

PROOF OF EVIDENCE OF ANTHONY JOHN MEULMAN

**OMEGA ST HELENS LTD AND TJ MORRIS LTD
ST HELENS METROPOLITAN BOROUGH COUNCIL**

LOCAL PLANNING AUTHORITY APPLICATION REFERENCE:

P/2020/0061/HYBR

THE PLANNING INSPECTORATE REFERENCE:

APP/H4315/V/20/3265899

MARCH 2021

TABLE OF CONTENTS

1.0	INTRODUCTION.....	3
2.0	PROPOSALS	6
3.0	CONTEXT	18
4.0	THE PROPERTY MARKET.....	40
5.0	SUPPLY TO MEET NEED	44
6.0	ALTERNATIVE SITES ASSESSMENT.....	50
7.0	ECONOMIC BENEFITS.....	56
8.0	CONCLUSIONS AND SUMMARY	58

Appendix 1 – Bibliography

Appendix 2 – Site Plans

Appendix 3 – Warrington Borough Council Draft Statement of Common Ground

Appendix 4 – Functional Economic Market Area in ELNS

Appendix 5 – Draft Local Plan Site Allocations

Appendix 6 – Growth of Online Retail as a Proportion of all Retail

Appendix 7 – Recent Large-Scale Transactions in St Helens and Warrington

1.0 INTRODUCTION

- 1.1 The following Proof of Evidence is prepared by Anthony John Meulman on issues of Need in relation to planning application **P/2020/0061/HYBR** for the development of employment uses at land located to the west of the existing Omega Warrington employment node and south of the M62. The site is known as Omega Zone 8 and the land is described as Land to the West of Omega South and South of the M62 Bold, St Helens.
- 1.2 I have received instructions from St Helens Metropolitan Borough Council ('the Council') acting as the Local Planning Authority.
- 1.3 I am an Associate Director at BE Group, an economic and regeneration consultancy based in Warrington. I have a Master of Regional Development conferred by the University of Queensland and have 19 years' experience working as an economic and regeneration consultant. This work includes analyses on a wide range of urban developments. In particular in my role at BE Group I have prepared employment land studies for several local authorities in England and Wales. Examples in England following National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) include for St Helens, Fareham, Gosport, South Worcestershire (Malvern Hills, Worcester and Wychavon) and North Norfolk. In Wales, examples I have undertaken following the Welsh Government's Practice Guidance – Building an Economic Development Evidence Base to Support a Local Development Plan include for Monmouthshire, South East Wales (Blaenau Gwent, Caerphilly, Newport, Monmouthshire and Torfaen), Mid Wales (Ceredigion, Powys and Brecon Beacons National Park) and Vale of Glamorgan. For Vale of Glamorgan, I provided evidence on employment land matters to the planning enquiry for the Development Plan on behalf of the Council.
- 1.4 Furthermore, BE Group has undertaken several studies in Warrington Borough on behalf of Warrington Borough Council, including Economic Development Needs Assessments in 2016 and 2019 assessing the employment land requirements in the Borough. I did not have direct involvement with these studies, but I have referred to the data and findings of this work within this Proof of Evidence.

- 1.5 I have provided evidence on need in relation to the Parkside Colliery and Parkside Link Road (PLR) Inquiry (PINS References APP/H4315/V/20/3253194; APP/H4315/V/20/325230; APPM0655/V/20325232) and to the Haydock Point Inquiry (PINS Reference APP/H4315/W/20/3256871) on behalf of St Helens Borough Council acting as the Local Planning Authority. My evidence to this Inquiry is consistent with my evidence at the Parkside, PLR and Haydock Point Inquiries. The level of need for employment land is the same.
- 1.6 In my time at BE Group I have prepared the following studies for St Helens Council.
- i. Employment Land Needs Study (October 2015) (CD 5.79);
 - ii. Haydock Industrial Estate Options Study, as sub-consultants to Mott MacDonald (August 2016);
 - iii. Employment Land Needs Study Addendum Report (October 2017) (CD 5.80);
and
 - iv. Employment Land Needs Study Addendum Report (October 2017, amended January 2019) (CD 5.81).
- 1.7 I have visited the Omega Zone 8 site (external boundaries only) and the adjacent Omega West employment area, as well as other significant employment nodes with logistics components, most notably the cluster of warehousing and industrial uses at Haydock, which has included recent large-scale warehousing developments at the Florida Farm North site and Penny Lane. I have also visited the sites that are the subjects of the other enquiries at Parkside, Wigan and Bolton. Based in Warrington, I am very familiar with the local commercial network and market dynamics.

Scope of Evidence

- 1.8 The Inspector's Post Conference Note (8th March 2021) states the considerations for the Inquiry in paragraphs 6, 7 and 8. My Proof of Evidence provides an assessment of the need for the proposed employment land, which informs the consideration of the following points:
- *"The extent to which the proposed development is consistent with Government policies for building a strong, competitive economy (NPPF Chapter 6)*

- *The extent to which the proposed development is consistent with the development plan for the area, including any emerging plan.”*

1.9 This Proof of Evidence addresses the above issues through the following chapters:

Chapter 2.0: summarises the characteristics of the proposed developments as relevant to the assessment of need;

Chapter 3.0: summarises the policy context in relation to need;

Chapter 4.0: provides commentary on the market for large-scale warehousing space;

Chapter 5.0: assessment of the supply of sites to meet need;

Chapter 6.0: alternative site assessment for a scheme of similar scale and type as that proposed at Omega Zone 8; and

Chapter 7.0: economic benefits

Chapter 8.0: conclusions.

1.10 A bibliography of documents referred to in this statement is provided in Appendix 1.

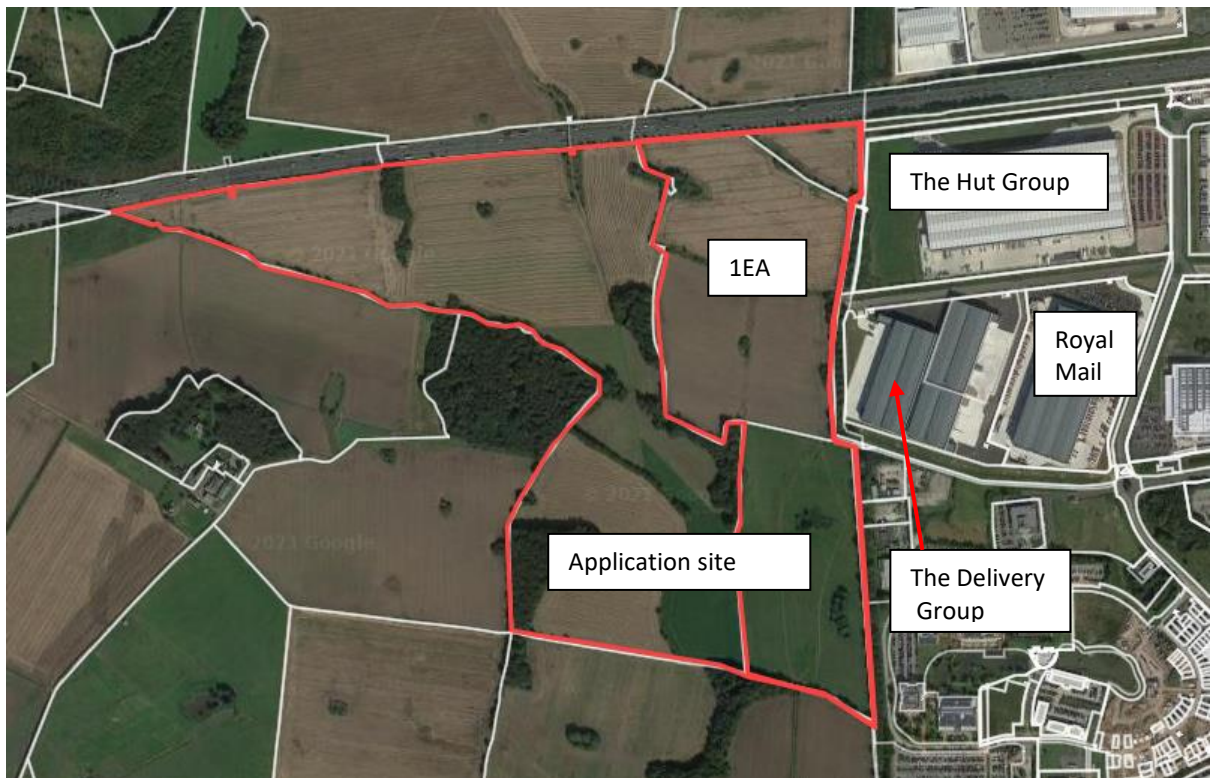
1.11 The evidence which I have prepared and provide for this appeal (APP/H4315/V/20/3265899) is true and I confirm that the opinions expressed are my true and professional opinions.

2.0 PROPOSALS

Site Subject to this Inquiry – Omega Warrington Western Extension, St Helens – Planning Application P/2020/0061/HYBR

- 2.1 The following outlines the proposal for the Omega Zone 8 scheme as relevant to this Proof of Evidence. The site plan is provided in Appendix 2.
- 2.2 The application is made by Omega St Helens Ltd and T.J. Morris Ltd to St Helens Borough Council. Omega St Helens Ltd is a company set up by Miller Developments, which was the joint venture partner with Homes England for the earlier phases of the Omega Warrington scheme. T.J. Morris Ltd trades as Home Bargains, which will occupy the largest unit in the proposed development.
- 2.3 The site is approximately 75.3 ha and is to the west of the existing Omega Warrington warehousing estate. The site is mostly flat and is a logical site for an extension of the Omega Warrington scheme as it is adjacent to existing Omega Warrington units and can be accessed through the highways network within Omega. It is within the boundaries of St Helens Borough, though the existing Omega Warrington scheme is within Warrington Borough. The site is within the Green Belt.
- 2.4 31.22 ha of the site is allocated within the draft Local Plan for employment (1EA – Omega South Western Extension, Land North of Finches Plantation, Bold), which forms the eastern portion of the site. The Figure 1 shows the full 75.3 ha site of the application and the eastern portion of the site that is the employment allocation. It also shows the site in relation to the existing Omega Warrington employment node.

Figure 1 – Site of the Application



Source: LandInsight, 2021

- 2.5 The application is a hybrid planning application comprising a full planning application for 81,570 sqm of B8 and ancillary B1a floorspace and an outline planning application for 123,930 sqm of B2/B8 floorspace. The full application unit is intended to be occupied by a Home Bargains distribution centre. The site for the Home Bargains unit, including associated car parking, comprises approximately 35 ha.
- 2.6 The application was approved in October 2020 by St Helens Council and has now been called in by the Secretary of State. This is consistent with the call-in of five other applications for logistics related development in St Helens, Wigan and Bolton.
- 2.7 While within the boundaries of St Helens Borough, the site has more of a functional relationship with Warrington Borough, given it is adjacent to the Omega Warrington development and closer to residential dwellings within Warrington Borough than in St Helens Borough. By agreement between St Helens and Warrington Councils, the employment allocation (31.22 ha) is considered to be part of Warrington's employment allocations (see Appendix 3). While this is still a draft document, it represents the latest position between the Councils and has been reflected in the draft Local Plans of both Councils.

2.8 This Proof of Evidence examines the need for employment floorspace at this location.

Growth of Omega Warrington

2.9 The 233-hectare Omega Warrington site was formerly the site of RAF Burtonwood, occupied by the RAF, US Air Force and US Army from 1940-1993, playing a key airfield and military logistics role in World War II.

2.10 Omega Warrington is a joint venture development between Homes England and Miller Developments. Planning permission was granted for the first stage of development in 2007, though the financial crisis delayed development of the scheme. The masterplan for Omega Warrington included a major employment node straddling the M62 and permission for up to 1,400 dwellings to the south of the employment node.

2.11 In July 2012 it was announced that the scheme was to commence with a 18,395 sqm warehouse and £7 million worth of construction of new roads at Omega North. The warehouse was let in 2013 to Omega's first occupier, Brakes, on a 25-year lease. In 2014, the Omega North site was nearing completion, with deals with Travis Perkins and Hermes agreed. Additionally, Asda purchased the first site in Omega South, a warehouse exceeding 50,000 sqm.

2.12 Construction has since predominantly focussed on Omega South. Two further Omega deals, which extend development on the South site, were announced - The Hut Group's 64,100 sqm unit and a unit for Plastic Omnium, a French automotive parts manufacturer. In November 2015 Omega Warrington signed a £30 million deal with the LondonMetric Property for a 33,000 sqm speculative logistics warehouse at Omega South. This unit was let to Amazon on a 15-year lease. Elsewhere, international takeaway pizza chain Domino's purchased a new 10,870 sqm unit from Omega Warrington Ltd. Omega North was fully developed following the completion of Haydock Commercial Vehicles' new 3,251 sqm Scania maintenance facility.

2.13 Mountpark Logistics EU Sarl has undertaken two phases of speculative development in two distinct locations within Omega Warrington. The first phase in 2019 and 2020 included units leased to Royal Mail, Jungheinrich and The Delivery Group in the western portion of Omega Warrington (adjacent to the site which is subject to this Inquiry).

