



## **Proof of evidence of Andrew Hunt (for the Applicants) on Economic Benefit (CD38.3)**

Call-in by the Secretary of State of an application made by Omega St Helens Limited / TJ Morris Limited

Land To The West Of Omega South & South Of The M62, Bold, St Helens

LPA REF: P/2020/0061/HYBR

PINS REF: APP/H4315/V/20/3265899

**March 2021**

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# 1 Experience and Scope of Evidence

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## Qualification and Experience

- 1.1 My name is Andrew Stephen Hunt. I hold a Bachelor of Science Degree in Economics and Politics and a Master of Arts Degree in European Economics. I am a Member of the Institute for Economic Development.
- 1.2 I am a Director of the socio-economics team at Quod, one of the largest independent planning consultancies in the UK, with offices in London and Leeds. I have over 20 years' experience, principally acting as a planning and economics consultant in the private sector. I have advised clients over many years on a wide range of commercial, retail, housing, urban regeneration and infrastructure projects across the UK.
- 1.3 I have acted as an expert witness on many occasions including on the economic and regeneration impacts of commercial and infrastructure projects across the country.
- 1.4 I have read all of the background information and made such inquiries such as I consider necessary to fulfil my duties as an expert witness.
- 1.5 The evidence which I have prepared and now provide for this called-in planning application (St Helens Council reference P/2020/0061/HYBR) within this proof of evidence (PoE), is true and I confirm that the opinions expressed are my true and professional opinions.

## Scope of Evidence

- 1.6 My evidence is concerned with the need for employment land and the economic impacts that arise from the proposed Omega West development.
- 1.7 It responds to one of the matters about which the Secretary of State (SoS) has been asked to be informed, i.e.
  - *The extent to which the proposed development is consistent with Government policies for building a strong, competitive economy (NPPF Chapter 6);*
- 1.8 My evidence considers the extent to which the proposals contribute to meeting land, employment and economic policy objectives for the Borough of St Helens, its neighbours and the wider Liverpool City Region (LCR). It draws on the evidence of Mr Pexton (CD38.5), the demand and commercial witness, Mr Milloy for Miller Developments (CD38.8) and Mr Clarke for TJ Morris (CD38.7).

## 2 Planning Policy and Guidance

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### Introduction

- 2.1 There is a range of planning and economy policy at national, regional and local level that is relevant to this case. The planning policy aspects are principally dealt with in the evidence of Mr Bashforth but the specific aspects of policy relevant to my analysis, I highlight below.
- 2.2 The National Planning Policy Framework (NPPF) sets out the need to plan for economic growth. Alongside that, the UK government is committed to a more active and interventionist approach to what is sometimes called the “levelling up” agenda. This is focused on places that have suffered from poor economic performance over many years and, in the case of places like St Helens, for decades.
- 2.3 To support this, it has published a number of strategies and established funding programmes to enable places to invest and grow. These are also briefly summarised below.
- 2.4 The focus on growth is reflected in the policies of the Liverpool City Region (LCR) and at Borough level.
- 2.5 Policy sets out a clear, overarching need for more economic growth and in particular for more and better jobs in St Helens. St Helen’s history as a smaller town that has suffered from de-industrialisation and so has not punched its weight economically, is what the policy focus is about. It is core ‘levelling up’ territory and the approach to date has failed to boost employment with consequences for local residents in terms of unemployment, deprivation and ill health. Policy is now more strongly focused on tackling these issues and delivering the core requirement of more jobs.

### Relevant Planning Policy

- 2.6 As noted above relevant planning policy is set out in the proof of Mr Bashforth (CD38.4). In this section I briefly set out the implications of planning policy for considering the economic impacts of the scheme.

#### *National Policy*

- 2.7 Paragraph 8 of the National Planning Policy Framework (NPPF, CD1.1, p.5) sets out the overarching economic objective of a “strong, responsive and competitive economy” which is to be achieved by “ensuring that sufficient land of the right type is available in the right place and at the right time to support growth, innovation and improved productivity”. The second objective is “to support strong, vibrant and healthy communities.”
- 2.8 Paragraphs 80 and 82 of the NPPF (p.23) are also relevant. These require policies and decisions to create the conditions for businesses to invest and expand, support economic growth and allow

areas to build on their strengths. Paragraph 82 deals specifically with the provision of storage and distribution in suitable locations.

- 2.9 These apply directly to the storage and distribution needs of TJ Morris, a strong and successful local business seeking to invest and expand, and in doing so, to support local economic growth.

### *Local Policy*

- 2.10 The adopted local planning policy (St Helens Core Strategy, CD2.2) recognises the social and economic challenges that the Borough faces. Paragraph 2.2 (p.14) states that these go back over 30 years and paragraph 3.3 (p.23) states correctly that the Borough has some of the worst deprivation in the country.
- 2.11 In response it sets out an ambitious Spatial Vision at paragraph 4.2 (p.28) that recognises the advantage of its location on the M62 corridor between Liverpool and Manchester. Policies CSS1 (p.38) and CE1 (p.118) then set out policies to promote economic growth and regeneration, including linking deprived neighbourhoods to jobs (policy CE1.4, p.118). It is common ground with the Council that Policy CE1.1 (p.118), which sets out the amount of employment land required, is out of date (CD37.1 paragraph 8.23).
- 2.12 The St Helens Draft Local Plan (CD3.18), recognises that the objectives of the existing Core Strategy have not been achieved and, to the contrary, St Helens has become relatively more deprived (paragraph 2.4.2, p.8). Economic activity and employment rates, skills levels and average wages are still below national averages and recent rates of employment development and investment are substantially below those achieved in the 1990s (paragraph 4.6.4, p.21).
- 2.13 The draft Plan's Spatial Vision continues to focus on the Borough's excellent transport links and its location between Liverpool and Manchester. It then sets out a number of relevant strategic aims at paragraph 3.2.1 on p.13 (using the Plan's numbering):

*1.1 To promote regeneration by enabling steady and sustainable economic and population growth...*

*1.2 To reduce deprivation by ensuring that new development and investment can benefit deprived communities...*

*2.3 To contribute to the development of stronger and safer communities by prioritising new development and investment that can benefit those who are disadvantaged...*

*5.1 To maximise the contribution of St. Helens to the economy of the Liverpool City Region and adjacent areas, and meeting local employment needs, by ensuring an adequate supply of employment land and premises...*

- 2.14 The draft Local Plan sets much more ambitious targets for employment land. It recognises the need for significantly more land on large sites close to the motorway network (LPA02, p.17) and states that new development that would deliver regeneration will be supported (point 10).

- 2.15 Policy LPA03 (p.26) sets out key issues for improving the economic wellbeing of residents by creating jobs and training opportunities accessible by non-car modes; reducing inequality; and contributing to regeneration. Policy LPA04 (p.29) says that the Council will work with partner organisations to meet the LCR's economic growth needs and maximise the Borough's opportunities from its transport links.
- 2.16 To support this, the draft Plan (following its January 2021 modifications) allocates 219.2 ha of employment land (Draft Local Plan Schedule of Changes (October 2020), CD3.21, p.8). Further detail is set out on this requirement in Section 4 of this proof and in the Statement of Common Ground on Need (CD37.3).

### *Summary*

- 2.17 St Helens is one of the most deprived places in the country – it has neither a strong economy nor good social outcomes. The economic and social benefits of this proposal, the lack of alternatives and the contribution it will make to the achievement of the objectives of the NPPF, as further dealt with by Mr Bashforth in his evidence, are all factors that go to providing the very special circumstances required for development to be approved in the green belt.
- 2.18 Both adopted and emerging local policies recognise the longstanding challenges of jobs losses and deprivation which have worsened in recent years. In seeking to tackle these issues, both seek to take advantage of location on the M62 between Liverpool and Manchester.
- 2.19 The fact that adopted policy has failed to achieve significant regeneration and economic growth highlights the challenge of aligning policy with market demand and the need to make sufficient sites available where the market wants to deliver them and where they can contribute new employment.
- 2.20 Both plans seek to link areas of job growth with deprived areas but the key difference between them is that emerging policy, rightly, is much more ambitious in the scale of employment land proposed and recognises that this needs to be close to the motorway network with other measures (including public transport and training interventions) being used to ensure residents in deprived neighbourhoods benefit from development and growth.

### **Relevant Economic Policy**

- 2.21 "Levelling up" is at the heart of the Government's economic policy agenda and St Helens is one of the highest priority areas for the Government. This is demonstrated by:
- 2.21.1 St Helens being in the highest priority group of local authorities for the new Levelling Up Fund (CD43.39)
  - 2.21.2 St Helens being one of the 101 places identified as recipients of the Towns Fund (CD43.40)

2.21.3 St Helens being part of the successful Liverpool Freeport bid - a flagship programme contributing to levelling up (CD43.41)

2.22 The March 2021 Budget (CD43.52) set out more detail on each of these policies. Those announcements were built around a new growth strategy (Build Back Better: our plan for growth) which itself builds on a range of other policy, including the UK Industrial Strategy (CD5.55) and the Liverpool City Region's (LCR's) Draft Local Industrial Strategy (CD5.92) and Growth Strategy (CD5.56). These sit alongside the National Infrastructure Strategy (CD43.46) and the Northern Powerhouse Strategy (CD43.47).

#### *Build Back Better: our plan for growth*

2.23 The March 2021 budget was preceded by the 2020 Spending Review (CD43.53) which put "levelling-up at the heart of policy making" (p.2). It launched the £4.8 billion Levelling Up Fund and provided further details on the Towns Fund (p.36) where St Helens was included in the first tranche of 101 bidders for up to £25 million from the £3.6 billion fund.

2.24 Build Back Better: our plan for growth (CD43.42) highlights the importance of private sector investment, as "*a vital complement to planned public sector investment, and so it is crucial that we create the right conditions to unlock that investment and create jobs and growth.*" (p.19).

2.25 It sets out a "new economic approach" including to "invest in towns across the UK, connecting people and places to high quality jobs, driving private sector investment, and creating places where people feel secure and feel proud to live" (p.71).

