



Warrington Borough Council
Local Development Framework

Core Strategy Employment Land Requirement Paper
November 2010



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1 Introduction

1.1 This document is concerned with the quantity of land for employment development to be provided in the borough over the period up to 2026. It follows the coalition government's stated intention to abolish the Regional Spatial Strategy (RSS) and sets out options for the future provision of land in the Local Development Framework (LDF) Core Strategy based on local evidence.

1.2 While this Paper focuses solely on employment, it should be read in conjunction with work produced on the Core Strategy to date. This includes the:

- Borough Portrait (September 2007)
- Core Strategy Issues and Options Paper (February 2009)
 - Core Strategy Issues and Options Consultation Report (September 2009)
- Core Strategy Refined Vision Consultation (January 2010)
 - Core Strategy Refined Vision Consultation Report (July 2010)
- Refined Objectives & Options Report (July 2010)
 - Refined Objectives & Options Consultation Report (November 2010)

1.3 A similar paper, which is concerned with the Options for future housing provision in the borough over the period to 2026, has also been produced. This paper is available from the Council's website ⁽¹⁾.

1.4 Representations are welcomed on both papers.

The intention of this Paper is to facilitate a debate with stakeholders about which option for employment land provision appears the most appropriate way forward for the borough through the Core Strategy.

Comments will be particularly welcomed on:

- **Whether the relevant evidence has been identified and considered**
- **Whether the evidence has been applied and interpreted correctly**
- **Whether the right Options have been identified**
- **Which Option represents the most appropriate way forward.**

Interested parties have until 17.00 on Friday 17th December 2010 to submit comments. For further details on how to submit your comments please see section 6 of this report, 'Consultation Arrangements'.

¹ http://www.warrington.gov.uk/home/transport_planning_and_environment/Planning/ldf_latest_news/

2 Context

2.1 Over recent years Warrington's employment land requirement has been determined by the Council itself through the process of development plan preparation. The Warrington Unitary Development Plan set a land requirement of 'up to 310 ha' over the plan period 1996 – 2016.

2.2 Until the general election, this was about to change. In future it was to be the Regional Spatial Strategy that set future employment land requirements, and previous references in the Core Strategy process have assumed that this would be the case.

2.3 Preparation of RS2010, the new single regional strategy for the north west has now been terminated following the government's intended abolition of regional planning.

2.4 This means that the position now reverts to a situation in which the Council will continue to determine the borough's future employment land requirement. The purpose of this note is to consider what that future requirement should be.

2.5 The note will pursue this by looking at relevant national policy and guidance, and regional and local considerations.

2.6 In land use terms, the scope of provision to be made extends to Use Classes B1, B2, and B8 as follows:

B1 Business - Offices (other than financial and professional services), research and development of products and processes, light industry appropriate in a residential area.

B2 General industrial - Use for industrial process other than those falling within class B1 (excluding incineration purposes, chemical treatment or landfill or hazardous waste).

B8 Storage or distribution - This class includes open air storage.

2.7 It does not include retail development, or other 'town centre uses'. Economic development in the countryside is considered separately as an issue in the Core Strategy Countryside building block.

Planning Policy Statement PPS4, Planning for Sustainable Economic Growth

2.8 This document sets out national policy on sustainable economic growth and calls upon local planning authorities to assess the need for land or floorspace over the plan period, and the adequacy of available supply to meet that need. The assessment of supply embraces a need to re-assess existing allocations and extant permissions, to ensure that sites are likely to come forward over the plan period, and are attractive to the market.