2.14 Phase 2 of Mountpark’s development is currently under construction, with meal box delivery company Gousto take the first unit of Mountpark’s Phase 2 development. The company agreed a lease for the new 28,596 sqm unit, with the unit largely complete. Two further units are currently being marketed while being constructed.

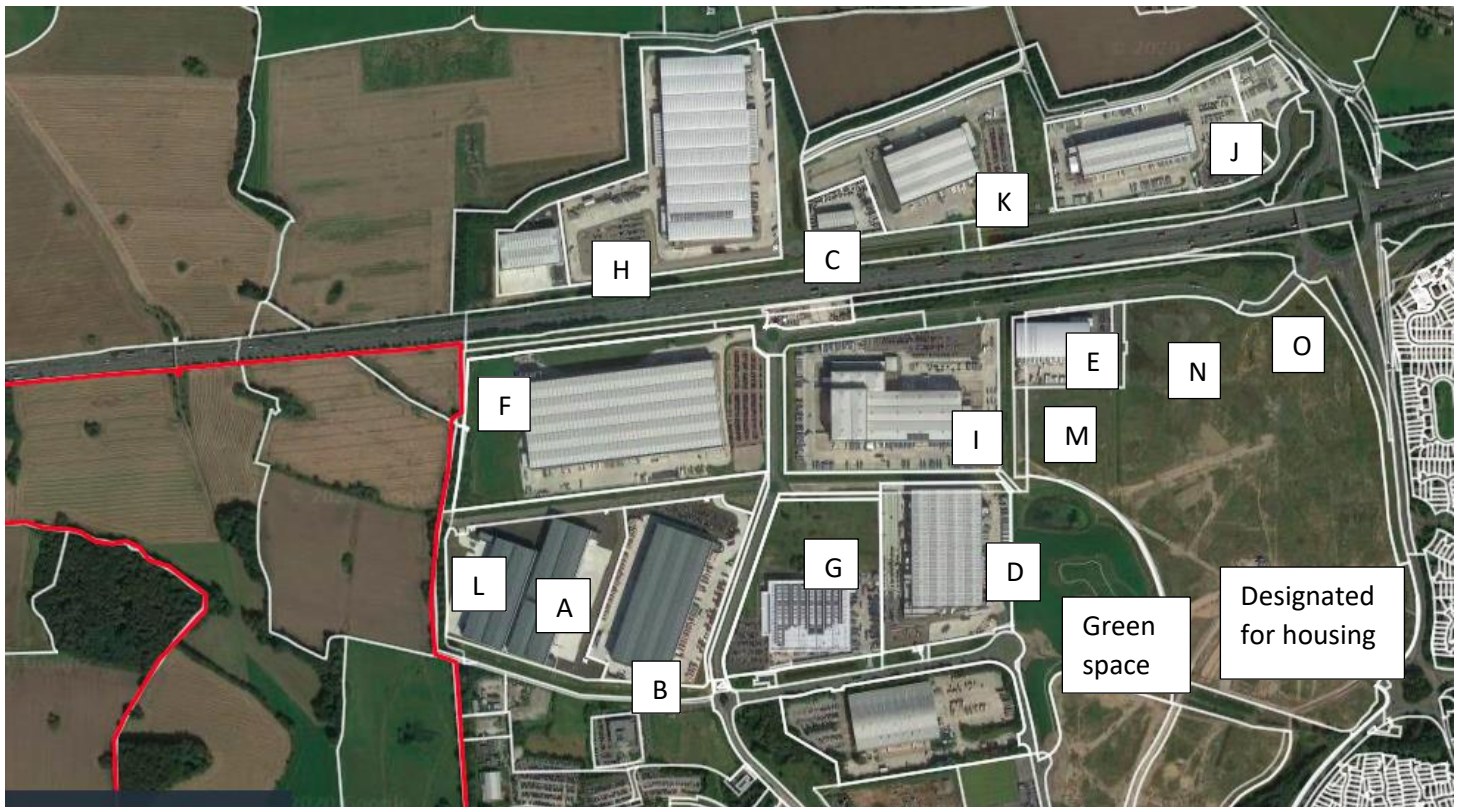
2.15 The table below summarises the growth of Omega Warrington since 2013, which was the date of the first completion at Omega Warrington. The table is followed by Figure 1 illustrating the location of the units.

Table 1 – Omega Warrington Transactions (identified in a plan in Figure 2)

Year	Site	Tenant/Purchaser	Size (sqm)	Land Area (ha)	Label in Figure 1
2021	Unit 2 Mountpark Phase 2 – under construction	available	18,875	4.48	O
2021	Unit 3 Mountpark Phase 2 – under construction	available	20,932	4.33	M
2021	Unit 1 Mountpark Phase 2 – under construction	Gousto	28,596	5.88	N
2020	Unit 4 Mountpark	Jungheinrich	17,223	3.54	L
2020	Unit 2 Mountpark	The Delivery Group	12,808	4.80	A
2019	Unit 1 Mountpark	Royal Mail	32,158	7.75	B
2018	Omega North	Haydock Commercial Vehicles Ltd	3,251	1.33	C
2017	Omega South	Domino’s Pizza Group Ltd	10,870	2.92	E
2016	Prime, Omega South	Amazon Ltd	33,073	7.74	D
2015	Prime, Omega South	LondonMetric Property	33,073	7.74	D
2015	Omega South	The Hut Group	64,103	16.83	F
2015	Omega South	Plastic Omnium	22,297	7.50	G
2014	Omega North	Travis Perkins	58,621	13.57	H
2014	Omega South	ASDA/Bericote	55,741	11.09	I
2014	Omega North	Hermes	14,269	7.44	J
2013	Omega North	Brakes	18,395	7.23	K

Source: Warrington Annual Property Reports, LandInsight, Radius Data Exchange

Figure 2 – Omega Warrington Occupiers



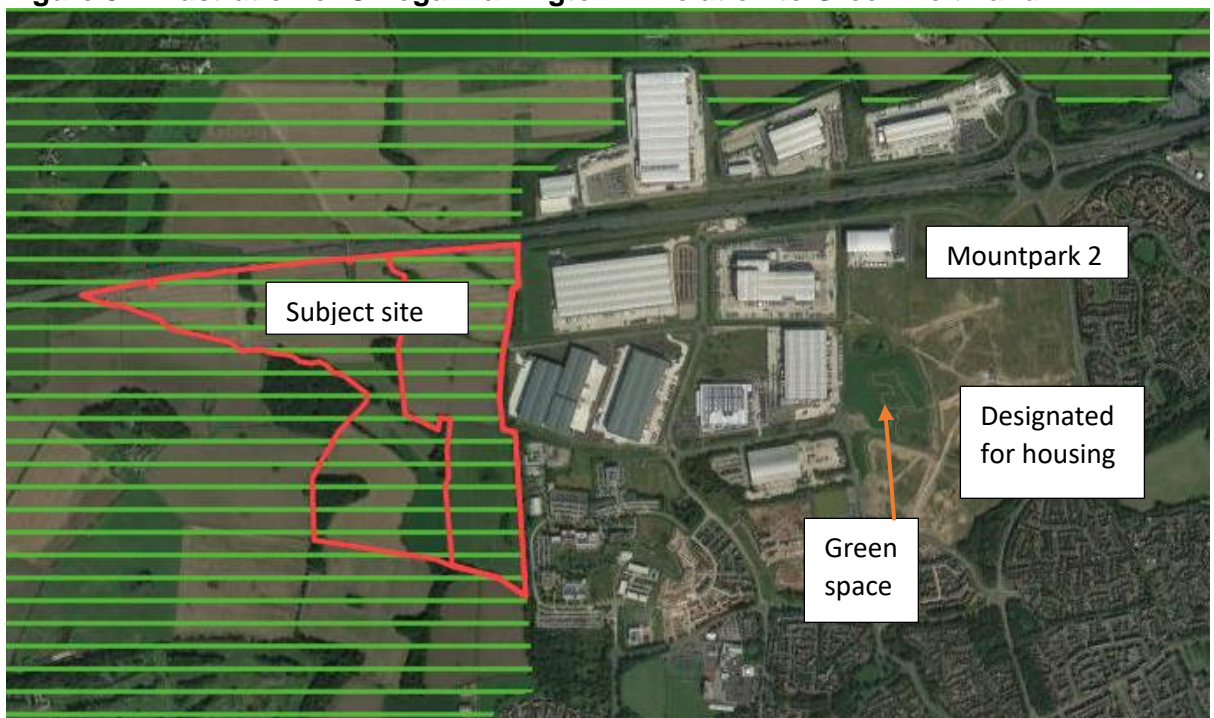
Source: LandInsight

- 2.16 Omega Warrington is predominantly a B8 logistics node, though it also has significant B2 occupiers, such as Domino's Pizza, Plastic Omnium, and Jungheinrich (soon to occupy its premises).
- 2.17 Omega Warrington is one of the prime logistics locations in the North West and commands prime rent levels and investment yields. The international brand names occupying Omega Warrington reflects its pre-eminence in the market. Its position on the M62 between Liverpool and Manchester, including immediate access to a junction, as well as its proximity to the north/south M6, means that it is a very attractive location for leading large-scale operators.
- 2.18 Whilst the park is widely seen as a distribution location, and an (unfounded) criticism levelled at such development has been the low level of jobs created, two of the occupiers are manufacturing facilities. These are Domino's Pizzas and Plastic Omnium, which serves the automotive industry in Merseyside. Jungheinrich will consolidate its four locations across the North West into one site at Omega, including distribution, servicing and sales uses. Therefore, Omega Warrington has a wider

range of employment types than only distribution uses. However, even within distribution operations, there is a significant range of occupations, including stock handling, supervision, inventory, maintenance, drivers, administration, management and sales.

- 2.19 The Mountpark Phase 2 units (M, N and O in Figure 2) are currently being developed, as the last significant development units within the existing Omega Warrington estate. One of these units is committed to Gousto, with the other units being built speculatively and currently being marketed. It would be expected that these units would be completed and occupied/committed in 2021, leaving no further opportunities for development in Omega Warrington, without expansion on adjacent lands. Given housing developments to the south and east of Omega Warrington, the only potential significant growth directions would be to the west (on the subject site of this Inquiry) or to the north of Omega North, either of which would be encroaching on Green Belt land, as seen in Figure 3 below.

Figure 3 – Illustration of Omega Warrington in Relation to Green Belt Land



Source: LandInsight, 2021

Other Proposals being Assessed at Inquiries

- 2.20 Five other proposals are being assessed in Inquiries before the Secretary of State. Site plans are provided in Appendix 2.

(i) Parkside Phase 1 (PP1) – Planning Application P/2018/0048/OUP

- 2.21 The application is made by Parkside Regeneration LLP, a Joint Venture between Langtree Property Partners Limited and St Helens Borough Council.
- 2.22 The site is located to the east of the A49 (Winwick Road) south-east of Newton-le-Willows. The site is approximately 47.9 ha and forms part of the former Parkside Colliery site. The site comprises elements of previously developed land and land disturbed by the effects of the colliery operation.
- 2.23 The application is for outline planning permission for 92,900 sqm of employment floorspace of use class B8 (storage and distribution) and ancillary B1(a) offices and associated servicing and infrastructure. All matters other than access are reserved. The application is submitted with a parameters plan.
- 2.24 A safeguarded rail parameters plan identifies an area in the north west of the site for future rail connections associated with a potential strategic rail freight interchange (SRFI) that would be located to the east of the M6.

(ii) Parkside Link Road – Planning Application P/2018/0249/FUL

- 2.25 The application is made by St Helens Borough Council.
- 2.26 The site is approximately 38 ha to the south-east of Newton-le-Willows and is approximately 3.3 km in length. It includes areas within St Helens and Warrington Boroughs.
- 2.27 The Parkside Link Road would enable development of Phase 2 at the Parkside Colliery site and enable the SRFI to the east of the M6. While this application does not include an application for employment floorspace, the applicant states that Phase 2 at the Parkside Colliery is likely to comprise about 130,000 sqm of large scale logistics floorspace and the SRFI would comprise about 260,000 sqm of floorspace to the east of the M6.
- 2.28 The Parkside Phase 1 application and the Parkside Link Road application have been considered in one (phased) Inquiry, which closed in January 2021.

(iii) Tritax Symmetry – Planning Application A/18/85947/MAJES

- 2.29 The application is made by Tritax Symmetry to Wigan Metropolitan Borough Council.
- 2.30 The site for the proposed development is Land at Junction 25 of the M6, bounded by the M6 slip road and A49 Warrington Road to the east, agricultural land to the north and the M6 to the west.
- 2.31 The application is a hybrid application comprising a full planning application for 27,871 sqm of employment floorspace in two units and associated infrastructure, car parking and landscaping. The employment floorspace will be B8 warehousing with ancillary B1a offices and an outline planning application for up to 106,095 sqm of employment floorspace (B8 warehousing with ancillary B1a office space).
- 2.32 This site is within the draft Greater Manchester Spatial Framework (October 2020), which identifies the site as an allocated employment site for around 140,000 sqm of high quality B2 and B8 floorspace¹ and thus satisfies some of Greater Manchester's need for employment land.
- 2.33 The public inquiry for this scheme was held in December 2020.

