

Socio-Economic Proof of Evidence - Final.

Gartree 2.

Ministry of Justice

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1. Introduction

Qualifications and Experience

- 1.1. My name is Richard Cook. I currently hold the position of Senior Director in the Economics team at Pegasus Group and have been at the company for six years. I am a member of the Institute of Economic Development and have worked in economic development for over 18 years.
- 1.2. Prior to working at Pegasus Group, I worked at New Economy (now part of the Greater Manchester Combined Authority) in the Research & Policy team for almost five years and prior to this I worked at DTZ (now part of Cushman & Wakefield) for just under eight years in the economics team as a consultant. I began at DTZ as an assistant economic consultant, before moving up to become an economic consultant and then a senior economic consultant.
- 1.3. I have a wealth of experience in economic development, having written numerous economic impact assessment reports during my time at Pegasus Group and in my first job at DTZ. This includes analysis to support Environmental Impact Assessments, as well as stand-alone reports as part of planning applications. The types of scheme I have assessed the economic impact of are wide ranging and include housing developments, commercial schemes, tourism schemes, student accommodation schemes, elderly accommodation schemes and the impact of existing employers in an area. I also have experience of assessing the economic impact of new prisons, having provided evidence for the 2022 appeal at Garth Wymott 2 and providing input to the EIA process for the new prisons proposed in Wethersfield, Braintree.

Scope and Purpose

- 1.4. I am instructed by the Ministry of Justice (MoJ, the Appellant) to provide expert witness evidence on socio-economic matters, relating to an appeal against refusal by Harborough District Council of an outline planning application for the development of a new Category B prison within a secure perimeter fence, together with access, parking, landscaping and associated engineering works on land adjacent to HMP Gartree (the appeal site).
- 1.5. An overall Statement of Common Ground (CD/C3) has been prepared between the Appellant and the Council. It is agreed in the SOGC in relation to socio-economic matters that:
 - The proposal will have a positive socio-economic impact whilst operational and during construction.

Structure of Evidence

- 1.6. My Proof of Evidence (PoE) is structured as follows:
 - In **Section 2** I present a summary of the main socio-economic benefits of the scheme, based on previous analysis undertaken by Mace.
 - In **Section 3** I present an up to date review of the Harborough economy, alongside neighbouring local authorities, the East Midlands region and the national picture.
 - In **Section 4** I provide a response to issues raised in the Statements of Case prepared by the LPA (CD/C4) and Gartree Action (CD/C5) in relation to the socio-economic impact of the scheme.
 - In **Section 5** I provide a summary of the analysis and present my overall conclusions.
- 1.7. The evidence which I have prepared and provide for this appeal (ref: APP/F2415/W/22/3300227) is true and is given in accordance by whom I am instructed and I confirm that the opinions expressed are my true and professional opinions.



2. Socio-Economic Impact of the Scheme

- 2.1. A socio-economic statement was prepared by Mace in August 2021 (CD/A12), which outlines the socio-economic benefits created by the scheme. I summarise the main findings of the report below and it should be noted that in paragraph 6.7 of the SoCG (CD/C3), it is accepted that the scheme will have a positive socio-economic impact during both the construction and operational phases.

Socio-Economic Impact of Construction Phase

- 2.2. Utilising the estimated construction milestones and the estimated construction costs defined in the Proposed Development feasibility report, the Mace socio-economic statement estimates the number of additional temporary full-time equivalent (FTEs) jobs and contribution to economic output (gross value added – GVA) to be as follows:
- **Direct Impact:** The build phase of the prison could support the creation of 76 net temporary additional FTE jobs and generate £72.8million of GVA.
 - **Indirect & Induced Impact:** In addition to the direct impact, the build phase could support a total of 23 net indirect and induced jobs at a regional level, along with a further £21.8million of GVA.

Socio-Economic Impact of Operational Phase

- 2.3. The Mace socio-economic statement identifies the main operational phase socio-economic impacts to be as follows:
- **Direct Jobs:** Based on comparison data from the MoJ and amendments relating to the Proposed Development being a Category B facility, 778 staff would work at the prison. Using MoJ data on other prisons, the statement estimates that 737 of these would be taken by people living within 40-miles of the prison.
 - **Indirect & Induced Jobs:** A further 264 indirect (230 jobs) and induced (34 jobs) jobs could be supported by the prison, which is employment supported by supply chain spend and expenditure associated with staff and prison visitors.
- 2.4. I make further reference to the socio-economic statement in chapter four of my PoE, where I respond to the LPA's and Gartree Action's Statements of Case.

3. Harborough Socio-Economic Overview

- 3.1. The Mace Socio-Economic Statement (CD/A12) also provides an overview of the Harborough economy, alongside that of other local authorities in Leicestershire. Updated data are now available on many of the indicators reported and it is helpful to analyse this new information in order to put the economic impacts of the scheme into the most up to date context. For consistency, the same local authorities analysed in the Socio-Economic Statement are presented, along with Oadby and Wigston which is a neighbouring authority to Harborough. I also look at relevant economic development objectives in Harborough and assess how the proposed scheme can help to deliver them.
- 3.2. It should be noted that Corby and Kettering are now part of the North Northamptonshire unitary authority area, while Daventry is now part of the West Northamptonshire area. Again, for consistency with the Mace report, Corby, Kettering and Daventry are analysed.