2.9 The key principles of national policy are set out in Policy EC1:

Development plans should:

- set out an economic vision and strategy to encourage sustainable economic growth and set priorities for regeneration;
- support existing business sectors, and, where possible, identify new or emerging sectors likely to locate in the area;
- plan for the location, promotion and expansion of clusters or networks of knowledge driven or high technology industries;
- make efficient and effective use of land, prioritising previously developed land, and accommodate a range of needs including size of site, quality, access and proximity to markets;
- locate developments which generate substantial transport movements in locations that are accessible (including by rail and water transport where feasible), avoiding congestion and preserving local amenity;
- plan for the transport and other infrastructure needed to support economic development;
- identify a range of sites, for a range of economic development, including mixed use.
- existing site allocations should not be renewed if no longer needed or if there is no reasonable prospect of their take up during the plan period: wider economic uses or alternative uses should be considered
- encourage new uses for vacant or derelict buildings;
- support delivery, e.g. by the use of compulsory purchase;
- facilitate new working practices such as live/work.

Guidance Note: Employment Land Reviews (2004)

2.10 This guidance note was published by central government. Its purpose was to give advice on the assessment of demand and supply, assist in the process of identifying site suitability and surplus sites, and guide the formulation of appropriate policies. No single methodology is advocated. Though now dated, the Guidance is still relevant, as no other accepted or agreed guidance has emerged.

2.11 The key stages identified in the guidance are:

Stage 1 – take stock of the existing situation, including an initial assessment of ‘fitness for purpose’ of existing allocated employment sites.

Stage 2 – assess, by a variety of means (ie economic forecasting, consideration of recent trends and/or assessment of local property market circumstances) the scale and nature of likely demand for employment land and the available supply in quantitative terms.

Stage 3 – undertake a more detailed review of site supply and quality and identify and designate specific new employment sites in order to create a balanced local employment land portfolio.

2.12 Three broad methodologies for assessing future demand are identified:

- regional and sub-regional economic and employment forecasts
- demographic assessment of future employment needs; and
- analysis of past take-up of employment land

2.13 The guidance acknowledges that the first two methods are appropriately commissioned at the strategic scale, and the third method is usually applied at the more detailed, local level, supplemented by published sources of information.

2.14 A strong emphasis is placed on the need for regular monitoring and review to ensure that the evidence base is kept up to date and relevant.

Regional and Sub-regional considerations

2.15 PPS4 and the related Guidance make extensive reference to the role of strategic planning and Regional Spatial Strategies in providing the context for local plans and policies. The North West Development Agency and associated Regional Economic Strategy have also been significant influences to date. References to regional plans and strategies are now largely redundant as a result of intended changes announced by the coalition government. The evidence base put together by the regional agencies does however remain relevant to preparation of the Core Strategy.

2.16 The most up to date evidence was collated as preparation of the Single Regional Strategy commenced, and includes initial technical work on housing provision and job growth figures.

2.17 The Regional Leaders Forum, 4NW, commissioned Roger Tym and Partners to undertake a scoping study to develop a preferred methodology for defining district level job targets in January 2010. The report was commissioned in response to PPS4, which set a requirement for Regional Strategies to produce district level job targets (as opposed to employment land targets which are necessary for planning at the local level). With the intended abolition of regional planning this work will not now be carried forward. Preliminary research on job related evidence in Warrington revealed a lack of available information.

2.18 A number of other sub-regional studies and assessments are also at an advanced stage and will provide further evidence for consideration. These include:

- Local Economic Assessments, commissioned by Warrington and the two Cheshire Unitary Authorities to fulfil a new duty under the Local Democracy, Economic Development and Construction Act 2009.
- Work by the Cheshire & Warrington Enterprise Commission (CWEC) to amalgamate and draw together these assessments at the sub-regional level.
- A Development Land Needs and Supply Study for the Wider Liverpool City Region. This embraces Warrington and considers housing and economic development.
- A study relating to The Identification and Market Demand-led Assessment of Large Employment Sites within Greater Manchester has been commissioned by AGMA.

2.19 The Government also invited local authorities and businesses to come forward with proposals for Local Enterprise Partnerships early in September. These bodies are expected to provide a strategic vision for an area and set a clear vision for local economic growth. A bid was submitted by the Cheshire and Warrington Enterprise Commission which covered the three unitary authorities. The bid has proved successful and arrangements will now move forward.