(iv) Wingates Industrial Estate – Planning Application 04766/18

- 2.34 The application is made by Harworth Group Plc to Bolton Metropolitan Borough Council.
- 2.35 The site is immediately to the west of the existing Wingates Industrial Estate, south of the A6 Chorley Road. The site is approximately 1.25 miles south of Junction 6 of the M61 at Horwich and is approximately 33 ha.
- 2.36 The application is a hybrid application comprising an outline application for strategic employment development for industrial (B1c/B2), storage and distribution (B8) and/or research and development (B1b), each with ancillary office (B1a); associated education/training (D1), ancillary food and drink (A3/A4/A5) and associated works and a full planning application for demolition of buildings and infrastructure.

¹ CD 2.4: Draft GMSF Policy GM Allocation 42, pg 393

- 2.37 The Planning Statement supporting the application states that the scheme can accommodate up to 100,000 sqm of floorspace and deliver a range of employment uses, including:
- Very large floorplate warehouse/distribution centre (B8);
 - Medium and large floorplate warehouse or manufacturing premises (B8 or B2/B1c);
 - Small floorplate flexible employment use premises (B1b/B1c/B8).
- 2.38 This site is within the draft Greater Manchester Spatial Framework (October 2020), which identifies the site as an allocated employment site for around 440,000 sqm for a mix of large scale warehousing and advanced manufacturing² and thus satisfies some of Greater Manchester's need for employment land.
- 2.39 The public inquiry for this scheme was held in November 2020.

(v) Haydock Point – Planning Application P/2017/0254/OUP

- 2.40 The application is made by Peel L&P Investments (North) Ltd to St Helens Council. The Appeal is for the non-determination of the application by the Council within the statutory timeframes. The Appeal was made on the 27 July 2020. The Appeal was called in by the Secretary of State to be considered together with proposals at Parkside, Wigan and Bolton.
- 2.41 The site is approximately 42 ha and is Land to the North East of the A580 East Lancashire Road/A49 Lodge Lane at Haydock. The proposed development is known as Haydock Point. The site is predominantly flat and is proximate to Junction 23 of the M6, with visibility from the motorway to the site. Existing general industry and warehousing uses are located on the opposite (western) side of Junction 23 of the M6, north of the A580. The M6 forms a strong physical barrier and settlement edge between the Haydock Industrial Estate and the application site.
- 2.42 The application is an outline planning application for up to 167,225 sqm of floorspace for B8/B2, ancillary office and associated site facilities. The application is for up to 20% of the floorspace to be B2 general industry.

² CD 2.4: Draft GMSF Policy GM Allocation 6, pg 253

2.43 The Council considered the application on 24 November 2020. The Planning Officer's Report to Committee recommended that the merits of the application was finely balanced but, had the Council remained as the determining authority, it should grant permission subject to conditions and a Section 106 obligation. The Council reached a different judgment on this balance and resolved that it would have refused to grant permission.

2.44 The public inquiry for this scheme was held in February 2021.

Comparison Between Sites

2.45 The Inspector and SoS should note that the LPA does not consider that comparisons between the sites in St Helens is either helpful or relevant to the determination of this application. This is the approach which has been taken and endorsed by Inspectors at the previous Inquiries. The evidence of St Helens (as the LPA) is consistent across the 4 Inquiries. The LPA does not argue that there is a capacity issue and this is not a beauty parade. Indeed, that proposition applies with particular force in respect of this application site, which is required to meet a need for employment land in Warrington.

2.46 It follows that all of the above applications/appeals should be determined on their own merits. This is an issue which is considered further in the evidence of Alyn Nicholls.

Other Proposals

2.47 Other proposals of relevance to this statement include:

(a) Land at Barleycastle Lane, Warrington – Planning Applications 2017/31757 and 2019/34739

2.48 The application is made by Liberty Properties and Eddie Stobart Ltd to Warrington Borough Council.

2.49 The site is to the north of Barleycastle Lane, Appleton Thorn in Warrington Borough and is approximately 15.7 ha. The site is predominantly flat and is an undeveloped site used for agriculture.

2.50 To the south of Barleycastle Lane is an agglomeration of warehousing and industrial units, including a unit occupied by Eddie Stobart, the intended occupier of the proposed

unit. Further warehousing and industrial uses are located to the north-west of the subject site.

- 2.51 The proposed development is for a national distribution centre for Eddie Stobart Ltd with 56,197 sqm of B8 floorspace and 1,858 sqm of ancillary B1a office floorspace.
- 2.52 The application was refused by Warrington Borough Council, with the decision appealed by the applicant. The appeal was dismissed by the Secretary of State (2 November 2020) (CD 3.16). It is considered that the circumstances of this appeal are materially different to the land use planning merits of this proposal. This matter is addressed further by Mr Alyn Nicholls.

(b) Florida Farm North, Haydock – Planning Application P/2016/0608/HYBR

- 2.53 This application was brought by Bericote Properties Ltd to St Helens Borough Council.
- 2.54 The site is to the north of the A580 and west of the existing Haydock employment node and is approximately 36.7 ha.
- 2.55 The application was a hybrid application comprising a full permission for a new access to the A580 and internal roads and an outline application for two commercial/industrial buildings comprising up to 135,000 sqm of B2/B8 floorspace (including up to 10,000 sqm of office space). The application was granted in April 2017.
- 2.56 Subsequently the access and two units have been developed on the site and have been occupied. The two units are a 48,830 sqm unit occupied by Kellogg's and a 30,000 sqm unit occupied by Amazon.

(c) Penny Lane North, Haydock – Planning Application P/2015/0571/HYBR

- 2.57 This application was brought by Morley Estates to St Helens Borough Council.
- 2.58 The site is to the west of the M6 at Haydock, north-west of Junction 23 and is approximately 11.05 ha.
- 2.59 The application was a hybrid application for a two unit scheme, comprising an outline application for a 34,653 sqm B8 warehouse unit and a full application for a 11,689 sqm B8 unit. The application was granted in September 2016.

2.60 The larger unit has since been developed and occupied by Movianto, a healthcare logistics firm. The smaller unit remains undeveloped.

3.0 CONTEXT

- 3.1 The relevant policy context is set out in the statement of common ground. The following section provides a short summary of the policy context, relevant guidance, strategies and assessments, which are relevant to the assessment of the need for the proposed development. Planning policy is addressed comprehensively by Mr Nicholls.

National

National Planning Policy Framework (February 2019)

- 3.2 The National Planning Policy Framework (NPPF) (CD 1.1) is the government's central planning policy for England, outlining the approach to the preparation of Local Plans and determining planning applications. I have had due regard to this document in undertaking this assessment, in particular Chapter 6 – Building a Strong, Competitive Economy. In particular, paragraphs 80-82 outline how planning policies and decisions should “*help create the conditions in which businesses can invest, expand and adapt.*” (para. 80). Planning policies should accommodate the locational requirements of specific sectors, including for “*storage and distribution operations at a variety of scales and in suitably accessible locations*” (para. 82)³.

Planning Practice Guidance – Housing and Economic Needs Assessment (July 2019)

- 3.3 Of relevance in this Planning Practice Guidance (PPG) are paragraphs 25-32 which provide guidance as to how local authorities can plan for employment land, including the type of employment land needed, responding to business needs, forecast future need, assess the stock of employment land, assess market demand, assess employment land requirements, assess need for logistics space and address specific locational requirements of specialist or new sectors.
- 3.4 Regarding logistics space, the PPG notes that “*The logistics industry plays a critical role in enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities, and has distinct locational requirements that need to be considered in formulating planning policies (separately from those relating to general industrial land).*”

³ CD 1.1: NPPF paras 80-82, pg 23

Strategic facilities serving national or regional markets are likely to require significant amounts of land, good access to strategic transport networks, sufficient power capacity and access to appropriately skilled local labour. Where a need for such facilities may exist, strategic policy-making authorities should collaborate with other authorities, infrastructure providers and other interests to identify the scale of need across the relevant market areas.” (para. 31).

Planning Practice Guidance – Housing and Economic Land Availability Assessment (July 2019)

- 3.5 The PPG provides guidance on an assessment of land availability to identify “*a future supply of land which is suitable, available and achievable for housing and economic development over the plan period.*” (para 001). Such a study is used as evidence to inform decision making on use of sites, though it is for the Development Plan itself to determine the use of sites.

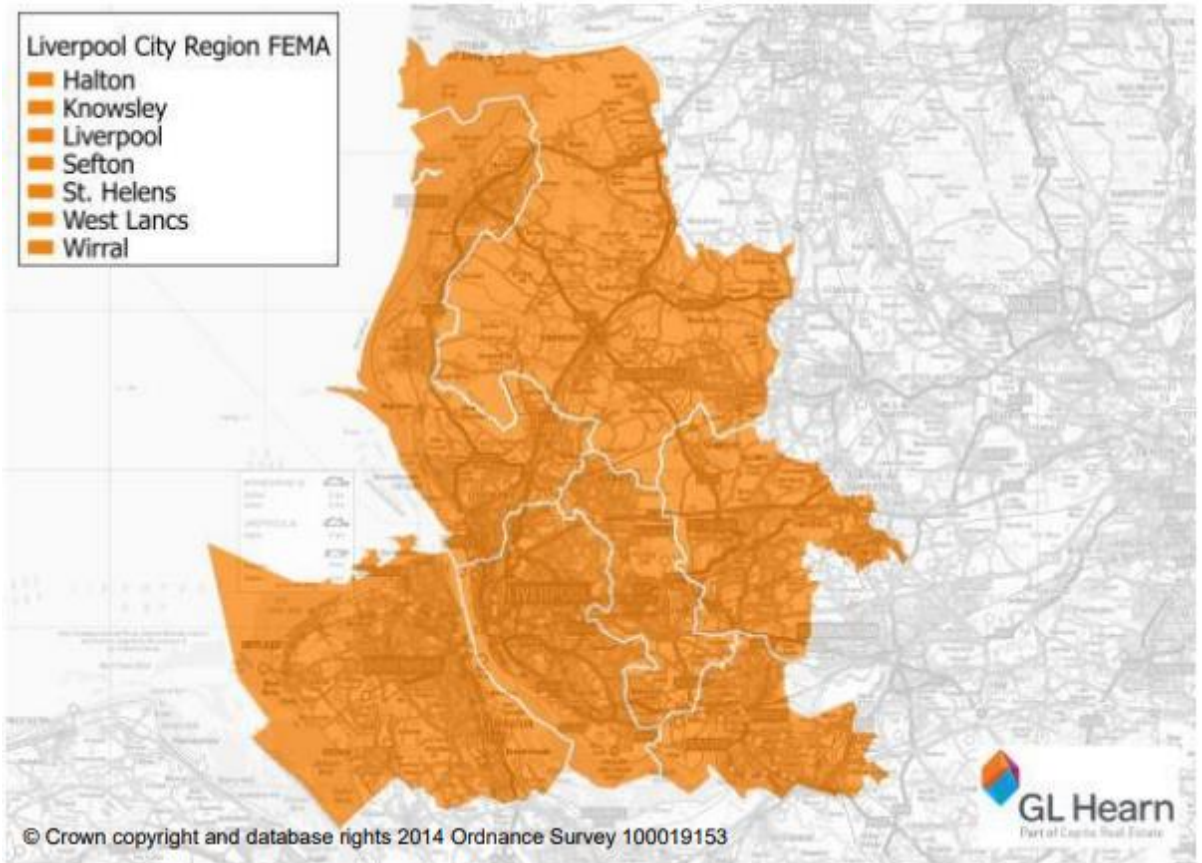
Regional Context

Liverpool City Region Strategic Housing and Employment Land Market Assessment (March 2018)

- 3.6 The Liverpool City Region Strategic Housing and Employment Land Market Assessment (SHELMA) (CD 4.160) comprises a study prepared on behalf of the local authorities of the Liverpool City Region (including St Helens) to have a consistent joint evidence base for housing and employment land needs to 2037. It is used as part of the evidence base at the City Region level, as well as for St Helens. In particular the SHELMA reviews the need for B-class employment land to 2037.
- 3.7 The SHELMA has defined the Liverpool City Region plus West Lancashire as the functional economic market area for the assessment. Figure 2 is an illustration of the functional economic market area that was in the SHELMA.⁴

⁴ CD 4.160: SHELMA pgs 18-21

Figure 4 – Functional Economic Market Area as Illustrated in the SHELMA⁵



Source: SHELMA, March 2018.

3.8 The assessment of employment land has considered office, industrial and small-scale warehousing and large-scale warehousing (defined as over 9,000 sqm or 100,000 sqft) separately. Table 1 below provides a summary of the forecast employment land needs for St Helens for office, industrial and small-scale warehousing in the SHELMA. This includes a margin for flexibility, equivalent to five years of completions.

