in the district, making surrounding land in the Western Development Zone particularly suitable for development. The extent of and the detailed boundary of the Green Belt release should be defined in the new Local Plan. We recommend that this should be informed by a masterplan for the Airport site (as a whole) which LOA intend to prepare (working closely with CDC), and which will inform future representations to the new Local Plan.	
Land Uses	The principle of aviation and aviation-related uses on the Site is already established. There are no other sites in the district capable of meeting this need. The proposed Park and Ride facility is also a location specific need, dictated by the Oxford Transport Strategy. Therefore in principle the site is suitable for the use. The benefits of co-locating various non-aviation economic activities alongside airports is recognised in national guidance as a unique economic opportunity that airports generate.	
Previously developed land	The site is part previously developed. Having regard to policy, guidance and relevant case law the following land should be treated as meeting the definition of previously developed land which extends to approximately 50% of the site: • The entirety of the 'built-up' south eastern part of the site; • Land that is covered by permanent hardstanding and other fixed surface infrastructure including runways and taxiways; and • Areas of soft-surfacing surrounding fixed surface infrastructure and hardstanding which is essential to the established use of the site as an airfield (for access, safety, security, visibility, storage, maintenance etc). Refer to Appendix B for further explanation.	
Transport	The site is highly accessible: • It is adjacent to ONS and Sustrans National cycle route (Woodstock-Oxford). • It is served by 2 Premium Bus Routes (Oxford-Woodstock and A4165-Langford Lane) and in future will benefit from the planned new park and ride facility. • It is located within 2.5km of a train station. • It is the only site in the district containing an airport. • It benefits from road access onto Langford Lane and the A44. A transport strategy will be prepared to inform/support the masterplanning process.	
Flood risk	The Site is classified as Flood Zone 1 (low risk of flooding)	
Heritage	The site contains no designated or non-designated heritage assets. There are a number of designated heritage assets (including the Blenheim Palace World Heritage Site and Listed Buildings) in proximity to the site, nonetheless in principle this should not constrain the development of the site. Future masterplanning work should be informed by a Heritage Assessment.	
Landscape	The site was assessed in the CDC Landscape Character Sensitivity and Capacity Assessment (WYG) (2017) (site ref. LSCA118). This concludes that the landscape sensitivity of the site is medium to low and that the site has a medium landscape value. It goes on to conclude that the site has medium to high landscape capacity (to accommodate development). The assessment recognises that the site's capacity to accommodate development (in landscape terms) varies across the site and will be influenced	

	by the potential to introduce mitigation (i.e. through design/landscape measures). A more detailed site specific landscape appraisal should be undertaken as part of the site masterplanning process	
Minerals	The Site is not designated as a Minerals Safeguarding area.	
Ecology/ Biodiversity	The Site predominantly comprises managed grassland which typically has limited biodiversity value. Any potential will be confirmed via the preparation of a Phase 1 Habitat Survey in due course. The site is not subject to any environmental Local Plan designations, however the Shipton-on-Cherwell & Whitehill Farm Quarries Site of Special Scientific Interest (SSSI) is approx. 800m to the north-east; the Rushy Meadows SSSI is located approx. 800m to the south-east; and Blenheim Park SSSI approx. 1.3km to the west. These designations are not anticipated the constrain the suitability of the site for the development proposed.	
Noise	The airport itself is a noise source (due to aircraft movements), as is the A44. However, this noise environment is suitable for the uses proposed which are not sensitive to noise. Noise surveys/modelling will be undertaken to inform masterplanning work.	
Air quality	There are no known significant air quality constraints relevant to the proposed development. This will be confirmed via technical work as part of the masterplanning process.	
Ground conditions	There are no known significant ground condition constraints relevant to the proposed development. This will be confirmed via technical work as part of the masterplanning process.	
Aerodrome Safeguarding	The Airport is a Registered Aerodrome which is subject to safeguarding provisions. These do not preclude development, nonetheless will be accounted for in masterplanning work in due course.	

6.3 On the basis of the above, the site is considered to be suitable for the proposed development.

Availability

6.4 The site is under the full control of Oxford Aviation Services Ltd. Accordingly, it is available for development now.

6.5 Land within the Western, Eastern and North Eastern Development Zones is available for development now, and can be developed without compromising the operation of the airport.

6.6 The Western Development Zone is surplus to current and projected future operational requirements associated with the airport use. Development of non-aviation uses here would not compromise the operation of the airport. This land is available for development now.

Achievability

6.7 The airport related development is deliverable only in conjunction with the non-aviation development. A Business Plan demonstrating development viability will be prepared in parallel with the masterplan and submitted as part of future representations.

7. Conclusion

7.1 National planning policy (and relevant guidance) is clear that local plans should adopt a positive approach to meeting the assessed development needs for their area and should place significant weight on supporting economic growth. This includes specific support for the needs of the aviation sector and small airports such as LOA.

7.2 LOA is a valuable economic asset of strategic county-wide significance, which plays a key role in supporting many of the County's major employers and economy as a whole. Accordingly, there is a strategic economic need to ensure the long term continuation of the airport use. However, the Airport currently operates at an unsustainably low profit level. Satisfying the aforementioned economic need is dependent on making the airport a more viable going concern, which is dependent on generating additional value from the Site/asset.

