

Employment Land and Premises Study - Refresh

Final Report



Sefton Borough Council

November 2012

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EXECUTIVE SUMMARY

Introduction

- 1) This report assesses the supply, need and demand, for employment land and premises (Use Class B) in the Metropolitan Borough of Sefton. It has been carried out for Sefton Metropolitan Borough Council to underpin and inform its Local Plan and analyse employment land supply, need and demand to 2031. Undertaken by BE Group, the study is a refresh of the Sefton-specific elements of the 2010 Joint Employment Land and Premises Study (JELPS) and comprises three main objectives:
 - An assessment of Sefton's economy to inform the amount, location and type of employment land and premises required to facilitate development and growth
 - A review of the current portfolio of employment land and premises within the Sefton local authority area
 - Recommendations on the future allocations of employment land and premises to maintain the Borough's economic growth.

- 2) The study has also (where relevant) considered the identified expansion needs of the Port of Liverpool, particularly the Port's future land requirements in the Regent Road/Derby Road Corridor, Bootle. The impacts of port expansion on this area are also discussed in a separate study which has been completed by Sefton Council officers to support this Employment Land and Premises Refresh.

Methodology

- 3) A number of research methods have been used including desktop analysis of existing strategies, site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents. The property market in the local authority areas adjacent to Sefton has also been reviewed, through desktop analysis of the employment and planning strategies, and consultations with officers from those local authorities. Finally the land supply has been assessed against forecast data to understand future land need. The methodology follows ODPM guidance on employment land reviews.

Findings

- 4) Sefton has high skill levels and a low rate of deprivation when compared to the other local authority areas of Merseyside (although there are pockets of deprivation in

Bootle and Seaforth). Unemployment has increased sharply during the recession. However, the proportion unemployed in Sefton remains significantly lower than in the neighbouring metropolitan boroughs of Liverpool and Knowsley.

- 5) The economy of Sefton is strongly dependant on the public sector, while the proportion of people employed in manufacturing is well below wider averages. Sefton also has strong links with neighbouring areas and the Borough is a net exporter of workers to Halton, Knowsley and Liverpool, as well as to Preston, Greater Manchester and Warrington.
- 6) Private sector commercial property agents reported that generally industrial need far outweighed that for offices. Agents were particularly pessimistic about the South Sefton office market, notably the Bootle Office Quarter, which has seen a significant recent reduction in both public and private sector demand. In North Sefton requirements are for industrial units of 0-279 sqm, including some freehold options, and offices of 0-93 sqm in Southport Town Centre. Demand is from local firms. In South Sefton demand is for industrial units of 0-464 sqm and offices of 0-186 sqm. There are also some larger (557 sqm or more) industrial/warehouse requirements, from Merseyside firms looking for units in South Sefton.
- 7) 22 Employment Areas and Opportunity Sites have been reviewed. These provide a total of 345.69 ha of employment land, of which 48.24 ha (14 percent) has been identified as representing options for the future change and improvement of Sefton's land supply. Sefton's Employment Areas/Opportunity Sites have not changed significantly since they were reviewed in the JELPS. However, a mixed-use planning application by BDW Assets and Priory Assets Management has now been approved for Southport Business Park subject to signing a Section 106 agreement. This has the potential to be the catalyst for further development in the Business Park, broadening the range of acceptable uses to include industrial, warehouse and motor retail options.
- 8) Property enquiries, received by the Liverpool City Region Local Enterprise Partnership (LEP), are dominated by the industrial sector. Companies want industrial units of 0-464 sqm and sites of more than 0.25 ha. In discussion the LEP also highlights the importance of Port expansion plans and the need to provide land to accommodate both its growth needs and the requirements of associated port-related businesses. The company survey, undertaken as part of the 2010 JELPS study,

identified modest demand from local businesses for industrial premises of 0-2,000 sqm and offices of 0-200 sqm in industrial estates and business parks. There are ample vacant premises in the Borough to meet these requirements, the only possible shortage could be for freehold offices.

- 9) Sefton is bordered by two other Merseyside local authority areas, as well as West Lancashire. In the future, the greatest impact will come from Liverpool where, over the next 30 years, the Liverpool Waters scheme is expected to deliver some 300,000 sqm of office and business floorspace close to the Sefton boundary.

Employment Land Supply

- 10) At 31st March 2012 there was a headline supply of 57.96 ha of employment land, made up of 18 sites. Around three quarters of this land is in South Sefton, primarily at Atlantic Park and the wider Bridle Way Employment Area. This employment land supply is, by some way, the smallest of any Merseyside local authority area.
- 11) Comparison with the 2010 JELPS shows that significant development activity has only taken place on one of the 18 sites between 2008 and 2012. Also, with one exception (Southport Business Park), there are no firm plans for development in the short term and most of the land is not expected to come forward in less than three years.
- 12) Of this supply, 4.18 ha (on three sites) is subject to significant physical constraints which may prevent development. The realistic land supply is therefore considered to be 53.78 ha (15 sites).
- 13) An additional 23.50 ha is required based on past take-up rates. The other three forecast models (employment, labour supply and a 'policy on' scenario) suggest the Borough has an oversupply of employment land (see Table ES1). This would mean that much of the current land supply is surplus to requirements and could be used for other activities. However, these methods take no account of pent-up demand, failures in the property market, land lost to housing developments and other non-employment uses, or the additional 2.63 ha requirement identified by the Port of Liverpool (needed to decant non-port related businesses from within the port expansion area). Adjusting the past take-up figure to take account of these factors increases the identified need to 30.76 ha (see Table ES2).

Table ES1 – Land Need Forecasts – All Models

Model	Land Need, ha 2012-2031 (Including 5 years Buffer)	Predicted Surplus (Shortfall) to 2031 Perceived Supply (57.96 ha)	Predicted Surplus (Shortfall) to 2031 Residual Supply (53.78 ha)
Historic Land Take-up Rate	+77.28	(19.32)	(23.50)
Employment based	+18.48/ 20.17	37.79/ 39.48	33.61/ 35.20
Labour Supply	+32.17/ 33.45	24.51/ 25.79	20.33/ 21.61
Policy On	+51.84/ 53.35	4.61/ 6.12	0.43/ 1.94

Source: BE Group 2012

Table ES2 – Trend Based Forecast of Land Take-up – Additions/Deductions Adjusted

Overall Land Requirement (Historic Take-Up Rate from Table 78), ha	Additions (Deductions), ha	Adjusted Figure, ha
+23.50	(5.13) Oversupply based on 7.5 percent vacancy rate for total property stock 9.76 Land lost to housing (former HMRI) development 2.63 Additional land needs resulting from the displacement of businesses, from Regent Road/Derby Road, due to Port expansion	+30.76

Source: BE Group 2012

Recommendations

- 14) The recommendations in this report have had full regard to the requirements of the NPPF to encourage and deliver growth through the Planning System. The key recommendations are:
- The Council should allocate a further 31 ha of employment land for the period 2012-2031.
 - However, to help meet this need, the Council should undertake a review of the Regeneration Opportunities identified in this study to determine how many

are likely to come forward over the plan period. As these are unlikely to meet the full requirement, the Council should also consider options for the release of Green Belt land for future business park developments in both North and South Sefton, and potentially also an industrial estate to the south of Crowland Street, Southport.

- The Council should continue to exclude port-related land from the identified land supply. The Council also needs to maintain a dialogue with Peel Ports regarding its land needs at the Port of Liverpool.
- Three identified employment sites are constrained and may not be developable for employment uses. The viability of these allocations should be assessed, with a view to re-designating them 'Primarily Industrial Areas'.
- Two employment areas, Land South of Aintree Curve and The Peoples site should be de-allocated.
- Southport Business Park, Atlantic Industrial Complex, Peerless Refinery and Senate Business Park should be safeguarded for B-Class uses and other employment uses which achieve economic enhancement.
- For Sefton's other allocated employment sites and land/premises in 'Primarily Industrial Areas' a more flexible approach could be taken to help facilitate a broad range of economic development.
- However, Sefton Council should continue to protect employment sites and 'Primarily Industrial Areas' from non-employment uses, such as housing, unless wholly exceptional circumstances can be demonstrated. If employment sites (allocations) are lost to other uses, then an equivalent amount of land should be identified elsewhere to ensure a sufficient overall land supply in Sefton.
- Sefton Council should identify a successor to Southport Business Park early in the Local Plan period (from 2016 onwards). There are no appropriate brownfield sites in North Sefton and a successor can only be provided through the release of Green Belt land. The recommended successor site is Formby Moss, north of Formby Industrial Estate. If this site cannot be delivered due to constraints, then the Council should explore whether another site in this area can be identified.
- In South Sefton, a Green Belt release should be considered for the post 2020 period.
- Applications to develop backland sites for non-employment uses and on solus employment sites should be considered against the criteria set out in the

Council's Draft Safeguarding Employment Land SPD (which the Council may seek to review) and those set out in Section 10.0 of this report.

- Sefton Council should undertake an appraisal of the supply and demand for managed workspace and serviced offices within the Borough.
- Given the strength of continuing demand for freehold industrial units, there should be sites set aside to provide small freehold development plots for owner-occupiers.
- Both Sefton and Liverpool need to work together to monitor and plan for the sub-regional land needs arising from the Port of Liverpool's expansion plans and the impacts of Liverpool Waters.
- Review and monitor this position and undertake the study again in about three years, as 2031 is a long time in the future and much will happen before then.

1.0 INTRODUCTION

- 1.1 This report assesses the supply, need and demand, for employment land and premises (Use Class B) in the Metropolitan Borough of Sefton (the Borough). It has been carried out on behalf of Sefton Metropolitan Borough Council (the Council).
- 1.2 The study has been commissioned to provide robust evidence to underpin and inform the Council's Local Plan and specifically its future employment land allocations. It analyses employment land supply, need and demand to 2031.
- 1.3 BE Group, economic development and property consultants based in Warrington, has compiled this report. It has been carried out during 2012.
- 1.4 This report is a refresh of the Sefton-specific elements of the 2010 Joint Employment Land and Premises Study (JELPS). That study was undertaken during 2008-2010 and covered the bulk of the Liverpool City Region, specifically the local authority areas of Halton, Knowsley, Sefton and West Lancashire. It was carried out on behalf of those four local authorities by BE Group.
- 1.5 The 2010 JELPS comprised three main elements, which have been amended and updated in this report:
- An assessment of Sefton's economy to inform the amount, location and type of employment land and premises required to facilitate development and growth
 - A review of the current portfolio of employment land and premises within the Sefton local authority area
 - Recommendations on the future allocations of employment land and premises to maintain the Borough's economic growth.
- 1.6 A number of additional objectives, of relevance to Sefton only, were identified by the Council during the 2010 study. Three remain relevant for this study:
- Disaggregation of need and supply to the levels of North Sefton (Southport/Formby) and South Sefton
 - An overview of quantity and quality of office premises in Bootle Central Area, Bootle Office Quarter and Southport Central Area
 - Dialogue with the Port of Liverpool regarding its operational land requirements.

- 1.7 This last objective is particularly relevant as the Port of Liverpool (as part of the wider Mersey Ports complex) has identified 108 ha of land in the Borough, which it requires to meet its operational needs to 2030 (see Section 2.0). All of this land is within, or adjacent to, the existing port estate, particularly in the Regent Road/Derby Road Corridor, Bootle. This has the potential to displace a limited number of existing non-port related local micro and small businesses. The Port has stated that it has no further land requirements, in Sefton, beyond this 108 ha.
- 1.8 The impacts of port expansion on the Regent Road/Derby Road Corridor are considered in a separate study (*'Implications of the 'Mersey Ports Masterplan' for Employment Land Provision in Sefton'*) which has been completed by Sefton Council officers, and provides supporting information for this Employment Land and Premises Refresh. That study is summarised in Section 2.0 and included in full at Appendix 2. The resulting additional land need is also considered in Section 8.0.

Background

- 1.9 This Employment Land Study will form part of the evidence base for policies and proposals in the Sefton Local Plan. As part of the plan preparation process, the Council is required to review and assess the level and quality of its existing employment sites and premises to help ensure an adequate supply of appropriate sites has been identified over the plan period.
- 1.10 It is worth noting that the recently published National Planning Policy Framework, 2012 (NPPF) proposes the re-introduction of Local Plans. This is discussed further in Section 2.0.
- 1.11 Land and premises need to reflect the changing requirements of businesses and local economies. The Study will therefore help assess the suitability of sites, indicating which sites might be best safeguarded for employment uses, any sites that appear no longer suitable for employment uses at least in their present form, and any need for new allocations. Planning policies are intended to intervene in the market to ensure amongst other things an appropriate balance between housing and employment uses in the Borough. And whilst the drive to deliver more housing is important, it should not be at the expense of losing important sites that could contribute to local economic development. However, as well as securing sustainable

development for employment purposes, a realistic view is taken of the operation and vitality of the market.

- 1.12 The Study covers all industrial, warehousing and distribution uses, as well as offices. It does not refer to all uses that provide jobs, but to the above group of uses, which tend to share certain locational and physical characteristics. The Study is primarily concerned with those uses included within the planning Use Class B – B1 (business offices/light industrial), B2 (general industrial) and B8 (storage and distribution) and appropriate sui generis uses including recycling and the environmental industry.

Methodology

- 1.13 Research methods used include site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents. A survey of 404 local businesses (by post, with follow-up telephone calls) was undertaken in 2008. This has not been updated, but relevant points obtained from that survey have been considered as part of the study conclusions.
- 1.14 Extensive consultation with various public sector agencies with responsibility for the study area was undertaken in 2008-2010 and, where needed, updated or additional consultations have been undertaken in 2012. Desktop analysis of national, regional and local reports and strategies has been undertaken to provide an updated planning/economic policy position for 2012.
- 1.15 The property market in the local authority areas adjacent to Sefton has also been reviewed. This has been undertaken through consultations with officers from the relevant Councils, combined with desktop analysis of the Employment Land Studies and Core Strategies of those local authorities. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing their impact on the Borough's land and property market.
- 1.16 Finally the land supply has been assessed against forecast data to understand future land need. This is then developed into a series of economic development recommendations that cover not just land, but also premises.
- 1.17 At Appendix 1 we have included a schedule of all consultees.

- 1.18 Alongside this study, Sefton MBC officers have undertaken additional research into the Regent Road/Derby Road corridor area (sometimes referred to by the Port Masterplan designation 'L5'). This will identify the numbers and types on businesses in this area and (in consultation with the Port) assess the likely displacement effects if this area was to be redeveloped for port related uses.

Study Area

- 1.19 The Metropolitan Borough of Sefton covers 153 square kilometres with a population of 272,900 (ONS mid-year population estimates, 2010) and falls in the Merseyside sub-region in North West England. The Borough is bounded by Mersey Estuary and the Irish Sea to the west and by rural West Lancashire to the east. To the south, Sefton merges with the Liverpool Conurbation (see Figure 1).

Figure 1 – Study Area



Source: ONS 2012

- 1.20 The Borough is divided between the north and the south. North Sefton primarily comprises the towns of Southport and Formby. Southport (the largest settlement of the north) is a historic coastal resort town with a substantial retail and leisure offer, focused around the sea front and town centre. It is also a comparatively dense settlement, with further expansion constrained by surrounding countryside and Green Belt.
- 1.21 South Sefton includes the communities of Bootle, Seaforth, Litherland, Netherton and Aintree which form part of the Liverpool urban area. To the north are the more distinct settlements of Crosby and Maghull. Historically, much of South Sefton thrived through dock-related industries around Bootle and Seaforth. Many of these industries fell into decline following competition from overseas, although the Port of Liverpool remains an active local employer, with plans for further expansion.
- 1.22 In North Sefton, B1, B2, B8 employment is focused in a number of employment areas in Southport, some of which are tightly constrained by surrounding housing. B1 offices are concentrated in Southport Town Centre and at Southport Business Park. In South Sefton employment uses are focused in Bootle, running along the Dunning's Bridge Road corridor in the east and along Derby Road in the south west. Bootle Town Centre also has a substantial office quarter.
- 1.23 A number of key transport corridors pass through the Borough. The M58 (which runs east to the M6) and the M57 (which runs south to the M62) both terminate at Switch Island in the south east of Sefton. The A565 runs the length of the Borough, from Southport to Bootle, before continuing towards Liverpool City Centre. The A59 passes through Maghull and Aintree, while the A5036 (Dunning's Bridge Road/Church Road) links Switch Island with Seaforth Docks and the A565. Merseyrail services link most of the main settlements with the rest of Merseyside and the wider North West.

Employment Land Review: Guidance Note (ODPM 2004)

- 1.24 Employment Land Review: Guidance Note promotes a three-stage process, and provides the framework for this study. Although this document is now eight years old it has not been amended or superseded by more recent statements of policy, and remains the only national guidance document for the production of Employment Land Studies.

- 1.25 Stage One: take stock of the existing situation including an initial assessment of 'fitness for purpose' of existing allocated employment sites. The objective is to identify the best employment sites to be protected; identify employment sites to be released and prepare an effective brief for stages two and three of the review. The outcome of this stage is to understand key employment land supply issues and generate a portfolio of potential employment sites to take forward for more detailed review.
- 1.26 Stage Two: understand the future quantity of land required across the main business sectors; to provide a breakdown of that analysis in terms of quality and location and provide an indication of 'gaps' in supply through economic forecasting, consideration of recent trends and/or assessment of local property market circumstances. The outcome of this stage is to provide broad quantitative employment land requirements across the principal market segments covering the Local Plan period and an analysis of the likely 'gaps' in supply that need to be filled.
- 1.27 Stage Three: entails a qualitative review of all significant sites (and premises) in the existing portfolio in order to: confirm which of them are unsuitable for/unlikely to continue in employment use; to establish the extent of 'gaps' in the portfolio, and if necessary, identify additional sites to be allocated or safeguarded. The outcome will be the completion of the employment land review, to be taken forward in the Local Plan. The Sefton Employment Land Study is prepared in compliance with this advice.
- 1.28 Table 1 shows how this report aligns with, and answers the requirements of the ODPM guidance. The link between the report and the ODPM steps is not always clear cut, with different sections overlapping, indeed certain steps overlap. It should be noted this report reflects adaptation of the ODPM guidance in order to address the requirements of the brief and the particular local circumstances of Sefton's property market.
- 1.29 In line with the guidance the study covers, very broadly, all the employment property market segments and types of sites outlined in it (see Table 2). To keep the report simple, the research combines most of these requirements into three broad areas: employment land (e.g. development sites, storage land, etc.), and developed office premises and industrial properties.

Table 1 – Employment Land Reviews – Guidance Note

Stage 1 – Taking Stock of the Existing Situation	
Step 1 – Devise Brief	Prepared by Sefton Metropolitan Borough Council
Step 2 – Collate Data on Land Stock and Revealed Demand	Land Stock covered in Section 7 Revealed Demand covered in Sections 4, 5 and 7
Step 3 – Devise and Apply Site Appraisal Criteria	Site Appraisals covered in Section 7 and in Appendices
Step 4 – Undertake Preliminary Site Appraisal	Site Appraisals covered in Section 7 and in Appendices
Step 5 – Confirm Brief for Stages 2 & 3	Agreed in study progress meetings
Stage 2 – Creating a Picture of Future Requirements	
Step 6 – Understand Market Areas and Segments	Covered in Sections 3, 4, 5, 6,7, 8 and 9 Relationship with neighbouring areas covered in Section 19
Step 7 – Select and Apply Suitable Forecast Model/Demand Analysis	Covered in Section 8
Step 8 – Quantify Employment Land Supply	Covered in Section 7
Step 9 – Translate Employment Land Forecasts to Land Requirements	Covered in Sections 8, 10 and 11
Step 10 – Scenario Testing	Covered in Section 8, 10
Stage 3 – Identifying a New Portfolio of Sites	
Step 11 – Devise Qualitative Site Appraisal Criteria	Covered in Section 9
Step 12 – Confirm Existing Sites to be Retained or Released and Define Gaps in Portfolio	Covered in Sections 9, 10 and 11
Step 13 – Identify Additional Sites	Covered in Sections 7, 10 and 11
Step 14 – Complete Employment Land Review	Covered in Sections 7, 8, 11 and 11

Source: BE Group 2012

Table 2 – Main Employment Property Market Segments and Sites

Established or Potential Office Locations	Heavy/Specialist Industrial Sites
High Quality Business Parks	Incubator/SME Cluster Sites
Research and Technology/Science Parks	Specialised Freight Terminals
Warehouse/Distribution Parks	Sites for Specific Occupiers
General Industrial/Business Areas	Recycling/Environmental Industries Sites

Source: ODPM 2004

2.0 STRATEGY CONTEXT

Introduction

- 2.1 This chapter focuses on national, regional and local reports and strategies that have a relevance to the allocation of employment land and premises. An understanding of the strategies and reports contained in this review is needed to show strategic alignment and a holistic approach to promoting sustainable development. BE Group's recommendations follow the general principles set by them.

National

National Planning Policy Framework – Department of Community and Local Government (2012)

- 2.2 As part of ongoing reforms of planning policy, the Department of Community and Local Government has published the National Planning Policy Framework (NPPF). The NPPF sets out the Government's economic, environmental and social planning policies for England, articulating the Government's vision of sustainable development. It provides a framework for the production of local and neighbourhood plans and has replaced all the previous Planning Policy Statements and Guidance Notes.
- 2.3 In terms of business and economic development, the NPPF argues that *“Investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including poor environment or any lack of infrastructure, services or housing.”* Local planning authorities should:
- *“Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth*
 - *Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated requirements over the plan period*
 - *Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate requirements not anticipated in the plan and to allow a rapid response to changes in economic circumstances*
 - *Plan positively for the location, promotion and expansion of clusters or*

networks of knowledge driven, creative or high technology industries

- *Identify priority areas for economic regeneration, infrastructure provision and environmental enhancement*
- *Facilitate flexible working practices such as the integration of residential and commercial used within the same unit.”*

2.4 Planning policies should also “*avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.*”

2.5 In addition to this, paragraph 51 indicates that local planning authorities: “*should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate.*”

2.6 In town centres, local planning authorities should “*allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, community services and residential development needed.*”

2.7 Planning policies should support sustainable economic growth in rural areas by taking a positive approach to new development, supporting “*the sustainable growth and expansion of all types of businesses and enterprise in rural areas, both through conversion of existing buildings and well designed new buildings*” and promoting “*development and diversification of agricultural and other land-based rural businesses.*”

2.8 The NPPF re-introduces district-wide local plans, replacing the Local Development Framework system. The Local Plan should be a single strategic document, with supplementary planning documents only created if they can help to bring forward sustainable development at an accelerated rate.

2.9 It is proposed that Local Plans will address the spatial implications of economic, social and environmental change, setting out the opportunities for development and providing clear guidance on what will, or will not, be permitted and where. The Local Plan should outline the Local Planning Authority's strategic priorities. This should include strategic policies to deliver *"the homes and jobs needed in the area"* as well as *"the provision of retail, leisure and other commercial development"*.

2.10 Crucially, Local Plans should:

- *"Plan positively for the development and infrastructure required in the area to meet the objectives, principles and policies of this Framework"*
- *Be drawn up over an appropriate time scale, preferably a 15 year time horizon, take account of longer term requirements, and be kept up to date*
- *Be based on cooperation with neighbouring authorities, public, voluntary and private sector organisations*
- *Indicate broad locations for strategic development on a key diagram and land-use designations on a proposals map*
- *Allocate sites to promote development and flexible use of land, bringing forward new land where necessary, and provide detail on form, scale, access and quantum of development where appropriate*
- *Identify areas where it may be necessary to limit freedom to change the uses of buildings, and support such restrictions with a clear explanation*
- *Identify land where development would be inappropriate, for instance because of its environmental or historic value; and*
- *Contain a clear strategy for enhancing the natural, built and historic environment, and supporting Nature Improvement Areas where they have been identified."*

2.11 Local planning authorities need to prepare and maintain a robust evidence base to understand business need within their area. This can be achieved by working with neighbouring authorities, LEPs and the local business community. This evidence base should be used to assess:

- *"the needs for land or floorspace for economic development, including both the quantitative and qualitative need for all foreseeable types of economic activity over the plan period"*
- *the existing and future supply of land available for economic development and its sufficiency and suitability to meet identified needs. Reviews of land*

available for economic development should be undertaken at the same time, or combined with Strategic Housing Land Availability Assessments and should include a reappraisal of the suitability of previously allocated land

- *the role and function of town centres and the relationship between them, including any trends in the performance of centres*
- *the capacity of existing centres to accommodate new town centre development*
- *locations of deprivation which may benefit from planned remedial action*
- *the needs of the food production industry and any barriers to investment that planning can resolve.”*

Relaxation of Planning Rules for Change of Use from Commercial to Residential (Summary of consultation responses and the Government’s response to the consultation) – Department of Community and Local Government (2012)

2.12 Undertaken in early 2012, this consultation sought views on making it easier to change land use from commercial to residential under certain circumstances. Specifically, the paper sought views on making changes of use:

- *“From B1 use (business – offices, research and development premises and light industry) to C3 (dwellinghouses) permitted development i.e. to allow such changes to happen freely without the need for planning applications*
- *From B2 (general industrial) and B8 (storage and distribution) to C3 (dwelling houses) permitted development.”*

2.13 The proposed changes were considered as a method of increasing the number of housing sites available to housebuilders and (potentially) therefore increasing the national rate of housebuilding, helping to address present shortfalls in housing supply.

2.14 A total of 714 responses were received during the consultation period. Only 36 percent of these supported the principle of giving permitted development rights to convert B1 uses to residential, while only 31 percent supported granting the same rights for B2 and B8 uses.

2.15 Key points made by those supporting the proposals were that it:

- *“Could result in a much needed increase in the supply of dwellings*

- *Could reduce the demand for greenfield sites*
- *Could allow for a more flexible and responsive supply of land to satisfy changing demands and ensure good buildings do not go to waste*
- *Could create new opportunities for home-working and small business and a revival of community life*
- *By definition B1 uses can operate in residential areas without detriment*
- *Proposals could be extended to include empty or obsolete buildings in other uses and/or to allow other types of residential use.”*

2.16 Those against highlighted:

- *“Strong concerns over the likely effect on availability of current and future employment space – particularly for small businesses, in rural areas and town centres*
- *Would have adverse impacts on the ability of local authorities and their communities to plan for the best use of land to meet their specific housing and employment needs*
- *Could reduce certainty for major employers who know, at the moment, that local authorities are unlikely to approve housing near industrial uses and therefore their investment in new machinery and/or facilities is secure*
- *Unlikely that most B2 and B8 uses would lend themselves to sensitive conversion and therefore opportunities may be limited*
- *most properties will require associated works which will still need planning permission*
- *Finding replacement sites for B2 and B8 sites, given the nature of these types of business, may be difficult*
- *The impacts of such changes of use vary widely depending on local circumstances, and are best considered alongside a planning application*
- *Need to safeguard against possibility of inadequate housing in unsustainable locations.”*

2.17 60 percent of respondents felt that, if the proposals were implemented, mitigation measures would be required to address potential adverse impacts. Issues requiring mitigation could include:

- *“Reduction in the ability of local communities and neighbourhoods to influence development in their area*

- *Reduced ability of local authorities to strategically plan to meet both local housing and employment needs*
- *Loss of control over design and standards of housing*
- *Loss of small, affordable premises, which were seen as vital to house business start ups and small and medium firms*
- *Dilution of the business focus in Central Activity Zones or similar areas where primary purpose is business use*
- *The loss of any buildings used for economic purposes in rural areas e.g. villages becoming dormitory settlements, residents having to travel further for work and to find units for small and medium firms, increases in the number of second homes, closure of local shops etc*
- *Pressure on local authority resources e.g. loss of business rates, increased costs of investigating “bad neighbour” complaints and pressure on infrastructure provision*
- *On viability of town centres; historic towns; conservation areas*
- *Impact on ecology, protected species, Special Protection Areas, Sites of Special Scientific Interest, Areas of Outstanding Natural Beauty, etc.*
- *Possible property speculation with quick gains for some but increased price volatility and market uncertainty for the majority.”*

2.18 Suggested mitigation measures include to:

- *“Allow local authorities to opt out of the relaxation without the need to pay compensation or, alternatively, to opt in on the basis of local evidence*
- *Have a system whereby property professionals determine which use is appropriate to a particular site*
- *Run a pilot scheme to test the proposals*
- *Have a mechanism for safeguarding the interests of existing businesses such that they do not have to pay for any mitigation measures needed as a result of introducing residential use into commercial area*
- *Review the effect of the change on business rates and the implications of this on the local authorities’ revenue streams*
- *Allow permitted development rights to be claimed by the developer who would be required to show how a range of safeguards will be met*
- *Restrict proposals to the provision of affordable housing to mitigate loss of commercial workspace.”*

- 2.19 In response to this consultation the Government added the following text to the NPPF (see above), that local planning authorities ‘...*should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate...*’ No changes to permitted development rights for B1, B2, B8 uses are now being proposed.

Regional

North West Regional Spatial Strategy to 2021 – 4NW (2008)

- 2.20 The Regional Spatial Strategy (RSS) was published at the end of September 2008. It provided a framework for development and investment in the North West over the next fifteen to twenty years. However, following the 2010 General Election, the new Secretary of State for Communities and Local Government announced the commitment to rapidly abolish the RSS and Regional Economic Strategy process and return decision making powers to local councils. Legislation to abolish both types of strategy (and the regional bodies that produced them) received Royal Assent in late 2011. However the full abolition of either policy document is formally awaited pending legal challenges and (in the case of the RSS) production of Strategic Environmental Assessments which are now not expected to be completed until 2013. Their context is still relevant to consider for this study.
- 2.21 The RSS acknowledges that the strength of the regional economy is vital to the prosperity and quality of life of its residents. Therefore the following key objectives have been identified:
- Build on the region's economic strengths, particularly the opportunities which exist in the three city regions of Manchester, Liverpool and Central Lancashire
 - Identify a range of significant investment opportunities for both existing and new inward and indigenous businesses and support important business sectors identified as transformational in the Regional Economic Strategy
 - Ensure that a forward supply of business land is identified in each sub-region to ensure that growth of the economy is not constrained – but recognising that this should be an upper limit to encourage the best and most sustainable sites

to be retained for employment uses, while at the same time allowing for less appropriate sites to be used for other land uses, both built and open

- Achieve wider social benefits, and more sustainable travel patterns, by linking new jobs opportunities with disadvantaged communities
- Make town and city centres the focus of retail, leisure and office development to underpin their vitality and viability and their role at the heart of sustainable communities.

2.22 The key policies with relevance to employment land policy and provision are summarised.

Policy DP6 Marry Opportunity and Need

2.23 DP6 states that priority should be given, in locational choices and investment decisions, to linking areas of economic opportunity with areas in greatest need of restructuring and regeneration. Proximity to, access via public transport from, such areas will be important considerations in the choice of employment locations and sites.

Policy RDF1 Spatial Priorities

2.24 This policy sets the regional centres of Manchester and Liverpool as the first priority for growth and development. Second priority is the inner areas surrounding them (with particular emphasis on the (former) Housing Market Renewal areas). Bootle and the Port of Liverpool are defined as being within the Liverpool City Region Inner Area. The third priority is a listing of towns/cities in the Manchester, Liverpool and Central Lancashire city regions, including Southport.

2.25 This policy is the cornerstone of the RSS. It will guide decision-making and the targeting of resources in connection with the location of employment land.

Policy W1 Strengthening the Regional Economy

2.26 RSS acknowledges the North West requires a range of sites with influences at different spatial levels:

- Regionally significant – a limited number as a result of the type of development accommodated and the location e.g. sites to meet key growth sectors, knowledge nuclei, inward investment and headquarters functions

- Sub-regional – sites, which sit below and play a complementary role to the regional significant employment sites. These have the potential to make a significant contribution to the growth of the sub-regional economy. The RSS does not specifically address the location of these sites, but the amount of land required is set out in Policy W3
- Local – provision of a wide range of sites to support the development of a diversified local economy, ensuring there is access to a range of job opportunities for the local population. Policy W3 also covers the requirement for this local employment land.

Policy W2 Locations for Regionally Significant Economic Development

2.27 Policy W2 addresses locations for regionally significant economic development. It states that sites will be identified in Local Development Documents, with the Regional Planning Body working with NWDA, GONW and partners to identify sites within the broad locations mentioned in Policy W2. The locations cited include the urban areas of the Liverpool City Region.

2.28 RSS acknowledges some of these sites will be new. Others may be the Strategic Regional Sites previously identified by NWDA as being critical to the delivery of the RES.

2.29 Policy W2 does state that sites for regionally significant office development should be located in accordance with the sequential approach in Planning Policy Statement 6 (although this guidance has now been superseded by the NPPF), focusing on the regional centres, towns and cities listed in RDF1 (which include Southport in addition to areas of South Sefton adjacent to Liverpool).

Policy W3 Supply of Employment Land

2.30 Policy W3 deals with the supply of employment land, although it sets supply requirements only at the level of the five sub regions. For this study it means there needs to be recognition of the figures for Merseyside and Halton, which includes Sefton.

2.31 RSS states local planning authorities should undertake a comprehensive review of commitments, to secure a portfolio of sites that complies with the spatial development principles set out in Policy DP1-9, RDF1 and sub-regional policies. To this end, planning authorities should ensure:

- The most appropriate range of sites, in terms of market attractiveness (and social, environmental, economic sustainability) are safeguarded for employment use
- These sites can meet the full range of needs, and are actively marketed
- At least 30 percent of sites are available at any one time
- The amount of brownfield land uses is maximised, reflecting likely increases in supply available as a result of economic restructuring
- Consideration is given to mixed-use development, particularly within centres and on larger sites
- Appropriate provision is made in Key Service Centres and the re-use of agricultural buildings is fully considered to facilitate the growth and diversification of the rural economy
- The implications of home working on the scale and location of future employment land requirements are considered
- The portfolio should be reviewed every three years, to ensure there is not an over- or under-allocation of land in relation to the actual scale of economic growth.

2.32 Table 3 sets out the RSS provision of employment land over the period 2005-2021, for Merseyside and Halton.

Table 3 – RSS Employment Land Provision Extracts

	Merseyside and Halton
2005 Supply (ha)	1234
Current take-up pa (ha)	76
Projected increase in take-up (%)	18.5
Projected take-up pa (ha)	90
Need 2005-2021 (ha)	1440
Extra allocation required	206
Flexibility Factor (%)	20
Need 2005-2021 (incorporating flexibility factor) (ha)	1728
Extra allocation required (incorporating flexibility factor) (ha)	494

Source: 4NW, 2008

2.33 The following points need to be noted about Policy W3:

- It focuses only on B1, B2, B8 land use allocations

- The need figures include regionally significant economic development, sub-regional and local sites
- 'Available' site is defined as fully serviced, actively marketed or likely to be fully serviced and actively marketed in the next three years
- Portfolios should reflect the continuing economic restructure, which is likely to result in declining need for B2 and significant increased demand for B1 uses
- The inclusion of a 20 percent flexibility factor for Merseyside and Halton reflects the degree of uncertainty in establishing employment land requirements. It also recognises there may be, exceptionally, need to provide extra land to take account of special circumstances e.g. particular company expansion requirements, or the realisation of significant inward investment potential
- The split of figures for each sub-region, by local authority area, will require local authorities and other partners to work together to decide. The Regional Planning Body will facilitate this approach.

Policy W4 Release of Allocated Employment Land

2.34 Policy W4 deals with the release of allocated employment land. RSS acknowledges the demand for employment land to be released for other uses is particularly strong in parts of the North West, though Sefton is not included in the list of locations where there is strong demand for employment land to be released.

2.35 Policy W4 states that where sites are to be de-allocated, (following the review process defined in Policy W3) consideration should be given to a range of alternative uses. These should including housing and soft end uses. However local authorities must ensure there remains an appropriate and sufficient supply of employment land, matched against supply and demand. If employment land is to be lost, replacement sites should be identified (of equal or better quality), or alternative means of incorporating employment land should be considered (through mixed-use development, greater intensity of land use or through sites in neighbouring local authority areas).

Policy LCR 1 Liverpool City Region Priorities

2.36 Plans and strategies in the Liverpool City Region should:

- *“Support interventions necessary to achieve a significant improvement in the sub-region’s economic performance by encouraging investment and*

sustainable development in the Regional Centre, surrounding inner areas, the towns/cities as set out in RDF1 and other key locations, including accessible suburban centres which accord with the spatial principles policies (DP1-9) and the criteria in policies W2 and W3 in order to contribute to the growth opportunities identified in policy W1

- *Focus sustained and co-ordinated programmes to maximise economic potential and promote urban renaissance and social inclusion within the Regional Centre and its surrounding Inner Area (the former New Heartlands Housing Market Renewal Area)*
- *In the outer part of the Liverpool City Region, promote economic development, address worklessness, urban renaissance and social inclusion, complementary to the maximise the employment potential of the Strategic Investment Areas (SIAs) and Economic Development Zones (EDZs). Detailed boundary definitions will be set out in Local Development Frameworks*
- *Support and develop the roles of Liverpool John Lennon Airport and the Merseyside Ports, especially the Port of Liverpool as the only Port of national significance for deep-sea trade in the North of England*
- *Focus environmental improvements where they are most needed and will have the greatest benefit to facilitate the sustainable development of the Regional Centre and Inner Areas. This includes the remediation of contaminated land and provision of high quality green infrastructure as part of comprehensive regeneration schemes.”*

Policy LCR 2 The Regional Centre and Inner Areas of Liverpool City Region

2.37 The Regional Centre is Liverpool City Centre, while ‘Inner Areas of Liverpool City Region’ extend to include the Port of Liverpool and Bootle. Within the Inner Area, plans and strategies should:

- *“Maintain and enhance the role of Bootle to provide community facilities, services and employment;*
- *Support the development of the Mersey Ports and the maritime economy*
- *Provide for employment within the inner areas in accordance with Policies W2, W3 and LCR1.”*

Policy LCR 3 Outer part of the Liverpool City Region

2.38 In the outer part of the City Region (which includes the rest of Sefton) plans and strategies should:

- *“Focus economic development in the town/cities as set out in RDF1 and at other locations which accord with the spatial principles (policies DP1-9), Policies W2 and W3 and LCR1. Particular attention should be given to addressing worklessness...”*
- *Maintain and enhance the roles of the regional towns, key service centres and local centres*
- *Identify, define and maintain the role of suburban centres.”*

Sub-Regional

The Liverpool City Region: Housing and Economic Development Evidence Base Overview Study – Liverpool City Region Partners (2011)

- 2.39 This study reviewed the development land supply across the Liverpool City Region (Merseyside, Halton and West Lancashire). It provides an understanding of development land requirements to help facilitate agreement on the distribution of housing and employment land, at both the local and sub-regional levels.
- 2.40 In the case of Sefton (along with Halton, Knowsley and West Lancashire), the land supply and demand figures shown in the Overview Study are extrapolated directly from the findings of the 2010 JELPS (and are therefore based on land supply data from April 2008). The Overview Study involved no original research.
- 2.41 The study indicates that, as of December 2010, Sefton had a land supply of 57.22 ha, which is only 5.2 percent of the Liverpool City Region’s total supply (see Table 4). This reflects the realistic land supply figure identified in the 2010 JELPS (57.36 ha), with some minor amendments. Employment land in Sefton is concentrated in the south, with a potential supply shortage in North Sefton.