Population

- 3.3. Table 3.1 shows population change between 2011 and 2020 in Harborough, along with nearby local authorities and the East Midlands region. Over this timeframe the population in Harborough grew by 11.4%, representing an absolute increase of 9,800 people. This was above the rate of growth seen in the East Midlands of 7.2% and was higher than the growth seen in many other nearby local authorities. Daventry saw population growth in line with that in Harborough, with a rate of 11.4% and an absolute increase of 8,900. The only local authority to have higher population growth was Corby with an increase of 18.7% (11,500).

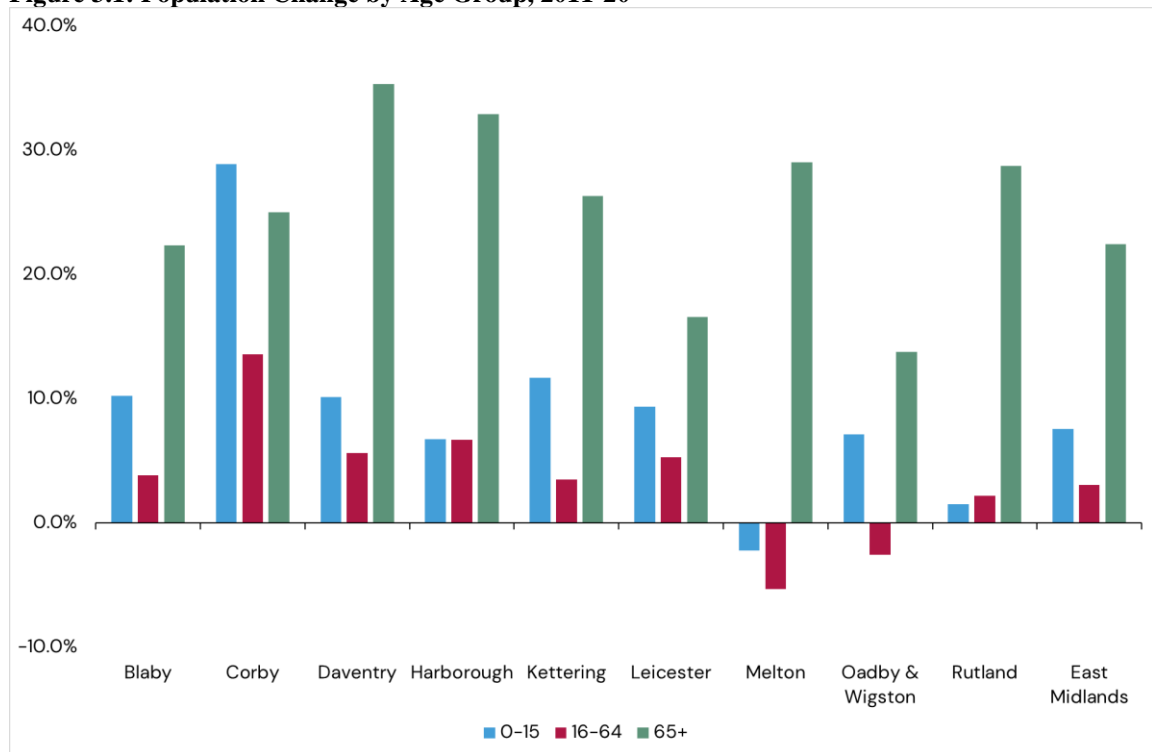
Table 3.1: Change in Total Population, 2011-20

	2011	2020	Change (No.)	Change (%)
Blaby	94,100	102,000	7,900	8.4%
Corby	61,600	73,100	11,500	18.7%
Daventry	78,100	87,000	8,900	11.4%
Harborough	85,700	95,500	9,800	11.4%
Kettering	93,800	102,200	8,400	9.0%
Leicester	329,600	354,000	24,400	7.4%
Melton	50,500	51,400	900	1.8%
Oadby & Wigston	56,000	57,300	1,300	2.3%
Rutland	37,600	40,500	2,900	7.7%
East Midlands	4,537,400	4,865,600	328,200	7.2%

Source: ONS, Mid-Year Population Estimates

- 3.4. It is possible to look in further detail as to which age groups are responsible for driving population growth in Harborough. Figure 3.1 shows the change in population by age group between 2011 and 2020. Over this timeframe the fastest growing age group in Harborough was those aged 65 and over. This cohort grew by 32.9%, equating to an absolute increase of 5,200 people. Harborough saw the second highest growth in this cohort amongst nearby local authorities, with Daventry being the only local authority with a higher growth rate at 35.3%. The growth of those aged 65 and over in Harborough was also significantly above the rate of growth seen in the East Midlands where this cohort grew by 22.5%. In the same time period, the number of people aged 0-15 and 16-64 in Harborough grew significantly less, at a rate of 6.7% (1,100) and 6.7% (3,600) respectively.