7.3 LOA's intended response to this need is to invest in airport facilities/infrastructure in order to maintain/grow its market share. The capital investment necessary to deliver the above development will be significant and unlikely to be viable in its own rights. LOA's intention is to facilitate this by generating value (capital injection and long term income stream) from the airport estate via the development of surplus land for complimentary non-aviation uses.

7.4 The Site is uniquely suitable for the proposed development, in that it offers the opportunity to satisfy economic needs that otherwise would not be capable of being met, which has significance for the delivery of the economic strategy for the district and sub-region as a whole. This is subject to it being accepted that the economic need for development here constitutes exceptional circumstances to justify removing part of the site from the Green Belt.

7.5 The Site is available for development and the emerging plans are considered to be achievable.

7.6 As explained in Section 6, the owners of LOA wish to work with CDC over the course of 2020/21 to prepare a masterplan (with supporting evidence) for the site to underpin a site specific policy (allocation) and associated revision to the Green Belt boundary in the new Local Plan.

Appendix A
Site Plan

Site Location Plan - London Oxford Airport

Promap®

Appendix B
Previously Developed Land Review

London Oxford Airport

Previously Developed Land Assessment

The purpose of this note is to summarise relevant policy and guidance on the definition of previously developed land (PDL) and precedent case studies concerning the redevelopment of airfields in order to ascertain the extent of the London Oxford Airport (LOA) site that constitutes PDL.

1. Policy and Guidance

One of the core planning principles of the NPPF is that strategic planning policies should set out a clear strategy for accommodating objectively assessed needs in a way that makes as much use as possible for previously developed land (except where this would conflict with other policies in the Framework).

The NPPF defines Previously Developed Land at Annex 2 as:

'Land which is or was occupied by a permanent structure, including the curtilage of the developed land (although it should not be assumed that the whole of the curtilage should be developed) and any associated fixed surface infrastructure. This excludes: land that is or was last occupied by agricultural or forestry buildings; land that has been developed for minerals extraction or waste disposal by landfill, where provision for restoration has been made through development management procedures; land in built-up areas such as residential gardens, parks, recreation grounds and allotments; and land that was previously developed but where the remains of the permanent structure or fixed surface structure have blended into the landscape'.

An explanatory note to Planning Policy Guidance note 3, while having been superseded first by PPS3 and then the NPPF, remains a useful aid in the interpretation of the limits of previously developed land in this context:

"For example, where the footprint of a building only occupies a proportion of a site of which the remainder is open land (such as an airfield or a hospital) the whole site should not normally be developed to the boundary of the curtilage. The local planning authority should make a judgement about site layout in this context bearing in mind other planning considerations, such as policies for the protection of open space and playing fields or development in the countryside, how the site relates to the surrounding area, and requirements for on-site open space, buffer strips, landscaped areas, etc."

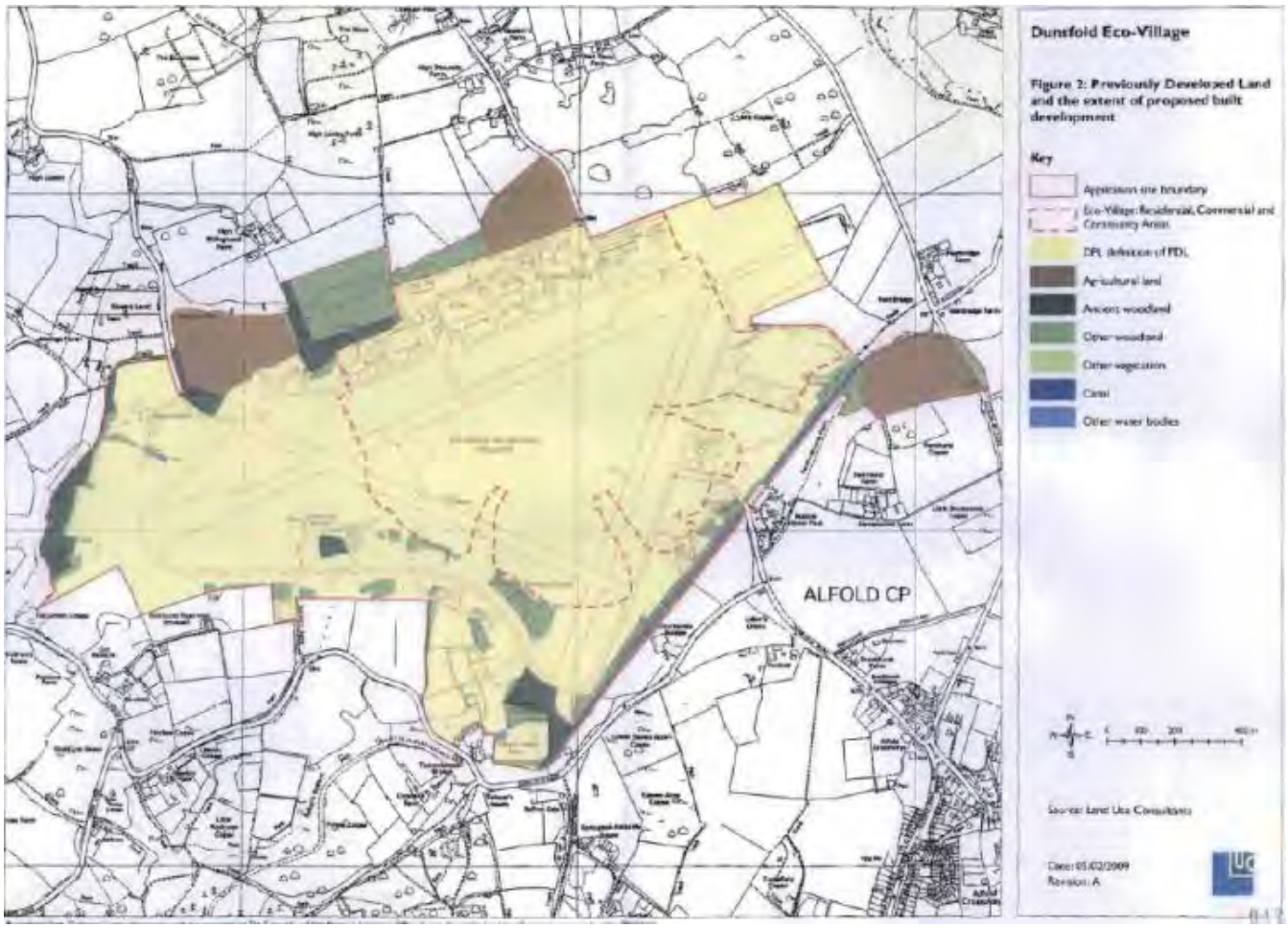
The extent to which a site such as an airfield will form PDL is a matter for interpretation; however, the following considerations will apply:

1. The extent to which the Site is covered by permanent structures (including hard standings, fixed surface infrastructure, etc)
2. For land that is not covered by permanent structures, the extent to which it forms a functional part of the permanent structures on the site (e.g. is not separate; and
3. Whether a site has "blended into the landscape" (e.g. whether it has natural features or whether it has since become overgrown)

2. Case Studies

Dunsfold Aerodrome

Dunsfold aerodrome is an unlicensed airfield in Surrey, originally constructed by the Canadian army and commanded by the Royal Canadian Airforce during WWII. It was declared inactive by the RAF after the war and has since been in use for flight testing and more recently for motor shows, driving schools, etc. In 2006 the owners of the aerodrome sought consent for redevelopment of the site for a mix of uses. The application was refused by the Waverly Borough Council and subsequently dismissed at appeal on 24/09/2009 (ref: APP/R3650/A/08/2089143/NWF).



Extract from the Inspector's Report (emphasis added) (see Enclosure 1)

'The aerodrome has been in existence for the best part of a century and has to be considered as a whole. Many of the hangars and other buildings in the northern part of the site are actively used for aviation purposes such as the storage and repair of aircraft. There are also other buildings and structures, such as fuel storage tanks, scattered about elsewhere. All of these either were or still are associated with the aviation use' (para 356).

The rest of the land is open but that does not mean that it is undeveloped. The runways, taxi ways and perimeter road are central to the functioning of the aerodrome. They are engineering structures that quite clearly constitute development' (para 357).

'The grassed areas in between the runways are functionally related to them. They provide safe run off areas for aircraft and a means of direct access to them for emergency vehicles. They are managed so as to maintain the necessary visibility for aircrew, air traffic controllers and emergency staff. They include a grass runway for aircraft that cannot land on concrete. These areas are all ancillary to and essential to the established use of the site. In short, the operational part of the aerodrome, including the runways and interstitial grassed areas, is developed land' (para 358).