Table 4 – Total Employment Land Requirements 2010 to 2031

Authority	Total Employment Land Supply, at December 2010*	Total Employment Land Requirements to 2031*	Land Surplus (Shortfall) to 2031
Halton	200.35	360.22	(159.87)
Knowsley	157.97	288.33	(130.36)
Liverpool	274.89	254.57	20.31
Sefton	57.22	75.85	(18.63)
St Helens	87.41	54.6	32.81

Authority	Total Employment Land Supply, at December 2010*	Total Employment Land Requirements to 2031*	Land Surplus (Shortfall) to 2031
West Lancashire	49.66	135.03	(85.37)
Wirral	273.17	317.63	(44.46)
Total Core Area	1,100.67	1,486.23	(385.56)
Cheshire West and Chester	370.92 (2009 Base)	585.94	(215.02)
Chorley	84.91	4.28	80.63
Preston	106.74	-29.07	128.05
South Ribble	179.43	-56.92	236.35
Warrington	230.56	243.60	(13.04)
Wigan	171.81	335.59	(163.78)

*Adapted from individual ELR documents.
Source: Liverpool City Region Partners 2011

- 2.42 Table 4 also suggests that Sefton will need 75.85 ha of employment land from 2010 to 2031 (3.61 ha/year). This figure is based on a land take-up calculation projected from a 15 year-plus historic trend, and includes an allowance for choice and churn. 75.85 ha represents 5.1 percent of the total employment land requirement of the Liverpool City Region (1,486.23 ha) to 2031.
- 2.43 By this measure, Sefton has a land supply shortfall of 18.63 ha to 2031, 4.8 percent of the overall shortfall of the City Region (385.56 ha). This is a modest need when compared to many of Sefton's neighbouring local authority areas, notably Knowsley and West Lancashire. The study notes that much of this need could be met by regeneration and remodelling of Sefton's existing Employment Areas.
- 2.44 The study identifies that 18.06 ha of land (23.8 percent of the total need to 2031) is needed in Sefton over the 2010 to 2016 period, while the remaining 57.79 ha will be required from 2016 onwards. In comparison 55.06 ha (96.2 percent) of the existing land supply is likely to be available over those five years, while the remaining 2.16 ha will only be available for development after 2016. Thus, while Sefton has ample land to meet its short term needs, a long-term shortfall (up to 55.63 ha) is likely.
- 2.45 To meet future land needs, the study looked to identify broad locations for likely future commercial development and investment, including:
- *“A general hierarchy of urban centres across the core area and wider area including recognition of those that benefit from existing critical mass of B1a*

high value service activity, have good and/or improving amenity provision, and those with mainline rail link. This includes the continued dominance of Liverpool City Centre in the core area and Preston in the wider area, with Warrington and Wigan further noted in this context. This is noted in addition to the other major and large towns across the core area including Birkenhead and St Helens

- *A recognition of existing local concentrations of high value employment and business clusters generally around the M6 Corridor, Warrington, Ellesmere Port, North Liverpool/South Sefton, South Liverpool – Knowsley – Halton, Chester, Wirral, and Southport. This includes evidence to suggest localised incidences of ‘bucking the national trend’ in high value production (manufacturing) sub-sectors, with clusters noted around Liverpool, Wirral, Knowsley, Warrington, and the M6 Corridor including through Wigan to Preston*
- *The clear potential associated with the motorway network across the core area and wider area including the critical north-south M6 motorway, and key east-west intersections at Warrington, West Lancashire, St Helens, Wigan, Knowsley, Ellesmere Port, Chester, and Chorley / South Ribble as key opportunities for growth within the B8 logistics and distribution market*
- *Key Port related employment opportunities as part of the ‘SuperPort’ concept, with clusters along the banks of the Mersey in particular at Seaforth Docks, Port of Liverpool, Birkenhead Docks, Cammell Laird, Eastham Dock, Manchester Ship Canal and Weston Point.”*

2.46 The study also notes that, as of 2010, 23.4 percent of Sefton’s existing employment floorspace is B1(a) offices, 43.6 percent is B2 general industry and 33.1 percent is B8 warehousing and distribution. Thus Sefton has a significantly higher proportion of office accommodation than the City Region average (13.9 percent), but lower proportions of industrial (the City Region average is 47.79 percent) and warehousing premises (the City Region average is 38.3 percent).

2.47 Between 1998 and 2008 (i.e. before the recession) the amount of office space in Sefton increased by 56.6 percent, while the amount of industrial and warehousing floorspace fell by 15.4 percent and 17.1 percent respectively. The increase in office accommodation may appear to be large, but actually represents modest growth compared to neighbouring Liverpool (153.2 percent increase) and Knowsley (82.3

percent increase), although the latter will have increased from a very small base. The fall in logistics accommodation in Sefton contrasts with very large increases (65-78 percent) in Knowsley, Halton and West Lancashire.

- 2.48 If these trends were to continue in Sefton over the next 20 years then, by 2031, the proportion of office floorspace will have increased to 61.2 percent while the proportions industrial and warehousing floorspace will fall to 22.5 percent and 16.4 percent respectively. This would give Sefton the second highest proportion of office floorspace in the City Region, after Liverpool, and the second lowest proportion of warehousing (again after Liverpool).
- 2.49 Generally, 35.7 percent of Sefton's land supply is suitable for offices, while 4.9 percent is suitable for industry and the remaining 59.4 percent can support a mix of uses. Measured against projected future trends there may be a shortage of office sites. There are also no B8 options, but evidence suggests that demand for warehousing sites will be limited.

Mersey Ports Masterplan – Peel Ports (2011)

- 2.50 The Mersey Ports include facilities in Sefton, Liverpool, Wirral and along the Manchester Ship Canal. Together these form one of the ten largest port complexes in the UK. The Mersey Ports handle cargo in several key sectors, including bulk liquids, grains and animal feeds, general cargo and unitised traffic – containers that are lifted on and lifted off ships (lo-lo) and trailers that are driven on and off vessels (ro-ro).
- 2.51 The tonnage handled by Mersey Ports is forecast to increase from 39.64 million tonnes in 2008 to 68.58 million tonnes in 2030 (a 70 percent increase). Particular growth will be in the unitised lo-lo and ro-ro sectors, biomass, palm oil and other dry bulks. There is also expected to be a redistribution of the market share, to the Mersey Ports, for the import of a range of products, particularly steel and other metals, forest products and trade cars. This growth is predicted to generate an extra 7,692 jobs, just over three quarters of which (5,856) will be at the Seaforth River Terminal, Sefton.
- 2.52 The forecast growth will also significantly increase the Ports' land and physical infrastructure requirements. Overall, an additional 344 ha is required to 2030 (see Table 5). The Masterplan identifies sites totalling 303 ha, which can meet 88 percent of this need. Land has not been identified to meet the remaining 41 ha required.

- 2.53 In Sefton six sites, totalling 108 ha, have been identified to meet Port expansion needs to 2030 (all within, or adjacent to, the existing dock estate). Sites L3 and L6 are located within the Port of Liverpool and their take-up would require the redevelopment of existing dock infrastructure. Site L1 (Seaforth River Terminal) will be reclaimed from the River Mersey to produce an additional container terminal for very large (Post-Panamax) ships. L2 (Seaforth Area B) is the Seaforth Nature Reserve and development here would require provision of a replacement nature reserve elsewhere.
- 2.54 Site L5 (Regent Road/Derby Road) sits outside the existing Port and are presently occupied by a range of micro and small businesses. L5 extends south across the Liverpool boundary. Redevelopment of this site would require the relocation of a large number of existing companies and the implications of this are considered further below.

Table 5 – Mersey Ports Land Requirement and Land Availability

Masterplan Site Code	Site	Size, ha
Overall Land Requirement		344
Available Land		
L1	Seaforth River Terminal, Sefton	17
L2	Seaforth Area B, Sefton	32
L3	Hornby/Alexandra Dock, Sefton	10
L4	LIFT Zone Phase 2, Sefton	8
L5	Regent Road/Derby Road, Sefton (and Liverpool)	37
L6	N3 Canada, Sefton	4
Sefton Total		108
L7	Huskisson Dock Complex, Liverpool	8
B1	Twelve Quays, Wirral	2
B2	Beaufort Road, Wirral	11
B3	Former Mobil Site, Wirral	9
B4	Cammell Laird, Wirral	14
M1	Land at QEII Dock, Wirral	7
M2	Port Wirral (Wirral and Cheshire West and Chester)	59
M3	Former Bridgewater Paper Mill, Ellesmere Port (Cheshire West and Chester)	19
M4	Port Ince, Ince (Cheshire West and Chester)	4
M5	Wigg Wharf, Halton	1

Masterplan Site Code	Site	Size, ha
M6	Port Warrington Phase I	4
M7	Port Warrington Phase II	10
M8	Irlam Container Terminal, Salford	2
M9	Port Salford	45
Total Land Identified		303
Unidentified land		41

Source: Peel Ports 2011

Implications of the 'Mersey Ports Masterplan' for Employment Land Provision in Sefton – Sefton MBC (2012)

- 2.55 This study was undertaken, by Sefton Council Officers in mid-2012, to identify “*the potential implications of the recent ‘Mersey Ports Master Plan’ [discussed above] for employment land provision in Sefton.*” It is intended to support this Employment Land and Premises Study Refresh, by identifying the Port’s future employment land needs. This study is included in full at Appendix 2.
- 2.56 The Mersey Ports Masterplan ‘Area of Change’ L5 (Regent Road/Derby Road) is the focus of this study. This area of land extends southwards across the Sefton boundary and into North Liverpool. Identified in the Masterplan as being 37 ha in size, this reduces to 22.24 ha once land already owned by Peel Ports, and/or in port related use is excluded. Excluding vacant land and property, this further reduces to 13.16 ha (7.42 ha in Sefton, 5.74 ha in Liverpool).
- 2.57 The 13.16 ha is currently occupied by a significant number of small and medium sized businesses. If the land is to be acquired by the Port to facilitate expansion, then any businesses dislocated may create additional demand for employment land elsewhere. However, forecasting the land need generated by these businesses is not straightforward for several reasons:
- Uncertainties about whether the Port will be able to acquire all of the land within the L5 area (some owners may be unwilling to sell)
 - Some sites may prove unusable by the port, being too small, irregularly shaped, contaminated, or otherwise constrained
 - A proportion of the businesses may cease trading altogether once their premises are acquired by the Port
 - Other businesses could be relatively footloose and may seek to relocate away from the immediate area.

2.58 Businesses that wish to remain in the local area are likely to look for premises in both Liverpool and Sefton. As Table 6 shows, 80 percent of the designated employment land in a 1-2 km radius of the L5 area is within Liverpool. In addition, one of the key advantages of the L5 area – its proximity to Derby Road – is also common to much of the nearby industrial land in Liverpool.

Table 6 – Primarily Industrial Areas near to L5, ha

	Within 1 km	Within 2 km	Within 3 km
Sefton	27.43	40.89	52.49
Liverpool	109.69	172.91	186.99

Source: Sefton MBC 2012

2.59 As is discussed above, the precise land requirements arising from Port expansion into the L5 area are subject to a number of uncertainties. However, based on the availability of land and premises in the surrounding area, this study assumes that 20 percent of the businesses within L5 will seek alternative premises within Sefton. This gives an estimated land requirement of 2.63 ha. This additional land need is considered further in Section 8.0. Liverpool City Council have agreed that the remaining 80 percent (10.52 ha) will be incorporated within their employment land requirement.

Access to the Port of Liverpool Study – Department of Transport, et al. (2011)

2.60 The Access to the Port of Liverpool Study highlights that the Port is *“the fifth busiest English port by tonnes of cargo (30 million tonnes in 2009), the UK’s fourth ranked container port and the leading port for container trade with Ireland.”* The Port has established plans for expansion (discussed above) including provision of a ‘Post-Panamax’ container terminal, designed to handle the largest container ships.

2.61 However, a significant constraint to the development of the Port of Liverpool is traffic congestion in the local area, and the associated impacts of this congestion on the operation and future growth of the port. Focusing on road access, there are four main routes to/from the Port:

- A5036 – Princess Way/Church Road/Dunnings Bridge Road to/from the M57/M58/M62
- A5058 – Miller’s Bridge/Balliol Road/Breeze Hill/Queens Drive to/from the M62

- A580 – East Lancs Road to/from the M57/M62
- A565 – Rimrose Road/Derby Road to/from Liverpool City Centre/south Liverpool/M62.

2.62 Many of these routes converge on the A5036 which carries around two thirds of port traffic and terminates, in the west, at the Seaforth Dock Gate, the main road access point to the Docks. The study notes that construction of a new highway link between Thornton and Switch Island is proposed to start in late 2012 (although the project has now been called for a public inquiry, which will delay implementation). This is expected to modestly improve traffic conditions on the A5036, mainly around Switch Island (M58/M57 terminus) and along the eastern section of the road.

2.63 Growth plans at the Port of Liverpool predict a significant increase in container and roll-on roll-off (ro-ro) freight traffic (unitised freight) by 2030. Some 200,000 sqm of additional distribution space is also proposed in, and around, the Port. Although some of this freight will be moved by rail, coastal shipping and expanded barge services down the Manchester Ship Canal, 84 percent of it will still be transported by road in 2030. The number of HGVs entering or leaving the Port every hour is expected to increase from 350 in 2011 to 800 in 2030.

2.64 In addition to increased HGV traffic, Port expansion plans will generate some 6,000 new jobs. Based on existing employment patterns, some 85 percent of these new employees will live in Merseyside and some two thirds will live in the urban settlements which surround the Port, notably Bootle and Seaforth in Sefton. Port growth is therefore also likely result in increase in local commuting within Liverpool and Sefton.

2.65 The main 'area of pressure' for this increased road traffic will be on routes between the A5036 Dunning's Bridge Road and the A580 East Lancs Road, with the 'tipping point' in terms of highways capacity coming after 2020. To address this, the study suggests four options (packages) for future transport investment:

- *“Package 1 – Maximum investment in a range of sustainable transport interventions including improved rail (freight and passenger) connections, both within the Port and across Merseyside; a HGV parking/holding area and/or Park and Ride facility; enhanced signage; environmental measures and contributions to passenger transport, walking and cycling enhancements*
- *Package 2 – Includes the (Package 1) sustainable transport interventions along with targeted highway interventions on the A5036 corridor*

- *Package 3 – Includes the (Package 1) sustainable transport interventions along with more extensive highway interventions, including widening on the A5036 corridor*
- *Package 4 – Includes the (Package 1) sustainable transport interventions along with a new Port Access Link, accompanied with environmental enhancements to the A503 between Netherton Way and the Hawthorne Road junctions. The enhancements include landscaping and street works as well as introducing a 30mph speed limit and HGV ban/restriction on the section between Netherton Way and Hawthorne Road.”*

2.66 An appraisal, carried out in line with Department of Transport Guidance, concludes that *“a combined package of sustainable transport interventions and highway measures [Packages 2-4] delivered over the period up to 2030 will derive the greatest benefits.”*

Property Supply and Demand Audit for the Liverpool SuperPort – The Mersey Partnership (2010)

2.67 This study had the objectives to:

- *“Map the current and potential supply of distribution property space across the Liverpool City region and to assess the potential for this space*
- *Offer strategic insight into how growth in the distribution sector will determine the development of SuperPort and hence the economic benefits for the City Region.”*

2.68 In terms of supply, the Liverpool City Region had 4,381,000 sqm of warehousing space in 2008, of which 441,000 sqm (10.1 percent) was in Sefton. As Table 7 shows, Sefton has the smallest supply of warehousing stock in the City Region.

2.69 Overall, the City Region’s supply of warehouses increased by 13.4 percent between 1998 and 2008. However, in Liverpool, Sefton and Wirral the supply decreased, by 12.0, 17.1 and 6.5 percent respectively.

Table 7 – Liverpool City Region Existing Warehouse Stock, 2008

Borough	Warehouse Stock, sqm	Proportion of City Region Stock, Percent
Knowsley	787,000	18.0
Liverpool	1,119,000	25.5

Borough	Warehouse Stock, sqm	Proportion of City Region Stock, Percent
St. Helens	805,000	18.4
Sefton	441,000	10.1
Wirral	493,000	11.3
Halton	736,000	16.8
Liverpool City Region	4,381,000	100.0
North West Region	24,592	-
England and Wales	158,942,000	-

Source: ONS (via The Mersey Partnership) 2010

- 2.70 In March 2010, 528,866 sqm of distribution warehousing space (12.1 percent of the total stock), comprising 40 units, was being marketed. 53,231 sqm (10.1 percent) of this available space was in Sefton, comprising four properties. Again Sefton had the smallest supply, both by floorspace and premises numbers. Availability, in other metropolitan boroughs ranged from 71,195 sqm (six properties) in Halton to 137,873 sqm (eight properties) in Knowsley.
- 2.71 Across the City Region, only about a quarter of the available floorspace was judged to be of good quality. Good quality units were only available in Halton (Manor Park, Stuart Road, Runcorn), Knowsley (Northern Gateway, Galaxy) and Liverpool (G Park).
- 2.72 In terms of pipeline supply, the study estimates that, as of 2010, there was a maximum of 723.90 ha of employment land suitable for B8 warehousing across the City Region. At a 40 percent development density this could provide 2,538,592 sqm of additional warehousing, increasing to 2,730,383 at a 45 percent development density.
- 2.73 Only 23.93 ha (3.3 percent) of this land is in Sefton. At a 40 percent development density this could provide 88,790 sqm of additional warehousing (95,615 sqm at a 45 percent development density). 10.29 ha (43 percent) of this land was judged to be unconstrained and capable of being brought forward in the short-term.
- 2.74 In this study, demand is measured through take-up of new distribution floorspace. It notes that the Liverpool City Region has historically not attracted very many large-scale distribution users requiring involving new facilities. Between 1995 and 2009 556,852 sqm of take-up, involving new 22 distribution facilities of 10,000 sqm and

over, was recorded. Over a third of this was developed in Halton, with another quarter in St Helens. No large warehouses were developed in Sefton over that period.

2.75 Across Great Britain, warehouse demand is led by the retail sector which accounted for over half of all floorspace take-up in new distribution units of 10,000 sqm or more, over the period 2005-09. Over the same period, logistics service providers accounted for around 23 percent of all relevant floorspace taken-up while manufacturing companies accounted for 16 percent. In the future, demand from retailers is expected to increase further while requirements from most manufacturing sectors will decline.

2.76 In relation to the Port, the study highlights the following issues:

- The continued relocation of production capacity to low cost countries which will lead to a growth in container imports (and volumes) at major UK deep sea container ports, including Liverpool
- The growing importance of ports in supply chains is likely to generate more demand for warehousing at, or close to, major ports and/or at multimodal locations
- As a major deep sea container port, Liverpool (and the wider City Region) should benefit from port centric logistics. Liverpool has the most competitive location of any of Britain's deep sea container ports for the inland distribution of containers, because of its central location
- However, the Port is constrained by a lack of available land for port centric logistics while the wider City Region is relatively distant from the main focus of big distribution demand (the M6 Corridor).

2.77 The allocation of land to support the Port requires the availability of good quality land for distribution, both across the City Region and land in specific locations such as at 3MG Widnes, Liverpool John Lennon Airport and in the Port of Liverpool itself, for port centric operations. As ports are highly geared towards 'through put', a distribution warehouse that is located outside a port estate would be of little or no use to a number of port users. This is because it would not be possible to 'shunt' cargo from within the port estate to the warehouse. An additional journey leg would be required in moving the goods, increasing transport time and cost. Thus many distribution requirements cannot be met anywhere other than within the Port itself.

2.78 The growing importance of ports in supply chains is likely to generate more demand for warehousing linked to 'port centric logistics' which, in turn, is likely to lead to more

demand for 'portside' warehouses, holding yards for containers and land for related infrastructure. Making land available within, and around, port estates will therefore be key.

2.79 Away from the Port, and other multi-modal facilities, the City Region is not a traditional location for large distribution warehouses, due to its distance from the M6 corridor. Therefore sites that are offered for distribution uses will need to be of the highest quality and in the most strategic locations.

The Mersey Ports Growth Strategy 2006 – Mersey Maritime (2006)

2.80 The strategy provides the following vision – “*for Merseyside to be the best business environment in the UK for the ports and maritime sector by 2020.*” The strategy states that the Mersey ports are a dynamic and growing sector of the region's economy and the current climate for growth is set to continue. The following objectives are identified:

- Develop a world class maritime cluster
- Maximise growth of global traffic through the Mersey ports
- Grow market share for cargo and containers
- Develop the Mersey ports as the central hub for feeder services to the UK west coast and Ireland
- Increase scope and depth of Liverpool's maritime services
- Develop Liverpool as a home port for cruise liners
- Identify key sites for expansion of value-added logistics services
- Develop a 'super port'.

2.81 The following threats are identified, which are relevant to this employment land review study:

- Insufficient available land for supply chain development
- Local road and rail network inadequate
- Lack of support for suitable supporting infrastructure.

2.82 The strategy's key priorities include addressing the above threats through obtaining suitable land for supply chain development and improving road and rail access infrastructure. It also seeks to accommodate Post-Panamax vessels – something only achievable within the Sefton part of the Port of Liverpool.

2.83 Reference is made to a number of significant private sector investment and

appropriate public sector intervention projects that will help safeguard existing business, and facilitate significant growth of the Port and related facilities. The following are included:

- Seaforth In-River Container Berth - £90million private sector investment to expand port capacity and accommodate
- Post-Panamax container vessels.

The Maritime Sector on Merseyside: Economic Impact Study – Mersey Maritime (2007)

2.84 This report identifies the contribution of the maritime sector to the Merseyside economy. The contribution is based on the direct, indirect and induced economic impacts. The maritime sector includes:

- Building
- Repair and maintenance of ships
- Cargo handling
- Education
- Training and skills
- Engineering and fabrication services
- Other specialist sectors
- Port operations
- Professional services
- Royal Navy
- Shipping
- Freight and forwarding agents and brokers
- Storage and warehousing
- Transport by land and air
- Transport by sea
- Wholesale distribution.

2.85 The study identified just over 1000 businesses in the maritime sector in Merseyside. The largest concentrations of maritime-related businesses are in Liverpool, Sefton and Wirral. The report measured economic impact in four ways:

- Economic output
- Value added
- Employment
- Household income.

2.86 Tables 8 and 9 show the relationship between the maritime sector and the number of employees and GVA in the sub-region. Table 9 shows that of all maritime-based jobs in the Merseyside sub-region, 18 percent are in Sefton; Halton and Knowsley collectively represent another 7 percent.

Table 8 – Employment by Area

Area	Direct Impact	Indirect/Induced Impact	Total Employment
Halton	876	251	1127
Knowsley	691	194	885
Liverpool	9469	2729	12,198
Sefton	3754	1075	4829
Wirral	2951	843	3794
St Helens and non local	2801	806	3607
Total	20,542	5898	26,440

Source: Mersey Maritime, 2007

Table 9 – GVA by Local Authority (£'000)

Local Area	Direct Impact	Indirect/Induced Impact	Total Employment
Halton	30,646	8777	39,423
Knowsley	23,501	6710	30,211
Liverpool	314,517	90,793	405,310
Sefton	189,016	54,104	243,121
Wirral	76,287	21,113	97,400
St Helens and non local	76,005	21,995	97,960
Total	709,972	203,451	913,424

Source: Mersey Maritime, 2007

Local

Core Strategy Options Paper – Sefton MBC (2011)

2.87 The aims of the Core Strategy are to:

- *“To support urban regeneration in Sefton, especially in Bootle and central Southport*
- *To support sustainable development*
- *To maintain and enhance the local distinctiveness of Sefton and its individual communities*

- *To make sure Sefton contributes to, and benefits from, its place within the Liverpool City Region.”*

2.88 Strategy Objective 7 is *“to promote a wider based economy in terms of job type, skills and the local labour supply; support existing businesses, small start-up businesses and new business opportunities.”* Objective 8 aims *“to make the most of the value of the Port to the local economy, while making sure that the impact on the environment and local communities is kept to a minimum.”*

2.89 The Core Strategy Options Paper also sets out ten Development Principles which Sefton MBC feel are relevant to all types of development:

1. *“Our priorities for new development will be those areas which have specific challenges of regeneration or are in particular need of investment*
2. *Development in the urban areas will generally take priority over development in the rural area*
3. *Development should not affect the integrity of nationally and internationally important nature sites*
4. *Not all land in the urban area is suitable for development. In particular we want to retain valued green spaces and our employment areas*
5. *Wherever possible, we will aim to meet local needs close to the areas in which they arise*
6. *Development which attracts a lot of journeys should be provided in places which are easy to get to by public transport such as town, district and local centres*
7. *Appropriate development such as retail, health and leisure facilities, will be directed to these locations*
8. *Where there is no longer a supply of land suitable for housing and where business land is running out, within the existing urban area, development should be directed to the most sustainable locations possible in the Green Belt. These developments must be accompanied by appropriate infrastructure (e.g. roads, water & sewerage, and other services)*
9. *Development should be in keeping with the size, character and function of the town or village where it is proposed*
10. *Development should be ‘low carbon’ and take account of the effects of climate change. In particular development should not be located in areas at high risk of flooding unless there are no suitable alternatives, and unless appropriate precautions can be taken to reduce the risk.”*

2.90 The Core Strategy Options Paper sets out three options for the provision of housing and employment land in Sefton to 2028 – Urban Containment, Meeting Identified Needs and Stabilising Sefton’s Population. These Options are discussed further below. Consultation on the Options was undertaken in May-August and determination of a Preferred Option (to take forward in a draft Local Plan) is expected in mid 2013. Selection of a Preferred Option will be informed by the findings of this Employment Land and Premises Study Refresh, along with other research.

Option One – Urban Containment

2.91 The key points of Option One are that:

- *“The number of new homes or employment opportunities to be provided is set by the space left (or ‘capacity’) in the urban area, not by future housing or employment needs identified in our studies*
- *This option does not cater for growth in jobs*
- *Development will only be permitted on suitable sites in our urban areas*
- *No development is planned in the Green Belt.”*

2.92 Employment development would be restricted to sites within the built up area. No new successor to Southport Business Park would be identified in Southport/ Formby, and the amount of land available to new and existing businesses would be limited. A likely result of this option is that by the early 2020s, North Sefton would run out of employment land.

Option Two – Meeting Identified Needs

2.93 The key points of Option Two are that:

- *“Enough land will be allocated to meet Sefton’s identified housing and employment needs to 2028*
- *Development will be directed to urban areas in the first instance, only moving into the Green Belt when the ‘five year supply’ of suitable sites in our urban areas is beginning to run out*
- *Some development is proposed in the Green Belt”*

2.94 In North Sefton, future employment land needs would primarily be met through the provision of a 25 ha successor to Southport Business Park, when the Business Park has been fully developed (expected to be in the early 2020’s). The preferred location

for this would be to the east of Southport or, if a suitable site cannot be identified in this location, north of the Formby Industrial Estate. This option would meet almost all the Borough's needs for homes and jobs, based on recent evidence

Option Three – Stabilising Sefton's Population

2.95 The key points of Option Three are that:

- *“This option would seek to maintain Sefton's population at current (2010) level of 272,000, and provide the development land and infrastructure to support this*
- *More people would be attracted to move to Sefton, and fewer people would move to other areas than do at present*
- *As with Option Two, development will be directed to urban areas in the first instance, moving into the Green Belt when the 'five year supply' of suitable sites in our urban areas is beginning to run out; this is likely to be as soon as the Core Strategy is approved*
- *More development is proposed in the Green Belt than under Option Two, and development in the Green Belt would start sooner.”*

2.96 As with Option Two, the future needs of North Sefton would primarily be met through the provision of a 25 ha successor to Southport Business Park. Generally, the Option would provide more land for business development and reduce the projected contraction in the local labour force.

Sefton Unitary Development Plan – Sefton MBC (2006)

2.97 The Sefton Unitary Development Plan (UDP) was adopted in June 2006. From June 2009, most UDP policies (including all employment policies) will be saved until they are replaced by adopted Local Plan policies.

2.98 Policy CS1 states that development, between 2001 and 2016, should be consistent with priorities that include:

- The implementation of regeneration programmes in defined urban priority areas
- Safeguarding existing employment
- Ensuring a choice of employment sites and premises to meet the needs of existing businesses and maximise inward investment.

2.99 Policy EDT1 identifies six Strategic Employment Locations that are priority areas for

development and regeneration funding to support key economic sectors and safeguard local employment. The following four are relevant to employment land use:

- Port and Maritime Zone, Bootle – port linked development in distribution and manufacturing
- Dunnings Bridge Corridor/Netherton Industrial Areas – priority for large-scale light and general industrial and office development
- Central Bootle – office development
- Southport Business Park – small and medium sized light industrial, office and business development.

2.100 Policy EDT2 sets the framework for employment land provision (both strategic and local employment) for the period 2002-2017. Within the Strategic Employment Locations provision is made for up to 83 ha of land plus sites within Bootle Office Quarter that would generate up to 65,650 sqm of office floorspace. A further 5.1 ha of land is allocated in Primarily Industrial Areas.

2.101 42.7 ha of land represent three sites in the Atlantic Gateway Strategic Investment Area. All three are in the Dunnings Bridge Corridor (former Peerless Refinery; Atlantic Park; Senate Business Park/Girobank). Although the gross area of these three sites totals 42.6 ha, this is netted down in Policy EDT2 to 30.8 ha to reflect areas currently occupied. The fourth site is Southport Commerce Park (Policy EDT4) – now renamed the Southport Business Park - comprising 11.9 ha.

2.102 Policy EDT11 specifically refers to land adjacent to St John's House, Merton Road, as being allocated to deliver up to 35,000 sqm of office space. There is no specific description to show where the remaining proposed 30,650 sqm will be provided, although reference is made in Policy EDT12 to two mixed-use sites. One adjoins The New Strand Shopping Centre; the other is described as land at Strand Road/East of Stanley Road.

2.103 Policy EDT2 refers to 28.3 ha of allocated sites within the Primarily Industrial Areas identified in Policy EDT6. Eight of these sites also fall within the Dunnings Bridge/Netherton Industrial Areas, which form part of the Atlantic Gateway Strategic Investment Area. These are included in Table 10, which sets out the Strategic Employment Locations' sites.

2.104 Policy EDT5 refers to designated Primary Industrial Areas, which are seen to be continuing as the main focus for new business, light and general industry in Sefton. They include the Strategic Employment Locations. Many are in need of comprehensive redevelopment, playing a key role in aiding regeneration, particularly in the south of the Borough. Table 11 schedules the eight sites, identified in Policy EDT6, that do not fall within a Strategic Employment Location.

Table 10 – Sefton Strategic Employment Locations Sites

Site	Site Ref	Area, ha
Former Peerless Refinery, Dunnings Bridge Road	EDT3.1	6.8*
Atlantic Park, Dunnings Bridge Road	EDT3.2	18.2*
Senate Business Park/Girobank	EDT3.3	15.6*
Southport Commerce Park	EDT4	11.9
Land South of Deltic Way, Aintree	EDT6.3	0.9
Former Vestey site, Netherton	EDT6.4	6.8
Rear, Atlantic Industrial Estate, Netherton	EDT6.5	2.6
Farriers Way, Netherton	EDT6.7	0.5
Norwest Holst, Netherton	EDT6.8	5.3
Land, South of Heysham Road, Netherton	EDT6.9	1.8
Linacre Bridge, Bootle	EDT6.10	0.9
Former Parcel Force Site, Netherton Way	EDT6.11	9.5
Land Within Port & Maritime Zone		12.0
TOTAL		82.0

Source: Sefton MBC 2006.

* These areas netted down to total of 30.8 ha for inclusion in 82.0 ha total

Table 11 – Sefton – Primarily Industrial Area Site Allocations*

Site	Site Ref	Area, ha
Land east of Brasenose Road, Bootle	EDT6.1	0.2
Units 1-6 Pacific Road, Bootle	EDT6.2	0.2
Rear, South Sefton Business Centre, Bootle	EDT6.6	0.7
Former Sewage Works, Maghull	EDT6.12	0.6
Stephenson's Way, Formby	EDT6.13	0.4
Crossens Way, Southport	EDT6.14	1.5
Butt Lane/Foul Lane, Southport	EDT6.15	1.0
Cobden Road, Southport	EDT6.16	0.5
TOTAL		5.1

Source: Sefton MBC 2006.

*Excluding Strategic Employment Locations.

2.105 Policy EDT7 notes that *“development within the Primarily Industrial Areas, other than minor alterations to existing premises, will only be permitted:*

- *Where the proposal does not harm the amenity of any nearby residential area*
- *Where, if the opportunity arises, the proposal helps to improve the general environment of the area.”*

2.106 *“Development in the following locations should, where appropriate, help to enhance the environmental quality of, and restructure, these industrial areas:*

- *EDT 7.1 Orrell Mount, Bootle;*
- *EDT 7.2 Land adjacent to Acorn Way, Bootle;*
- *EDT 7.3 Heysham Rd, Netherton;*
- *EDT 7.4 Crowland St, Southport;*
- *EDT 7.5 Sefton Lane, Maghull; and*
- *EDT 7.6 Formby Industrial Estate.”*

2.107 Proposals to extend or change the use of existing business and industrial premises outside the Primarily Industrial Areas will only be permitted where they *“will not significantly harm the amenity of the surrounding area”* (Policy EDT8).

2.108 Within the Port and Maritime Zone (The Port of Liverpool and surrounding area, as defined on the UDP Proposals Map) Policy EDT9 indicates that the following development is acceptable in principle:

- *“Warehousing, light and general industry (B8, B1, B2) uses, including the open storage of materials and temporary uses, which directly serve port operations or require a port location*
- *Port-related infrastructure, including rail facilities, power generation and waste management facilities, required for the safe and efficient operation of the Port*
- *Other types of development where there is a strong justification for location within the area because of their special nature or scale, and which would not prejudice the future development of the Port.”*

2.109 Development generating large movements of freight should wherever practicable be served by a rail link.

2.110 Policy EDT17 identifies three ‘Employment Opportunity Sites’ suitable in whole or in

part for B1, B2, B8 uses:

- Land south of Aintree Curve, Netherton (3.8 ha), seen as suitable for employment uses – but also for housing
- Linacre Lane Gasworks, Bootle (4.7 ha) – but also seen as suitable for residential use to help facilitate clearance in the nearby HMR Pathfinder Area
- Land bounded by Hawthorne Road/Linacre Lane/Aintree Road/Vaux Crescent (10.5 ha) – also HMR Pathfinder Area linked possible residential site.

2.111 Policy EDT18 notes that proposals for non-employment uses which involve the loss of employment land and/or buildings will only be permitted where it can be demonstrated that the proposal:

- *“Would not result in the loss of employment or buildings of a type for which there are insufficient alternatives available locally*
- *Would fully compensate for the permanent loss of the site for employment generating uses*
- *Would replace an employment use that is seriously detrimental to local amenity and the local environment.”*

Safeguarding Employment Land (Draft) Supplementary Planning Document – Sefton MBC (2010)

2.112 This draft Supplementary Planning Document (SPD) is intended to support the Council’s planning policies on the retention of employment land. It provides further clarification on UDP Policy EDT18 ‘Retention of Local Employment Opportunities’ (discussed above). It sets out the criteria that will be applied to planning applications for non-employment development on sites currently, or previously, in B1, B2, B8 (and relevant Sui Generis) employment use. It does not apply to sites within the Primarily Industrial Areas or other formal employment areas.

2.113 The draft SPD has not yet been formally adopted by the Council, and therefore does not carry full policy weight at this stage. The Council have held back from adopting the SPD due to uncertainty surrounding the direction of national planning policy since the SPD was consulted upon in late 2010. The draft SPD is subject to a specific recommendation at Section 11.0.

2.114 The SPD highlights that (given the constrained supply of employment land across

the Borough) the Council will “*seek to retain all suitable employment sites in continued employment usage.*” Exceptions will only be made if the proposal meets one, or more, of the following criteria:

- *Lack of demand for employment uses:* Where a developer/applicant can clearly demonstrate that there is a lack of demand for continuing employment uses on the site. Demand should be measured through at least two years of active and continuous marketing
- *Long-term vacancy:* Five years or more
- *Overriding residential amenity considerations:* Where a site is deemed to have an unacceptable impact on the residential amenity of neighbouring properties
- *Overriding highways considerations:* Where it can be demonstrated that an existing employment use generates significant highways safety issues, significant localised congestion, significant local parking problems or unacceptable HGV movements through a residential area
- *Proposals for affordable housing:* Proposals that include a level of affordable housing, above the normal policy requirement, will be given additional weight
- *Sites below 0.1 ha:* Employment sites of less than 0.1 ha are exempt from the provisions of the SPD
- *Overriding regeneration considerations:* Where proposals form part of a major regeneration programme or initiative but result in the loss of employment land
- *Relocation of businesses within Sefton:* Proposals that involve the relocation of a business, within Sefton, will be considered favourably where the relocation is necessary to expand or modernise the business (and there will be no job losses)
- *Proposals for mixed-use development:* Mixed use development on employment sites may be acceptable where a higher quality employment development is secured on at least 50 percent of the site or the employment element will accommodate the same number of jobs, or more, as the current use.
- *Frontages that form a functional part of a town, district or local centre:* Where an employment use is located within a town centre, and contains frontages that are part of that centre, appropriate town centre uses will be considered at ground floor level
- *Proposals that involve the preservation/restoration of historic buildings*

- *Sites considered unsuitable for employment use in Sefton's Employment Land and Premises Study:* The 2010 JELPS assessed all the sites which had been submitted through Sefton's 2008 'Call for Sites' exercise. This included a range of sites that were currently or last in employment use, and were suggested for alternative uses. Where that Study indicated that a site should not be retained for employment purposes, other uses may be considered
- *Proposals for economic development uses:* Proposals for wider 'economic development' uses, as defined by Planning Policy Statement 4 (PPS4), on employment land, will usually be considered acceptable in principle (although PPS4 has now been superseded by the NPPF). Town centre uses and housing are excluded from this definition
- *Larger sites with very low employment outputs:* Where an operational site of more than 0.4 ha accommodates less than 10 jobs, and where a subsequent intensification would give rise to potential residential amenity and/or access issues, the redevelopment for other uses may be acceptable. Alternatively, other uses may be permitted on land where the existing employment use occupies less than a quarter of the site and any job losses would be minimal
- *Re-conversion of former houses:* Where employment uses occupy converted buildings that were originally used as houses, proposals to re-convert such properties back into housing will usually be considered acceptable
- *Employment uses that share a significant party wall with an existing dwelling:* Where a building in employment use shares a party wall with an existing dwelling, and its reuse for employment purposes could harm residential amenity, conversion to residential use will usually be considered acceptable.

2.115 Additional considerations include past planning permissions for non-employment uses, land contamination and flood risk. The SPD highlights that a more 'cautious' approach to the loss of employment land will be pursued in North Sefton which has a greater shortage of available employment sites than the south.

Draft Knowsley and Sefton Green Belt Study (Sefton Report) – Draft Sefton MBC/Knowsley MBC (2011)

2.116 This draft study identifies Green Belt land with the potential to be developed for housing and employment uses. The aim is to identify employment and housing sites which could be brought forward once most of the suitable, available and deliverable land in Knowsley and Sefton's urban areas has been developed, with minimal impact

on the rest of the Green Belt.

2.117 The study reviewed the whole of Sefton's (and Knowsley's) Green Belt area, gradually excluding parcels of land that must be kept open in order to maintain the integrity of the Green Belt, or were found to be unsuitable for development (due to physical constraints or conflicts with local planning policy). Sites were also measured against the purposes of the Green Belt, as defined in Planning Policy Guidance Note 2 (although this guidance has subsequently been superseded by the NPPF):

- *“To check unrestricted sprawl of large built-up areas*
- *To prevent neighbouring towns from merging into one another*
- *To assist in safeguarding the countryside from encroachment*
- *To preserve the setting and special character of historic towns*
- *To assist in urban regeneration by encouraging the recycling of derelict and other urban land.”*

2.118 Analysis ultimately identified 42 Green Belt sites in Sefton which are potentially available for development. Of these, four sites totaling 66.65 ha are considered suitable for employment (see Table 12). All are in North Sefton and are considered suitable for business or industrial park uses.

Table 12 – Green Belt Sites, Potentially Suitable for Employment Development

Parcel No.	Location	Whether All or Part of the Parcel is Suitable for Development	Whether well contained by the urban area	Indicative Capacity, ha (Suggested Use)
S007	Land south of Crowland Street, Southport	All (employment use only due to location)	Well contained	25.00 (Industrial Estate/ Business Park)
S008	Kew Park and Ride Site, Foul Lane, Southport	All (employment use only due to location)	Well contained	2.70 (Industrial Estate/ Business Park)
S009	Former Tip, Foul Lane, Southport	All (employment use only due to location)	Well contained	11.35 (Industrial Estate/ Business Park)
S044	Formby Moss, north of Formby Industrial Estate	All – Local Wildlife Site	Well contained	27.60 (Industrial Estate/ Business Park)
Total				66.65

Source: Sefton MBC/Knowsley MBC, 2011

Sefton Economic Strategy 2012-22 – Sefton MBC/Sefton Borough Partnership (2012)

2.119 The vision of this strategy is to create *“An economy that connects Sefton to the City Region and beyond, in which businesses, employees, jobseekers and working age adults receive the help they need, and the benefits of growth are maximised for the people and places of the Borough”* To achieve this vision, five Strategic Objectives have been created:

- *“More new starts to replenish the business population*
- *Grow existing businesses and stimulate productivity*
- *Target traditional and emerging growth sectors*
- *Create conditions for growth*
- *Increase opportunity and employment.”*

2.120 Relevant tasks, associated with each of these objectives are highlighted in Table 13.

2.121 The Economic Strategy also identifies five ‘transformational sectors’ to drive growth in the Borough. These are:

- *Mersey Ports* – maritime cluster of port-related businesses, port-centric logistics and landward infrastructure
- *Visitor Economy* – Southport’s tourism/leisure offer, new public/private partnership
- *Knowledge Intensive Businesses* – advanced manufacturing, digital skills & enterprises, financial & professional services
- *Low Carbon Economy* – retrofitting homes and businesses, low emission transport, sustainable energy generation, offshore wind, local supply chains
- *Construction* – underpinning industry to all growth sectors.

