Employment Land Needs Study

St Helens Borough Council

Addendum Report

October 2017 - Amended January 2019

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1.0 INTRODUCTION

1.1 BE Group have prepared this Employment Land Needs Study – Addendum Report ("the Addendum Report") on behalf of St Helens Council to provide updates and further information regarding employment land issues for the borough. This was prepared in 2017, with updates in 2018 to Tables 9, 10 & 11 to take account of potential different combinations of sites coming forward compared to the "preferred" sites selected for allocation in the 2016 Local Plan Preferred Options. Further detail was also provided in Tables 14 & 15 of origins of workers. BE Group prepared the Employment Land Needs Study (ELNS) in 2015 and the Addendum Report refers to findings and analysis of this earlier work. At this time the planned start date of the Local Plan was 2018, running to 2033, hence the references to 2033. The change to 2020 to 2035 does not have a significant impact on the findings.

Background

1.2 The ELNS assessed the demand for employment land provision in St Helens to 2037 as part of the evidence base in the preparation of the St Helens Allocations Local Plan (the Council are now preparing a new single Local Plan which will include both site allocations and policies). The ELNS identified that the most active market for employment premises in and surrounding the borough was for logistics/warehousing space. This has been driven by growth in the online retail market, with operators seeking large facilities, very close to the motorway network and key markets.

1.3 The Objectively Assessed Need (OAN) for employment land was forecast by looking at past take-up of employment land and considering job forecasts prepared for the study. The past take-up of employment land was considered to be the preferred basis of the forecasting of the employment OAN. However, this past take-up has not been constant, with strong growth in the period 1998-2008 and very little growth in the most recent years. Therefore, scenarios were prepared and analysed based on certain land take-up periods, as summarised below. It was considered that the land need based on the longer historical take-up periods were the most appropriate for the forecasting of the OAN. It was considered that using the growth period only (1998-2008) as the forecasting base would not sufficiently take into account the typical peaks and troughs of economic cycles. The 1997-2012 scenario was considered the more appropriate of the two longer historical take-up period scenarios, as from 2011/2012 to 2015 there was a significant decline in employment land take-up in the Borough, which was considered to be reflective of a lack of adequate market-

attractive supply. Therefore, it was considered that the 1997-2015 scenario would not provide a true reflection of past demand for employment land in the Borough.

Table 1 – Summary of Employment Land Needs 2012-2037 (ha)

Scenario	Land Need (inc 5 year buffer)	Assumptions
Period 1997-2015	147.0	Based on 4.9 ha/yr, the average for 1997-2015
Period 1997-2012	174.0	Based on 5.8 ha/yr, the average for 1997-2012
Growth Period 1998-2008	225.0	Based on 7.5 ha/yr, the average for growth period 1998-2008

Source: ELNS, 2015

1.4 The additional demand for employment land generated by major projects in the region (SuperPort, Parkside) and the additional spur of the logistics sector above past trends was also forecast. As a result, the following OAN for employment land was forecast. The significant majority (about 80 percent) of the additional land demand generated through the major projects was forecast to be for B8 warehousing uses.

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

	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: ELNS, 2015

1.5 An assessment of the potential breakdown of employment land by B-class use was also included in the OAN, reflecting the dominance of the B8 warehousing sector in the market at that time (which remains the dominant employment land use in demand in the market in 2017).

Table 3 – Breakdown of Employment Land Need by Type

Employment Type	Hectares
B1(a) Office	10-15
B1(b) Research and development	1-4
B1(c) Light Industry	15-20
B2 General industrial	50-65
B8 Storage and Distribution	100-130
Total employment needs	177-214

Source: ELNS, 2015

Methodology

1.6 This Addendum Report was commissioned to address two items – to review the ELNS's estimate of the OAN for employment to give the most up to date evidence and market conditions and secondly to assess the jobs growth potential of the St Helens Local Plan Preferred Options proposed employment allocations.

1.7 In reviewing the OAN, BE Group has assessed the evidence that has become available since the preparation of the ELNS, including the most recent market conditions and reports prepared for the Liverpool City Region on the growth in employment and of the logistics market.

1.8 In reviewing the jobs growth potential on the proposed allocations, BE Group has considered any representations, planning applications, planning permissions and masterplans available for the sites. Furthermore, BE Group has referred to consultations undertaken in 2016 for work in Haydock on behalf of St Helens Council with proponents of some of the sites.

1.9 Advice on the likely sources of workers of these employment sites has also been provided, with consideration of the borough and regional employment markets and employment patterns of comparable employment schemes in the area, including Haydock and Omega Warrington.

2.0 REVIEW OF THE OBJECTIVELY ASSESSED NEED FOR EMPLOYMENT

2.1 This chapter reviews the appropriateness in 2017 of the forecast OAN in the ELNS prepared in 2015. The chapter identifies the core areas of additional information, summarising the pertinent data and implications for St Helens employment land demand.

Market Information

2.2 The logistics market continues to be the most in-demand commercial market in the broader region, focussed on the motorway corridors. The online retail market has led to new major brands entering the market and high street stores changing their business models to adapt to changing consumer patterns. As such, businesses have requirements for large warehouse premises, with capacity for 24 hour operations.

2.3 Discussions with commercial agents in the North West show a general belief that there is substantial further demand for large logistics space in the region in coming years with no significant signs that the market has reached saturation. Indeed, the market is showing signs of being constrained, not by lack of demand but through lack of space. High quality, large, flat sites with excellent access to the motorway network and with planning support are in very short supply. Specifically, on the door step of St Helens, as the current stage of Omega Warrington is built out, there is a need for further large-scale logistics sites to be provided near the intersection of the M6 and M62.

2.4 Knight Frank report that the second half of 2016 recorded a total take-up of 2.3 million sqft of warehouse and industrial units of greater than 50,000 sqft, a growth of 10 percent on the same period in 2015. Demand is driven by new build requirements, both speculatively built stock and design and build premises.

2.5 The level of recent developer interest in St Helens is consistent with this market characterisation, with representations and planning applications targeting the warehousing market. Most developer interest has been around the Haydock area, seeking to build upon its strategic advantages, particularly its motorway access and the established Haydock industrial estate. The proposals being brought forward are all for warehousing premises significantly in excess of 100,000 sqft (9,300 sqm). Of particular note are:

- **Planning Permission at Florida Farm North, Haydock**: 1,452,600 sqft (135,000 sqm) scheme (2016/0608/HYBR), consisting of two buildings 914,600 sqft (85,000 sqm) and 538,000 sqft (50,000 sqm);
- **Planning Permission at Land North of Penny Lane, Haydock**: 498,639 sqft (46,342 sqm) scheme (P/2015/0571/HYBR), consisting of two buildings of 372,866 sqft (34,653 sqm) and 125,773 sqft (11,689 sqm);
- **Application Pending at Land North East of Junction 23, M6, Haydock**: 1,799,341 sqft (167,225 sqm) scheme consisting of three buildings of circa (there are different masterplan options) 1,000,680 sqft (93,200 sqm), 301,011 sqft (27,975 sqm) and 456,815 sqft (42,455 sqm);
- **Parkside Joint Venture** has announced in 2017 that they intend to submit a planning application for 1,000,000 sqft of industrial floorspace at the former Parkside Colliery for the first stage of the Parkside scheme. The application was submitted in January 2018, which suggests an earlier potential timeframe than anticipated in the ELNS.

2.6 Therefore, the overall market characteristics in 2017 are consistent to that being experienced at the time of preparing the ELNS in 2015. The anticipated dominance of the warehousing market is still evident in 2017 and the latest information supports that this is the most likely sector to drive growth in St Helens and the broader North West region in years to come.

2.7 The planning permissions at Haydock represent some of the largest permissions in the market in the North West, positioning Haydock at the forefront of the large warehousing market in the region.