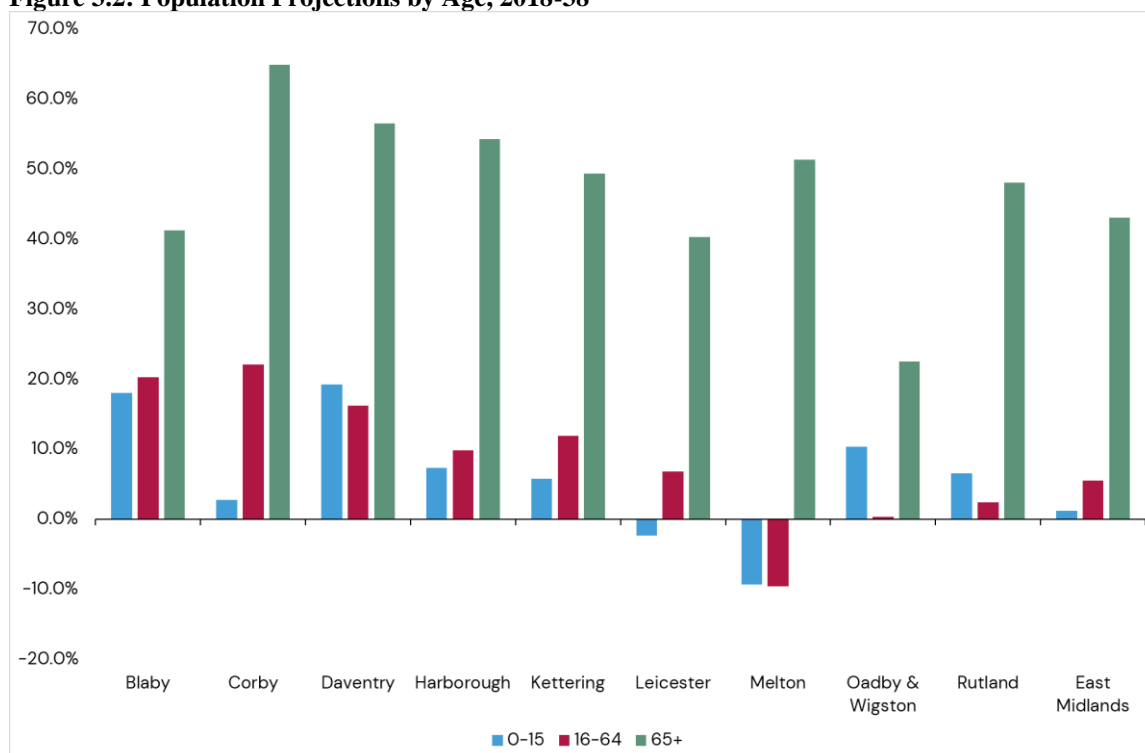
Figure 3.1: Population Change by Age Group, 2011-20



Source: ONS, Mid-Year Population Estimates

- 3.5. Figure 3.2 shows the population projections by age for Harborough and comparator areas, using the 2018-based subnational population projections produced by the Office for National Statistics (ONS). The total population of Harborough is projected to grow by 19.1% between 2018 and 2038, which would represent an absolute increase of 17,691 people. The highest growing age group in Harborough in this timeframe is those aged 65 and over, with an increase of 54.3% (10,961). Harborough is projected to have the third highest growth in people aged 65 and over when compared to nearby local authorities and the growth in this cohort is above the projected growth of 43.1% in the East Midlands.
- 3.6. The ageing population in Harborough makes it important that new jobs are created to attract people of working age to the area and to retain existing working age residents to support long-term sustainable population growth.