Table 13 – Objectives and Tasks

Objective	Tasks	Comments
More new starts to replenish the business population	<ul style="list-style-type: none"> • Increase start-up and survival rates • Promote an enterprise culture. 	<p>Actions associated with this Objective include to:</p> <ul style="list-style-type: none"> • Develop business growth sectors, networks and clusters to maximise exchange of information, and create trade and investment opportunities.
Grow existing businesses and stimulate productivity	<ul style="list-style-type: none"> • Avert closures and retain capacity • Sustain and grow existing businesses • Diversify business base – rural economy, social enterprises • Attract new inward investment. 	<p>Actions associated with this Objective include to:</p> <ul style="list-style-type: none"> • Respond and develop inward investment interests and opportunities • Improve the competitiveness of farms and rural businesses including diversification.
Target traditional and emerging growth sectors	<p>(Assist in the growth of:)</p> <ul style="list-style-type: none"> • Superport • Low Carbon Economy • Knowledge-Intensive Businesses . 	<p>Specific ‘Superport’ proposals which affect Sefton include:</p> <ul style="list-style-type: none"> • A £300 million deepwater river terminal and container port expansion planned for 2014 • The proposed use of the Seaforth Nature Reserve for port-related purposes (subject to adequate compensatory habitat elsewhere) • Creation of the Liverpool Intermodal Freeport Terminal (Phase II) between Regent Road and Derby Road (providing about 34,000 sqm of warehousing) • Regent Road/Derby Road corridor – acquisition of further land to support port centric businesses. <p>The Low Carbon Economy has the potential to generate 12,000 jobs across the Liverpool City Region between 2011 and 2016. Partners should support this sector offering (among other things) generic assistance (finance, marketing, sites, premises etc), and access to appropriate third-party specialists. They should also support major (low carbon economy) companies towards locating in prime Sefton industrial sites, particularly Atlantic Park and the rest of the Dunning’s Bridge Road Corridor.</p> <p>Clustering of knowledge economy businesses should be encouraged at Southport Business Park, to make the most of the transatlantic fibre optic cable at Hibernia and the existing group of Financial and Professional Services firms.</p>
Create conditions for growth	<ul style="list-style-type: none"> • Strategic Regeneration Frameworks • Bring forward land for employment • Improve access to employment zones • (Create) ubiquitous broadband and energy infrastructures. 	<p>The Council will undertake to “<i>deliver effective regulatory services that expedite development and ensure high quality decision-making.</i>” It will also work to deliver new investment in Southport and North Liverpool/South Sefton, in particular maximising employment opportunities associated with the Port of Liverpool expansion.</p>
Increase opportunity and employment	-	-

Source: Sefton MBC/Sefton Borough Partnership, 2012

A Vision for Sefton – Community Strategy (2011)

2.122 This strategy has been developed by the Sefton Borough Partnership. ‘Prosperous Communities’ is one of four main themes under which priorities and targets have been addressed. The Borough Partnership’s vision for this theme is that: *“Sefton will be a place of choice for all with a vibrant and buoyant economy with access to skills, training and employment for all. Our children and young people will achieve their maximum potential and secure economic well-being...”*

2.123 Relevant priorities under that theme include the need to:

- *“ Increase enterprise*
- *Sustain business growth*
- *Increase employment*
- *Reduce worklessness*
- *Develop skills.”*

Summary

2.124 Alongside the Merseyside sub-region as a whole, Sefton faces significant socio-economic problems and structural economic challenges. As a response, a substantial number of strategies and action plans have emerged at both local and sub-regional level. These in turn overlay the national and regional planning priorities that set the wider context for local employment land and premises provision.

2.125 These local and sub-regional strategies, which largely seek to address worklessness, low levels of business activity and the sectoral shift in employment, could have a significant impact on future land and premises provision. The context review, however, also demonstrates fluidity in the response to many of these topics over time, which makes the assessment of longer-term need throughout the Local Plan period more challenging.

2.126 The strategies recognise the importance of the Port of Liverpool, both as a major employer and as a key multi-modal transport node in Merseyside. Growth of the Port will be key to the expansion of Sefton’s presently modest, logistics and distribution sectors.

2.127 The Mersey Ports Masterplan predicts a large increase in the tonnage of freight handled by the Port of Liverpool (and the wider Mersey Port) by 2030. To meet this growing freight traffic, some 344 ha of additional land will be required over the next

18 years. 31 percent (108 ha) of this requirement has been identified within Sefton. Much of the required land is within the existing port complex, but land needs are likely to extend east into the Regent Road/Derby Road corridor, displacing a range of existing micro/small businesses. This displacement will generate an additional employment land need of 2.63 ha, in Sefton.

- 2.128 The growth of the Port will also put pressure on the local transport network, notably the A5036 Dunnings Bridge Road and Switch Island junction.
- 2.129 The Liverpool City Region: Housing and Economic Development Evidence Base Overview Study (which is based on research derived from the 2010 JELPS) indicates that 55.06 ha (96.2 percent) of Sefton's 2010 land supply (57.22 ha) is likely to be available over the next five years, while the remaining 2.16 ha will only be available for development after 2016.
- 2.130 The 2011 Overview Study also suggests that Sefton will need 75.85 ha of employment land from 2010 to 2031 (3.61 ha/year). Measured against the 2010 supply, this gives a shortfall of 18.63 ha to 2031.
- 2.131 The 2006 UDP focuses employment land allocations at Southport Business Park in North Sefton. In South Sefton most allocations are along the Dunnings Bridge Road corridor and at the Bridle Way/Deltic Way Employment Areas. This includes 42.7 ha at the Atlantic Way Strategic Investment Area. Provision is also made for an additional 65,650 sqm of office space in the Bootle Office Quarter.
- 2.132 There are few brownfield options to meet future land needs. Two of the development options for the emerging Local Plan propose a 25 ha successor to Southport Business Park, something which could only be met on Green Belt Land.
- 2.133 To protect the existing supply of employment land, the Council has produced a draft SPD on Safeguarding Employment Land. This seeks to protect existing employment land, from development for non-employment uses, unless specific criteria are met. It is envisaged that the presumption in favour of retaining employment sites in employment use, will be applied most strongly in North Sefton, where supply constraints are most acute.

3.0 SOCIO-ECONOMIC PROFILE

Introduction

- 3.1 It is important to understand the nature of the economy in Sefton in order to provide suitable employment opportunities to facilitate sustainable growth. For example there is a need to try and provide employment land close to existing concentrations of businesses, in regeneration areas or in areas where companies want to locate.
- 3.2 This section, therefore, considers the size of the economy, where the businesses are, and what type of businesses they are. By appreciating these aspects it is easier to facilitate economic development by allocating land and premises in the correct locations and of the right type. The profile is a result of secondary research, drawing together a number of existing data sources. It also uses demographic data to build the picture, given that there are no readily available answers to some of the key questions included within this section.

Demographic Assessment

- 3.3 The population of the Borough as of the 2011 Census was 273,800 residents, which was 18.5 percent of the Merseyside (with Halton) total. As Table 14 shows, Sefton is the third most populous local authority area in Merseyside after Liverpool and Wirral.

Table 14 – Merseyside Population

Area	Population	Proportion, percent
Halton	125,800	8.4
Knowsley	145,900	9.7
Liverpool	466,400	30.9
Sefton	273,800	18.2
St Helens	175,300	11.6
Wirral	319,800	21.2
Merseyside (and Halton)	1,507,000	-

Source: 2011 Census

- 3.4 However, Sefton's population has decreased slightly (by 0.9 percent) from 276,200 in mid-year 2007 (the Mid-Year Population Estimate used in the 2010 JELPS). Indeed, Office of National Statistics, Mid-Year Population Estimates indicates that the Borough's population has been in almost continuous decline (by 0.5 to 1 percent a year) since 1981, when it was 300,100. This represents a total reduction of 8.8

percent since 1981, although the most recent ONS 2010-based population projections indicate that this trend will reverse.

- 3.5 The bulk of the population loss has comprised working age people who are economically active and in employment. The number of employed workers has fallen by 4.8 percent from 124,000 in mid-2004 (the earliest figures available) to 118,100 in mid-2011. In comparison, the proportion of retired residents has increased by a quarter over the same period. Sefton’s population is therefore both aging and losing employed workers.
- 3.6 In September 2011, 9.4 percent of the economically active population was unemployed, compared to only 8.2 regionally and 7.9 nationally. Unemployment has increased sharply during the recession (up from 6.2 percent in early 2007), however, it remains below the Merseyside average and lower than in neighbouring metropolitan boroughs (see Table 15). In particular, the unemployment rate of Sefton is 29 percent less than the rate of Knowsley.

Table 15 – Unemployment Rates, Percent*

Halton	Knowsley	Liverpool	Sefton	St Helens	Wirral	Merseyside	North West	Great Britain
9.5	13.3	11.5	9.4	8.9	8.6	10.0	8.2	7.9

Source: ONS Annual Population Survey 2011

*Percentage of economically active population.

- 3.7 Sefton is ranked as the 92nd most deprived local authority area in England in the national Index of Multiple Deprivation (2010). This makes Sefton the least deprived borough of Merseyside. It has a far higher ranking than Liverpool and Knowsley, which are the first and fifth most deprived local authority areas in England.
- 3.8 Also, the Borough’s overall ranking has improved since the 2007 Index of Multiple Deprivation, when Sefton was ranked the 83rd most deprived local authority area in England.
- 3.9 In 2010, 18 percent of the Borough’s Lower Super Output Areas (LSOAs) were in the top 10 percent most deprived in England and three were ranked in the top 1 percent. The areas of deepest deprivation lie in South Sefton and include parts of Bootle (west/north west of the town centre and south of Balliol Road) and Seaforth.

3.10 Table 16 shows the level of National Vocational Qualification (NVQ) attained by the working age population of Sefton. The Borough has the second highest proportion of working age residents qualified to NVQ Level 4 and above, in Merseyside, (after Wirral) although this percentage is still below regional and national averages. The proportion of residents with no qualifications (10.4 percent) is the lowest in Merseyside. The proportion of unqualified residents is also lower than that of the North West and Great Britain.

Table 16 – Qualifications (2010), Percent

Level	NVQ4 and above	NVQ3 and above	NVQ2 and above	NVQ1 and above	Other qualifications	No qualifications
Halton	21.3	40.3	61.8	79.8	7.3	12.8
Knowsley	15.2	37.8	58.4	74.1	6.4	19.5
Liverpool	23.2	43.5	62.5	75.7	7.1	17.2
<i>Sefton</i>	27.1	51.1	69.3	83.8	5.8	10.4
St Helens	24.8	46.0	66.2	81.9	6.6	11.5
Wirral	27.6	49.9	70.6	85.3	3.2	11.5
Merseyside	24.3	46.1	65.6	80.0	5.9	14.2
North West	28.7	49.6	66.8	80.6	7.3	12.1
Great Britain	31.3	51.0	67.3	80.2	8.5	11.3

Source: ONS Annual Population Survey 2010

Employment by Occupation

3.11 Table 17 illustrates the breakdown of employment by main occupation group. In Sefton, the largest proportions of people are employed in professional, associate professional and technical, and administrative and secretarial occupations. The proportion of people employed as managers and senior officials is higher than the Merseyside figure and close to the North West average. However, the number employed in this group has halved since September 2007, suggesting a reduction in higher level service sector employment during the recession.

Table 17 – Employment by Main Occupation Group

Occupation Type	Sefton 2007, percent	Sefton 2011, percent	Merseyside 2011, percent	North West 2011, percent	Great Britain 2011, percent
Managers & Senior Officials	16.3	8.3	7.5	8.8	9.9

Occupation Type	Sefton 2007, percent	Sefton 2011, percent	Merseyside 2011, percent	North West 2011, percent	Great Britain 2011, percent
Professional Occupations	12.5	17.7	17.0	17.9	19.4
Associate Professional & Technical Occupations	11.1	14.6	13.3	12.4	13.9
Administrative & Secretarial Occupations	12.9	12.7	12.7	11.5	11.1
Skilled Trades Occupations	8.8	11.6	10.2	10.7	10.7
Personal Service Occupations	10.0	10.0	11.0	10.2	9.1
Sales & Customer Service Occupations	10.6	9.0	9.4	9.0	8.1
Process, Plant & Machine Operatives	6.1	5.9	7.2	7.3	6.5
Elementary Occupations	11.4	9.9	11.4	11.9	11.0

Source: ONS Annual Population Survey, Oct 2006 to Sept 2007 and Oct 2010 to Sept 2011

Economic Activity

- 3.12 In the 2010 study, economic activity was measured using Annual Business Inquiry (ABI) data. ABI was replaced, in 2008, by the Business Register and Employment Survey (BRES) (see Table 18). BRES provides details of the number of jobs within differing industry sectors within a local authority area. As data for ABI and BRES is collected using different survey methods, it is not possible to compare the present breakdown of economic activity with the earlier position.

Table 18 – Economic Activity

	Employment Structure, proportion of jobs, percent			
	Sefton	Merseyside	North West	Great Britain
Agriculture and Fishing*	0.1	0.0	0.5	0.8
Mining, Quarrying and Utilities	0.3	0.9	1.1	1.3
Manufacturing	5.1	7.8	10.3	8.8
Construction	3.9	3.8	4.5	4.4

	Employment Structure, proportion of jobs, percent			
	Sefton	Merseyside	North West	Great Britain
Motor Trade, Wholesale and Retail	17.4	15.2	16.4	16.2
Transport and Storage	3.1	4.8	4.5	4.6
Information and Communication	1.1	2.1	2.4	3.7
Finance and Insurance, Property, Professional and Business Administration	12.3	16.7	18.9	20.2
Public Administration, Education and Health	42.5	37.2	30.0	28.8
Other Services	14.2	11.5	11.4	11.2

Source: Business Register and Employment Survey 2010

*Excludes farm based agriculture

- 3.13 Table 18 illustrates the strength of public sector employment in Sefton. 42.5 percent of the Borough's workforce is employed in public administration, education and health. This is higher than the average proportion of public sector employment in Merseyside and 13-14 percent more than the regional and national figures. However, it is important to note that the available figures pre-date recent national reductions in public spending.
- 3.14 The motor trade, wholesale and retail sectors also employ a considerable number of people, more than wider averages. Other services, which include accommodation, food, arts and entertainment, also have a relatively strong role in Sefton. This is partly explained by the strong leisure offer of Southport Town Centre (along with leisure facilities in Formby and Crosby).
- 3.15 The proportion of manufacturing jobs is considerably lower than Merseyside, regional or national figures. The proportion employed in the information and communication sector is also less than half wider averages.
- 3.16 Agriculture, forestry and fishing employ only 0.1 percent of the Borough's population. However, farm based agricultural employment is excluded from BRES. As an alternative measure, the Department of Environment, Food and Rural Affairs June 2010 Survey of Agriculture and Horticulture (latest available data at the local authority level) indicates that in that year there were 60 agricultural holdings in Sefton, farming 4,298 ha of land. A third of this land was used for the growing of

cereals, 27 percent was grassland supporting livestock and the remaining 40 percent was used for other arable crops, fruit and vegetables. Together these farms employed 254 people including 93 full and part-time farmers, 132 full and part-time workers, 12 salaried managers and 17 casual workers.

Numbers and Sizes of Businesses

- 3.17 As of mid-2011 there were 7,965 VAT/PAYE registered businesses in Sefton (19.5 percent of the Merseyside total, see Table 19). This figure may exclude very small companies operating below the minimum financial threshold. The Borough has the third largest supply of active businesses in Merseyside, after Liverpool and Wirral, with more than double the number in Halton and Knowsley. Recent changes in how VAT/PAYE data is collected and analysed mean that it is not possible to compare the present breakdown of business stock with the 1994-2006 position, which was shown in the 2010 Report.

Table 19 – Number of Businesses

Area	No. of Businesses
Halton	3,510
Knowsley	3,040
Liverpool	13,120
Sefton	7,965
St Helens	4,605
Wirral	8,570
Merseyside (and Halton)	40,810
North West	251,420
Great Britain	2,464,265

Source: ONS, 2011

- 3.18 82.8 percent of businesses in Great Britain employ less than ten people (micro businesses), and overall 96.5 percent of all businesses are classified as small (up to 49 employees). Business sizes in Sefton generally follow sub-regional, regional and national averages. As Table 20 shows, 96.5 percent of businesses in the Borough employ less than 50 employees, with 80.8 percent employing less than ten. Sefton has the joint highest proportion of micro businesses in Merseyside, alongside Wirral where 80.8 percent firms also employ less than ten staff.

Table 20 – Business Sizes

Area	Number of Employees						
	1-4	5-9	10-19	20-49	50-99	100-249	250+
Halton	58.3	17.4	10.2	8.0	3.3	1.9	0.9
Knowsley	58.4	17.3	10.0	7.8	3.9	1.6	1.0
Liverpool	58.5	18.1	10.1	7.9	2.8	1.7	0.9
Sefton	64.6	16.2	9.4	6.3	2.3	0.9	0.3
St Helens	60.6	16.8	10.4	7.3	2.9	1.5	0.5
Wirral	63.8	17.0	9.3	6.5	2.0	0.9	0.5
Merseyside	61.3	17.2	9.8	7.2	2.6	1.3	0.6
North West	65.8	15.5	8.7	6.2	2.2	1.1	0.5
Great Britain	68.0	14.8	8.2	5.5	2.0	1.0	0.5

Source: ONS 2011

- 3.19 The total number of VAT registered businesses can be broken down further by industry sector. Table 21 again shows the strength of the local public sector, with firms in the public administration, defence, education and health sectors accounting for 12.9 percent of businesses (compared to 7.9 percent across Merseyside, and only 5.7 percent nationally). These are firms which directly support public sector activity, e.g. by supplying equipment to schools or health centres. The largest business sector is retail, which accounts for 15 percent of VAT registered businesses. The arts, entertainment, recreation and other services sectors are also strong. Sefton's share of each of these sectors is above wider averages.
- 3.20 In comparison, the proportions of production; construction; information and communication; and professional, scientific and technical businesses in the Borough are lower than elsewhere.

Table 21 – VAT Registered Businesses by Sector, percent

Sector	Sefton	Merseyside	North West	Great Britain
Agriculture, Forestry and Fishing	0.8	1.0	5.4	6.0
Production	5.3	6.8	7.1	6.3
Construction	11.6	13.5	12.1	12.5
Motor Trades	3.8	3.4	3.6	3.2
Wholesale	5.1	4.7	5.5	5.0
Retail	15.0	11.6	10.3	9.0

Sector	Sefton	Merseyside	North West	Great Britain
Transport and Storage	3.4	3.6	3.5	3.2
Accommodation and Food Services	6.7	7.4	6.5	6.1
Information and Communication	4.5	5.0	5.3	7.3
Finance and Insurance	2.4	2.1	2.5	2.1
Property	3.1	3.8	3.7	3.6
Professional, Scientific and Technical	11.1	15.1	15.0	16.2
Business Administration and Support Services	6.1	6.5	6.7	6.9
Public Administration, Defence, Education and Health	12.9	7.9	6.1	5.7
Arts, Entertainment, Recreation and Other Services	8.2	7.6	6.7	6.9

Source: ONS 2011

Geographic Location

- 3.21 Table 22 shows the distribution of office and industrial premises (hereditaments identified by the Valuation Office for the purposes of business rates collection). The spatial distribution can be analysed by Middle Super Output Areas (MSOAs). Sefton comprises 38 such MSOAs. The most recent Valuation Office data available at the MSOA level is only for 2008, which pre-dates the recession. A breakdown of the data by MSOA is included at Appendix 3.

Table ... – Distribution of Premises and Homeworking

Area	Middle SOAs	Number of Units		Number of People Homeworking
		Factories/ Warehouses	Offices	
Southport Includes Ainsdale	001-011	653	354	3,242
Formby Includes Woodvale Airfield, Little Altcar, Hightown and Ince Blundell	012-016	94	66	1,322
Sub-Total		747	420	4,564
South Sefton				
Maghull Includes Melling	17-20	68	17	805
Crosby Includes Little Crosby, Sefton Village	21-22, 25,28, 30	53	137	1,368
Aintree/Netherton Includes Employment Areas off Dunnings Bridge Road, Aintree Racecourse Business Park, Waddicar	23-24, 26-27, 29	211	29	767
Litherland/Seaforth Includes Seaforth Container Terminal	31-34	144	96	661
Bootle Includes businesses/dock infrastructure off Derby Road, Bootle Town Centre, Employment Areas off Hawthorne Road	35-38	432	156	526
Sub-Total		908	435	4,127
Total	-	1,655	855	8,691

Source: ONS Commercial and Industrial Floorspace 2008

ONS Census 2001

- 3.22 Table 22 shows that the number of industrial units is almost double the number of offices. Perhaps surprisingly the greatest concentration of premises is in Southport. MSOA 004, which includes Southport Town Centre, on its own has 82 industrial and 243 office premises. MSOA 007, which extends south from the town centre into Birkdale, contains another 196 industrial and 43 office premises. The dominance of Southport is accounted for by the extensive office supply in Southport Town Centre, by the 66 small industrial units of Blowick Industrial Estate and by the large number of backland sites, spread throughout the town, which are in employment use.
- 3.23 In South Sefton, Bootle (which includes most of the Port Area) has the largest supply. MSOA 037 has the largest supply in South Sefton, with 311 industrial units and 118 offices. This MSOA covers most of the port (from Gladstone Graving Dock to the Liverpool boundary), Maritime Enterprise Park, South Sefton Business Centre (and surrounding premises) and most of the Bootle Office Quarter.
- 3.24 There is relatively little commercial space in the mainly residential settlements of Formby, Maghull and (to a lesser extent) Crosby.

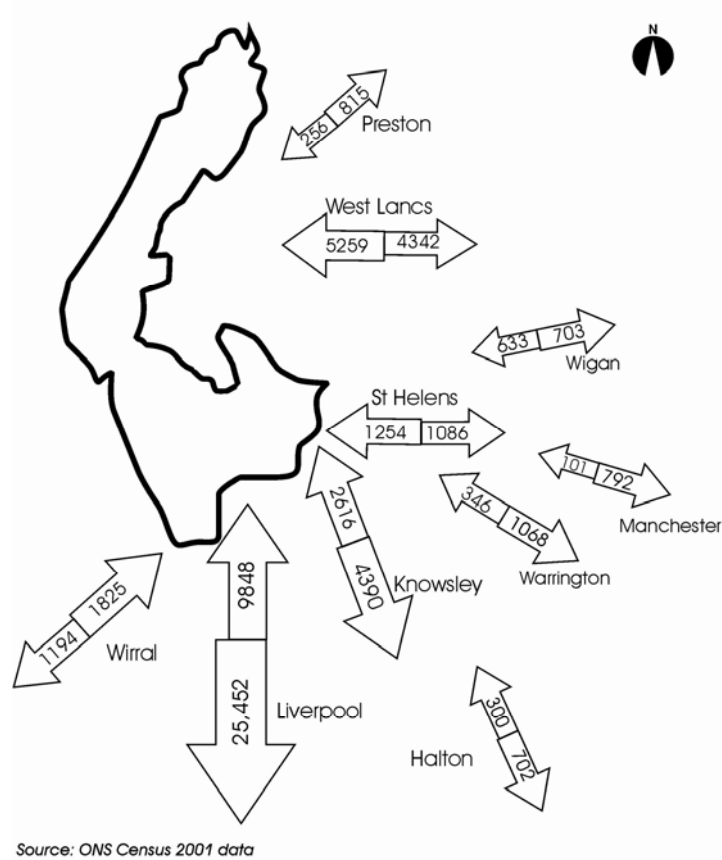
Homeworking

- 3.25 In Sefton, homeworking accounted for only 7.5 percent of the working age population in employment in 2001. This is lower than both the North West (8.3 percent) and England and Wales' (9.1 percent) averages. These figures are obtained from the 2001 Census and so are unchanged from the previous study. More up to date data will not be available until the appropriate results of the 2011 Census are published in 2013.
- 3.26 The two MSOAs with the highest number of homeworkers were MSOA 025, which covers Great Crosby and MSOA 021, which covers the rural area between Crosby, Formby and Maghull. There is a substantially greater incidence of homeworking in North Sefton and Crosby than in the urban areas of South Sefton.

Commuting Patterns

- 3.27 Based on the 2001 Census, 21,418 people made daily travel to work (TTW) trips into the Borough (see Figure 2). As with homeworking, more up to date commuting data will not be available until the full results of the 2011 Census are published and the data is therefore unchanged from the 2010 Report. 46 percent of trips were from Liverpool, while a quarter was from West Lancashire.

Figure 2 – Sefton Commuting Flows



- 3.28 Conversely, 42,262 people made TTW trips out of the Borough, predominantly to Liverpool (60 percent of all outgoing TTW trips). Overall, Sefton is a net exporter to Halton, Knowsley and Liverpool (as well as Preston, Manchester, Warrington and Wigan) but a net importer from St Helens, West Lancashire and Wirral.
- 3.29 The net outflow, based on the 2001 Census was 20,844 people, 16.7 percent of the 124,915 residents in employment that year.

Earnings

- 3.30 Table 23 shows that the average earnings of people living in Sefton are higher than Merseyside and North West (but not national) levels. Indeed the average weekly pay of Sefton residents is higher than in any other local authority area in Merseyside. Conversely, the average earnings of people who work (but do not necessarily live) in Sefton are the lowest in Merseyside and well below wider averages. This suggests that a significant proportion of those commuting into the Borough to work are in relatively low paid employment.

Table 23 – Average Weekly Earnings

Area	Gross Median Weekly Pay, £ (Analysis by place of work)	Gross Median Weekly Pay, £ (Analysis by place of residence)
Halton	421.2	356.0
Knowsley	412.6	371.2
Liverpool	410.4	355.0
St. Helens	354.0	371.9
Sefton	328.8	375.0
Wirral	339.8	374.9
Merseyside	377.4	369.2
North West	369.9	358.8
Great Britain	401.6	386.6

Source: Annual Survey of Hours and Earnings 2011

Summary

- 3.31 Sefton has a population of 273,800, decreased from 276,200 in 2007. Over the last 30 years Borough's population declined by 8.8 percent. The bulk of the population loss has been of working age people who are economically active and in employment. However, the latest 2010 based population projections now indicate that Sefton's population will increase in the years ahead.
- 3.32 Unemployment is moderate in the context of Merseyside, yet unemployment and economic inactivity are higher than regional and national levels.
- 3.33 Compared to the rest of Merseyside, and particularly Liverpool and Knowsley, Sefton is not a deprived local authority area. However, there are pockets of severe deprivation in the Borough, mainly in Bootle and Seaforth.
- 3.34 While the majority of people are employed in professional, associate professional and technical, and administrative and secretarial occupations. The number employed as managers and senior officials compares well to wider averages. However, the number employed in this group has halved since September 2007, suggesting a reduction in higher level service sector employment during the recession.
- 3.35 The public sector (public administration, education and health) accounts for 42.5 percent of all employment in Sefton. Retail/wholesale and the financial/professional services sectors also employ high proportions locally.

- 3.36 Sefton has 7,965 VAT registered-businesses, the third largest supply in Merseyside after Liverpool and Wirral. A majority of these businesses are in the retail; public administration, defence, education and health; and professional, scientific and technical sectors.
- 3.37 Most businesses are very small, with almost two thirds employing only 1-4 staff. Sefton has the joint highest percentage of micro-business (less than 10 employees) of any Merseyside local authority area, alongside Wirral which has the same proportion.
- 3.38 The current structure of premises provision in Sefton is strongly industrial. Across the Borough, the number of industrial units is almost double the number of offices. The largest concentration of industrial and office premises is in Southport. However, much of the industrial supply is likely to comprise very small workshops on backland sites. Offices are focused in Southport Town Centre. In South Sefton, Bootle contains the largest supply of premises, focused around the Port Area/Derby Road, and the Bootle Office Quarter.
- 3.39 Commuting patterns indicate that the Borough is a net exporter of workers. In 2001, it was losing over 20,000 people, almost 16.7 percent of its residents in employment, the majority to Liverpool. However, Sefton is also attracting significant numbers of workers, particularly from St Helens, West Lancashire and Wirral.
- 3.40 The average earnings of people living Sefton are higher than elsewhere in Merseyside. However, those who work in the Borough (and may commute from elsewhere) have comparatively low average salaries.

4.0 PROPERTY MARKET – GENERAL

Introduction

- 4.1 Prior to analysing the study area's property market by the individual components of sites, industrial and offices – commentary is provided about the study area as a whole. This comprises discussions with individual stakeholders, an analysis of public sector property enquiries data and recent inward investment into Sefton, a review of the supply of premises and information on general national property and business trends. It is important to understand the supply and demand for property, as this is the key driver affecting the market for employment land.

Stakeholder Consultations

Rostron

- 4.2 Rostron own 10 ha of Green Belt land north of Formby Business Park. We understand that Rostron would like to see this land allocated for employment uses to expand the existing business park and potentially create a new Employment Area in North Sefton. Rostron feel that the Green Belt Site could accommodate B1(a) office and B1(c)/B2 industrial uses of a quality similar to the existing (office) properties at Southport Business Park. The site would not be suitable for B8 warehouse and distribution uses due to its distance from the motorway network.
- 4.3 A detailed site assessment has yet to be undertaken, but Rostron argue that the land is largely unconstrained. There may be issues of drainage and flood risk however, as multiple field drains cross the site and Downholland Brook runs along the eastern boundary. There may also be ecological constraints on the site. Roston propose the creation of a new access point onto the Formby Bypass, although it is not clear if this can be achieved without significant modifications to the existing road layout.
- 4.4 Rostron would not look to deliver this scheme themselves, but would enter into partnership with a developer. Alternatively they would simply sell the land to a developer and not participate in construction.

Liverpool City Region Local Enterprise Partnership

- 4.5 Discussions were held with the Liverpool City Region Local Enterprise Partnership (LEP) regarding the Liverpool SuperPort, which is now recognised as a key driver of the City Region's economy.

- 4.6 SuperPort proposals for the Port of Liverpool will include facilities to accommodate ultra-large 'post panamax' vessels, to be completed by 2015. Construction of the £300 million programme to deliver this is due to commence in 2013. This forms part of the growth plan which aims to increase the number of containers handled from 600,000 pa to 2 million pa. This will allow a greater proportion of Northern England's (and the Midland's) goods to be imported through the Port of Liverpool. At present, 90 percent of the goods for these regions are moved through the more remotely located ports of Southampton and Felixstone.
- 4.7 A strength of the Port of Liverpool is that it handles a variety of cargoes, especially bulk cargoes. The Port will need an available supply of expansion land to continue to accommodate this aspect of its business.
- 4.8 Increasing the operating capacity of the Port is likely to increase demand, for land and property, from port-centric logistics operations. There are around 100 such businesses in the UK at the present. Logistical and financial constraints often mean that port-centric businesses have to be based within the port itself, generating additional land requirements for the port area of South Sefton. Meeting such requirements may require the decanting of existing (non-port related) business away from the port expansion area.

Public Sector Enquiries

- 4.9 The Liverpool City Region LEP is now the organisation with prime responsibility for enquiry handling in Merseyside and Halton. Previously, this service was provided by The Mersey Partnership.
- 4.10 The LEP has been able to provide enquiries data from 2007 onwards, but only for the whole of Sefton. It is not possible to split the data between North and South Sefton. There are also differences in how enquiries data has been recorded and analysed for each of the six local authority areas of the City Region. Thus it is not possible to compare the level of enquiries in Sefton, with levels in neighbouring areas.
- 4.11 Table 24 sets out year by year analysis of the sector type of property enquiries for Sefton between January 2007 and July 2012. The number of enquiries received over this period was substantial, 2,348, with industrial premises accounting for over half. Only 4.7 percent of the requirements were for land.

Table 24 – Public Sector Enquiries 2006-2012 Type – Sefton

Sector	2007	2008	2009	2010	2011	2012*	Total	Percent
Industrial/ Warehouse	166	207	68	144	254	374	1,213	51.8
Office	203	101	108	109	235	268	1,024	43.5
Land	29	27	3	4	2	46	111	4.7
Total	398	335	179	257	491	688	2,348	100.0

Source: Liverpool City Region Local Enterprise Partnership, 2012

**Part year.*

- 4.12 The figures illustrate the impact of the recession on Sefton. From a peak in 2007 the number of enquiries dropped sharply, to only 179 in 2009. The number of land requirements dropped from 29 in 2007 to only three in 2009.
- 4.13 Demand has subsequently improved, with enquiry numbers increasing by more than half in 2010 and again in 2011. Figures for the first half of 2012 show that the number of requirements received this year will be even higher. Recent demand growth has been led by the industrial/warehouse sector, but the number of office enquiries also increased by 60 percent between 2009 and 2012. This is surprising as property agents and developers, consulted for this study, indicate that the office market in Sefton remains very weak (see Section 5.0). Demand for land remained low in 2010/11, but has increased in 2012, with 46 site enquiries recorded in the first half of the year.
- 4.14 Many of those enquiring about land or property stated a preferred size band. Table 25 shows the proportion of enquiries for each size band of property or land, from 0-465 sqm (0-0.05 ha), up to 2,324 sqm (0.24 ha) or more. Most of those enquiries were for properties at the smaller end of the size spectrum, i.e. below 465 sqm. However, the industrial/warehousing sector, not unsurprisingly, exhibits a greater percentage of enquiries for larger floorplates – with almost a quarter being for premises in excess of 930 sqm. 54 percent of those enquiring about land wanted sites in excess of 0.24 ha.

Table 25 – Public Sector Enquiries Sizes – Percent

Type	Size Band, sqm				Total
	0-465	466-929	930-2323	2324+	
Industrial/ Warehouse	59.4	16.3	17.9	6.3	100.0
Office	93.0	3.7	2.1	1.2	100.0
Land Size Band, ha	0-05	0.05-0.09	0.1-0.23	0.24+	
General Site	21.7	10.3	13.8	54.2	100.0

Source: Liverpool City Region Local Enterprise Partnership, 2012

Property Supply

- 4.15 A schedule of the vacant floorspace being marketed in the study area (as at June 2012) has been compiled mainly from Sefton MBC databases, physical survey and a trawl of commercial property agents' websites. The marketed space is taken to be a reasonably close approximation to that which is vacant – obviously there may be occupiers waiting for interest in their property before moving, and empty units not actually being marketed. The schedules for industrial (including warehouses and workshops) and offices have been included in Appendix 4.

Industrial/Warehousing

- 4.16 Table 26 details that there are 127 available/marketed premises in the Borough – their total floorspace is 102,149 sqm. 79 percent of the available floorspace (73 percent of the stock of properties) is located in South Sefton.

Table 26 – Amount of Vacant Industrial/Warehouse Property in Sefton

Property		Size Band, sqm						Total	
		0-100	101-200	201-500	501-1,000	1,001-2,000	2,001-5,000		5,000+
North Sefton	Floorspace, sqm	561	939	1,351	3,564	7,848	2,216	5,193	21,672
	Number of Properties	10	7	4	5	6	1	1	34
South Sefton	Floorspace, sqm	1,001	1,610	9,157	15,974	16,390	10,263	26,082	80,477
	Number of Properties	15	12	28	22	11	3	2	93
Total	Floorspace, sqm	1,562	2,549	10,508	19,538	24,238	12,479	31,275	102,149
	Number of Properties	25	19	32	27	17	4	3	127

Source: BE Group 2012

- 4.17 Across the Borough there is provision in all size bands. Both North and South Sefton have reasonable availability in all categories up to 2,000 sqm, while there is a plentiful supply of mid-sized (201-1,000 sqm) units in South Sefton. There are only a few larger (2,001 sqm or more) units on the market, primarily at Balmoral Business Centre (Former Philips Factory) in North Sefton and at Atlantic Park in South Sefton. There is only one very large industrial/warehouse option (which could meet the needs of a major inward investor). This is the 17,651 sqm 'Big F2' (former Rolls Royce factory) at Atlantic Park, Dunnings Bridge Road, South Sefton.
- 4.18 The amount of vacant premises in Sefton has increased by 40 percent since autumn 2008 (when the property supply analysis for the JELPS was undertaken). Then there were 90 available properties totalling 61,022 sqm (77 percent of which were in South Sefton). In North Sefton there are more 0-200 sqm workshops and 1,001-2,000 sqm units on the market than there were in 2008. In South Sefton there are far more 201-1,000 sqm properties available (51 compared to 21 in 2008).
- 4.19 Table 27 shows the location of available vacant industrial premises by Employment Area and settlement. In North Sefton, 41 percent of the supply is outside of the Employment Areas, primarily on backland sites in Southport. There are another eight available properties (24 percent of the North Sefton total) at Blowick Industrial Estate and six (18 percent) Balmoral Business Centre. Thus the bulk of the available property in Southport is in secondary locations and on the lower profile industrial estates. There is no availability in Formby.
- 4.20 In South Sefton, Bridle Way Industrial Estate has the largest availability (17 percent of the South Sefton total), although there are available industrial premises in most of the larger Employment Areas. Only Maghull and Crosby (which have no large Employment Areas) lack industrial options.
- 4.21 This is similar to the position in 2008, although since that time vacancy rates at Aintree Racecourse Business Park and the Port Industrial Area in South Sefton have increased significantly. In comparison, the number of available units at Heysham Road Industrial Estate, Netherton is far less than it was in 2008. In North Sefton, Balmoral Business Centre (Former Philips Factory) has been sub-divided, placing a greater number of individual units on the market. However, the amount of available floorspace has not changed significantly in four years.

Table 27 – Location of Vacant Industrial/Warehouse Property 2008 and 2012 Comparisons

Employment Area, Settlement	Number, 2008	Number, 2012
North Sefton		
Southport (backland sites)	6	13
Blowick Industrial Estate, Southport	11	8
Balmoral Business Centre (Former Philips Factory), Southport	1	6
Kensington Industrial Estate, Southport	0	3
Slaidburn Crescent, Southport	2	2
Crossens Way, Southport	1	1
Southport Town Centre	0	1
South Sefton		
Bridle Way Industrial Estate (including Atlantic Park), Netherton	10	16
Aintree Racecourse Business Park, Aintree	1	12
Port Industrial Area, Bootle	2	12
Deltic Way Industrial Estate, Netherton	17	13
South Sefton Business Centre (and surrounding premises), Bootle	12	10
Maritime Enterprise Park, Bootle	4	9
Orrell Mount/Kingfisher Business Park, Bootle	1	7
Bootle (Outside of the Employment Areas)	5	5
Land and premises surrounding Acorn Way, Bootle	2	4
Heysham Road Industrial Estate, Netherton	12	4
Bootle Town Centre	1	1
The Peoples Site, Bootle	1	0
Sefton Lane Industrial Estate, Maghull	1	0
Total	90	127

Source: BE Group 2012

- 4.22 Table 28 assesses the quality of the available properties. Both North and South Sefton have a spread of all qualities of premises. The percentage of new or good quality premises is however lower in North Sefton (18 percent compared to 28 percent in South Sefton). 38 percent of the available units in North Sefton are of a budget quality, compared to only 9 percent in South Sefton. These low quality workshops are primarily found on Southport's backland sites and at Blowick Industrial Estate.

Table 28 – Quality of Industrial/Warehouse Premises

Number of Properties	Quality		
	Good/New	Moderate	Budget
North Sefton	6	15	13
South Sefton	26	59	8

Source: BE Group, 2012

4.23 As Table 29 shows, around a quarter of the marketed properties is available freehold or is offered for either tenure (29 percent in North Sefton, 25 percent in South Sefton). This is similar to the position in 2008.

Table 29 – Tenure of Industrial/Warehouse Premises

Number of Properties	Tenure		
	Either	Freehold	Leasehold
North Sefton	4	6	24
South Sefton	14	9	70

Source: BE Group, 2012

Offices

4.24 Table 30 shows that there is 20,342 sqm of vacant offices (98 premises). The number of available properties in South Sefton is not significantly greater than the number in North Sefton. However, North Sefton has only 23 percent of the floorspace, reflecting the lack of any suites above 355 sqm.

