



*Knowsley Council*

# **Knowsley Local Plan: Core Strategy**

Technical Report

## **Planning for Employment Growth**

Final Version - Core Strategy Submission Document  
**July 2013**

# Planning for Employment Growth in Knowsley

## Contents

<b>0. Executive Summary</b>	
<b>1. Introduction</b> .....	<b>1</b>
1.1 Policy background.....	1
1.2. Local context.....	1
1.3. Core Strategy Preparation to Date.....	3
1.4 Purpose of this report.....	4
<b>2. Context</b> .....	<b>6</b>
2.1 National policy and evidence .....	6
2.2 Regional policy and evidence .....	8
2.3 Sub-regional policy and evidence .....	9
2.4 Local Plans and Projects in the Sub-region .....	11
2.5 Local policy and evidence .....	16
<b>3. Influence of Local Circumstances and Historic Trends</b> .....	<b>20</b>
3.1 Knowsley’s Employment.....	20
3.2 Future Workforce .....	25
3.3 Employment land - supply and demand.....	27
3.4 Knowsley’s Strengths and Challenges.....	33
<b>4. Identifying Employment Land Requirements</b> .....	<b>35</b>
4.1 Methodology .....	35
4.2 What land is available for employment in Knowsley?.....	36
4.3 Range and suitability of existing employment sites.....	40
<b>5. How much employment land is needed in Knowsley up to 2028? .....</b>	<b>43</b>
5.1 Methods of employment land forecasting .....	43
5.2 Economic Forecasting models (Methods “Economic 1, 2, 3 and 4” – see below) .....	43
5.3 Translating regional work on job growth forecasts into employment land figures .....	47
5.4 Historic Trend models (Methods “Historic 1, 2, 3 and 4”).....	51
5.5 Preferred Methodology for estimating employment land need.....	58
5.6 Should a flexibility factor be built into the figures? .....	62
<b>6. Options for addressing the shortfalls in land supply and the need for flexibility – 2010 to 2028, and post plan period.....</b>	<b>66</b>

6.1	Introduction .....	66
6.2	Flexibility for potential losses of employment land to other uses ....	66
6.3	Options to address shortfall .....	68
6.4	Additional capacity from remodelling of Industrial Parks .....	69
6.5	Influence of development in adjacent districts .....	70
6.6	Additional capacity from release of sustainable sites within the Green Belt.....	72
6.7	Five-year employment land supply .....	73
6.8	Should employment sites be restricted to specific types of employment use? .....	74
6.9	Distribution of Supply .....	74
6.10	Discounted Alternative Distributions of Employment Growth .....	77
<b>7.</b>	<b>Conclusion .....</b>	<b>79</b>
<b>8.</b>	<b>Glossary .....</b>	<b>82</b>
	<b>Appendix A: Employment Land Supply - April 2013.....</b>	<b>83</b>
	<b>Appendix B: Oxford Econometric for JELPS Study Area (Halton, Knowsley, Sefton and West Lancashire).....</b>	<b>91</b>
	<b>Appendix C: Oxford Econometrics Disaggregated for Knowsley .....</b>	<b>93</b>
	<b>Appendix D: Green Belt Locations and Employment Capacity .....</b>	<b>95</b>

## 0. Executive Summary

### Introduction

- 0.1 This Technical Report supports the Knowsley Local Plan Core Strategy and its policies around planning for employment growth. This version of this report has been produced to support the Core Strategy Submission version and the policies contained therein.
- 0.2 Using a variety of information sources and evidence base documents, this report sets out relevant influences and policy parameters affecting the land requirements and distribution of employment provision which could be delivered in Knowsley, including factors relating to national and regional policy and locally collated evidence.

### Context

- 0.3 The report asks a series of questions, firstly to assess the wide range of evidence available to inform the content of this technical report. The evidence (see chapter 2 of the main report) comprises:
  - National planning policy documents, which set out the framework for the preparation of Local Plans.
  - A range of regionally-collected evidence which inform employment requirements.
  - Locally set policies, including the Sustainable Community Strategy, which directly or indirectly will influence localised approaches to employment provision.
  - A vast range of sub-regional and local evidence and information, collected by the Council and its partners, which will inform consideration of existing need and regeneration priorities.

### Influence of local circumstances and historic trends

- 0.4 Chapter 3 of the report assesses the influence of local circumstances and historic trends in terms of employment (including previous trends and future forecasts), deprivation, levels of land supply and demand (take up). It is evident that the Local Plan approach needs to adapt to local circumstances to ensure sustainable economic growth in the future. In this regard, Knowsley has several key attributes including:
  - status as a key employment location - the Borough's business parks provide substantial employment in manufacturing, distribution and services. They have good access to employment locations along and around the Liverpool-Manchester corridor and excellent transport linkages;

- recent precedent of a growing business base - between 2006 and 2011 , the number of businesses increased by 12.3% the highest rate in the Liverpool City Region<sup>1</sup>; and
- a wide range of businesses and companies in priority sectors for both the Liverpool City Region and the wider North West (e.g. knowledge driven, creative and high technology industries, such as the automotive uses in Halewood).

0.5 Knowsley also faces several key challenges that must also be accounted for as part of the Local Plan approach, such as:

- a slight decline in Working Age Population – the Borough’s working age population is set to fall during the Core Strategy’s plan period (from 61.8% in 2011 to 59.1% in 2021<sup>2</sup>);
- worklessness – the Borough has high levels of worklessness (21.5% of the working age population<sup>3</sup>);
- lower than average incomes – the incomes of the Borough’s residents are lower than those of residents in surrounding districts and the national average, while many higher paid jobs appear to be taken by people who live outside the area<sup>4</sup>;
- a continued need to improve educational attainment – the educational attainment of many of the Borough’s young people is below the national and regional averages<sup>5</sup>. Raising attainment levels will enable more people to enter work and better equip the Borough’s workforce for more knowledge intensive economic activity.
- high levels of deprivation – many of the challenges faced by residents of the Borough stem from a high level of deprivation and the multiple disadvantages which are associated with it. Knowsley remains one of the most deprived areas of the country both in the intensity and extent of deprivation in the Borough<sup>6</sup>; and
- risk of economic downturn – the Borough has made progress in strengthening its economy but its gains can easily be offset by continuation of the current economic downturn. The extent to which public sector spending cuts will affect the Borough’s economy is currently uncertain.