Figure 3.2: Population Projections by Age, 2018-38



Source: ONS, 2018-based Subnational Population Projections

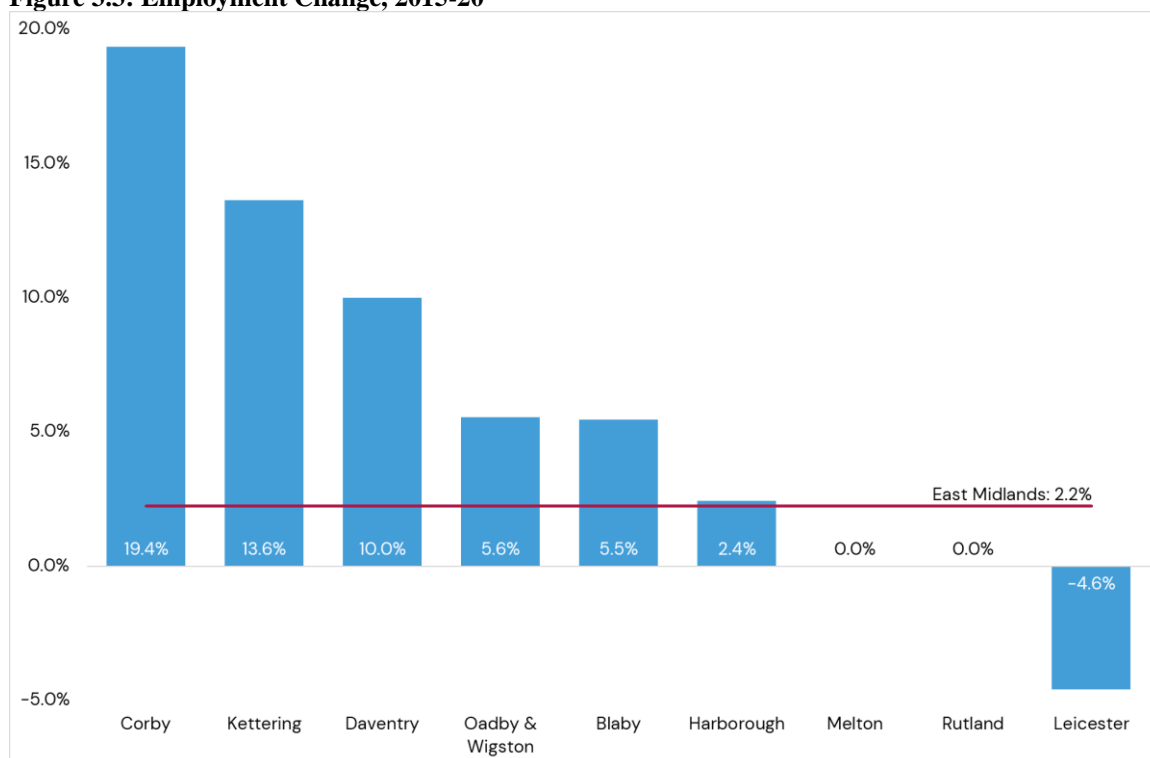
Commuting

- 3.7. Origin destination data from the 2011 Census show that 13,159 people live and work in Harborough. This represents 40.2% of all people that work in the local authority area. There are 19,561 people that work in Harborough and live elsewhere. The top areas that people are travelling into Harborough from are Leicester (3,737), Blaby (2,439), Hinkley and Bosworth (2,067), Rugby (1,318) and Kettering (1,267). There are 21,374 people that live in Harborough and work elsewhere with the most popular areas to commute to being Leicester (6,397), Blaby (2,920), Oadby and Wigston (1,628), Rugby (983) and Kettering (910).
- 3.8. Overall, Harborough has a net commuting outflow of 1,813 people based on the 2011 Census. Covid-19 will have changed commuting flows, with many people now dividing their time between home and their usual place of work. However, the level of out-commuting from Harborough means the issue of creating more jobs in the local area for residents is likely to remain a key issue, even accounting for the pandemic.

Employment

- 3.9. As of 2020, there are 42,000 jobs in Harborough, including self-employment. Between 2015 and 2020, employment in Harborough grew by 2.4%, an absolute increase of 1,000 jobs. The growth rate in Harborough was slightly above that seen in the East Midlands of 2.2%, however it was below the employment growth seen in other neighbouring authorities such as Corby (19.4%), Kettering (13.6%), Daventry (10%), Oadby & Wigston (5.6%) and Blaby (5.5%). With the UK economy forecast by the Bank of England to be moving towards recession, there is a risk that more areas start to see employment decline. This makes it vital for new job opportunities to be created and even though Harborough has performed slightly better than the region in recent years, it has lagged behind neighbouring authorities. The number of new jobs created by the new prison will support Harborough in making a more significant contribution to regional jobs growth, as well as providing long-term employment opportunities for local residents.

Figure 3.3: Employment Change, 2015-20



Source: ONS, Business Register & Employment Survey

Claimant Count

- 3.10. The claimant count records the number of people claiming Jobseeker's Allowance (JSA) plus those who claim Universal Credit and are required to seek work and be available for work. As of July 2022, the claimant count rate in Harborough was 1.7% (see Table 3.2), which represents 995 people aged 16+. This is above the rate of 1.2% seen in March 2020 prior to the Covid-19 pandemic. Between March 2020 and July 2022, the claimant count in Harborough increased by 0.5 percentage points, equivalent to 285 more people claiming benefits. There is a risk that the number of people claiming benefits starts to rise if the economy heads into recession towards the end of 2022/beginning of 2023.

Table 3.2: Claimant Count Rate as % of Residents Aged 16-64, March 2020 & July 2022

	March 2020	July 2022	Change (% points)	Change (No.)
Blaby	1.5%	2.1%	0.6%	375
Corby	3.5%	3.7%	0.2%	70
Daventry	2.1%	2.5%	0.4%	185
Harborough	1.2%	1.7%	0.5%	285
Kettering	2.7%	3.5%	0.8%	470
Leicester	3.4%	5.0%	1.6%	3,650
Melton	2.1%	2.4%	0.3%	100
Oadby & Wigston	1.6%	2.5%	0.9%	325
Rutland	1.2%	1.5%	0.3%	55
East Midlands	2.7%	3.3%	0.6%	17,305

Source: ONS

Deprivation

- 3.11. The 2019 Index of Multiple Deprivation provides an indication of the average levels of deprivation for Lower Layer Super Output Areas (LSOAs) across England. The index provides an overall assessment of the average levels of deprivation as well as an assessment against domains of deprivation. In total, England has 32,844 LSOAs, 46 of which fall within Harborough.

- 3.12. The scheme falls within the LSOA Harborough 007A, which has an overall rank of 10,733, putting it in the top 40% most deprived LSOAs in England. When looking at individual domains of deprivation, its lowest rank is in living environment where it ranks 23,198 putting it in the least deprived 50% of LSOAs for this domain.
- 3.13. The full list of the domain rankings for Harborough is set out in Table 3.3. The lower the number the more deprived the area is relative to other LSOAs nationally.