The Local Policy Framework

2.20 The current policy framework for economic development is provided by the 'saved' policies of the Warrington Unitary Development Plan (2006). In summary, the UDP:

- Makes provision for up to 310 ha of B1, B2 & B8 development over the period 1996 – 2016 and commits to annual monitoring (EMP1).
- Makes additional provision of 130ha at Omega South for strategic business development, subject to transport impacts, and related RSS Policies (EMP2).
- Allocated approx 91 ha of other areas within the Omega site for non-strategic economic development, in order to meet the 310 ha requirement, and subject to impact on the local and strategic road network (EMP3).
- Set criteria to promote B1, B2 & B8 development and redevelopment within existing employment areas (EMP4).
- Set criteria to safeguard existing employment sites in inner Warrington while permitting the introduction of other uses where appropriate (EMP5).
- Set criteria for employment development and existing employment sites within the remaining area of the borough, primarily residential areas and villages (EMP6).
- Defined nine Potential Urban Regeneration Areas in Inner Warrington (EMP8).

- Identified Fiddlers Ferry Power Station as a 'development opportunity area' and set out criteria to support ongoing operational investment, and the introduction of other uses that could benefit from specific locational factors and/or bring environmental improvements (EMP9).
- Set out criteria to promote the diversification of the rural economy (EMP10)

Derivation of the current land requirement

2.21 The UDP land requirement was derived on local evidence of past land take up rates (13 ha per annum) plus an additional allowance of 20% to provide for choice and slippage. Take up rates had been monitored annually throughout the pre-unitary years when the employment land requirement was set by the Cheshire Structure Plan. They continue to be monitored annually and provide a proven, robust source of information.

2.22 The approach is set out in more detail in the UDP Written Statement, and was endorsed by the Inspector's conclusions following the UDP Public Inquiry.

Monitoring and review

2.23 Continued monitoring of the take-up of employment land each year since adoption of the UDP, and production of annual Land Availability Statements has maintained this resource of reliable, locally derived information. Monitoring is also used to identify new planning permissions over the course of the monitoring year, including losses of previously available employment land to other uses, and updates detailed site information as necessary.

2.24 The reporting process is also now supplemented by an annually updated Employment Land Review. The Review considers the quality of the borough's employment sites and also provides a schedule of available floorspace and sites in the various employment areas across the borough.

2.25 The latest published Land Availability Report relates to the period April 2009 to March 2010. In addition to monitoring progress against the UDP requirement, this Report also includes a preliminary assessment of forward supply to inform the development of Core Strategy policy.

2.26 The key relevant findings from the 2010 monitoring report are:

- The average annual take up rate of land for development for employment uses between 1996 and 2010 was 11.2 Ha. per annum.
- This is slightly less than the basis on which the UDP made previous provision to 2006, 12.8 ha rounded to 13 ha.
- Against the UDP requirement, the total committed and identified supply 2006 – 2010 stands at 322.07 ha. This represents an oversupply against the requirement of up to 310 ha.
- The UDP methodology based on take up rates nevertheless appears reasonably robust.
- There remains an identified forward supply to 2016 (from a RSS 2003 base date) of 156.67 ha, excluding the Omega Strategic Site (73.89 ha). This is more than sufficient to achieve the requirement for the UDP plan period, and some way beyond. It amounts to 12 years' supply based on the planned take up rate of 13 ha per annum, or almost 14 years' supply at the current monitoring rate of 11.2 ha.

2.27 This information can now be used to assess supply and demand over the period to 2026, for the purposes of the Core Strategy.

Assessment of future requirement

2.28 The emerging Core Strategy has previously postulated three broad options for the forward supply of employment land, ie reduce, maintain or increase the annual rate upon which the requirement is based.

2.29 From the evidence summarised above there does not appear to be a reason to increase the current rate on which the supply of land is based. The assumed take up rate has proved to be a more than reasonable assumption in enabling the Council to accommodate demand. Current monitoring does however show that average completions have dropped off slightly to a rate nearer 11 ha per annum.