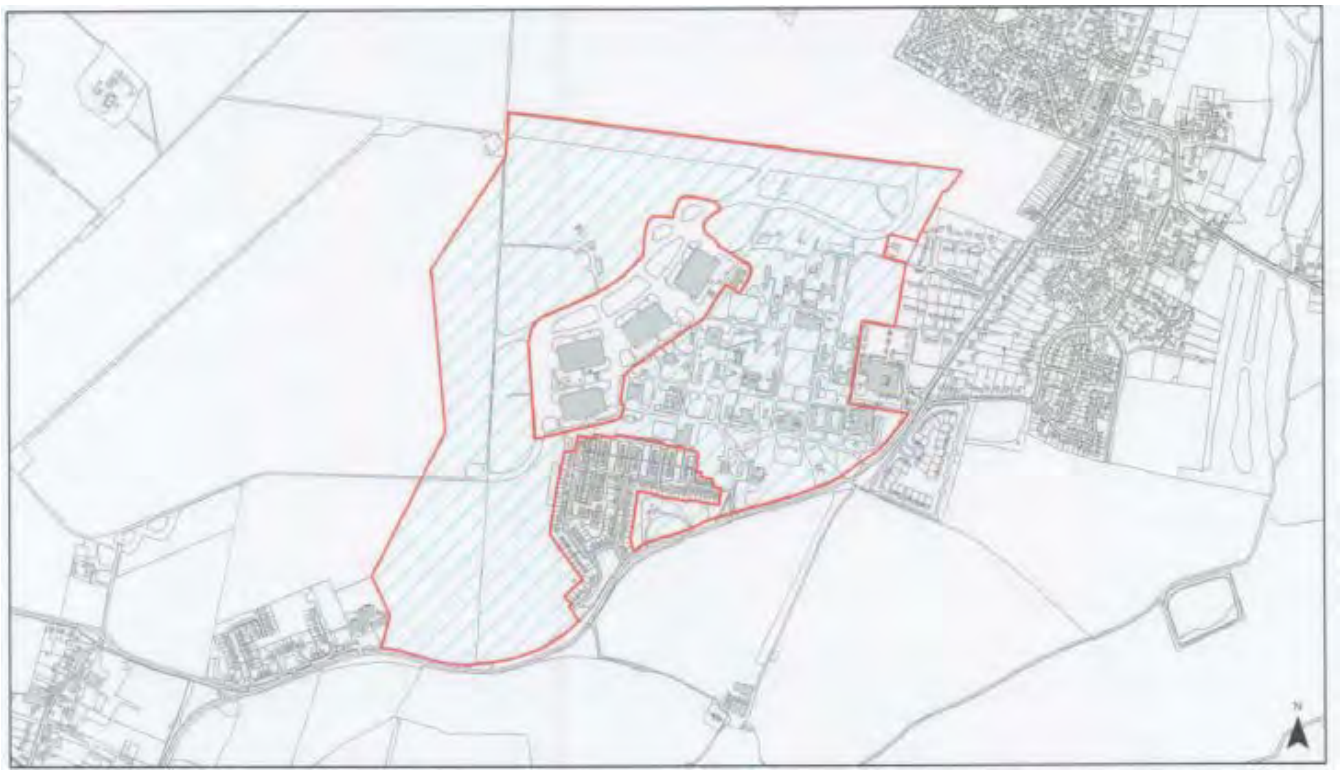
Extract from the Secretary of State's Decision Letter (see Enclosure 1)

'The Secretary of State has also taken account of the Inspector's comments at IR355-358, and he agrees with the Inspector that the operational part of the aerodrome, including the runways and interstitial grassed areas, is previously developed land'. (para 18).

The Inspector's Report makes it clear that PDL in this case comprises all areas of the site ancillary to and essential to the established use of the site as an operational airport. We consider this to be an appropriate comparison for the purposes of definition Previously Developed Land at the LOA Site

RAF Upwood

RAF Upwood is a former Royal Air Force station adjacent to the village of Upwood in Cambridgeshire. It was built in 1917 and in occupied by the RAF until 1981, when the control of the base was handed over to the United States Air force. The base was closed by the Ministry of Defence in 1994, at which time much of the station was vacated. An application for outline consent for redevelopment of the site for a mix of use was appealed on grounds of non- determination and dismissed by an Inspector at appeal on 18/08/2010 (APP/H5020/A/09/2112959).



Extract from the Inspector's Report (see Enclosure 2):

'I note that both parties rely upon the definition of PDL in Annex B of PPS 3. This leaves room for judgement, on the ground, as to what is, and what is not PDL, depending largely on matters of character and

appearance. That may explain why there is such a discrepancy between the parties on this matter: whereas the applicants say there is about 57 ha. of PDL at the 71 ha. appeal site, the Council say there is only about 25 ha'. [A,S] (para 293).

'In my view, based on both parties' evidence (in [A] and [S]) and my own 2 site inspections, the most robust figure lies somewhere between these conflicting estimates. In brief, there are 4 disputed areas, best shown in' [see below].

Plan 1

Plan 2

Plan 3

Plan 4

'I consider that while plans 2, 3 and 4 show areas best described as PDL (as asserted by the appellants, and contrary to the Council's view), much of the land in plan 1 is not PDL, owing to the extent to which it has "blended into the landscape in the process of time" (PPS 3, Annex B). This is a very substantial area. My view is that the amount of PDL at the appeal site'

The Inspector's judgement regarding Plan 1 is based on his view that the part of the site comprising the former runway, taxiways and grassed interstices had "blended into the landscape in the process of time." RAF Upwood was vacated in 1994 and had been abandoned for 16 years by the time of the appeal. No comparison can be made between this case and the Application Site.