Table 2 – Employment Land Needs 2012-2037 (ha)⁶

	Baseline Labour Demand Forecast		Growth Scenario Labour Demand Forecast		Past Completions		
	B1	B2	B1	B2	B1	B2	B8
St Helens	11.6	13.7	28.8	27.3	6.3	44.8	10.3
FEMA	160.1	139.8	232.5	154.8	235.7	437.3	118.2

Source: extract from Table 62 of SHELMA

⁵ CD 4.160: SHELMA pg 20, Figure 2

⁶ CD 4.160 SHELMA pg 157, Table 62

- 3.9 The large-scale warehousing was assessed separately due to the potential implications of increased port capacity at Liverpool2 on the demand for large scale warehousing. Liverpool2 is a major increase in shipping container handling capacity at the Port of Liverpool, to accommodate the largest container vessels and to increase throughput (the first phase of Liverpool2 opened in 2016, with the second phase under construction and expected to be completed in 2021⁷). It was considered in the SHELMA that this additional port capacity would increase overall demand for large scale warehousing, which would not be accommodated within typical forecasting methodologies, based on labour forecasts or past completion trends, as it was not considered to be on-trend growth. Rather it would be expected to be additional demand. The SHELMA considered an estimate of the total gross warehouse new build in the FEMA to 2043, comprising replacement builds and additional floorspace.⁸
- 3.10 The SHELMA estimated that 50% of existing large-scale warehouse stock would need to be replaced by 2033 and 80% by 2043, necessitating some 768,000 sqm of new build large warehousing space as replacement stock by 2033 and 1,229,000 sqm of new build large warehousing space by 2043.⁹
- 3.11 On top of this replacement stock, additional large scale warehousing stock is forecast based on potential growth in freight movements due to the Liverpool2 port. This study referenced the Transport for the North's Freight and Logistics Strategy (CD number not allocated), in particular its freight traffic growth projections, a 'do-minimum' forecast in the SHELMA based on existing warehouse operators in the Liverpool City Region continuing to predominantly serve a North West market and a 'do-something' approach that assumes that the North West warehouse operators (including in Liverpool) increase their market share in England, to serve a national market in line with the Transport for the North's Freight and Logistics Strategy.¹⁰ From these two scenarios, it was forecast that by 2033 the floorspace requirement for large-scale warehousing in the City Region would be 232,000-517,000 sqm and by 2043 would be 354,000-820,000 sqm (Table 67 of SHELMA).¹¹

⁷ Peel Ports website; Place North West article 'Liverpool2 Records Largest Container Delivery' 02/04/2020

⁸ CD 4.160 SHELMA Ch 12, pg 159-168

⁹ CD 4.160: SHELMA para 12.12, pg 161

¹⁰ CD 4.160: SHELMA para 12.19 pg 164

¹¹ CD 4.160: SHELMA pg 165 Table 67

- 3.12 Accordingly, the land requirement to 2037 (to align with the other SHELMA forecasts) for large-scale warehousing in the City Region was forecast to be 308-397 ha (Table 69 of SHELMA).¹² The considerable range in this forecast (almost 90 ha) is due to the differences in the assumptions between the 'do-minimum' and 'do-something' forecasts, with the 'do-something' scenario assuming that the region aligns with the Transport for the North's Freight and Logistics Strategy, with substantial transport infrastructure investment, improved connectivity to ports and improved rail/water connected distribution facilities across the North of England. The 'do-minimum' scenario only accounts for already committed infrastructure projects.
- 3.13 The potential locations of this forecast requirement within the City Region was not disaggregated to local authority or site level as the report noted that the large-scale warehousing market is sub-regional and growth at a local level is driven by the supply of attractive sites.

Liverpool City Region Assessment of the Supply of Large-Scale B8 Sites (June 2018)

- 3.14 The Liverpool City Region Assessment of the Supply of Large-Scale B8 Sites (CD 5.83) was a parallel study to the SHELMA and provided a supply side assessment of sites within the City Region that had potential to accommodate large-scale warehousing uses.
- 3.15 The study assessed past trends of transactions of large industrial premises (>9,000 sqm) in the City Region and identified that for new build or renovated spaces, approximately 80% were for B8 warehousing and 20% for B2 general industry.
- 3.16 24 sites were assessed in this study, including four in St Helens – Parkside West (51.6 ha), Parkside East (63.7 ha), Land North of Penny Lane, Haydock (8.8 ha) and Florida Farm North, Haydock (28.1 ha). It is noted that the two Parkside sites were the two largest sites assessed in this study, with the next largest site being the 3MG site at Widnes in Halton Borough. The two Haydock sites have since been developed for large-scale warehousing uses. Sites in Warrington were not assessed as Warrington is outside the Liverpool City Region.
- 3.17 It was estimated that some 171.3 ha of land would be developable for large-scale B8 uses within sites that at the time of the report were allocated employment sites in

¹² CD 4.160: SHELMA pg 166 Table 69

adopted local plans or had current planning permissions. This included the two Haydock sites within St Helens, which at that time had current planning permissions (Florida Farm and Penny Lane). The report compared this with the land requirement to 2037 for large-scale B8 uses presented in the SHELMA (339-437 ha to 2037, including 10% buffer), noting the considerable shortfall and commenting “*there is a clear requirement to identify more sites across the City Region to meet the identified need.*”¹³

- 3.18 If including sites that have been identified in emerging local plans or subject to current planning applications, the supply of land developable for B8 uses increases to 295.6 ha, the bulk of which was the two Parkside sites. However, this would still represent a shortfall of large-scale B8 land of 43.4-141.4 ha to 2037 across the City Region.

Liverpool City Region Spatial Planning Statement of Common Ground (October 2019)

- 3.19 This Statement of Common Ground (CD 5.84) between the local authorities within the Liverpool City Region has been prepared jointly as part of the requirement in the NPPF to cooperate on cross-boundary strategic matters.

- 3.20 Regarding employment land, the Statement notes that the key issue is the need for strategic B8 sites in the Liverpool City Region. The Statement refers to the SHELMA work and combined need for at least 397 ha of land to be developed for large-scale distribution units before 2037: “*To be suitable for this type of use sites must have very specific characteristics; in particular they must be large and well-located with respect to the links via the motorway and / or rail networks to the rest of the country. The sites must also be flat, readily available and easily serviced, and able to draw on available labour using public transport networks. The best sites will also have rail access.*”¹⁴ The reference to “rail access” is a clear reference to the Parkside Colliery, which lies adjacent to the axis of the West Coast Main Line and Chat Moss (Liverpool-Manchester) Line.

Draft Liverpool City Region Local Industrial Strategy (March 2020)

- 3.21 The NPPF states that planning policies should have regard to Local Industrial Strategies. The Draft Liverpool City Region Local Industrial Strategy (LIS) (CD 5.92)

¹³ CD 5.83: para 10.11 pg 59-60

¹⁴ CD 5.84: para 4.8 pg 11

sets out a vision for transforming together – delivering a competitive, clean and inclusive City Region. The strategy is based on five foundations, being:

- Thriving and distinct places (Places)
- The opportunity to turn potential into prosperity (People)
- A dynamic business case creating opportunity (Business Environment)
- Collaboration that turns innovation into impact (Ideas)
- Connecting all communities to opportunity (Infrastructure)

3.22 The last of these, the Infrastructure Foundation, includes support for the clean growth of freight and logistics and recognises that the region is an important hub for logistics.¹⁵

St Helens Borough

St Helens Employment Land and Skills Review: Addendum Report (November 2010)

3.23 The St Helens Employment Land and Skills Review (CD 43.65) informed the development of the Core Strategy by determining the quantity of employment land required in the Borough to 2025. The Addendum Report updated these calculations to 2027 and incorporated revised assumptions on housing growth in the Borough.

3.24 The Addendum Report identified a demand for 41 ha of B8 warehousing land to 2027 and a further 5 ha for B1 office land, with a negative demand for B2 manufacturing land of -18 ha. Total supply of warehousing land at that time was identified as only 9 ha (though 0 ha of warehousing land without constraints), resulting in a shortfall of 33 ha of B8 land (or 41 ha of land without constraints).¹⁶

Review of Employment Land in St Helens to 2027 (September 2011)

3.25 This document (CD 22.20) was initiated following concerns raised in the examination process for the Core Strategy. The concerns raised by the Planning Inspector were in relation to whether St Helens would have sufficient deliverable land to service the warehousing and distribution demand.

3.26 The Review assessed the supply of employment land in St Helens that would be available for development, summarised in the table below.

¹⁵ CD 5.92 pg 68

¹⁶ CD 43.65 pg 11, Table 2-14

Table 3 – Assessed Land Supply in St Helens to 2027¹⁷

	B1a Offices (ha)	Small/Medium B2/B8 (units <9,290 sqm) (ha)	Large B2/B8 (units >9,290 sqm) (ha)	Total (ha)
Immediately deliverable in the short term (0-5 years)	11.15	24.62	10.45	46.22
Constrained and potentially deliverable in medium/long term (6-15 years)	0.00	34.9	5.0	39.90
Total	11.15	59.52	15.45	86.12

Source: Table 3.1 of Review of Employment Land in St Helens to 2027

3.27 The report identified only 15.45 ha of employment land suitable for large-scale B2 or B8 units. This land was across three sites.

- 5 ha at the Pilkingtons site close to the A580 (currently subject to an outline planning application for a mixed-use development including 1,100 dwellings and 3,925 sqm of mixed-use floorspace and is a housing allocation in the Draft Local Plan)
- 3.46 ha at Kilbuck Lane at the Haydock Industrial Estate (remains a vacant site in centre of Haydock Industrial Estate)
- 6.99 ha at Elton Head Road, adjacent to the Somerfield/Co-op Depot (remains a vacant site, though is not allocated for employment in the Draft Local Plan)

St Helens Local Plan Core Strategy (Adopted October 2012)

3.28 The St Helens Local Plan Core Strategy (CD 2.2) is the adopted development plan for St Helens Borough to guide growth to 2027.

3.29 Policy CSS1 Overall Spatial Strategy guides the overall distribution of settlement within St Helens. Of particular relevance (to the issue of need) is Policy CSS1. 1. v. which directs the main focus of economic development along the M62 Link Road corridor (connecting St Helens urban settlement to the M62) and Haydock Industrial Estate. It is noted that the market has seen more development at Omega Warrington than at the

¹⁷ CD 22.20 pg 20 Table 3.1

M62 Link Road in recent years, particularly for large scale occupiers, and both areas would be seeking to attract businesses looking for very good access to the M62. Omega Warrington is more appealing in this regard for occupiers, with more direct access and higher visibility.

- 3.30 Policy CE1 A Strong and Sustainable Economy is the policy for the development of B-class employment land. It states that St Helens will provide “*at least 37 hectares of land to meet local needs for B1, B2 or B8 purposes to 2027.*” This would be met through identifying sites within the Allocations DPD. Parkside SRFI is supported to meet a regional or subregional need.
- 3.31 The Core Strategy refers to the analysis of the Review of Employment Land in St Helens to 2027 (CD 22.20), including the table replicated at Table 2 above. The Core Strategy identifies a supply of 75 ha to meet the demand for 37 ha of employment land to 2027, including 37 ha of supply for B8 warehousing (for small to large units).¹⁸

Employment Land Needs Study (October 2015)

- 3.32 In my role at BE Group, I prepared this study on behalf of St Helens Council to inform the emerging Local Plan. The primary objective of this study was to establish an objectively assessed need (for employment land and floorspace to 2037, in accordance with the NPPF and PPG).
- 3.33 The Employment Land Needs Study (ELNS) (CD 5.79) took into account the property market conditions and performance at that time and consultations with businesses and property agents. The forecast of the OAN for employment land to 2037 was undertaken using three approaches – historic employment land take-up, jobs forecast and residential labour force projections. The historic land take-up was assessed to be the most appropriate approach for St Helens as the other approaches appeared to underestimate growth in previous years.¹⁹ Additional to this baseline forecast, an assessment of the additional demand due to major employment projects in the region, including the Parkside Rail Freight Interchange and SuperPort Liverpool, as well as the strong logistics demand, was undertaken. The OAN, including the additional demand, was forecast to be 177-214 ha between 2012 and 2037.
- 3.34 The range reflects the different periods of land take-up that was assessed. The land take-up data that was available at that time was for 1997-2015. Three growth

¹⁸ CD 2.2 para 15.17 pg 122

¹⁹ CD 5.79: ELNS pgs 108-109

assumptions for the forecast period 2012-2037 were reviewed – one based on the available data up to the start of the forecast period (i.e. 1997-2012), one that included all the available data (i.e. 1997-2015) and one that reflected the strong growth period of St Helens (1998-2008). This third scenario was used to show the requirement if St Helens sustained a high level of growth over the full forecast period, equating to some a need for 225 ha. However, it was concluded that the other two forecast scenarios would represent a more moderate level of growth for St Helens over the planning period.