### Identifying Employment Land Requirements

0.6 Chapter 4 of the report identifies the employment land supply at the Local Plan base date of 2010 and currently in 2013 for comparison based upon realistic prospect of development. On 1 April 2010 the Borough had **149.50 ha** of land with a realistic prospect of development for

---

<sup>1</sup> The Mersey Partnership Economic Review 2012 (TMP, 2012)

<sup>2</sup> Interim 2011-based sub national population projections (ONS, 2013)

<sup>3</sup> DWP key-out-of work benefit claimants (Job seekers allowance, Incapacity benefit, Lone parent benefit, Employment support allowance and other income related benefits), November 2012 (ONS, 2013)

<sup>4</sup> Annual Survey of Hours and Earnings resident analysis (ONS, 2012)

<sup>5</sup> GCSE and Equivalent Results 2011/12 (Revised) (Department for Education, 2013)

<sup>6</sup> Index of Multiple Deprivation 2010 (DCLG, 2011) & DWP benefit claimants, November 2012 (ONS, 2013)

employment purposes; by 1 April 2013 this had increased to **170.15** ha of land<sup>7</sup>. The current land supply includes 95.31 ha of land allocated for employment purposes but without planning permission; 16.06 ha of land with planning permission, but where development has not commenced, 46.76 ha of other land in Primarily Industrial Areas, and 12.02 ha of land under construction for employment uses<sup>8</sup>.

#### How much employment land is needed in Knowsley up to 2028?

- 0.7 Chapter 5 assesses the full range of reasonable scenarios for deriving future jobs and employment land targets, together with the strengths and weaknesses of methodologies before deciding on a preferred methodology for determining employment land need. The forecasting methods to identify employment land requirements fall into two basic categories which include: projections based on jobs forecasting; and projections forward of historic take-up of employment land over different time periods. The various methods included use of evidence which informed the now revoked Regional Spatial Strategy, the Joint Employment Land and Premises Study and the Overview Study. Methods based on jobs forecasting included translation into land requirements by minimum and maximum limits being put on floorspace per job to allow for different type of job, and plot ratio to allow for different industry needs.
- 0.8 Chapter 5 identified the most appropriate method is long-term historic take up of employment land (**Method Historic 2**) which will provide the most robust means of determining the future level of employment land provision needed to support the Borough's economic growth. This is noting that short-term historic trends are too strongly influenced by major investment or lack of investment in an individual year. The technical report recommends that the 20% uplift (incorporated by RSS) above the historic trends is not implemented when determining future employment land need during the plan period, but instead flexibility is retained within the supply to account for a range and choice sites to meet market demands and post plan period needs as recommended by the Joint Employment Land and Premises Study (JELPS)<sup>9</sup>. This is justified for the following reasons:
- The Overview Study<sup>10</sup> concluded that historic trends forecasting often result in high requirements over plan periods when projected forward.
  - The preferred method for predicting future needs (Method Historic 2) already produces a high figure for future needs even without the application of a flexibility factor when compared with econometric approaches used by some neighbouring authorities.

---

<sup>7</sup> Position Statement – Employment (Knowsley MBC, 2013)

<sup>8</sup> Position Statement - Employment (Knowsley MBC, 2013)

<sup>9</sup> Joint Employment Land and Premises Study (BE Group, 2010)

<sup>10</sup> Liverpool City Region Housing and Economic Development Evidence Base Overview Study (GVA, 2011)

- It is unlikely that there will be significant losses of employment land within the existing supply to other uses, aside from the possibility of a large site at South Prescot which is being marketed for employment, but has an existing outline planning application for residential use. This is because most B use classes remaining in Knowsley are within industrial estates of significant scale which provide a critical mass of industries sharing the same infrastructure, customers and skills base thereby offering an operating environment for growth. The majority of these heavily industrialised areas are therefore a constrained, unsuitable or an unattractive environment for other uses such as residential. These areas are therefore likely to remain available for employment development.
- It is considered likely that there will be some movement to higher density office accommodation subject to an improvement in economic circumstances;
- Although econometric based forecasting methods are not favoured as a means of predicting future land requirements, it is considered that some account still needs to be taken of predicted economic trends used in these methods. Method Historic 4 offers a hybrid viewpoint in this regard, which indicates that Method Historic 2 (plus 20% flexibility within the plan period), is a significant overestimation of employment requirements.
- The National Planning Policy Framework<sup>11</sup> (Paragraph 14) confirms that Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change unless (underlining inserted) specific policies in the Framework indicate development should be restricted. In the case of Knowsley, expansion of the existing industrial areas is heavily constrained by Green Belt designation. Although the Local Plan recognises that some release of Green Belt is required to meet needs, it is necessary to follow a balanced approach under which impact on the Green Belt is minimised. Investment in Local Plan economic regeneration priorities could also be undermined by excessive release of less sustainable Green Belt sites, which are likely to be more attractive to investment due to fewer existing site constraints.
- Although neighbouring authorities are not considered to be capable of meeting Knowsley's future employment land need, it is considered that strong cross boundary commuter flows are likely to exist, particularly to strategic employment sites in Speke / Garston, North Liverpool, the 3MG site in Halton, and to a lesser extent the proposed Omega development in Warrington and Simonswood Industrial Estate in West Lancashire.
- The Council should avoid a potential oversupply of additional employment land in Knowsley which could otherwise undermine the investment in regeneration priorities of neighbouring authorities, for example the area covered by the South Liverpool International Gateway area and 3MG in Halton.

Options for addressing the shortfalls in land supply and the need for flexibility – 2010 to 2028, and post plan period

- 0.9 Chapter 6 considers whether there is likely to be a shortfall of provision over the period to 2028 taking account of potential losses of existing employment land to other uses. In this regard it was identified that Knowsley's minimum shortfall of employment land to meet needs up to 2028 is 2.35 ha at 1 April 2013<sup>12</sup>, but could potentially rise to 23.50 ha if part of the South Prescot site is developed primarily for housing in accordance with an extant outline planning permission<sup>13</sup>. Flexibility is therefore required in terms of additional employment land identified to account for unforeseen future changes to supply and on the basis that the achievement of the minimum shortfall identified would require an entire build out of current supply which is not realistic during the plan period. This is noting that a degree of range and choice of sites of different qualities, size and location is required to secure appropriate investment. Nevertheless release of Green Belt is necessarily restricted to that which is genuinely suitable and required in accordance with the NPPF.
- 0.10 Chapter 6 also assesses the merits of different ways to make up any shortfall of provision, e.g. through more efficient use of existing employment areas (remodelling), meeting needs in neighbouring districts or expansion into areas currently identified as Green Belt. In order to ensure that the Borough continuously has at least five years employment land supply for the whole plan period, land will need to be removed from the Green Belt to ensure that it is available when required. A proportion of remodelling will be necessary to ensure flexibility of supply for the plan period given the need to limit Green Belt release in accordance with the NPPF. Nevertheless the specific proportion remains dependent upon the extent of any loss at South Prescot and other smaller sites, which as yet remains undetermined. In view of this uncertainty, the Local Plan approach (Policy CS4 and Policy CS11) is necessarily seeking to develop the maximum capacity of remodelling in Knowsley Industrial Park to ensure the optimum amount of flexibility.