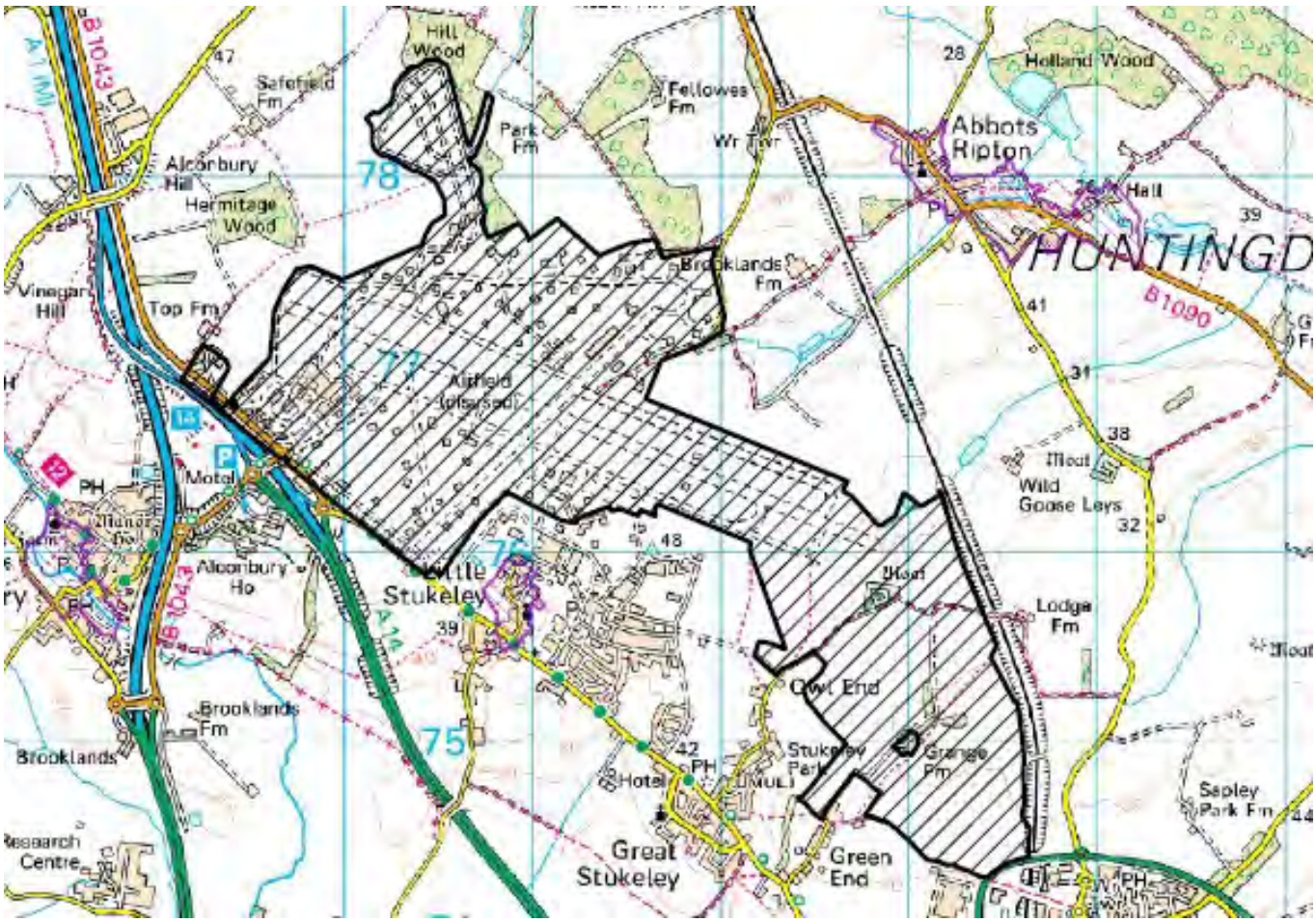
<u>Alconbury Airfield</u>

Alconbury Airfield is a 580 hectare site located in Cambridgeshire. It had a long history of former military use, from 1938 to when the airfield was made redundant by the MoD in 1995. An outline application was submitted for mixed use redevelopment and approved by Committee 01/10/2014 (ref. 1201158OUT).

Committee Report (see Enclosure 4)

'*Material has been produced and examined by the District Council and it is therefore fair to judge that around 414 ha of the overall 580 ha application site (i.e. the former airfield land) would properly be considered to constitute previously developed land'* (para 8.19).

The majority (70%+) of the application site for Alconbury was acknowledged by the Council as comprising PDL. Although not specified within the Committee Report, we would anticipate that the south-eastern portion of the site would be the most obvious area of exclusion based on the plan below:



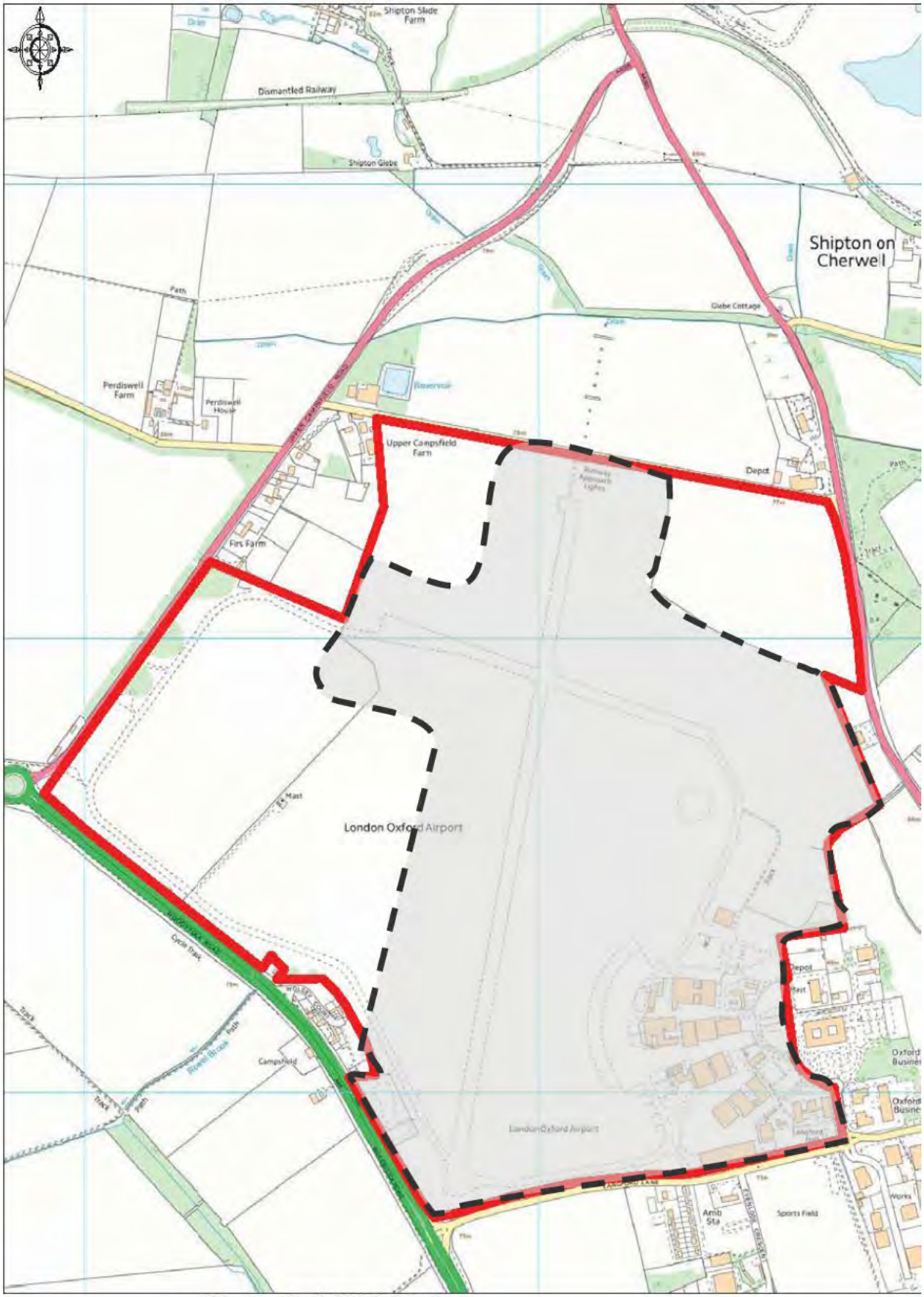
3. London Oxford Airport

Having regard to the above, it is our view that the following land should be treated as meeting the definition of PDL at the LOA site:

- The entirety of the 'built-up' south eastern part of the site;
- Land that is covered by permanent hardstanding and other fixed surface infrastructure including runways and taxiways; and
- Areas of soft-surfacing surrounding fixed surface infrastructure and hardstanding which is essential to the established use of the site as an airfield (for access, safety, security, visibility, storage, maintenance etc).

Our view on the approximate extent of this land is illustrated in figure 3.1 below, and extents to over 50% of the site.

Figure 3.1 London Oxford Airport (broad extent of Previously Developed Land shown in grey)



Appendix C
Economic Impact Assessment

London Oxford Airport

High Level Assessment of Economic Impact (2017)

1.1 London Oxford Airport is a key component of the economic ecosystem that supports a range of high value activities within the Oxfordshire and South Midlands area. As part of a network of key assets the Airport supports a large number of jobs and significant levels of economic output both directly and indirectly, acting as a catalyst for innovation and activity.

1.2 Whilst recognised as an important contributor to this wider activity it is not possible to isolate the specific quantitative 'value' the Airport has within the supporting network of assets that help a range of high value sectors thrive. Whilst the Airport's wider role cannot be robustly measured, the value of its own activity can be estimated, based on an assessment of the economic output and jobs provided at the Airport itself and the indirect and induced impacts these create within the wider economy.

1.3 Drawing on the HCA Additionality Guide (2014) to measuring economic impact this section sets out the strategic assessment of the economic contribution made by the Airport to the local and regional economy. The purpose of this is to quantify the economic benefits of supporting the continuation of the airport use going forwards, achieved via the proposed local plan policy response set out in the previous section.

Impact Assessment Approach

1.4 To provide a robust estimate of the direct economic contribution London Oxford Airport makes to the local economy we have prepared a strategic economic impact assessment based on the activities and jobs provided within the Airport today.

1.5 The assessment considers both the direct contribution of the Airport and also the indirect impacts its operation and activity creates through supply chain expenditure and the activities of its employees.

- Direct impacts calculated include the number of jobs provided by businesses based at the Airport and those working for the Airport itself as well as an estimate of the value of economic activity in terms of Gross Value Added contributions to the areas GDP.
- Indirect impacts consider the jobs supported and GVA contributions created within the Airport businesses supply chains.