Table 4 – Employment Land Needs 2012-2037 (ha)²⁰

	Employment Land Needs
Baseline (land take-up scenario)	147-174 ha
Additional land demand major projects	30-40 ha
Total Employment Land Needs	177-214 ha

Source: Table 63 of the ELNS

- 3.35 Of this requirement, some 100-130 ha was forecast to be for B8 warehousing.²¹
- 3.36 The ELNS was focussed on employment land and did not translate the need estimate into floorspace. However, adopting the average floorspace density of 3,900 sqm/ha used within the ELNS²², the total employment land needs to 2037 equates to some 690,000-834,600 sqm of employment floorspace, of which about 390,000-507,000 sqm would be expected to be B8 warehousing.
- 3.37 The functional economic market area (FEMA) for St Helens was estimated to be an area comprising the Liverpool City Region, Wigan and Warrington, which is illustrated in Appendix 4. However, the Core Strategy and emerging Local Plan are both clear that St Helens is looking to meet its own needs, rather than needs from across the whole of the FEMA. Indeed, this approach is agreed with both Warrington BC and Wigan MBC.

²⁰ CD 5.79: ELNS pg 114 Table 63

²¹ CD 5.79: ELNS pg 114 Table 64

²² CD 5.79: ELNS pg 98

Employment Land Needs Study – Addendum Reports (October 2017 and January 2019)

3.38 I provided further assessments of the employment land market to St Helens Council in the Employment Land Needs Study Addendum Report, of which two versions were prepared, firstly in October 2017 (CD 5.80) and secondly in January 2019 (CD 5.81). The October 2017 Addendum Report included an updated estimate of the OAN for employment land between 2012 and 2037. It was not updated again for the January 2019 report. The OAN was updated in recognition of:

- More recent market information which showed broad and strong demand for warehousing units, driven by the growth in the online retail market;
- Strong interest in local warehousing schemes, including projects with planning permissions or planning applications within Haydock;
- Further employment land take-up information, which suggested a constrained market;
- A regional report, 'B8 Land-use Forecasts for the Liverpool City Region' which assessed the region's need for large scale warehousing units, defined as above 9,000 sqm (approximately (100,000 sqft). This report informed the development of the Liverpool City Region SHELMA.

3.39 From this further information, the OAN was revised to be as in Table 4 and once again the range is due to the range in the underlining take-up data. However, I stated in that Addendum report that given the recent strong market, it was considered that in a market where there were no significant land supply constraints, the upper level of the range would be a better representation of actual growth.²³

Table 5 – Employment Land Needs 2012-2037 (ha)²⁴

	Employment Land Needs
Baseline (land take-up scenario)	135-174 ha
Additional land demand major projects	55-65 ha
Total Employment Land Needs	190-239 ha

Source: Table 6 of the ELNS Addendum Report

²³ CD 5.81: ELNS Addendum pg 11 para 2.22

²⁴ CS 5.81: ELNS Addendum pg 11 Table 6

- 3.40 From this OAN, an indicative breakdown of the potential B-class uses was provided in the report, including a 110-155 ha requirement for B8 warehousing land.
- 3.41 The floorspace estimates were not provided in the Addendum Report, but assuming an average of 3,900 sqm/ha, the total employment land needs to 2037 equates to some 741,000-932,100 sqm of employment floorspace, of which some 429,000-604,500 sqm is expected to be B8 warehousing.
- 3.42 The addendum reports also included potential employment capacity and employment growth trajectory information on potential employment sites that were being considered for the emerging draft Local Plan. These sites include the 31.2 ha Omega Western Extension site that forms part of the application site, as well as the Haydock Point site and the two Parkside sites which are all subject of Inquiries. The purpose of these employment capacities and growth trajectories were to inform housing planning in the Borough by understanding potential employment on the large employment sites being considered within the borough.

St Helens Borough Local Plan 2020-2035 Submission Draft (January 2019) and incorporating Schedule of Changes (October 2020)

- 3.43 The St Helens Borough Local Plan 2020-2035 Submission Draft (CD 3.18) is the emerging local plan for the borough. The Submission Draft was taken to public consultation in 2019 and has recently been submitted for examination. A Schedule of Proposed Changes to the Jan 2019 Version has been published.
- 3.44 Policy LPA02 Spatial Strategy guides the regeneration and growth of St Helens to 2035 and beyond. Paragraph 5 of this policy states that substantial new employment development will occur on large sites capable of accommodating large employment buildings (over 9,000 sqm) and are close to the M6 and M62.
- 3.45 Policy LPA04 A Strong and Sustainable Economy states that the Council will aim to deliver a minimum of 219.2 ha of land for employment development between 2018 and 2035²⁵, which is a substantial increase in the employment land target than in Policy CE1 of the adopted Core Strategy. This policy lists the sites to meet this requirement, which are listed in the table below, with the sites mapped in Appendix 5.

²⁵ CD 3.18: Schedule of Changes pg 8 and Submission Draft pg 29

**Table 6 – Employment Sites in St Helens Borough Local Plan 2020-2035
Submission Draft**

Site	Land Area (ha)
1EA – Omega South Western Extension, Land North of Finches Plantation, Bold	31.22
2EA – Land at Florida Farm North, Slag Lane, Haydock	36.67
3EA – Land North of Penny Lane, Haydock	11.05
4EA – Land South of Penny Lane, Haydock	2.16
5EA – Land to the West of Haydock Industrial Estate, Haydock	7.75
6EA – Land West of Millfield Lane, South of Liverpool Road and North of Clipsley Brook, Haydock	20.58
7EA – Parkside East, Newton-le-Willows	64.55
8EA – Parkside West, Newton-le-Willows	79.57
9EA – Land to the West of Sandwash Close, Rainford	6.96
10EA – Land at Lea Green Farm West, Thatto Heath	3.84
11EA – Land at Gerards Park, College Street, St Helens	0.95
Total	265.3

Source: Table 4.1 of St Helens Borough Local Plan 2020-2035, Submission Draft, Jan 2019

- 3.46 Policy LPA04.1 Strategic Employment Sites identifies which of the above sites are considered strategic for St Helens, being 1EA (part of the application site), 2EA, 6EA, 7EA and 8EA. This policy outlines what any masterplan accompanying a planning application must include.
- 3.47 Policy LPA06 Safeguarded Land identifies sites to be removed from the Green Belt in order to meet longer term development needs well beyond the Plan period i.e. well beyond 2035. These sites are not allocated within the Plan period and planning permission for development on these sites will only be granted following a future Local Plan review (according to the NPPF).²⁶ Omega North Western Extension, Bold at 29.98 ha and Land North East of Junction 23 M6 (South of the Haydock Racecourse), Haydock at 55.90 ha are the two sites safeguarded for employment uses in the draft Local Plan.²⁷ The Omega North Western Extension site is to the north of the M62 and north of the application site.

²⁶ CD 3.18: pg 50

²⁷ CD 3.18: Table 4.7 pg 50

Employment Land Need and Supply Background Paper (October 2020)

- 3.48 This paper (CD 22.19) has been prepared by St Helens Council as part of the evidence base for the forthcoming Examination in Public of the St Helens Borough Local Plan 2020-2035. This paper provides a summary of the employment land position for St Helens, including summarising the ELNS documents that formed part of the evidence base to inform the emerging local plan.
- 3.49 This document provides gross employment land take-up figures, drawn from annual monitoring reports, up to 2019/20, which are replicated below.

Table 7 – Employment Land Take-Up 2012-2020

Year	Take-Up (ha)
2012/13	0.11
2013/14	0.08
2014/15	0.53
2015/16	1.65
2016/17	0.33
2017/18	0.02
2018/19	4.19
2019/20	51.53
Total	58.26

Source: Table 4.1 of the Employment Land Need and Supply Background Paper

- 3.50 The table clearly shows a substantial spike in take up in the most recent year, comprising over 88% of the take-up of employment land over the eight-year period. The report notes that the main sites that comprise this recent take-up are:
- 2EA Florida Farm North, Slag Lane, Haydock (36.67 ha);
 - 3EA Land North of Penny Lane, Haydock (11.05 ha); and
 - 10EA Land at Lea Green Farm West, Thatto Heath (3.84 ha).
- 3.51 This spike in take-up was anticipated in the ELNS Addendum Report. It was anticipated that once land was available and approved for development there would be an

increase in development activity, that had been constrained in recent years due to a lack of supply.²⁸

Summary – Comparison between Adopted Core Strategy and Emerging Local Plan

3.52 The minimum employment land requirement in the Adopted Core Strategy (37 ha between 2012 and 2027) is far more modest than that in the draft Local Plan 2020-2035 (219.2 ha between 2018 and 2035). This is a response to the constrained supply in recent years but also reflects changing market conditions, including:

- Increase in demand for large-scale warehousing, primarily driven by the online retail sector, which has substantially expanded since the preparation of the Core Strategy, with commensurate implications for warehousing capacity (see graph of growth in proportion of online retailing in Appendix 6, sourced from the Office of National Statistics (ONS)); and
- Contrasting economic conditions at the time of the preparation of the background employment land papers that informed the two local plan documents. The earlier document was prepared as the UK emerged from a recession, with subdued market confidence, compared to more buoyant economic conditions for the more recent document.

3.53 The Core Strategy's minimum land requirement over the 15 years to 2027 (37 ha) is in stark contrast to the actual take-up just in 2019/20 (51.53 ha). While it is not expected that such a high figure would be achieved every year, it does demonstrate that the Core Strategy's position is no longer appropriate or up to date to meet the market's needs. The weight to be attached to Policy CE 1(1) is addressed by Mr Nicholls.

Warrington Borough

Core Strategy Employment Land Requirement Paper (November 2010)

3.54 This document (CD 43.66) formed part of the evidence base for Warrington's Core Strategy (2014) looking at the quantity of employment land to be provided in the borough to 2026. The report looked at past take-up rates of employment land as the basis.

²⁸ CD 5.81: ELNS Addendum para 2.24 pg 12

- 3.55 The Unitary Development Plan (UDP) for Warrington included an employment land requirement based on an average of 13 ha/year. This Core Strategy Employment Land Requirement Paper reviewed the up to date take-up data to assess whether this was still an appropriate annual average for Warrington. The most recent data suggested that a slightly reduced average take-up and thus two options were formulated – maintaining the UDP rate of 13 ha/year or adopting 11 ha/year – and this was compared to the forward land supply at that time of 289.6 ha (including 130.19 ha at Omega). At 13 ha/year over 16 years to 2026, this equated to a requirement of 249.8 ha (including 20% flexibility) and at 11 ha/year this equated to a requirement of 211.2 ha (including 20%). Therefore, under both scenarios the supply of land was in excess of the calculated requirement.

Warrington's Local Plan Core Strategy (Adopted July 2014)

- 3.56 Warrington's Local Plan Core Strategy (CD 2.7) provides “a *planning framework for guiding the location and level of development in the borough up to 2027.*”
- 3.57 Policy CS2 (Overall Spatial Strategy – Quantity and Distribution of Development) states that “*Up to 277 hectares of land for business, general industrial and storage/distribution uses (principally Use Classes B1, B2 & B8) is available over the period 2006 to 2027, to support growth of the local and sub-regional economy.*”²⁹ This was calculated on the basis of 11 ha/year over 21 years to 2027 and including a 20% allowance for flexibility. This compared to an available supply of 335.45 ha of employment land, including 130.19 ha at Omega. Therefore, there was a calculated residual supply of 58.45 ha.³⁰
- 3.58 Two strategic development locations of note are detailed in Policy CS7 (The Town Centre) and Policy CS8 (Omega and Lingley Mere). Policy CS7, seeks to support development in the Town Centre and improve its viability and vitality. “*At Lingley Mere the ongoing development of the site for primarily B1(a) and B2 uses in accordance with existing consents will continue to be supported. At Omega, Phases 1 and 2 benefit from existing consents for B1, B2, B8 development.*” The whole of the 267 ha site is identified as a strategic location for economic growth. Phases being developed and those which currently remain undeveloped will contribute to the Borough's future employment land supply. “*As at 1st April 2012, 71 ha of the land at Omega was*

²⁹ CD 2.7 pg 28

³⁰ CD 2.7 Table 2 pg 26

required for employment uses within the plan period. The site could accommodate between 12,000 and 20,000 jobs when fully built out.”

- 3.59 Policy PV1 (Development in Existing Employment Areas) guides development of employment schemes to existing employment areas and in particular states that major warehousing and distribution developments will be primarily directed towards:
- Appleton and Stretton Trading Estates
 - Omega
 - Woolston Grange.
- 3.60 At Fiddlers Ferry Power Station (Policy PV2) the Council will support development which *“enhances the existing employment opportunities at the facility and which continues investment in power generation and provides opportunities for the establishment of related development.”*
- 3.61 Elements of the Adopted Core Strategy were challenged in the High Court, and in 2015 the Court quashed the Core Strategy’s housing target. The employment and economic development elements were unchanged. Following the High Court decision, Council resolved to update its housing policies. In 2016, the Council commenced a full plan review.