Distribution of employment land

- 0.11 The Local Plan distribution of employment land provision is heavily influenced by the existing pattern of land supply and where land and jobs have historically been located. The Local Plan ensures sufficient flexibility to ensure that opportunities are available to consider whether currently allocated sites are still the most appropriate and to identify further locations for potential future allocation through the proposed Knowsley Local Plan: Site Allocations and Development Policies in accordance with NPPF requirements. The distribution of employment land to specific locations has therefore been guided by Local Plan priorities. This is reflected by:

---

<sup>12</sup> Position Statement - Employment (Knowsley MBC, 2013)  
<sup>13</sup> Planning Application Reference:11/00385/OUT



- emphasis upon the sub-regional importance of employment and regeneration opportunities in Knowsley Industrial and Business Parks which will result in there continuing to be high proportion of growth in the Kirkby and Prescott, Whiston, Cronton and Knowsley Village (PWC&KV) Community Areas;
- identification of a successor site to Kings Business Park at Knowsley Lane (as recommended by JELPS), to complement the existing provision in PWC&KV and Huyton (which also includes Huyton Business Park), and;
- identification of a suitable alternative employment provision in PWC&KV to the south of the M62 which will provide a high quality site in a strategic location and also account for the possibility of the loss of a significant proportion of existing allocations at South Prescott.

0.12 The Local Plan objectives are consistent with the national policy approach in the NPPF, as the distribution pursued will be sufficiently flexible to support a strong and responsive economy, ensuring that appropriate land of the right type is available in the right places and at the right time to support growth and innovation. In this regard, it should be noted that not all locations are equally suitable for growth. This is because existing employment areas benefit from the most sustainable and accessible locations in Knowsley that are well served by existing infrastructure. As a consequence, existing employment areas remain the most attractive locations for future investment for as long as they continue to provide a range of suitable and available sites of appropriate quality. This is particularly as the existing critical mass of businesses in these areas enhance their competitive advantages and demonstrate the presence of proven developer interest.

0.13 These circumstances have also informed the identification of broad locations in the Green Belt which are identified as suitable for employment purposes. This is noting that sites at; Land to the east of Knowsley Industrial Park / Knowsley Business Park, Knowsley Lane and Carr Lane all remain close to established employment areas and are intended to complement these areas when the existing range and choice of sites is exhausted. The other proposed site at Land to the South of the M62 will benefit from similar accessibility advantages (i.e. immediate proximity to the M62 and M57) and comprise a strategic scale to develop a viable critical mass of employment uses. This should ensure that it is capable of sustaining a new employment destination that will be attractive for future investment noting previous developer interest.

## 1. Introduction

### 1.1 Policy background

- 1.1.1. This Technical Report is one of several produced by Knowsley Council to ensure that the Borough's Local Plan is supported by 'robust and credible' evidence. The document has informed the Knowsley Local Plan: Core Strategy Submission version (published in 2013) about the current and required future provision of land for employment development.
- 1.1.2. This document supersedes the previous draft Technical Report: Planning for Employment Growth (November 2012). An earlier draft of this report was also previously published in June 2011. Revisions and updates have been made to reflect data updates provided by the Position Statement – Employment<sup>14</sup> and to provide additional clarity around the Local Plan approach following consultation on the Proposed Submission version.
- 1.1.3. The Core Strategy will lie at the heart of the Knowsley Local Plan and will guide subsequent documents including the Site Allocations and Development Policies Development Plan Document. The Core Strategy is expected to be adopted in early 2014 and will set the strategic framework for the growth and development of Knowsley for 15 years.

### 1.2. Local context

- 1.2.1. Knowsley is strategically located within the Liverpool and Manchester corridor. It is connected to these cities by the M62 and A580. The Borough is only 15 minutes drive from Liverpool City Centre and 30 minutes from the centre of Manchester. The M57 also runs through the Borough and provides good North-South connectivity by car. The M6 is reachable within 20 minutes. Four railway lines also pass through Knowsley. Work is underway to electrify the Liverpool-Manchester and Liverpool-Preston lines, which will deliver faster and more frequent services.
- 1.2.2. Knowsley's connectivity means the Borough is well placed for both business and commuting, within the Liverpool City Region and beyond. A recent local business survey indicated that Knowsley's transport infrastructure is one of the main reasons why companies choose to be based in the Borough<sup>15</sup>. The Borough's excellent rail and motorway networks also place it within easy reach of Liverpool John Lennon Airport, Manchester Airport and the Port of Liverpool. This makes international business a viable and attractive option.
- 1.2.3. Knowsley plays an important role within the Liverpool City Region, containing several major industrial and business parks including one of the largest in Europe (Knowsley Industrial and Business Parks), and in total providing employment for around 45,800 people. This includes approximately 22,000 people that are not residents of Knowsley (including approximately 18,800

---

<sup>14</sup> Position Statement – Employment (Knowsley MBC, 2013).

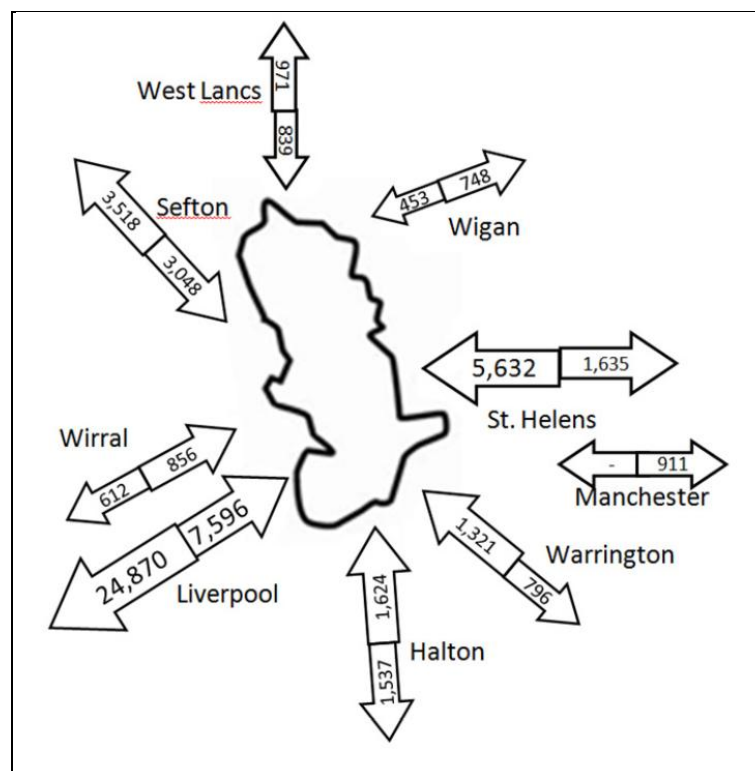
<sup>15</sup> Annual Population Survey: Commuter Flows 2011 (ONS, 2013)