2.30 Further evidence suggests that this level of supply does not hinder housing growth in the borough, as it has supported a wide range of market delivery of housing over the UDP period. Nor does it appear that growth in housing completions is related to increased employment activity.

2.31 The following table summarises year by year completions in both sectors since 1996.

Monitoring period	Employment Site Area Ha	Dwelling Completions (Net) Units
Completed 96 / 97	9.06	825
Completed 97 / 98	12.41	661
Completed 98 / 99	9.43	527
Completed 99 / 00	21.80	573
Completed 00 / 01	11.63	454
Completed 01 / 02	18.62	650
Completed 02 / 03	6.49	843
Completed 03 / 04	3.80	452
Completed 04 / 05	14.19	1085
Completed 05 / 06	9.68	1269
Completed 06 / 07	17.58	1362
Completed 07 / 08	7.41	1565
Completed 08 / 09	12.36	633
Completed 09 / 10	8.2	388

2.32 It should also be pointed out that over this period there has been no policy need to restrain economic development in accordance with the monitor and manage approach set out in UDP Policy EMP1, which arose from concern from sub regional partners that excessive land supply in Warrington (particularly Omega) would prejudice investment in their centres. At any point in time over this period there has been considerably more land supply available for economic development in Warrington than has been developed, but the market has not required it. It follows that if there is an aspiration to increase the rate of economic development in Warrington, simply increasing the supply of land is not likely to achieve it.

2.33 It is also significant that the time period this information relates to covers a wide range of economic circumstances, from steady growth to recession, and this is reflected in the peaks and troughs of employment development activity. The average derived is therefore a good representation of the underlying, long term trend.

2.34 It is concluded that for the purposes of the Core Strategy it will be appropriate to assess two options, 11 ha and 13 ha per annum plus the 20% flexibility factor to allow choice. These options represent maintaining the status quo, or reducing provision.

Other evidence

The Warrington Employment Land Review

The review concludes that

- Warrington is an attractive and vibrant location in which to work and live. The town benefits from a regional workforce of more than 4 million people. Historically the takeup of employment land has generally been consistent with the provision made for up to 310ha of employment land available over the period of 1996 - 2016. From 2003-2010 the total committed and identified supply currently stands at 244.33 ha.
- Numerous national and international businesses are present in Warrington and over 6000 companies are currently represented in the town. The borough is now seen as one of the key distribution locations within the North West, mainly due to its motorway connections and has attracted large companies such as Scottish Power Plc, Excel Logistics and Wincanton.
- The review of employment sites was divided into four categories; UDP allocations, established employment sites, vacant and sites with planning permission or under construction.
- Omega South is the only site allocation within Warrington's UDP and is recognised as being a regionally significant site by the NWDA. This is also the case for 'Central Warrington' which is a regionally significant site. Both sites will continue to present opportunities and challenges throughout the LDF plan period.
- Warrington also has a significant number of existing and well established employment sites which display a range of characteristics and cater for all business sectors in terms of uses size of premises and accessible locations. Interestingly, there is only one partially vacant employment site within the borough (Burtonwood Brewery) which further reinforces the conclusion that Warrington is a healthy and attractive location for businesses to locate.
- There are also five forthcoming employment sites which have planning permission for future economic development. The M62 Westbound Service area is also due to benefit from a hotel which will provide needed hotel accommodations in the north west area of the borough to complement the existing hotel developments in Woolston Grange, Centre Park, Winwick Quay and Birchwood Park.
- Whilst the borough is characterised by a number of very successful out of town distribution and office locations which are attractively located, Warrington town centre also provides a strong and popular location for small office developments and financial and professional services

Cheshire & Warrington Sub Regional Employment Land and Sites Study 2009

The findings of this study are incorporated in the Employment Land Review.

Local Economic Assessment

It is anticipated that the Local Economic Assessment will be published for consultation in January 2011 prior to final publication in March, and its conclusions will be addressed in due course.