Warrington Economic Development Needs Assessment (EDNA) (Mickledore/BE Group 2016 updated 2019) (CD 5.155.7)

- 3.62 BE Group and Mickledore were jointly commissioned to prepare the EDNA to inform the emerging draft Local Plan on employment land needs in the borough to 2037. The EDNA identified an OAN of 361.71 ha of employment land for the period 2017-2037. This was established based on an historic land take-up model (consistent with St Helens’ assessment) and a five-year buffer for flexibility. The scenario was based on a local and strategic level need, with the local level (Warrington only) need – estimated to be 233.71 ha over the forecast period. The calculation for the 361.71 ha³¹ requirement was based on an average land take-up rate of 13.88 ha/year over 20 years (277.6 ha) plus a buffer equivalent to five years of take-up (69.4 ha). A further 14.71 ha was added to the requirement to account for employment uses in Warrington

³¹ CD 5.155.7 para 6.19 pg 113

displaced by housing schemes (calculated from net losses of employment land within the Stadium Quarter and Southern Gateway masterplan schemes).³²

- 3.63 The realistic supply of employment land as of 2019 was estimated to be just 83.91 ha, including 59.97 ha at Omega Warrington. The list of sites that comprised this as of 2019 is listed below. Compared to the identified OAN of 361.71 ha, this equates to a shortfall of 277.8 ha.³³ The EDNA provided a breakdown of this shortfall by employment type and estimated a shortfall of 158.28 ha of B8 warehousing land when comparing the requirement to supply.³⁴

Table 8 – Remaining Warrington Employment Land Supply as of 2019

Site Name	Realistic Site Area (ha)
Omega Phases 1 and 2 Remainder	26.27
Omega South - Zone 7	33.70
Gemini 8 Retail Park, Charon Way, Westbrook	5.21
Land at Stanley Street	0.05
The Quadrant (South), Birchwood Park	1.87
Plots 107, 501-502, 611-612, 701-702 and Quadrant, Eastern Edge, Birchwood Park	10.50
Benson Road, Birchwood	0.24
Phase 1 Remainder - Lingley Mere	2.35
Phase 3 - Lingley Mere	3.62
Land off Dolmans Lane between Bridge Street and, Union Street (33 Bridge Street)	0.10
Total	83.91

Source: Warrington Employment Development Needs Assessment, 2019

- 3.64 The following table provides the list of year-by-year take-up of employment land in Warrington Borough, drawn from the EDNA 2019. The information was gathered by Warrington Borough Council in its annual monitoring. This has been updated to include latest information provided by Warrington Council to BE Group. The data includes the amount consumed at Omega Warrington since its initial development in 2013.

³² CD 5.155.7 paras 4.26-4.30 pgs 70-73

³³ CD 5.155.7 para 6.21 pg 113

³⁴ CD 5.155.7 Table 25 pg 115

Table 9 – Take-up of Employment Land³⁵

Year	Total, ha	Comments
1996-1997	9.06	
1997-1998	12.41	
1998-1999	9.43	
1999-2000	21.80 (13.99 less Omega)	Above average take up this year reflects the development of a Royal Mail Central Processing Depot on 7.81 ha at Omega South
2000-2001	11.63	
2001-2002	18.62	
2002-2003	6.49	
2003-2004	3.80	
2004-2005	14.19	
2005-2006	9.68	
2006-2007	17.58	
2007-2008	7.41	
2008-2009	12.36	
2009-2010	8.20	
2010-2011	5.58	
2011-2012	8.14	
2012-2013	7.12	
2013-2014	19.28 (4.45 less Omega)	14.83 ha at Omega – Brakes and Hermes
2014-2015	63.91 (2.61 less Omega)	61.30 at Omega including Asda
2015-2016	26.28 (0.48 less Omega)	25.80 at Omega
2016-2017	8.08 (0.43 less Omega)	7.65 at Omega – Amazon
2017-2018	4.26 (0.15 less Omega)	4.11 ha at Omega – Dominos and Haydock Commercial Vehicles
2018-2019	31.85 (8.85 less Omega)	23 ha at Omega – Mountpark Phase I
2019-2020	4.13	
Total	341.29 =14.22/year	

Sources: Warrington Employment Development Needs Assessment, 2019; WBC/BE Group, 2021

³⁵ CD 5.155.7 Table 22 pg 109, updated to include latest data from WBC

- 3.65 The employment land take-up in average quoted in the EDNA for 1996-2018 was 13.88 ha/yr. When incorporating the available data since 2018 the average for 1996-2020 is 14.22/yr. Therefore, revisiting the overall employment land requirement for coming years, based on the average past land take-up rate will lead to a slight increase on the EDNA 2019 forecast.

Warrington Proposed Submission Version Local Plan 2017-2037 (March 2019)

- 3.66 The Proposed Submission Version Local Plan (CD 2.9) was in part informed by the EDNA studies. The Introduction of this Submission Version refers to the High Court challenge to the Adopted Core Strategy and that the housing target was quashed. *“Following the High Court ruling in February 2015 which quashed the housing target in the adopted Local Plan Core Strategy (2014), the Council sought to update its housing policies. It became clear that the Borough’s needs going forward could not be met without a full review of the adopted Plan.”*³⁶
- 3.67 Policy DEV4 Economic Growth and Development states that Warrington will make provision for a minimum of 362 ha of employment land between 2017 and 2037 to support local and wider strategic land needs.³⁷ This requirement is in line with the OAN of 361.71 ha estimated in the EDNA (see review of EDNA above).
- 3.68 This emerging Local Plan identifies new allocations in a number of locations across the Borough, both in motorway related sites and also close to the town centre. Policy DEV4 lists the primary locations for employment uses, including existing areas:
- Omega
 - Woolston Grange
 - Appleton and Stretton Trading Estate
 - Winwick Quay
 - Birchwood Park
 - Centre Park
 - Lingley Mere
 - Gemini Westbrook

³⁶ CD 2.9 para 1.2.1 pg 3

³⁷ CD 2.9 pg 48

3.69 The explanation behind Policy DEV4 outlines how Warrington Borough Council intends to meet the need for 361.71, summarised in Table 6 of the Submission Draft and replicated in the table below.

Table 10 – Employment Land Needs³⁸

Requirement	Area (ha)
Total requirement	361.71
Existing supply	83.91
Town centre and Waterfront Masterplan additional	31.46
St Helens Omega Extension	31.20
Green Belt requirement	215.14

Source: Table 6 of Warrington Proposed Submission Version Local Plan

3.70 The St Helens Omega site is specifically accounted for in this summary, which is the allocated 1EA within the St Helens Draft Local Plan. Even accounting for this Omega site, as well as other sources of employment land supply, there is a Green Belt requirement of 215.14 ha of employment land to meet the total requirement.

3.71 Policy DEV4 identifies further sites to be removed from the Green Belt for employment uses to meet this requirement:

- Garden Suburb – 116 ha
- Port Warrington – 74.36 ha
- Waterfront Business Hub – 25.47 ha

3.72 Policy DEV4 states that the following sites would support major warehousing and distribution developments:

- Appleton and Stretton Trading Estates
- Omega
- Woolston Grange
- Garden Suburb Employment Area
- Port Warrington

3.73 However, Warrington Borough Council has decided to stop work on the preparation of its local plan while it assesses the impact of Covid-19, the Government’s proposed

³⁸ CD 2.9 Table 6 pg 53

planning reforms and national guidance on calculating housing need. This includes relooking at the OAN for employment land, which is currently being undertaken. The delay is until Summer 2021. Therefore, the position of the 2019 EDNA is the latest known position of Warrington's employment land need at this time.

Warrington Borough Council Draft Statement of Common Ground (March 2019)

- 3.74 This statement (CD 43.4) is in support of the Draft Local Plan on joint working issues with neighbouring local authorities.
- 3.75 The statement includes a discussion at paragraph 4.24 of further employment land at Omega. The statement states that: *“WBC has agreed, in principle that the western extension of Omega in St Helens will contribute to meeting Warrington’s employment needs, subject to addressing access issues, in liaison with Highways England. Consideration of any additional sites will require cumulative traffic assessment of the impact on J8 M62 and will require a consistent approach between the two Local Plans.”*
- 3.76 This represents the latest position of the parties.

4.0 THE PROPERTY MARKET

- 4.1 The following chapter outlines the property market dynamics in St Helens and surrounding areas in relation to large-scale warehousing.
- 4.2 Despite being a turbulent year for the economy as a whole, 2020 was a strong year for the logistics market in the UK. The increasing demand for warehouse space has been driven by increasing demand for online retailing, as well as changing business behaviours in response to Brexit. CBRE reports that the UK saw take-up of 3.9 million sqm of logistics space take-up, the highest it has recorded in its surveys. This trend has also been seen in the North West, recording 306,000 sqm in 2020, double that of 2019.
- 4.3 The retail sector continues to be the main driver for large-scale warehousing premises across the UK, including in North West England. In 2020, e-commerce retailers comprised 42% of take-up of large-scale warehousing in the UK, up from 40% in 2019 (UK Big Box 2020 Update, JLL). While online retailing has seen strong growth for several years, which has driven warehousing requirements, demand in 2020 has accelerated in response to the changing consumer behaviours necessitated by the Covid-19 response (see Appendix 6). More people working remotely and fewer physical shops being open has meant more consumers turning to online retailing. This has been for both groceries and comparison goods. As some shops have reopened in the summer of 2020, the online retailing market share moderated, but with lockdowns in December 2020 and early 2021, the percentage has increased again. The most recent data from the ONS is for January 2021 and shows that internet retailing comprised 36.3% of total retail expenditure at that time, compared to 20.2% in January 2020 and 19.3% in January 2019.³⁹
- 4.4 The property market has responded with retailers increasing warehousing capacity to service this growing demand, both for storage of goods and for processing online orders. The delivery straight from warehouse to consumer requires processing of smaller orders compared to delivery of pallets to larger stores. Further handling of small orders within warehousing with direct deliveries to consumers means that more warehousing floorspace is required to process the goods than compared to the stock being sold through shops. With a greater percentage of retail goods being sold online,

³⁹ ONS Retail Sales Index Time Series

the demand for warehousing space to support the storage and processing of these goods is increasing.

- 4.5 Given the strong growth in online retailing compared to store-front retailing in the years prior to the Covid-19 pandemic, the performance of the market in 2020 is an acceleration of a trend that was already occurring, rather than a short term spike, with consumers increasingly willing to shop online for a range of goods, including consumables. It is my opinion that while there is likely to be some moderation of the growth on online retailing as physical stores reopen, the market share of online retailing will not return to pre-Covid-19 levels. The warehousing market has been buoyant in recent years in response to this, with investment and developer interest strong compared to other commercial property sectors.
- 4.6 Investment yields have reflected this on-going strength, with current prime yields at 4.0-4.5% despite the economic upheaval in 2020. Low yields (e.g. less than 5%) represent confidence in the product as investors are willing to pay a higher price, relative to the likely annual rental returns as they are confident of the long-term outlook of the product. These low yields in the prime warehousing market have been sustained in the region in recent years and continue to be recorded in 2020 despite the economic uncertainties because there is more confidence in the logistics and warehousing sector than in other sectors of the economy.
- 4.7 The table below lists the occupational leasehold transactions of employment units above 10,000 sqm that have occurred in St Helens and Warrington boroughs since the beginning of 2018. These locations are mapped in Appendix 7.

Table 11 – Employment Transactions for Large Scale Units in St Helens and Warrington

Unit	Date	Size (sqm)	Type of Transaction
Warrington			
Winwick 185, Mill Lane, Winwick, Warrington, Cheshire, WA2 8RJ	05/06/2020	17,209	Leasehold
27 Leacroft Road, Warrington, Cheshire, WA3 6PJ	06/05/2020	10,841	Leasehold
Entire Scheme, Warrington Distribution Centre, Dallam Lane, Warrington, WA2 7NT	17/01/2020	35,205	Leasehold
Unit C, Skyline Drive, Omega Warrington, WA5 3TP	16/08/2019	12,808	Leasehold
Unit 2, Omega, Skyline Drive, Warrington, WA5 3TP	09/02/2019	12,808	Leasehold
59, Warrington Road, Warrington, WA5 2DE	11/12/2018	32,516	Leasehold
Unit 1, Mountpark Warrington, Skyline Drive, Omega, Warrington, WA5 3TP	19/07/2018	32,158	Leasehold
Zodiac 1060, Gemini Business Park, Zodiac, 1060, Europa Boulevard, Warrington, WA5 7ZD	01/07/2018	11,979	Leasehold
St Helens			
Haydock 525, Haydock, WA11 9XE	01/04/2020	48,774	Leasehold
Industrial Unit, Haydock Industrial Estate, Millfield Lane, St. Helens, WA11 9TB	01/06/2019	13,476	Leasehold
Haydock Green, Penny Lane, St. Helens, WA11 0QX	31/07/2018	34,653	Leasehold

Source: Radius Data Exchange, 2021

- 4.8 In St Helens, Haydock Industrial Estate (to the west of the M6) is the most important site for larger units, whereas in Warrington there are more locations of large scale leasehold transactions, though Omega Warrington is the largest focus.
- 4.9 Of key importance to the assessment of the subject site, the Omega Warrington scheme has been a leading B8 and B2 scheme for the region. Omega Warrington was reviewed in Chapter 2.0 of this Proof of Evidence, where it was shown that

development on the existing footprint of Omega Warrington is coming to completion, with the development of the three Mountpark Phase 2 units, one of which is committed for Gousto and the other two currently being marketed.