people or 86% of the total, from elsewhere in the Liverpool City Region)<sup>16</sup>. Knowsley is therefore a major location for employment in the Liverpool City Region with well established and strong labour market links to surrounding districts. Other key employment sites within Knowsley which provide opportunities in this context include Kings Business Park, Prescot Business Park, Huyton Business Park and Whiston Enterprise Park.

1.2.4. In the context of the above, it is considered that there are also strong labour market links in terms of commuter flows out of Knowsley to the Liverpool City Region. This is noting that in total around 37,800 residents commute out of Knowsley to work (including 32,100 of the Borough’s residents or 85% of the total, commuting to work in neighbouring authorities within the Liverpool City Region). The Borough’s links with Liverpool are particularly strong with around 24,900 of Knowsley’s residents commuting to this destination of work each day<sup>17</sup>.

1.2.5. Figure 1.1 illustrates Knowsley’s commuting inflows and outflows relative to neighbouring districts.

**Figure 1.1: Knowsley’s Daily Commuting Flows**



Source: APS Commuter Flows 2011 (ONS, 2013)

1.2.6. In the context of Figure 1.1 and in terms of overall commuting flow information (including outside of the Liverpool City Region), the most recent survey data available suggests that Knowsley overall is in a net export labour position with approximately an extra 15,900 people commuting out of Knowsley each day

<sup>16</sup> Annual Population Survey: Commuter Flows 2011 (ONS, 2013)  
<sup>17</sup> ibid

compared to those commuting into Knowsley<sup>18</sup>. These figures and the associated trend should however be treated with caution, as the sample size of the survey is much smaller than the Census. Unfortunately the 2011 Census data relating to this issue have not been published at the present time, however the Census 2001 travel flow data suggested that the level of net export of labour from Knowsley was much smaller at 1,061 people each day<sup>19</sup>. In this regard, it is apparent that Knowsley is an important source of workforce for the sub-region, with links to Liverpool being particularly strong and it is therefore clear that this technical report cannot focus upon Knowsley's existing and future needs in isolation.

- 1.2.7. The Borough has a significant manufacturing sector with concentrations in the automotive industry and its supply chain, advanced manufacturing and engineering. Since the late 1990s major new employment developments in Knowsley's industrial and business parks, town centres and at Whiston Hospital have created substantial numbers of new jobs. This has included a growing role for the business services, ICT, creative, tourism, leisure, financial services, health care, communications, logistics and distribution sectors.
- 1.2.8. Notable businesses which have invested in Knowsley include; Jaguar Land Rover (JLR), Getrag, QVC, News International, Vertex, Virgin Media and Goodrich. As well as providing employment opportunities for local residents, these companies offer valuable supply chain contracts to small and medium sized enterprises (SMEs). The overall stock of businesses however remains relatively low with an estimated 3,095 active businesses based in Knowsley in 2012<sup>20</sup>, which remains the lowest number in the Liverpool City Region. Nevertheless short term trends indicate an improvement of 12.3% between 2006 - 2011, the highest level of growth in the Liverpool City Region during that period<sup>21</sup> despite challenging economic conditions in the latter three years.
- 1.2.9. Proposals for new employment development within Knowsley are guided at present by the Knowsley Replacement Unitary Development Plan (UDP)<sup>22</sup> and the National Planning Policy Framework<sup>23</sup>.

### 1.3. Core Strategy Preparation to Date

- 1.3.1. The Regional Spatial Strategy<sup>24</sup> for the North West<sup>25</sup> provided (prior to its revocation in 2013) a regional tier of planning policy and economic policies to be applied at the local level. It therefore set the policy parameters within which local authorities could operate.

---

<sup>18</sup> Annual Population Survey: Commuter Flows 2011 (ONS, 2013)

<sup>19</sup> 2001 census - UK travel flows (local authority) (accessed from Nomis, 2013)

<sup>20</sup> UK Business: Activity, Size and Location 2012 (ONS, 2012)

<sup>21</sup> The Mersey Partnership Economic Review 2012 (TMP, 2012)

<sup>22</sup> Knowsley Replacement Unitary Development Plan (Knowsley MBC, 2006)

<sup>23</sup> National Planning Policy Framework (CLG, 2012)

<sup>24</sup> Also known as the "Regional Strategy", after the Local Democracy, Economic Development and Construction **Act 2009** but referred to for the purposes of this paper as "Regional Spatial Strategy" or "RSS"

<sup>25</sup> The North West Plan: Regional Spatial Strategy to 2021 (GONW, 2008)

- 1.3.2. As is standard practice in preparing sound Development Plan Documents, the Regional Spatial Strategy policies were accounted for in the previous stages of preparation of the Core Strategy, including consultation on an Issues and Options Paper, which took place from November 2009 to January 2010. It was anticipated that this approach would be carried forward to influence subsequent stages of the Core Strategy, eventually being incorporated in the adopted version of the Core Strategy. This included work undertaken towards a replacement Regional Strategy, which was progressed in the North West by 4NW and partner organisations during 2009 and 2010.
- 1.3.3. The Government has also taken steps to change aspects of national planning policy, and published the National Planning Policy Framework (NPPF) in March 2012. This replaced the majority of the previous Planning Policy Statements and Planning Policy Guidance Notes. It is within this context of change that this technical report has been written, with the rationale of seeking to adapt to and address the newly created policy gaps created by these changes. This report is particularly important when considering the need to make timely progress on the Core Strategy, bearing in mind that the previous iterations of the document were heavily influenced by the regional policy which has now been revoked.
- 1.3.4. The Knowsley Core Strategy has been prepared in accordance with the requirements of the National Planning Policy Framework (NPPF), and therefore identifies the required supply and distribution of land for employment development which is considered to reflect local needs and regeneration requirements. This approach is also in accordance with CLG's Employment Land Review: Guidance<sup>26</sup> published in 2004 which remains extant.