2.26 The Levelling Up Fund: Prospectus (CD43.39), is a competitive fund, with funding "targeted towards places in England, Scotland and Wales with the most significant need, as measured by an index taking into account the following the following place characteristics:

- need for economic recovery and growth;
- need for improved transport connectivity; and,
- need for regeneration' (p.14)

2.27 St Helens is in the highest priority category for support from this fund.

2.28 The budget also announced the successful bids to become Freeports. The bidding prospectus (CD43.41) describes them as, "*a flagship government programme that will play an important part in the UK's post Covid economic recovery and contribute to realising the levelling up agenda.*" (p.6). The second (of three) Freeport objectives is "Regeneration and Levelling Up" (p.9); delivering that is the lead criteria of the five set out and against which bidders have to score at least "medium" to succeed (p.40).

2.29 Again, the success of the LCR Freeport bid (which includes St Helens) highlights the Government's focus on, and support for, levelling up the Borough.

#### *Industrial Strategies*

- 2.30 The principles behind levelling up also underpin the UK Industrial Strategy (CD5.55) which recognises the importance of every part of the UK in boosting the national economy. It acknowledges that *“many places are not realising their full potential”* (p.216).
- 2.31 It has five “foundations”: ideas (innovation), people (jobs), infrastructure, the business environment and places (p.10).
- 2.32 The Chapter on People again recognises the need for levelling up and states that, *“We need to narrow disparities between communities in skills and education”* (p.94).
- 2.33 Similarly, the Chapter on Places states, *“Many places are not realising their full potential. The UK has greater disparities in regional productivity than other European countries. This affects people in their pay, their work opportunities and their life chances.”* It goes on to say that, *“We will continue to build the Northern Powerhouse and Midlands Engine to help create prosperous communities throughout the UK.”* (p.216).
- 2.34 The LCR has a draft of its Local Industrial Strategy (CD5.92). It has the same five foundations as the overarching UK strategy and highlight’s the region’s challenges – widescale multiple deprivation and persistent systemic challenges that undermine the prosperity of communities and limit the potential of people to access good work and improve their earning power.
- 2.35 Preceding the draft LIS was a Growth Strategy (CD5.565) that seeks the creation of over 100,000 additional jobs in the LCR by 2040 (p.9). It identifies a need to close the wealth gap as well as business and skills gaps (p.11). It highlights the importance of SuperPort and Liverpool as catalysts for growth (p.54).
- 2.36 The strategy recognises that at the heart of the region’s problems is a lack of jobs and its focus is on addressing that. It states:
- 2.36.1 *“An historic skills gap, too few private sector jobs, high levels of worklessness and pockets of concentrated poverty are the biggest barriers to growth.”* (p.5)
  - 2.36.2 *“Our proposed strategic interventions will lead to new jobs, new opportunities and improved prosperity and quality of life right across the Liverpool City Region [...].”* (p.9)
  - 2.36.3 *“Jobs gap - We have the lowest employment rate of the 63 largest cities in the country (just working age residents) and very low jobs density compared with other core cities.”* (p.14)
  - 2.36.4 *“Worklessness - High levels of long-term sickness and significantly higher proportions of workless households than the national average. We have the 4th highest work claimant rates of any UK city, at 3.6% of population.”* (p.14)
- 2.37 The strategy is supported by a Strategic Housing and Employment Land Market Assessment (SHELMA), the conclusions of which are discussed in Section 4 below.

## Other National Policies



- 2.38 The National Infrastructure Strategy (CD43.46) aims to “level up the whole of the UK” where “the growth of every region and nation in the UK is vital, not just to boost economic growth and productivity, but to create a stronger, fairer and more inclusive society” (p.27).
- 2.39 On “levelling up” it sets out how the government will boost growth and productivity across the whole of the UK, levelling up and strengthening the Union: the government wants to level up communities and nations across the UK through investment in rural areas, towns and cities, from major national projects to local priorities (p.8).
- 2.40 On page 29 it states,
- “From Teesside to Tonbridge, from Bury to Bristol, from Lewis to Lewes, and from Portadown to Penzance, the government is determined to level up the opportunities available everywhere, boosting jobs, wages and prospects for all communities. The economic opportunities available to many people depend on where they were born, grew up and still live – around 40% of the UK population live within the local area where they were born. These economic opportunities are therefore dictated in practice by the nature of their local economy.”*
- 2.41 The Northern Powerhouse Strategy (CD43.47) sets out “a vision for joining up the North’s great towns, cities and counties, pooling their strengths, and tackling major barriers to productivity to unleash the full economic potential of the North” (p.5).
- 2.42 The Northern Powerhouse Independent Economic Review (CD43.48) identifies the logistics sector as an “Enabling Capability” meaning it is, “vital in allowing the proposed prime capabilities (i.e. Advanced Manufacturing, Energy, Health Innovation and Digital) to realise their potentials in overseas markets” (p.15).

## Conclusions

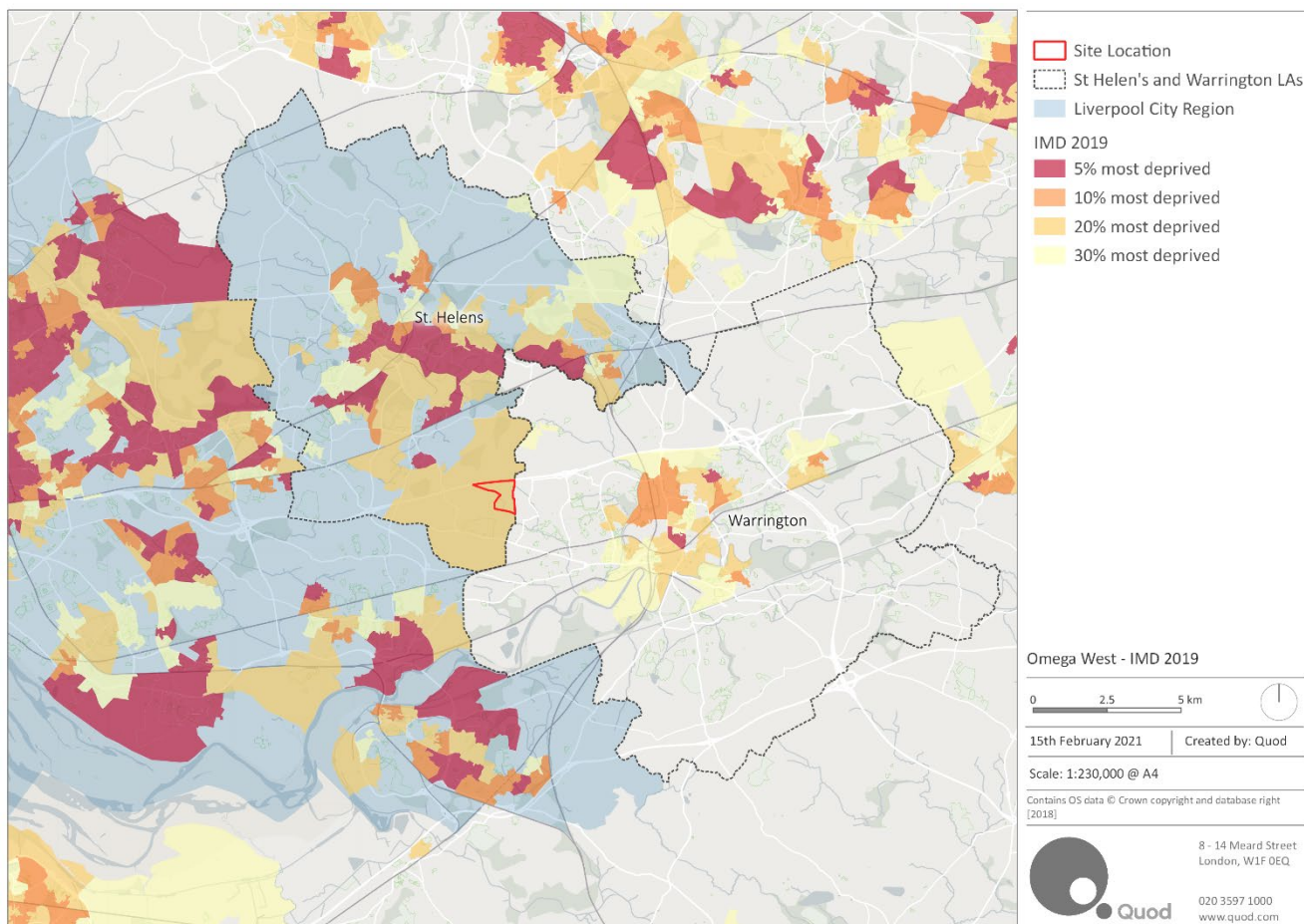
- 2.43 Policy at national, regional and local level supports regeneration and employment growth in St Helens.
- 2.44 As a highly deprived place, St Helens has significant new policy and financial support as part of the Government’s “levelling up” agenda.
- 2.45 The economic and social objectives of the NPPF make clear the need to deliver new employment opportunities and help tackle deprivation.
- 2.46 The emerging Local Plan makes clear that the adopted Core Strategy has failed to arrest the decline of the Borough and relative deprivation has increased. The causes of this are complex, but without doubt the failure to allocate more than 37ha of employment land and focusing what has come forward in a relatively small area has contributed to the failure to grow employment.
- 2.47 The Core Strategy rightly notes the need to link deprived areas with jobs – both in terms of transport and skills interventions that allow people from the deprived parts of the Borough to access new jobs.

- 2.48 The ambition of the draft Local Plan is more closely aligned with the scale of the challenge. It acknowledges the need for more employment land to be allocated. In practice the market will invest in those locations where there is occupier demand, this needs to be reflected in land allocations or, again, the area risks losing out on investment.
- 2.49 There is strong policy support for development that delivers regeneration within key settlements and for the creation of apprenticeships and training opportunities for local people.
- 2.50 St Helen's is precisely the type of place that all National and Regional economic development and planning policy says investment is urgently needed. Without such investment unemployment and deprivation will remain acute impacting directly on residents' health and wellbeing.