- 4.10 The take up of space in Omega Warrington was listed in Table 1 of Chapter 2.0. Between 2013 and 2020, land take up in this scheme averaged some 11.5 ha per annum (not including resales).
- 4.11 It is noted that the recent growth and development of large-scale floorspace at Haydock (Florida Farm North and Penny Lane) has occurred in parallel to continued growth at Omega Warrington. These two nodes, though having overlapping catchments, have both been successful in the current market. This is due to the excellent locational features and availability of large and very large sites at both locations and the strong demand for such uses.
- 4.12 The current high levels of activity and interest in the large-scale warehouse market in and around St Helens further corroborates and supports the significant increase in the minimum land requirement in the Local Plan 2020-2035 Submission Draft, compared with the adopted Core Strategy.

5.0 SUPPLY TO MEET NEED

5.1 The following chapter provides an assessment of the supply of employment land in St Helens and Warrington compared to the forecast OAN for each borough.

St Helens

5.2 As demonstrated in the previous chapters, the employment land requirement in the Core Strategy of 37 ha over 15 years to 2027 is no longer appropriate to meet current market needs or the likely needs in coming years. The draft Local Plan's minimum target of 219.2 ha of employment land between 2018 and 2035 better reflects current market dynamics and is consistent with the calculated OAN for employment land in the ELNS Addendum Reports. This calculated OAN was the culmination of an assessment of the local property market, the regional logistics demand, consultations with local agents and businesses and forecasting of the need through three approaches (historic land take-up, labour demand forecasts and labour supply forecasts). This is consistent with the NPPF and PPG.

5.3 The St Helens draft Local Plan listed sites to meet that demand, which are replicated in the table below. These sites include part of the application site (1EA), which forms the eastern part of the site and the two Parkside sites that are the subject of another Inquiry.

**Table 12 – Employment Sites in St Helens Borough Local Plan 2020-2035
Submission Draft**

Site	Land Area (ha)
1EA – Omega South Western Extension, Land North of Finches Plantation, Bold	31.22
2EA – Land at Florida Farm North, Slag Lane, Haydock	36.67
3EA – Land North of Penny Lane, Haydock	11.05
4EA – Land South of Penny Lane, Haydock	2.16
5EA – Land to the West of Haydock Industrial Estate, Haydock	7.75
6EA – Land West of Millfield Lane, South of Liverpool Road and North of Clipsley Brook, Haydock	20.58
7EA – Parkside East, Newton-le-Willows	64.55
8EA – Parkside West, Newton-le-Willows	79.57
9EA – Land to the West of Sandwash Close, Rainford	6.96

Site	Land Area (ha)
10EA – Land at Lea Green Farm West, Thatto Heath	3.84
11EA – Land at Gerards Park, College Street, St Helens	0.95
Total	265.3
Total excluding 1EA	234.08

Source: Table 4.1 of St Helens Borough Local Plan 2020-2035, Submission Draft, Jan 2019

- 5.4 It has been agreed between St Helens and Warrington Borough Councils that site 1EA would form part of Warrington’s supply of sites to meet its requirement. This agreement is for the 31.22 ha allocation within St Helens’ list of sites above and is not for the full application site, which is 75.3 ha. Given the remainder of the application site would also provide for the expansion of Omega Warrington, there is a logic in treating the full site in the same manner.
- 5.5 From a property market perspective, this range of sites proposed in the draft Local Plan represents a reasonable solution to meeting the minimum target for employment land as identified in the Plan. They include large sites in appropriate locations that are capable of providing for large-scale warehousing (e.g. Parkside West, Parkside East, Florida Farm, Millfield Lane, Penny Lane, Omega South Western) that is the focus of demand in the current market. Indeed, two of those sites (Florida Farm and Land North of Penny Lane) have been developed for significant warehousing schemes since 2018. Even when excluding site 1EA, given it is to be counted as part of Warrington Borough’s allocations, this range of sites represents a reasonable solution for meet St Helens’ employment land minimum target.
- 5.6 Other sites in the list within the draft Local Plan can provide for small and mid-sized units to cater for SMEs and mid-level manufacturing in St Helens. The sites provide choice of location and unit type for St Helens’ businesses.
- 5.7 In comparison to the assessment within the ELNS Addendum 2019 (CD 5.81 and reviewed in 3.40-3.44 of this Proof of Evidence), which estimates the OAN for employment land to be 190-239 ha between 2012 and 2037, the proposed supply within the draft Local Plan of 234.08 ha to 2035 (excluding 1EA Omega South Western Extension) represents a reasonable overall quantum of land to meet that need. Specifically for land appropriate for B8 warehousing uses, the ELNS Addendum 2019 identified a need for approximately 110-155 ha between 2012 and 2037. Of the sites

within the proposed employment allocations within the draft Local Plan, only 11EA (0.95 ha) would be inappropriate for B8 warehousing. Sites such as 4EA, 5EA, 6EA and 9EA (total 37.45 ha) are likely to be a mix of B2 general industry and B8 warehousing, with some offices and sites 1EA, 2EA, 3EA, 7EA and 8EA (total 191.84 ha excluding 1EA) are likely to be predominantly B8 sites. This is considered to be a robust forward supply to 2035.

- 5.8 The actual mix of warehousing, industry and office uses that are developed on the sites would depend on landholder intents, market dynamics at the time and planning approvals. However, the range of sites proposed in the draft Local Plan is considered to be sufficient to provide for the needs for B8 warehousing as identified in the ELNS Addendum 2019 to 2035. This is an issue which is to be addressed in the EiP (due to commence in May 2021).
- 5.9 The majority of sites proposed within the draft Local Plan are currently within the Green Belt, with St Helens proposing to remove these sites from the Green Belt in order to allocate them for employment. This includes 1EA, which forms part of the application site. The remainder of the site is also within the Green Belt. It is recognised in the Council's Statement of Case that there is a need for sites to be removed from the Green Belt in order to meet the demand for employment land in St Helens.

Warrington

- 5.10 The latest available evidence base assessing the Warrington employment market is the 2019 Warrington EDNA (CD 5.155.7). This document included an identified OAN for employment land of 361.71 ha for the period 2017-2037. The EDNA also assessed the realistic supply of employment land that was available at that time to meet that need. As at 2019, the realistic supply of land was 83.91 ha, resulting in a shortfall of 277.8 ha.
- 5.11 List of remaining employment sites as of 2019 from the EDNA is replicated in the table below, as is the 2021 position for these sites, which is based on a BE Group assessment with input from Warrington Borough Council. Two new permissions have been added since 2019.

Table 13 – Remaining Warrington Employment Land Supply as of 2019 and 2021

Site Name	Realistic Site Area 2019 (ha)	Realistic Site Area 2021 (ha)
Omega Phases 1 and 2 Remainder	26.27	12.7*
Omega South - Zone 7	33.70	0.0
Gemini 8 Retail Park, Charon Way, Westbrook	5.21	4.34
Land at Stanley Street	0.05	0.0
The Quadrant (South), Birchwood Park	1.87	1.87
Plots 107, 501-502, 611-612, 701-702 and Quadrant, Eastern Edge, Birchwood Park	10.50	8.71
Benson Road, Birchwood	0.24	0.0
Phase 1 Remainder - Lingley Mere	2.35	1.15
Phase 3 - Lingley Mere	3.62	3.62
Land off Dolmans Lane between Bridge Street and, Union Street (33 Bridge Street)	0.10	0.0
New Permission – Unit 4 Appleton Thorn Trading Est, Lyncastle Road	-	1.79
New Permission – Travis Perkins Barleycastle Trading Estate	-	4.69
Total	83.91	38.87

Sources: Warrington Employment Development Needs Assessment, 2019; WBC and BE Group assessment, 2021

* this is the Mountpark Phase 2 land, which has not been taken up by occupants at this stage, though there are 3 units currently being constructed, which will consume this land. One of these units is committed for Gousto.

- 5.12 It is apparent from the realistic supply positions in 2019 and 2021 that there is insufficient allocated employment land in Warrington Borough, compared to the calculated OAN of 361.71 ha. Further land would need to be brought forward to accommodate Warrington’s needs. Such land will inevitably be in the Green Belt. An extension to Omega (a highly successful logistics hub in a very attractive locations for logistics) is a logical location to meet such needs. Given take-up of employment land is about 14 ha/year, the 2021 supply represents less than three years’ of supply, which is generally considered as a constrained land supply, given that timeframes to bring further land to the market and construct employment units can be several years. Therefore, there is a pressing need for further land to become available in the short term to meet this requirement.

- 5.13 It is further noted from the above table, that there is a lack of large sites comparable to the 75 ha of the application site that could accommodate a scheme similar to that proposed by the applicant.
- 5.14 The draft Warrington Local Plan which was informed by the 2019 EDNA provided a potential means of addressing this shortfall. However, it has now been withdrawn and is currently undergoing a full review. This draft Local Plan identified the St Helens 1EA site at 31.20 ha (part of the application site) as meeting part of this need. Even accounting for this site there was a Green Belt requirement of 215.14 ha.⁴⁰
- 5.15 The draft Warrington Local Plan identified the Garden Suburb (116 ha), Port Warrington (74.36 ha) and Waterfront Business Hub (25.47 ha) as sites to be removed from the Green Belt to meet this requirement. However, these sites cannot meet the short-term supply of significant employment land that is required in Warrington, with less than three years' supply of current allocations. Development Frameworks for these sites – Warrington Garden Suburb Development Framework (March 2019) and Warrington Waterfront: Port Warrington, Warrington Commercial Park and Moore Nature Reserve and Country Park (March 2019) – have both been developed. However, substantial further planning, planning permissions and design would need to be completed before any uses, and in particular employment uses, could be available to the market.

Consideration of the Application Site

- 5.16 The application is a hybrid application including a full application for a unit that has a specific requirement (81,570 sqm on 35 ha to be occupied by Home Bargains) and an outline application for 123,930 sqm on the remainder of the site (approximately 40 ha) for B2/B8 uses. Therefore, the proposal cannot be accommodated on the St Helens 1EA land allocation exclusively and in particular the land designated for the Home Bargains unit is larger than the 31.22 ha that is the size of the 1EA land. There are not other sites within the Omega Warrington node that could accommodate the Home Bargains requirement and as the existing land for logistics and manufacturing at Omega Warrington are exhausted, there is a need to provide further growth on this site to satisfy demand for this location, consistent with the spatial strategy.

⁴⁰ CD 2.9 Table 6 pg 53

- 5.17 Omega Warrington remains one of the prime logistics locations in the North West and attracts on-going interest in the market. The Home Bargains requirement demonstrates that interest for large and very large occupiers remain for this corridor, though cannot be met in the current estate.
- 5.18 For the range of sites proposed in the St Helens draft Local Plan, only the two Parkside sites are undeveloped sites that are larger than the Home Bargains site of 35 ha. Therefore, while the overall suite of sites in St Helens is considered to be sufficient in quantum of land to meet the OAN calculated for St Helens in the ELNS work, this suite of sites is not sufficiently accommodating the expansion demand for Omega Warrington.
- 5.19 For Warrington Borough there is an identified large shortfall of employment land, with recognition that sites would need to be removed from the Green Belt to meet this need. While long-term sites have been identified in the now-withdrawn Warrington draft Local Plan, the short-term need to provide continuity of supply for Warrington's needs strongly suggests that further sites, that can be more immediately delivered, are needed for Warrington's needs. The application site, which is partly identified in the withdrawn draft Local Plan as helping to meet the shortfall, is a strong candidate for employment uses to meet Warrington's need, both its local need and the strategic need, in line with the function of the earlier stages of Omega Warrington.

6.0 ALTERNATIVE SITES ASSESSMENT

6.1 The site at Omega Zone 8 is 75.3 ha, and the application is for up to 205,500 sqm of employment floorspace. This site is within the Green Belt and therefore need to demonstrate very special circumstances. Part of that assessment, requires an assessment of whether there are any alternative sites which are suitable, viable, available and deliverable within a reasonably comparable timescale but which lie outside of the Green Belt

Site and Locational Characteristics

6.2 The following site and locational characteristics are important features for a strategic warehouse site:

- a) Large site (e.g. a 10,000 sqm unit would require about 2.5 ha, with 100,000 sqm of floorspace requiring about 25 ha);
- b) Flat and regular in shape to enable an efficient development of the site and large units to be built upon it;
- c) Excellent access to the motorway network;
- d) High-profile location;
- e) Linked to public transport networks; and
- f) Close to labour supply.