Further Land Take-up Information

2.8 St Helens Council has provided employment land and floorspace take-up and loss data for 2015/16 and 2016/17, which is tabulated below. This shows that take up of land continues to be low, limited by immediately available sites. However, it is noted that planning permissions have been granted that will increase the availability of sites in the short term.

Table 4 – Summary of Employment Land Gains and Losses

Year	Gains (ha)	Losses (ha)
2015/16	1.65	-12.438
2016/17	0.334	-0.1

Source: St Helens Council, 2017

2.9 Having this additional two years of information enables the average take-up levels used in the ELNS to be updated, summarised in Table 5. It is apparent that the most recent two years do not represent a return to growth comparable to the peak period of 1998-2008 (averaging 7.5 ha per annum), the basis of the Growth Period scenario in the ELNS. Therefore, this Growth Period scenario forecasting will not have changed from the ELNS.

Table 5 – Summary of Employment Land Gains and Losses

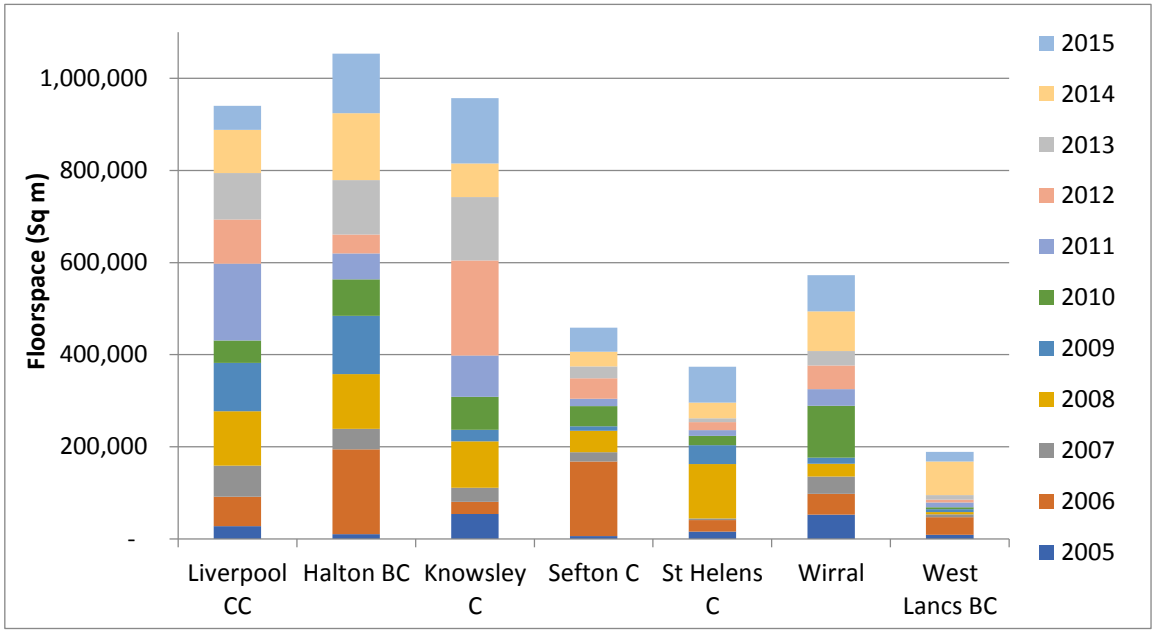
Take-up Period	Average Take-up (ha pa)	Forecast 2012-2037 Growth (ha)	Forecast 2012-2037 Growth, including 5-year buffer (ha)
1997-2017	4.5	112.5	135.0

Source: BE Group analysis, 2017

2.10 This represents a slight reduction in the forecast for employment land, in comparison to the ELNS 1997-2015 based projection of 147.0 ha (including five-year buffer).

2.11 As referred to earlier it is considered that employment land take-up in St. Helens has been suppressed for a significant number of years by an inadequate supply of market attractive sites. This is best illustrated by the experience of other authorities in the same functional economic market area. As illustrated in Figure 1 below, Halton, Liverpool, Knowsley and Wirral have all experienced significantly more take-up of employment floorspace than St. Helens between 2005 and 2015.

Figure 1: Liverpool City Region take-up of Industrial floorspace by year and local authority, 2005-15



Source: Liverpool City Region Draft SHELMA, January 2017, G L Hearn, Figure 34, Page 64

2.12 When considering St Helens' neighbours outside of the LCR, only 4.35 ha of employment land was taken-up in Wigan between 2009-2014, which according to the Wigan Employment Land Review (2015) was due to the recession and land supply issues. However, in Warrington [1]116.59 ha of employment land (predominately B8) was taken-up during 2012-2016 of which 109.05 ha was at the Omega development site. The last large scale B8 site taken-up in St. Helens was the 15.66 ha Somerfield/Co-op distribution facility (56,290 sqm /605,920 sqft) in 2002/03 and since then whilst there has clearly been market demand, as illustrated in the high take-up rates in Warrington, there has not been an adequate supply of market attractive sites in St. Helens.

Liverpool City Region Strategic Housing and Employment Land Assessment (SHELMA)

2.13 The Liverpool City Region Strategic Housing and Employment Land Assessment (SHELMA) (March 2018) considered the objective assessed needs for large scale B8 warehousing and distribution (over 100,000 sqft) for the Liverpool City Region. In this respect, it drew upon "B8 Land-use Forecasts for the Liverpool City Region", May 2016.

[1] Source: Warrington Borough Council, Economic Development Needs Study, (BE Group), Pages 138-139.

B8 Land-use Forecasts for the Liverpool City Region,
Liverpool City Region Combined Authority, May 2016

2.14 This report, prepared by GL Hearn to inform the Liverpool City Region SHELMA, forecast the land use requirements to 2043 of the large-scale B8 sector, defined as in excess of 9,000 sqm (approximately 100,000 sqft). The report forecast warehouse land use requirements based on an estimation of replacement stock required in the region, as well as stock driven by growth in the cargo throughput in the region. Pertinent factors to be drawn from this document include:

- The 2014 St Helens' share of the large-scale warehouse market in the Liverpool City Region was 16 percent of total floorspace.
- The forecasts of warehouse floorspace in the Liverpool City Region were modelled under two transport related scenarios – a minimum upgrade of the strategic transport network scenario and a 'do something' scenario assuming that strategic transport initiatives are carried through to increase the capacity in the transport network.
- Under the 'do something' scenario (which BE Group considers is the most relevant for St Helens as it is consistent with its Parkside plans) the Liverpool City Region is forecast to have a new build requirement for 1,285,000 sqm of large B8 floorspace by 2033 increasing to 2,049,000 sqm by 2043. This equates to a land requirement of 321 ha by 2033 and 512 ha by 2043.
- No commentary was made in the report as to the provisional division of this floorspace by local authority area within the Liverpool City Region. However, if it is assumed that St Helens maintains it 16 percent share, this equates to a land requirement of 51 ha by 2033 and 82 ha by 2043. Although, as explained earlier, take-up of large scale B8 floorspace in the Borough has been constrained due a lack of supply. This is further illustrated in the comparative take-ups in Figure 1, which infers that St Helens' share was higher than 16 percent in earlier years when it did not have land supply constraints.

2.15 Of relevance to the review of the OAN, is the report's forecast that there is substantial growth in the large-scale warehouse market in the Liverpool City Region in coming years. St Helens, as an area with excellent access to the motorway network and key North West markets is well positioned to take a significant share of this market.