### 3 Socio-Economic Context

- 3.1 St Helens is one of the most deprived places in England. Large parts of the Borough are in the top 5% and 10% of the most deprived areas on the official national measure of deprivation, the Government's Indices of Multiple Deprivation (IMD), as shown in red and the darker orange respectively on this map:

Figure 3.1: Indices of Multiple Deprivation



Source: Ministry of Housing, Communities and Local Government, English indices of deprivation 2019

- 3.2 It is significantly more deprived than neighbouring Warrington, which has seen employment and economic growth in recent years.
- 3.3 The extent and types of deprivation are set out in the Statement of Common Ground (CD37.1) from paragraph 7.13. The IMD consists of seven “domains” and St Helens ranks 26<sup>th</sup> most deprived (of 317 local authorities) for the proportion of its neighbourhoods in the 10% most deprived nationally. Its performance on the individual employment domain is even worse where its average rank is 9<sup>th</sup> and on the health domain it is ranked 8<sup>th</sup>. The two are of course linked with the lack of jobs and unemployment leading to poor health outcomes.

3.4 The employment domain ranks the proportion of the working-age population in an area involuntarily excluded from the labour market. This includes people who would like to work but are unable to do so due to unemployment, sickness or disability, or caring responsibilities.

3.5 Underlying this is a shortage of jobs. This is recognised in policy as a longstanding problem. Paragraph 2.2.2 of the January 2019 Submission Draft of the Local Plan (CD3.18) states (p.7):

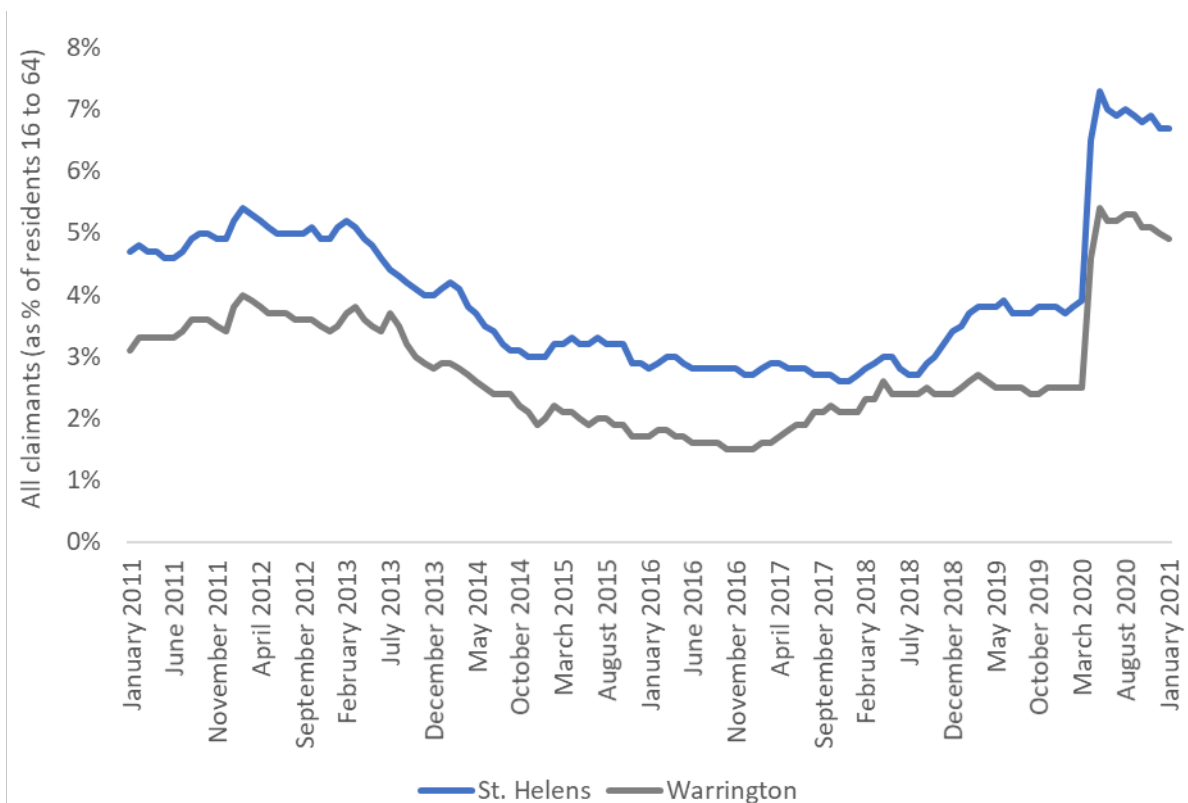
*“In recent decades the traditional industries have declined in importance, with a corresponding reduction in jobs and business opportunities, and the creation of a legacy of derelict and (in some cases) contaminated land. These issues lie at the heart of many challenges facing the Borough.”*

3.6 St Helens has high levels of economic inactivity and unemployment. In January 2021, there were 7,365 residents of St Helens who were claiming benefits principally for the reason of being unemployed – this was equivalent to 7% of residents aged 16 to 64. The equivalent figure for Warrington was 5%.

3.7 Figure 3.2 shows the rate of claimants as a percentage of residents aged 16 to 64. This shows St Helens has consistently had higher unemployment rates than Warrington.

3.8 It also shows the effect of the Covid-19 in increasing the number of claimants: increasing the claimant rate by two to three percentage points in both St Helens and Warrington in 2020.

Figure 3.2: Claimant rate (all claimant as % of residents 16 to 64)



Source: ONS, 2021. Claimant Count

3.9 In 2019, there were 23,000 residents (16-64) who were economically inactive, of which 5,100 wanted a job. This means they were not actively seeking work<sup>1</sup> but they still wanted a job. This would include those who are discouraged from seeking work due to a long term shortage of suitable opportunities. A further 5,000 residents (16 to 64) were unemployed and actively seeking work.

3.10 This means there were 10,100 residents wanting employment, equivalent to 9% of the 16 to 64 population. This is significantly higher than Warrington where 6,600 residents (5%) aged 16 to 64 are either unemployed or economically inactive but want a job.

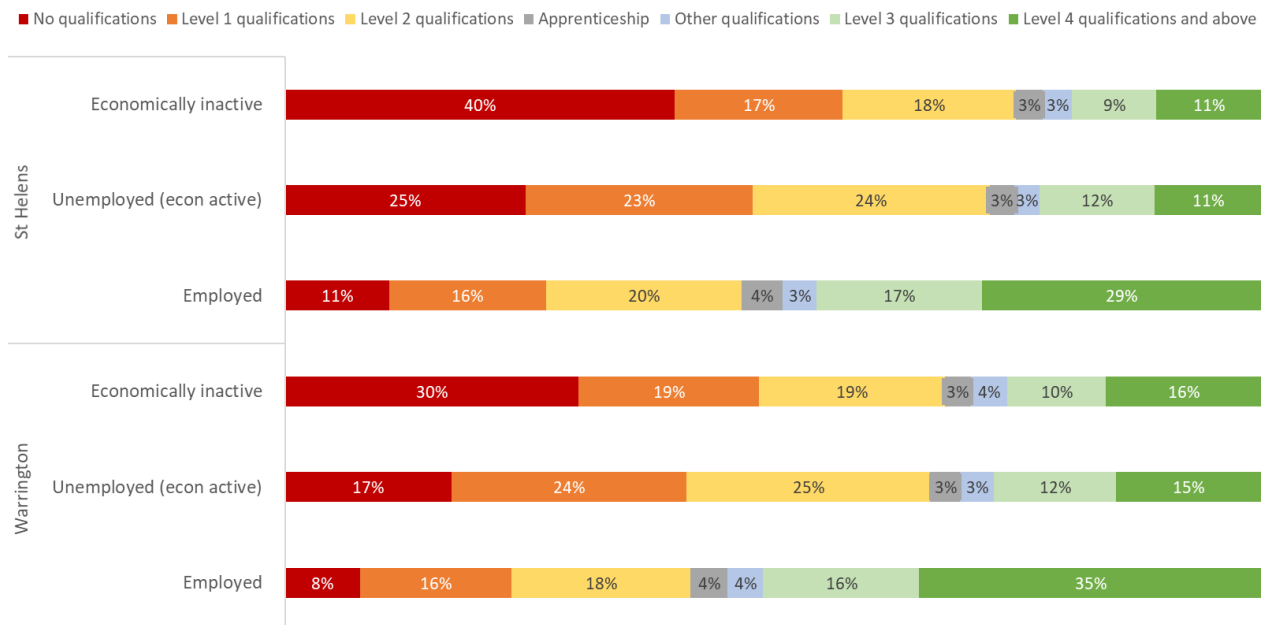
3.11 The latest available data on qualification by economic activity is the 2011 Census. This shows that there are particularly low levels of qualification amongst residents of St Helens who are either unemployed or economically inactive (including both those residents who do and do not want a job).

3.11.1 40% of economically inactive residents of St Helens have no qualifications (30% in Warrington) and 17% only have level 1 qualifications (19% in Warrington)

3.11.2 25% of unemployed residents of St Helens have no qualifications (17% in Warrington) and 23% only have level 1 qualifications (24% in Warrington)

3.11.3 This compares higher level of skills amongst employed residents of St Helens and Warrington.

Figure 3.3: Qualification by economic activity (residents 16 to 64)