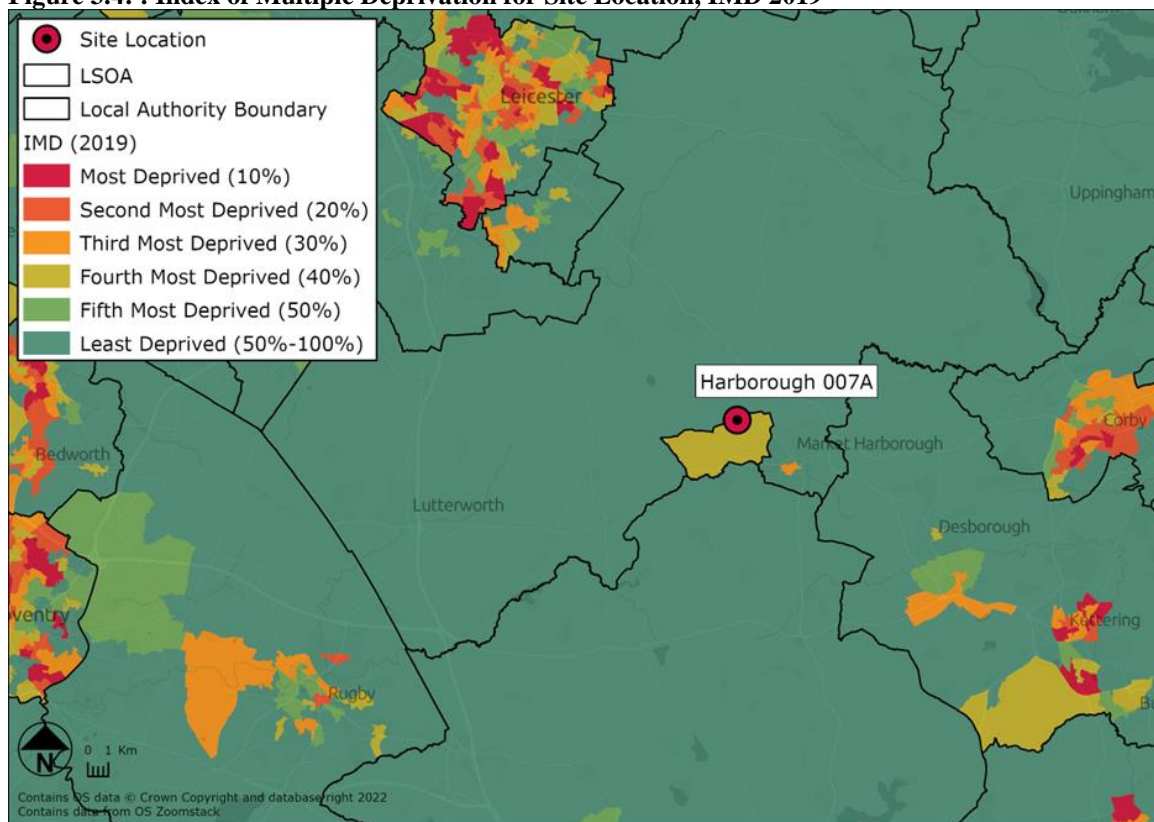
Table 3.3: Harborough 007A IMD 2019 Domain Rankings

Harborough 007A Rank (out of 32,844, 1 being the most deprived)	
Overall IMD	10,733
Income	9,600
Employment	14,702
Education & Training	10,134
Health	7,491
Crime	14,761
Barriers to Housing and Services	3,959
Living Environment	23,198

Source: Ministry of Housing, Communities & Local Government

- 3.14. Figure 3.4 maps the site location and Harborough 007A and shows overall IMD score by LSOA. Most of the LSOAs within the immediate surrounding area of Harborough 007A LSOA are in the top 50% least deprived LSOAs in the country. However, there are areas of deprivation to the north, east, south east and west, with some LSOAs falling into the top 10% and top 20% most deprived LSOAs in England. These areas could benefit from the new prison and the job opportunities it creates.

Figure 3.4: : Index of Multiple Deprivation for Site Location, IMD 2019



Source: Ministry for Housing, Communities & Local Government

Economic Development Objectives

Harborough Local Plan 2011-2031

- 3.15. The Harborough Local Plan (CD/I1) was adopted in April 2019 and covers the period from 2011 to 2031. The Plan sets out the future vision for Harborough, which includes the aim for the District to have a diverse and thriving economy with towns and villages acting as employment and service centres for their surrounding rural areas.
- 3.16. The Local Plan sets out 14 key objectives for the District, with objective two outlining how the District aims to promote sustainable economic growth. This includes enabling sustainable growth of businesses and to create more jobs to meet employment needs. One of the issues in Harborough is the reliance on its residents to commute out of the area for work. A key aim of promoting sustainable economic growth is to reduce the need for Harborough residents to out-commute and this will help increase the sustainability and self-containment of communities.
- 3.17. To meet the objectives of sustainable growth outlined in the Local Plan, more job opportunities need to be available locally to the residents of Harborough and the new prison will do this.

Harborough Economic Development Strategy

- 3.18. The District of Harborough published its Economic Development Strategy (CD/H7) in October 2019, for the period 2018-2023. The vision of the Economic Development Strategy is:
- “By 2023 Harborough District’s economy will have established a robust reputation as a dynamic, entrepreneurial, and attractive place to do business. Sustainable employment opportunities and district-wide prosperity will be achieved by developing home-grown enterprises and pro-actively attracting high-value businesses to the area.”*
- 3.19. Clearly the new prison will be built after the timeframe of 2018-2023 has come to an end, however it is still worth considering the Strategies main points because it is reasonable to expect them to remain valid post-2023. The Strategy is based on the Council’s three priorities outlined below:

1. The Place

- Keeping the district, a great place to live.
- Wider employment opportunities.
- Quality homes for all.
- Improving Tourism for the district.
- Infrastructure-led development.