Liverpool City Region LEP: Growth Scenario

Liverpool City Region Local Enterprise Partnership, November 2016

2.16 Oxford Economics prepared a jobs growth scenario forecast for the LEP which took account of transformational developments that are intended for the region in coming years. This work has informed the SHELMA. The key findings of this study are:

- The Liverpool City Region is forecast to have an additional 109,200 jobs by 2040 over 2016 levels in the growth scenario, compared to 34,100 additional jobs in the baseline scenario.
- St Helens is projected to have the second highest additional employment (behind only Liverpool City) in the growth scenario, with an additional 18,700 jobs projected for the borough. This compares to an additional 4,700 jobs over the same period for the baseline scenario. This took account of the large amount of potential B1/2/8 employment sites in St.Helens (see below).
- Significantly, the growth scenario assumes strong growth in the 2016-26 period before tapering off, reflecting the development activity anticipated over the coming decade.
- The growth scenario assumes a higher in-migration to the City Region.
- It is assumed that the resident employment rate would increase, compared to the baseline scenario, due to the increased availability of employment opportunities through the transformational developments.
- The largest growth sectors by employment numbers in St Helens in the growth scenario are anticipated to be warehousing and support services (+3,600 jobs) and land transport (+3,200 jobs) reflecting the key drivers of employment in the market (data provided in spreadsheets supporting this document).
- Manufacturing in St Helens is anticipated to grow by 2,000 jobs, a significant change from the baseline scenario which assumed declining employment in this sector. This is driven by the increasing availability of strategic industrial land in St Helens in coming years that would encourage manufacturers to locate to the borough, with further logistics infrastructure and warehousing capacity allowing for improved conditions to deliver goods to markets.
- Displacement was assumed to be 33 percent (i.e. 33% of the jobs are coming from elsewhere in the City Region).

2.17 This modelling had input from St Helens Council in regards to promoted major development projects being considered in the preparation of the Local Plan Preferred Options, being focussed on logistics and warehousing schemes, including the

potential Green Belt sites around Haydock, west of Omega and Parkside West and East.

Implications for the OAN

2.18 The critical information that has implications for the employment OAN in St Helens are:

- The warehousing and logistics market is performing strongly with further demand for growth in the regional market, including within St Helens.
- The large-scale warehousing market has substantial land requirements across the Liverpool City Region, equating to some 512 ha by 2043. St Helens could play a significant role in the provision of such land, particularly given its proximity to the motorway network and the employment development around the former Parkside colliery (including a Strategic Rail Freight Interchange (SRFI)).
- The latest take-up information results in a reduced average of take-up over the last 20 years and therefore slightly reduced forecast of the land requirement to 2037.
- Planning applications and permissions suggest that the market is on the cusp of a growth period, driven by warehousing development. Of particular note is that the former Parkside colliery scheme is likely to come forward earlier than anticipated in the ELNS.

2.19 The lack of take-up in recent years, which has reduced the resulting forecast to 2037 has been dampened due to the lack of appropriate land, particularly for the growing warehousing sector, which has seen considerable growth in the region and sub-region, for example at Omega North and South. This land constraint has been apparent in the take-up data in recent years, particularly since about 2011/12. Therefore, the take-up scenario in the ELNS based on the period 1997-2012 is likely to be a better representation of growth unencumbered by land shortages.

2.20 The ELNS's employment land OAN included a range for the baseline growth, with additional land requirement estimated based on major projects and large-scale logistics demand over and above past trends. The baseline growth was presented as a range, being the resulting forecasts based on the 1997-2015 period (low part of the range) and the 1997-2012 period (high). Updating to consider the 1997-2017 period results in a reduction of the lower part of the range (reducing from 147 ha to 135 ha). However, the upper limit of the baseline forecast does not change (174 ha).

2.21 The additional land requirement from the major projects and large-scale logistics was forecast to be a net additional 30-40 ha of land in St Helens over and above baseline growth. However, the sustained strength of this market, the growing momentum around sites in St Helens, particularly around Haydock, the reporting of the further land requirements at the Liverpool City Region level and the potential earlier start of the Parkside SRFI than considered in the 2015 ELNS suggest that this upturn could be higher than anticipated in 2015. Furthermore, with the land supply constraints of previous years being relieved by the recent large-scale approvals, there is renewed interest from occupiers for strategic locations in St Helens. Therefore, this additional demand has been revised upwards to 55-65 ha.

2.22 The table below is an update of Table 63 of the ELNS, adjusted for the new information available. The table includes the five-year buffer and incorporates the same methodology as used in the ELNS. Note that the forecast period is still assumed to begin in 2012. It is noted that the overall range has expanded, due to the reasons outlined in paragraphs 2.19-2.21. However, as these paragraphs explain, it is the BE Group's opinion that the upper limit is more likely to be a better representation of the actual growth level if the market is without significant land supply constraints.

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

	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: BE Group analysis
** Adjusted to account for likely double counting*

2.23 The below table is a breakdown of the revised OAN for employment by B-class use, updating Table 64 of the ELNS. The additional land demand is to primarily support the growth in B8 warehousing need, with a smaller increase in the B2 industrial requirement due to benefits from overall increased activity.

Table 7 – Breakdown of Employment Land Need by Type

Employment Type	Hectares
B1(a) Office	10-15
B1(b) Research and development	1-4

Employment Type	Hectares
B1(c) Light Industry	15-20
B2 General industrial	55-70
B8 Storage and Distribution	110-155
Total employment needs	190-239

Source: BE Group analysis

2.24 It is noted that the sum of the individual floorspace ranges do not add to the total employment needs as they are approximate ranges and represent the likely mix of employment uses in the market given current information. It is also noted that these forecasts are based on past trends (1997-2017) that include a significant recession, periods where supply was constrained and thus limiting take-up as well as periods of strong economic growth. It would be expected that once the constraints on land supply are released that there would be a spur on development above the forecast average rate to 2037. However, that acceleration of development would moderate in the medium term as the market returns to more typical levels.

3.0 POTENTIAL JOB CAPACITIES AT KEY EMPLOYMENT SITES

3.1 BE Group has estimated the potential employment capacities on the key employment sites in St Helens. BE Group has used several pieces of evidence to estimate the ultimate yield of employment on the sites, including:

- The basic physical characteristics of the site, including size, site location, neighbouring uses, etc.
- The documents supporting any representations for the sites, including masterplans, planning reports, economic reports, planning applications, planning permissions, etc.
- Market information gathered for this study, as well as the ELNS and Haydock studies, including conversations with landholders of sites in the Haydock area
- BE Group's judgement of the likely B-class employment uses on each site, considering the market and site evidence
- The Home and Communities Agency's Employment Density Guide Third Edition (November 2015), which provide averages of the typical square meterage of floorspace per worker (full-time equivalent) in different employment types,
- Information of employment numbers on comparable existing businesses in the area, gathered through property database searches, publicly available information and information from businesses.

3.2 These factors were used to estimate an ultimate (gross) number of workers on each site, which is summarised in the table below.

Table 8 – Employment Capacities within key St Helens Local Plan Preferred Options allocated Employment Sites

LPPO site ref	LPSD site ref	Employment Site	Site Area	Jobs (FTE)	Employment Types
EA2	2EA	Florida Farm North, Haydock	35.17	1,487	B8
EA12	11EA	Gerards Park, St. Helens Town Centre	0.95	91	B1(c); B2
EA11	10EA	Land at Lea Green Farm West, Thatto Heath	3.84	321	B1, B2, B8
EA7	6EA	Land at Millfield Lane and Liverpool Road, Haydock	20.58	1,399	B2, B8
EA3	3EA	Land North of Penny Lane, Haydock	11.05	516	B8
EA4	2ES	Land North East of Junction 23 M6, Haydock	42.34	2,666	B2, B8
EA5	4EA	Land South of Penny Lane, Haydock	2.16	177	B2, B8
EA6	5EA	Land to the West of Haydock Industrial Estate, Haydock	7.75	462	B2, B8
EA1	1EA	Omega South Extension, Bold	31.2	1,240	B2, B8
EA10	9EA	Land to the West of Sandwash Close, Rainford	6.96	681	B2, B8
EA9	8EA	Parkside West (Non-SRFI)	79.57	2,351	B8
EA8	7EA	Parkside Rail Terminal		40	Rail uses
EA8	7EA	Parkside East (SRFI)	64.55	2,737	B8
		Total	**306.12**	**14,167**	

Source: St Helens Council, BE Group analysis, 2017

3.3 Therefore, if all employment sites are developed to capacity, there is the potential for some 14,200 full-time equivalent positions to be provided on site.