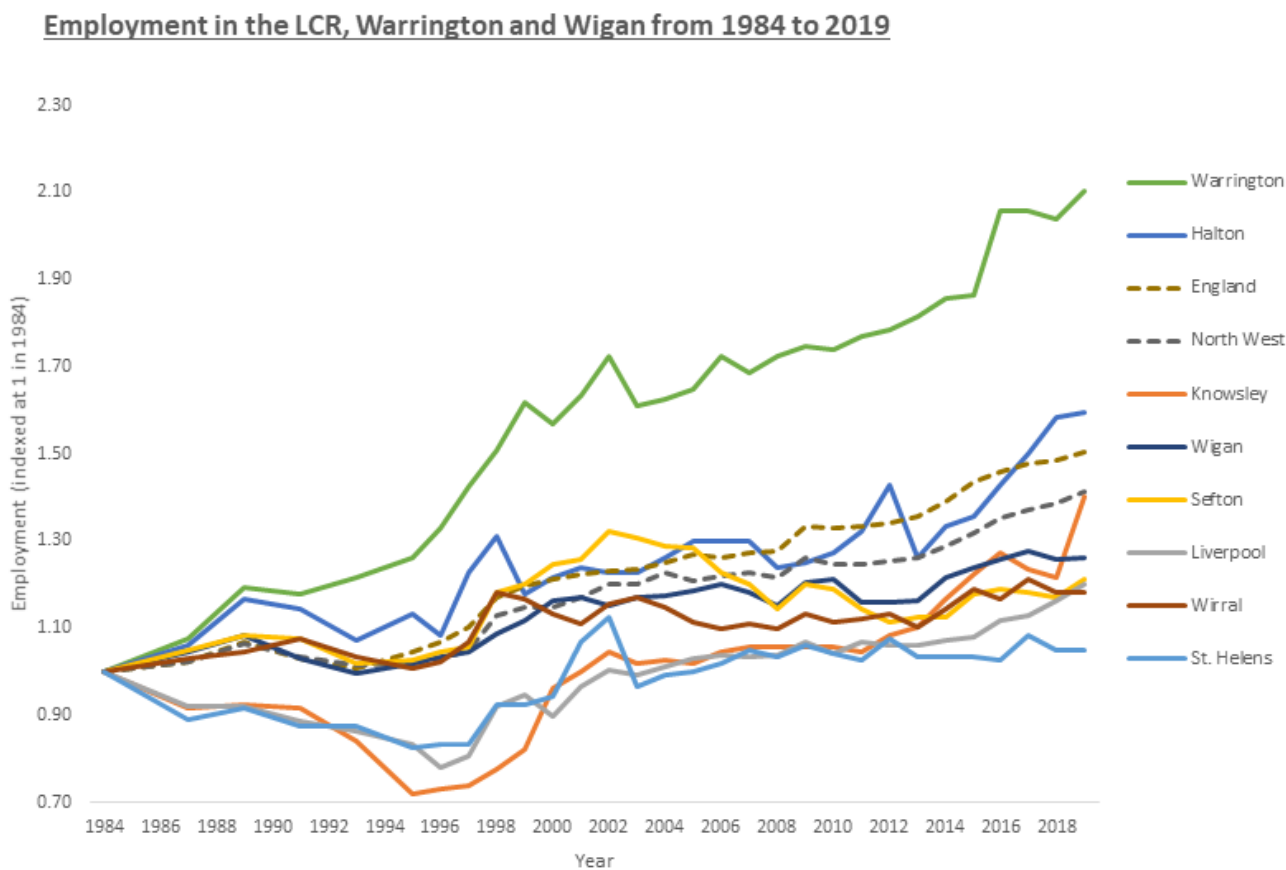
Source: ONS, 2011 Census

<sup>1</sup> Not actively seeking work the four weeks before being surveyed (and/or could not start a job in the next two weeks) – based on the Labour Force Survey definition of Economic Inactivity.

3.12 Whilst these issues are not unique to St Helens, it has been significantly less successful than its neighbours in securing new employment opportunities for its residents. Figure 3.4 shows how the number of jobs has changed in the boroughs that make up the Liverpool City Region (LCR), compared with neighbouring Warrington and the regional and national averages.

3.13 Since 1984, the number of jobs in St Helens has barely changed (uniquely in the LCR), whilst in Warrington it has more than doubled and in Halton it has grown by 50%. St Helens is the worst performer, significantly below the regional and national averages.

Figure 3.4: Index of Employment Trends Since 1984

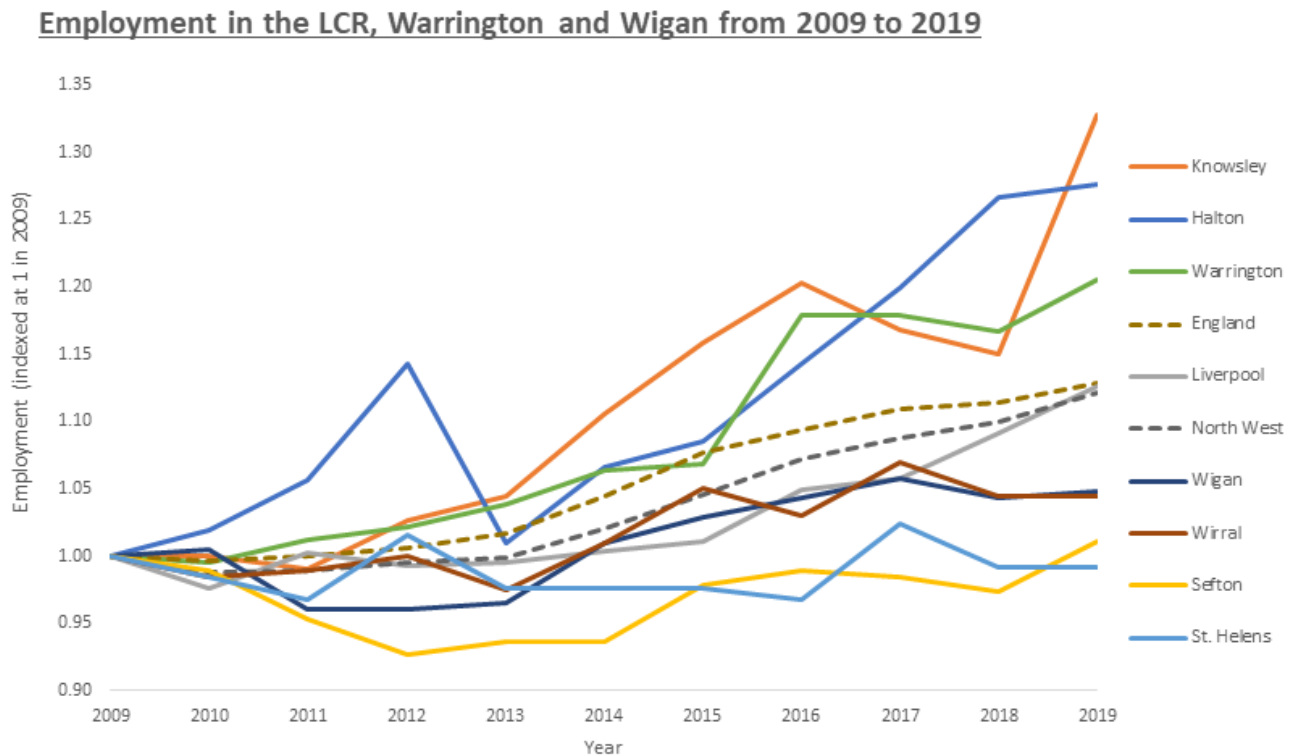


Source: Census for Employment, 1984 – 1990; Annual Employment Survey, 1991 – 1997; Annual Business Inquiry, 1998-2008; Business Register and Employment Survey, 2009 – 2019.

3.14 The pattern is similar over more recent years. Over the last economic cycle (broadly 2009 to 2019) St Helens has again seen little jobs growth whilst Knowsley’s number of jobs has risen by over 30% and Halton by 25%. Again, St Helens is the worst performer, significantly below the regional and national averages.



Figure 3.5: Index of Employment Trends Over the Last Economic Cycle

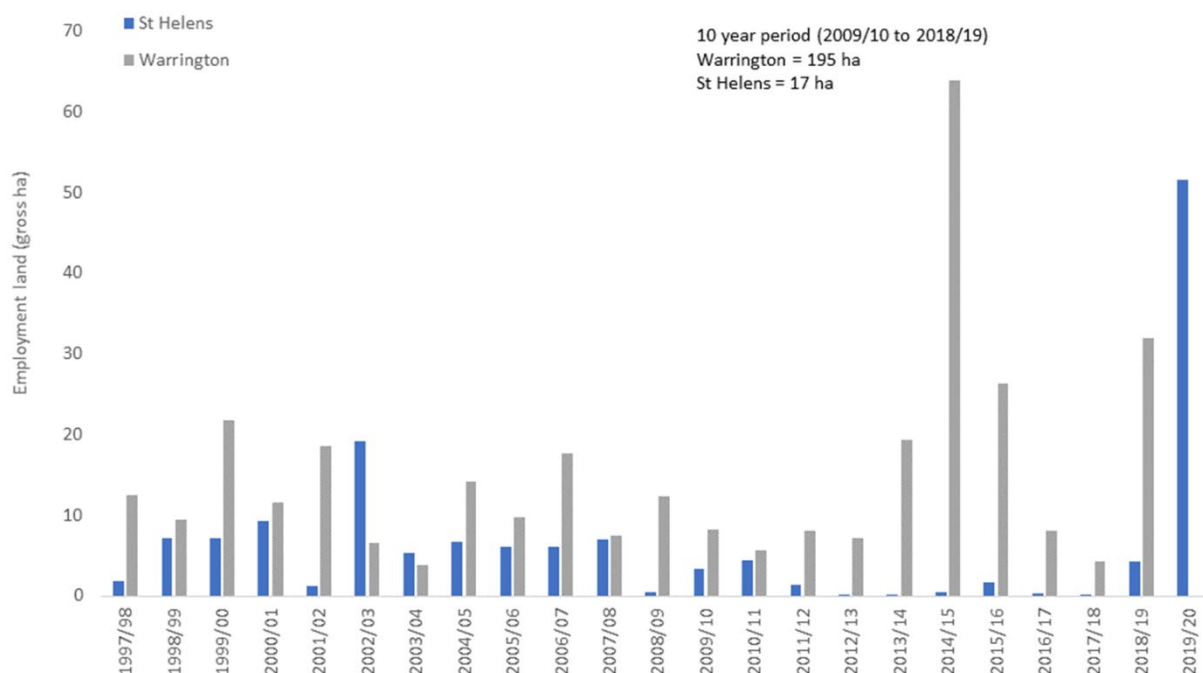


Source: Business Register and Employment Survey, 2009 – 2019.

- 3.15 As a result of this lack of growth, it has one of the lowest ratios of jobs to residents – known as job density. According to the Office for National Statistics, St Helens has 0.62 jobs per resident aged 16-64 – the 333<sup>rd</sup> of 382 lower tier UK authorities. In contrast, Warrington has 1.18 jobs per resident and ranks 22<sup>nd</sup>.
- 3.16 The average number of jobs per resident in the UK is 0.86. St Helens would need an extra 27,000 jobs just to reach the average. Reaching the LCR average would require an additional 15,000 jobs.
- 3.17 Warrington has a slightly bigger working age population (approximately 130,000 compared to around 110,000 in St Helens) but a much larger number of jobs (154,000 compared to 69,000).
- 3.18 Since 2001, Warrington has grown its employment from 119,000 to 154,000 and its job density from 0.95 to 1.18. Over that period, the equivalents for St Helens are jobs decline from 70,000 to 69,000 and job density is unchanged at 0.62.
- 3.19 Part of the reason for Warrington’s success has been its willingness to consent large B2/B8 employment space. By contrast, until recently St Helens has seen limited delivery of such floorspace.
- 3.20 Figure 3.6 shows take up of all employment land in St Helens and Warrington. In the ten year period (2009/10 to 2018/19) employment land take-up in Warrington was 195 ha, compared to 17 ha in St Helens.