1.6 In line with the HCA's Additionality Guide (2014) indirect impacts have been calculated at 2 spatial scales. The first scale considers the 'local' benefits, i.e. those benefits that are likely to accrue within Cherwell District. The second scale considers 'regional' benefits; this represents the wider supply chain that is likely to service the Airport activities and, for this analysis is considered to cover the OxLEP and SEMLEP areas.

1.7 Given the greater scale of the supply chain opportunities at the larger 'regional' scale the multiplier for this impact is greater than that for the 'local' area, where supply chain relationships are likely to be fewer.

1.8 Research undertaken by the Airport owners also indicates that there are further economic benefits created through activities of businesses based at the Airport but undertaken elsewhere in the UK. These are included in the Economic Impact analysis, however it is not possible to say where the benefits actually accrue within the UK, in reality these are likely to be relatively well spread.

Calculating GVA

1.9 No primary data is available from which to establish the level of GVA generated by the Airport, as such an estimated level has been calculated based on data available for sector specific activity undertaken within the Airport site and national estimates of productivity.

1.10 The starting point has been to review the nature of business activity undertaken, drawing on occupier information provided by the Airport owner and aligning this with 2 digit SIC codes to identify the sector within which it operates. Drawing on data provided by Experian we have established the total value of economic output for that sector within Cherwell.

1.11 The Airport owners also provided a schedule of employment numbers (Full Time Equivalent – FTE) for each business, which were also aligned with the specific sectors. Similarly, total employment (FTE) in Cherwell for the sector was established from Experian data.

1.12 Using the Experian output and employment data the GVA per worker for each sector has been calculated, this then used to calculate the estimated GVA for the Airport by multiplying the GVA per worker figure by the number of workers within each sector. This figure is then used as the basis for the Economic Impact Assessment.

Aviation and Non-Aviation Activities

1.13 The Airport accommodates a range of ancillary business activities that, whilst linked to its operation, do not fall within the aviation sector. The nature of these businesses is mixed and includes a UK Border Agency presence, chauffeur service and car rental business.

1.14 The nature of these sectors means they will generate lower levels of GVA than businesses within the aviation sector, as such the economic value of these is estimated based on the average output per worker for Cherwell District across all sectors.

1.15 These sectors are also likely to have lower supply chain and other indirect benefits, as such the 'multipliers' applied to these activities are lower. The nature of the businesses also means their activities are not likely to have a regional impact so benefits are assessed at the local level only.

Existing: On-Site

1.16 The first component of the economic impact assessment considers the impacts that accrue from the on-site business and employment activities. These include the activities of the Airport itself and the range of businesses that are based within the Airport site.

Direct

1.17 The airport site accommodates over 800 full-time equivalent jobs, the majority of these are generated by the businesses located within the site and making direct use of the Airport facilities. In line with the county-average in-commuting trends (source: Office for National Statistics, 2011), we estimate that around 690 of these jobs are held by Oxfordshire residents.

1.18 Of these jobs 790 are provided within the aviation sector (i.e. the overwhelming majority), with a further 24 within other supporting/ancillary activities. Drawing on data from Experian the GVA per worker for the aviation sector in Cherwell is estimated to be £87,400 per annum, with the average for other activities to be £61,834 per annum.

Table 1 Direct Economic Benefits - GVA

	Aviation Activity	Other Activity
Employment	790	24
GVA per Worker	£87,400	£61,834
Total GVA	**£69,046,000**	**£1,484,017**

Source: GVA Analysis of LOA and Experian data

1.19 As shown the total direct GVA impact from activities contained within the Airport site is in excess of £70m per annum.

Indirect Impact

1.20 To assess the indirect impacts of London Oxford Airport two multipliers have been applied to provide an estimate of local and regional impacts. These multipliers have been identified based on the range provided by the HCA Additionality Guide and compared to multipliers used in the assessment of the economic impact of other regional, business orientated Airports, including Farnborough (NLP, 2009) and London Luton (Oxford Economics, 2015).

1.21 In line with these assessments, the Additionality Guide, our understanding of the operational characteristics of London Oxford Airport and the nature of economic activity within Cherwell and the OxLEP/SEMLEP region we have applied a local multiplier of 1.2 for aviation related activities and 1.1 for other activity. Regionally we have applied a multiplier of 1.3 for aviation related activity and (as discussed above) not considered there to be any regional impact from the other activities undertaken on site.

Table 2 Indirect Economic Benefits - GVA

	Aviation Activity	Other Activity
Employees	790	24
GVA per Worker	£87,400	£61,834
Total GVA	£69,046,000	£1,484,017
Local Multiplier	1.2	1.1
Local Additional Impact	£13,809,200	£148,402
Local Direct + Indirect	£82,855,200	£1,632,419
Regional Multiplier	1.3	0
Regional Additional Impact	£20,713,800	£0
Regional Direct + Indirect	£89,759,800	£0
Total GVA Impact	£103,569,000	£1,632,419
Total Benefit	**£105,201,419**	

Source: GVA Analysis of LOA and Experian data

1.22 As shown in Table 2 the indirect benefits from aviation create an additional £34.5m of GVA within the local and regional economy, a further £148,000 of GVA is generated by the other activities occurring locally.