3.4 Omega South Extension could form part of Warrington's employment land supply in the forthcoming revised Warrington Local Plan. St. Helens and Warrington Council officers both agree that the site would form an expansion to the existing Omega South strategic employment location and therefore would have a direct relationship with Warrington, although it would continue to provide employment opportunities to the residents of St Helens and other areas in the same manner that Omega already does. If Omega South Extension forms part of Warrington's employment land supply then the full time equivalent positions to be provided on the remaining St Helens sites would be approximately 13,430.

3.5 It should be noted that some of these jobs will not be new to the area (either new to St Helens or new to the Liverpool City Region) but rather they will be businesses that have relocated from other sites in the area. Furthermore, there will be an element of growth in such new sites preventing growth in other businesses within St Helens. Therefore, a displacement factor is appropriate when considering the growth implications of the sites. In considering the level of displacement to apply, the following factors have been reviewed:

- The key large-scale employment market, which several of the proponents of the sites are pursuing, is only modestly represented in the St Helens market's existing businesses. The majority of growth in this market will be inward investment from businesses looking to establish a presence in St Helens.
- As evidenced in the *B8 Land-use Forecasts for the Liverpool City Region* report, replacement of stock is a key growth driver in the warehouse/logistics market.
- The Growth Scenario report prepared by Oxford Economics for the LEP assumed a displacement of 33 percent to the Liverpool City Region.
- It is assumed that the displacement level for jobs at Parkside would be very low due to the rail-based freight focus of the development, which is new to St Helens. As a comparator example, the Environmental Statement supporting Prologis' Daventry International Rail Freight Terminal (DIRFT III) rail and logistics project in Northamptonshire includes a displacement factor of 10 percent.
- Central existing B2 and B8 areas within St Helens are generally older stock, and thus potentially more vulnerable to displacement through relocating businesses or employment.
- It is considered that B1 and B2 schemes would have a higher level of displacement that B8 schemes, particularly for larger warehouse units. The

markets for office and manufacturing space are far more localised than the logistics market in St Helens.

3.6 On balance, it is considered that it is most appropriate to assume different displacement levels for the different B-class uses and for the Parkside scheme, as summarised below;

- B1: 70 percent displacement
- B2: 60 percent displacement
- B8: 35 percent displacement
- Parkside East: 10 percent displacement
- Parkside West: 25 percent displacement
- Parkside Terminal: 0 percent displacement

3.7 This approach results in a total assumed net jobs growth on these sites of 9,300 jobs if all these sites are built out to capacity. This equates to an estimated 4,900 jobs displaced from elsewhere in the borough.

3.8 If the Omega South Extension was to form part of Warrington's land supply, the net jobs growth at capacity for the St Helens sites would be approximately 8,600.

4.0 GROWTH TRAJECTORIES

4.1 The previous chapter assessed the ultimate yield of employment on the employment sites, assuming full development of each site. However, such employment would not be realised immediately upon development of the sites. Most businesses when moving into new premises are not immediately at production or labour capacity; rather they acquire premises that incorporate a level of spare capacity for growth in coming years. Furthermore, for large firms locating to the area (e.g. Amazon distribution centre) it can take several months to recruit staff, both before and after operations commence.

4.2 As well as these operational factors, there are property development considerations. Larger schemes are typically developed in stages. Large-scale warehouse schemes are generally developed on a design and build basis; that is, an occupier is secured prior to development, with the final design specifications determined between occupier and developer. Speculatively developed units take time to find tenants, which will vary depending on the market conditions at the time.

4.3 Specifically for certain sites in St Helens, the timing of the development of the schemes around Haydock may depend on further transport investment around junction 23 of the M6 due to congestion at this junction (this is subject to further study by St.Helens Council and Highways England). Therefore, the jobs growth in this area is dependent on factors outside of the market and property interest. The ultimate development of the Parkside scheme will depend on the investment in the freight rail infrastructure, as well as the link road opening up parcels within this area.

4.4 Also of consideration in looking at employment over decades, is the effects of automation and efficiency improvements that will affect the level of labour required on site. This is particularly pertinent for industrial and warehousing uses sectors, which have seen waves of technology improvements that have changed labour requirements. Manufacturing has been a high profile sector in the UK in regards to the role of automation in production and assembly reducing the need for labour. Further advances in robotics is anticipated to continue to have an effect on the number of workers within an industrial plant in coming years. Improvements in inventory handling and automation of stock retrieval will reduce labour needs in the logistics sector, even in more labour intensive aspects of the sector, such as small

parcel preparation and deliveries. Therefore, there is likely to be some tapering off of employment on these sites in the years after they become fully operational.

4.5 Considering the factors above, the number of jobs at a given new employment site is not likely to be represented by a sudden jump to the maximum number of jobs, which would be constant from then on. Rather, it is likely to be a steep climb over some years, followed by a plateau and then a gradual decline as automation/efficiency factors become significant.

4.6 The growth trajectories of the employment on the employment sites have been projected with consideration of the above factors as applied to each site. Obviously, this represents a considerable level of uncertainty and thus three scenarios are presented that show the growth in potential labour demand as the sites are rolled out. These scenarios are:

- Scenario 1: Develop as soon as possible, with no allowance for delays to development of sites due to infrastructure pinch points (e.g. potential capacity constraints around Junction 23 of the M6 as indicated by emerging transport studies) or practicalities of developing several sites in parallel from market demand and construction capacity perspectives.
- Scenario 2: Prioritisation of sites to allow for limits on market demand and construction capacity, which results in a smoother take-up of sites over the planning period.
- Scenario 3: Prioritisation of sites as in Scenario 2 but also factoring in further potential capacity constraints around Junction 23, which would result in a longer lead-in times and maturation of the Haydock sites.

4.7 The employment growth trajectories of the employment sites for the three scenarios are provided in the tables overleaf. These are presented as the gross number of jobs on the sites, that is, not factoring in the level of displacement of jobs that would occur in St Helens as discussed in Chapter 3.0.

4.8 The forecasts are provided to 2048. However, such forecasts three decades into the future have a substantial level of uncertainty and should be seen as provisional and indicative only. Importantly, it is anticipated that the sites would be built out well prior to 2048. Changes in employment numbers on the sites in the final years of these forecasts are anticipated to be due to efficiencies in operations and automation of processes, and therefore the forecasts trend lower. What the economy will be like in

St Helens, and the implications specifically on these sites, by 2048 is a matter of conjecture at this time.

4.9 Over the 30 year time period of these sites, there is the significant probability of some of the sites being used for more than one purpose. Therefore, there may be a break in the actual level of employment on the sites, as one use leaves and prior to another use locating to the sites. No allowance of this has been incorporated into the forecasts. This analysis only looks at growth of employment on the sites and thus the replacement of one employer with another is not significant.

4.10 Vacancies would be a feature of the schemes throughout their lifetimes. In the forecasts it has been assumed that it would take some years to be fully occupied, both from a business occupation perspective and the occupying business operating at full capacity. Once the schemes reach capacity, there will be some level of churn of businesses as operators move to be replaced by others. As mentioned above, this is assumed not to have a net impact on employment levels. However, the intervening period, where the unit is vacant, will obviously result in a temporary reduction in employment. The tables below have allocated a 5 percent vacancy rate across the schemes, applied once they have reached maturity (i.e. businesses have grown to capacity). This provides an indicative measure of employment to allow for some vacant units.

4.11 However, with these schemes it is recognised that several are planned to be comprised of one or two large units on the sites. Therefore, for some individual schemes the vacancy rate will either be 0 percent or 100 percent. An assumed average vacancy rate (e.g. 5 percent) would not be applicable at the individual scheme level and should be considered at the collective level only.

4.12 The jobs forecasts are presented as both gross jobs on the site and net jobs to the borough (less displacement estimates).