## 1.4 Purpose of this report

- 1.4.1. This Technical Report: Planning for Employment Growth assesses what level of employment land provision is required to support Knowsley's needs for employment growth up to 2028. In this regard, although it is noted that other land uses such as retail and leisure provide jobs, this report only covers employment uses within the "B" classes' in the Town and Country Planning (Use Classes) Order 1987 (as amended). "B" classes' of employment use include offices, light industry, general industry, and warehousing. Future needs for other employment uses such as retail and leisure uses are alternatively considered within the Town Centres and Shopping Study<sup>27</sup> and Technical Report: Planning for Retail in Knowsley<sup>28</sup>.
- 1.4.2. The remainder of this Report sets out:
- The policy context and evidence base at national, regional, City Region and local levels (see Chapter 2);

---

<sup>26</sup> Employment Land Review: Guidance (CLG, 2004)

<sup>27</sup> Knowsley Local Development Framework: Town Centres and Shopping Study (Roger Tym and Partners, 2010)

<sup>28</sup> Knowsley Local Plan Core Strategy Technical Report: Planning for Retail in Knowsley (Knowsley MBC, 2013)

- The key features and challenges facing the Borough's economy (Chapter 3);
- The overall approach used to assess future employment land requirements and Knowsley's current employment land supply (Chapter 4)
- How much employment land is needed during the Local Plan period up to 2028, including an assessment of various methods used to derive this figure (Chapter 5), and;
- Options for addressing a shortfall identified to meet the requirements up to 2028, together with the proposed distribution of future employment across Knowsley (Chapter 6).

1.4.3. The assessment of the different scenarios for future employment land growth requirements in Knowsley within Chapter 5 is based upon a range of different methods for predicting need. This establishes a preferred level of employment land provision for Knowsley in the Local Plan which is justifiable, deliverable and supported by robust and up-to-date evidence.

1.4.4. The methods assessed to plan for future employment growth in Chapter 5 use a number of sources including:

- The evidence base which underpinned the adopted RSS,
- Initial work carried out by 4NW and partners in 2010 to inform a review of RSS proposed at that time, and;
- Local and sub-regional studies including the Joint Employment Land and Premises Study<sup>29</sup>, the Liverpool City Region Overview Study<sup>30</sup> and the Position Statement - Employment<sup>31</sup>.

1.4.5. This Report forms part of the evidence available for the Council to draw on in determining and if necessary justifying and defending its Local Plan policies for employment growth. Other Technical Reports produced by the Council covering other aspects of the Local Plan are as follows:

- "Planning for Housing Growth in Knowsley";
- "Green Belt";
- "Spatial Profile"; and
- "Planning for Retail in Knowsley"

---

<sup>29</sup> Joint Employment Land and Premises Study (BE Group, 2010)

<sup>30</sup> Liverpool City Region Housing and Economic Development Evidence Base Overview Study (GVA, 2011)

<sup>31</sup> Knowsley Position Statement – Employment (Knowsley MBC, 2013)

## 2. Context

### 2.1 National policy and evidence

2.1.1. This chapter outlines the policy context within which the Local Plan has been developed at national, sub-regional and local level, whilst summarising the relevant evidence base relating to each.

2.1.2. In March 2012, the Government introduced a new and consolidated set of national planning policy within the **National Planning Policy Framework (NPPF)**<sup>32</sup>. The NPPF replaced the majority of Planning Policy Statements and Planning Policy Guidance Notes which previously constituted the Government's national planning policy. The NPPF focuses on achieving sustainable development, including guidance relating to the economic, social and environmental aspects of this. With regard to plan-making undertaken by local authorities, the NPPF is clear that plans should seek to positively meet the development needs of the area, and should be flexible in seeking to meet such objectively assessed needs. The NPPF also sets out the soundness tests which Local Plans will be required to meet, when they are submitted for examination.

2.1.3. The NPPF recognises that provision and distribution of land for employment uses is a key component of the sustainable communities agenda needed to support sustainable economic growth. A particular focus of the NPPF is ensuring that policies are in place to meet the strategic need to secure economic growth in order to create jobs and prosperity. In this regard, the NPPF also requires Local Plans to:

- Set 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 needs 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 needs 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; and,
- Facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.

---

<sup>32</sup>

The National Planning Policy Framework (CLG, 2012)

2.1.4. The NPPF is also clear that:

*“Planning policies should 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”.*

2.1.5. The above requirements of the NPPF are relevant to the preparation of the Local Plan: Core Strategy and therefore inform the context of this Technical Report.

2.1.6. **Planning Policy Statement 4: Planning for Sustainable Economic Growth**<sup>33</sup> (PPS4) set out the national planning policies for employment development up to March 2012. This document formed the planning focus to support the Government’s overarching objective for sustainable economic growth. PPS4 was replaced in totality by the NPPF in March 2012.

2.1.7. Up to March 2012, the Government’s approach to the forward planning activities of local authorities was set out within **Planning Policy Statement 12: Local Spatial Planning**<sup>34</sup> (PPS12). This document provided guidance about how local authorities should go about preparing their plans, in particular focussing on the development of Core Strategies. The document set out the processes and parameters within which plans should be prepared, and also set out the criteria which must be met by the documents that local authorities are preparing to achieve “soundness”. There was a clear focus within PPS12 to ensure that all policy content is supported by a robust evidence base which justifies the chosen approaches, and clearly demonstrates that alternative approaches have been considered. This focus was a key driver for the preparation of this Technical Report, and continues to be reflected in the NPPF, which replaced PPS12 in March 2012.

2.1.8. The government introduced new legislation relating to planning within the **Localism Act 2011**<sup>35</sup>. This legislation amended the Planning and Compulsory Purchase Act 2004<sup>36</sup>, with regard to preparation of local plans, and also formed the basis for new regulations<sup>37</sup> concerning the preparation of local plans. The Act also sets out the legislative basis for the abolition of Regional Spatial Strategies, whilst introducing a “duty to cooperate” which requires local authorities to demonstrate cooperation with each other and other key public bodies in the preparation of local plans. The Act also introduced changes to the implementation of the Community Infrastructure Levy and the plan preparation process, and enabled communities to lead on the production of “neighbourhood plans”.