Table 30 – Amount of Vacant Office Property in Sefton

Property		Size Band, sqm							Total
		0-25	26-50	51-100	101-200	201-500	501-1000	1001+	
North Sefton	Floorspace, sqm	101	325	726	1,663	1,854	-	-	4,669
	Number of Properties	10	9	10	12	6	-	-	47
South Sefton	Floorspace, sqm	233	157	413	596	3,986	4,839	5,449	15,673
	Number of Properties	16	4	5	4	12	6	4	51
Total	Floorspace, sqm	334	482	1,139	2,259	5,840	4,839	5,449	20,342
	Number of Properties	26	13	15	16	18	6	4	98

Source: BE Group, 2012

- 4.25 A significant proportion of the available Borough wide stock (55 percent) comprises office premises of less than 100 sqm. Indeed 90 percent of the suites, including all the North Sefton properties, are less than 500 sqm. Premises of 501 sqm or more are only available at Atlantic Park, Bootle and at St Martins House in the Bootle Office Quarter. The largest single suite available in Sefton (Office 1, Caspian House, Atlantic Park) is 1,718 sqm in size.
- 4.26 The number of available offices is almost triple that in 2008 (37, providing 12,892 sqm of floorspace). However, then, as now, most of the available floorspace was in South Sefton while around 90 percent of the properties were less than 500 sqm in size. There were no properties of 501 sqm, or more, in North Sefton and only two in South Sefton.
- 4.27 In North Sefton, 91 percent of the available office supply is in Southport Town Centre or in edge of centre properties (see Table 31). This reflects the primarily industrial nature of most of North Sefton's Employment Areas. There is also only one office available at Southport Business Park. This is similar to the position in 2008, when 89 percent of the office supply was at town centre/edge of centre schemes in Southport.
- 4.28 In South Sefton, almost a quarter of the office supply is at Bridle Way Industrial Estate. This includes almost all of the offices larger than 500 sqm, which are in three multi-let buildings at Atlantic Park. There are ten offices available in the Aintree Building, Aintree Racecourse Business Park (19 percent of the total), compared to only two in 2008.
- 4.29 There are 19 offices available in the town centres of Bootle, Crosby and Maghull (or in edge of centre locations). This includes a range of small (less than 85 sqm) offices in small town centre business centres. There were only three town centre/edge of centre offices available in 2008.
- 4.30 In 2008, Vestey Business Park (part of Deltic Way Industrial Estate) was only recently completed and still had 10 self-contained office properties on the market. Four years later the office element of that scheme is now fully let.

Table 31– Location of Vacant Office Property 2008 and 2012 Comparisons

Employment Area, Settlement	Number, 2008	Number, 2012
North Sefton		
Southport Town Centre	13	26
Southport (Edge of Centre)	4	15
Blowick Industrial Estate, Southport	0	3
Ainsdale	0	1
Southport Business Park	0	1
Crossens Way, Southport	1	1
Balmoral Business Centre (Former Philips Factory), Southport	1	0
South Sefton		
Bridle Way Industrial Estate (including Atlantic Park), Netherton	2	13
Aintree Racecourse Business Park, Aintree	2	10
Bootle Town Centre	2	7
Crosby Town Centre/Edge of Centre	1	7
Maghull Town Centre/Edge of Centre	0	5
Sefton Lane Industrial Estate, Maghull	0	4
Heysham Road Industrial Estate, Netherton	0	2
South Sefton Business Centre (and surrounding premises), Bootle	0	1
Orrell Mount/Kingfisher Business Park, Bootle	0	1
Bootle (Outside of the Employment Areas)	1	1
Deltic Way Industrial Estate, Netherton	10	0
Total	37	98

Source: BE Group, 2012

- 4.31 As Table 32 shows, 56 percent the available space in Sefton is assessed as being of moderate quality. However, both North and South Sefton have a range of good quality offices available, in Southport Town Centre in North Sefton and at Atlantic Park/Aintree Racecourse Business Park in South Sefton. This differs from 2008, when there were no good quality options in North Sefton. There are eight budget properties available, all on edge of centre locations in Southport.

Table 32 – Quality of Office Premises

Number of Properties	Quality		
	Good/New	Moderate	Budget
North Sefton	12	27	8
South Sefton	23	28	0

Source: BE Group, 2012

- 4.32 There are only two freehold options in Sefton (see Table 33). Both are town centre offices in Southport. This is even less than in 2008, when only seven properties (19 percent) were available freehold.

Table 33 – Tenure of Office Premises

Number of Properties	Tenure		
	Either	Freehold	Leasehold
North Sefton	0	2	45
South Sefton	0	0	51

Source: BE Group, 2012

Valuation Office Data

Industrial

- 4.33 According to the latest Valuation Office (VO) statistics (2008) there are 1,665 hereditaments in the Borough, totalling 1,022,000 sqm (see Table 34). Sefton has the third largest number of industrial and warehouse properties in Merseyside (after Liverpool and Wirral). However, the Borough has less industrial floorspace than any other Merseyside local authority area. This suggests that Sefton has high proportion of small industrial/warehouse units compared to its neighbours.
- 4.34 Of this space, there are around 127 vacant premises totalling 102,149 sqm (from Table 26). Compared to the 2008 VO data, this suggests an overall occupancy rate for the whole Borough of 90.0 percent by floorspace, 92.4 percent by premises numbers. This represents an increase in the vacancy rate from the JELPS when the occupancy rate was 94.5 percent by floorspace, 95.2 percent by premises numbers.
- 4.35 In 2008 the average size of premises was 614 sqm. This is around a third less than the Merseyside and North West averages (952 sqm and 914 sqm respectively). It is also significantly less than the average property sizes of Halton, St Helens and

particularly Knowsley. The dominance of larger industrial/warehouse units in these boroughs suggests that they have a strong logistics and distribution sectors. In comparison (and despite the presence of the Port of Liverpool) Sefton's logistics and distribution sector is weaker (see Section 3.0) and its stock of large premises is more limited.

Table 34 – Valuation Office Statistics – Factories and Warehouses

	Number Hereditaments	Area, sqm	Average Property Size, sqm
Halton	1,124	1,592,000	1,416
Knowsley	937	2,086,000	2,226
Liverpool	3,446	2,260,000	656
St. Helens	1,233	1,410,000	1,144
Sefton	1,665	1,022,000	614
Wirral	1,866	1,499,000	803
Merseyside (and Halton)	10,371	9,869,000	952
North West	61,851	56,510,000	914

Source: ONS Commercial and Industrial Floorspace 2008

Offices

- 4.36 In 2008 there were 855 office hereditaments in the Borough, totalling 382,000 sqm (see Table 35). This is the third largest supply in Merseyside (by both number of properties and floorspace) after Liverpool and Wirral.

Table 35 – Valuation Office Statistics – Offices

	Number Hereditaments	Area, sqm	Average Property Size, sqm
Halton	591	263,000	445
Knowsley	460	144,000	313
Liverpool	3,066	1,132,000	369
St. Helens	669	167,000	250
Sefton	855	382,000	447
Wirral	1,066	283,000	265
Merseyside (and Halton)	6,796	2,371,000	349
North West	41,542	11,788,000	284

Source: ONS Commercial and Industrial Floorspace 2008

- 4.37 Measured against the 2008 data, the overall occupancy rate for the whole District is 94.7 percent by floorspace, and 88.5 percent by premises numbers. This compares to 96.6 percent by floorspace and 96.0 percent by premises numbers in the JELPS, indicating a significant increase in floorspace vacancy over the last four years.
- 4.38 In 2008 the average size of office premises was 447 sqm, which is 22 percent greater than the Merseyside figure (349 sqm) and 36 percent greater than the North West figure (284 sqm). The average office size is significantly higher than the averages of all the other Merseyside metropolitan boroughs, apart from Halton. This reflects the presence of several office parks in the Borough (including Atlantic Park and Southport Business Park), which offer large floorplate offices, as well as headquarter facilities for organisations such as Santander and the Health and Safety Executive. Large floorplate offices are also available in multi-storey buildings in the Bootle Office Quarter.
- 4.39 In assessing the supply side allowance needs to be made according to whether there are higher or lower levels of vacancies in the existing floorspace stock. A certain level of vacant property is generally required for the property market to function effectively. Recent employment land studies elsewhere have seen the equilibrium vacancy rate to be generally held to be around 7.5 percent of the total office and industrial stock.
- 4.40 Where the actual level of vacant floorspace is higher or lower than this 7.5 percent rate, this indicates the position is one of market disequilibrium. A vacancy rate above 7.5 percent suggests floorspace is oversupplied. A rate below 7.5 percent is an indication the floorspace market is undersupplied.
- 4.41 Some employment land reviews have used rates of 5 percent (for offices) and 10 percent (for industrial and warehousing space). In Table 36 these alternative yardsticks have been applied to the vacancy rates identified for Sefton.
- 4.42 Whilst there are factors that influence the level of vacant stock (e.g. obsolescence; owners' aspirations for alternative use), Table 36 does highlight the challenge faced by Sefton. Sefton mostly exhibits current vacant stock levels substantially below, or on par with, the equilibrium rates. The statistics suggest the only oversupply occurs when a 7.5 percent vacancy rate is applied to the total and industrial stock.

Table 36 – Vacant Floorspace, Market Equilibrium Status

	Sefton
Vacancy Rate Total Stock	8.6
Over (Under) Supply 7.5 percent rate	(OVER)
Vacancy Rate Office Stock	5.3
Over (Under) Supply 7.5 percent rate	(UNDER)
Over (Under) Supply 5 percent rate	(EQUILIBRIUM)
Vacancy Rate Industrial Stock	10.0
Over (Under) Supply 7.5 percent rate	(OVER)
Over (Under) Supply 10 percent rate	(EQUILIBRIUM)

Source: BE Group 2009

Modern Occupier Needs

- 4.43 In this sub-section the report outlines what modern businesses are looking for in terms of their property, as well as those developers providing space for them. These are general comments and apply across the UK, as well as in the study area.
- 4.44 There are two key property sub-markets to consider in understanding the demand for premises. The first is the demand from companies looking for sites for their own occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.
- 4.45 Many end-user companies, especially small ones, looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time involved; while it may also be difficult to rationalise and visualise such an important acquisition off-plan.
- 4.46 Having premises built for owner occupation requires a long lead-time to cover the planning, negotiation and construction time involved. Furthermore not every company wants a brand new building, partly because they are generally more expensive than second-hand ones.
- 4.47 However the recent combination of low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises (although current market conditions, i.e. the credit crunch, are softening this due to the lack of available finance). One route to achieving this is by developing

their own site, especially if they cannot find a suitable freehold property. Nationally most requests for such small sites to enable self-build are of less than 0.4 ha in size.

- 4.48 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able, some prefer to buy land direct and organise building contractors themselves. This is especially the case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.
- 4.49 Developers acquiring sites consider the nature of the market, as outlined above, as well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction. They also prefer to acquire prominent, (easy to develop) greenfield sites close to arterial roads or motorways because irrespective of sustainable transport policies, private transport still predominates. They naturally want land that is attractive to end-users. Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is at too high a price, then the developer will not acquire it.

Emerging Property Trends

Industrial

- 4.50 Occupiers are generally looking for smaller premises as average company size continues to decrease. In line with rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. In rural parts, company sizes are generally already small; and the desire for high quality is less of a priority due to affordability issues. Successful industrial businesses typically require dedicated, self-contained, secure yard areas, and for units over 2,000 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into and out of the unit. Eaves heights are also continuing to rise from an average of six metres to more towards ten metres to allow storage racking and more efficient use of space. For B8 high bay warehousing eaves heights can now be 15 metres to accommodate automatic racking systems.

- 4.51 Large requirements, above 10,000 sqm, are comparatively rare in Sefton, and where they do exist are generally for distribution warehousing. Most of these are contract-led with a flurry of activity as a number of specialist distribution companies look for units, before one of them secures the contract on offer. However these companies generally cannot wait for a bespoke warehouse to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.
- 4.52 Freehold demand is relatively strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. However the lack of available finance is constraining this sub-market currently. This previously resulted in an overheated investment market, rising values, lowering yields and led to property developers being more willing to offer speculative, freehold buildings. However, following the credit crunch speculative development has stopped dead across much of the country. It may resume once the effects of the recession recede, but in more rural areas speculative development will never be the norm.
- 4.53 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. This is gradually being replaced by smaller, sub-assembly light manufacturing space. Shorter leases (five years) and break clauses (three years) are now becoming much more the norm.

Offices

- 4.54 The trend is for smaller office suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) want serviced offices or similar types of easy-in, easy-out schemes that lower their risk of exposure. Whilst small businesses (with 10-49 employees) are looking for offices in the region of 150-300 sqm, often they are satellite facilities for larger companies.
- 4.55 Improving technology means specifications are changing, for example wireless networks may soon make raised floors superfluous and make the conversion of Victorian buildings and the like easier.
- 4.56 In line with rising aspirations and a concentration on higher value added activities, successful companies are looking for higher quality accommodation. For example air

conditioning is becoming almost a standard requirement in new schemes, which pushes up rentals by £5-10/sqm on average. Furthermore some occupiers (looking for more than 200 sqm) increasingly want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. There is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.

- 4.57 Car parking remains a big problem for occupiers everywhere as planning policy seeks to limit spaces in response to the sustainability agenda. However, more often than not, businesses cannot rely on public transport, especially in rural areas, and so there remains a strong demand for car parking spaces. Developers are starting to charge per car park space in major cities, and this is now being extended to other settlements.
- 4.58 Prior to the credit crunch, freehold demand was strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. However, as with the industrial market, the recession and lack of available finance is constraining this sub-market and limiting speculative development, particularly in rural areas.
- 4.59 Occupiers requiring higher skills, especially those linked to key growth sectors will be concerned about access to an appropriate pool of skilled labour, which will drive demand towards city centres, research facilities and higher education institutes.
- 4.60 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.
- 4.61 Clustering around like-minded companies will also drive demand to key business park locations, with good availability of 'white collar', knowledge-based, skilled staff. Other businesses will require central urban locations such as the professions and creative industries, where face-to-face contact is important or where public transport is important to attract staff.

The Future

- 4.62 Research in Regional Futures: England's Regions in 2030 (ODPM et al, published in 2005) projects that "*the number of jobs in the distribution and service sectors will*

increase by up to 600,000 and two million respectively over the next ten years.” This increase in service sector employment will result in “an increase in demand for offices and higher density accommodation, whereas the increase in distribution will require locations with good strategic road and rail access.”

- 4.63 It is also worth highlighting some of the historic but still relevant findings of the Government’s Foresight programme which sought to predict future trends and influences on the socio-economic environment of the UK.
- 4.64 The research finds that structural forces at work in the economy will create an explosion of SMEs (small and medium enterprises) in the near future. The UK has around 4.3 million such businesses. This rapid growth and change will be driven by:
- Revolutionary advances in computing and communication technologies, especially the internet
 - Advances in other technologies such as material sciences and biotechnology
 - Growth in knowledge-intensive work supplanting labour-intensive industries
 - The rise of intellectual capital as the key value creation.
- 4.65 This will lead to new opportunities for SMEs. Many more will be in technology intensive sectors. Other opportunities will arise from large corporations outsourcing, unbundling or investing in start-ups. There will be parallel opportunities in the public sector – in health, caring services for the elderly and the disabled.
- 4.66 The research suggested that the majority of 2005’s SMEs will not exist in 2015 and the majority of SMEs that will exist in 2015 did not exist then. This will obviously lead to very dynamic business profiles in all areas, increasing the emphasis on planning policy to be equally dynamic and flexible.
- 4.67 This will also see new ownership patterns (with more companies owned by women, minorities, and people in their 20s and 60s); intangible assets as the main drivers of value; SMEs acting in collaborative groups, in procurement for example; access to more financing options; and proportionately more companies trading internationally.
- 4.68 Although the industrial base in developed markets will continue to be eroded as jobs transfer to emerging markets, fears of the demise of Western manufacturing are unfounded. Developed manufacturing economies will still hold an advantage in high-

value and capital-intensive activities; proximity to customers will also be critical for many.

Summary

- 4.69 In this sub-section the findings of the preceding research are drawn together into a number of conclusions.
- 4.70 The Liverpool City Region LEP, who handle enquiries on behalf of Sefton, receives more enquiries for industrial space than for offices; and fewest for sites. Most industrial enquiries are for units up to 464 sqm; and for sites of more than 0.24 ha. The number of enquiries received decreased sharply during 2007, and the recessionary period 2008-2009. Data from 2010 onwards suggests that demand is now improving. In discussion the LEP also highlight the importance of SuperPort expansion plans and the need to provide land to accommodate both its growth needs and the requirements of associated port-related businesses.
- 4.71 There is almost five times as much available industrial floorspace as there is office. It is concentrated in the larger Employment Areas of South Sefton, notably Bridle Way Industrial Estate. Accommodation is readily available in all size bands up to 2,000 sqm. The supply of larger accommodation is limited and there is only one property of more than 10,000 sqm on the market. The average size of industrial/warehouse units in Sefton is well below average. There are a reasonable number of good quality units available, mostly in South Sefton. However, more than a third of the marketed property in North Sefton is of budget quality. There are a reasonable number of freehold options in both North and South Sefton.
- 4.72 20,577 sqm of office space is available in the Borough, comprising 98 properties. This is almost triple the number of office properties that were available in 2008. The office supply is split almost evenly between North Sefton (in, and around, Southport Town Centre) and South Sefton (Bridle Way Industrial Estate, Aintree Racecourse Business Park and the central areas of Bootle, Crosby and Maghull). The largest available office in North Sefton is only 355 sqm in size, while offices of more than 500 sqm are only being marketed at Atlantic Park and in the Bootle Office Quarter in South Sefton. Most space is of moderate quality, but there is a reasonable range of good quality premises in both North and South Sefton. Only two freehold options are available.

- 4.73 Overall 16 percent of the study area's established employment land provision remains available. Another 15 percent could provide future opportunities for regeneration and remodelling. Two percent (6.47 ha) is viewed for de-allocation, comprising Land South of Aintree Curve, Netherton. Vacant land at the Peoples Site, Bootle is also likely to be lost to housing. Elsewhere the loss of land to non-employment uses should be broadly resisted.
- 4.74 Modern businesses and developers want easily developable, accessible, prominent sites for their premises. A healthy property market will provide a mix of options: including speculative developments; design and build schemes; and freehold plots for owner-occupiers to self-build. However, development is entrepreneurial and not every company (looking for space) can realistically be satisfied all the time. The property market, by nature, is inherently imperfect. Companies will, however, generally seek to move from existing property to provide themselves with better, more efficient, cost effective accommodation of an appropriate size.
- 4.75 Modern trends are expected to lead to a greater number of businesses that are smaller in size, which are more dynamic and technology driven and which will come and go more fluidly.

5.0 PROPERTY MARKET – ANALYSIS

Introduction

- 5.1 This section considers the supply and demand conditions in the property market in the study area. It is important to consider this as a prelude to understanding the need for land, as the demand for land is essentially derived from the demand for property.

General Comments

- 5.2 Private sector stakeholders made a wide range of comments covering all aspects of the local market. Their views have been summarised in a series of tables. Table 37 provides a summary of the comments received from stakeholders with regards to the local industrial property market.

Table 37 – Property Market Comments – Industrial

Contact	Comment
North Sefton	
Regional Agent	Reasonable demand for leasehold and freehold industrial space of up to 929 sqm, from local firms. Average rents are £50-60/sqm. North Sefton has an oversupply of budget quality industrial properties. There is demand for a further development of mid-sized industrial properties in Southport. This could be achieved through the redevelopment of vacant units at Blowick Industrial Estate.
Regional Agent	Market property at Kensington Industrial Estate, Southport. A successful scheme of mid-sized (186-1,115 sqm) industrial/trade units, Kensington Industrial Estate has maintained an occupancy rate of 60-70 percent throughout the recession. The scheme has also been successful in retaining key tenants, which include Dulux, Crown Paints and BSS. Demand is primarily local, and is highest for units of 186-279 sqm. Rents are £65-85/sqm and the average lease length (for local tenants) is 3 years.
Local Agent	Good demand for units 0-279 sqm, to meet the needs of local firms. Demand is for both freehold and leasehold space, although there is no freehold accommodation available at present. There is demand for a further development of reasonable quality workshops in Southport.
Local Agent	Good demand for small workshops of 46 sqm, to meet the needs of local firms (primarily for storage). Demand is for both freehold and leasehold space. There is a shortage of moderate quality industrial units of less than 93 sqm. The current supply is dominated by poor quality workshops, on backland sites, and larger industrial units of more than 186 sqm.
South Sefton	
National Developer	Owns Maritime Enterprise Park, Bootle. Demand here is from small firms looking for workshops of 186 sqm. The estate is popular with local firms seeking cheaper space than that available in Liverpool.

Contact	Comment
National Developer	Owns Sefton Business Park, Deltic Way Industrial Estate, Netherton. Scheme enjoys reasonable demand from local firms looking for leasehold industrial units of 93-390 sqm (i.e. the full range of available premises). However, the lack of a local agent means they do not have more detailed market knowledge.
National Agent	Marketing various units in the port area (some of which will be in Liverpool). Reasonable demand from sub-regional/regional occupiers in the logistics sector. Rents here are £50-£60/sqm.
National Agent	Marketing various units in the port area (some of which are in Liverpool). Reasonable demand from sub-regional/regional occupiers in the logistics sector. Rents here are £50-£60/sqm.
National Agent	Reasonable demand for leasehold industrial space of 0-465 sqm and warehouses of 1,858 sqm, or more. The Bridle Way Industrial Estate, Netherton is popular because of its strategic location. Rents are £44-£53/sqm.
Regional Agent	Reasonable demand for leasehold and freehold industrial space of 465-1,859 sqm, from across Merseyside. Average rents are £50-60/sqm. There has been little new development since the completion of Vesty Business Park in 2008, and South Sefton no longer has sufficient moderate/good quality industrial property to meet its needs. In particular, there is a shortage of 465-743 sqm units. Modest demand for land, mostly for design and build industrial plots of 0.4-0.8 ha, from established firms in Merseyside. Limited developer interest at the moment and existing employment sites, which are owned by developers, are either being banked or proposed for alternative uses. Land values are around £250,000/ha for small industrial sites.
Regional Agent	There is a shortage of moderate quality industrial units of 0-465 sqm. Good demand for workshops of 0-186 sqm, to meet the needs of local firms and units of more than 465 sqm, for sub-regional firms. Demand is for both freehold and leasehold space. The industrial estates in Bootle and Netherton are popular because of their strategic location. Average rents are £20-50/sqm. There is sufficient land available for future development, including serviced plots of 0.4-2 ha off Bridle Way (industrial) and at Atlantic Park (office). Generally, these are sufficient to meet needs. Land values are around £400,000/ha for industrial sites.
Regional Agent	Despite the wider economic slowdown, there remains a reasonable market for industrial space of 186-465 sqm and 929 sqm+ size ranges. Demand comes from a mix of local manufacturing firms and larger companies from across Merseyside. Rents are around £53/sqm for moderate quality space. Supply is generally meeting demand, although the lack of recent development may be leading to a shortage of both small workshops and larger storage/distribution properties.
Regional Agent	Reasonable demand for leasehold industrial space of 0-279 sqm, from local firms and 557 sqm, or more, for sub-regional firms. Bootle has a strong role providing secondary accommodation to firms that cannot afford to be in central Liverpool. Rents are £22-65/sqm for mid-sized industrial units (around £678/sqm for freehold).

Source: BE Group 2012

5.3 Table 38 sets out the occupancy rates on some of Sefton's more significant industrial property schemes. It includes some schemes which are located within Sefton's 22 allocated Employment Areas. This occupancy rate review concentrates on specific schemes rather than the Employment Areas in their entirety. The Employment Areas are discussed separately later in this Section.

Table 38 – Sefton Selected Industrial Schemes Performance

Property Scheme	Total Floorspace, sqm (Number of Units)	Unit Size Range, sqm	Occupancy Rate, percent	Comments
North Sefton				
AK Business Park, Russell Road, Blowick Industrial Estate (Employment Area), Southport	4,138 (11 units)	45 – 900	82	Mid-sized, modern terraced industrial units. A key source of reasonable quality space in an Employment Area otherwise dominated by budget accommodation.
Blowick Industrial Estate, Crowland Street, Blowick Industrial Estate (Employment Area), Southport	2,283 (5 units)	318 – 825	80	Small scheme of warehouse and production units, dominated by local catering firms.
Enterprise Business Park, Russell Road, Blowick Industrial Estate (Employment Area), Southport	624 (12 units)	49 – 106	75	Small, moderate quality terraced industrial units occupied by local firms.
South Sefton				
Bechers Business Park, Heysham Road, Heysham Road Industrial Estate (Employment Area), Netherton	2,868 (14 units (plus 35 self storage containers))	70 – 1,115	93	Budget industrial units, mainly occupied by trade-counter businesses
Sefton Business Park, off Park Lane, Deltic Way Industrial Estate	3,090 (15 units)	93– 390	87	Northern Trust scheme (distinct from the adjacent Hansteen scheme, which is also called

Property Scheme	Total Floorspace, sqm (Number of Units)	Unit Size Range, sqm	Occupancy Rate, percent	Comments
(Employment Area), Netherton				Sefton Business Park) Good quality, modern, terraced industrial units. Unlike the neighbouring properties, units here are popular and the scheme is almost fully let
The Boxworks, Heysham Road, Heysham Road Industrial Estate (Employment Area), Netherton	6,054 (13 units)	80– 1438	85	Sub-divided factory, mainly occupied by trade-counter businesses
Farriers Way Industrial Estate, Farriers Way, Bridle Way Industrial Estate (Employment Area), Bootle	3,532 (33 units)	45 – 234	80	Space North West scheme Moderate quality scheme of terraced workshops. An important source of smaller accommodation in an Employment Area dominated by larger occupiers
Heysham Point, Heysham Road, Heysham Road Industrial Estate (Employment Area), Netherton	954 (5 units)	158– 316	80	Small scheme of modern terraced industrial units. A key source of reasonable quality space in an Employment Area otherwise dominated by budget accommodation
Maritime Enterprise Park, Atlas Road, Maritime Enterprise Park (Employment Area), Bootle	7,553 (24 units)	119 – 783	79	Ashtenne scheme Good quality, popular terraced industrial units, attracting occupiers both from Sefton and Liverpool
Millers Bridge Industrial Estate, Seymour Street, Port Industrial Area, Bootle	3,736 (31 units)	52 – 249	77	Hurstwood Scheme Fairly popular scheme of terraced workshops, close to the Port of Liverpool.

Property Scheme	Total Floorspace, sqm (Number of Units)	Unit Size Range, sqm	Occupancy Rate, percent	Comments
				Dominated by local engineering and motor trade firms.
Kingfisher Business Park, Hawthorne Road, Orrell Mount/ Kingfisher Business Park Employment Area, Bootle	15,008 (28 units)	94 – 1,124	71	Good quality units offering space both to local firms and regional/national occupiers such as Howden and Wolseley Group
Vesty Business Park (Priority Sites Business Park), Bridle Road, Deltic Way Industrial Estate (Employment Area), Netherton	15,306 (21 units)	279– 2,583	71	New, high quality production and hybrid units. Reasonable demand since the scheme was completed in 2008.
The Bridgewater Complex (workshops), Canal Street, Sefton Business Centre Employment Area, Bootle	1,201 (15 units)	117 – 329	53	Reasonable quality, terraced workshops aimed at local firms, on a managed site. The scheme has seen low demand and a high turnover of occupiers during the recession
Sefton Business Park, off Park Lane, Deltic Way Industrial Estate (Employment Area), Netherton	3,868 (5 units)	550– 1,134	20	Hansteen scheme Five good quality, mid-sized industrial units. Scheme has seen a high turnover of occupiers in the recession and is now largely empty

Source: BE Group 2012

5.4 Table 39 provides a summary of the comments received from stakeholders on the local property market for offices.

Table 39 – Property Market Comments – Offices

Contact	Comment
North Sefton	
Regional Agent	Southport is a primarily local market. Southport Business Park has historically been successful at providing space for both local and sub-regional/regional firms. However, the Business Park is now full and until more development takes place, this market cannot be expanded further.
Local Agent	Southport is a retail, rather than an office, centre. Available demand is for leasehold office properties of 93 sqm, from local firms in the legal and financial sectors. There are offices available on Hoghton Street to meet this need.
Local Agent	The Southport office market continues to struggle in the recession, with supply in the Town Centre outstripping demand, particularly for budget/moderate accommodation. Demand is for leasehold office properties of 93 sqm, from local firms in the legal and financial sectors. Larger space struggles to let. No demand for freehold space.
South Sefton	
National Agent	Very pessimistic about the South Sefton office market, particularly in the Bootle Office Quarter, which is viewed as an artificial creation of past public sector investment. Now that such investment is drying up, it is felt that there is no demand for such a large office supply so close to Liverpool City Centre (which itself has an oversupply of office space). Average rents are no more than £53/sqm.
National Agent	Agents for the Bridgewater Complex, Bootle. The complex comprises includes two office buildings, one of which (totalling 325 sqm) was recently let to the Criminal Records Initiative, on confidential terms. The second building contains a serviced office scheme, with open-plan workstations on the top floor. Demand here is from a mix of public sector and local private sector occupiers. Rents are £108/sqm, but occupiers also expect generous lease terms. Across Sefton average office rents are £53-118/sqm.
Regional Agent	Very weak office market, particularly in Bootle. There has been no recent demand for the offices they are marketing in the Bootle Office Quarter (Pinnacle House). Average rents are £53-119/sqm.
Regional Agent	Very weak office market. There has been no recent demand for the offices they are marketing off Dunning's Bridge Road. Supply exceeds demand, particularly for the larger (465 sqm, or more) suites in the Bootle Office Quarter. Average rents are £53-£108/sqm.
Regional Agent	Weak office market. Demand is for suites of 0-186 sqm, for local firms. Average rents are 76/sqm.
Local Manager	Manages The Investment Centre, Bootle. The scheme opened four years ago and, after a slow start, is now full. Demand was from local firms looking for suites of 72-465 sqm (i.e. the full range of available premises). The scheme has also been successful in retaining key tenants, and securing them on 10-

Contact	Comment
	15 year leases. Are still receiving enquiries for small (10-20 sqm) offices from local start-up firms.

Source: BE Group 2012

- 5.5 Table 40 sets out the occupancy rates for some of the Sefton's most significant office-based property schemes. Again, it includes some schemes which are within Sefton's allocated Employment Areas, but does not review those Employment Areas in their entirety. Those are addressed later in this section.

Table 40 – Selected Office Schemes Performance

Property Scheme	Total Floorspace, sqm (Number of Units)	Unit Size Range, sqm	Occupancy Rate, percent	Comments
North Sefton				
Westminster Chambers, 106 Lord Street, Southport	304 (9 units)	18 – 57	89	Good quality, town centre offices above shops. Popular with local financial and legal services firms
Gordon House, Leicester Street, Southport	1332 (7 units)	69– 485	86	Larger, office building on the edge of Southport Town Centre. Popular source of larger office suites in North Sefton
Eldon Court, 39-41 Hoghton Street, Southport	482 (14 units)	17 – 70	86	Good quality, town centre offices. Popular with local financial and legal services firms
Hesketh Mount, 92-96 Lord Street, Southport	402 (9 units)	37 – 93	78	Small, town centre office scheme. A key source of serviced accommodation in North Sefton
The Shakespeare Centre, Shakespeare Street, Southport	3,169 (17 units)	66 – 538	76	Older, multi-storey office building in an edge of centre location. A key source of serviced accommodation in North Sefton

Property Scheme	Total Floorspace, sqm (Number of Units)	Unit Size Range, sqm	Occupancy Rate, percent	Comments
Crowland Street Commerce Park, Crowland Street, Blowick Industrial Estate (Employment Area), Southport	3,279 (6 units)	250– 1,254	50	New build, good quality office, hybrid and trade units in a largely budget quality employment area. Units have been slow to let so far, primarily due to the recession
South Sefton				
The Triad Building, Stanley Road, Bootle	18,333 (23 floors of flexible space)	203 – 854	95	Very large, older multi-storey building close to the Strand Shopping Centre in the Bootle Central Area. The largest occupiers are public sector organisations such as HMRC
Space Solutions Business Centre, 39a Sefton Lane Industrial Estate (Employment Area), Maghull	442 (20 units)	18 – 44	85	Small, popular, serviced business centre in a mostly industrial employment area. A key source of budget offices for local start-up businesses
Maghull Business Centre, 1 Liverpool Road North, Maghull	345 (18 units)	8– 15	83	Small incubation centre, offering both serviced offices and shared meeting/training rooms. A key source of start-up space in Maghull
Burlington House, Crosby Road North, Crosby	6970 (Flexible space providing up to 40 Units)	10 – 1,394	83	Bruntwood Scheme Moderate quality, serviced offices in an older, multi-storey property, centrally located in Crosby. The main source of office space in the town

Property Scheme	Total Floorspace, sqm (Number of Units)	Unit Size Range, sqm	Occupancy Rate, percent	Comments
The Investment Centre, 375 Stanley Road, Bootle	2973 (33 units)	72-163	78	Managed by South Sefton Development Trust New build, serviced office scheme in Bootle Central Area. Anchored by several public sector occupiers including Sefton Council and the NHS. Offers incubation space, marketed to local firms. Reasonable demand for accommodation so far
St Martins House, Stanley Road, Bootle	10,000 (approx.) (12 floors of flexible space)	19 – 1,115	77	Large, older multi-storey building in the Bootle Office Quarter. The largest occupiers are public sector organisations such as DWP
Pinnacle House, Stanley Road, Bootle	443 (3 units)	147 – 307	67	Former church and extension, refurbished to provide moderate quality office space. Occupiers include the Connexions Greater Merseyside
Aintree Building, Topham Drive, Aintree Racecourse Business Park (Employment Area), Aintree	534 (17 Units)	14-149	35	Refurbished, moderate quality office space in a larger industrial and retail employment area. Hard hit by the recession, with a large increase in vacancy since 2008/09

Source: BE Group 2012

Employment Area Assessments

- 5.6 In the 2010 JELPS, BE Group reviewed a total of 92 Employment Areas (urban and rural), Opportunity Sites and Action Areas across the four local authority areas. Each was appraised and assessed through a combination of site visits, local intelligence and the views of those involved in the property market in those areas. This section updates and refreshes that exercise for the 19 Employment Areas and 3 Employment Opportunity Sites of Sefton, based on surveys carried out during July 2012.

- 5.7 Proformas have been completed for each area and are accompanied by site plans. These are included at Appendix 9. The proformas adopt the following format, unchanged from the JELPS, to simplify the data and make it easier to interpret. The 'Address' contains the local authority's designated title for the area, including where necessary the main street and town. The local authority's planning policy descriptor is provided. A brief 'Description' is provided in the form of BE Group's comment on the area. Area boundaries are based on GIS plans provided by the Council.
- 5.8 Where feasible the 'Total Number of Units' within the area has been identified from the physical site survey. 'Vacant or Derelict Units' have been identified from a combination of the site surveys and interrogation of the data collated for the vacant property schedules (Appendix 4). The proportion between these two equates to the 'Occupancy Rate'.
- 5.9 'Predominant Use Class' identifies whether buildings in the area are mainly in office/light industrial (B1); general industrial (B2) or warehouse (B8) uses.
- 5.10 An indication is provided of the age of properties in each of four categories assessed in 'Buildings Age'. These are pre-1945; 1945-1990; 1990-2000; 2000+ (new).
- 5.11 'Buildings Quality' is also broken down into four category assessments. 'Derelict' is self evident. 'Poor' represents low quality design, externals, and condition. 'Good' equates to modern design, building condition, parking and external area provision. The remaining category is 'Average', covering properties that do not fit any of the other three headings.
- 5.12 'Area Size' is the hectareage calculated from GIS, and the site boundaries provided by the Council.
- 5.13 'Grade' refers to BE Group's professional opinion on the ranking that should be afforded to the individual area. This has been based on a number of factors – critical mass of the area, companies like to cluster; accessibility, the closer to motorways and arterial roads the better; prominence, to main roads, and environment – setting of the location, servicing, parking and landscape treatment. For each element assessments are made as Poor, Average or Good. Combining this data leads to an overall hierarchical assessment banded A to E. These are described in Table 41.

Table 41 – Grades A to E Definitions

Grade	Definition	Action
A	High quality, prestigious, flagship business areas due to their scale, location and setting. Capable of competing for investment in the regional market place. These are prime sites for marketing to a cross section of users including new inward investors. They can also meet the needs of image-conscious, aspirational companies already in the local authority area	Protect strongly Support and expand
B	Good employment sites due to their scale, location and setting. Capable of competing for investment in the sub-regional market place. These are prime sites for marketing to a cross section of users, B1, B2 and B8, including some new inward investors.	Protect strongly Support and expand
B/C	Key employment sites with an influence over the whole local authority area, but primarily geared towards local businesses and B1 light industrial, B2 and B8 uses.	Protect Support
C		
C/D	Lower quality locations in residential areas suffering from poor accessibility and massing.	Continue to protect/review through the Local Plan
D		
D/E	Very poor quality areas. Widespread vacancy and dereliction in poor environments.	Promote alternative uses if possible
E		

Source: BE Group 2012

- 5.14 Vacant land is identified, as is the scope for remodelling of particular properties or sites. Greenfield expansion possibilities are also included. All of these are identified, for simplicity, as Regeneration Opportunities (on the plans accompanying the site proformas).
- 5.15 It should be noted that the Regeneration Opportunities are only suggested as potential areas of search that could be appropriate for employment redevelopment or remodelling. Many of them are not presently available for reuse and they are not part of the existing employment land supply, as defined in Section 7.0. However, if an Opportunity does become available over the plan period, it may be considered as an option for future employment land provision within Sefton.
- 5.16 Finally the future role of the area is set out. This incorporates both BE Group's recommendations and appropriate main employment property market segments and sites, as set out in ODPM Guidance on Employment Land Reviews. These are:
- Established/Potential Office Locations
 - High Quality Business Parks
 - Research and Technology/Science Parks
 - Warehouse/Distribution Parks

- General Business/Industrial Areas
- Heavy/Specialist Industrial Sites
- Incubator/SME Cluster Sites
- Specialist Freight Terminals
- Sites for Specific Occupiers
- Recycling/Environmental Industries Sites.

5.17 It should be noted some areas reflect more than one of these classifications of market segments.

5.18 The template for the areas' proforma is included at Table 42.

Table 42 – Proforma Template

Address		Category to link LA policy description	
Description		Grade Critical mass: Accessibility: Prominence: Environment: Total Grade:	
Total Number of Units	Vacant	Occupancy Rate, percent	
Predominant Use Class (B1, B2, B8)			
Buildings Age			
Nos – Pre 1945	1945-90	90-2000	New 2000+
Buildings Quality			
Nos – Derelict	Poor	Average	Good
Area Size, ha			
Regeneration Opportunities (size, ha)			
Recommendations for Remodelling			
Future Role			

Source: BE Group 2009

- 5.19 Table 43 details the assessment of Sefton's Employment Areas and Employment Opportunity Sites. Only seven of these are located in North Sefton – six in Southport and one in Formby.
- 5.20 The assessment indicates the total land provision within these areas to be 345.39 ha. Of this total just over a quarter (89.36 ha) is in North Sefton. Sites in Bootle and Netherton dominate the provision in South Sefton, comprising 225.56 ha (65 percent of the total).
- 5.21 North Sefton has 17 percent of its provision in the form of sites remaining available at April 2012 (reduced from 22 percent in the 2010 JELPS). However 12.40 ha of the 14.78 ha are located at Southport Business Park, where development is generally only suitable for B1 office use. This demonstrates the chronic shortage of available industrial or warehousing land in Southport, and strengthens the argument for retaining existing industrial land and premises in North Sefton (discussed below).
- 5.22 South Sefton has a 16 percent share of its provision represented by remaining available sites (again reduced from 22 percent in the 2010 JELPS). 61 percent of the available supply, 25.29 ha, is located at Bridle Way, Netherton. Heysham Road, Netherton contributes a further third. Regeneration Opportunity Sites are assessed as representing an additional 33.56 ha.
- 5.23 Overall, this study has identified Regeneration Opportunities totalling 48.24 ha across the Borough, 14 percent of the total land provision. Again it is important to emphasise that these are suggested opportunities for future change and improvement only. Only a small number of them will become available for reuse over the plan period and only one (Site A, Area of older buildings on Crowland Close, Blowick Industrial Estate, Southport (1.34 ha)) is on the market and immediately available.
- 5.24 The area gradings reflect the fact that many of the Employment Areas are not easily accessible from the strategic road network. Sites in the Dunnings Bridge Road Corridor, close to Switch Island (M57/M58/A59 interchange) attract Grades A and B, as does Southport Business Park (B Grade). Two Bootle sites (Acorn Way and The Peoples Site) are assessed as only Grade E. Land south of Aintree Curve is deemed appropriate for de-allocation from employment use.