Table 9 – Employment Growth Trajectories – Scenario 1 – Develop as soon as possible

Site	Comments	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Florida Farm North, Haydock	Site has planning permission for B8 units. Assume built as per masterplan, with large unit opening 2019, small unit opening 2020	0	149	877	1,383	1,487	1,487	1,465	1,429	1,393	1,359	1,325
Gerards Park, St. Helens Town Centre	Understand a planning application is pending. Assume that it is built consistent with existing units.	0	0	36	68	91	91	90	87	85	83	81
Land at Lea Green Farm West, Thatto Heath	Has planning permission. Assuming that it is developed in accordance with 2 stages in masterplan	96	192	257	321	321	321	308	293	279	265	252
Land at Millfield Lane and Liverpool Road, Haydock	Assume that landholder (Canmoor) to develop after its neighbouring scheme to the east.	0	0	0	0	0	280	1,357	1,290	1,227	1,167	1,110
Land North of Penny Lane, Haydock	Planning permission for 1 unit, outline planning for remainder of site. Assume that unit with full planning is developed first.	0	77	116	361	477	516	508	495	483	471	459
Land North East of Junction 23 M6, Haydock	Outline planning application is pending. Assume develop as per units identified in masterplan.	0	0	0	0	272	824	2,477	2,562	2,498	2,436	2,376
Land South of Penny Lane, Haydock	No imminent planning application. Assume developed after site to the north of Penny Lane	0	0	0	0	106	159	172	163	155	148	141
Land to the West of Haydock Industrial	Assume that the larger unit is developed first, followed by	0	0	115	254	370	462	448	426	405	386	367

Site	Comments	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Estate, Haydock	smaller units in parallel											
Omega South Extension, Bold	Development according to masterplan.	0	186	472	796	1,053	1,156	1,222	1,191	1,162	1,133	1,105
Land to the West of Sandwash Close, Rainford		0	0	0	0	272	408	661	628	597	568	540
Parkside West (None SRFI)	Assume part of this site is developed before the rail terminal.	0	0	0	235	353	470	2,316	2,258	2,202	2,148	2,095
Parkside Rail Terminal	Assume a terminal opening in 2024	0	0	0	0	0	0	40	40	40	40	40
Parkside East (SRFI)	Employment on this site only after the rail terminal is opened.	0	0	0	0	0	0	2,157	2,629	2,564	2,501	2,439
Total Gross Jobs		**96**	**604**	**1,874**	**3,418**	**4,801**	**6,174**	**13,219**	**13,493**	**13,092**	**12,704**	**12,329**
Total gross jobs assuming 5% vacancy rate		**91**	**574**	**1,781**	**3,247**	**4,561**	**5,865**	**12,558**	**12,818**	**12,437**	**12,069**	**11,713**
Total Net Jobs		**40**	**339**	**1,119**	**2,098**	**2,902**	**3,714**	**8,817**	**9,122**	**8,861**	**8,609**	**8,364**
Total net jobs assuming 5% vacancy rate		**38**	**322**	**1,063**	**1,994**	**2,757**	**3,528**	**8,376**	**8,666**	**8,418**	**8,178**	**7,946**

Source: BE Group, 2017

Table 10 – Employment Growth Trajectories – Scenario 2 – Development Prioritisations

Site	Comments	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Florida Farm North, Haydock	Site has planning permission for B8 units. Assume built as per masterplan, with large unit opening 2019, small unit opening 2020	0	149	877	1,383	1,487	1,487	1,465	1,429	1,393	1,359	1,325
Gerards Park, St. Helens Town Centre	Assume slower growth than Scenario 1	0	0	36	68	68	68	90	87	85	83	81
Land at Lea Green Farm West, Thatto Heath	Has planning permission. Assuming that it is developed in accordance with 2 stages in masterplan	96	192	257	321	321	321	308	293	279	265	252
Land at Millfield Lane and Liverpool Road, Haydock	Assume that landholder (Canmoor) to develop after its neighbouring scheme to the east. Delayed growth compared to Scenario 1	0	0	0	0	0	0	678	1,290	1,227	1,167	1,110
Land North of Penny Lane, Haydock	Planning permission for 1 unit, outline planning for remainder of site. Assume that unit with full planning is developed first.	0	77	116	361	477	516	508	495	483	471	459
Land North East of Junction 23 M6, Haydock	Outline planning application is pending. Assume develop as per units identified in masterplan. Delayed growth compared to Scenario 1	0	0	0	0	0	272	1,113	2,460	2,400	2,340	2,282
Land South of Penny Lane, Haydock	No imminent planning application. Assume developed after site to the north of Penny Ln	0	0	0	0	0	0	0	170	162	154	146
Land to the West of Haydock Industrial	Assume that the larger unit is developed first, followed by	0	0	0	0	0	115	448	426	405	386	367

Site	Comments	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Estate, Haydock	smaller units in parallel											
Omega South Extension, Bold	Development according to masterplan.	0	186	472	796	1,053	1,156	1,222	1,191	1,162	1,133	1,105
Land to the West of Sandwash Close, Rainford		0	0	0	0	272	408	661	628	597	568	540
Parkside West (None SRFI)	Assume part of this site is developed before the rail terminal.	0	0	0	0	0	235	926	1,581	2,092	2,148	2,095
Parkside Rail Terminal	Assume a terminal opening in 2026	0	0	0	0	0	0	40	40	40	40	40
Parkside East (SRFI)	Employment on this site only after the rail terminal is opened.	0	0	0	0	0	0	542	1,321	2,062	2,513	2,451
Total Gross Jobs		**96**	**604**	**1,759**	**2,929**	**3,678**	**4,578**	**8,000**	**11,413**	**12,387**	**12,627**	**12,254**
Total gross jobs assuming 5% vacancy rate		**91**	**574**	**1,671**	**2,782**	**3,494**	**4,349**	**7,600**	**10,842**	**11,768**	**11,995**	**11,641**
Total Net Jobs		**40**	**339**	**1,119**	**1,922**	**2,411**	**2,954**	**5,022**	**7,380**	**8,271**	**8,565**	**8,322**
Total net jobs assuming 5% vacancy rate		**38**	**322**	**1,063**	**1,826**	**2,291**	**2,806**	**4,771**	**7,011**	**7,857**	**8,137**	**7,906**

Source: BE Group, 2017

Table 11 – Employment Growth Trajectories – Scenario 3 – Allow for Potential Capacity Constraints at Haydock

Site	Comments	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Florida Farm North, Haydock	Site has planning permission for B8 units. Assume built as per masterplan, with large unit opening 2019, small unit opening 2020	0	149	877	1,383	1,487	1,487	1,465	1,429	1,393	1,359	1,325
Gerards Park, St. Helens Town Centre	Assume slower growth than Scenario 1	0	0	36	68	68	68	90	87	85	83	81
Land at Lea Green Farm West, Thatto Heath	Has planning permission. Assuming that it is developed in accordance with 2 stages in masterplan	96	192	257	321	321	321	308	293	279	265	252
Land at Millfield Lane and Liverpool Road, Haydock	Assume that landholder (Canmoor) to develop after its neighbouring scheme to the east. Delayed growth compared to Scenario 2	0	0	0	0	0	0	0	645	1,227	1,167	1,110
Land North of Penny Lane, Haydock	Planning permission for 1 unit, outline planning for remainder of site. Assume that unit with full planning is developed first.	0	77	116	361	477	516	508	495	483	471	459
Land North East of Junction 23 M6, Haydock	Outline planning application is pending. Assume develop as per units identified in masterplan. Delayed growth compared to Scenario 1 and 2	0	0	0	0	0	0	0	1,058	2,206	2,225	2,116
Land South of Penny Lane, Haydock	No imminent planning application. Assume developed after site to the north of Penny Ln. Delayed compared to Scenario 2	0	0	0	0	0	0	0	0	155	148	141