3.21 The take-up in St Helens in 2019/20 has largely been driven by sites that have been allocated in the St Helens draft Local Plan.

Figure 3.6: Employment land take-up (St Helens and Warrington)



Source: Warrington EDNA Update 2019, Warrington Annual Monitoring Report 2019, St Helens Local Plan - Employment land need and supply background paper (ELNSBP October 2020), St Helens Employment Land Needs Study (ELNS) 2015

3.22 St Helens enjoys many of the factors that have underpinned Warrington’s success – motorway access and land. As Warrington becomes constrained there is a major opportunity to capture more growth.

3.23 The Warrington Economic Development Needs Assessment (EDNA 2019) (CD5.155.7) highlights the importance of Omega as: “a strategic site with a market which is regional and national in scope, delivering B2 and B8 properties of an exceptional size in the local context. It has recently helped to satisfy a pent up regional demand for larger B2 and B8 options” (Paragraph 6.11, p.113).

3.24 Paragraph 4.39 of Mr Pexton’s proof (CD38.5) highlights the regional importance of Omega Warrington and its growth since 2012. Paragraph 4.44 goes on to summarise: “In summary there is a strong market for logistics in the North West. Over 652,462 sq. m of predominantly logistics floorspace has been developed in the Greater Warrington submarket area since 2012 mainly at Omega. M6 Major/Florida Farm and Omega are both located within the core M6 market area and show the level of take up and attractiveness of the location to the market.”

3.25 He goes on to highlight the market demand for employment land in the Warrington / Omega area: “In summary the wider Warrington/M6 market is a strong location with five lettings of large floorplate units totalling 178,220 sq. m in the last three years. This shows the demand for a popular



*location. In terms of demand regionally there are twenty enquiries for units of 27,870 sq. m or over, eleven of these totalling 501,660 sq. m are focussed on the wider Warrington area. This confirms the need for the subject site. If Omega West was developed specifically for these requirements it can only satisfy 123,930 sq. m or 24.7% of the wider Warrington demand further highlighting the lack of supply.” (Paragraph 6.12).*

3.26 This further demonstrates the need for development in this location.

## Conclusions

3.27 St Helens is one of the most deprived places in the country, and in particular in terms of employment, which is one reason it is a focus for levelling up and job creation. St Helens has relatively high levels of unemployment – it has just over 10,000 people (9% of its working age population) who want a job.

3.28 Underlying this is a lack of jobs. The decline of traditional industries has not been offset by the growth of new sectors. Employment has barely grown in St Helens since 1984 - the worst performance in the Liverpool City Region and significantly worse than neighbouring Warrington where employment has more than doubled.

3.29 As a result, St Helens has a very low job density at 0.62 jobs per working age resident (333<sup>rd</sup> of 382 UK lower tier authorities). St Helens needs 15,000 extra jobs to reach the LCR average and 27,000 to reach the national average.

3.30 This contrasts with neighbouring Warrington where the number is 1.18, up from 0.91 in 2001 and ranks 22<sup>nd</sup>.

3.31 Part of the reason for Warrington’s success has been the delivery and take up of large amounts of B2 and B8 space. From 2009-2019 (broadly the last economic cycle) take-up in Warrington was 195ha compared to 17ha in St Helens.

3.32 St Helens enjoys many of the factors that have underpinned Warrington’s success – motorway access and land. As Warrington becomes constrained there is a major opportunity to capture more growth and in doing so both tackle deprivation and contribute to regional economic growth and levelling up.

## 4 Employment Land Requirements

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### Introduction

- 4.1 The Statement of Common Ground on Need (SoCGN) (CD37.3) summarises the relevant evidence base documents from both the St Helens draft Local Plan and the Liverpool City Region (LCR). The key points are:
- 4.1.1 St Helens has based its Objectively Assessed Need (OAN) on two components - a baseline growth rate based on historical take-up of land from 1997-2012 and a strategic uplift based on rising demand from Liverpool SuperPort and the delivery of the Parkside Strategic Railfreight Interchange within the Borough
  - 4.1.2 OAN is defined as 219.5ha for from 2012-2035 resulting in a residual requirement (net of delivery) of 165ha from 2020-2035
  - 4.1.3 The LCR has identified a need for 1.59m sqm of strategic B8 across the region from 2014-2037. Using a plot ratio of 40% and a buffer of 10%, this translates into a need of 437ha. It has also identified a need for up to 437ha of B2 and 118ha of small scale B8 and potentially for specialist uses (eg port-related functions)
  - 4.1.4 SHBC has identified 265ha of land to be allocated, 31.2ha of which are to meet Warrington's needs covering part of the Omega West site, leaving 234ha to meet St Helens need. 52ha of this has already been delivered and some is not due to be delivered until after the plan period
  - 4.1.5 Of the 265ha of proposed allocated land, 251ha are also identified by LCR to meet the regional need.
  - 4.1.6 The LCR documents identify a number of sites to meet its identified need that are not yet allocated by individual councils.
- 4.2 The draft Local Plan includes a significant increase in employment land. This is to meet both the needs of St Helens (based on historic take-up) and a strategic element that effectively increases the share of the LCR's growth that would be taken by St Helens.
- 4.3 Given the failure to increase employment in the last 20 years, the need for more jobs and regeneration and the policy priority for levelling up that St Helens has, planning for more jobs is the right approach. If adopted, the draft Local Plan would see St Helens taking a larger share of the LCR's jobs as well as some of Warrington's unmet need for employment land. Again, given the high level of need, the opportunity and the lack of alternatives elsewhere in the area, this is the right approach.
- 4.4 The section sets out analysis that shows the LCR need could be higher which in turn may require additional sites in St Helens. Furthermore, the ability of the proposed allocated sites to achieve the employment floorspace and jobs may be lower than assumed and there may not be enough sites in the early years to meet need. Delivery of some sites is also likely to extend beyond the

plan period. All of these would have implications for delivering more jobs – the thing St Helens needs most. Given the need for more jobs, the current plans should not be seen as an upper limit on land to be delivered. Even with all the allocated sites fully space built out, there will still be fewer jobs per working age resident than the LCR average, which is itself lower than the national average.

## LCR need could be higher

- 4.5 Although St Helens has included a strategic uplift to meet LCR in its estimate of OAN, the requirements of the LCR have been underestimated.
- 4.6 In addition to the strategic need for B8. The LCR SHELMA (2018) (CD4.160) identifies the need to accommodate potential for additional land for specialist employment uses (p.169):
  - 4.6.1 The potential additional land requirements for commodities storage which could arise from port expansion/ freight growth. Given the economic success of the Port of Liverpool and the designation as a Freeport in the March 2021 budget, this could be significant; and
  - 4.6.2 Whether additional employment land could be required to support major inward investments to the area, and how this might be dealt with.
- 4.7 The LCR SHELMA (2018) also identified a need across the LCR (including West Lancashire) for (p.157):
  - 4.7.1 B2 land: an additional 139.8 ha to 437.3 ha requirement between 2012 and 2037 (SHELMA Table 62) and
  - 4.7.2 Small scale B8 land: an additional 118 ha requirement between 2012 and 2037(SHELMA Table 62)

### *Land Requirement for Commodities Storage*

- 4.8 The LCR SHELMA 2018 (CD4.160) reflects the conclusions of the Mersey Port Masterplan (June 2011).
- 4.9 It states that the Mersey Port Masterplan “*envisages growth in container cargos; in trade on the roll-on, roll-off (RoRo) ferries to Ireland and the Isle of Man; in trade of cars (which represents a significant growth opportunity); in animal feedstuffs and biomass; other dry goods; steel and metals; forest products (reflecting the re-emergence of the North American market and increased Far East production); and in other bulk liquids*” (Paragraph 13.3, p.169).
- 4.10 It then summarises the conclusions of the Ports Masterplan as identifying requirement of 228 ha of employment land (excluding 113 ha for port-centric logistics) (p.170):
  - 4.10.1 Associated with commodities of 57 ha over the period to 2020, and a further 66 ha to 2030, totalling 123 ha. This excludes what it identified as a requirement for

port-centric warehousing as this is captured in the SHELMA modelling of demand for B8 warehousing development. (Paragraph 13.6)

4.10.2 A need for 30 ha to support development of the off-shore wind sector, 18 ha for biomass energy, and 57 ha for processing uses linked to cargos to 2030 (Paragraph 13.7).

4.11 This results in a total requirement of 340 ha of employment and, taking into account the land that can be accommodated within the Ports Masterplan, results in an unallocated requirement of 42.5 ha (Paragraph 13.8, p.170).

4.12 Dock infilling is “*an unsustainable solution*” (Paragraph 13.9, p.171) and so remote operations are considered. It is noted that this may “*necessarily be additional to the wider modelling undertaken (in particular for strategic B8 development)*” although it is likely that some of this space is not accounted for within the strategic modelling.

### *Further Port Growth*

4.13 The UK’s exit from the European Union has created new opportunities for Liverpool Port as businesses seek to avoid the congestion of southern ports caused by a combination of Covid-19 and additional border/custom control.

4.14 Liverpool Port has already seen new routes / container services: Containerships, part of the CMA CGM Group, launched a new weekly service from mainland Europe to Liverpool on the 29<sup>th</sup> January 2021. (CD43.54).

4.15 Port owner Peel Ports Group are continuing terminal investment with the aim for the Port of Liverpool to increase its share of the container market to 20% by 2025.

4.16 The March 2021 budget granted the LCR Freeport status. This included a ‘Primary Custom Site’ within the Port of Liverpool (with further custom sub zones to be determined) and three tax sites are anticipated to be designated in the Liverpool City Region: Parkside in St Helens, Wirral Waters, and 3MG in Halton.