2. The People

- More accessible services available 24/7.
- Increased participation in physical activity.
- Support vulnerable people.
- Stronger communities.

3. Your Council

- Deliver financial stability for the future.
- Effective and robust governance arrangements.

3.20. Looking specifically at the priority of Place in the Economic Development Strategy, the creation of wider job opportunities is still important in light of Harborough lagging behind neighbouring authorities in terms of labour market growth. As noted in chapter two of my PoE, the new prison will generate a significant number of permanent employment opportunities when it is built and operational.

4. Issues Raised in Statements of Case

- 4.1. The LPA's Statement of Case (CD/C4) provides a summary of the main economic and social benefits of the scheme. Gartree Action has also produced a Statement of Case (CD/C5), in which it states that it will be challenging the extent of the social, economic and environmental benefits described by the Appellant. In this chapter, I summarise the main points of each Statement of Case and consider them in further detail where necessary. I begin by looking at the LPA's Statement of Case.

Harborough District Council Statement of Case (CD/C4)

- 4.2. Paragraph 6.10.29 of the Council's SoC provides a summary of the economic and social benefits created by the scheme. This includes the 778 on-site jobs referred to in chapter two of my PoE. In terms of the social benefits, the SoC acknowledges that this includes:
- Local apprenticeship, training and supply chain opportunities being created throughout the construction and operational stages of the development.
 - The appointed contractor being contractually obliged to meet key performance targets, including: a 25% local spend within 25 miles of the site; £50,000 spend with voluntary, community and social enterprises; and at least one community project per year.
- 4.3. The Council also states in paragraph 6.10.11 that *"Officers have liaised closely with representatives of the MoJ and have secured an undertaking that a Local Labour Agreement will be secured as an obligation within any future S106 Agreement associated with the development."* The aim of the Local Labour Agreement is to increase the number of local residents that can access opportunities during the construction and operational phases.
- 4.4. Taking into account the economic and social benefits created by the new prison, the Council states at the end of paragraph 6.10.29 of its SoC that *"It is therefore considered that the proposals will have a major beneficial impact upon the socio-economic profile of the District and surrounding area..."*
- 4.5. The point around 25% of local contractor spend being within 25 miles of the site is an important one, as is the issue of the extent to which the local area benefits from the scheme. In terms of contractor spend, build costs are estimated at around £300million¹. Applying this to the 25% local spend figure referred to in the Council's SoC gives an estimated spend within 25 miles of the site of £75million. It does not seem unreasonable to conclude that this would represent a significant amount of money, helping to support growth in businesses involved in the supply chain of the prison's build phase.
- 4.6. In terms of the extent to which the local area benefits from the scheme, evidence is available on the build phase impact of other prisons. Drawing on information from the HMPPS Prison Supply Directorate, it is possible to do this for the new prisons at HMP Five Wells (Wellingborough) and HMP Fosse Way (Leicestershire). Table 4.1 presents the information and for completeness, the targets for Gartree are also included. These have been taken from CD/E2 – the Need Proof of Evidence produced by the HMPPS Prison Supply Directorate. Through the construction of the new prison at Gartree, HMPPS will create opportunities for people, including ex-offenders and prisoners Released on Temporary Licence (ROTL), to be trained and upskilled in construction.
- 4.7. As can be seen in Table 4.1, at least one third of all construction employment at HMP Five Wells and HMP Fosse Way has been taken by people living within 25 miles of the site. Apprenticeship opportunities have also been created at each prison, along with a significant number of work placement days and investment in voluntary, community and social enterprises. Clearly it is not possible to state with absolute certainty that such outcomes will be achieved at Gartree 2, however the strong performance of HMP Five Wells and HMP

¹ <https://www.harboroughmail.co.uk/news/crime/new-ps300-million-jail-is-set-to-be-built-next-to-gartree-prison-near-harborough-3288425>

Fosse Way in terms of the construction phase impacts is a positive sign that such schemes can deliver significant benefits to the areas in which they are built.

Table 4.1: Construction Phase Performance at HMP Five Wells & HMP Fosse Way

Targets for Gartree 2	What was achieved at HMP Five Wells	What has been achieved to date at HMP Fosse Way (as of June 2022)
25% local employment within 50 miles of site	37% local employment within 25 miles of site	33% local employment within 25 miles of site
25% of construction jobs given to former prisoners or those near to release	12% of construction jobs given to former prisoners or those near to release (of a total of 227 jobs)	21% of construction jobs given to former prisoners or those near to release (of a total of 335 jobs)
£50k spend with Voluntary, Community and Social Enterprises	£245k spend with Voluntary, Community and Social Enterprises	£475k spend with Voluntary, Community and Social Enterprises
15 targeted events, such as job fairs and school visits	<i>Not measured for this site</i>	25 targeted events, such as job fairs and school visits
1,750 Work placement Days	1,759 Work placement days	3,015 Work placement days
50 new apprentice opportunities	60 new apprentice opportunities	23 new apprentice opportunities