Table 43 – Assessment of Existing Employment Areas

Site	Site Area, ha	LA Policy Ref	Current Use	Occupancy Rate, percent	Grade Assessment	Comments
North Sefton						
Birkdale Trading Estate, Liverpool Road, Birkdale	0.75	EDT5 Employment Area	Starter units for light industrial and trade counter uses	100	D	Self contained industrial estate, providing valuable business incubation space
Blowick Industrial Estate, Southport	28.49	EDT5 Employment Area	Old industrial estate with mix of trade counters and small industrial units. North Sefton's largest employment area	84	C/D	Several opportunities to remodel old premises, totalling 8.70 ha. Includes Employment Site SL102 (1.40 ha), which requires remediation
Crossens Way, Southport	12.46	EDT5 Employment Area	Small employment area comprising Railex premises; sewage works; vacant site	83	C	The viability of site SL101 (which is next to the sewage works) is questionable. However, the existing Railex premises are of a good quality and provide the only available B1 office premises in northern Southport
Formby Business Park, Altcar Road, Formby	13.44	EDT5 Employment Area	Mix of industrial retail and quasi-retail units	100	C	Consider more protection of B1/B8 uses rather than further A1 retail. The estate is fully developed, however, both short and long term Green Belt expansion options are available to the north. However, such sites would require a separate access point, from the current estate, to be viable.
Former Philips Factory, Balmoral Drive, Southport	5.98	EDT5 Employment Area	Former Philips factory subdivided into mix of industrial and office units	N/K	C/D	Despite poor building condition site represents scarce opportunity in Southport for reasonable sized employment area

Site	Site Area, ha	LA Policy Ref	Current Use	Occupancy Rate, percent	Grade Assessment	Comments
Kensington Industrial Estate, Southport	1.35	EDT5 Employment Area	Small light industrial and trade counters estate	84	D	Self contained industrial estate, no room to expand
Slaidburn Crescent, Southport	6.61	EDT5 Employment Area	Small estate of retail/counter use and small industrial units	92	C/D	Serves as a local employment area in Southport. Important to resist further retail activity
Southport Business Park, Town Lane, Southport	20.28	EDT4 Employment Area	Modern business park, predominantly B1 office uses	90	B	A mixed-use application has been approved (subject to a Section 106 agreement) which will allow the development of 4.7 ha of employment land and encourage the development of the rest. This is discussed further below. Seen as strategic site to be protected for employment use.
Sub-Total	89.36					
South Sefton						
Aintree Racecourse Business Park, Aintree	10.80	EDT5 Employment Area	Modern estate comprising cash & carry warehouse and range of B1 industrial units	53	B/C	Need for restraint for further retail uses, in order to maintain industrial estate function. The occupancy rate has reduced from 85 percent in 2008 to 51 in 2012.
Bridle Way Industrial Estate, Netherton	73.03	EDT5 Employment Area	Large employment area with mix of B1, B2, B8 uses, some major occupiers	74	A	Includes a number of allocated sites. Scope for extension to Atlantic Park. Potential to remodel some old industrial premises on Bridle Way. Seen as strategic site to be protected for employment use, because of Atlantic Park and Senate Business Park.

Site	Site Area, ha	LA Policy Ref	Current Use	Occupancy Rate, percent	Grade Assessment	Comments
Deltic Way Industrial Estate, Netherton	18.18	EDT5 Employment Area	New build and modern B1 industrial units	67	B	Established employment area that has successfully delivered new speculative buildings (Vesty Business Park). Most of these new properties are now full, with the result that the overall occupancy rate has increased from 44 percent in 2008 to 67 percent in 2012.
Heysham Road Industrial Estate, Netherton	57.41	EDT5 Employment Area	Large industrial estate with mix of B2/B8 premises	92	B	Includes 4 allocated Employment Sites. The wider Heysham Road Estate is currently underused and represents a good opportunity for regeneration/remodelling. Combination of vacant/derelict sites and buildings at Leckwith Road gives scope for large scale regeneration (8.19 ha). Includes the Peerless Refinery site identified as one of four strategic sites in Sefton to be protected for employment use. The Crown Packaging site has now been approved for non-employment use, subject to a Section 106 agreement.
Land & Premises, Acorn Way, Bootle	5.30	EDT7.2 Employment Area	Collection of small sites and premises, poor quality and underused	43	E	Potential for wholesale redevelopment to deliver new B1/B8 space
Land South of Aintree Curve, Netherton	6.47	EDT17.1/H6.1 Employment Opportunity Site	Vacant site bounded by live and redundant railway lines, adjacent to housing areas	N/A	N/A	Consider de-allocation from employment use, due to access and adjacent activity issues

Site	Site Area, ha	LA Policy Ref	Current Use	Occupancy Rate, percent	Grade Assessment	Comments
Linacre Lane Gas Works, Bootle	4.85	EDT17.2/H6.2 Employment Opportunity Site	Gas storage facility	0	D	Vacant land in the Gas Works is constrained and may not be suitable for employment uses.
Maritime Enterprise Park, Rimrose Road, Bootle	10.86	EDT5 Employment Area	Low quality former port related industrial estate with B1/B2/B8 uses	86	D	Scope for selective employment redevelopment over much of the area to complement the more modern small industrial units on Atlas Road
Orrell Mount/Kingfisher Business Park, Hawthorne Road, Bootle	8.27	EDT5 Employment Area	Industrial estate, part recently developed	77	C	Established and relatively successful industrial estate. However, there has been an increase in vacancy since 2008, particularly along Orrell Mount. Overall, the occupancy rate has reduced from 97 percent in 2008 to 80 in 2012
The Peoples Site, Hawthorne Road, Bootle	10.97	EDT17.3/H6.5 Employment Opportunity Site	Employment area of low density warehouses and a large vacant brownfield site	100	E	Low density employment area, with large areas of vacant land. The brownfield site in the north is likely to be released for housing. Elsewhere, remediation costs may make redevelopment unviable.
Port Industrial Area, Bootle	9.56	EDT9 Employment Area	Low grade employment area, including hotel and cafes, within Port Policy Area	78	D	Potential for selective redevelopment of poor quality large buildings in southern half of area (3.63 ha). However, much of this area is likely to be required for Port expansion over the next 20 years, displacing the existing businesses. If area does become part of the

Site	Site Area, ha	LA Policy Ref	Current Use	Occupancy Rate, percent	Grade Assessment	Comments
						Port, a change of planning policy designation would be required.
Premises off Park Lane West, Netherton	9.63	EDT5 Employment Area	Small old industrial estate containing low grade properties	92	C/D	Potential for remodelling of underused warehouse properties
Sefton Lane Industrial Estate, Maghull	13.20	EDT5 Employment Area	Low quality, old industrial estate dominated by B8 uses/builder merchants, coach depot	91	D	Potential to remodel southern part of estate, currently underutilised (3.14 ha). Estate could be expanded by development onto adjacent Employment Site ML104_1
South Sefton Business Centre, Canal Street, Bootle	17.50	EDT5 Employment Area	Mix of moderate quality industrial and office buildings adjacent to town centre	75	C	Important town centre related office and industrial employment area. Properties at Brasenose Industrial Estate which have recently been fire damaged should be rebuilt/redeveloped and all land retained in employment use.
Sub-Total	256.03					
Total	345.39					

Source: BE Group 2012

N.B. Appendix 9 provides site identification plans for regeneration/remodelling opportunities.

- 5.25 Comparison with the Employment Area Assessment in the JELPS shows that vacancy rates have increased in almost all Employment Areas since 2008 (when vacant property information was collected for the JELPS). In that year, 77 percent of the areas assessed had occupancy levels in excess of 80 percent, compared to half in 2012. Employment Areas which have seen a significant increase in vacancy over the last four years include:
- Aintree Racecourse Business Park – Occupancy reduced from 84 percent to 53 percent
 - Land and Premises, Acorn Way – Occupancy reduced from 71 percent to 43 percent
 - Orrell Mount/Kingfisher Business Park – Occupancy reduced from 97 percent to 77 percent
 - Port Industrial Area – Occupancy reduced from 96 percent to 78 percent.
- 5.26 Only Deltic Way Industrial Estate, Netherton has seen a significant improvement in occupancy since 2008, increased from 44 percent to 67 percent. This is due to the successful sale and letting of properties at Vesty Business Park. A new build scheme in 2008, the Business Park is now two thirds occupied.
- 5.27 The increase in vacancy reflects the impact of the recession since 2008 and is reflective of the position in many other local authority areas. However, it is also worth noting that the JELPS reported a shortage of available space in comparison with Sefton's total stock. That study suggested that some increase in the scale and range of available properties would be desirable to give occupiers a choice of premises and achieve market equilibrium.
- 5.28 Apart from the increase in vacancy, Sefton's 22 Employment Areas have not changed significantly since the JELPS Employment Area Assessment. New development has only been completed in three areas – Bridle Way Industrial Estate (completion of Alaska House and Atlantic House, Atlantic Park), Blowick Industrial Estate, Southport (Crowland Street Commerce Park) and Heysham Road Industrial Estate, Netherton (warehouse for Bestway Wholesale, within the Peerless Refinery Site). Elsewhere, planning permissions have not been brought forward.
- 5.29 However, there is an undetermined mixed –use planning application at Southport Business Park.. In addition, the owner of The Former Phillips Factory, Balmoral

Drive, Southport is believed to have aspirations for alternative uses. Furthermore a residential planning application has been approved, subject to a Section 106 agreement, for the Crown Packaging site at Heysham Road Industrial Estate. The issues associated with these three Employment Areas are discussed below.

Southport Business Park

- 5.30 Since the completion of the JELPS in early 2010 there has been no significant further development at Southport Business Park, apart from the completion of a bus route linking Wight Moss Way with Town Lane. However, in April 2012 a consortium of BDW Trading and Priory Assets Management submitted a planning application for the following:
- Erection of 668 houses and apartments on 18.9 ha of land south east of Southport Business Park (on Blowick Moss)
 - An extra care development (126 homes and a 44 bed respite and dementia care building) and 216 sqm retail unit on 5.4 ha of land east of Southport Business Park
 - An outline application for a business park, comprising B1, B2, B8 and Sui Generis car showroom uses on 4.7 ha of land in the north east of Southport Business Park, between Town Lane and the existing office properties.
- 5.31 The planning application is now approved subject to completion of a Section 106 Agreement. The application will help to re-start stalled employment development at Southport Business Park by allowing cross-funding from the high value (housing and possible small-scale retail) elements of the development. Such funding will help overcome site constraints, which include low level contamination and ground stability issues (buildings require piling).
- 5.32 The Council is in discussion with a number of interested parties to deliver this, or an equivalent scheme. In choosing a development partner, Sefton Council aims to secure the best value possible and a timely delivery of the business park.
- 5.33 However, while this permission will help to bring forward development at Southport Business Park, it will also change the character of Business Park by allowing B1(c), B2 and B8 uses on part of the site. Previously development at the Business Park has, with the exception of the Royal Mail Sorting Office, been limited to B1(a) offices (plus some B1(b) research and development).

5.34 The permission also allows some Sui Generis car showroom uses. This reflects the findings of several past studies, including the JELPS, which have suggested car showrooms as an appropriate additional use in the Business Park, particularly on the Town Lane (Kew) frontage. Showrooms were considered to be a high value use which could broaden the market appeal of the Business Park, without significantly altering the Park's character. Past studies (which pre-date the recession) suggest there is good demand for this use in Southport.

5.35 The Business Park is considered to be a strategic site that should be protected for future employment use.

Heysham Road Industrial Estate

5.36 Heysham Road Industrial Estate comprises 79 older industrial properties, several of which have been sub-divided, and four allocated Employment Sites (BL159, BL163_2, BL164 and BL210). This estate represents an underused resource and consideration should be given as to whether vacant/marginal sites can be recycled or remodelled for new employment development.

5.37 In the far south of the Employment Area is Crown Speciality Packaging, a 12,000 sqm factory on a 2.9 ha site. This site is now subject to an outline planning permission (subject to a Section 106 agreement) for 97 dwellings, with the planned relocation of the occupier to a 9,755 sqm distribution unit at Trinity Park, 3 km to the south. Exceptional circumstances were demonstrated by this proposal that justified the permission for alternative non-employment uses.

The Former Phillips Factory, Southport

5.38 The Former Phillips Factory is a complex of buildings, in a mainly residential area, which include the main (3,786 sqm) factory building and ancillary industrial units which total 2,000 sqm. Marketed as Balmoral Business Centre, the properties have been sub-divided to provide budget and moderate quality industrial units to local firms. However, at present the Business Centre is poorly occupied, particularly the main factory building, which is largely empty.

5.39 Agents acting for the owners have indicated their client has aspirations to redevelop the site for non-employment (residential) use with the lack of demand for the existing accommodation contributing to this.

5.40 This study accepts that the main factory building, by virtue of its scale, condition, access and room sizes no longer meets modern occupier requirements. However, the following needs to be considered:

- At 5.98 ha, the Former Phillips Factory represents a significant brownfield site and, as a redevelopment option, a scarce opportunity in Southport for a reasonable sized employment area
- The shortage of employment land in North Sefton (only 14.78 ha in four sites), means that any release of employment land in Southport is inadvisable
- While the main factory is largely empty, several of the ancillary blocks are well occupied, notably the units fronting North Road. Occupiers include Design Production Installation (DPi), SJS VW Camper Interiors and Clearstream Aquatics. This suggests that the location remains relatively desirable to occupiers, even if some of the present property offer does not.

5.41 This study therefore recommends that the Council work with the owner, and other stakeholders, to consider regeneration options for this area. Such options could include significant remodelling or redevelopment of the existing factory buildings, mixed-use development incorporating new residential development, or some enabling development where this can be clearly justified on viability grounds. However, as a valuable land resource in North Sefton, where the employment land supply is limited, the majority of the Employment Area should remain in employment use.

5.42 Further commentary on Sefton's employment areas is provided in Section 7.0.

Other Employment Locations

5.43 In addition to the 22 allocated Employment Areas and Employment Opportunity Sites, two additional local industrial estates have been identified – Musker Street, Crosby and Sandy Road Industrial Estate, Seaforth.

Musker Street, Crosby

5.44 Musker Street is a cul-de-sac off Endbutt Lane, north of the (now demolished) former Littlewoods Building (which has planning permission for housing). It is located in a primarily residential area, south east of Great Crosby Town Centre.

- 5.45 The industrial estate comprises 13 industrial units (130-1,687 sqm in size) totalling 6,852 sqm. Three of the properties (and associated land) are vacant, including a former ATS Euromaster garage (451 sqm) which is on the market as a freehold opportunity. On the opposite side of the road, a 0.44 ha site (including a 1,114 sqm factory building) is for sale and being marketed as a potential residential development site.
- 5.46 However, while the three vacant units are in a poor (potentially derelict) condition the remaining ten properties are of reasonable quality, with occupiers including Travis Perkins, Firwood (builders merchants) and Greencore Group (catering). Overall, the industrial estate remains viable and a useful source of budget/moderate quality industrial premises in Crosby (which has no other significant industrial schemes). The industrial estate should therefore be retained in employment use and protected in the Local Plan through designation as a Primarily Industrial Area rather than continuing its current Primarily Housing Area status.
- 5.47 The three vacant properties should be monitored and, should they become fully derelict, be considered as redevelopment options. Despite the loss of the adjacent Former Littlewoods Building, to housing, further residential development should be discouraged to maintain the integrity and critical mass of the Musker Street employment area.

Sandy Road Industrial Estate, Seaforth

- 5.48 Sandy Road Industrial Estate comprises nine older industrial properties, 280-1,114 sqm in size (totalling 2,267 sqm), which are dispersed along Sandy Lane and Sandy Road. The industrial estate is bounded by housing to the north and west, the Southport to Liverpool railway line to the east and the A5036 (Princess Way) to the south.
- 5.49 Two of the largest properties are vacant and on the market, including the 785 sqm former Hi Craft Factory, Sandy Lane along with some smaller office units on the frontage. The remaining premises are of a reasonable quality with occupiers including Sheet Metal Services (which has recently expanded into former employment site BL283), ASC and Firwood (builders' merchants).
- 5.50 It is therefore suggested that Sefton Council protect the 'core' employment area of Sandy Lane. The future of the outlying (mostly vacant) premises of the Sandy Road

frontage, should be considered further to determine if these properties remain viable or if they should be considered for alternative uses, including residential uses.

Bootle and Southport Central Areas

5.51 The 2010 JELPS reviewed existing office stock in the key Sefton Central Areas (town centres) of Bootle and Southport, as well as the Bootle Office Quarter. This section refreshes that research. GIS maps of the boundaries of these three areas are provided at Appendix 10.

Bootle Office Quarter

5.52 The south east section of Bootle Central Area is defined in the Sefton UDP as the Bootle Office Quarter. The following observations are made:

- The Bootle Office Quarter contains 51,145 sqm of office floorspace (in 16 properties). This equates to 13.4 percent of Sefton's total office stock (382,000 sqm in 2008). It is also the administrative centre for Sefton
- The average property size is 3,197 sqm. This reflects the presence of five buildings of more than 2,000 sqm in size within the Office Quarter boundary. By far the largest is Redgrave Court, Merton Road. This building alone contains 25,837 sqm of office space (half the total)
- Despite this, the majority of office buildings are less than 350 sqm in size, primarily on Merton Road. These provide space for financial services companies
- 3 percent of the floorspace (1,422 sqm) is vacant and on the market. This compares to 5,588 sqm (11 percent) in 2008. 78 percent of the presently available premises (1,115 sqm) comprises office space in the upper floors of St Martins House, Stanley Road
- The majority of the larger office properties were built during the 1960s to 1980s, although several have undergone substantial refurbishment
- Much of the stock can be said to be of average or good quality, although the age of properties may mean they lack some modern facilities (such as high speed broadband connections)
- The Quarter is dominated by public sector occupiers (notably Sefton MBC, HM Revenue and Customs and the NHS).

- 5.53 The Office Quarter may be viewed as Sefton's Central Business District, albeit largely public sector orientated. It is seen as complementing Liverpool City Centre (benefits are lower cost space; higher levels of on-site parking, by comparison).
- 5.54 There is however limited provision for smaller space users, despite the fact small businesses represent the overwhelming percentage of the borough's business profile. Only by provision of suites through building subdivisions is there scope to accommodate small business/small space occupiers.
- 5.55 Faith in the location by private sector investors is reflected in the mix of new build and recent refurbishment of the 1960s-1980s stock. This may be driven by the fact that the occupier market is dominated by large floorplates and public sector users.
- 5.56 Despite the recession, there remains a reasonable demand for accommodation in the Office Quarter. Vacancy rates remain low, and the amount of available space is only 20 percent of what was on the market in 2008. Also, recent national spending cuts do not seem to have resulted in the loss of any large public sector occupiers (although some may have consolidated space and reduced the number of staff they employ locally).
- 5.57 Only Employment Site BL170 (Land adjacent to John's House) in temporary use as a car park, provides the opportunity for further new development. This could deliver the smaller self-contained office product lacking at present. However the temporary car park is clearly serving a purpose and this poses an issue of what happens when displacement occurs should the site be brought forward for development. The Council should consider replacement provision, if the site is developed. This could be achieved by a mixed car park and office development.
- 5.58 It is considered there is scope to redefine the Office Quarter's boundary by extending northwards as far as the Leeds Liverpool Canal. This is illustrated on the plan in Appendix 10. This area includes large former residential properties with gardens, converted to office use within a block bounded by Merton Grove, Washington Parade, Merton Road and Stanley Road. The proposed boundary adjustment also extends to the east of Stanley Road, to include the block comprising Sefton Magistrates Court.

- 5.59 It is important to protect the Office Quarter for continuing office based employment, but where appropriate, further support services (e.g. pub restaurant) for the office employees should be encouraged.

Bootle Central Area

- 5.60 The following observations are made about Bootle Central Area:

- Outside of the Office Quarter, Bootle Central Area contains 19,987 sqm of office floorspace (in 20 properties). This equates to 5.2 percent of Sefton's total office stock (382,000 sqm in 2008). This is increased from 17,014 sqm in the JELPS, with the increase reflecting the recent completion of the 2,973 sqm Investment Centre, Stanley Road
- The average property size is 895 sqm. This reflects the presence of Sefton Town Hall and Litherland House within the Central Area boundary. These two buildings are 4,905 sqm and 3,761 sqm respectively. Excluding them from the figures, reduces the average property size to 491 sqm
- The majority of offices are 200-400 sqm in size, primarily on Stanley Road
- 7 percent of the floorspace (1,377 sqm) is presently vacant and on the market, compared to 2,545 sqm (11 percent of the total) in 2008
- The Investment Centre, 375 Stanley Road opened in 2009 and offers 2,973 sqm of flexible business premises, over five floors. Accommodation includes the 'I-Space' incubator centre which provides managed office space for up to 18 start-up businesses. Tenants include the Council, Arvato, Sefton New Directions and NHS Sefton. The Centre is one of two incubation facilities in South Sefton, with serviced start-up space also available at the Bridgewater Complex, Canal Street, to the west of the Central Area
- The office stock is of a mix of ages. Most of the larger properties were constructed during the 1960s to 1980s. Much of the smaller space on Stanley Road was built pre 1950
- Much of the older stock is of poor quality. Older properties can have architectural merit but they tend to reflect lower quality conversions from other uses such as retail (Stanley Road)
- Most occupiers are in the local financial and legal services sectors.

- 5.61 Bootle Central Area includes the Office Quarter and Bootle's town centre retailing, which is focused on the substantial Strand shopping centre.

5.62 The Central Area is a genuinely mixed use area. It is important that the Council continues to monitor and review the existing office sites and/or buildings that lie within the Central Area, but outside the Office Quarter. Much of this stock is old and, like The Strand centre, is in need of refurbishment or upgrading. Some buildings may (due to their condition and layout) no longer meet modern occupier needs. If this is the case then Sefton Council should review the future of these buildings to determine if they better suit an alternative town centre use.

Southport Central Area

5.63 Southport Central Area contains 25,019 sqm of office floorspace (in 107 properties). This equates to 6.5 percent of Sefton's total office stock (382,000 sqm in 2008). Analysis shows:

- The average property size is 234 sqm
- The majority of offices are less than 200 sqm in size, with concentrations of space on Hoghton Street, and above shops on Lord Street
- 7 percent of the floorspace (1,786 sqm) is presently vacant and on the market, compared to only 3 percent (776 sqm) in 2008
- Most of the office stock is old, with the majority built pre 1950
- Much of the older stock is of poor quality. Older properties can have architectural merit but they tend to reflect lower quality conversions from other uses such as residential (Hoghton Street) or retail
- There is little evidence of recent office development in the Central Area
- Most occupiers are in the local financial and legal services sectors.

5.64 Southport's Central Area office market contrasts with Bootle Office Quarter. The occupier market has a private, rather than public, sector emphasis. As a result it is dominated by small independent businesses.

5.65 The supply is largely a combination of converted residential properties on Hoghton Street, and offices above retail space on Lord Street. As a consequence there is extremely limited on-site parking provision with these premises. There is little evidence of modern space or recent investment, but this is against a background of a substantial Conservation Area status and extensive 'resort' designation areas.

- 5.66 It is considered there may be selective conversion or redevelopment opportunities along Tulketh and Eastbank Streets, which currently include tertiary retail and low grade activity.
- 5.67 It is also considered there is need to protect the Central Area from further residential development if it threatens town centre employment opportunities. It is acknowledged the market will see greater demand and viability associated with residential development. In particular it is important to protect Houghton Street from residential development, in order to provide offices, support services or expansion of Southport College.

Summary

- 5.68 In both North and South Sefton demand is mainly for industrial premises. In North Sefton local firms are looking for moderate/good quality units of up to 279 sqm, including some freehold options. There is an oversupply of budget quality properties at Blowick Industrial Estate and on backland sites in Southport.
- 5.69 In South Sefton, there is good demand for industrial properties of 0-464 sqm to meet the needs of local firms and larger (557 sqm or more) industrial/warehouse units for larger companies from across Merseyside. Again there are some freehold requirements. Bridle Way and Deltic Way industrial estates are the most popular locations.
- 5.70 There has been no new development of industrial properties in Sefton since the completion of Vesty Business Park in 2008/09. Property market stakeholders now feel there is demand (both in North and South Sefton) for an additional scheme(s) of mid-sized (465-743 sqm) industrial units to address unmet demand for moderate/good quality properties.
- 5.71 Sefton is viewed as having a weak office market. In North Sefton, there is limited demand for offices of 0-93 sqm, in Southport Town Centre, from local legal and financial services firms. Despite its status as a flagship office development in Sefton, surprisingly little reference is made to Southport Business Park. This may be because the Business Park has largely served as a location for bespoke design and build units for owner occupiers.
- 5.72 Property agents are particularly pessimistic about the South Sefton office market, notably the Bootle Office Quarter which, in recent years, they consider has suffered

from a lack of both private and public sector demand. Requirements are for suites of 0-186 sqm, from local firms. One exception is the Investment Centre which, over the last four years, has successfully attracted a range of primarily local occupiers and is now full.

- 5.73 The 22 Employment Areas and Opportunity Sites have been reviewed, with a total employment land provision of 345.39 ha (just over a quarter of which is in North Sefton). That review has identified Regeneration Opportunities totalling 48.24 ha, which represent options for the future change and improvement of Sefton's employment land supply. With the exception of Land at Aintree Curve and the northern portion of The Peoples Site, the study broadly recommends that Sefton retains its existing Employment Areas and Opportunity Sites. In this context, and whilst acknowledging that Crown Packaging, Heysham Road Industrial Estate, is not a prime employment site, it should only be lost to an alternative use if the applicant can demonstrate that exceptional circumstances apply and that the loss would not have wider implications for other employment sites in Sefton.
- 5.74 Sefton's Employment Areas/Opportunity Sites have not changed significantly since they were reviewed in the JELPS. Neither have the Bootle Central Area/Office Quarter and Southport Town Centre. However, a mixed-use planning application by BDW Assets and Priory Assets Management has now been approved for part of Southport Business Park. This has the potential to be the catalyst for further development in the Business Park. However, the application does broaden the range of acceptable uses in the Employment Area to include industrial, warehouse and motor retail options.

6.0 COMPANY SURVEY

Introduction

- 6.1 As part of the 2010 JELPS, a business survey was carried out to establish evidence of demand for land and property, and substantiate findings in other sections of that report. That business survey covered the whole of the Liverpool City Region (the study area), not just Sefton. However, it still provides important evidence about local companies, and their land and property needs, both in Sefton and in several of Sefton's neighbouring local authority areas. It is another strand of evidence that will be used to inform conclusions and recommendations of this refresh study.

Methodology

- 6.2 A questionnaire, with explanatory covering letter and pre-paid envelope, was sent out to 952 companies (of which 404 were in Sefton). There are approximately 9,512 businesses operating from B1, B2 and B8 premises or sites in the 2010 study area (according to 2006 VAT registrations data), and therefore this was a ten percent sample. The stock of companies varies between each of the four local authority areas, therefore the number of companies surveyed in each of the areas was unequal.
- 6.3 The source and content of the company databases also differed between local authority areas. Whereas West Lancashire companies were sourced from the Focus business database, company listings for the other three areas were sourced from the individual local authorities. Although full databases (containing all known companies operating from B1, B2 and B8 premises) were provided for Knowsley and Sefton, Halton supplied a sample of 300 relevant companies.
- 6.4 There are also differences between the databases in terms of the information provided, for example company size was not given for all companies, and company activity categories differ between the local authority areas (and were not provided at all in Halton's listings). These differences will mean that although, where possible, the companies targeted were representative of the business profile by activity and size, this cannot be guaranteed. Therefore responses are not necessarily comparable between local authority areas.
- 6.5 Whilst consolidated data analysis is presented in this chapter, more detailed information and raw data for Sefton is included at Appendix 5. This includes

breakdowns of the geographic distribution of respondents, and analyses, where possible, by North and South Sefton.

Response

- 6.6 The postal response achieved was 12.1 percent. Building on this, follow-up telephone calls were made to elicit better co-operation from businesses.
- 6.7 These actions significantly enhanced the numbers of responses, as well as establishing those companies who have either ceased trading or are no longer in the study area.
- 6.8 Overall 533 questionnaires were completed, 56.0 percent of the total originally targeted, see Table 44. This equates to just under a six percent sample of the study area relevant business population, but is considered a sufficiently robust level of response. It should be noted that the high number of Sefton companies identified as having ceased trading or moved reflects the outdated business database provided for this area. As a consequence all of the companies on the database, still in existence, were pursued to ensure a response was secured.

Table 44 – Company Survey Responses

Local Authority	Halton	Knowsley	Sefton	West Lancashire	Total
Responses received	95	79	223	136	533
No Response	63	13	0	51	127
Companies ceased/ moved	11	45	181	55	292
Total	169	137	404	242	952

Source: BE Group 2009

Company Size

- 6.9 The 533 companies that took part in this survey employed 6,346 people. Of these, 6.7 percent (423) were part-time employees, as shown in Table 45. Knowsley had by far the fewest part time workers. They make up just two percent of its total. This is substantially below NOMIS' figure of 23 percent of the total workforce being in part-time employment. However NOMIS figure relates to all employment sectors, for example retail, hotel and catering, where there is a much higher incidence of part-time employment.

Table 45 – Number of Employees

Status	Halton	Knowsley	Sefton	West Lancashire	Total	Percentage
Full-time	1,117	1,546	2,042	1,218	5,923	93.3
Part-time	118	30	188	87	423	6.7
Total	1,235	1,576	2,230	1,305	6,346	100

Source: BE Group 2009

- 6.10 Table 46 shows that total responses broadly fit the national profile of small company employment. The majority (74.8 percent) employed ten or less (micro-businesses), the proportion of small firms (employing 11-50) was also quite large (19.4 percent). 25 companies employ more than 50 people. However, while Sefton (along with Halton and West Lancashire) broadly fit this national profile, Knowsley had an unusually small proportion of companies with ten or less employees (just 60.8 percent), as well as a large proportion with over 50 employees (10.1 percent).
- 6.11 It should also be noted that there are three particularly large companies (with over 200 employees) that took part in the survey, (one each in Knowsley, Sefton and West Lancashire) as this may skew some of the survey findings.

Table 46 – Company Profile

Company Size, employees	Number of Companies Responding					Proportion of Companies Responding, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
0-2	18	23	96	71	208	39.0
3-5	24	15	42	22	103	19.3
6-10	20	10	39	19	88	16.5
11-20	14	13	27	13	67	12.6
21-50	11	8	9	8	36	6.8
50 +	5	8	9	3	25	4.7
Not stated	3	2	1	0	6	1.2
Total	95	79	223	136	533	100

Source: BE Group 2009

Current Premises

- 6.12 Companies were asked to state the type of property they occupy e.g. offices, industrial, warehouse, etc. Table 47 shows that just under half of the companies in the study area occupied industrial/warehouse accommodation, 27.0 percent were in

offices (51.2 percent if serviced offices and homeworkers are included). Just 2.1 percent operated from a site. Sefton had the second highest proportion of homeworkers, after West Lancashire.

Table 47 – Responses by Premises Type Occupied

Type of Accommodation	Number of Companies Responding					Proportion of Companies Responding, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
Industrial	29	45	85	38	197	37.0
Office	30	10	70	34	144	27.0
Home	4	16	52	46	118	22.1
Warehouse	18	6	13	11	48	9.0
Site	4	1	3	3	11	2.1
Serviced Office	7	0	0	4	11	2.1
High-tech/Lab	3	1	0	0	4	0.8
Total	95	79	223	136	533	100

Source: BE Group 2009

6.13 Companies were asked to indicate whether they own or rent their property. Table 48 shows that overall there are very similar proportions of companies that rent or own their premises. However examination of each local authority area reveals there are nearly twice as many companies that leased, rather than owned, their premises in Halton, with the reverse being the case in Knowsley.

Table 48 –Tenure of Premises Occupied

Tenure of Accommodation	Number of Companies Responding					Proportion of Companies Responding, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
N/a (Work from home)	4	16	52	46	118	22.1
Leasehold	48	19	86	36	189	35.5
Freehold	25	39	75	43	182	34.1
Not Stated	18	5	10	11	44	8.3
Total	95	79	223	136	533	100

Source: BE Group 2009

6.14 Table 49 indicates the sizes of premises occupied by companies. Overall, emphasis is on premises of 500 sqm or less (52.9 percent), with the greatest proportion (26.3 percent) based in premises of less than 100 sqm. Again, when local authorities are

looked at individually there are some differences between the areas - most noticeable is in that in West Lancashire only a quarter of companies occupy premises of 500 sqm or less. However, it also has the highest proportion of companies working from home (33.8 percent) and this will skew the figures.

Table 49 – Size of Premises Occupied

Size, sqm	Number of Companies Responding					Proportion of Companies Responding, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
N/a (Work from home)	4	16	52	46	118	22.1
N/a (Occupy a site rather than premises)	4	1	3	3	11	2.1
0-100	26	15	67	32	140	26.3
101-200	14	8	38	20	80	15.0
201-500	17	12	22	11	62	11.6
501-1000	5	6	11	12	34	6.4
1001-2000	6	7	11	3	27	5.1
2001-5000	9	11	8	6	34	6.4
5001-10,000	0	1	2	0	3	0.6
10,001-20,000	1	0	0	1	2	0.4
20,001-50,000	1	0	0	0	1	0.2
Not stated	8	2	9	2	21	3.9
Total	95	79	223	136	533	100

Source: BE Group 2009

- 6.15 Respondents were asked to comment on whether they were satisfied with their present accommodation, and if not to explain why. Table 50 shows that 91.9 percent were content. Sefton had the highest proportions of companies that were satisfied with their premises. Knowsley had the highest proportion of unsatisfied companies.
- 6.16 Of the 42 companies that are unsatisfied with their property or site, all but four gave reasons why. Eleven companies are in buildings that are too old or need upgrading, ten are in premises that are too small and three feel that their property is too expensive. Other reasons include properties having poor security, poor access, being in an unsuitable area and there being insufficient facilities nearby. In Sefton, five companies stated that they were unsatisfied because they had outgrown their premises.

Table 50 – Satisfaction with Current Premises

Satisfaction with Premises	Number of Companies Responding					Proportion of Companies Responding, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
Very satisfied	52	47	159	56	314	58.9
Satisfied	34	20	50	72	176	33.0
Unsatisfied	7	11	13	3	34	6.4
Very unsatisfied	1	1	1	5	8	1.5
Not stated	1	0	0	0	1	0.2
Total	95	79	223	136	533	100

Source: BE Group 2009

Future Accommodation Requirements

- 6.17 Companies were asked to indicate whether they are considering moving premises in the next twelve months, or two to three years. 112 companies indicated that they are intending to relocate; with 76 of them proposing that this will happen in the next year. Sefton had the lowest proportion of companies considering moving (16.6 percent).
- 6.18 All but three companies planning to move cite the amount of floorspace likely to be required. In some instances a range of sizes is indicated. By adding these together an overall need is calculated as shown in Tables 61 and 62. Three companies were moving outside the study area. Both gross and net figures are provided. The net figure takes into account the likelihood that the majority of the planned moves will release back onto the property market the premises presently occupied – to be reused by other businesses. Under both scenarios industrial need dominates.
- 6.19 Summaries of forecasted future space needs by size, tenure, quality and location type are shown in Tables 51 to 55 (office requirements) and Tables 56 to 60 (industrial requirements). The preferred locations of those with office and industrial requirements for Sefton are considered in more detail in Tables 54 and 59.

Table 51 – Summary of Office Requirements – Size

Size, sqm	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
0-100	2	1	2	3	8	23.5
101-200	6	1	3	6	16	47.1

Size, sqm	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
201-500	1	0	4	0	5	14.7
501-1000	1	0	1	0	2	5.9
1001-2000	0	0	1	2	3	8.8
Total	10	2	11	11	34	100

Source: BE Group 2009

Table 52 – Summary of Office Requirements – Tenure

Tenure	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
Freehold	0	0	6	4	10	29.4
Leasehold	2	0	3	3	8	23.5
No preference	8	2	2	4	16	47.1
Total	10	2	11	11	34	100

Source: BE Group 2009

Table 53 – Summary of Office Requirements – Quality

Quality	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
Basic	1	1	0	0	2	5.9
Moderate	4	0	5	4	13	38.2
New	2	0	4	6	12	35.3
New or moderate	2	0	0	0	2	5.9
No preference	1	1	2	1	5	14.7
Total	10	2	11	11	34	100

Source: BE Group 2009

Table 54 – Summary of Office Requirements – Location Type

Location Type	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
Business Park	7	0	3	4	14	41.2
Town Centre	0	0	4	4	8	23.5
Business Park	2	0	1	0	3	8.8

Location Type	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
or Town Centre						
Business Park or Industrial Estate	1	0	0	2	3	8.8
Business Park or Rural	0	0	0	1	1	2.9
No preference	0	2	3	0	5	14.7
Total	10	2	11	11	34	100

Source: BE Group 2009

Table 55 – Sefton Summary of Office Requirements – Area

Area	Number of Requirements
North Sefton	
Southport	6
Formby	1
South Sefton	
Bootle	1
Crosby	1
Anywhere North West	1
No preference	1
Total	11

Source: BE Group 2009

- 6.20 There were 34 requirements for office premises, with the most sought after size being 101-200 sqm. The majority of companies (47.1 percent) have no preference regarding tenure. However, in Sefton over half the companies required freehold offices. There was a strong preference for moderate quality existing or new premises on business parks. There was also demand, to a lesser extent, for office premises in town centres. Most companies were looking for premises of the same or a larger size to their current premises. One company (a printing firm) that occupied an office wanted to relocate to industrial premises (no reason given).
- 6.21 Six of Sefton's 11 requirements were for Southport, with individual requirements for Formby, Crosby and Bootle.

Table 56 – Summary of Industrial Requirements – Size

Size, sqm	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
0-100	2	2	2	1	7	9.1
101-200	4	3	6	4	17	22.1
201-500	3	2	4	1	10	13.0
501-1000	3	3	4	2	12	15.6
1001-2000	4	2	5	6	17	22.1
2001-5000	2	3	2	2	9	11.7
Over 5000	1	0	1	0	2	2.6
Not stated	1	1	1	0	3	3.9
Total	20	16	25	16	77	100

Source: BE Group 2009

Table 57 – Summary of Industrial Requirements – Tenure

Tenure	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
Freehold	5	4	8	5	22	28.6
Leasehold	4	4	3	6	17	22.1
No preference	11	8	14	5	38	49.4
Total	20	16	25	16	77	100

Source: BE Group 2009

Table 57 – Summary of Industrial Requirements – Quality

Tenure	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
Basic	2	0	3	1	6	7.8
Basic or moderate	0	0	1	0	1	1.3
Moderate	10	9	13	10	42	54.5
New	1	3	3	1	8	10.4
New or moderate	1	0	0	0	1	1.3
No preference	6	4	5	4	19	24.7
Total	20	16	25	16	77	100

Source: BE Group 2009

Table 59 – Summary of Industrial Requirements – Location Type

Location Type	Number of Requirements					Proportion of Requirements, percent
	Halton	Knowsley	Sefton	West Lancashire	Total	
Industrial Estate	15	15	18	7	55	71.4
Industrial Estate/ Business Park	1	0	3	2	6	7.8
Business Park	1	1	0	1	3	3.9
Town Centre	0	0	1	1	2	2.6
Industrial Estate/Rural	0	0	0	1	1	1.3
Rural	1	0	0	1	2	2.6
No preference	2	0	3	3	8	10.4
Total	20	16	25	16	77	100

Source: BE Group 2009

Table 60 – Sefton Summary of Industrial Requirements – Area

Required Area	Number of Requirements
North Sefton	
Southport	11
Formby	2
South Sefton	
Bootle/Netherton	4
Crosby	1
Crosby/ Maghull	1
Bootle/Netherton/Crosby/Aintree/ Liverpool/Maghull	1
Anywhere Merseyside	3
Anywhere North West	1
Anywhere Sefton	1
Total	25

Source: BE Group 2009

- 6.22 77 companies had requirements for industrial premises, with the most popular size bands being 101-200 and 1,001-2,000 sqm. Only five companies wished to downsize. Half did not have a preference regarding tenure – and the others are evenly split. Most companies wanted moderate quality premises (although a quarter have no preference). Over 70 percent required an industrial estate location.
- 6.23 Again, Southport was the preferred location for companies with an industrial requirement in Sefton.
- 6.24 Tables 61 and 62 show the domination of industrial demand over the office sector both in terms of total floorspace required and number of requirements. The range is wide because of the size bands used, and also because a number of companies are looking for premises over 1000 sqm.

Table 61 – Total Office Requirements

Area	Number	Gross Floorspace Requirements, sqm	Net Additional Need, sqm
Halton	10	1,308-2,900	905-1,300
Knowsley	2	101-300	101-200
Sefton	11	2,609-5,800	903-1,700
West Lancashire	11	2,608-5,500	2,107-3,700
Total	34	6626-14,500	4,016-6,900

Source: BE Group 2009

Table 62 – Total Industrial Requirements

Area	Number	Gross Floorspace Requirements, sqm	Net Additional Need, sqm
Halton	20	29,097-42,381	4,030-8,329
Knowsley	16	10,213-23,800	2,803- 6,100
Sefton	25	17,422-37,400	9,807-20,300
West Lancashire	16	11,114-23,400	6,504-13,800
Total	77	67,846-126,981	23,144-48,529

Source: BE Group 2009

Land Requirements

- 6.25 There was only one land requirement. This was from a Sefton company that occupied a 0.8 ha site. It wanted a 2 ha freehold site anywhere in Merseyside.