---

<sup>33</sup> Planning Policy Statement 4: Planning for Sustainable Economic Growth (CLG, 2009)

<sup>34</sup> Planning Policy Statement 12: Local Spatial Planning (CLG, 2009)

<sup>35</sup> Localism Act 2011 (HM Government, 2011)

<sup>36</sup> Planning and Compulsory Purchase Act 2004 (HM Government, 2004)

<sup>37</sup> The Town and Country Planning (Local Planning) (England) Regulations 2012 (HM Government, 2012)



- 2.1.9. The **Office of National Statistics (ONS)** publishes a range of statistics relevant to planning. The ONS datasets which are directly relevant to the consideration of employment requirements include: population projections; household projections; and other contextual information such as economic data. Much of the data produced by ONS is at the Local Authority level or lower, which enables easy comparison with surrounding areas as well as regional or national averages.
- 2.1.10. The **Department of Communities and Local Government (CLG)** also publishes a wide range of statistics and contextual information, whilst collating a number of datasets from Local Authorities, helping to inform the national picture for economic projections and forecasting.

## 2.2 Regional policy and evidence

- 2.2.1. Work began on a replacement for the Regional Strategy for the North West, known as **RS2010**<sup>38</sup> in 2009. 4NW and NWDA commenced evidence base work for this strategy at that point. However, due to the proposed revocation of Regional Strategies by the government, work completed towards RS2010 was re-directed into a non-statutory regional document known as **Future Northwest**<sup>39</sup>, which stated strategic shared priorities for the North West region.
- 2.2.2. Notwithstanding the Government's revocation of RSS, the evidence which underpinned the Regional Strategies remains in the public domain as evidence base. This includes the work undertaken towards a replacement Regional Strategy, which was progressed in the North West by 4NW (the successor to the North West Regional Assembly) and the North West Development Agency in consultation with other bodies during 2009 and 2010.
- 2.2.3. The initial work undertaken by 4NW to inform RS2010 included a Technical Background Paper<sup>40</sup> that outlined the approach towards developing housing provision and job growth figures for the North West region for the period to 2030. The paper set out five different scenarios that would have provided a starting point for further work and discussion. Three of these scenarios (known as Runs A-C) form the basis for three of the potential methods assessed in Chapter 5 of this document for predicting future employment land needs in Knowsley. The remaining runs (D and E) have not been considered as these did not set targets for job growth or employment land provision.
- 2.2.4. The **Regional Economic Forecasting Panel (REFP)**<sup>41</sup> provided a long term baseline forecast for the region published in March 2010. This is a "policy-off" forecast and does not take into account any aspirations and policy interventions. This was developed using forecasts from the three main

---

<sup>38</sup> RS2010 Part 1: The High Level Strategic Framework (4NW, 2010)

<sup>39</sup> Future Northwest: Our Shared Priorities (4NW, 2010)

<sup>40</sup> Technical Background Paper Initial Technical work on Housing Provision and Job Growth Figures for the North West July 2010 (4NW, 2010)

<sup>41</sup> State of the North West Economy: A Long Term Forecast for the Northwest 2010 - 2031 (REFP, 2010)

forecasting houses: Cambridge Econometrics, Oxford Economics and Experian. Regional partners were advised by consultants to use the REFP work as a starting point for setting employment land and job targets and then work with local authorities in order to reality test the forecasts and factor in policy targets and aspirations.

2.2.5. The **North West Regional Economic Strategy (RES)**<sup>42</sup> set strategic economic priorities for the region. The Strategy identified Knowsley as:

- an under-performing area for enterprise and a priority area for business survival and start-up support;
- one of nine local authorities earmarked for action to ensure that numbers of people without qualifications is reduced;
- a priority area for action to reduce the numbers of people in receipt of incapacity benefit; and
- an area for measures to encourage local employment creation.

2.2.6. In addition to the above, Kings Business Park in Huyton was identified as a key regional strategic investment site.

## 2.3 Sub-regional policy and evidence

2.3.1. The local authorities within the Liverpool City Region have a strong history of working together on economic development issues, as evidenced by the production of the **Liverpool City Region Development Programme**<sup>43</sup> in 2006 and a **Multi-Area Agreement (MAA)**<sup>44</sup> in 2009. These provided a common set of goals agreed by Knowsley and the other constituent authorities of the Liverpool City Region.

2.3.2. **Local Enterprise Partnerships (LEP)** are partnerships between local authorities and businesses. The role of LEPs is to determine local economic priorities, drive economic growth and create local jobs. In October 2010 the Government approved the proposal to set up the Liverpool City Region Local Enterprise Partnership (LCRLEP), which was then formally constituted in March 2012. The LCRLEP plan<sup>45</sup> focuses on the City Region's economic strengths of: the SuperPort; Advanced Manufacturing; the Low Carbon and Knowledge economies; and the Visitor Economy (see Figure 2.1 on the following page).

2.3.3. The City Region also proposes to invest £15m to provide incentives to small and medium enterprises (SMEs) to create additional jobs and apprenticeships from which it hopes to create up to 10 000 new jobs. This is noting that the business base of Liverpool City Region needed to grow from the 47 471 businesses existing (in 2009) to 62 164 businesses to eliminate the gap compared to the national average<sup>46</sup>.

---

<sup>42</sup> North West Regional Economic Strategy 2006 (NWDA, 2006)

<sup>43</sup> Liverpool City Region Development Programme Report 2006 (TMP, 2006)

<sup>44</sup> Liverpool City Region Multi-Area Agreement (TMP and Local Authorities, 2009)

<sup>45</sup> Liverpool City Region Deal with Government (Liverpool City Region Local Enterprise Partnership, 2012)

<sup>46</sup> The Mersey Partnership Economic Review 2011 (TMP, 2011)

**Figure 2.1: Key Economic Priorities of the Liverpool City Region Local Enterprise Partnership (Source: <http://liverpoollep.org/>)**

Knowledge Economy - knowledge intensive industries including advanced manufacturing, life sciences, creative and digital industries, environmental technologies, and financial and professional services.

Liverpool SuperPort - transformation of the City Region's ports, airport, road, rail and logistics assets into a low carbon SuperPort of international status.

Low Carbon Economy - job creation and growth through new opportunities in the low carbon sector including; renewable energy generation, retrofitting homes and building, and low emission vehicles and transport.

Visitor Economy - establishing the City Region as a major visitor destination through the marketing and development of the region's cultural and heritage assets, retail and hospitality offer, and tourist attractions.