Gartree Action Statement of Case (CD/C5)

4.8. Chapter four of Gartree Action's (GA) SoC makes the following points in relation to the socio-economic benefits of the prison:

- GA will contend that the calculation or assessment of socio-economic benefits by reference to a 2013 report by Peter Brett Associates is problematic, given that report's reliance upon data from non-rural prisons (and exclusion of further data from another prison based on its rurality).
- GA will argue that the socio-economic benefits of this facility may be more attainable elsewhere.
- GA will argue that the socio-economic benefits will be mainly national or regional, especially noting the approach to construction taken at other prisons.
- In relation to the operational stage of the proposal, GA intends to provide evidence that local factors (such as Market Harborough's housing stock) are not compatible with the notion of creating c.700 unskilled/low skilled jobs within the area.
- GA will demonstrate that both the current HMP Gartree and the proposed facility will be in direct competition for staff with nine other HMP locations that hold c.20% of the total prisoner population of England and Wales.

4.9. Given GA will be producing more detailed evidence to support the points above, it is not possible to provide a full response at the current time. I give some initial views on the points and will explore them in more detail once I have reviewed GA's more detailed evidence on the socio-economic benefits of the prison.

GA comment – The 2013 PBA report excludes rural prisons from the analysis

4.10. This comment relates to a 2013 economic impact assessment of a new prison, undertaken by Peter Brett Associates (PBA) on behalf of the MoJ (CD/J1), which drew on case study evidence of the impact of four other prisons in England: HMP Belmarsh in Greenwich; HMP Whatton in Nottingham; HMP Forest Bank in Salford; and HMP Peterborough. GA correctly notes that the analysis did not consider data for rural-based prisons. Given HMP Whatton is in a rural area, it was ultimately excluded. Gartree 2 is also in a rural area and GA says that the reliability of the impacts calculated for the proposed scheme are undermined because of the omission of a rural-based prison.

4.11. In response to GA's comment, the job estimates at Gartree 2 have been provided by the MoJ and are in no way linked to the PBA analysis. The rural versus urban issue is therefore not relevant in this respect.

- 4.12. The PBA report also looks at the type of jobs created by a prison. While the examples used are urban-based, HMP Belmarsh, Forest Bank and Peterborough all have provision for Category B prisoners, which is what Gartree 2 will provide. It does not seem unreasonable to conclude that jobs created by the proposed scheme will be of a similar type to those supported by the three case study prisons. By contrast, the rural-based prison HMP Whatton holds Category C prisoners.
- 4.13. Based on the analysis presented in the PBA report, a diverse range of jobs are supported by a prison. Table 4.2 shows the job types identified from the HMP Belmarsh, Forest Bank and Peterborough case studies.

Table 4.2: Diversity of Jobs in Prison

Employment Category	Example Job Type(s)
Administration	Various levels (grades)
Agricultural, catering, building & allied trades	Kitchen staff, cleaners etc.
Chaplaincy	Chaplains (various religions)
Finance & procurement	-
Healthcare	Healthcare staff (various levels)
Instructional officers	Various trades/specialisms
Intensive development scheme	-
Managerial	Various levels
Operational support	Various levels (grades)
Prison officer	-
Psychologist	-

Source: PBA (July 2013), based on information from HM Prison Service

- 4.14. Within the employment categories outlined in Table 4.2, no or minimal qualifications exist as a pre-requisite for the job. However, the PBA analysis notes that, *“Within a number of these employment categories, no or minimal qualifications exist as a pre-requisite for the job, and the case study findings found that prison workers often progressed to higher levels through internal training. Therefore, even with a low skill and qualification starting base, the internal training offered by the prison leads to personal development for the workers and, importantly, provides opportunities for progression within the Prison Service.”*² The analysis also finds that more than 10% of prison jobs have a typical average skill level at entry of NVQ 4+ (degree or higher), which suggests employment opportunities will be created across the entire skills spectrum by the proposed scheme.
- 4.15. The stability of jobs created by a prison should also be noted. The PBA report states that *“What is distinct about the jobs at the new prison will be the employment stability it provides. The new prison would be expected to remain functional within a particular district for a long period. In addition because they are supported with public funds, they are not exposed to typical market conditions and the ‘boom and bust’ cycles present in the business world. Instead, new prisons would be likely to generate a stable supply of jobs for the longer-term.”*³ Reference to avoiding exposure to ‘boom and bust’ cycles is extremely relevant, given the strong possibility that the UK economy is heading towards recession over the next 12 months⁴.

GA comment – Benefits may be more attainable elsewhere

- 4.16. Without seeing GA’s more detailed evidence, it is not possible to provide a response to this comment at the current time.

GA comment – The benefits will be mainly national or regional

- 4.17. Looking at the construction phase benefits, the Local Area Agreement already referred to in my PoE will help to provide access to jobs for local people. Evidence from the build phases at HMP Five Wells and HMP

² Page 11, *Economic Impact of a New Prison: Final Report*. Peter Brett Associates, May 2013.

³ Page 13, *Economic Impact of a New Prison: Final Report*. Peter Brett Associates, May 2013.

⁴ <https://www.bbc.co.uk/news/business-62405037>

Fosse Way (as outlined in Table 4.1) also suggests that prisons can deliver significant benefits to the area in which they are built.