Property Factors

- 6.26 101 out of the 112 companies expecting to move in the next three years stated the most important factor(s) when looking for alternative accommodation. These are shown in Table 63. Several companies gave more than one reason.
- 6.27 The most important factor was location, for example the need for premises to be on an industrial estate or close to current property. Cost, the specification of premises (for example the need for a property to be freehold, good quality or with storage space), size and accessibility were also seen as being very important. Companies in each local authority area had different priorities when it comes to moving – for Sefton’s companies it was location and cost.

Table 63 – Most Important Factor(s) When Seeking Alternative Accommodation

Factor	Number of Companies Commenting				
	Halton	Knowsley	Sefton	West Lancashire	Total
Location (on an industrial estate, with passing trade, near to current premises, etc)	8	5	19	12	44
Cost	9	5	17	8	39
Specification of property (e.g. needs to be freehold, good quality, have storage space, etc)	10	1	10	11	32
Size	8	9	9	3	29
Accessibility (near to motorway/good road network, accessible to vehicles/staff)	10	2	6	3	21
Security	4	0	1	2	7
Parking	3	0	3	0	6
Good public transport links	1	0	2	1	4
Business support from local council	1	2	0	1	4
Local environment (attractive area, low pollution)	1	0	2	0	3
Facilities for staff	1	1	0	0	2
Good broadband connection	1	0	0	0	1
Availability of grants	1	0	0	0	1
Signage	0	0	1	0	1
Availability of local labour	0	0	0	1	1
Facilities at premises (serviced office)	0	0	0	1	1
Total Number of Comments	58	25	70	43	196

Source: BE Group 2009

Perceptions/Comments

- 6.28 Over a third of respondents (37.1 percent) made additional comments relating to the wider business environment, with some making several comments. A number of Sefton companies made reference to the need for road infrastructure improvements, as well as business rates being too high (despite the latter being a central rather than local government matter). The need for more business support, the lack of property options, parking issues and general upkeep issues were also frequently mentioned.

Summary

- 6.29 Most companies requiring office space wanted premises up to 200 sqm, with the most sought after size being 101-200 sqm. The majority of companies had no preference with regards to tenure; however in Sefton there was relatively strong freehold demand. Generally, firms wanted moderate quality or new premises on business parks and, to a lesser extent, in town centres.
- 6.30 Despite the general economic shift from industrial to service sector activity, the survey found demand for industrial premises to be higher than demand for offices. This applies both in terms of the number of requirements and the total floorspace requirement. Most requirements were for units up to 2,000 sqm with the most popular size bands being 101-200 sqm and 1,001-2,000 sqm. There was no clear tenure preference, but most companies required moderate quality premises. Industrial estates are by far the most popular location for companies seeking industrial property.
- 6.31 The findings in Section 4.0 assessed supply of available premises in Sefton. In Table 64 the available properties are aligned to the identified company requirements (for Sefton only) as one test of the supply and demand position. As Table 54 illustrates, overall Sefton provides plentiful choice for companies wishing to move. The only exception is for office and industrial properties of more than 2,000 sqm. However, the company survey indicates that there is little, or no, demand for such very large units.
- 6.32 Based on the company survey findings, the only significant shortage is for freehold offices. At present only two freehold offices are available freehold in North Sefton while there are no freehold options in South Sefton.

Table 64 – Sefton Premises Supply and Demand Analysis

Requirement Property Size, Sqm	Industrial		Office	
	Available Units	Number of Requirements	Available Units	Number of Requirements
0-100	25	2	54	2
101-200	19	6	16	3
201-500	32	4	18	4
501-1000	27	4	6	1
1001-2000	17	5	4	1
2001-5000	4	2	0	0
5001 +	3	1	0	0
Total				
No size stated	-	1	-	0
Freehold/Either	33	8	2	6
Good Quality/New	32	3	35	4

Source: BE Group 2009 and 2012

- 6.33 The survey confirms the strength of micro and small businesses in the study area; the need for business park/industrial estate property solutions; the continuing need for industrial units and the importance of cost, accessibility and location to businesses.
- 6.34 The survey identified a net property requirement of up to 22,000 sqm in Sefton (totalled from Tables 51 and 52). Most is for industrial space. However this estimate makes no allowance for the recycling of existing space, and therefore the lower end figure of net need of about half this sum, (10,710 sqm) is considered a better approximation. This equates to a land need (based on standard property development rates of 3,900 sqm/ha) of 2.7 ha.
- 6.35 Given that these findings reflect a ten percent sample of businesses in Sefton, the likely land and property need could be substantially higher – perhaps nine times as great. Extrapolating the identified land need by a factor of ten generates a total land need of some 27 ha. However, this figure can only be viewed as a guide for several reasons. Firstly, the company survey was undertaken three years ago so many of the companies who wished to relocate at that time will now have done so. In addition, this figure takes no account of any size skew amongst businesses surveyed, the amount of vacant space and increasing office (rather than industrial) based employment. Finally, the figures may be unduly pessimistic as the survey was

conducted during the onset of the economic recession, when business confidence was particularly low.

- 6.36 It should be remembered that the company survey is just one strand of evidence. It illustrates pent-up demand. It is not the sole answer; obviously not all the company requirements will come to fruition as shown by the survey returns. Equally there will be other companies who were surveyed that stated that they do not intend to relocate at the moment, but which may well now be ready to do so over the next five years.

7.0 EMPLOYMENT LAND

Introduction

- 7.1 This section looks at the existing portfolio of land in Sefton, not only how much there is, but also its quality, type, suitability and availability.
- 7.2 The Borough needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to dynamic market conditions, changing business needs and working practices, including higher technology operations.
- 7.3 By initially establishing how much land there is, we must then, secondly, consider how much land is needed in the future (to 2031). This assessment is based on the consideration of both 'policy off' and 'policy on' scenarios as well as the roll forward of long-term trends in historic employment land take-up.
- 7.4 In calculating the existing land supply and future needs from now until 2031, it is important to set a base date for the analysis. For this report, that date is 31st March 2012. Any employment planning permissions approved since 1st April 2012 do not therefore affect the identified land supply.

Land Supply

- 7.5 The start point for the supply side assessment is the Council's Employment Land Monitoring, dated 31st March 2012. This indicates a current employment land supply of 57.96 ha, comprising 18 sites.
- 7.6 This represents an overall decrease of 12.77 ha on the 2008 baseline supply figure of the JELPS (70.73 ha, comprising 25 sites). This decrease is partly due to the completion of development on five sites over the 2008-2012 period:
- BL108_2 Former Vesty Site, Sefton Business Park, Bridle Road, Netherton, South Sefton (5.29 ha) – Developed as Vesty Business Park (office/production units)
 - BL253 Site of Vermont House, 375 Stanley Road, Bootle, South Sefton (0.25 ha) – Developed as South Sefton Investment Centre (serviced offices)
 - BL283 Sheet Metal Services Site, Sandy Lane Industrial Estate, Seaforth, South Sefton (0.28 ha) – Developed for single light industrial building

- SL103 Land at Junction of Butts Lane and Foul Lane, Southport, North Sefton (1.00 ha) – Developed for Crowland Street Commerce Park (office/hybrid/trade units)
 - SL269 66 Virginia Street, Southport, North Sefton (0.06 ha) – Developed for housing.
- 7.7 The 1.33 ha Linacre Lane Gas Works Site, Bootle, South Sefton (BL313) has also been removed from the supply as the land is constrained and no longer considered suitable for employment development. Completions on five other sites have led to reductions in the sizes of those sites since 2008:
- BL112 Atlantic Park, Dunning's Bridge Road, Netherton, South Sefton – Reduced from 19.16 ha to 16.75 ha due to the completion of Alaska House and Atlantic House (offices), along with the refurbishment of Caspian House
 - BL149 Former Lanstar Site, Hawthorne Road, Litherland, South Sefton – Reduced from 1.15 ha to 0.97 ha due to a more accurate re-digitising of the site by Sefton Council
 - BL159 Former Peerless Refinery, Dunning's Bridge Road, South Sefton – Reduced from 7.04 ha to 5.82 ha following completion of a 7,430 sqm warehouse for Bestway Wholesale
 - SL112_10 Remaining area of Southport Business Park, Town Lane, Kew, Southport, North Sefton – Site area recalculated from 13.17 ha to 12.40 ha to reflect infrastructure development and various minor changes.
- 7.8 Sites BL156_5 and BL156_6 Phases 1 and 2, Senate Business Park, Bridle Road, Netherton have been combined (as BL156_5), with no change to the overall site size.
- 7.9 No land has been added to Sefton's employment land supply between 2008 and 2012.
- 7.10 Table 65 sets out Sefton's 2012 supply, outlining the size and location of each site, providing comments on its current status (e.g. owner intentions) and assessing when it might come forward for development or use. The assessment of timescale is based upon a number of factors – ownership situation, planning status, known or likely constraints, infrastructure and services required, market demand. Detailed proformas for each site (which include plans) are provided at Appendix 6.

Table 65 – Sefton Employment Sites Schedule

Site Ref	Name	Size, ha	Comment / Update	Estimated Availability, years
North Sefton				
SL101	Land at Crossens Way, Southport	1.73	Owner: Railex Aspiration/use: Owner may have aspirations for non-employment uses. Adjacent sewage works a potential constraint Potential type: Industrial	5+
SL102	194 Cobden Road, Southport	0.40	Owner: Private Individual Aspiration/use: Available, but not marketed. Adjacent gas holders a potential constraint Potential type: Industrial/Office	5+
SL112_10	Remaining area of Southport Business Park, Town Lane Kew, Southport	12.40	Owner: Sefton MBC BDW Trading/Priory Assets Management has planning permission (subject to a section 106 agreement) for a mixed use scheme, which includes (in outline) a B1/B2/B8 Sui Generis business park on land in the east of the site. Aspiration/use: Interest from one developer in developing out the remaining land for offices Potential type: Office	3-5
SL190	Land North East of Slaidburn Crescent, Southport	0.25	Owner: Private Individuals Aspiration/use: Owner wishes to develop for industrial units Potential type: Industrial	1-3
Sub-Total		14.78		
South Sefton				
BL112	Atlantic Park, Dunning's Bridge Road, Netherton	16.75	Owner: Royal London Asset Management Aspiration/use: Three large office buildings now completed on site. Former Rolls Royce factory (17,651 sqm) is on the market for industrial/warehousing uses. Eight further serviced plots (0.6-2.5 ha in size) are on the market for design and build opportunities Potential type: Office/Industrial	3-5
BL131_4	Former Parcel Force Depot, Trinity Park, Orrell Lane, Bootle	2.83	Owner: Not known Aspiration/use: Land on the market as yards of 0.4-2 ha Potential type: Industrial	3-5
BL149	Former Lanstar	0.97	Owner: Tesco	1-3

Site Ref	Name	Size, ha	Comment / Update	Estimated Availability, years
	Site, Hawthorne Road, Litherland		Aspiration/use: Planning permission for 2,592 sqm of employment space, linked to development of the adjacent foodstore (which opened in 2009). Owner recently received a three year extension in which to deliver the employment floorspace Potential type: Industrial	
BL156_3	Senate Business Park and Girobank, Bridle Road, Netherton	2.53	Owner: Littlewoods Aspiration/use: Site unlikely to developed by owner due to current market conditions and may revert to Sefton MBC. Santander have confirmed that they have no requirements for land at Senate Business Park Potential type: Office	5+
BL156_5	Phases 1 and 2, Senate Business Park, Bridle Road, Netherton	1.66	Owner: Sefton MBC Aspiration/use: On the market as a development opportunity Potential type: Office	5+
BL158	Farriers Way Industrial Estate, Farriers Way, Netherton	0.53	Owner: Space North West Aspiration/use: Site marketed for design and build development Potential type: Industrial	1-3
BL159	Former Peerless Refinery, Dunnings Bridge Road, Netherton	5.82	Owner: Chancerygate Aspiration/use: South of site has been developed as a warehouse for Bestway Wholesale. Owner has aspirations for a mixed use development (retail and employment) on the remaining land Potential type: Office/Industrial	1-3
BL161	Rear of Atlantic Industrial Estate, Bridle Road, Netherton	0.99	Owner: Sefton MBC Aspiration/use: Site on the market as a serviced development plot (Plot 10) Potential type: Industrial/Office	3-5
BL163_2	Switch Car, Wakefield Road, Netherton	4.69	Owner: Carcraft Aspiration/use: Site on the market. Interest from a range of parties. However, potential developers have so far been unable to reach an agreement with the owner over land value Potential type: Office/Industrial	3-5
BL164	Land South of Heysham Road, Heysham Road, Netherton	2.05	Owner: William Rainford Holdings Aspiration/use: Owner is landbanking site Potential type: Industrial/Office	5+

Site Ref	Name	Size, ha	Comment / Update	Estimated Availability, years
BL170	Land Adjacent to John's House, Merton Road, Bootle	0.83	Owner: Private Individual Aspiration/use: In use as commercial car park, under temporary planning consent Potential type: Office	5+
BL210	Playing Field Adjacent to Former Metal Box, Heysham Road, Netherton	1.08	Owner: Grafton Gale Aspiration/use: Planning permission for a warehouse building with associated offices and nine starter industrial units has now lapsed Potential type: Industrial/Office	1-3
BL260	Linacre Bridge. Linacre Lane, Bootle	1.01	Owner: Private Individual Aspiration/use: Temporary car wash on site. Owner may have aspirations for non-employment uses. Potential type: Industrial/Office	3-5
ML104_1	Former Sewage Works, Sefton Lane Industrial Estate, Maghull	1.44	Owner: Private Individuals Aspiration/use: Not known Potential type: Industrial	5+
Sub-Total		43.18		
Total		57.96		

Source: BE Group/Sefton MBC, 2012

Sites Analysis

- 7.11 As Table 66 shows, just over a quarter of the available land is in North Sefton (14.78 ha, comprising four sites) while the remaining 43.18 ha (14 sites) is in South Sefton.
- 7.12 In North Sefton, all of the employment land is in Southport. 84 percent of the North's supply (12.40 ha) comprises undeveloped land at Southport Business Park. Of the three other sites, two are comparatively small (0.25-0.40 ha) while the remaining site (Land at Crossens Way) is constrained by being adjacent to a sewage works.
- 7.13 In South Sefton, 41 percent of the land supply (17.74 ha) comprises land at Atlantic Park, Dunnings Bridge Road, Netherton. Since the 2010 JELPS, this site has been divided into eight serviced plots, 0.6-2.5 ha in size, which are on the market as design and build opportunities. The former Rolls Royce factory (17,651 sqm) is also on the market for industrial and warehousing uses.
- 7.14 Other substantial South Sefton sites include the 5.82 ha Former Peerless Refinery, Dunnings Bridge Road, Netherton. The completion of a warehouse for Bestway

Wholesale, in the south west, has reduced the size of this site by 1.22 ha since the 2010 JELPS.

Table 66 – Land Use Status

Area	Site Type	On The Market, ha	Available But Not Marketed, ha	Not Available, ha	Partly Available, ha	Total, ha
North Sefton	Office	-	-	12.40	-	12.40
	Industrial	-	-	1.98	-	1.98
	Either	-	0.40	-	-	0.40
	Sub-total	-	0.40	14.38	-	14.78
South Sefton	Office	4.19	-	0.83	-	5.02
	Industrial	3.36	-	2.41	-	5.77
	Either	22.43	-	9.96	-	32.39
	Sub-total	29.98	-	13.2	-	43.18
Sefton Overall	Office	4.19	-	13.23	-	17.42
	Industrial	3.36	-	4.39	-	7.75
	Either	22.43	0.40	9.96	-	32.79
	Total	29.98	0.40		-	57.96

Source: BE Group 2012

- 7.15 Overall, 92 percent (39.90 ha in 11 sites) of South Sefton’s land supply is focused in, and around, the Bridle Way and Heysham Road Employment Areas of Netherton. There are two further sites in Bootle, including the 0.83 ha ‘Land Adjacent to John’s House, Merton Road’ within Bootle Office Quarter. There is also a 1.44 ha site (Former Sewage Works) at Sefton Lane Industrial Estate, Maghull.
- 7.16 The analysis in Table 66 divides the land between two types of uses – office (B1a and B1b) and industrial (B1c, B2 and B8). Overall, 30 percent (17.42 ha) of Sefton’s land supply is suitable for offices, 13 percent (7.75 ha) is suitable for industrial uses, while the remaining 57 percent (32.79 ha) could be used for either purpose.
- 7.17 In North Sefton, only 16 percent of the land is suitable for industrial development. However, this assumes that Southport Business Park remains an exclusively office scheme. It should be noted that the outline planning permission granted (subject to the signing of a Section 106 agreement) to BDW Trading/Priory Assets Management, on land in the north east of the Business Park, is for a mix of B1, B2, B8 (and Sui Generis) uses.

- 7.18 In South Sefton, office options are available at Senate Business Park, Bridle Road, Netherton and in the Bootle Office Quarter (Land Adjacent to John's House, Merton Road). Generally, three quarters of South Sefton's supply (32.39 ha) is suitable for either office or industrial development. This includes all of the sites, outside of Senate Business Park, which are greater than 1 ha in size.
- 7.19 It is noted that local authority planning department's record employment land as 'available' until it is fully developed. Land is therefore deemed 'available' even whilst development is under construction. BE Group's definition is however grounded in market assessment and availability to the market in general. Hence BE Group considers the following as not actually available:
- Land held by developers for speculative or bespoke developments
 - Land being retained by the owners as expansion land for their own future use
 - Land currently under development
 - Land where ownership or other constraints mean it is not being brought forward to the market for employment uses at present.
- 7.20 As a consequence at April 2012 30.38 ha of the total land supply is considered to be genuinely available, using BE Group's definition. This comprises the columns, 'On the Market', 'Available but not Marketed' and 'Partly Available' in Table 66. Available land represents 52 percent of the supply. The majority of this, 29.98 ha, is being actively marketed for sale. All of the land presently on the market is in South Sefton and includes serviced plots at Atlantic Park and Farriers Way Industrial Estate, off Bridle Road, Netherton. Only 0.40 ha of land in North Sefton (194 Cobden Road, Southport) is considered to be available
- 7.21 Each site has been assessed for its expected availability, the point at which it may come to market or be developed. This is derived from consultations with owners, developers, agents, the Council and other evidence gathered in this study.
- 7.22 As Table 67 shows there is no land available for development over the next year. This reflects the fact that no construction is presently underway, or is planned, on any of the sites. Only one site (Former Lanstar Site, Hawthorne Road, Litherland) has an unimplemented full planning permission (permissions on several other sites have lapsed) and the owners have recently obtained a three year extension in which to deliver the approved development.

Table 67 – Land Use Availability through Time

Area	Site Type	Availability, years				Total, ha
		0-1	1-3	3-5	5+	
North Sefton	Office	-	-	12.40	-	12.40
	Industrial	-	0.25	-	1.73	1.98
	Either	-	-	-	0.40	0.40
	Sub-total	-	0.25	12.40	2.13	14.78
South Sefton	Office	-	-	-	5.02	5.02
	Industrial	-	1.5	2.83	1.44	5.77
	Either	-	6.9	23.44	2.05	32.39
	Sub-total	-	8.4	26.27	8.51	43.18
Sefton Overall	Office	-	-	12.4	5.02	17.42
	Industrial	-	1.75	2.83	3.17	7.75
	Either	-	6.9	23.44	2.45	32.79
	Total	-	8.65	38.67	10.64	57.96

Source: BE Group 2012

- 7.23 Almost two thirds of the land (38.67 ha on six sites) is expected to come forward in a 3-5 year timescale, while another 18 percent (10.64 ha on eight sites) will only be available in the longer term, five or more years away.
- 7.24 It should be noted that this study has increased the timescales for development on 11 of the 18 employment sites, compared to the timescales shown for those same sites in the 2010 JELPS. Generally, the increases are from a timescale of 0-1 or 1-3 years to 3-5 or 5+ years. This reflects the fact that there has been little development activity on any of these 11 sites over the 2008-2012 period and there are no firm plans to develop them in the immediate future. It is therefore no longer realistic to assume they will be brought forward in the short term.
- 7.25 There are a number of sites that may never come forward (in full or part) because they are reserved for expansion, they are too costly to remediate, they are already occupied, there are aspirations for alternative uses or for other reasons. These sites are shown in Table 68.

Table 68 – Potential Employment Land Losses

Potential Use	Site Ref	Name	Size, ha	Comment / Update	Total Area, ha
Office / Industrial	SL102	194 Cobden Road, Southport	0.40	Comparatively small, low quality site adjacent to gas holders	North Sefton = 0.40
	BL159	Former Peerless Refinery, Dunningsbridge Road, Netherton	5.82	Owner has aspirations to develop the majority of the site for non-employment uses.	South Sefton = 8.88
	BL164	Land South of Heysham Road, Heysham Road, Netherton	2.05	Site constrained by contamination and the fact that the land is on a raised banking, adjacent to a railway line	
	BL260	Linacre Bridge, Linacre Lane, Bootle	1.01	Owner has aspirations for non-employment uses.	
Industrial	SL101	Land at Crossens Way, Southport	1.73	Site constrained by adjacent sewage works. Owner may have aspirations for alternative uses.	North Sefton = 1.73
Total					North Sefton = 2.13 South Sefton = 8.88 Total = 11.01

Source: BE Group 2012

7.26 Therefore, in Table 69 scenarios are presented for Sefton's land resource, considering the total supply initially and then adjusting it according to the various assumptions made in Table 68 above.

Table 69 – Sefton Land Supply Scenarios

Scenario	Cumulative North Sefton Land Supply, ha	Cumulative South Sefton Land Supply, ha	Cumulative Total Land Supply, ha
Baseline	14.78	43.18	57.96
Baseline less land subject to significant physical constraints	12.65	41.13	53.78
Baseline less land subject to significant physical constraints and owner aspirations for alternative uses	12.65	34.30	46.95

Source: Sefton Metropolitan Borough Council and BE Group 2012

- 7.27 As Table 69 shows, in a best case scenario Sefton has 57.96 ha of employment land. If sites with significant physical constraints are excluded, this reduces to 53.78 ha. If landowner aspirations for alternative uses are also taken into account then the worst case scenario is 46.95 ha. This worst case scenario does not however take into account Sefton Council policy which might choose to reject any change from employment use of the two sites where owners have aspirations for other uses (namely Peerless Refinery and Linacre Bridge).

Site Grading

- 7.28 All sites have been graded using a standard scoring system that consists of mainly objective measures. Each site is scored out of 90, made up of nine individual measures, each scored out of ten. These are: proximity to the strategic highway network, prominence, public transport, planning status, services availability, constraints, environmental setting, flexibility and availability. The scoring illustrates how attractive the site is to developers and occupiers. It is intended to give an objective, transparent appraisal of the overall quality of the land resource. The scoring system is provided in Appendix 7, while the results of the detailed scoring are provided in Appendix 8.
- 7.29 Two scores are provided in Appendix 8, a total score and a market-led score, which reflects the locational strengths and weaknesses of each site. The market-led score is made up of just strategic highway proximity, prominence, environmental setting and flexibility. These are the characteristics that are very difficult to improve. The other five aspects (public transport, planning status, services, constraints and availability), which combine to make up the total score, are easier to improve and

hence provide the ability to raise the quality of a site. They are ranked by market-led sub-total, followed by total score.

- 7.30 The highest scoring site is Atlantic Park, Netherton. This is a large, flexible good quality brownfield site which is prominently located off Dunnings Bridge Road. The undeveloped land has been divided to provide eight serviced development plots which are on the market. It scores 71, out of a maximum possible of 90, in total and has market-led score of 36 out of 40.
- 7.31 This was also the highest scoring Sefton site in the 2010 JELPS. Then Atlantic Park had a total score of 68 and a market-led score of 32. The slight improvement in scoring, since 2010, reflects the recent site clearance and preparation work which has been undertaken to create marketable development plots.
- 7.32 Most of Sefton's good quality employment land is in South Sefton. This is illustrated in Table 70 which shows that the average scores (both total and market-led) of all the sites in the South are far higher than the average scores of sites in the North. In addition to Atlantic Park, high scoring South Sefton sites are focused around the Heysham Road Employment Area and at Senate Business Park, Bridle Road,

Table 70 – Overall Sites Quality by Area

	Number of Sites	Highest Site Score	Lowest Site Score	Average Site Score
North Sefton				
Total Score (out of 90)	4	50	19	34
Market Score (out of 40)		22	5	12
South Sefton				
Total Score (out of 90)	14	71	29	49
Market Score (out of 40)		36	13	22

Source: BE Group 2012

- 7.33 Only one North Sefton site (Remaining area of Southport Business Park, Town Lane Kew, Southport) is in the ten highest scoring sites of the Borough. It scores 50 in total and has market-led score of 22. Although the Business Park is large, flexible and comprises good quality greenfield/brownfield land it loses marks for its lack of prominence in Southport and its distance from the strategic highway network.

7.34 The scoring is intended to give a reasonably objective, transparent appraisal of the overall quality of the land resource. This scoring system is just one method to use when assessing sites. There will be exceptions that prove the rule. However it gives general guidance, and those sites scoring well are the ones to be protected – at least more so than those scoring poorly. However low scoring sites can still have a role to play in satisfying the needs of all sectors of Sefton’s businesses, for example industrial sites in Southport could have a role in providing budget workshop and storage accommodation to local firms. Also, though generally low scoring, the four North Sefton sites represent the only current supply in that area.

Employment Areas Assessment

7.35 In Section 5.0 assessments are provided for the 22 existing Employment Areas and Employment Opportunity Sites considered in connection with this study. Together they represent 345.39 ha. Some 16.3 percent of this total is represented by remaining undeveloped land. 15.4 percent is considered to represent land which might, in the future, provide regeneration opportunities.

7.36 Table 71 contains a summary of the Employment Areas Assessment, subdivided between North and South Sefton. For each entry the total site area; land remaining to be developed, and BE Group’s considered regeneration opportunities are provided, together with recommendations regarding retention, remodelling, mixed use activity or de-allocation from employment use.

Table 71 – Summary of Existing Employment Areas

Site	Site Area	Remaining Area to be Developed, ha (Available Employment Sites)	Regeneration Opportunities, ha	Recommendations
North Sefton				
Birkdale Trading Estate, Liverpool Road, Birkdale	0.75	0.00	0.00	Retain as local employment area for B1/B8 uses
Blowick Industrial Estate, Southport	28.49	0.40	8.70	Retain as key local employment area for B1, B2, B8 uses. Consider opportunities for remodelling of redundant and underused sites, as they emerge. Consider Green Belt

Site	Site Area	Remaining Area to be Developed, ha (Available Employment Sites)	Regeneration Opportunities, ha	Recommendations
				adjustment to enable southward expansion
Crossens Way, Southport	12.46	1.73	0.00	Retain as local employment development site for B1 and small B8 uses. Review the viability of SL101 as a local employment development site.
Formby Business Park, Altcar Road, Formby	13.44	0.00	0.00	Retain as local employment area. Consider more protection for B1/B8 uses. Existing estate is fully developed. Consider Green Belt adjustment to enable northward expansion (if a separate access could be delivered to serve a new business park allocation) or if not, a suitable Green Belt site nearby.
Former Philips Factory, Balmoral Drive, Southport	5.98	0.00	5.98	Retain as local employment site for B1 and small B8 uses. Remodel site
Kensington Industrial Estate, Southport	1.35	0.00	0.00	Retain as local employment area for B1, B8 (trade counters) uses
Slaidburn Crescent, Southport	6.61	0.25	0.00	Retain as local employment area for B1, B8 uses
Southport Business Park, Town Lane, Southport	20.28	12.40	0.00	Retain as flagship office park for North Sefton. With some development of industrial, warehouse and motor retail uses, as outlined in the recent mixed-use planning permission on part of the site.
Sub-Total	89.36	14.78	14.68	

Site	Site Area	Remaining Area to be Developed, ha (Available Employment Sites)	Regeneration Opportunities, ha	Recommendations
South Sefton				
Aintree Racecourse Business Park, Aintree	10.80	0.00	0.00	Retain as local employment area for B1, B2, B8 uses
Bridle Way Industrial Estate, Netherton	73.03	25.29	4.68	Retain as key employment area for B1, B2, B8 uses, as part of Dunnings Bridge Road Corridor
Deltic Way Industrial Estate, Netherton	18.18	0.00	0.00	Retain as local employment area for B1, B2, B8 uses
Heysham Road Industrial Estate, Netherton	57.41	13.64	8.19	Retain as key employment area within Dunnings Bridge Road Corridor. Consider opportunities for remodelling of redundant and underused sites on Leckwith Road, as they emerge.
Land & Premises, Acorn Way, Bootle	5.30	1.01	4.37	Retain as local employment area for B1/B8 uses Consider opportunities for remodelling of redundant and underused sites as they emerge
Land South of Aintree Curve, Netherton	6.47	0.00	0.00	De-allocate as employment site because of access difficulties and adjacent residential uses
Linacre Lane Gas Works, Bootle	4.85	0.00	0.00	Remaining undeveloped land is constrained and may not be suitable for development.
Maritime Enterprise Park, Rimrose Road, Bootle	10.86	0.00	6.59	Retain as local employment area for B1, B2, B8 uses. Consider opportunities for remodelling of redundant and

Site	Site Area	Remaining Area to be Developed, ha (Available Employment Sites)	Regeneration Opportunities, ha	Recommendations
				underused sites as they emerge
Orrell Mount/Kingfisher Business Park, Hawthorne Road, Bootle	8.27	0.00	0.00	Retain as local employment area for B1, B2, B8 uses
Port Industrial Area, Bootle	9.56	0.00	3.63	Retain as employment area for B1, B2, B8 uses. Options for remodelling southern areas. However, most of this area is likely to be required for Port expansion over the next 20 years.
Premises off Park Lane West, Netherton	9.63	0.00	2.96	Retain as key employment area for B1, B2 B8 uses as part of Dunnings Bridge Road Corridor. Consider opportunities for remodelling of redundant and underused sites as they emerge.
Sefton Lane Industrial Estate, Maghull	13.20	1.44	3.14	Retain as local employment area for B1, B2, B8 uses. Consider opportunities for remodelling of redundant and underused sites as they emerge.
South Sefton Business Centre, Canal Street, Bootle	17.50	0.00	0.00	Retain as local employment area for B1, B2 uses. Fire damaged units at Brasenose Industrial Estate should also be protected for employment uses
The Peoples Site, Hawthorne Road, Bootle	10.97	0.00	0.00	De-allocate as employment site as this land is already earmarked for housing in local planning policy.
Sub-Total	256.03	41.38	33.56	

Site	Site Area	Remaining Area to be Developed, ha (Available Employment Sites)	Regeneration Opportunities, ha	Recommendations
Total	345.39	56.16	48.24	

Source: BE Group 2012

- 7.37 From the assessment of the existing Employment Areas, BE Group consider there are a small number where either the whole or part of the sites should be considered for release. This is because they are no longer fit for purpose and their locations are better suited to non-employment uses, or alternative development uses are already committed. These are additional to the potential losses identified from the land supply schedules earlier in this section.
- 7.38 Of the Employment Areas, only Land South of Aintree Curve (6.47 ha) and The Peoples Site (10.97 ha) should be de-allocated in its entirety. It is also unlikely that the undeveloped land at Linacre Lane Gas Works will be developed for employment uses. However, without further research it is not clear what (if any) alternative uses may be appropriate on this heavily constrained site.
- 7.39 In the longer term, it is also expected that the Port Industrial Area, Bootle will move from B1, B2, and B8 employment to specialist port related uses. This is discussed further in Sections 2.0 and 7.0.

Summary

- 7.40 This section has established the overall picture of current employment land provision in Sefton. The Borough needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to dynamic market conditions, changing business needs and working practices, including higher technology operations.
- 7.41 There is 57.96 ha of potential employment land (across 18 sites). Around three quarters (43.18 ha) of the total supply is in South Sefton. A substantial portion is at Atlantic Park and the wider Bridle Way Employment Area. The potential supply is, by some way, the least available amount of any Merseyside local authority area. Despite having a 18.2 percent share of population, the land supply represents only 5.2 percent of Merseyside's total.

- 7.42 Comparison with the 2010 JELPS shows that significant development activity has only taken place on one of the 18 sites between 2008 and 2012. Also, with one exception (Southport Business Park), there are no firm plans for development in the short term. For these reasons it is judged that none of the sites are immediately available for development. Most of the land (85 percent) is not expected to come forward in less than three years.
- 7.43 19 percent of the total potential supply (11.01 ha) may not come forward for new employment development. If all this land were lost, the total supply could fall to 46.95 ha.
- 7.44 The existing sites portfolio has been graded. A standard scoring system, mainly of objective measures, has been used. This serves to illustrate how attractive a site is likely to be to developers and occupiers.
- 7.45 Eight sites scored 50 or above (90 maximum score), while only two scored 60 or more. The high scoring sites include all of Sefton's larger (4 ha or more) development options. All but one of the sites are in South Sefton, around the Bridle Way and Heysham Road Employment Areas. They represent almost three quarters of the total land supply (42.98 ha).
- 7.46 In terms of the market-led scoring, 11 sites scored 20 or above (40 maximum score) totalling 50.14 ha. Two sites in Southport had total scores of less than 30 and market-led scores of less than ten.
- 7.47 Generally, sites in Sefton score well in terms of servicing and flexibility. With several exceptions the land supply is not heavily constrained. However, outside of the Dunnings Bridge Road Corridor access to the strategic road network is limited and many of the brownfield sites (in both North and South Sefton) are of a low environmental quality.
- 7.48 Sefton has 22 Employment Areas and Employment Opportunity Sites, totalling 345.39 ha. These include strategic areas, with influence over the whole of Sefton, such as Bridle Way, Heysham Road and Southport Business Park. There are also key local areas, including Blowick Industrial Estate and Slaidburn Crescent in North Sefton and Orrell Mount/Kingfisher Business Park in South Sefton. With one

exception (Land South of Aintree Curve) all of these are active B1, B2, B8 employment areas which should be retained as important sources of local employment.

7.49 As detailed in Section 2.0, Table 4, Sefton has, by some way, the lowest employment land supply of any Merseyside local authority.

8.0 LAND NEED FORECASTING

Introduction

8.1 This section explains the four alternative models we have applied to the assessment of employment land allocations for the Local Plan period. None provide a definitive answer, but they are influences to be considered. The four models are:

- Historic land take-up forecast
- Policy off – employment based forecast
- Policy off – labour supply forecast
- Policy on.

8.2 Both the 'policy off' and 'policy on' forecasts are based on data contained within the Liverpool City Region Economic Forecasts 2011. These were prepared by Cambridge Econometrics, on behalf of The Mersey Partnership, and were published in March 2012. It was agreed these forecasts should be used in preference to the previously specifically commissioned Oxford Economics' forecasts that formed part of the 2010 JELPS, and had a base-date of 2008. This is because they are more up to date and thus reflect the impact of the recent recession.

8.3 The 'policy on' forecast takes into account the impact on employment of various projects taking place within the City Region. These include the SuperPort, Liverpool Waters and Liverpool Airport expansion. The 'policy on' projections also have regard to the estimated impact on employment in a number of growth sectors that are the focus of policy and investment, namely the low carbon, knowledge, tourism and visitor economies.

8.4 For all the models we have commented upon the implications in terms of the volume of land required. Where appropriate the options take into account assumptions regarding the built floorspace associated with developable land areas drawn from BE Group's experience and application in other Employment Land Review studies. Job related densities used equate to those identified in the Homes and Communities Agency and OFFPAT (Office of Project and Programme Advice and Training) Employment Densities Guide 2nd Edition, published in 2010.

Model 1 : Historic Land Take-Up

8.5 Employment land take-up is recorded by the Council. In Table 72 a schedule of

completions between 1992 and 2012 is shown. The 64.48 ha of land developed over this period equates to an annual average take-up of 3.22 ha. Total land take-up is categorised between allocated sites, primarily industrial areas (PIAs) and non-PIAs from 1999/00 onwards. Comparable figures are not available for the period before then. The lack of take-up on non-PIA sites between 1999/00 and 2004/05 is likely to be due to the limited monitoring arrangements in place at that time, rather than a genuine lack of take-up. Those arrangements were focused mainly on allocated sites.

Table 72 – Sefton Employment Land Take-up 1992-2012

Completion Year	Allocated Sites	Primarily Industrial Areas	Non-PIAs	Total
1992/93	n/k	n/k	n/k	1.50
1993/94	n/k	n/k	n/k	2.80
1994/95	n/k	n/k	n/k	3.10
1995/96	n/k	n/k	n/k	5.70
1996/97	n/k	n/k	n/k	4.90
1997/98	n/k	n/k	n/k	3.80
1988/99	n/k	n/k	n/k	1.43
1999/00	4.87	0.00	0.00	4.87
2000/01	2.19	0.00	0.00	2.19
2001/02	0.00	0.00	0.00	0.00
2002/03	0.00	0.42	0.00	0.42
2003/04	0.00	0.00	0.00	0.00
2004/05	1.76	0.00	1.54	3.30
2005/06	4.02	0.63	2.35	6.99
2006/07	4.44	0.20	0.86	5.49
2007/08	0.00	1.61	0.03	1.64
2008/09	7.14	0.34	0.25	7.73
2009/10	3.20	0.78	1.91	5.89
2010/11	2.25	0.19	0.29	2.73
2011/12	0.00	0.00	0.00	0.00
Total	29.87	4.17	7.23	64.48

Source: Sefton BC

8.6 Analysis of the most recent 5, 10 and 15 years periods reveals respective annual take-up averages of 3.60, 3.42 and 3.10 ha. This indicates that the short term trend of the last five years, despite it mostly being a period of economic challenges, has

seen an increase in land take-up rates. The figures show there has been a similar trend of rising take-up over the last fifteen years.

- 8.7 Application of the long term take-up figure suggests Sefton would need 61.18 ha to cater for an expected annual take-up of 3.22 ha for the next 19 years (to the end of the Local Plan period, 2031). However the Borough should have a buffer of five years supply to reflect a choice of sites by size, quality and location and to provide a continuum of supply beyond the end of the Plan period. Based on the historic take-up trend this would increase land supply need to 77.28 ha.
- 8.8 At 31st March 2012 there was 57.96 ha of available land in the Borough (from Section 7.0), which suggests the Council needs to find an additional 19.32 ha to match historic trends. As noted in Section 7.0, the supply position could be reduced to 53.78 ha, due to some sites having significant physical constraints. This could require the Council finding a further 4.18 ha in addition to the 19.32 ha mentioned above, i.e. 23.50 ha in total.
- 8.9 As the figures in Table 72 illustrate, the medium and short term trends have seen increased annual take-up averages. Were the short term trend (3.60 ha/pa) to be applied Sefton would require 68.4 ha to the end of the Local Plan period, plus a five year buffer of 18.0 ha. The shortfall against the current headline availability would therefore be 28.44 ha – or 32.62 ha when land subject to significant physical constraints is excluded from the supply figure.

Model 2 : 'Policy Off' – Employment Based Forecast

- 8.10 This scenario uses as its base the Liverpool City Region Economic Forecasts referred to above. The forecasts project employment change through to 2025. It has therefore been necessary to extrapolate the figures in order to cover the Sefton Local Plan end date of 2031.
- 8.11 The forecasts break down employment to the level of 41 industry sectors, although not all are relevant to this Employment Land review. It should be noted that for this model the forecasts reflect a 'non-intervention' scenario, in that no account is taken of any planned or emerging investment programmes in Sefton.
- 8.12 Cambridge Econometrics' baseline indicates that Sefton's employment has been impacted by the recent recession, with total numbers falling year on year from 2008

to 2011. This trend is forecast to continue until 2015, at which point total employment is expected to be 96,900 – a 8.8 percent drop from the pre-recession (2007) level of 106,300. The five year period 2010-15 sees Sefton experiencing a 0.8 percent per annum reduction in employment, the largest fall of any of the City Region's local authority areas. Indeed this rate is double that of the City Region as a whole. It also contrasts sharply with the picture for the North West and UK, which sees employment growing at respective rates of 0.1 and 0.2 percent per annum.