Sub Regional Assessment

A major housing and employment land assessment is currently being undertaken by local authority partners in the Liverpool City Region. As a significant player in the sub regional economy, Warrington is embraced by the study and much local information has been shared.

3 Summary assessment of supply

3.1 Full information on the location and quality of existing employment areas and available sites can be examined in the 2010 Employment Land Review. Several further assessments of the quality of land supply have been undertaken at regional and sub-regional level, including the regional assessment carried out in preparing the RSS, and recent work by CWEC, can be found in the LDF evidence base.

3.2 In summary, for each of the primary use classes to which this paper relates, the provision is as follows:

B1, B2

3.3 A range of sites are located in all areas of the borough. Examples are at Omega South, Lingley Mere, and Birchwood. These sites have a proven track record of attracting high quality investment.

3.4 A prime town centre site for considerable B1 development is available at Winwick Street and further opportunities exist in the mixed use regeneration town centre projects promoted by the Council.

3.5 Other B1 and B2 uses can readily be accommodated at Forrest Way, and as sites become available for re-let or redevelopment in the borough's extensive range of well established employment areas, for example at Winwick Quay, Woolston Grange, and Risley.

B8

3.6 Sites with excellent access to the strategic road network are available at the recently approved Omega North site, and in the south of the borough, Barleycastle Trading Estate has consistently proved attractive to warehouse and distribution investment.

4 Assessment of options to inform future Core Strategy policy

4.1 The 2010 Annual Report includes a preliminary assessment of the situation looking forward over the Core Strategy period to 2026, based upon continuation of the UDP rate of 13 ha per annum. It is necessary to revisit the assessment for the purposes of this paper, to provide a sound base on which to move forward.

4.2 When considering employment land supply, previous documents made available in the process of preparing the Core Strategy have made reference to a signalled intention to incorporate future requirements for individual districts in forthcoming Single Regional Strategies.

4.3 Since preparation of the 2010 Report, the coalition government has announced the intended abolition of Regional Spatial Strategies in the forthcoming Localism Bill. The previous intended approach of using the ongoing 14yrs of committed land to bide time waiting for the new Regional requirements is no longer appropriate.

4.4 Previous assessments have also been based on the start date of then current RSS (most recently 1 April 2003) which the Coalition Government now intends to revoke. It is now appropriate to base the assessment at a more recent date, 1 April 2010.

4.5 Monitoring of the UDP policy has not in the past included the Omega Strategic Site in the supply assessment. It has always been considered separate from the general land supply equation, as first set out in the Cheshire Structure Plan. The most recent Regional assessments have not however made this distinction, and it is considered now appropriate to merge the supply into an overall figure.

4.6 Given the expected demise of Regional Strategies there will no longer be a framework for strategic sites, so there is no reason why any distinction should continue to be made.

4.7 Furthermore, the prevalent climate of opinion, expressed through consultation, is that there is a need to review the Omega site and reconsider the mix of land uses proposed. This is also called for by PPS4 policy EC3(i)d which requires LPAs to:

Assess the existing and future supply of land available for economic development, ensuring that existing site allocations for economic development are reassessed against the policies in this PPS, particularly if they are for single or restricted uses.

Policy EC2(i)h also makes it clear that:

Existing site allocations should not be carried forward from one version of the development plan to the next without evidence of the need and reasonable prospect of their take up during the plan period. If there is no reasonable prospect of a site being used for the allocated economic use, the allocation should not be retained, and wider economic uses or alternative uses should be considered

4.8 The site area for the Strategic Site is currently shown as 73.89 ha. This figure is derived from the most recent representation of the overall site development made available with the planning application for the initial development of the non-strategic element of the site, and reflects its then intended strategic purpose. It is a low density, net figure.

4.9 The remainder of the forward supply is based on gross site areas in line with custom and practice of the monitoring system.