4.17 The Government’s intention for Freeports to boost economic activity and trade, while contributing to levelling up, is clear. The 2021 Budget (CD43.52) states:

*“The Freeports will contain areas where businesses will benefit from more generous tax reliefs, customs benefits and wider government support, bringing investment, trade and jobs to regenerate regions across the country that need it most.” (Paragraph 2.113, p.58).*

4.18 The Freeports Bidding Prospectus (CD43.41) set out the intention for Freeports to promote additional economic activity:

*“Investment in and around Freeports, as well as imports into them, will therefore be essential to the success of domestic companies and in delivering on the government’s wider objectives such as levelling up, clean growth, innovation, and job creation.” (Paragraph 2.1.2, p.8)*

4.19 The importance of Freeports to the levelling up agenda, with particular focus on deprived communities:

*“Freeports are a flagship government programme that will play an important part in the UK’s post Covid economic recovery and **contribute to realising the levelling up agenda**, bringing jobs, investment and prosperity to some of our most deprived communities across the four nations of the UK with targeted and effective support.” (Paragraph 0.0.3, p.6, my emphasis)*

4.20 And for bidders to demonstrate how they would minimise displacement:

*“The government’s focus is to encourage business investment and create new economic activity in Freeports, rather than displacement of local economic activity from deprived areas. Bidders will be asked to demonstrate how they will collect data on this local displacement. Bidders will be encouraged to share their plans for monitoring and mitigating displacement of local economic activity from deprived areas.” (Paragraph 4.6.3, p.37)*

4.21 It is reasonable to assume that the Freeport designation will result in additional growth in the LCR compared to what would otherwise have occurred, and that the LCR need figures should be viewed with upward flexibility.

4.22 Of the sites identified as tax zones, Parkside and 3MG are already included within the LCR Supply while Wirral Waters is not deemed appropriate for large scale B8 use. In this context additional land is likely to be required to meet the LCR need for B8.

#### *Major inward investment sites*

4.23 The LCR 2018 SHELMA (CD4.160) states that the B2 / B8 requirement identified does not include the potential to attract inward investment opportunities from footloose firms:

*“The forecast employment land requirements considered in the previous sections in this SHELMA Report are based on projecting forward past trends and taking into account future planned or potential development/ regeneration schemes (for example at Liverpool<sup>2</sup>). **In addition to this, there are potential opportunities to attract inward investment into the City Region from footloose firms considering location or relocation across a national or international area of search.**” (Paragraph 13.10, p.171, my emphasis).*

4.24 It acknowledged that some specific occupier needs will be able to be met within the ‘regular’ employment supply but that “requirements for larger scale single occupier sites will be less easily accommodated.” (Paragraph 13.11, p.172).

4.25 It goes on to state that it would “*be prudent therefore to consider an additional supply of larger ‘shovel ready’ sites which could be safeguarded to meet future arising inward investment opportunities. Such sites would need to be considered additional to the employment land requirement identified in this report*” (Paragraph 13.12, p.173).

- 4.26 Finally it notes that, “*Opportunities for major inward investment do not come along often; however to capture such opportunities against competition from elsewhere in the UK and internationally, it is obviously important to have suitable ‘shovel ready’ land where development can take place*” (Paragraph 13.20, p.174, my emphasis).
- 4.27 The focus of the SHEMA (2018) is ensuring that there are shovel ready projects available as and when large scale investment opportunities arrive. In the case of this proposal, there is a identified occupier with bespoke needs who will be lost if these needs cannot be met.

### Summary

- 4.28 The St Helens draft Local Plan is proposing a significant increase in employment land allocations. It has identified 265ha of which 31.2ha is to meet the unmet needs of Warrington. Of this, 251ha has also been identified by LCR to meet regional need. St Helens is therefore planning to deliver a larger share of the regional need than in previous plans. Given its levels of deprivation and need for jobs, this is the right thing to do.
- 4.29 LCR has an unmet need of 94ha for strategic B8 sites, for which it has identified a series of unallocated sites (and there appears to be an anomaly in the data that would increase this to 106ha). In addition, it requires up to 437ha for B2 uses and 118ha for small-scale B8.
- 4.30 There is a further 42.5ha of unmet need from the existing Mersey Port masterplan and the port has grown further since the evidence base was produced. In the March 2021 Budget it was designated as a Freeport which is likely to generate further additional demand for strategic B8, potentially from inward investment, again in addition to that identified in the evidence base.
- 4.31 It is clear that the LCR’s need is likely to be higher than that currently planned and that St Helens may need to take a share of that additional growth, in line with paragraphs 81 and 82 of the NPPF.

### Site Capacity

- 4.32 The LCR needs assessments assumes a plot ratio of 40% (p.165 of CD4.160).
- 4.33 This is a critical assumption for the whole level of need identified by the LCR assessment. The assessment estimates the employment floorspace requirement first and then identifies a land requirement assuming floorspace is 40% of site area.
- 4.34 The nature of strategic large-scale B8 uses, often in locations that need visual screening, means that achieving 40% can be challenging.
- 4.35 Three of the strategic sites in St Helens have brought forward development proposals and only one of these has achieved a plot ratio of 40%.
- 4.36 The average plot ratio across these three sites was 23%; this results in a shortfall of 160,490 sqm of employment land.

4.37 The sites that have come forward have already generated a shortfall of 40 ha in St Helens if the 40% can be achieved and 79 ha if the current averages are being achieved.

Table 4.3: Achieved Plot Ratio on Strategic Sites

	Ha	Sqm	Plot ratio	Sqm assumed in ELNS (40%)	Shortfall (sqm)
Florida Farm North, Haydock	37	82,748	23%	146,680	63,932
Land North of Penny Lane, Haydock	11	46,342	42%	44,200	-2,142
Parkside West (Phase 1)	48	92,900	19%	191,600	98,700
<b>TOTALS/averages</b>	<b>96</b>	<b>221,990</b>	<b>23%</b>	<b>382,480</b>	<b>160,490</b>

Table 4.4: Shortfall from Achieved Plot Ratio on Strategic Sites

	Shortfall (sqm)	Ha equivalent (at actual plot ratios)	Ha equivalent (at 40% plot ratio)
Florida Farm North, Haydock	63,932	28	16
Land North of Penny Lane, Haydock	-2,142	-1	-1
Parkside West (Phase 1)	98,700	51	25
<b>TOTALS/averages</b>	<b>160,490</b>	<b>79</b>	<b>40</b>

4.38 If the lower plot ratios are repeated on the other strategic sites in St Helens that have been identified to meet LCR need, the shortfall would increase to 413,000 sqm. This is equivalent to 187 ha assuming that the shortfall also achieved the lower plot ratio (23%).

### Summary

4.39 The failure to achieve the 40% plot ratios on sites that have already come forward means a further 40-79ha of land will be required. If that plot ratio experience is repeated on other allocated sites in St Helens this increases to 187 ha that may be required.

### Timings

4.40 There are two areas of concern with respect to timings.

4.41 As set out in Mr Pexton's proof (see Paragraph 7.10, CD38.5), there is very little supply in the short term. The North West distribution market has 14 or 13 months' supply based on the 5 and 10-year average take up; this reduces to 8.6 or 8 months once the six units that are currently under offer are acquired.

4.42 The St Helens draft Local Plan evidence base also demonstrates very uncertain short to medium term supply. Appendix 1 of the Employment Land Need and Supply Background Paper (October



2020 – CD43.50) sets out the council’s assumptions on the delivery of sites allocated in the draft Local Plan. These are summarised in Table 4.5.

**Table 4.5: Delivery of sites allocated in the draft Local Plan**

Site Ref and Name	Indicative Site Area (ha)	Assumptions within Appendix 1 of the Employment Land Need and Supply Background Paper (October 2020 – CD43.50)	Status
1EA: Omega South Western Extension	31.22	Site is to meet employment land needs arising in Warrington. References planning application. Assumes site is: - Partly built out and operational in 2022 - Fully operational in 2030	Appeal site  Meeting the needs of Warrington
4EA: Land South of Penny Lane, Haydock	2.16	No imminent planning application Assumes site is fully operational in 2035	Unlikely to contribute to short / medium term need
5EA: Land to the West of Haydock Industrial Estate, Haydock	7.75	Assumes: - Development commences in 2023 - Site is fully complete and operational in 2030	Application refused
6EA: Land west of Millfield Lane, south of Liverpool Road and north of Clipsley Brook, Haydock.	20.58	Assumes - Development commences on the site in 2028. - Site is operational in 2030 - Site is fully complete and operational in 2035	Limited contribution to need before 2030, and not fully build out until 2035.
7EA: Parkside East, Newton-le- Willows	64.55	Assumes - A rail terminal opening in 2026-2028. - Site is operational in 2030 - Site is operational and development is ongoing in 2035 - Site is fully complete in 2045	No application Limited contribution to need before 2030 Extends beyond plan period
8EA: Parkside West, Newton-le-Willows	79.57	Assumes - Phase 1 development is operational in 2023 - Site is fully complete and operational in 2035	Phase 1 (47.9 ha) is appeal site. Parkside Link Road also being appealed
9EA: Land to the West of Sandwash Close, Rainford	6.96	Extant planning permission Assumes - Development commences on the site in 2022 - Site is fully operational in 2030	Potential to commence before 2025 and fully operational by 2030.
11EA: Gerards Park, Phases 2 and 3, College Street, St Helens Town Centre	0.95	Assumes - Development commences on the site in 2022 - Development is fully operational in 2030	Potential to commence before 2025 and fully operational by 2030.