Site	Comments	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Land to the West of Haydock Industrial Estate, Haydock	Assume that the larger unit is developed first, followed by smaller units in parallel. Delayed compared to Scenario 2	0	0	0	0	115	254	448	426	405	386	367
Omega South Extension, Bold	Development according to masterplan.	0	186	472	796	1,053	1,156	1,222	1,191	1,162	1,133	1,105
Land to the West of Sandwash Close, Rainford		0	0	0	0	272	408	661	628	597	568	540
Parkside West (None SRFI)	Assume part of this site is developed before the rail terminal. Due to constraints at Haydock, this site is able to enter market earlier than assumed in Scenario 2.	0	0	0	0	0	235	926	1,581	2,092	2,148	2,095
Parkside Rail Terminal	Assume a terminal opening in 2024	0	0	0	0	0	0	40	40	40	40	40
Parkside East (SRFI)	Employment on this site only after the rail terminal is opened.	0	0	0	0	0	0	542	1,321	2,062	2,513	2,451
Total Gross Jobs		**96**	**604**	**1,759**	**2,929**	**3,793**	**4,445**	**6,209**	**9,195**	**12,188**	**12,506**	**12,082**
Total gross jobs assuming 5% vacancy rate		**91**	**574**	**1,671**	**2,782**	**3,604**	**4,223**	**5,898**	**8,735**	**11,578**	**11,880**	**11,478**
Total Net Jobs		**40**	**339**	**1,050**	**1,770**	**2,259**	**2,666**	**3,965**	**6,078**	**8,151**	**8,493**	**8,438**
Total net jobs assuming 5% vacancy rate		**38**	**322**	**997**	**1,681**	**2,146**	**2,533**	**3,766**	**5,774**	**7,744**	**8,069**	**8,016**

Source: BE Group, 2017

4.13 The above employment growth trajectories provide an indication of the steepness of growth on the sites individually and overall. It is important to note the potential growth in the sites of the coming decade, which is anticipated to be steepest in Scenario 1, which does not account for market demand or constraints. Scenarios 2 and 3 project a delayed peak of employment, compared to Scenario 1. The three scenarios are differentiated by their assumed development rates and prioritisations. They assume the same ultimate development of the sites, just through differing trajectories.

4.14 The above projections are indicative and are sensitive to the vagaries of the property development sector, including landholder plans, landholder financial capacity, occupier market interest, influences of competing schemes, infrastructure plans and funding, the planning process and overall business confidence. They show potential outcomes and the key finding for St Helens should be the illustration of the steepness of growth in employment on these sites as they come to the market.

4.15 As is demonstrated by the growth trajectories, these employment sites are anticipated to reach capacity before the 2048 forecast horizon. This accounts for the policy allocation of these sites for employment uses in the planning period of the Preferred Options to 2033 (now to 2035 in the Local Plan 2020-2035). However, it is anticipated that the sites would not be built out by the 2033 timeframe, which would require a significant uplift in take-up compared to past years. For the same reason, it is considered that Scenarios 2 and 3 represent more realistic growth trajectories for employment on the sites.

5.0 SOURCES OF LABOUR

5.1 The previous chapters demonstrate the substantial increase in labour requirements to fill the employment sites within St Helens in coming years. To 2033 the anticipated labour demand for these sites is projected to be:

Table 12 – Employment Demand by 2033 for Three Scenarios

Scenario	Employment Demand*
One	8,670
Two	7,010
Three	5,770

Source: BE Group analysis
** includes allowance for vacancies*

5.2 This chapter examines whether trend population growth is sufficient to service this employment demand and if not whether other sources of labour would be required.

Population Growth

5.3 2014-based population projections prepared by the ONS, released in October 2015, project local authority populations to 2039 and show that the borough population is forecast to increase from 177,200 persons in 2014 to 186,700 persons by 2033 and 188,500 persons by 2039. However, the traditional working age population (15-64 years) is projected to decline over the same period, with population growth being driven by the 65+ cohort, as seen in the table below.

Table 13 – ONS Population Forecasts for St Helens

Age Group	2014	2017	2033	2039	Change 2017-33
0-14 years	30,100	30,700	31,100	30,800	+400
15-64 years	112,300	111,400	107,800	107,500	-3,600
65+ years	34,800	36,700	47,600	50,300	+10,900
Total Population	**177,200**	**178,800**	**186,700**	**188,500**	**+7,900**

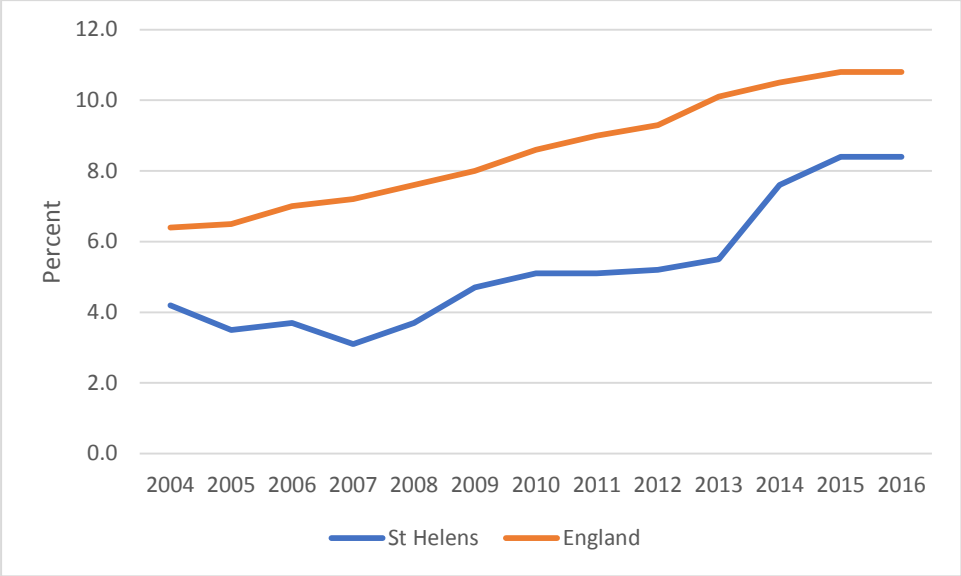
Source: ONS

5.4 Therefore, it is apparent that the traditional working age population of St Helens would not be sufficient to service a growing employment demand, assuming all other factors remain the same (e.g. unemployment rate, economic activity rate, etc.). The availability of a range of employment positions in the market would help to move these factors, that is, to reduce unemployment and increase the activity rate, which is examined later in this chapter.

5.5 The 65+ cohort, the main driver of population growth in St Helens, is an increasingly important source of labour across the UK, including in St Helens. Government policies are helping to encourage older workers to stay in the workforce, through bringing pension ages into line for males and females and increasing the age that people can access their pension to 66 by 2019 and 67 between 2026 and 2028. Furthermore, other factors are meaning that older workers are staying in the workforce, including improved health outcomes, low savings growth, higher costs of housing, more flexibility in working arrangements and a lower proportion of the workforce in manual labour. The baby-boomer cohort, the first of which turned 65 in 2011, is driving this growth.

5.6 This trend is apparent in the percentage of economic activity for the 65+ cohort, as illustrated below. 8.4 percent of this cohort is economically active in St Helens and 10.8 percent in England. This rate has more than doubled over the past decade.

Figure 2: Economic Activity of 65+ Persons, Percent



Source: ONS Annual Population Survey, 2017

5.7 It appears that there is further scope for growth in this economic activity rate in St Helens, potentially climbing significantly above 10 percent in coming years. However, even if the rate were to remain constant at 8.4 percent through to 2039, this would increase the number of 65+ people being economically active by 1,000 persons in St Helens by 2033 and 1,200 persons by 2039. **If the percentage increases to 11.0 percent (similar to the 2016 level for England), the number would increase by 2,200 economically active persons by 2033 and 2,500 economically active persons to approximately 5,500 by 2039.**

5.8 Businesses and local authorities would need to be aware of the increasing numbers of older workers in the workforce, including considerations about retraining, recruitment processes, flexibility (e.g. phased retirement), etc. Local authorities can have a role in promoting the benefits of hiring older workers to the local business community as a means of enabling the economy to fully tap into this growing section of the workforce. It is important to ensure that this cohort is appropriately trained for the logistics/warehousing market, which will be the dominant employment sector on these sites. Job support programmes should include an element specifically targeting this age group.