4.10 Earlier Omega site area references, including the first development plan policy referring to the strategic site (Cheshire 2001) and the most recent (Warrington UDP, EMP2) adopt a site area of 130 ha. It is appropriate to revert to that figure, so the current assessment is consistent across all sites, and reflects the review of land use proposals for the site now being progressed through the Core Strategy.

4.11 The figures used are otherwise taken from the 2010 Land Availability Report. An initial assessment of whether the sites are likely to come forward over the plan period has not highlighted any major issue over the reliability of the figures, but this will be thoroughly re-assessed on a site by site basis in the next Annual Report.

4.12 On these understandings, the two options to be considered can now be formulated.

Option 1: Maintain supply at the UDP rate	
Forward supply at 1.4.2010	156.67 ha
Under construction	2.74 ha
Omega strategic site	130.19 ha
Total identified forward supply	289.6 ha
Plan period 2010 – 2026	
16 yrs demand @ 13 ha + 20%	249.8 ha
Residual @ 2026	39.8 ha
Residual in annual supply	3.1 yrs
Option 2: reduce the supply to reflect demand evidence	
Forward supply at 1.4.2010	156.67 ha
Under construction	2.74 ha
Omega strategic site	130.19 ha
Total identified forward supply	289.6 ha
Plan period 2010 – 2026	
16 yrs demand @ 11 ha + 20%	211.2 ha
Residual @ 2026	78.4 ha
Residual in annual supply	7.1 yrs

These figures are taken from the 2010 Employment Land Availability Statement. An initial assessment of whether sites are likely to come forward over the plan period has not highlighted any major issue with this figure, but this will be thoroughly re-assessed in the next annual monitoring statement.

5 Next steps

5.1 The purpose of this paper is to facilitate a debate with stakeholders about which option offers the best way forward for employment land supply in the Core Strategy. When the consultation on this paper ends in December, the Council will consider the responses made together with any evidence submitted, to help identify a preferred option for taking forward into the draft publication issue of the Core Strategy. Many other factors will also need to be taken into account, including:

- Considering how the options support delivery of the Sustainable Community Strategy
- Considering how well the options address the key issues identified at the outset of the Core Strategy process
- Assessing how the options fit the development of a coherent overall strategy for the borough
- Measuring the options against the agreed vision for Warrington, and associated objectives
- Assessing their environmental, social, and economic impacts through a Sustainability Appraisal, and Appropriate Assessment under the Habitats Regulations
- Assessing the implications of the options for key infrastructure capacity and investment
- Considering the impact of the options on local neighbourhoods
- Assessing conformity with national planning policies, and cross-boundary implications.

5.2 The Council intends to publish a draft Core Strategy in the Spring of 2011. This will set out the preferred option for employment land provision, and explain the reasons for selecting it and discarding the alternative. The draft Core Strategy will embrace all topics and neighbourhoods in Warrington.

5.3 Following publication the Council will undertake a formal six-week statutory consultation period. This will be the culmination of the process of continuous engagement that has been undertaken.

6 Consultation arrangements

6.1 Comments are welcomed on any aspect of this paper setting out the options. In particular we would ask comments to focus on:

Question 1

Does the paper identify and consider a sufficient range of evidence on which to base assessment and conclusions?

Question 2

Is the methodology for assessing future demand for employment land the most appropriate or should another approach be adopted?

Question 3

Have the issues been explained and explored sufficiently?

Question 4

Have the correct options been identified?

Question 5

Which option should the Council pursue and why?