Following sites identified as 'complete and fully occupied' in 2020:

- 2EA: Florida Farm North, Slag Lane, Haydock
- 3EA: Land North of Penny Lane, Haydock
- 10EA: Land at Lea Green Farm West, Thatto Heath



- 4.43 This shows that (excluding Omega West which is allocated to meet Warrington's need) there are four sites (5EA, 8EA - Phase 1, 9EA and 11 EA) that could begin to contribute to need before 2025, accounting for 64 ha.
- 4.44 Of this 64 ha, 47.9 ha are expected to be at Phase 1 of Parkside West (Site 8EA) and is therefore subject to uncertainty around the appeal and 7.8 ha is at Site 5EA and has been refused.
- 4.45 This leaves only 8 ha that are not associated with sites that have either been refused or are subject to appeal, and therefore likely to experience some delay which would push some delivery beyond 2030. Even this 8 ha is not expected to be delivered in full by 2025.
- 4.46 This could also have implications for the period to 2030 since there is likely to be limited contributions from other sites that are likely to be operational before 2030.
- 4.47 Secondly, Parkside East is not anticipated to be fully complete and operational until 2045, ten years beyond the end of the plan period (refer to Table 4.5 above).
- 4.47.1 If Parkside East is taken up at a constant rate (4.3 ha over the 15 year period); this would mean that only 22 ha of employment land were to be delivered within the plan period and 43 ha were to be delivered beyond 2035.
- 4.47.2 The LCR relies on Parkside East to meet its need by 2037. Assuming the same delivery rates as above, this would result in a shortfall of 28 ha of B8 land across the LCR.
- 4.48 It is noted that there is a planning application for the safeguarded land North East of J23 M6 (Table 4.3 in CD43.50) but this is also subject to an appeal (against non-determination and on which the SHBC Planning Committee passed a resolution to refuse planning permission).
- 4.49 The annual requirement set out in the draft Local Plan is 11ha<sup>2</sup>. It is not clear how that can be met in the period to 2025 without early delivery from one or more of the sites currently at appeal. It may also be a challenge in the period 2026 to 2030.

## Implications for jobs

- 4.50 As set out in Sections 2 and 3, there is both a policy emphasis and a real world requirement for more jobs in St Helens.
- 4.51 The sites allocated in the draft Local Plan are estimated to house just under 11,500 jobs as set out in Table 8 of the 2019 ELNSA (CD5.81).
- 4.52 However, a combination of lower delivery at sites that have come forward and lower plot ratios anticipated at future sites (as set out from Paragraph 4.32 above), means that the total is likely to be 1,400 and 2,800 lower than assumed in the ELNSA. In addition, some of Parkside East coming after the plan period would also reduce the number of jobs by a further 1,800. This results in

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<sup>2</sup> 165 ha over 15 years as set out in Paragraph 4.1.2

between 6,900 and 8,300 Full Time Equivalent additional jobs, a shortfall of between 3,200 and 4,600 compared to the 11,500 anticipated by St Helens.

## Summary

- 4.53 The draft Local Plan includes a significant increase in employment land. This is to meet both the needs of St Helens (based on historic take-up) and a strategic element that effectively increases the share of the LCR's growth that would be taken by St Helens.
- 4.54 There are extremely limited sites within the draft Local Plan that can be delivered with the next five years with any certainty.
- 4.55 The LCR has unmet need:
- 4.55.1 It does not include the additional land requirements for commodities storage which could arise from port expansion/freight growth. The LCR sets out a need for 42.5 ha (although this will not necessarily be entirely additional to the B8 Strategic need). Given the economic success of the Port of Liverpool and the designation as a Freeport in the March 2021 budget, the need generated by the Port is likely to be even greater.
  - 4.55.2 It does not include the identified a need across the LCR for B2 (up to 437.3 ha) or small scale B8 (118 ha).
  - 4.55.3 Not all sites identified will be delivered within the timescales of the need (even within St Helens 28 ha of B8 space is expected to be delivered beyond 2037).
  - 4.55.4 Whilst LCR has identified additional sites, their delivery (or at the least the timing of delivery) is uncertain and may not meet the identified need (and include the part of Omega West that is meeting Warrington's need)
- 4.56 This could be even higher because site capacity constraints can reduce plot ratios.
- 4.57 Whilst SHBC is showing an overall employment land surplus, there are issues with the timing of sites coming forward both in the short term (with Parkside West potentially being delayed) and in the long term (some of Parkside East will be delivered beyond the plan period).
- 4.58 The combination of Parkside East being delivered beyond the plan period and lower plot ratios could significantly reduce the number of jobs that will be delivered within the plan period from around 11,500 to between 6,900 and 8,300.

## 5 The Impacts of the Proposals

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### Introduction

- 5.1 St Helens is the place where need, market interest and suitable and available land coincide. It is therefore right that St Helens is planning for delivery of a large amount of B2/B8 strategic land on the basis that it will contribute to key economic and social policies of creating more jobs and reducing deprivation.
- 5.2 The proposals will allow expansion of the hugely successful Omega South employment hub into St Helens. This is highlighted in the Warrington 2019 Economic Development Needs Assessment (CD4.8): *'Omega is a strategic site with a market which is regional and national in scope, delivering B2 and B8 properties of an exceptional size in the local context. It has recently helped to satisfy a pent up regional demand for larger B2 and B8 options'* (Paragraph 6.11, p.113).
- 5.3 The proposals for Omega West contain an identified operator with a clearly identified need and an outline element in a location with strong and demonstrable market interest that can be brought forward quickly and that will deliver a lot of good jobs and continue the delivery of one of the most successful business parks in the country.

### Need

- 5.4 It is common ground (CD37.1 Paragraph 7.9) that 31.2ha of the scheme is required to meet Warrington's unmet Objectively Assessed Need. This is to meet the general requirement across the Borough and can be accommodated within the outline element of the scheme.
- 5.5 The full element is for TJ Morris and is a specific requirement for this location. TJ Morris is a Liverpool-based company with a need to expand close to its existing Axis site (CD38.7 Paragraphs 3.4.4 and 5.2.1). It is therefore part of the LCR need set out in Section 4 above.
- 5.6 As set out in Section 4, there remains significant unmet general need for strategic B8 uses identified in the LCR evidence base.
- 5.7 It is common ground (CD37.1 Paragraph 8.5) that there is no alternative site within the area that can accommodate the TJ Morris requirement. There is therefore a specific unmet need for an identified local operator.
- 5.8 As set out on Mr Milloy's proof (CD38.8 Section 8), the site can also be delivered quickly. As set out above, there is a shortage of sites available in the short term. Omega West can contribute to the early delivery of employment targets.

### Jobs and Economic Benefits

- 5.9 The scheme will deliver significant economic benefits during both the construction and operational phases and from both the full and outline application schemes. These are summarised in the following table:

Table 5.1 Jobs, GVA and Wages supported by onsite employment

	Construction			Operation		
	Job years	Total GVA	Total Wages	Jobs	GVA (per annum)	Wages (per annum)
Full	1,127	£90.6m	£38.1m	1,207	£55.3m	£37.3m
Outline	362	£29.1m	£12.2m	2,679	£122.8m	£73.6m
<b>Total</b>	<b>1,489</b>	<b>£119.7m</b>	<b>£50.3m</b>	<b>3,886</b>	<b>£178.1m</b>	<b>£110.9m</b>

Source: ES Vol.1 Chapter 15 Population and Health (CD33.63); Mr Clarke's proof (CD38.7); Quod calculations 2021

5.10 Whilst the jobs from the outline phase mainly relate to the proposed allocation to meet the employment land requirements of Warrington, the jobs will be within St Helens and through transport and employment interventions will benefit existing St Helens residents.

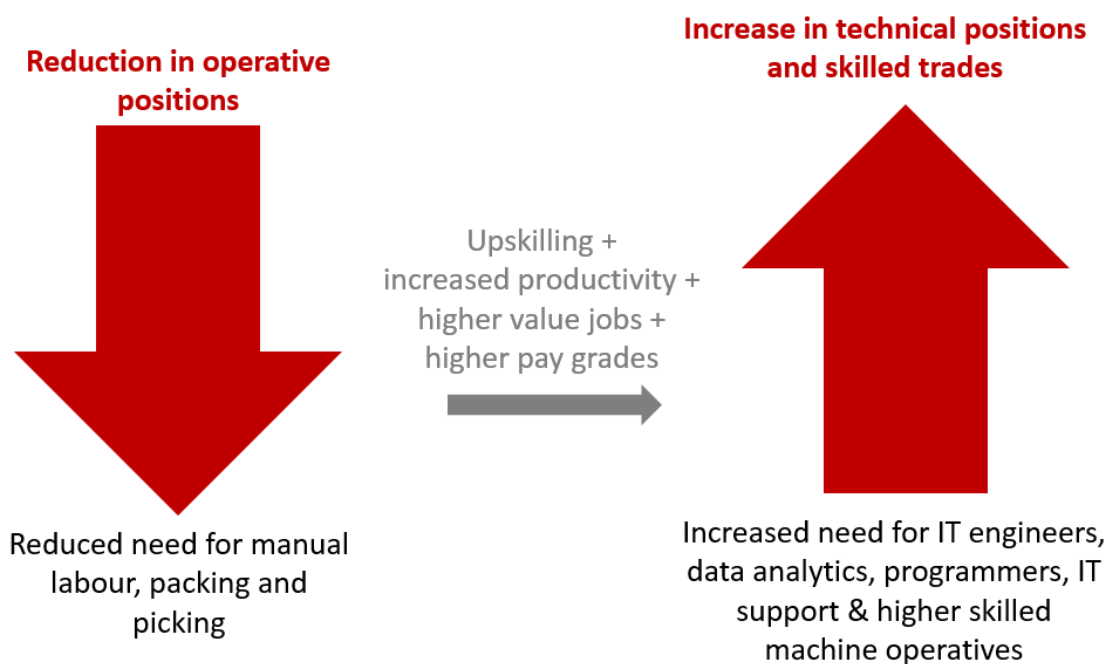
5.11 Given the lack of jobs in St Helens highlighted in the Socio-Economic Context section above, these jobs will make a significant contribution to the local economy.

### Range of Jobs

5.12 The occupied scheme will also offer a range of occupations and skills to match the range of jobs sought by local residents.

5.13 The type of jobs employed in warehousing is getting broader and more skilled. The British Property Federation refers to the "low skills myth" in reference to the negative perceptions of warehouse jobs. Technological advances mean that IT, robotics, engineering and data analysis are a key part of warehouse management now.