Unemployment

5.9 Latest employment modelling from the ONS Annual Population Survey reveals significantly improved employment conditions in St Helens. The number in employment was estimated to have increased by 7,300 between 2014 and March 2017 to 83,600 people. The unemployment rate has decreased over the same period from 10.0 percent to 4.7 percent. The March 2017 economically active rate is 73.2 percent of the 16-64 year old population. This shows significant positivity in the local employment market, which will encourage others, not actively looking for work in St Helens to enter the labour market. However, it also flags a level of caution as to the spare capacity in the market to readily provide further labour, which at the time of the ELNS was considered in considerable supply.

5.10 It will be important to further bring the unemployed in St Helens to employment in order to increase the availability of labour in the local area. Further availability of jobs in a local market can increase the employment rate and the economically active rate, as those not in employment are encouraged by the job opportunities to actively look for work.

5.11 With the baseline (policy off) population forecasts examined above forecasting a declining 16-64 year cohort, maintaining constant levels of economic activity and unemployment rate will result in a decline in the number of employed people in this age group. Applying the 2017 employment levels to the forecasts to 2033 would result in a net decline of 2,500 employed people aged 16-64 years in St Helens.

5.12 In order to maintain the same number of employed persons aged 16-64 in the borough based on the baseline population forecasts, there would need to be an increase in the economically active rate and a decrease in the unemployment rate.

An economically active rate of 75 percent with an unemployment rate of 4.1 percent would result in approximately the same number of employed persons in this age group in 2033 as current levels.

5.13 However, through the availability of a range of employment opportunities, matched with schemes to encourage people into the workforce, St Helens could achieve an increase in the number of employed persons aged 16-64 despite the declining overall numbers in this cohort. **An economically active level of 77 percent and an unemployment rate of 2.5 percent would result in an increase of 3,200 employed persons aged 16-64 by 2033 over current levels.**

5.14 As the unemployment rate declines, it becomes increasingly difficult to continue to make gains in further reducing that rate. This can be due to several reasons, including skills mismatches, worker capabilities, access to transport, availability of jobs etc. that make continually decreasing the unemployment rate very difficult.

5.15 Interventions in the labour market can help unemployed people to gain employment, through improving skills, linking with businesses, improving understanding of recruitment processes, job search and presentation tips, internment placements, etc. St Helens operates the Ways to Work programme, which assists local unemployed people with advice, work placements and targeted training. The programme includes initiatives specifically targeting vulnerable groups (e.g. people leaving care). The Northern Logistics Academy is an example of a specialist logistics and transport training facility in St Helens that is providing skills training specific to the local employment market and in particular the likely uses of the strategic employment sites. Therefore, there are interventions in St Helens that provide a means of further reducing unemployment in the borough and improving skills relevant to the growth sectors.

5.16 Underemployment in St Helens is harder to quantify. In an economy, there will be some proportion of the population in employment, but seeking other work, either for more hours or more in line with their level of skills and experience. This can be particularly evident in areas of above average unemployment. As the unemployment rate continues to come down and further job opportunities become available, those in underemployment would have the chance to be more selective in their jobs choices. Therefore, those who want to work more hours would be more likely to do so, which would provide a small proportion of the additional labour demand in St Helens.

Commuting

5.17 Approximately 60 percent of workers in St Helens also reside within the borough. This shows quite a high level of retention of its local workforce. However, it also means that some 40 percent of existing workers are commuting in from other boroughs to fill St Helens' jobs. Therefore, any planning for further employment would need to consider implications for additional commuting into St Helens.

5.18 Adopting the 40 percent level of in-commuting for the additional jobs on the employment sites, suggests that some 5,670 of these jobs would be filled by those not living in St Helens. Accounting for displacement of jobs, the employment sites would result in a net growth of about 3,700 jobs filled by in-commuters.

5.19 However, not all commuting is uniform within St Helens. Facilities that have specialised skills requirements or are high profile employers tend to draw a workforce from a wider geography. Furthermore, those employment areas on the edge of the borough will have a higher proportion of their workforce crossing borough boundaries. This is an important consideration for the Haydock, Parkside and Omega employment sites. Therefore, to assess potential in-commuting patterns on the employment sites, BE Group has considered the following evidence:

- The 2011 Census commuting patterns for St Helens as a whole reveal that for the St Helens workforce, 59.6 percent reside in St Helens, 10.6 percent reside in Wigan, 4.7 percent reside in Knowsley and 4.6 percent in Warrington.
- Surveying work conducted by BE Group on behalf of St Helens Council of Haydock businesses found that some 42 percent of workers were from St Helens, 22 percent from Wigan and 15 percent from Warrington (from an average of business estimates of their worker mix).
- Postcode origin of workers data from three existing businesses in Omega Warrington reveal that some 40 percent of workers reside in Warrington, 12 percent reside in St Helens, 8 percent in Wigan and 40 percent elsewhere.

5.20 The growth trajectory scenarios considered in the previous chapter have been broken down by potential worker origin, including those residing in:

- St Helens
- Wigan
- Warrington
- Knowsley

- Liverpool
- Halton
- Sefton
- West Lancashire
- Other

5.21 The forecasts are based on a mix of assumed commuting patterns depending on where the site is located as explained above and which are consistent with current patterns. The forecasts are provided overleaf in Table 14, illustrating the gross number of workers residing from the four areas.

5.22 However, as discussed earlier, a considerable proportion of these jobs will be displacement jobs, with firms or individual workers relocating to the new sites. Therefore the net jobs, discounting the displacement jobs, are provided in Table 15.

Table 14 – Origins of Workers in Employment Sites, Three Scenarios – Gross Employment

Origin of Workers	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Scenario 1											
St Helens	57	231	695	1,263	1,817	2,386	5,365	5,481	5,314	5,152	4,995
Wigan	11	86	314	598	834	1,106	2,621	2,691	2,612	2,536	2,462
Warrington	5	118	370	673	915	1,133	2,182	2,221	2,158	2,097	2,038
Knowsley	5	32	92	164	230	290	576	586	568	551	535
Liverpool	4	27	78	138	193	240	456	463	449	436	423
Halton	3	21	59	104	145	178	324	328	318	309	300
Sefton	2	14	42	76	107	135	277	282	273	265	258
West Lancashire	2	12	37	68	96	123	264	270	262	254	247
Other	9	63	186	333	465	583	1,154	1,173	1,138	1,105	1,072
Total	**96**	**604**	**1,874**	**3,418**	**4,801**	**6,174**	**13,219**	**13,493**	**13,092**	**12,704**	**12,329**
Scenario 2											
St Helens	57	231	647	1,057	1,341	1,712	3,173	4,608	5,017	5,119	4,963
Wigan	11	86	289	490	589	758	1,473	2,233	2,457	2,519	2,445
Warrington	5	118	353	599	749	896	1,400	1,909	2,052	2,086	2,027
Knowsley	5	32	87	145	185	226	367	502	540	548	532
Liverpool	4	27	75	124	159	192	299	400	428	433	421
Halton	3	21	57	94	122	146	219	286	304	307	298
Sefton	2	14	40	67	84	103	172	240	259	264	256
West Lancashire	2	12	35	59	74	92	160	228	248	253	245