- 2.3.4. A specific priority relating to Knowsley within the **Liverpool City Region - Visitor Economy Strategy to 2020**<sup>47</sup>, relates to Prescot which is identified as a City Region priority for investment in the quality of visitor experience. In this regard, it is considered that employment provision will be influential; however this is likely to be focused around main town centre uses which are alternatively dealt with in the Technical Report: Planning for Retail in Knowsley.
- 2.3.5. To monitor progress in the City Region economy, the Mersey Partnership (which has now been incorporated into the LEP) publishes regular Economic Reviews. The most recent **Merseyside Partnership Economic Review (2012)**<sup>48</sup> identified that the impact of the financial crisis since the "credit crunch" of 2008 has been severe in terms of overall economic performance. Nevertheless despite significant levels of unemployment within Liverpool City Region (APS model of unemployment was 10.1% compared to the national average of 7.8% in 2011), the recent increase has been proportionally less than the national average and in other Local Enterprise Partnership areas. The levels of unemployment are considered to be influenced by the legacy of industrial change resulting from a decline in traditional manufacturing sectors with all six districts (including Knowsley) consequently having unemployment rates within the top 20% nationally. Emphasis is therefore placed upon investment opportunities in the Liverpool City Region which can rebalance the economy away from its current public sector reliance and provide opportunities for private investment in key growth sectors and job creation. In this regard, major investment opportunities in Knowsley at Kirkby Town Centre and Knowsley Industrial Park are specifically identified.

<sup>47</sup> Liverpool City Region – Visitor Economy Strategy to 2020 (The Mersey Partnership / L & R Consulting, 2009)

<sup>48</sup> The Mersey Partnership Economic Review 2012 (TMP, 2012)

- 2.3.6. In addition, the Local Enterprise Partnership have also recently prepared documents identifying opportunities for growth in the **Advanced Manufacturing**<sup>49</sup> sector which recognise the benefits to the Liverpool City Region economy of existing Knowsley employment provision such as Jaguar Land Rover in Halewood, and identify available opportunities for future growth in this sector within Knowsley Industrial Park. In addition, The Knowsley Industrial Park is also identified as having opportunities for growth as part of the **Knowledge Economy**<sup>50</sup>.
- 2.3.7. **The Liverpool City Region “Overview Study”**<sup>51</sup> was commissioned by seven Local Authorities in the Liverpool City Region and adjacent areas to consider strategic and cross-boundary issues concerning future requirements and land supply for housing and employment development. As far as employment land is concerned, its primary purpose was to explore the extent to which any excess employment land supply in one or more local authority area(s) could meet the needs / demands of neighbouring or other local authorities. The study covered Halton, Knowsley, Liverpool, Sefton, St Helens, West Lancashire, and Wirral (the Core Area), and a wider area of Preston, South Ribble, and Chorley, Wigan, Warrington, and Cheshire West and Chester.
- 2.3.8. The Overview Study evaluated the methodologies used in each authorities’ employment land studies and established a composite picture of the demand for land across the area. The detailed findings and influence in relation to planning for employment growth in Knowsley are assessed later in this Report.
- 2.3.9. The **Employment and Skills Strategy and Commissioning Framework**<sup>52</sup> promotes improvements to the Liverpool City Region’s employment and skills profile. This includes focussing on the learning, employment and skills outcomes for 14 - 24 year olds, tackling deprivation and increasing the numbers of graduates in the workforce.

## 2.4 Local Plans and Projects in the Sub-region

- 2.4.1. Neighbouring local authorities in the Liverpool City Region and Lancashire are at varying stages in preparing their Local Plans (summarised in the separate “Duty to Cooperate” statement). The Core Strategies of two neighbouring districts - Halton and St.Helens have been adopted to date (as at July 2013). West Lancashire Council submitted its Local Plan to the Secretary of State in 2012 and this Plan is currently (as at July 2013) progressing through its examination in public. The other authorities in the City Region (as at July 2013) had yet to submit their Plans to the Secretary of State. A brief summary

---

<sup>49</sup> Advanced Manufacturing in Liverpool City Region: Opportunities for Growth (LCR LEP, 2013)

<sup>50</sup> Liverpool City Region’s Knowledge Economy: Delivering New Opportunities for Growth (LCR LEP / URC Associates, 2011)

<sup>51</sup> Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011)

<sup>52</sup> Liverpool City Region Employment and Skill Strategy and Commissioning Framework (LEP, 2010)

of the employment land approaches of Local Plans in the sub-region (and those of relevance nearby) is provided below.

- 2.4.2. The **Halton Core Strategy**<sup>53</sup> proposes to allocate 313 ha of land for class B1/B2/B8 employment uses up to 2028, approximately 209 ha of which comprises existing supply. The calculation of employment land requirements for the plan period is based upon historic take up rates, with a 20% flexibility factor to maintain a range and choice of sites during the plan period. The Core Strategy also identifies two key employment areas of regional significance - the combined area of Daresbury & Daresbury Science and Innovation Campus and 3MG, Ditton. The status of 3MG in particular is significant to Knowsley, as its location to the west of Widnes is in close proximity to the Borough boundary with functional linkage to Halewood. This includes shared highway infrastructure in terms of the A562 and A6300 interchange. It is considered that Halton has sufficient supply to meet their own employment land needs arising during the plan period, but insufficient surplus land to address Knowsley's identified needs, despite the functional linkage between travel to work areas, particularly in terms of Halewood and Cronton.
- 2.4.3. The **Liverpool Core Strategy Submission Draft**<sup>54</sup> proposes to allocate between 200 and 320 ha for B1/B2/B8 uses. The calculation of employment land requirements for the plan period is based upon a labour demand (econometric forecast) methodology, rather than historic take up rates. New employment development is intended to be directed towards 5 Strategic Investment Areas (SIAs) where 274 hectares of development land has been identified. Of these SIAs, Aintree / Gillmoss / Fazakerley (A580 Corridor) to the north and Speke / Garston to the south immediately adjoin the Knowsley boundary, with Edge Lane / Wavertree / M62 Corridor also in close proximity, and Liverpool City Centre / Liverpool Waters also providing significant employment supply which is likely to attract Knowsley residents. However, as the employment requirements are focused primarily on existing supply it is considered that Liverpool has sufficient supply to meet its own needs without relying upon Knowsley, but has an insufficient surplus of employment land to meet Knowsley's identified needs. This is notwithstanding the functional linkage between travel to work areas, particularly in terms of the Kirkby, Huyton and Halewood settlements. In this regard, it is necessary when considering employment requirements arising in the south of Knowsley to safeguard the investment priorities within South Liverpool (see South Liverpool International Gateway Strategic Framework later in this section).
- 2.4.4. The **St. Helens Core Strategy**<sup>55</sup> proposes to allocate at least 37ha of employment land provision for B1/B2/B8 uses up to 2027, all of which comprises existing supply. The calculation of employment land requirements for the plan period is based upon labour demand (econometric forecast) methodology, rather than historic take up rates. In addition, the Core Strategy document also identifies Parkside as a strategic regional site which is important to meet the needs for transfer of freight between rail and road,