- 8.13 The model suggests that between 2015-20 there will be growth in total employment of around 2,900 jobs, reflecting an annual growth rate of 0.5 percent. This aligns to the City Region's forecast performance but continues to lag North West and UK figures. Between 2020-25 the forecast indicates Sefton's employment will continue to grow, though at a reduced rate of 0.4 percent per annum. As a consequence Sefton will once again be slightly below the City Region average (0.5 percent per annum).
- 8.14 Cambridge Economics forecast that by 2025 Sefton's total employment (to then be 101,500) will have returned to the level of 2008. Extrapolation of the figures through to 2031 suggests that even then the figure of 103,100 would be around three percent less than the 2007 pre-recession total employment number.
- 8.15 The figures suggest that Sefton is aligned to the general trend of the UK of a decline in manufacturing employment and growth in services – but only in the private sector. At 2011 manufacturing employment represented 6.1 percent of the Borough's total, with this forecast to reduce to 5.3 percent by 2031.
- 8.16 With regard to services, for example whilst the financial, professional and business services sectors exhibit growth, public administration is forecast to decline. This reflects the impact of public sector cuts and the presence of both local and central government facilities in the Borough.
- 8.17 In terms of future employment land requirements this model is likely to be affected by three key factors:
- The future mix of activities in respect of office, manufacturing and warehousing employment within different sectors. It is not possible to predict the impact of evolving technical change over the Local Plan period, and we have therefore assumed the current split is maintained

- The average space each employee occupies – the employment density. We have assumed no variation in the density rates through to 2030 and as stated earlier have used those identified in the 2010 published Employment Densities Guide 2nd Edition
- The average development floorspace per hectare for office, manufacturing and warehousing activities. We have applied the uniform amount of 3,900 sqm per ha.

8.18 Table 73 provides a breakdown of the projected sector changes. It should be noted that the figures include non-B use class sectors such as retailing, hotel and catering, to acknowledge their reference as economic activity. Total employment is forecast to increase by 3,400 between 2011 and 2031, despite the decline in manufacturing. It should be noted that the high percentage falls indicated for some manufacturing sub-sectors are a reflection of the low numbers engaged in these sectors in 2011.

Table 73 – Projected Employment Change by Industry Sector 2011-2031

Industry Sector	Workforce Change Numbers of Employees	Percentage Workforce Change
Agriculture	(200)	-40.0
Manufacturing	(600)	-9.8
• Food and Drink	(100)	-10.0
• Textiles	(100)	-50.0
• Wood and Paper	(100)	-25.0
• Printing and Publishing	(100)	-20.0
• Chemicals	(100)	-50.0
• Rubber and Plastics	(100)	-33.3
• Metal Goods	(100)	-10.0
• Electrical Engineering	(100)	-50.0
• Other Manufacturing	200	+20.0
Construction	1500	+27.2
Distribution	300	+5.9
Retailing	(500)	-3.9
Hotels and Catering	200	+2.9
Transport	100	+2.8
Communications	-	-
Banking and Finance	400	+10.8
Professional Services	600	+12.0
Other Business Services	800	+24.2
Public Administration	(800)	-6.3

Industry Sector	Workforce Change Numbers of Employees	Percentage Workforce Change
Education	(300)	-3.1
Health and Social Work	(100)	-0.1
Miscellaneous Services	2000	+32.8
TOTAL	3400	

Source: Cambridge Econometrics/BE Group

8.19 In calculating the employment land requirement arising from forecast employment changes, the following assumptions have been used (Table 74):

- The proportion of people in each industry sector that occupy B1, B2 or B8 space conforms to those ratios used in other studies and accepted in comparable locations and are sourced from the South East Regional Planning Conference's 'The Use of Business Space'
- Employment Densities for each B Use Class are those set out in the 2010 Employment Densities Guide 2nd Edition published by HCA and OFFPAT
- The development per hectare of land is uniform across all B Use Class functions – 3,900 sqm per hectare, the accepted industry norm.

Table 74 – Model Assumptions

Industry Sector	Employees		
	Proportion Occupying B1, B2, B8 Floorspace, percent	Floorspace per person, sqm	Other Comments
Agriculture	5	12	Managerial, admin
Manufacturing	100	36-47	Higher density reflects B2; Lower density B1 light industry
Construction	26	12	Managerial, admin
Distribution	48	70	Warehouses, offices-non large scale/high bay facilities
Transport	48	70	Warehouses, offices-non large scale/high bay facilities
Financial & Business	100	12	
Government & Other Services	22	12	Local Government, Public Administration

Source: SERPLAN and Employment Densities Guide 2nd Edition, 2010

8.20 Application of these assumptions suggests the following in terms of future employment land provision:

- From sectors predicted to grow, the need for a further 10.18 ha
- From those sectors where employment is forecast to reduce there will be a need for between 6.11 and 7.80 ha less. This range reflects the variance in employment densities between light and general manufacturing.

8.21 The net result of this suggests Sefton would have a surplus of employment land by 2031 beyond the land that is currently allocated or consented. The detailed calculation is provided at Appendix 11.

8.22 In reality the employment land provision situation will be reliant upon two issues. Firstly, how far the growth in office employment takes place in a town centre location, at higher densities, rather than in low-density business parks. It is more likely to be the latter in view of the Borough's characteristics. Secondly, whether the decline in some manufacturing sub-sectors will actually lead to the release of land that could then be regenerated for other employment uses.

8.23 It is probable that these land requirements' calculations represent a false position. Irrespective of changes to employment densities, whilst growth sectors seek to expand by taking additional space, declining sectors may actually not release land in line with the above assumptions. Were this to be the case this model's outcome would change to a position where around one fifth of the current supply would be required to meet the forecast need.

8.24 It is possible the Local Plan period will see further changes in employment densities. For office employment this could be the result of trends towards remote working, hot desking, increased use of ICT and smaller businesses. Densities in manufacturing and distribution may well continue to fall as a result of automation. However, it is impossible to project what the percentage change in densities might be and thus what the impact on future land requirements might be.

Model 3: Labour Supply Forecast

8.25 This scenario is based upon the ONS 2010 Sub-national Population Projections. The projections indicate a rise in population numbers for the Borough to 286,000 by 2031. This represents a four percent increase from the 2011 figure of 275,000. Reflecting a trend of an ageing population, the working age population (15-64), figure would see a reduction of 13,000 from its current level – from 174,000 in 2011 to 161,000.

- 8.26 The forecast is based on the assumption that the current economic activity rate of 68.7 percent remains unchanged. This suggests a reduction in the number of residents working of 8,931 by 2031. To calculate what the reduction means in terms of impact on employment land need we have converted the effect of the 8,931 reduction into an equivalent land area. We have applied the Cambridge Econometrics' forecasts for the percentage shares of the different industry sectors to the 8931 figure to establish the number of jobs applicable to each sector. We have also assumed that the relationship between employment densities and land requirements within industry sectors is the same as projected in Model 2 – the employment based analysis. This translates to a reduction need of between 16.07 and 17.35 ha. As with Model 2 the range of need reflects high and low densities for manufacturing employment.
- 8.27 Were the economic activity rate to return to its most recent highest rate of 71.4 percent (2008) then this would mean a reduced need of between 8.24 and 8.90 ha.

Model 4: Policy On Scenario

- 8.28 As explained earlier, the Cambridge Econometrics forecasts prepared for the Liverpool City Region included 'policy on' projections that take into account the impact on employment of various projects taking place within the City Region. The projections also have regard to the estimated impact on employment in a number of growth sectors that are the focus of policy and investment.
- 8.29 At the City Region level the 'policy on' forecast indicates growth in total employment in each of the three five-year periods covered by the projections. From 2010 to 2015 the annual growth rate is 0.7 percent. This rises to 1.2 percent per annum between 2015 and 2020, reducing to 1.0 percent annually from 2020 to 2025. These rates exceed the North West and UK forecasts. However, the forecasts for Sefton show below City Region average growth rates across all three periods. Indeed for 2010 to 2015 Sefton is identified as the only local authority area forecast to see total employment shrinking rather than growing.
- 8.30 Cambridge Econometrics' forecasts run to 2025. In order to align with the Local Plan period end date of 2031 it has been necessary to extrapolate the trends indicated in the forecasts.

- 8.31 The 'policy on' scenario identifies a number of differences from the policy of forecasts. These are:
- The overall jobs total forecast will increase by 13,400 over the Local Plan period (compared to 3,400 in the policy off scenario)
 - Total employment will be 114,300 in 2031, rather than the 103,200 level forecast in the policy off scenario
 - The manufacturing sector sees employment growth by 500 jobs, an 8.1 percent rise, whereas the 'policy off' scenario projects a reduction in number of 600.
- 8.32 The 'policy on' model indicates that growth sectors would generate need for between 36.68 and 38.09 ha. This would be set against only a modest surplus of 0.84 ha generated by reduced employment in other sectors. Consequently there would be a need for some 36 to 37 ha of employment land, equivalent to as much as 78 percent of the current supply. As explained previously, the variance reflects the different employment densities applicable to light and general industry.
- 8.33 The Port of Liverpool, Sefton and Liverpool Councils have agreed a methodology to assess the land requirement arising from the Port's expansion/decanting of existing non-port related businesses from within the Port area. This indicates there would be an additional 2.63 ha land supply requirement for Sefton.

Summary

- 8.34 Four alternative forecast options have been considered for the Plan period. The calculations for each are summarised in Table 75 and show varied outcomes. Only the historic land take-up rate forecast predicts a shortfall of supply against forecast need. The other three forecasts suggest a surplus of supply, which increases if a five-year buffer is not applied.
- 8.35 Applying the long term (from 1992/93) annual average take up of 3.22 ha/year, indicates there is a shortfall of employment land to cater for Sefton's needs to 2031 of, coincidentally, 3.22 ha. This is based on the headline supply figure of 57.96 ha. The worse case scenario for actual availability would increase the shortfall to 14.23 ha.

Table 75 – Land Forecast Models – Summary

Model	Land Stock 2012 ¹ , ha	Land Need 2012-2031, ha	Buffer (five years take-up rate) ² , ha	Surplus (Shortfall), ha	Assumptions
Historic Land Take-Up Rate	57.96	+61.18	+16.10	(19.32)	Based on historic (22 years) take-up of 3.22 ha/pa
Employment based	57.96	+2.38/ +4.07	+16.10	37.79/ 39.48	Based on projected growth/reduction of employment in industry sectors
Labour Supply	57.96	+16.07/ +17.35	+16.10	24.51/ 25.79	Based on projected industry sector changes (growth/reduction) and impact on floorspace (and thus land) need
Policy On	57.96	+35.74/ +37.25	+16.10	4.61/ 6.12	Based on Liverpool City Region Economic Forecasts 2011 employment growth data for Sefton extrapolated to 2031

Source: BE Group 2012

NB.1 Headline supply at 31 March 2012

NB.2 Based on historic take-up rate of 3.22 ha/pa

- 8.36 The two 'policy off' forecasts suggest the Borough needs significantly less employment land than predicted by historic take-up rates. Indeed both suggest reductions in the already available supply. The employment model suggests an oversupply of between 43 and 55 ha when the current available supply is included. The labour supply model suggests a slightly less oversupply of between 31 and 42 ha.
- 8.37 Consequently both these models would mean that the majority of the currently allocated or consented but undeveloped employment land in Sefton is surplus to requirements. As such it could be used for other activities.
- 8.38 Common sense suggests this argument is flawed. The two models cannot account for the vagaries of the property market. They assume the property market is perfect and not rife with market failures as is reality. For example, neither model makes allowances for companies modernising or relocating into different sized properties;

that land is not used totally efficiently; that some brownfield land may remain undeveloped due to the costs of remediation; that some companies occupy more space than they need or will hold land long term for their own possible future expansion; or that there needs to be a range of sites and locations to provide companies with choice. Furthermore the company survey undertaken as part of the original 2010 study identified short term property requirements equating to 2.5 ha from just ten percent of the Borough's companies, which immediately challenges the findings of the models.

- 8.39 The 'policy on' forecast also generates an outcome that suggests Sefton would have an oversupply of land, although to a much lesser extent of between 9 and 20 ha. This would reduce by a further 2.63 ha arising from the Port of Liverpool's assessment of the consequences of decanting non-port related businesses from within the Port expansion area.
- 8.40 In other local authority areas where similar studies have been completed, the use of employment and labour supply models has also generated comparable results. In all instances where BE Group has been involved these models have been discounted in favour of long term land take-up trends. This was the case with the Joint Employment Land and Premises Study, completed January 2010, which included Sefton.
- 8.41 Furthermore the figures in Table 75 relate to the 2012 headline land supply. They take no account of the potential losses to this supply, identified in Section 7.0, which could be up to 4.18 ha. The consequence of taking these losses into account would be an increased supply shortfall for the historic land take-up model and the 'policy on' model changing from a modest surplus to a small shortfall.
- 8.42 It should also be noted that the figures have not been amended to take account of the Port of Liverpool's calculations that an additional 2.63 ha will be needed within Sefton to accommodate non-port related activities to be relocated to accommodate the port expansion.

9.0 NEIGHBOURING AREAS

Introduction

- 9.1 This section considers the property market in the local authority areas adjacent to Sefton. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing if they have any impact on Sefton's land and property market. However, in reality many of the impacts are limited, as companies tend to prefer to remain in their localities due to the desire to retain staff.
- 9.2 Sefton is the most northerly Merseyside local authority area. To the south are the City of Liverpool and the Metropolitan Borough of Knowsley. To the east is West Lancashire. To the south west is Wirral. However, Sefton and Wirral are divided by the Mersey Estuary and do not share a land boundary. Therefore any connections are limited and no analysis of Wirral is deemed necessary. Figures for the total property supply, set out in Table 76 are taken from 2008 Valuation Office data (the latest available); while local authority reports and a number of relevant background documents are used as appropriate.

Table 76 – Property and Floorspace Distribution

Area	Floorspace, sqm (Number of Units)		Total Floorspace, sqm (Number of Units)
	Factories/ Warehouses	Offices	
Liverpool	2,260,000 (3,446)	1,132,000 (3,066)	3,392,000 (6,512)
Knowsley	2,086,000 (937)	144,000 (460)	2,230,000 (1,397)
Sefton	1,022,000 (1,655)	382,000 (855)	1,404,000 (2,510)
West Lancashire	1,271,000 (961)	75,000 (386)	1,346,000 (1,347)

Source: ONS Commercial and Industrial Floorspace 2008

- 9.3 As Table 76 shows, in 2008 Liverpool had the largest supply of floorspace in the sub-region, not surprising as Liverpool is the second largest city in the North West. Knowsley had the second largest supply, of which over 2 million sqm (93.5 percent) comprised industrial and warehouse floorspace. However, the number of factory/warehouse units in Knowsley (937) was the smallest in the sub-region. This

indicates that Knowsley's industrial and logistics supply is dominated by larger properties.

- 9.4 Sefton had a combined supply of 1.4 million sqm in 2,510 units. The Borough's office supply is the second largest in the sub-region, more than double (by floorspace) the supply in Knowsley and West Lancashire. Also the number of units (both industrial/warehouse and office) in Sefton was the second largest. This indicates that, relative to its neighbours, the Borough's premises supply comprises a high number of smaller properties.
- 9.5 Despite the presence of large employers in Skelmersdale, some of whom are of regional and national importance, West Lancashire had the lowest supply overall. In particular, West Lancashire's office provision was less than half that of its Merseyside neighbours. The Borough did however, have a reasonably large industrial/warehouse supply, greater (by floorspace) than that in Sefton.

Liverpool

- 9.6 The Liverpool Employment Land Review (2009) estimated a demand for 200-317 ha of employment land, across the City, to 2026. As of 2009, Liverpool had a supply of 266 ha in 256 sites, close to the mid point of the range of demand identified. The study notes that Liverpool's supply of B1 and B2 land is sufficient to meet needs, but there is a shortage of larger plots suitable for B8 warehousing and distribution uses.
- 9.7 This was updated in the Liverpool City Region Housing and Economic Development Evidence Base Overview Study, 2011 (although, as stated previously, this study extrapolated the findings of previous research). The study indicated a land supply, at December 2010, of 274.89 ha. Liverpool needs 254.58 ha of land to 2031, giving a modest oversupply of 20.31 ha. In the Liverpool City Region, only Liverpool and St Helens were judged to have more land than they will need for the next 20 years.
- 9.8 The recommendations of these two studies were subsequently reflected in the Liverpool Core Strategy (Submission Draft, 2012). 'Strategic Policy 2: Land for Employment' states that "*the City Council will allocate between 200 and 320 ha of land for industrial and business use over the plan period*", to 2028. As is indicated above, some 274 ha of employment land has already been identified leaving a maximum of 46 ha still to be found.

- 9.9 New employment development will be directed towards the City's five Strategic Investment Areas (SIAs):
- Approach A580 (The East Lancashire Road Corridor)
 - Atlantic Gateway (North Liverpool)
 - City Centre
 - Eastern Approaches (the Edge Lane Corridor)
 - Speke/Halewood (International Gateway).
- 9.10 Speke/Halewood has the largest existing land supply (90 ha) followed by Atlantic Gateway (83 ha). The City Centre (which has 19 ha of available land) will be a focus for office development, but some office options will be acceptable in all of the SIAs.
- 9.11 Liverpool is the main destination of workers commuting from Sefton. In 2001, 25,452 Sefton residents commuted into Liverpool city (20.4 percent of Sefton's 2001 working age population). 9,848 commuted into Sefton from Liverpool (46.0 percent of the total of those commuting into the Borough for work, see Section 3.0).
- 9.12 All of the SIAs will impact on Sefton's land and property market, but the three which are located close to the boundary with South Sefton (Approach A580, Atlantic Gateway and the City Centre) will have the strongest influence. The Atlantic Gateway and City Centre SIAs include the Liverpool Waters scheme. This proposal (which received planning permission in March 2012) will redevelop 60 ha of docklands for a mix of uses including up to 314,500 sqm of office and business floorspace. Development is expected to commence in 2012, but may not be completed until 2042.
- 9.13 Liverpool City Council is aware of Peel Ports' long term plans for the expansion of the Port of Liverpool. Within the Liverpool local authority area, proposals include the redevelopment of the 8 ha Huskisson Dock Complex, Liverpool and some 12 ha of the Regent Road/Derby Road (L5) Area which is within Liverpool.
- 9.14 Liverpool City Council has worked with Sefton Council on the production of the Ports Study, which discusses the proposed redevelopment of the L5 area; the displacement of local businesses which would result from that redevelopment, and the land which would be required to relocate those businesses elsewhere in Liverpool and Sefton (see Section 2.0 and Appendix 2). The additional land requirement for Liverpool is estimated to be 10.53 ha (80 percent of the total need).

City Council officers feel there is ample land available in the Atlantic Gateway SIA to meet this potential requirement.

Knowsley

- 9.15 Knowsley was included within the JELPS, completed by BE Group in 2010. That study indicated that, as of the April 2008, the Borough had 156.77 ha of employment land made up of 54 sites. Only 3.6 percent of this (5.63 ha) is felt to be constrained, and unlikely to come forward, giving a realistic supply of 151.14 in 53 sites. Just over half the supply (79.90 ha) is at Knowsley Industrial Park and Knowsley Business Park, off the A580 East Lancashire Road. Most of the remainder is in Huyton and Prescott, to the south. An additional 123.83 ha is required to 2026, based on past take-up rates of 12.73 ha/year between 1995/96 and 2007/08, and including a 20 percent buffer.
- 9.16 This was updated in the Liverpool City Region Housing and Economic Development Evidence Base Overview Study, 2011. The study indicated that land supply, at December 2010, had hardly changed from the JELPS and comprised 157.97 ha. Knowsley needs 288.33 ha of land to 2031, giving a shortfall of 130.36 ha.
- 9.17 In addition to existing allocations, it is expected that Knowsley's land needs will be met though a mixture of restructuring/remodelling at Knowsley Industrial Park/Business Park and phased Green Belt releases, to be triggered if, as is expected, Knowsley fails to maintain a continuous 5-year forward supply of employment land throughout the plan period.
- 9.18 Restructuring/remodelling options at Knowsley Industrial Park/Business Park, were reviewed in the Strategic Framework 'Delivering a New Future for Knowsley Industrial Park' (2010). This study identifies opportunity areas totalling 25 ha, which have the potential to provide over 98,000 sqm of additional employment floorspace by 2027.
- 9.19 In terms of Green Belt options the Draft Knowsley & Sefton Green Belt Study (2011) identifies four Green Belt sites, totalling 118 ha which are potentially suitable for employment development:
- Cronton Colliery (and land south of M62) (77 ha)
 - Land at Carr Lane, to the west of Prescott (3 ha)

- Land at Knowsley Lane, to the north of Huyton (mixed-use including 13 ha of employment)
- Land to the east of Knowsley Industrial Park (25 ha).

9.20 Knowsley is a net importer of workers from Sefton. In 2001, only 2,616 Knowsley residents commuted into Sefton (12.2 percent of Sefton's in-commuters) while 4,390 commuted from Sefton into Knowsley (3.5 percent of Sefton's working age population, see Section 3.0).

9.21 Key influences on Sefton's land and property market will be focused in Knowsley Industrial and Business Parks, although all of Knowsley's Employment Areas are focused around the M57 and are readily accessible from South Sefton. Knowsley Industrial and Business Parks are dominated by large employers who will draw some labour from Sefton. These include QVC, Vertex, Delphi, St Ivel and Makro.

9.22 Further south, Kings Business Park, Prescot provides high quality self-contained offices for a mix of local and regional/national occupiers including Vertex. To the east, the 29 ha Pirelli South site now has outline planning permission (subject to a Section 106 agreement) for a housing-led mixed-use scheme. This will include 4.8 ha of B1, B2, B8 uses.

West Lancashire

9.23 West Lancashire was included within the JELPS, completed by BE Group in 2010. That study indicated that, as of the April 2008, the Borough had 69.90 ha of employment land made up of 20 sites. However, 10.44 ha of this comprised land in operational use by companies, or held for future expansion. The realistic supply was therefore considered to be 59.46 ha, comprising of 15 sites. Most of this land is in Skelmersdale. There is only a modest supply in the smaller western settlements which border Sefton, such as Banks. An additional 93.04 ha is required to 2026, based on past take-up rates of 7.06 ha/year between 1992/93 and 2007/08, and including a 20 percent buffer.

9.24 This was updated in the Liverpool City Region Housing and Economic Development Evidence Base Overview Study, 2011. The study indicated a land supply, at December 2010, of 49.66 ha. West Lancashire needs 135.03 ha of land to 2031, giving a shortfall of 85.37 ha.

- 9.25 The West Lancashire Local Plan (Publication Document, 2012) indicates that 75 ha of employment land will be required between 2012 and 2027. 52 ha of this will be provided in Skelmersdale through the development of existing allocations (notably at White Moss and XL Business Park) and the regeneration of vacant and under-used premises on Pimbo, Gillibrands and Stanley Industrial Estates. The remaining 23 ha will be provided through:
- Existing allocations and remodelling of the Burscough industrial estates (3 ha)
 - Extension of the Burscough industrial estates into the Green Belt (10 ha)
 - Existing allocations and remodelling of Simonswood Industrial Estate (5 ha)
 - Existing allocations and new opportunities for rural employment sites in rural areas (5 ha).
- 9.26 Apart from the extension of the Burscough industrial estates, no large greenfield allocations are proposed. Suggestions made in the JELPS that West Lancashire allocate land at Water Lane, Banks or in Scarisbrick, which could meet the needs of both Sefton and West Lancashire, have not been pursued.
- 9.27 West Lancashire is the second largest importer of workers into Sefton, after Liverpool. In 2001, 5,259 West Lancashire residents commuted into Sefton (just under a quarter of Sefton's in-commuters) while 4,342 commuted from Sefton into West Lancashire (3.5 percent of Sefton's 2001 working age population, see Section 3.0).
- 9.28 Key influences on Sefton's land and property market include Gillibrands Industrial Estate, Pimbo Industrial Estate and Stanley Industrial Estate, Skelmersdale. These three very large industrial estates are all located within the M58 corridor and are easily accessible from South Sefton. The three estates are dominated by large employers who will draw some labour from Sefton. These include Procter and Gamble, Walkers Crisps and Matalan.
- 9.29 Also located off the M58 at Skelmersdale are White Moss Business Park and XL Business Park (which includes logistics facilities for Asda and Comet). Together these two employment areas include 27.48 ha of undeveloped expansion land.
- 9.30 In the rural areas of West Lancashire the Greaves Hall Business Park (Banks) and Simonswood Industrial Park (Simonswood) employment areas are closest to Sefton. Simonswood Industrial Park is notable because it supports the Port of Liverpool by

providing storage land for shipping containers. It also houses several associated logistics companies.

Summary

- 9.31 In 2008, Liverpool had the largest supply of floorspace in the sub-region according to Valuation Office figures. Knowsley was second overall, with a substantial supply of larger factory and warehouse properties. Sefton had a large office supply, relative to its neighbours, and has more individual properties than any local authority area apart from Liverpool. The high number of units, relative to the total amount of floorspace, suggests that Sefton's premises supply is dominated by smaller properties. Despite the presence of several large employers in the Borough, West Lancashire has the lowest supply overall. However, West Lancashire's factory/warehouse supply is greater (by floorspace) than that of Sefton.
- 9.32 South Sefton (Bootle) is only 3 kms from the edge of Liverpool City Centre and around 20 percent of Sefton's working age population commute into the City to work. Sefton residents will work throughout the City, but the northern SIAs (Approach A580, Atlantic Gateway and the City Centre) have the strongest influence. Future regeneration plans in the north of Liverpool include Liverpool Waters. This mixed-uses scheme proposes to deliver over 300,000 sqm of office and business floorspace on dockland, which is around a mile south of the Sefton boundary, over the next 30 years.
- 9.33 Liverpool is relatively self sufficient in terms of its employment land supply and will not need to look to any of its neighbours to meet any shortfalls. The City Council is aware of the expansion plans of the Port and the potential of these plans to displace local businesses from the Regent Road/Derby Road Corridor. The displaced business will generate additional land needs of around 10.53 ha for Liverpool. City Council officers feel there is ample land available in the Atlantic Gateway SIA to meet this potential requirement.
- 9.34 Knowsley is predicted to have a significant land shortfall (124-130 ha) over the next 20 years. This need will be met through a mixture of restructuring/remodelling at Knowsley Industrial Park and Business Park, along with phased Green Belt releases. Green Belt options in the north of Knowsley (close to the boundary with Sefton) include a 25 ha site east of Knowsley Industrial Park (land east of Perimeter Road and north of the A580 East Lancashire Road). Significant expansion and

restructuring of Knowsley Industrial Park will impact on the land and property market of neighbouring areas, including Sefton.

- 9.35 West Lancashire also has a large predicted land shortfall, to 2031, of 85-93 ha. 52 ha of this need will be met through existing allocations in Skelmersdale and development of existing allocations (notably at White Moss and XL Business Park) and the regeneration of vacant and under-used premises on Pimbo, Gillibrands and Stanley Industrial Estates. Further land will be provided through the remodelling and expansion of the Burscough and Simonswood Industrial Estates. Green Belt development options, including proposed sites at Banks and Scarisbrick, which could benefit both Sefton and West Lancashire, have not been pursued.
- 9.36 Skelmersdale is linked to Sefton via the M58 Corridor and the expansion and remodelling of Skelmersdale's employment areas will impact on the land and property market in Sefton. In the rural areas of West Lancashire, Simonswood Industrial Park supports the Port of Liverpool by providing storage land for shipping containers. It also houses several associated logistics companies.

10.0 CONCLUSIONS

10.1 This Study has included a wide-ranging look at the factors affecting Sefton's economy, with particular reference to those that are likely to affect the future need for land and property within the Borough. This section draws together the main issues that will need to be addressed as a preliminary to the more detailed recommendations set out in Section 11.0.

Planning Policy Position

10.2 The National Planning Policy Framework places a strong emphasis on delivering sustainable development through the planning system. This includes reviewing employment land allocations to ensure supply meets identified objectively assessed needs; proactively supporting sustainable economic development to deliver business and industrial units, and encouraging the effective use of land by reusing brownfield land.

10.3 The Government's planning policy approach sees responsibility resting with Sefton Council to set employment land requirement figures for the Local Plan. Land targets will be tested through the Local Plan process and the Council therefore needs to collect and use reliable information to justify employment land supply policies. This report provides this information.

10.4 The economic role that the planning system must perform incorporates contributing to the building of a strong, responsive and competitive economy, by ensuring sufficient land of the right type is available in the right locations, at the right time, to support growth and innovation.

10.5 The National Planning Policy Framework states that 'significant weight' should be placed on the need to support economic growth through the planning system. To help achieve this growth, Local Plans should set criteria, or identify strategic sites for local and inward investment and to meet anticipated needs over the Local Plan period.

10.6 The NPPF also highlights that allocated employment sites for which there is no reasonable prospect of development should not be protected in the long term. Proposals for alternative uses on such sites should be treated on their merits having

regard to market signals and the relative need for different land uses to support sustainable local communities.

Economic Profile

- 10.7 In the regional context, Sefton has above average unemployment and worklessness and below average economic activity. However, in terms of the Merseyside sub-region Sefton has the third lowest level of unemployment. Compared to the rest of the sub-region Sefton also has low levels of deprivation, but there is still a need to address income and employment related deprivation in areas of South Sefton, especially in Bootle and Seaforth.
- 10.8 The number of VAT registered businesses is high when compared to most of Sefton's neighbours. Almost 81 percent of companies are micro-businesses (less than 10 employees) – along with Wirral the highest share of all Merseyside authority areas. Homeworking is at a level below regional and national averages, but remains important in rural areas around Crosby and in North Sefton. Sefton's future employment land and premises strategy will need to directly address the needs of these smaller local businesses.
- 10.9 Manufacturing provides 6.1 percent of the total number of jobs in Sefton, significantly below sub-regional, regional and national figures. 5.4 percent of VAT registered businesses are engaged in production, again below wider averages. The largest categories, apart from retail, are construction, 11.6 percent, and professional, scientific and technical services, 11.1 percent. Across the Borough, 42.5 percent of Sefton's workforce is employed by the public sector, in activities such as public administration, education and health.
- 10.10 Despite its modest manufacturing sector, the current structure of premises provision in Sefton is strongly industrial. Across the Borough, the number of industrial units is almost double the number of offices. Office properties are focused in Southport, Crosby and the Bootle Central Area.

Property Market Assessment

- 10.11 Across both North and South Sefton the strongest demand is for industrial sites and premises. Despite the ongoing recession, the industrial market is seen to be performing well with potential demand for a further development(s) of mid-sized 465-743 sqm) industrial units. By comparison, the office market remains weak,

particularly in the Bootle Office Quarter where demand from both private and public sector occupiers has reduced significantly since the completion of the JELPS in early 2010.

- 10.12 The dominance of the industrial sector is reflected in public sector monitored enquiries. Over half the enquiries of the last six years have been for industrial/warehouse properties, most for units of 0-465 sqm.
- 10.13 There remains a relative separation between the economies of North and South Sefton, although that separation is perhaps slightly less extensive than it was during the period of the JELPS.
- 10.14 At the time of the JELPS there was reasonably strong demand for offices in South Sefton, but little in the north of the Borough. Now there is more equilibrium as demand in North Sefton has improved but has waned in South Sefton. The office market in both North and South is, for the time being at least, primarily local in nature.
- 10.15 The industrial market maintains a different demand characteristic between the North and South of the Borough. South Sefton is the focus for sub-regional/regional demand, particularly around the Bridle Way and Deltic Way Industrial Estates. In North Sefton, industrial demand is primarily local.
- 10.16 Modern businesses (and developers) want easily developable, accessible and prominent sites and will move from existing property to provide themselves with better, more efficient, cost-effective accommodation of an appropriate size. Occupiers are very price sensitive.

Industrial Market

- 10.17 In North Sefton, local firms are looking for moderate/good quality units of 0-279 sqm, including some freehold options. In South Sefton, local demand is for (leasehold and freehold) properties of 0-464 sqm while there are additional requirements from sub-regional firms for units of more than 557 sqm and development plots of less than 2 ha.

10.18 There is a shortage of reasonable quality, mid-sized industrial units (465-743 sqm) in both North and South Sefton. In North Sefton, there is an oversupply of budget quality premises at Blowick Industrial Estate and within backland sites in Southport.

10.19 Around 102,000 sqm of industrial space is currently vacant - 10 percent of the total floorspace and almost 8 percent of premises. This is an increase on the JELPS when the vacancy rate was 6 percent by floorspace and 5 percent by premises numbers.

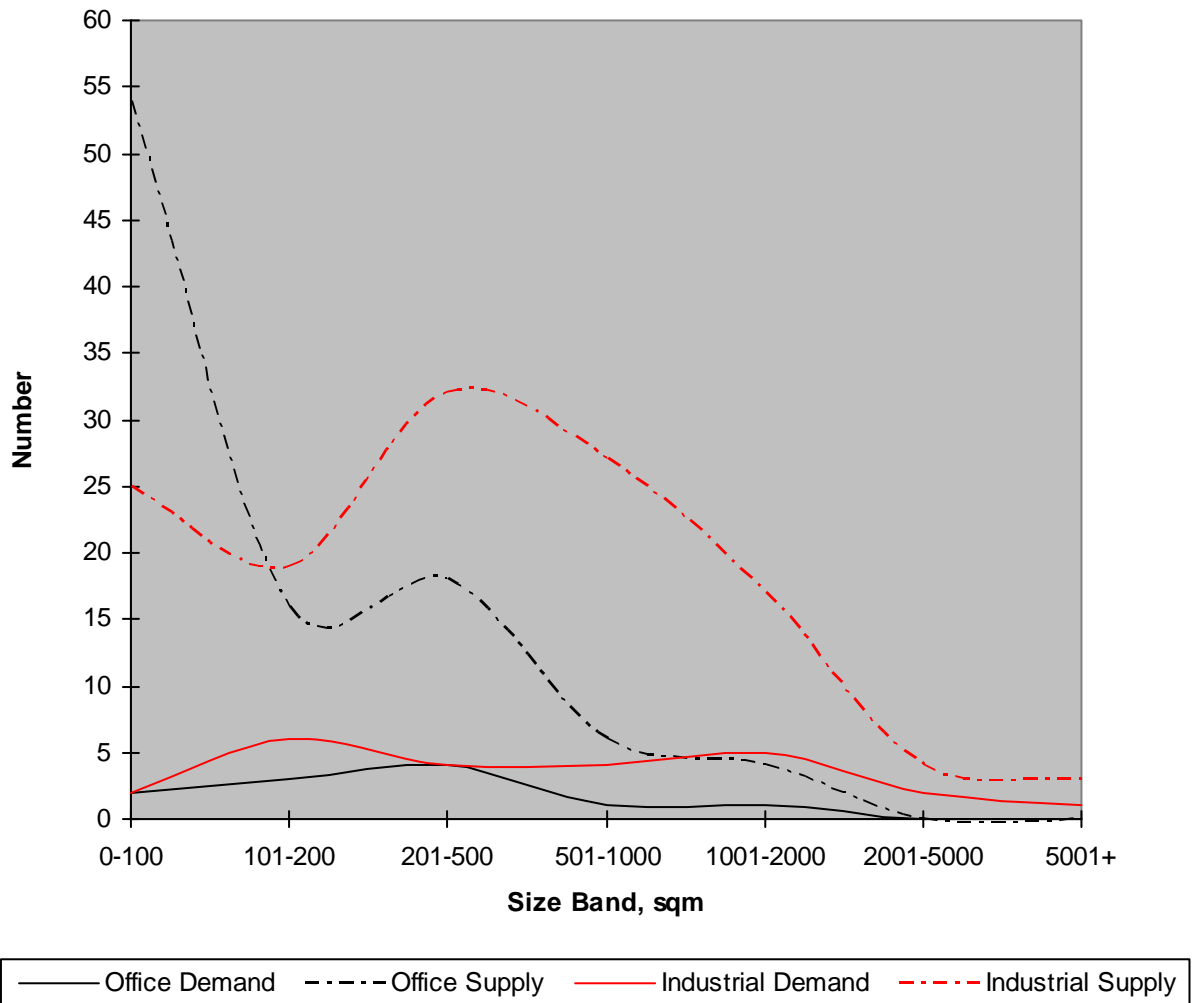
Office Market

10.20 Sefton's office market is comparatively small, with a high proportion of stock occupied by the public sector. Property agents indicate that the local market, in both North and South Sefton, has been hard hit both by the recession and (in the case of Bootle Office Quarter) by reductions in public sector demand. Requirements are for suites of 0-93 sqm in North Sefton and 0-186 sqm in South Sefton, from local firms.

10.21 Office vacancy rates – of 5.3 per cent by floorspace and 11.5 percent by number of premises – are, again higher than those found in the JELPS (3.4 percent by floorspace, 4 percent by premises). Evidence suggests that, at present, there is limited demand for further office accommodation in the Borough.

10.22 Figure 4 balances the requirements identified in the company survey (undertaken as part of the 2010 JELPS) against the premises supply identified by this research.

Figure 4 – Sefton Property Supply and Demand



Source: BE Group 2012

Current Land Availability

10.23 Sefton’s current potential employment land resource amounts to 57.96 ha, located across 18 sites. The majority of the sites are small. 61 percent are less than 2 ha. In North Sefton, good quality employment land is available at Southport Business Park, but options elsewhere in Southport are very small, poorly located and otherwise constrained. In South Sefton, the good quality employment sites are focused along the Dunnings Bridge Road Corridor. Sites outside this area, particularly around Bootle and off Heysham Road, are of a lower quality and frequently constrained.

10.24 Sites suitable for modern office uses are available at Southport Business Park in North Sefton and at Atlantic Park, Senate Business Park and St Johns Road, Bootle, in South Sefton.

10.25 Just over 7 percent of the existing headline land supply is potentially constrained. This amounts to 4.18 ha, and represents one sixth of the study area's sites. The three sites which, due to their constraints, may never come forward for development are:

- SL101: Land at Crossens Way, Southport, North Sefton (1.73 ha) – Site constrained by adjacent sewage works.
- SL102: 194 Cobden Road, Southport, North Sefton (0.40 ha) – Comparatively small, low quality site adjacent to gas holders
- BL164: Land South of Heysham Road, Heysham Road, Netherton, South Sefton (2.05 ha) – Site constrained by contamination and the fact that the land is on a raised banking, adjacent to a railway line.

10.26 The majority (66 percent) of the Borough's potential land supply is only available in the medium term, three to five years. Whilst 16 percent (8.65 ha) is available in the short term, there is no immediately available, serviced, developable land, with utilities and road access already in place. This contrasts starkly with the Regional Spatial Strategy's recommendation that 30 percent of the land supply should be available at any one time.

Geographical Distribution

10.27 The JELPS reported that, as of April 2008, South Sefton had 80 percent of Sefton's employment sites and 76 percent of the total land supply. South Sefton now has 78 percent of the Borough's employment sites and 76 percent of the total land. In North Sefton, 84 percent of the supply (12.40 ha) comprises land at Southport Business Park. The three other North Sefton sites are comparatively small and in at least one case constrained. In South Sefton, 92 percent of the available supply is focused in, and around the Bridle Way and Heysham Road Employment Areas.

10.28 In North Sefton, the supply of available property is focused in Southport Town Centre and at Blowick Industrial Estate. There are few property options outside of Southport and none at Formby Industrial Estate, which is fully occupied. North Sefton also has few larger (2,000 sqm or more) industrial units and no office properties greater than 355 sqm in size.

10.29 In South Sefton, the supply of available property is focused at Netherton and Bootle. Premises are provisionally available to meet most requirements, including freehold options and small offices and workshops suitable for micro-businesses. However,

consultations with stakeholders suggest a lack of mid-sized, reasonable quality industrial units relative to present demand.

Commercial Viability

- 10.30 There is a need to address the commercial viability of future employment development. The majority of recent development has relied on public sector gap funding to service and remediate land and to make speculative construction viable. The viability gap on most industrial schemes has been 35-40 percent and 25-30 percent on office schemes, even where the site is already cleared. Stakeholders are concerned that limits on public funding will further constrain the amount of new space coming forward to the market.
- 10.31 The majority of stakeholders believe that future development will need to be much more aligned to private sector funding led development. The promotion of alternative uses on employment sites would, however, further reduce the stock of suitable, available sites. The Council would also have to carefully monitor the impact that any new uses would have on the efficient operation of traditional employment activities in adjoining areas. Given the findings set out elsewhere in this report, there is still a need to ensure that many of the sites affected would continue to contribute towards employment needs.
- 10.32 An additional influence is the introduction by Government of 100 percent business rate payments on empty commercial properties, which coupled with the recession, has led to a brake on commitments to speculative development.

Port Activities

- 10.33 The Borough's ports are facilities of significance to the regional economy. The Mersey Ports Growth Strategy (2006) seeks to build on the creation of Mersey Ports from the merger of Liverpool and the Manchester Ship Canal as a key driver for the City Region. The RSS supports the important economic role of the ports; Policy RT6 ensures that plans and strategies 'support the economic activity generated and sustained by the Region's major ports and waterways'. The potential lack of available land for supply chain development makes the retention of land in proximity to viable port operations a key priority. RSS policy RT6 recommended a Port Masterplan is prepared for the Port of Liverpool to identify and plan for future operational and infrastructure requirements, surface access demands and environmental impacts.