Figure 5.1: Transition of Logistics Skills

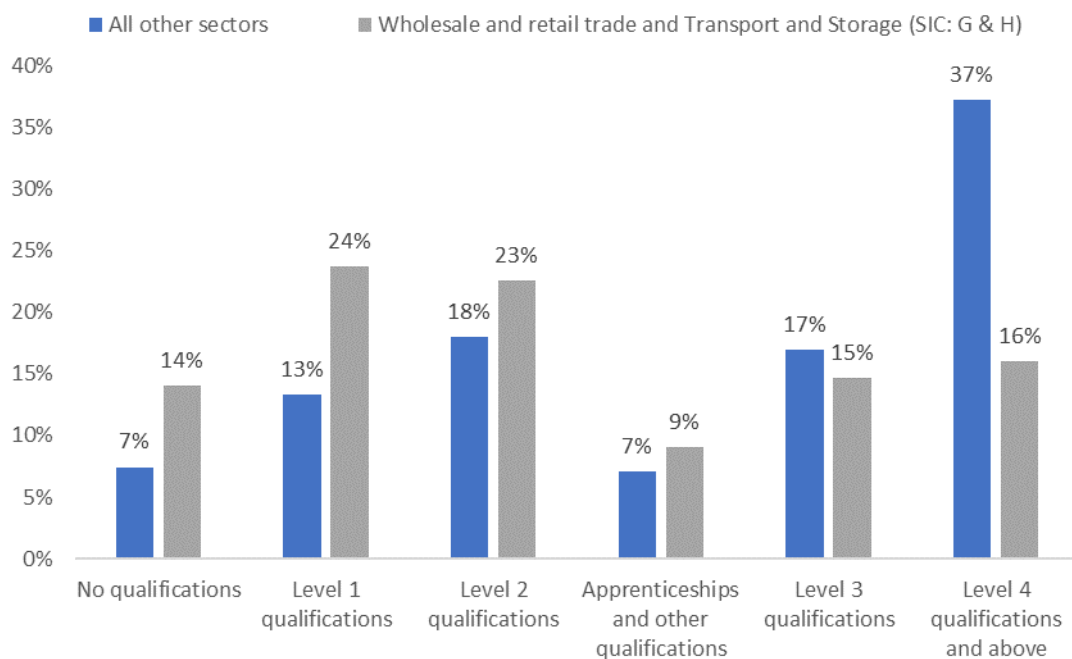


5.14 There will also be a significant number of entry-level jobs which will help tackle the low levels of employment in St Helens. This will be enhanced by the proposed Local Employment Scheme. However, there will also be high quality jobs with opportunities for career development and training – and with potential salaries for skilled and experienced roles well above the regional average.

5.15 Figure 5.2 shows the qualifications of residents of St Helens and Warrington who work in either Wholesale and Retail (SIC G) or Transport and Storage (SIC H). This shows that 38% have either no qualifications or Level 1; this is higher than the average across all other sectors (20%) showing the suitability of the proposed development to providing entry level jobs.

5.16 Equally over 30% of residents who work in Wholesale and Retail or Transport and Storage have qualifications of Level 3 or above.

Figure 5.2: Industry by qualification of residents in St Helens and Warrington (% of resident workforce)



Source: Census 2011

5.17 With regards to the TJ Morris part of the scheme, as set out in Mr Clarke’s proof (CD38.7, Section 8.3), the company has a long-standing and successful company-wide policy to promote from within and employees benefit from training opportunities to support career progression. This means that local residents may start with entry-level position, but in time will be able to progress.

5.18 The range of roles result in a range of wages. The TJ Morris roles will support an average salary of around £31,000. While some roles (including drivers, IT and Health & Safety) will be paid over £45,000 (CD38.7 Table 2).

## Access to Jobs

- 5.19 This will be further enhanced by the Local Employment Scheme which is a proposed condition of any consent. It applies to the operation of the full consent, and for the construction and operation of the outline consent. This will use all reasonable endeavours to recruit at least 20% of labour from within the Borough of St Helens focusing on the most deprived Super Output Areas. Measures include advertising of job opportunities, sustainable training opportunities, work placements, and monitoring.
- 5.20 Physical access to the jobs will also be increased by the proposed improved transport links. Core Document 43.33, the WSP Bus Route Assessment Map shows how bus routes could link the site to residential areas in St Helens, including some of the most deprived wards. This would therefore fulfil the requirements of policy CE1.4 of the adopted Core Strategy.

## Economic Consequences if the development was not approved

### Loss of jobs onsite

- 5.21 If the proposals were not granted, the 3,886 onsite jobs would be lost to the St Helens economy.
- 5.22 The evidence base that underpins the St Helens draft Local Plan assumes that 11,500 jobs would be supported by the proposed allocations. In reality, these sites are likely to support fewer jobs than this, resulting in a short fall of up to 4,600 jobs.
- 5.23 As set out in paragraph 3.15, St Helens needs around 15,000 jobs to achieve the average job density of the Liverpool City Region and 27,000 to reach the national average. The proposal would make up 26% and 14% of this shortfall respectively.
- 5.24 Not consenting these proposal results in a loss of an opportunity to both contribute employment at the allocates site (Site 1EA) and make up some of this shortfall.

### Loss of potential growth of a LCR based firm

- 5.25 TJ Morris is a Liverpool based firm which needs space in order to be able to expand its retail operations. This site provides for their bespoke needs and without the proposed development these jobs and economic benefits associated with the expansion of retail operations would be at best delayed and at worst lost to the LCR.

### Loss of opportunity for levelling up

- 5.26 “Levelling up” is at the heart of the Government’s economic policy agenda and St Helens is one of the highest priority areas for the Government.
- 5.27 Not consenting the proposed development would result in a loss of jobs and economic activity and would therefore not be aligned with this policy aim.
- 5.28 The site will also support the expansion of the store network by 325 stores (CD38.7 Paragraph 4.5.2). As set out in Paragraphs 2.2.1-2.2.3 of Mr Clarke’s proof, TJ Morris is primarily a “bricks and mortar” retailer with the bulk of its business coming from shops rather than online retail.

These stores will themselves bring further economic benefits with an average of 70 workers in each store to a total of around 22,750 new jobs.

- 5.29 As shown in Figure 6 of Mr Clarke's proof, most of the stores that would be served by the proposed development are across the north and midlands and so will further contribute to the Government's levelling up policy agenda. They will also help bring footfall and vitality to towns and cities, many of which are struggling with increased vacancy rates as shopping moves online.

## Summary

- 5.30 The proposed development will meet two identified needs – Warrington's unmet need as identified in the St Helens draft Local Plan and the specific needs of a LCR operator that cannot be met elsewhere.
- 5.31 In doing so, the site can be delivered quickly and deliver employment land, economic opportunity and jobs early in the emerging Local Plan period when there are few alternative.
- 5.32 The construction phase will generate around 1,500 job-years and £50m of wages and boost GDP by £120m. The operational phases will generate nearly 4,000 jobs, £110m in wages each year and an annual contribution to GDP of £180m. This will make a major contribution to closing the job density gap between St Helens and the LCR. It will also help tackle deprivation with a range of jobs at skills levels that are well matched to St Helens residents.
- 5.33 To enhance the benefits to St Helens, the applicant has also committed to improved transport links to deprived areas and training and employment measures to allow residents increase their skills and access jobs.
- 5.34 If the proposals do not go forward, there will be a significant loss to the St Helens and LCR economy in terms of jobs and the growth of one of the LCR's most important private sector businesses.
- 5.35 There would also be wider impacts on TJ Morris's ability to open a further 325 stores employing a total of 22,750 people.

## 6 Conclusions

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- 6.1 There is strong economic policy support at national, regional and local level for increased employment to tackle deprivation in St Helens.
- 6.2 St Helens has too few jobs and too much deprivation. It needs around 15,000 jobs to achieve the average job density of the Liverpool City Region and 27,000 to reach the national average.
- 6.3 Over decades its economy has significantly underperformed compared with its neighbours, especially Warrington. It shares some of the attributes that have made Warrington successful and now has the opportunity to see similar levels of growth.
- 6.4 “Levelling up” is at the heart of the Government’s economic policy agenda and St Helens is one of the highest priority areas for the Government. This is demonstrated by:
  - 6.4.1 St Helens being in the highest priority group of local authorities for the new Levelling Up Fund
  - 6.4.2 St Helens being one of the 101 places identified as recipients of the Towns Fund
  - 6.4.3 St Helens being part of the successful Liverpool Freeport bid - a flagship programme contributing to levelling up.
- 6.5 The St Helens draft Local Plan is in line with this agenda in proposing a significant increase in employment land allocations. It is planning for 11,500 jobs on the strategic sites being allocated in the draft Local Plan. This represents faster growth than the Borough has historically seen and relies on capturing some of the forecast LCR growth.
- 6.6 However, there is some doubt that a number of those sites can deliver that level of employment within the plan period.
- 6.7 There is also significant doubt that those sites (together with unallocated sites elsewhere in the LCR) can meet the LCR’s true employment land requirements.
- 6.8 It is likely that there will be additional demand. What is certain is that securing this investment will bring immediate and necessary benefits.
- 6.9 The proposed development will meet two identified needs – Warrington’s unmet need as identified in the St Helens draft Local Plan and the specific needs of an LCR operator that cannot be met elsewhere
- 6.10 In doing so, it will deliver significant economic benefit to St Helens and contribute to the levelling up agenda. It will deliver almost 4,000 new jobs, 1,207 of which have an identified operator with a clear local need.



- 6.11 To enhance the benefits to St Helens, the applicant has also committed to improved transport links to deprived areas and training and employment measures to allow residents increase their skills and access jobs.
- 6.12 It is fair to judge that it complies with important planning policies on the economy and taking constructive steps for alleviating existing and long-standing deprivation. These include the St Helens draft Local Plan strategic aims to reduce deprivation and to maximise the contribution of St Helens to the LCR economy (paragraph 3.2.1, 1.2 and 5.1)
- 6.13 It has an identified operator for the detailed part, and both form an extension of an established and successful business park.
- 6.14 It is common ground that there are no alternative sites for the detailed element of the scheme and unless it goes ahead, those jobs will be lost to St Helens and the wider LCR.

# Declaration

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The evidence which I have prepared and provide for this called-in planning application reference APP/H4315/V/20/3265899 in this proof of evidence) is true and has been prepared and is given in accordance with the guidance of my professional institution and I confirm that the opinions expressed are my true and professional opinions.

Dated: 29 March 2021

A handwritten signature in black ink that reads "Andrew Hunt". The signature is written in a cursive style with a large initial 'A'.

Andrew Stephen Hunt

Director