1.23 Taking direct and indirect impacts together it is estimated that London Oxford Airport generates in excess of £105m of GVA per annum within the local and regional economy which, if the Airport ceased to operate, would most likely be lost to the area entirely.

1.24 Alongside the economic value created the Airport also creates and supports further employment provision within its supply chain. Again these employment benefits have been calculate using multipliers that draw on similar assessments of aviation impacts, the HCA Additionality Guide and our understanding of the wider economy.

1.25 It should be noted that the multipliers used to calculate indirect employment benefits are lower than those for economic output, albeit they demonstrate a similar proportional relationship between local and regional levels. The reason for this is that the majority of supply chain activities are likely to lie within highly productive sectors where it is possible to generate significant levels of output increases without an equal increase in workforce numbers. The increased use of automation and other technology will allow a number of supply chain businesses to provide the Airport with the goods and services it needs more efficiently, increasing their output at a greater rate than their employment base.

Table 3 Indirect Economic Benefits - Jobs

	Aviation Activity	Other Activity
Employees	790	24
Local Multiplier	1.15	1.05
Local Direct + Indirect	119	5
Local Additional Impact	909	29
Regional Multiplier	1.25	0
Regional Additional Impact	198	0
Regional Direct + Indirect	988	0
Total Jobs Impact	1,106	29
Total Benefit	**1,135**	

Source: GVA Analysis of LOA and Experian data

1.26 The activity underpinned by London oxford Airport generates in the region of 322 additional jobs within the region, the majority of which are likely to be in the higher value sectors linked to aviation activity.

1.27 Taken together with the direct onsite employment the Airport is estimated to support 1,135 jobs within the OxLEP and SEMLEP areas.

Existing: Off-Site

1.28 As noted above the Airport owners have surveyed the businesses located within the Airport to identify the scale of 'off site' employment that activity within the Airport site supports within each organisation. Whilst these benefits do not necessarily accrue to Cherwell or the OxLEP/SEMLEP region, they are an important component of the benefits the Airport creates within the UK economy.

Direct Benefits

1.29 Using the same approach as set out for the on-site benefits, it is possible to provide an estimate of employment and GVA output for the off-site employment. Given it is unlikely that activity will be less productive just because it is undertaken outside of Cherwell we have retained the same GVA per worker assumptions for ease of comparison.

Table 4 Direct Economic Benefits

	Aviation Activity	Other Activity
Employees	1,798	25
GVA per Worker	£87,400	£61,834
Total GVA	**£157,145,200**	**£1,545,851**

Source: GVA Analysis of LOA and Experian data

1.30 As shown in Table 4 activity linked to the Airport but undertaken elsewhere generates in excess of 1,800 FTE jobs and £158mn worth of GVA.

Indirect Benefits

1.31 Turning to Indirect Benefits, again using a consistent method to the On-Site activity, it is possible to estimate the total impacts in terms of GVA and employment arising from activity at London Oxford Airport.

Table 5 Indirect Economic Benefits - GVA

	Aviation Activity	Other Activity
Employees	1798	25
GVA per Worker	£87,400	£61,834
Total GVA	£157,145,200	£1,545,851
Local Multiplier	1.2	1.1
Local Additional Impact	£31,429,040	£154,585
Local Direct + Indirect	£188,574,240	£1,700,436
Regional Multiplier	1.3	0
Regional Additional Impact	£47,143,560	£0
Regional Direct + Indirect	£204,288,760	£0
Total GVA Impact	£235,717,800	£1,700,436
Total Benefit	**£237,418,236**	

Source: GVA Analysis of LOA and Experian data

1.32 As shown in Table 5 the indirect benefits from aviation create an additional £78.5mn of GVA within the local and regional economy, a further £154,000 of GVA is generated by the other activities occurring locally.

1.33 Taking direct and indirect impacts together it is estimated that London Oxford Airport generates in excess of £237mn of GVA per annum within the local and regional economies where the offsite activity takes place.

Table 6 Indirect Economic Benefits - Jobs

	Aviation Activity	Other Activity
Employees	1,798	25
Local Multiplier	1.15	1.05
Local Direct + Indirect	270	5
Local Additional Impact	2068	30
Regional Multiplier	1.25	0
Regional Additional Impact	449.5	0
Regional Direct + Indirect	2,248	0
Total Jobs Impact	2,517	30
Total Benefit	**2,547**	

Source: GVA Analysis of LOA and Experian data

1.34 The activity off-site underpinned by London Oxford Airport generates in the region of 750 additional jobs, the majority of which are likely to be in the higher value sectors linked to aviation activity.

Key Messages

- London Oxford Airport currently supports over 800 jobs directly within the site and a further 321 elsewhere within the OxLEP/SEMLEP region.
- The Airport generates a total of over £105m in GVA within the local/sub-regional economy, with almost £70m generated within the Airport site itself.
- Failure to enhance the Airport offer in terms of capital investment and the removal of unnecessary operating restrictions risks its long term viability. In the worst case, this would result in the closure of the airport and the consequent loss of the above GVA to the area in its entirety (in the absence of an alternative airport).

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