- 10.34 In response to this, Peel has prepared the Mersey Ports Masterplan, which includes the Port of Liverpool and adjoining land. The Masterplan identifies a total of 108 ha for port facilities within Sefton, associated with the Seaforth River Terminal, land between Regent Road/Derby Road (which is partly within Liverpool) and existing underused dock infrastructure.
- 10.35 Port land requirements at Regent Road/Derby Road have the potential to displace a number of local businesses, creating an additional land requirement for Sefton. Research, undertaken by the Council to support this study, suggests that 13.16 ha of land at Regent Road/Derby Road are occupied by non-port related businesses which may need to be relocated. Based on the availability of land and premises in surrounding areas of Sefton and Liverpool, it is assumed that 20 percent of the affected businesses will seek alternative premises within Sefton. This gives an estimated additional land requirement of 2.63 ha. the findings of this research have been supported by both Peel Ports and Liverpool City Council.

Employment Areas

- 10.36 A total of 22 existing employment areas have been assessed, ranging from large-scale locations such as Bridle Way Industrial Estate, Bootle (73 ha), to smaller areas like Birkdale Trading Estate, Birkdale (0.75 ha). They total just over 345 ha. The assessment has identified that 16.3 percent (56.16 ha) remains available.
- 10.37 A further 14 percent (48.24 ha) is viewed as appropriate for regeneration or remodelling. 30 percent (14.68 ha) is in North Sefton and includes some 8.70 ha of underused brownfield/greenfield land at Blowick Industrial Estate. The remaining 60 percent (33.56 ha) is in South Sefton, with opportunities concentrated in Heysham Road Industrial Estate, Netherton and Maritime Enterprise Park, Bootle. The opportunities identified are largely unchanged from those suggested in the JELPS.
- 10.38 It should be noted that the Regeneration Opportunities are only suggested as potential areas of search that could be appropriate for employment redevelopment or remodelling. Many of them are not presently available for reuse and they are not part of the existing employment land supply. However, if an opportunity does become available over the plan period, it may be considered as an option for future employment land provision within Sefton.

- 10.39 Notwithstanding that some of these areas contain buildings reaching the end of their economic life, it is concluded that retention of the vast majority of these areas is important. This is because they have scope to continue providing local employment opportunities through the Local Plan period and beyond. However our assessment has concluded that one employment area (South of Aintree Curve, Netherton) is not fit for purpose for employment use because of the location and may be better suited to other uses such as residential. Also, part of the Peoples site, Bootle, is considered more appropriate for residential use.
- 10.40 The recent planning permission on part of Southport Business Park (subject to a Section 106 agreement) will change the character of that part of the Business Park by allowing new development in the full range of B1, B2, B8 employment uses, along with Sui Generis motor retail. The delivery of B2, B8 and Sui Generis uses at Southport Business Park would be contrary to present UDP policy which restricts development at Sefton's 'Prime' employment sites (Southport Business Park, Peerless Refinery, Atlantic Park and Senate Business Park) to mainly B1 uses.
- 10.41 However, evidence suggests that (on all of the Prime sites) this policy is contrary to recent property market activity and should be reviewed. For example, the most recent development on the Peerless Refinery site has been for a B8 wholesale warehouse, while Atlantic Park includes the former Rolls Royce Factory, the largest industrial/warehouse property presently on the market in Sefton. The owners of Atlantic Park are also marketing development land on the site for the full range of B1, B2, B8 uses. Past studies have considered that part of Southport Business Park could be suitable for motor retail uses for some time and there is already a B8 Royal Mail depot in the Employment Area.

Retaining Employment Land

- 10.42 Existing sites and premises provide valuable opportunities for employment close to where people live. They benefit the local economy, and whilst it is noted there is increasing pressure for change of use to higher value or non-employment generating uses (including housing), the loss of employment uses can negatively impact on local access to jobs and the economic competitiveness of local areas within Sefton. Ultimately this pressure challenges the Borough's economic growth.
- 10.43 Sefton's 22 Employment Areas (most of which are designated 'Primary Industrial Areas' in the UDP) contain the bulk of the Borough's existing supply of employment

land and premises. As discussed, they also have considerable scope to continue providing local employment opportunities through the Local Plan period and beyond. At present Sefton has a land supply shortfall to 2031 (discussed below) and a comparatively modest, and declining, employment land supply. This is particularly true in North Sefton, where only 2.38 ha are available outside of Southport Business Park in three small and constrained sites. Thus, notwithstanding any Green Belt opportunities which may emerge over the Plan period, Sefton will need to increasingly look to its Employment Areas to meet land supply shortfalls. In particular, the Employment Areas will be a key source of smaller brownfield sites which (unlike Green Belt options) can be brought forward quickly to meet the requirements of specific companies or developers. However, Sefton Council should continue to require developments of a high quality, developed to high design standards (and with high job outputs), on its prime sites, such as Atlantic Park.

10.44 Amongst these existing employment areas this study has identified 'key employment sites' that are considered to significantly contribute to the Borough's employment land supply for B class uses (see Section 11.0). For Sefton's other employment sites a more flexible approach may be required to help facilitate the broad range of economic development, which is vital for the future sustainability and growth of the local area's economy. In some instances there may not be a need for a site to remain in employment use, if there are sufficient alternatives available in the local area. In some cases, the size, location and characteristics of a site may mean that a more intensive mixed-use development could provide greater benefit to the local community, in terms of addressing local needs, than if the site was retained solely in employment use. However, Sefton Council will need to ensure that any proposal for mixed-use redevelopment must retain an equivalent amount of jobs on the site. Where a site is vacant or underused then consideration should be given to its potential for job creation rather than the existing number of jobs.

10.45 Sefton also contains a substantial supply of existing and potential employment land outside of the Employment Areas. The position of these sites is diverse. For example, this study has identified one undesignated industrial estate (Musker Street, Crosby) which, despite some vacancies, is an important local source of industrial space and should be protected in the Local Plan through redesignation as a Primarily Industrial Area. Conversely, stakeholders highlight the oversupply of poor quality backland employment sites in Southport, suggesting a portion of this supply could be released for other uses.

10.46 Thus there is no 'one size fits all' approach which can be applied to protecting, or releasing, employment sites outside of the Employment Areas and each must be considered on its individual merits. The Council is in the process of producing a SPD which defines the circumstances where employment sites can be released for non-employment uses. Generally, a small site can be considered viable for employment uses, if:

- It has a site access, independent of adjacent uses
- It is larger than 0.1 ha in size, large enough to support one or more small units and provide some off-street parking
- Has been occupied by a business within the last five years
- Is not overlooked by other uses, particularly housing.

10.47 Backland sites, which are not suitable for employment uses, are likely to be very small, with constrained access and overlooked by dense housing. Such constraints mean they will probably have been vacant for some time, and may never have had a long term occupier. Sefton's SHLAA notes that around 20 percent of the 200 plus backland sites in Southport are likely to come forward for housing over the Local Plan period.

Impact of Adjoining Areas

10.48 Sefton is bounded by the metropolitan boroughs of Liverpool and Knowsley, along with West Lancashire Borough Council. The linkages between these local authority areas and Sefton (including commuter flows) were considered in the JELPS and (in the case of Knowsley and West Lancashire) this has been factored into the forecasted employment land provision for these neighbouring authorities.

10.49 All three of the neighbouring boroughs indicate that they are able to meet their projected employment land needs through a mixture of existing and proposed land allocations, remodelling of key employment areas and, in the case of Knowsley and West Lancashire, targeted Green Belt releases. None of them will have to look to their neighbours to meet any shortfalls in employment land or premises supply.

10.50 The Liverpool Waters site in north Liverpool has been addressed as it is proposes over 300,000 sqm of office and business premises close to the Sefton boundary. However, this development is expected to take some 30 years to complete and a start date is uncertain.

Land Need Forecasts

- 10.51 There is no definitive model for forecasting future employment land needs. Three 'policy off' based models have been used to assess future employment land provision. These are the projection forward of historic land take-up; a forecast based on employment sector change and one of labour supply projections.
- 10.52 From data provided it has been possible to establish long term (22 years), medium term (10 years) and short term (5 years) trends that can be used in projection forward of historic take-up rates achieved by Sefton. This trend based forecast merely reflects and perpetuates the economic circumstances of the past two decades. It takes no account of the changes in economic activity likely to arise from the implementation of regional and sub-regional initiatives, such as the SuperPort – whose start date remains uncertain.
- 10.53 It should be noted that the take-up evidence shows the annual average has been steadily rising over the past 22 years. The most recent five years, which has substantially been a period of economic recession, exhibits a level 12 percent above the long term average. However, this could be explained in part by the more extensive monitoring arrangements, which have been put in place by Sefton Council over the last 7-8 years.
- 10.54 The caveats attached to the sector employment and labour supply forecasts are set out within the main body of the report, at paras 8.22-8.24 and 8.26-8.27.
- 10.55 A 'policy on' model has been used that reflects the TMP Liverpool City Region Economic Forecasts 'policy on' scenario, published March 2012. This considers the employment impact arising from key projects and identified growth sectors.
- 10.56 The long term take-up forecast suggests a need of 61.18 ha for the period 2012-2031. Incorporating a five year take-up buffer to provide a choice and range of sites and a continuum of supply beyond the Plan period, indicates a shortfall of 19.32 ha against the current headline land supply. This deficit increases to 23.5 ha when potential losses from the headline supply are taken into account.

- 10.57 The employment based forecast indicates that net growth over the Plan period would generate need of only 2.38 to 4.07 ha. Even after inclusion of the five-year buffer figure to allow for a range and choice of sites this model suggests there is a surplus of between 37 and 39 ha against the current headline supply figure. A similar picture applies to the labour supply forecast, although the surplus reduces to between 24 and 26 ha.
- 10.58 The 'policy on' scenario derived from the TMP Liverpool City Region forecasts indicates that employment growth over the Plan period would generate need of between 36 and 37 ha. Even after inclusion of the five year buffer figure this model indicates there is a surplus against the current headline supply – albeit one of only 4 to 6 ha.
- 10.59 A summary of the four forecast scenarios is set out in Table 77. They relate solely to the Plan period 2012 – 2031 and illustrate the effect of a five year buffer as proposed in Section 8.0, to facilitate an ongoing range and choice of sites to accommodate the anticipated structural change in employment sectors and a continuum of available supply beyond 2031.

Table 77 – Land Forecast Models – Summary

Model	Land Stock 2012 ¹ , ha	Land Need 2012-2031, ha	Buffer (5 years take-up rate) ² , ha	Surplus (Shortfall), ha	Assumptions
Historic Land Take-Up Rate	57.96	+61.18	+16.10	(19.32)	Based on historic (22 years) take-up of 3.22 ha/pa
Employment based	57.96	+2.38/ +4.07	+16.10	37.79/ 39.48	Based on projected growth/reduction of employment in industry sectors
Labour Supply	57.96	+16.07/ +17.35	+16.10	24.51/ 25.79	Based on projected industry sector changes (growth/reduction) and impact on floorspace (and thus land) need
Policy On	57.96	+35.74/ +37.25	+16.10	4.61/ 6.12	Based on Liverpool City Region Economic Forecasts 2011 employment growth data for Sefton extrapolated to 2031

Source: BE Group 2012

NB.1 Headline supply at 31 March 2012

NB.2 Based on historic take-up rate of 3.22 ha/pa

10.60 The variation in the outcome figures demonstrates the uncertainty of forecasting. Three of the models suggest there is an over-provision of employment land based against the headline supply figure. Only the historic land take-up rate identifies a shortfall. However potentially up to 4.18 ha of the supply may not be available. The effect of this would, for two of the models, suggest Sefton's current stock is unlikely to be enough to provide for needs to 2031. Under these scenarios Sefton will need to replace any land may be lost to alternative uses, as well as expand the overall supply of employment land over the Plan period.

10.61 Table 78 compares the forecast employment land need and the projected shortfall/surplus for both the headline (perceived) available supply (57.96 ha) and the residual supply (53.78 ha). It should be noted the figures do not take into account the additional 2.63 ha requirement identified by the Port of Liverpool's need to decant non-port related businesses from within the port expansion area.

Table 78 – Land Need Forecasts – All Models

Model	Land Need, ha 2012-2031 (Including 5 years Buffer)	Predicted Surplus (Shortfall) to 2031 Perceived Supply (57.96 ha)	Predicted Surplus (Shortfall) to 2031 Residual Supply (53.78 ha)
Historic Land Take-up Rate	+77.28	(19.32)	(23.50)
Employment based	+18.48/ 20.17	37.79/ 39.48	33.61/ 35.20
Labour Supply	+32.17/ 33.45	24.51/ 25.79	20.33/ 21.61
Policy On	+51.84/ 53.35	4.61/ 6.12	(0.43/ 1.94)

Source: BE Group 2012

10.62 Table 79 summarises additions, or deductions, to the land supply, which have been identified in this study. If these are included then the land requirement increases by almost a third to 30.76 ha. The full calculation, undertaken to reach this figure, is summarised in Appendix 12.

10.63 The conclusion to be drawn is that Sefton needs to replace any land that is lost to alternative uses, as well as expand the overall supply of employment land over the

Local Plan period. There is a need for caution in considering the release of sites, as recent take-up (notwithstanding the recession) has been above the longer term trend. The loss of existing employment land, primarily to new housing led development, indicates need for additional allocations to replace these sites.

Table 79 – Trend Based Forecast of Land Take-up – Additions/Deductions Adjusted

Overall Land Requirement (Historic Take-Up Rate from Table 78), ha	Additions (Deductions), ha	Adjusted Figure, ha
+23.50	(5.13) Oversupply based on 7.5 percent vacancy rate for total property stock 9.76 Land lost to housing (former HMRI) development 2.63 Additional land needs resulting from the displacement of businesses, from Regent Road/Derby Road, due to Port expansion	+30.76

Source: BE Group 2012

Providing for Structural Change

10.64 The complexities of structural change make it difficult to be confident about the true scale or nature of future employment land needs through to 2031, especially when what is actually happening on the ground – where industrial demand is very much outpacing office demand – is contrary to expected forecasts. The differential between ‘policy off’ and ‘policy on’ is also difficult to quantify and will require careful monitoring over the plan period, alongside the need to recognise the redundancy of poor quality employment sites and premises and to encourage the recycling of less suitable older stock to make way for premises better suited to meet modern requirements. In practice, this can only be realistically addressed by ensuring that a good range of suitable sites is maintained throughout the plan period to stimulate local company growth, inward investment and emerging industries, as well as to provide for choice and for ‘room to manoeuvre’, to enable any necessary structural change to occur.

10.65 Structural change will also have implications for the type of land required. Whilst much of Sefton has been and is expected to continue to be a manufacturing location,

there is need to ensure that future sites and premises provision is better suited to the requirements of the service industry sector. To attract and retain these occupiers, environmental setting, accessibility and provision of support facilities for the workforce, are expected to assume much greater importance as part of the wider need to directly address the quality of the land supply.

10.66 In providing for structural change regard should be given to the growth sector opportunities identified for Liverpool City Region – advanced manufacturing and engineering; low carbon; digital and creative; life sciences; professional and financial services – relevant to B Use Class employment land provision. In South Sefton the regeneration within the Dunnings Bridge Road corridor is continuing to provide appropriate opportunities. In North Sefton, Southport Business Park is geared to accommodating some of the growth sectors but the Council will need to consider bringing forward a successor site during the Plan period to provide a continuum of opportunity.

11.0 RECOMMENDATIONS

Introduction

11.1 This section sets out BE Group's recommendations arising from the Employment Land and Premises Review. The recommendations in this report have had full regard to the requirements of the NPPF to encourage and deliver growth through the Planning System. The recommendations are grouped around four aspects:

- Employment Land Supply
- Spatial Implications
- Provision of Premises
- External Influences.

Employment Land Supply

Recommendation 1 – Employment Land Provision Definition

11.2 The NPPF does not define employment land provision within the main document. However Annex 2 defines economic development as “*development, including those uses within the B use classes, public and community uses and main town centre uses (but excluding housing development)*”. Consequently this suggests that the Port of Liverpool and its port-related sites should be considered as part of the employment land supply.

11.3 However the Port is a regionally significant economic facility that happens to be in Sefton, but with a sphere of influence much wider than the Borough. Historically the port-related sites have been excluded from the Borough's employment land supply as the Port is its own economic unit that operates in a separate context from other employment areas in Sefton, and is subject to generous Permitted Development Rights for port-related development. As such it has also been excluded from the past take-up rates figures for the Borough referred to in Section 9.

11.4 Consequently BE Group recommends that Sefton Council continues to exclude port-related sites from the Borough's employment land supply.

Recommendation 2 – De-allocation of Existing Employment Land

11.5 The assessment of Sefton's employment land allocations has highlighted a distinction between the perceived and actual available supply. Three sites (4.18 ha),

perceived as available, are known to be constrained and may not be developable for employment uses (see Table 80). The Council should re-assess the viability of delivering employment uses on these three allocations and explore development intentions with the site owners, with a view to re-designation as 'Primarily Industrial Areas' rather than allocated employment sites. This could allow them to support employment in Sefton, by housing basic uses such as open storage.

Table 80 – Constrained Sites. Proposed De-allocations Subject to Viability Review

Site Ref	Site Name	Size (ha)	Comments
North Sefton			
SL101	Land at Crossens Way, Southport	1.73	Site constrained by adjacent sewage works. Owner may have aspirations for alternative uses.
SL102	194 Cobden Road, Southport	0.40	Comparatively small, low quality site adjacent to gas holders
South Sefton			
BL164	Land South of Heysham Road, Heysham Road, Netherton	2.05	Site constrained by contamination and the fact that the land is on a raised banking, adjacent to a railway line
	Total	4.18	

Source: BE Group 2012

- 11.6 In addition it is recommended that two employment areas, Land South of Aintree Curve (6.47 ha) and The Peoples site (10.97 ha) be de-allocated. Land south of Aintree Curve has access issues and is surrounded by existing residential developments, while The Peoples Site is now proposed for housing.

Recommendation 3 – Employment Sites and Areas to be Retained

- 11.7 As is discussed in Section 10.0, existing sites and premises provide valuable opportunities for employment close to where people live. They benefit the local economy, and the loss of employment uses can negatively impact on local access to jobs and the economic competitiveness of local areas. Ultimately this challenges the Borough's economic growth.
- 11.8 The relative scarcity of employment land compared to neighbouring districts, alongside the issues outlined above, mean that there is a strong economic justification for the ongoing protection of employment land in Sefton.

- 11.9 This study has identified 'key employment sites' that are considered to significantly contribute to the Borough's employment land supply for B class uses. These should be safeguarded for B class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area. In considering economic enhancement regard will be given to issues such as wage rates, job numbers, achievement of higher level skills and the key industry sectors identified as important for Sefton.
- 11.10 It is recommended that Sefton Council designate the following as key employment sites to be safeguarded for B-Class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area. As commented in Section 10.0 in considering economic enhancement regard is to be given to issues such as wage rates, job numbers, achievement of higher level skills and the key industry sectors identified as important for the Borough:
- Southport Business Park
 - Atlantic Industrial Complex
 - Peerless Refinery
 - Senate Business Park.
- 11.11 Within these 'key employment sites' applications for B class use should be permitted subject to the proposals not having a significant adverse impact on surrounding local uses. The use for employment purposes other than B class uses may be appropriate but only if it can be shown that the use provides on-site support facilities or demonstrates an economic enhancement over and above B class uses. Such development should however not prejudice the efficient and effective uses of the remainder of the employment area.
- 11.12 Retail uses should not generally be supported on employment sites. Exceptionally, uses which have trade links with employment uses or are un-neighbourly in character (such as car showrooms, tyre and exhaust centres, or trade counters) may be permitted on employment sites which have good access to a range of transport options. Other uses that do not provide direct, on-going local employment opportunities should not be permitted on 'key employment sites'.

11.13 For Sefton's other allocated employment sites and land/premises in 'Primarily Industrial Areas' a more flexible approach could be taken to help facilitate a broad range of economic development, which is vital for the future sustainability and development of the local area's economy. In some cases, the size, location and characteristics of a site may mean that a more intensive mixed-use development could provide greater benefit to the local community, in terms of addressing local needs, than if the site was retained solely in employment use. However, Sefton Council should look to ensure that any proposal for mixed-use redevelopment (incorporating both employment and non-employment uses) must retain an equivalent amount of jobs on the site. Where a site is vacant or underused then consideration should be given to its potential for job creation rather than the existing number of jobs.

11.14 Where employment sites are proposed for mixed-use development (incorporating both employment and non-employment uses), Sefton Council should require the applicants to provide the following:

- A description of the community and regeneration benefits to be delivered
- A description of the economic benefits
- Any local employment or other needs addressed by the proposal
- Scale and type of employment development to be retained and provided
- Existing job numbers (full and part time) by job type
- Expected job numbers (full and part time) by job type and how these are justified.

11.15 Sefton Council should only consider non-employment uses (such as housing and retail) where wholly exceptional circumstances apply. In considering an application for a non-employment use, applicants should be required to demonstrate that real effort has been undertaken to secure alternative employment uses, and that consideration has been given to current market trends and future land needs in the location. To this extent, applicants should be required to:

- Make a compelling case that wholly exceptional circumstances apply that would not create a precedent for the loss of employment sites elsewhere in the Borough
- Describe any problems caused by the current employment use; the measures considered to try and mitigate these issues, and an explanation of why these problems could not be overcome

- Detail any other reasons why the site is thought unsuitable for employment uses
- Detail how the property has been marketed, over what period, and for what price (defining how the price was determined), what use(s) it was marketed for, where it was advertised and provide information on any offers received
- Set out any measures that are proposed to mitigate the loss of employment land.

11.16 It is suggested that in terms of protecting employment sites, the redevelopment of employment land and premises for non-employment uses be allowed in the following circumstances:

- The present (or previous, if vacant or derelict) use causes significant harm to the character or amenities of the surrounding area, and it is demonstrated that no other appropriate viable alternative employment uses could be attracted to the site, or
- Mixed-use redevelopment would provide important community and/or regeneration benefits with no significant loss of jobs potential jobs, and the proposed mix of uses accords with other planning policies.

11.17 This advice is offered without consideration of other planning, traffic/highways issues, etc. which might render some uses or mixed use developments inappropriate on particular employment sites. It is clearly for Sefton Council to judge proposals on their merits taking account of these factors.

11.18 If employment sites (allocations) are lost to other uses, then an equivalent amount of land should be identified elsewhere to ensure a sufficient overall land supply in Sefton.

11.19 This study has also reviewed two small industrial estates within South Sefton which are not currently designated as employment areas. One, Musker Street, Crosby, is well established and reasonably well occupied. This should be redesignated as a Primarily Industrial Area to protect it from pressure for alternative uses. The second, Sandy Road, contains a core area of industrial/trade uses (Sandy Lane) which should also be protected. Other areas of the estate are largely vacant and their viability should be reviewed, considering if its' allocation to alternative (non-employment) uses would be more appropriate.

Recommendation 4 – Future Employment Land Provision

- 11.20 The perceived land supply of 57.96 ha, at April 2012, generates a shortfall of 19.32 ha when measured against a roll forward of historic take-up. This increases to 23.50 ha when sites with development constraints are excluded. The shortfall further increases to 30.76 ha, when the additions/deductions identified in Table 79, are included (see Appendix 12).
- 11.21 The forecasts of future population (labour supply) and industry sector activity (jobs), and the policy 'on' model produced for the Liverpool City Region Economic Forecasts suggest there will be a substantial surplus of employment land. These forecasts suggest that Sefton will need substantially less employment land than is already identified. This would mean most of the currently available land is surplus to requirements.
- 11.22 However, BE Group does not recommend that the economic forecasts be the basis for defining employment land provision for the Local Plan period. This is because the forecasts represent the absolute minimum amount of land required to accommodate the activities of different industry sectors. Furthermore they take no account:
- That within sectors expected to decline (particularly manufacturing) there will still be businesses that will grow and expand
 - That there will be local market churn
 - That there will be need to maintain a choice of supply by size, type, location and quality of sites and premises for businesses at differing levels of their maturity
 - That there should be a continuing forward supply to accommodate site development beyond the end of the Local Plan period
 - Of reference to the level and nature of the existing employment land supply at April 2012
 - Of addressing the current high level of out-commuting referred to at paras 3.28-3.29.
- 11.23 BE Group therefore recommends Sefton Council use the roll forward of historic take-up as the main measure of the Borough's future land needs, to 2031.

- 11.24 BE Group confirms that increasing office use will lead to a reduced scale of employment land demand. However, getting there is a different proposition. Therefore it is recommended that Sefton maintains a buffer zone of at least five years historic land take-up. This should be maintained as a five year rolling supply at all times to provide range and choice as well as 'room-to-manoevre' to enable the forecast structural change to occur.
- 11.25 To be safe, Sefton Council should adopt the scenario that all potential land losses identified in Table 80 actually do occur and that, notwithstanding the recommendations of this study, some land is lost to alternative uses. Where employment sites are lost to other uses, this will need to be re-provided elsewhere in the Borough to ensure a sufficient supply.
- 11.26 The assessment of existing Employment Areas suggests that a portion of this need for additional land could be met by remodelling of some sites and/or regenerating poor quality buildings that are appropriate for continuing employment use. However, many of the regeneration opportunities identified in this study represent long term options for change. Some are presently occupied, under multiple ownerships or otherwise constrained. It is expected that only a portion of the identified opportunities will come forward over the Local Plan period and it is extremely unlikely that the full projected shortfall (30.76 ha) could be met through this source alone.
- 11.27 This study therefore recommends that Sefton Council undertakes a review of the Regeneration Opportunities identified in this study, with the aim of determining how many are likely to come forward over the next two decades and what level of land supply this is likely to generate.
- 11.28 As the brownfield land supply is unlikely, by itself, to meet the projected shortfall, Sefton Council needs to consider what alternatives exist. This should include options for the release of Green Belt land. However, it should be noted that the potential release of Green Belt land for development is not about precisely 'matching' release to the identified requirement, because:
- Infrastructural and other requirements will generate long lead in times to development. There is also a long lead in time to the removal of sites from the Green Belt through the Local Plan process
 - Business parks identified in Green Belt will provide a longer term resource which will potentially last beyond the Plan period

- Sefton has by far the smallest amount of employment land in Merseyside, and significantly less land identified as Primarily Industrial Areas. The need to identify more land is therefore more pressing to attract investment and deliver growth.

11.29 The Draft Knowsley and Sefton Green Belt Study identifies four Green Belt sites, in North Sefton, which are considered suitable for employment development (see Table 81). Sites S007 to S009 comprise a substantial parcel of land (39.05 ha in total), south of Blowick Industrial Estate and east of Meols Cop Retail Park. In theory these sites could deliver sufficient land to meet North Sefton's land needs to 2031. In practice, however, delivery of employment uses here may be constrained by the location (a backland site, adjacent to poor quality industrial uses and a waste transfer station), access (via residential roads) and site conditions (water courses and a railway line cross the site, and land south of the railway includes a former waste tip). The viability of this land needs to be reviewed further before any allocation is made.

Table 81 – Green Belt Sites, Potentially Suitable for Employment Development

Parcel No.	Location	Whether All or Part of the Parcel is Suitable for Development	Whether well contained by the urban area	Indicative Capacity, ha (Suggested Use)
S007	Land south of Crowland Street, Southport	All (employment use only due to location)	Well contained	25.00 (Industrial Estate)
S008	Kew Park and Ride Site, Foul Lane, Southport	All (employment use only due to location)	Well contained	2.70 (Industrial Estate)
S009	Former Tip, Foul Lane, Southport	All (employment use only due to location)	Well contained	11.35 (Industrial Estate)
S044	Formby Moss, north of Formby Industrial Estate	All – Local Wildlife Site	Well contained	27.60 (Business Park)
Total				66.65

Source: Sefton MBC/Knowsley MBC, 2011

11.30 The fourth site, Site S044: Formby Moss, north of Formby Industrial Estate is considered further in Recommendation 9 below (as a successor to Southport Business Park).

11.31 No Green Belt options have been identified in South Sefton. As the south is likely to have the strongest demand, including larger requirements from sub-regional/regional firms, Sefton Council needs to consider what Green Belt opportunities exist in this

area as part of the Local Plan process. This is reinforced by the fact that North and South Sefton operate as distinct property markets in their own right. Therefore provision within one cannot be seen as a solution for the whole Borough needs. Based upon historic take-up it is considered that by 2016 Sefton Council should be commencing the process to determine potential Green Belt release in South Sefton (for delivery from 2020 onwards), to ensure a continuing supply of appropriate sites. It is suggested that Sefton Council seek to identify a developable area of up to 20 ha, but it should also be noted that where Green Belt land is required to contribute to the shortfall, the gross area referenced may be substantially greater than the net area due to site constraints or other site specific characteristics.

- 11.32 If the Green Belt sites identified in Table 81 prove not be deliverable, alternative sites should be identified. With specific regard to site S044 (Formby Moss, North of the Formby Industrial Estate), if this land is unable to be delivered, then alternative nearby Green Belt land should be considered.

Recommendation 5 – Reviewing Sefton’s Backland Supply

- 11.33 Sefton also contains a substantial supply of existing and potential employment land outside of the designated Employment Areas. This includes over 200 backland sites in, and around, Southport.
- 11.34 Some of these sites will serve an important role in meeting local demand for budget quality land and property. However, stakeholders also highlight that there is an oversupply of poor quality backland sites in North Sefton, suggesting a portion of this supply could be released for other uses. In addition, Sefton’s SHLAA indicates that around 20 percent of the 200 plus backland sites in Southport are likely to come forward for housing over the Local Plan period. This is a reasonable assumption given the high number of vacant or underused backland plots in the town.
- 11.35 In view of the scale of backland sites it is recognised it is impractical for Sefton Council to undertake a single detailed review to identify which should be retained for employment uses, and which could be released. Consequently it is recommended that as and when approaches are received to develop backland sites for non-employment uses, the Council assesses each on its merits in accordance with both the criteria put forward in its own draft SPD (subject to any review of this document the Council may undertake) and those set out in Section 10.0 of this report.

Recommendation 6 – Solus Employment Sites Outside Primarily Industrial Areas

- 11.36 This study has not surveyed B use class employment activities associated with solus sites outside current employment land allocations. However, it is accepted that these are activities capable of making a contribution to local employment activity and jobs. It is also recognised that there may be competing pressures for other uses on some of these sites, but any consideration of future non-employment use should have regard to the Draft Safeguarding Employment Land SPD. However, it should be noted that the Council may wish to review and (potentially) update the SPD, which was produced in 2010.

Recommendation 7 – Future Reviews

- 11.37 In accordance with RSS planning policy, Sefton should review its employment land portfolio at intervals of around three years. This is also broadly in accordance with the NPPF which recommends regular monitoring and review of the local land supply to ensure a robust evidence base.

Spatial Implications

Recommendation 8 – Continue to Assess Strategic Port-Related Uses

- 11.38 Sefton includes regionally significant port facilities in the Port of Liverpool. Land is a finite resource, with land appropriate for port-related uses even more so. Therefore the retention of land in proximity to port operations is a key priority, reinforced by RSS which states there should be a strong presumption in favour of safeguarding land close to both ports for logistics, transport and port-related development.
- 11.39 The Mersey Ports Masterplan identifies some 108 ha of land in Sefton (and Liverpool) which is required for the expansion of the Port Liverpool, to 2030. Some 37 ha of this land is outside of the existing Port boundary, in the Regent Road/Derby Road corridor. If this land was taken up by the Port it would displace a range of existing businesses whose activities are non-port related. Research by Sefton Council has suggested that these companies would, in turn, generate an additional land requirement, for Sefton, of 2.63 ha.

11.40 However, the actual land needs of the Port will change through the Masterplan period, reflecting changes in Port traffic, infrastructure needs and unanticipated land/property requirements from port-related business who wish to locate in proximity to Port facilities. Increases in the tonnage of cargo handled by the Port may also generate additional requirements for storage land and property. The Council therefore needs to maintain an ongoing dialogue with Peel Ports and neighbouring Merseyside Districts regarding ongoing Port related land needs.

Recommendation 9 – Spatial Distribution of Use Classes

11.41 It is generally difficult to predict what sort of employment sector ought to be assigned to each site within the employment land supply. As recent developments such as Vesty Business Park have demonstrated, large scale sites can accommodate a mix of uses if the environmental framework is appropriate.

11.42 At present, UDP policy restricts development at Sefton's 'Prime' employment sites (Southport Business Park, Peerless Refinery, Atlantic Park and Senate Business Park) to mainly B1 uses. However, this is increasingly unrealistic when measured against present market demand (which is for industrial accommodation rather than offices), developer aspirations (the the recent planning approval at Southport Business Park is for the full mix of B1, B2, B8 uses, plus motor retail) and the situation on the ground (three of the four prime areas already contain some B2 and/or B8 premises).

11.43 Rather than limiting which (employment) use class can be developed, the priority for Sefton Council should be to ensure that any industrial, warehouse or office accommodation which is delivered, is of a uniformly high quality (delivering good job outputs), appropriate for these prominent business park locations.

11.44 Sefton Council should also recognise the increasing level of precedents of non-B use employment activity provision within employment areas across the UK. Sui generis uses, such as vets practices, and D1 non-residential institutions including training centres, nurseries/children's play facilities and activity centres do generate employment opportunities. Such applications within the Borough should be treated on their individual merits, including employment outputs.

Recommendation 10 – Tackle Future Development Viability

11.45 Public sector grant aid has been instrumental in bringing forward both employment land and modern premises in most parts of Merseyside, including Sefton. Premises have largely been speculatively delivered by the private sector with grant aid filling the funding gap. The future will not see this same level of grant aid available. This requires alternative solutions if supply is to be maintained, as financial shortfalls will continue to hamper development.

11.46 Furthermore, the only immediately available developable land in Sefton comprises several serviced plots in Atlantic Park. There are no immediately available development options in North Sefton. 18 percent of the supply is only available in the longer term, five years or more. Notwithstanding the current economic climate, Sefton has to increase the amount of immediately available land (RSS states 30 percent of supply should be immediately available). It is therefore important that provision for power and infrastructure requirements is taken into account in future strategic interventions.

11.47 BE Group recommends that Sefton Council considers the following:

North Sefton

- Working with the applicants to bring forward the employment opportunities recently given planning permission (subject to a Section 106 agreement) at Southport Business Park, as early as possible. Also to consider bringing forward to the market serviced and remediated development plots, to meet short term needs
- Engagement with the owners of the Former Phillips Factory about the future of this area and particularly the main factory building. Discussions should consider if remodelling/redevelopment of this facility, to provide new employment options, is a realistic proposition
- A review of land at Blowick Industrial Estate, particularly vacant land off Crowland Street, to determine if any of the regeneration opportunities identified in this study can provide short-term redevelopment opportunities
- The release of Green Belt land north of Formby Business Park, early in the Local Plan period (discussed below). The owner of this land has expressed the willingness to help bring forward employment opportunities in the short or medium term. If constraints prevent this site from coming forward, Sefton Council could look to identify another site in this area.

South Sefton

- Working with Littlewoods deliver infrastructure and servicing at Senate Business Park, opening up the site to provide serviced development plots
- A review of the regeneration opportunities identified in this study, to determine if any short-term redevelopment opportunities exist. One focus for such research should be Leckwith Road, Heysham Road Industrial Estate, which includes a significant area of vacant premises.

Recommendation 11 – Need to identify a Successor Development to Southport Business Park

11.48 Despite its isolated position, in a mostly residential area, Southport Business Park has demonstrated that a good quality location and environment can attract both developers and occupiers to North Sefton. The (mostly) office premises that have been delivered have set new standards for Southport, and for Sefton as a whole.

11.49 Although some 12 ha remains available, Southport Business Park has finite boundaries. An application has recently been approved which will see just over a third of the available land brought forward for employment and motor retail development. The applicants have further aspirations to deliver employment uses on almost all the remaining land, in the medium term.

11.50 BE Group therefore recommends that Sefton Council recognises the need to identify a successor to Southport Business Park. In theory, provision of a successor site will not be required until later in the Local Plan period, circa 2020, based on previous take-up performance. In practice, the shortage of available land in North Sefton, RSS/NPPF requirements to have a supply of readily available development land and the declared developer interest to pro-actively build out the Business Park, may mean that a successor site will have to be allocated well before Southport Business Park nears capacity. It is considered the lead-in time needs to reflect that additional development land should be serviced and available early in the Local Plan period and preferably from 2016 onwards.

11.51 A viable successor site will have to be relatively unconstrained, accessible and of a similar size to the existing business park. Ideally, such a site should be close to Southport Business Park, to capitalise on the critical mass established. However, as the Business Park is bounded on all sides by housing (existing and proposed) and public greenspace, this will not be possible.

- 11.52 In North Sefton, there are no brownfield sites which meet the above criteria and any site large enough to provide a successor to Southport Business Park could only be provided through the release of Green Belt land.
- 11.53 As mentioned previously, the Draft Knowsley and Sefton Green Belt Study identifies four Green Belt sites, in North Sefton, which are considered suitable for employment development. However, three of these comprise land south of Blowick Industrial Estate and east of Meols Cop Retail Park. This backland location, close to existing low quality industrial uses and a waste transfer station is unlikely to be attractive to developers seeking to deliver a high quality business park. Nevertheless the location would be appropriate for B2/B8 functions, some of which might involve relocations from backland sites in Southport. If Sefton Council wishes to pursue these sites then it should enter into an early dialogue with the owners to ensure that any proposals are both viable and deliverable.
- 11.54 The recommended successor site is therefore Formby Moss, north of Formby Industrial Estate (Site S044). As already stated, the southern portion of this site (which is 12.7 ha in size) is controlled by a landowner who is willing to support the development of B1 and B2 uses, in the short to medium term. The land is not heavily constrained, although it has flood risk and nature conservation issues. Also, delivering an access point (which is likely to be necessary), independent of the existing industrial estate, onto the adjacent dual carriageway would be difficult. If constraints prevent this site from coming forward, Sefton Council could look to identify another site in this area.

Provision of Premises and Sites

Recommendation 12 – Strengthen Support Services and Premises for Start-Up Businesses

- 11.55 It is important to meet the needs of start up business, through the provision of business incubators, managed workspace and 'grow on' premises. The recent success of The Investment Centre, Bootle suggests that despite the recession and the general lack of demand for office accommodation, there is still a need for incubation space in Sefton. However, the Investment Centre is now fully let and managed accommodation at the nearby Bridgewater Centre is also nearing capacity.

- 11.56 There are small serviced office schemes in Southport Town Centre, Maghull, Heysham Road Industrial Estate and at Aintree Racecourse Business Park. However, it is not clear if these provide sufficient premises of the right quality, the right price and in the right size ranges to meet the needs of new and expanding businesses in North and South Sefton.
- 11.57 It is therefore recommended that Sefton Council undertake a more detailed appraisal of the supply and demand for managed workspace and serviced offices within the Borough, to ensure fit with economic growth aspirations for improved entrepreneurship. This could look at demand, supply of existing space, and the viability of any schemes in the pipeline.

Recommendation 13 – Premises and Sites Provision

- 11.58 Given the strength of continuing demand for freehold industrial units, there should be sites set aside to provide small freehold development plots for owner-occupiers. These could comprise up to 2 ha, providing initially 5 to 10 plots, 0.1-0.2 ha in size on a long leasehold basis to ensure some control to keep the scheme well planned, clean and tidy. Recommendation 8 identifies some of the locations where such plots could be made available.
- 11.59 More industrial units are required in both North and South Sefton in the range 465-743 sqm. Both leasehold and freehold premises are needed. There is no equivalent need for further office accommodation, particularly in South Sefton which appears to have an oversupply of larger office suites, relative to present demand.

External Influences

Recommendation 14 – Maintain Awareness of External Influences

- 11.60 As a first point, the Sefton must recognise its role, together with West Lancashire and the authorities of Merseyside, in developing the Liverpool City Region economy. In this respect they are interconnected, to varying degrees, on a number of levels. Yet the evidence of other similar work in the City Region, including the JELPS, is that there is room to improve co-ordinated working amongst the constituent authorities.
- 11.61 Discussions with the adjoining local authorities of Liverpool, Knowsley and West Lancashire indicate that they have sufficient land allocations (both existing and

proposed) to meet their projected needs. There is therefore no immediate need for them to look to Sefton for support in land provision.

11.62 However, there are still a range of issues in which the interests of the City Region authorities will overlap, and where joint working is advisable. In the long term, the most significant for Sefton will be the development of Liverpool Waters. This scheme proposes over 300,000 sqm of office space on land only 1km south of the Sefton boundary. Its delivery will inevitably affect demand for office accommodation in South Sefton, particularly in the Bootle Office Quarter.

11.63 In addition both Sefton and Liverpool need to work together to monitor and plan for the sub-regional land needs arising from the Port of Liverpool's expansion plans.