- 4.18. In terms of the operational phase impacts, the socio-economic statement prepared by Mace (CD/A12) estimates that 95% (737) of the 778 on-site jobs at Gartree will be taken by people living within 40 miles of the site. Clearly this is a large geographical area. However, the fact that 95% of jobs are expected to be taken by people living within 40 miles of the site is not surprising and this aligns with 2011 Census data on distance travelled to work. In Harborough local authority, the data show that 95% of residents travel up to 60km (37 miles) to work. For the East Midlands the figure is the same and for England it is only marginally higher at 96%⁵. The conclusion to draw from this is that it would be reasonable to expect any new scheme that creates employment in an area to attract the vast majority of people from within 40 miles of its site. The prison is no different in this respect.
- 4.19. A report produced by Peter Brett Associates in 2013 on the economic impact of a new prison (CD/J1) found that the average district containment rate for jobs in prisons was 54%. As already noted in paragraph 3.7 of my PoE, 2011 Census data show that around 40% of people living in Harborough also work in Harborough. As the GA SoC rightly points out, the 2013 study on the economic impact of prisons did not consider rural-based locations, therefore if a cautious approach to estimating jobs taken by Harborough residents is taken, the Census data can be used. If the 40% local jobs rate is applied to the 778 on-site jobs, this translates to 313 jobs being taken by residents of Harborough. It seems reasonable to conclude that this would be very much a 'local' benefit, rather than being considered a regional or national impact. The Local Labour Agreement referred to in paragraph 4.3 of my PoE will also help in ensuring that as many local residents as possible are able to benefit from the scheme.

GA comment – Local factors (including housing stock) are not compatible with the scheme

- 4.20. A full response to this will be provided once GA has produced its more detailed evidence. However, it is worth noting in relation to the point on housing stock that not all the c.700 jobs referred to by GA will actually be taken by people living in Harborough local authority, nor will they all be 'unskilled/low skilled' as GA suggests. As already highlighted in my PoE, just over 300 on-site jobs could be taken by residents of the area if you apply Census commuting rates. A number of these people are also likely to be existing residents of Harborough and will have a home, therefore the pressure on housing stock is unlikely to be as acute as GA appears to be implying.

GA comment – The scheme will be in direct competition with staff from nine other HMP locations

- 4.21. It is not disputed that the prison will be in competition for staff with other prisons around the country. On the issue of prison recruitment, the HMPPS workforce team has provided the following information on initiatives being implemented to improve recruitment and retention:

⁵ Based on analysis of Census table QS702EW. The analysis only includes people where their distance to work is known and does not include people who work mainly at or from home.



- Having experienced staff is vital to ensuring prisons remain safe, secure and decent and so they can support prisoners to lead crime free lives when they are released. HMPPS recognises the importance of retaining staff and is committed to improving retention.
- In addition to a retention toolkit that was launched in November 2021, an enhanced exit interview process has been added. This has been done to identify the drivers of attrition at an establishment and to enable appropriate responses at a local, regional and national level.
- Since April 2022 HMPPS has invested in a number of new initiatives to improve the onboarding of new joiners. This includes a new peer-to-peer learning scheme, the introduction of mentors for new colleagues and increased leadership training.

5. Conclusions

- 5.1. The Council's SoC acknowledges the "major beneficial impact" the new prison will have on the socio-economic profile of Harborough. By contrast, Gartree Action's SoC argues that the benefits should be discarded or given minimal weight in any planning balance exercise.
- 5.2. When considering the paragraph above, it is clear in my view that the new prison will create a number of significant economic impacts during its construction and operational phases: It is estimated that:
- 76 net additional temporary jobs will be supported during its construction, with a further 23 jobs supported by supply chain and employee spend impacts.
 - Once built and operational, 778 staff are expected to be directly employed at the prison. 313 of these roles (around 40% of all jobs) could be taken by people living in Harborough.
- 5.3. The creation of new employment opportunities is important for Harborough. While the District has relatively low levels of unemployment, it has lagged behind neighbouring areas in terms of jobs growth in recent years. In addition, it has a net outflow of commuters which suggests that people who live in Harborough will often be working in other local authority areas. Harborough also has an ageing population, which makes it important that new jobs are created to attract people of working age to the area and to retain existing working age residents. This will support long-term sustainable population growth in the area.
- 5.4. The social impacts of the new prison will also be significant. A Local Area Agreement will be secured as an obligation within any future S106 Agreement, which will increase the number of local residents that can access opportunities during the construction and operational phases. The appointed contractor for the new prison will be contractually obliged to meet key performance targets, including: a 25% local spend within 25 miles of the site (which could equate to £75million); £50,000 spend with voluntary, community and social enterprises; and at least one community project per year. Evidence from other new build prisons suggests that these targets will be met and potentially exceeded.
- 5.5. Drawing on case study evidence from other prisons that hold Category B prisoners, the proposed scheme will create permanent jobs across the entire skills spectrum. The on-site employment will be long-term, stable and be unexposed to any 'boom and bust' cycles.
- 5.6. Based on the analysis presented in this PoE, it is my view that the long-term benefits created for Harborough by the new prison during its construction and operational phases should be afforded significant weight from a socio-economic perspective.

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