If you wish to respond you have until 17.00 on Friday 17th December to submit your response to the Council. The preferred method of consultation is for comments to be submitted online at the Council's consultation portal. This can be accessed via the following link:

<http://warrington-consult.limehouse.co.uk/portal>

Alternatively the Development Plans Team can be contacted at:

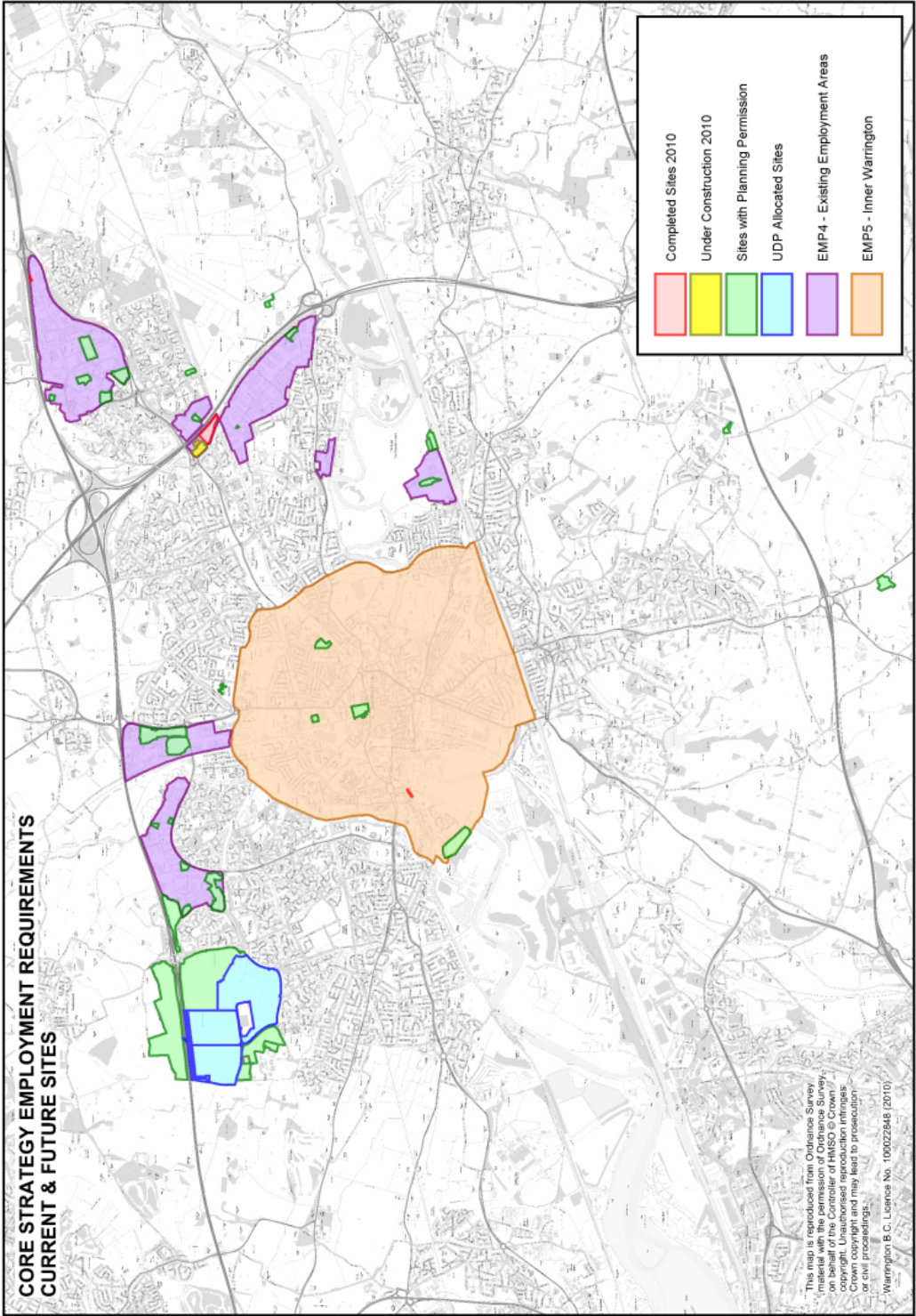
Environment & Regeneration
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Or by e-mail at: ldf@warrington.gov.uk

For further explanation or assistance on this paper or related matters please contact the Team on 01925 442801.



Map of Core Strategy Employment Sites





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