6.3 This is consistent with the site characteristics identified in the Liverpool City Region Spatial Planning Statement of Common Ground (see para 3.20 of this Proof of Evidence) in identifying suitable sites for large-scale warehouse uses.

6.4 The application site is a large site capable of housing large-scale units. It is a relatively flat site within excellent positioning relative to the motorway network and in a high-profile location. It benefits from being adjacent to and connected to (both physical connectively and in terms of branding) the Omega Warrington scheme, which has a reputation of being a prime location for large-scale units in the North West.

Functional Economic Market Area

6.5 The functional economic market area for St Helens as a whole as defined in the ELNS was the Liverpool City Region as well as Warrington and Wigan. For the application site, in terms of its key position on the M62 between Liverpool and Manchester, its functional economic market area would be St Helens, Warrington and Wigan. These

three local authority areas represent the most logical areas for a search of alternative locations which have that north-south (M6) and east-west (M62 or A580) connectivity and are suitable, viable, available, deliverable within a comparable timescale and outside the Green Belt. It should, however, be recognised that Warrington and Wigan will have their own employment land requirements.

- 6.6 Further, only sites in St Helens can fully meet the needs for employment sites in St Helens, with the provision of such sites in neighbouring local authority areas representing a poorer outcome for St Helens' businesses and workforce in terms of proximity to markets and labour, traffic implications and accessibility of employment opportunities. Furthermore, St Helens would miss out on economic growth opportunities associated with businesses locating to neighbouring authorities rather than within St Helens borough.
- 6.7 Notwithstanding this, the commentary below assesses opportunities within the functional economic market area for Omega Zone 8 (St Helens, Warrington and Wigan) for alternative sites that could accommodate a scheme comparable to that proposed for the site. In my evidence for the Parkside and Parkside Link Road Inquiry and for the Haydock Point Inquiry, I stated that the area of search for alternative sites for these schemes should also be St Helens, Warrington and Wigan.

Applicant's Alternative Sites Assessment

- 6.8 The applicant prepared an Alternative Sites Assessment (December 2019, CD 33A.08) and Updated Alternative Site Assessment (April 2020, CD 33.41) and I provide a review of the Updated Alternative Site Assessment below. The Alternative Site Assessments used an appropriate methodology and incorporate a traffic light approach to categorising sites – green for sites suitable for further assessment, amber for sites with a potential issue or constraint and red for sites with a significant issue that should not progress to the next stage of assessment.
- 6.9 The Updated Alternative Site Assessment looked at sites greater than 5 ha in **St Helens** (26 sites) and **Warrington** (10 sites). After a site sifting for minimum site requirements (motorway access, trunk road access, public transport, separation) and suitability assessment (shape, proximity to settlement, topography, flood risk), six sites in St Helens (including the subject site) and seven sites in Warrington were taken through to the fourth stage of assessment, the Green Belt Assessment. These sites are listed below:

Table 14 – Short-listed Sites for Green Belt Assessment

St Helens
Omega South Western Extension, Land North of Finches Plantation, Bold
Land at Florida Harm North, Slag Lane, Haydock
Former Parkside Colliery, Newton-le-Willows (Parkside Phase 1 site)
Haydock Park Farm (South), Haydock
Haydock Park Farm (North), Haydock (Haydock Point site)
Land to South East of Haydock
Warrington
Plots 7E & 7F, Zone 7 Omega South, Warrington
Zones 1&2, Omega South, Warrington
Land off Barleycastle Lane, Appleton
Land at Bradley Hall Farm, Cliff Road
Land South of Barleycastle Lane/North of M56
Land off Barleycastle Lane (Donlan Site)
Land off Barleycastle Lane in Appleton (Schofield/Stafford Site)

Source: Updated Alternative Sites Assessment, April 2020

6.10 Of these short-listed sites, only the two Omega South sites are not in the Green Belt and these sites already are largely committed (see Table 9 in Chapter 3.0). The Updated Alternative Sites Assessment concluded that for the Green Belt sites the “assessment fails to identify any site that could be released from the Green Belt without causing some harm to the Green Belt purposes.”⁴¹ The assessment noted that the two Haydock Park Farm sites and the Land to South East of Haydock failed in three Green Belt purposes, whereas the remaining Green Belt sites failed in two purposes, and thus discounted the higher impact sites, but did not distinguish between the other sites.

6.11 It follows that the LPA accept that there are not any sequentially preferable sites outside the Green Belt in Warrington which could accommodate this proposal.

St Helens

6.12 There are no sites within the existing urban area of St Helens that can accommodate large-scale employment schemes. Sites within the Green Belt must come forward in order to provide for this need. The sites in the draft Local Plan that are intended to be removed from the Green Belt are a means to address this need to 2035.

⁴¹ CD 33.41 para 3.22 pg 19

6.13 As noted in the previous chapter, the draft Local Plan provides a solution for the delivery of sufficient sites to meet the identified OAN calculated in the ELNS. However, specifically for accommodating the proposed development at the Omega Warrington corridor to support the growth of this scheme, the proposed allocation (1EA) cannot accommodate the requirement of Home Bargains as a single entity.

Warrington

6.14 A search of Warrington Borough's Employment Areas within its adopted Core Strategy has identified that only the Omega site is in excess of 20 ha (at 26.3 ha) to accommodate a large scale scheme, such as that proposed at the subject site. However, most of this site is now consumed, necessitating the need for further land adjacent to Omega Warrington to come forward to allow for further growth.

6.15 The draft Local Plan for Warrington proposes removing the following sites from the Green Belt for employment uses.

- Garden Suburb – 116 ha
- Port Warrington – 74.36 ha
- Waterfront Business Hub – 25.47 ha

6.16 These Green Belt sites, along with the long-term redevelopment of the Fiddlers Ferry Power Station, could provide for large-scale units, particularly Port Warrington and the Garden Suburb. However, these are longer-term options for Warrington and would not serve the immediate requirement of the Home Bargains unit or the requirement to deliver further sites within three years to provide continuity of supply in Warrington. Furthermore, these sites would require significant investment to bring forward. Notwithstanding this, the draft Local Plan has been withdrawn for review and thus very little weight can be given to this document.

Wigan

6.17 A search of Wigan Borough's Employment Areas within its Core Strategy has identified the following larger site with land capacity. Other allocated sites do not have sufficient scale of vacant land to accommodate a proposal similar to that at Omega Zone 8.

Table 15 – Large Employment Site in Wigan

Site	Available Land Area (ha)	Comments
36 – South Lancashire Industrial Estate	32.1	<p>Vacant land to the east of the existing South Lancashire Industrial Estate, it is largely flat. Residential uses are adjacent to the site. The existing industrial estate is a mix of mid sized manufacturing and warehousing uses. Site is of sufficient scale to accommodate a significant warehouse scheme, though is less than half the 75.3 ha proposed at Omega Zone 8. It is not prominently located near to the M6.</p> <p>The site is poorly located to provide for St Helens' employment land needs and at any rate is part of Wigan's employment land supply to service its need.</p>

Source: Wigan Borough Core Strategy 2013; BE Group commentary

- 6.18 In addition to the above site within the adopted Wigan Core Strategy, the draft Greater Manchester Spatial Framework identifies two sites within Wigan that potentially could cater for larger units.

Table 16 – Employment Sites in Wigan in Draft GMSF

Site	Available Land Area (ha)	Comments
GMA42 – M6 Junction 25	52.1	<p>Site that is also subject to a current Inquiry. Large, well-positioned site at a motorway junction and would be suitable to larger units, including B8 and B2 uses. Would attract similar uses to Omega. However, does not have the adjacent existing prime logistics scheme that provides substantial impetus, which is provided at the subject site by the existing Omega Warrington</p> <p>Site is in the Green Belt.</p>
GMA45 – West of Gibfield		<p>Mixed use site intended to deliver 500 homes and 45,500 sqm of B1, B2 and/or B8. This site is more likely to be a mix of B-class uses, as a mix of sizes from small to large, than the large-scale scheme proposed at Omega Zone 8 (approximately 4.5 times larger) Business occupiers within the site could link with the M61, though does not easily link with the M6 corridor. This site</p>

Site	Available Land Area (ha)	Comments
		<p>would have a substantially different mix and market position to the Omega Zone 8 scheme and has a different catchment area.</p> <p>Site is in the Green Belt.</p>

Source: draft GMSF, 2020; BE Group commentary

- 6.19 Critically, both of these sites are currently in the Green Belt and thus not preferred to the Omega Zone 8 site. Furthermore, these sites would not adequately meet St Helens' employment land needs and the Gibfield site in particular serves a substantially different market.

7.0 ECONOMIC BENEFITS

7.1 I have reviewed the economic benefits assessment provided by the applicant as part of the Environmental Statement. The key economic benefit metrics in the ES Vol. 1 Chapter 15 Population and Health statement (CD 33.63) are summarised below:

- 1) Construction phase is anticipated to generate some 845 gross on-site construction jobs per annum over an estimated 16-month construction period.⁴²
- 2) This construction employment would lead to some 1,267 net workers (including displacement and induced and indirect effects).⁴³
- 3) Using a benchmark of £80,444 of GVA per construction employee, this equates to some £101.9 million GVA for the North West, of which some £76.4 million would be expected in St Helens.⁴⁴
- 4) The operational phase of the project is anticipated to provide some gross 980 full-time equivalent (FTE) positions on site for the full application component and 2,679 FTE positions for the outline application component.⁴⁵
- 5) Accounting for displacement and induced and indirect effects, the net employment is estimated to be 1,103 FTE positions for the full application component and 3,014 FTE positions for the outline application component.⁴⁶
- 6) At a benchmark of £45,846 of GVA per industrial worker, this equates to £188.7 million of additional benefit to the regional economic, of which some £141.5 million was estimated to be benefit for St Helens.⁴⁷

7.2 While not privy to all the background data informing this assessment (e.g. construction cost assumptions), the above estimates appear to be reasonable and use appropriate assumptions. The GVA per worker estimates for construction workers and industrial workers are appropriate levels, drawn from ONS productivity data. The assessment of workers during the operational phase was based on HCA Employment Densities Guidance, which is an appropriate and accepted source.

⁴² CD 33.6.3 Table 15-8 pg 16

⁴³ *ibid*

⁴⁴ *ibid*

⁴⁵ CD 33.63 Table 15-11 pg 18

⁴⁶ *ibid*

⁴⁷ *ibid*

- 7.3 In preparing the ELNS Addenda reports, I looked at potential job capacities for the employment sites considered, which included reviewing the 1EA Omega extension site at 31.2 ha. My estimate of total gross employment for this site was 1,240 FTE positions. This is not directly comparable to the above estimates as it was based on the 31.2 ha only (compared to 75.3 ha) and was prior to the planning application for this site. However, there is broad consistency with these estimates and I also used the HCA Employment Density Guidance, which I endorse (for the reasons given in the Amion Note produced for the Parkside and PLR Inquiries).

8.0 CONCLUSIONS AND SUMMARY

- 8.1 There is a strong demand for large-scale employment sites that provide for B8 warehousing uses in St Helens and Warrington. From undertaking employment land studies on behalf of St Helens Council since 2015, I have seen that this demand is sustained and has strengthened further in recent times. When that demand has been met with good quality sites and premises, it has resulted in new developments coming forward and significant businesses entering the market.
- 8.2 There is a need to remove further sites from the Green Belt to accommodate that demand in St Helens and Warrington. These sites should be suitable, viable, available and deliverable. The St Helens draft Local Plan provides a reasonable solution to address this need by allocating a range of sites for employment that are currently in the Green Belt and which can meet the objectively assessed need for employment land to 2035. These sites include larger sites that would be appropriate for large-scale warehousing schemes as well as sites for small units.
- 8.3 However, it is recognised that Omega Warrington is nearing capacity within its current footprint. It remains a prime location for large-scale units and has a strong reputation in the North West. Opportunities for further expansion of this site will be within St Helens boundaries. St Helens Council have looked to address this through the allocation of site 1EA at 31.22 ha, which forms part of the application site. However, the application includes a requirement for a single unit that is to be on 35 ha, in excess of the allocation for the Omega extension. The size of the application site also allows for Home Bargains expansion land as well as other occupiers that would be attracted to the Omega Warrington scheme. Therefore, there is a need for further land adjacent to the Home Bargains site to accommodate this expansion intent.
- 8.4 The draft Local Plan for Warrington identifies the 1EA site as forming part of its supply to meet the minimum requirement of 362 ha of employment land. Even with this site, and existing supply, there is a need for some 215 ha of Green Belt land to be released for employment uses. While the draft Local Plan has identified three sites to address this requirement, they are longer-term sites and would not address current market demand. These sites are not located alongside Omega Warrington and could not accommodate Omega's expansion needs. Notwithstanding this, the draft Local Plan has been withdrawn by Warrington Council.

SIGNED: 

ANTHONY JOHN MEULMAN

DATE 30 March 2021