Origin of Workers	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Other	9	63	177	294	375	455	736	1,007	1,082	1,099	1,066
Total	**96**	**604**	**1,759**	**2,929**	**3,678**	**4,578**	**8,000**	**11,413**	**12,387**	**12,627**	**12,254**
Scenario 3											
St Helens	57	231	647	1,057	1,390	1,656	2,421	3,676	4,934	5,068	4,891
Wigan	11	86	289	490	614	728	1,079	1,745	2,413	2,492	2,407
Warrington	5	118	353	599	766	876	1,131	1,576	2,022	2,068	2,001
Knowsley	5	32	87	145	190	220	296	414	532	543	525
Liverpool	4	27	75	124	163	188	246	334	422	430	415
Halton	3	21	57	94	125	143	184	242	300	305	295
Sefton	2	14	40	67	86	100	136	196	255	261	253
West Lancashire	2	12	35	59	76	89	124	184	244	250	242
Other	9	63	177	294	384	444	593	829	1,066	1,089	1,053
Total	**96**	**604**	**1,759**	**2,929**	**3,793**	**4,445**	**6,209**	**9,195**	**12,188**	**12,506**	**12,082**

Source: BE Group, 2018

Table 15 – Origins of Workers in Employment Sites, Three Scenarios – Net Employment

Origin of Workers	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Scenario 1											
St Helens	24	123	405	765	1,079	1,411	3,561	3,691	3,583	3,479	3,378
Wigan	4	50	193	377	518	681	1,787	1,859	1,806	1,755	1,706
Warrington	2	71	227	418	564	695	1,460	1,503	1,462	1,422	1,383
Knowsley	2	18	54	100	138	173	379	391	380	369	358
Liverpool	2	15	46	84	115	143	298	307	298	289	281
Halton	1	12	35	63	86	106	210	215	209	203	198
Sefton	1	8	25	47	64	81	184	190	184	179	174
West Lancashire	1	7	22	42	58	74	176	182	177	172	167
Other	4	36	111	203	279	349	761	784	762	740	719
Total	**40**	**339**	**1,119**	**2,098**	**2,902**	**3,714**	**8,817**	**9,122**	**8,861**	**8,609**	**8,364**
Scenario 2											
St Helens	24	123	405	691	871	1,091	1,967	2,959	3,335	3,461	3,360
Wigan	4	50	193	339	411	515	952	1,475	1,676	1,746	1,696
Warrington	2	71	227	392	491	582	891	1,242	1,373	1,415	1,376
Knowsley	2	18	54	93	118	142	227	321	356	367	357
Liverpool	2	15	46	78	100	120	185	254	280	288	280
Halton	1	12	35	59	76	90	134	181	197	202	197
Sefton	1	8	25	43	55	66	108	155	172	178	173
West Lancashire	1	7	22	38	48	59	100	148	165	171	166

Origin of Workers	2018	2019	2020	2021	2022	2023	2028	2033	2038	2043	2048
Other	4	36	111	189	240	288	458	645	715	737	716
Total	**40**	**339**	**1,119**	**1,922**	**2,411**	**2,954**	**5,022**	**7,380**	**8,271**	**8,565**	**8,322**
Scenario 3											
St Helens	24	123	376	627	807	970	1,523	2,412	3,285	3,431	3,317
Wigan	4	50	178	305	378	452	719	1,189	1,650	1,730	1,674
Warrington	2	71	216	369	469	539	732	1,047	1,355	1,404	1,361
Knowsley	2	18	52	87	112	131	185	269	351	364	352
Liverpool	2	15	44	74	96	111	153	215	277	286	277
Halton	1	12	34	56	73	84	113	155	195	201	195
Sefton	1	8	24	40	51	60	87	129	170	177	171
West Lancashire	1	7	21	35	45	53	79	122	163	170	164
Other	4	36	105	177	228	265	373	541	705	731	708
Total	**40**	**339**	**1,050**	**1,770**	**2,259**	**2,666**	**3,965**	**6,078**	**8,151**	**8,493**	**8,219**

Source: BE Group, 2018

5.23 The above analysis assumes that commuting patterns keep to current characteristics. There is an argument that increasing the proportion of St Helens residents that also work in the borough (i.e. reduce out-commuting) could be a further supply of labour. However, this has not been assumed in this exercise.

5.24 BE Group has considered alternative St Helens employment projections in line with the request to consider scenarios where particular sites do not come forward. BE Group has previously provided figures for these options assuming the commuting patterns change from current levels (advice provided 19th March 2018). The figures below assume that current commuting patterns are maintained. The figures have the following parameters.

- For workers working in St Helens also residing in St Helens
- 2033 forecast
- 'Net' figures, that is excluding displacement jobs

Table 16 – Revised Scenarios 2033

Origin of Workers	**St Helens Workers Residing in St Helens (Net, 2033)**	
Assumption	**Scenario 2**	**Scenario 3**
Option 1 – Remove Omega South (EA1)	2,873	2,327
Option 2 - Remove EA1 and Land at Millfield Ln and Liverpool Rd, Haydock (EA7)	2,562	2,171
Option 3 – Remove EA1 and Land North East of Junction 23 M6, Haydock (EA4)	2,253	2,060
Option 4 – Remove EA1, EA7 and EA4	1,942	1,904

Source: BE Group, 2018

In-Migration

5.25 In-migration would also be a potential source of population growth for St Helens. In the ONS population forecasts above, which would be considered a 'policy off' forecast, growth is being driven by an ageing population. However, under the range of proposed transformational schemes in St Helens, there would be a significant pull for younger workers to St Helens, attracted by the range of employment opportunities being made available. This would be considered a 'policy on' perspective.

5.26 In order to achieve a strong in-migration level, there would need to be sufficient housing land and housing stock to be provided in St Helens. Furthermore, there would need to be an active campaign to promote the employment opportunities in St

Helens to the wider community to boost migration above trend levels. This campaign should be a united approach between businesses and St Helens Council's economic development team to maximise its exposure and reach. Council's role would be to highlight the work and lifestyle benefits of the borough and opportunities for training and support. Furthermore, it should be the conduit to liaise with UK Government agencies to attract workers to the area.

5.27 Workers migrating into the area would originate from throughout the UK, as well as from abroad. Sectors such as warehousing/logistics and manufacturing, the key sectors for the employment sites, are reliant on migrant workers to fill a range of positions. While migrant workers comprise about 11 percent of the workforce in the UK, they comprise some 14 percent of the manufacturing and wholesale and retail trade, hotels and restaurants sectors and 15 percent of the transport and communication sector. Therefore, policy changes of the UK Government in relation to immigration may have an impact on the ability of local firms to attract labour on the employment sites, particularly in a competitive labour environment with several growing businesses competing for employees. As such, the Brexit negotiations and the ultimate position that is taken could have an impact on the availability of labour in St Helens and thus should be monitored.

Summary

5.28 The additional labour supply for the employment sites would be sourced from a mix of reduced unemployment and underemployment, policy on population growth, and increased activity in the economy from the 65+ year old population.

5.29 At 2033, the net labour demand on these strategic sites is anticipated to be approximately 6,100-9,100 depending on the take-up scenario. It is BE Group's opinion that Scenarios 2 or 3 are the most likely for St Helens, suggesting a net labour demand of 6,100-7,400 workers. As seen in this chapter, the baseline population forecast suggests a net decline in the traditional working age population. However, interventions to alter trendline employment and population characteristics can have significant implications on the availability of labour in St Helens. These include:

- Increasing the proportion of economically active 65+ year olds to 11 percent by 2033 would add approximately 2,200 employed persons to the St Helens workforce

- Reducing unemployment to 2.5 percent and increasing the economically active proportion of the 16-64 year old cohort to 77 percent would add 3,200 workers to the workforce

5.30 Not all of these additional workers would neatly fit within the likely employment opportunities within the strategic sites. However, targeted reskilling programmes, such as the Northern Logistics Academy, would help match those St Helens residents not currently working to the job opportunities in the market.

5.31 Further growth would be required through in-migration above the baseline forecasts. However, as noted above, there are other means of increasing the labour supply in St Helens to meet a significant proportion of the net labour demand from the strategic sites.