---

<sup>53</sup> Halton Local Plan Core Strategy (Halton Borough Council, 2013)

<sup>54</sup> Liverpool Core Strategy Submission Draft (Liverpool City Council, 2012)

<sup>55</sup> St. Helens Local Plan Core Strategy (St. Helens Council, 2012)

associated in part with the delivery of SuperPort. It is anticipated that development at Parkside would contribute significantly to the sub-regional land supply for employment, particularly B8 uses (up to 160 ha estimated in the Overview Study<sup>56</sup>), although it is unlikely to come forward until the latter part of the plan period. Notwithstanding the potential delivery of Parkside, it is considered that St. Helens has sufficient supply of employment land to meet its own long term needs without a dependency on Knowsley, but has no suitable surplus supply with which to meet Knowsley's identified needs. This is noting a degree of uncertainty regarding the levels of delivery in Parkside during the plan period and its eastern location outside the part of St Helens district which shares a functional travel to work area with Knowsley (which is primarily focused upon the western and central parts of St. Helens and Prescot / Whiston in Knowsley).

2.4.5. The **Sefton Core Strategy Options Paper**<sup>57</sup> proposed a range of potential employment land provision options, ranging from 57 ha - 82 ha in total, which includes 57 ha of existing supply. In view of the indeterminate nature of the potential employment land requirement to be taken forward, it would not be appropriate to presume which methodological approach Sefton intend to adopt at this stage. Nevertheless it is apparent that the upper threshold within the range may be sufficient to accommodate either the labour demand (econometric forecast) or historic take up rate methodologies within the Joint Employment Land and Premises Study. It is anticipated that although a number of strategic employment sites are likely to be identified in the Local Plan, these will remain locally significant rather than regionally significant and therefore have limited influence upon Knowsley. It should be noted that Sefton have recently contacted Knowsley regarding the potential to meet some of their future needs. A response was provided by Knowsley that this would not be possible due to the Local Plan approach in Knowsley requiring Green Belt release to meet longer term plan period needs. This means that it would not be appropriate to increase the required supply to meet additional neighbouring needs. Further detail in this regard, and relating to cross boundary co-operation with other neighbouring authorities is provided in Knowsley's Duty to Co-operate Statement<sup>58</sup>. It should also be noted that Sefton have now decided to progress a single Local Plan, rather than continue preparation of the Core Strategy. As at July 2013, no consultations on the single Local Plan had taken place.

2.4.6. The **Warrington Local Plan Core Strategy Submission**<sup>59</sup> proposes to allocate 277 ha of land for B1/B2/B8 employment uses up to 2028, approximately 267 ha of which is located within the regionally significant sites at Omega and Lingley Mere. The calculation of employment land requirements for the plan period is based upon updated historic take up rates plus 20% flexibility, with a surplus of up to 60 ha over the plan period, although this could be utilised for purposes other than B1/B2/B8 uses rather

---

<sup>56</sup> Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011)

<sup>57</sup> Sefton Core Strategy Options Paper (Sefton Council, 2011)

<sup>58</sup> Knowsley Duty to Co-operate Statement (Knowsley MBC, 2013)

<sup>59</sup> Warrington Local Plan Core Strategy Submission (Warrington Borough Council, 2012)

than meeting neighbouring needs. Warrington does not immediately adjoin Knowsley, however the strategic nature and location of the employment land provision at Omega and Lingley Mere adjacent to the M62 means that it is likely to attract travel to work movements from the south and east of Knowsley. This is important as Omega has the ability to absorb approximately three years take-up or demand for the whole of the Merseyside and Halton sub-region, with particular suitability for B8 uses given its location and scale. This location could therefore attract sub-regional investment associated to Superport. Nevertheless it is considered that Warrington has sufficient supply to meet its own needs, but no surplus supply of employment land which is suitable to meet Knowsley's identified needs. This is noting a degree of uncertainty regarding the level and type of delivery which will occur at Omega during the plan period and noting its detachment from Knowsley with accessibility confined to M62 highway links.

2.4.7. The **West Lancashire Local Plan Publication Version**<sup>60</sup> proposes to allocate 75 ha of land for B1/B2/B8 employment uses up to 2028, including approximately 60 ha of existing supply. The calculation of employment land requirements for the plan period is based upon updated historic take up rates plus 20% flexibility, with re-profiling to remove two anomalies of years with high take up. In this regard, although the overall employment land requirements include a 20% flexibility factor to maintain a range and choice of sites during the plan period, the resultant Local Plan proposed provision remains 50% less than the 150 ha identified within the Joint Employment Land and Premises Study. Although a number of strategic employment sites are identified in the Local Plan, these remain locally significant rather than regionally significant and have limited influence upon Knowsley, other than allocations within Simonswood Industrial Estate which adjoin Kirkby and West Lancashire has determined as suitable to meet its own needs. It is therefore considered that West Lancashire has sufficient supply to meet their own employment land arising during the plan period, but insufficient surplus land to address Knowsley's identified needs.

2.4.8. The **Core Strategy for Wirral Proposed Submission Draft**<sup>61</sup> proposed to allocate a minimum of 217 ha of land for B1/B2/B8 employment uses up to 2028, and have approximately 222 ha of existing supply. The calculation of the employment land requirements for the plan period was based upon historic take up rates over fifteen years, plus a five year flexibility allowance. The document identifies a number of strategic employment sites of regional importance comprising Wirral International Business Park and Wirral Waters. Whilst these locations may become attractive as employment destinations for some Knowsley residents, it is not considered that Wirral has sufficient surplus supply of employment land which is suitable to meet Knowsley's identified needs, or vice versa. This is noting that Knowsley and Wirral have no adjoining boundary and are physically separated by the River Mersey with distant accessibility available only via road and rail through Liverpool and Halton respectively.

---

<sup>60</sup> West Lancashire Local Plan Publication Version (West Lancashire Borough Council, 2012)  
<sup>61</sup> Core Strategy for Wirral – Proposed Submission Draft (Wirral Council, 2013)

- 2.4.9. It is apparent from the review of neighbouring and sub-regional Local Plan approaches to employment land provision that there is no consistent approach to forecasting and modelling future demand. It is therefore appropriate that this Technical Report considers the appropriateness of the different methodologies for Knowsley, with a detailed assessment included in Chapter 5.
- 2.4.10. In terms of investment priorities relating to specific projects, Liverpool's **Mayoral Development Corporation (MDC)** operates a single investment programme utilising public and private finance and assets through a single capital pot. The MDC oversees an Enterprise Zone (EZ), the City Fringe and Commercial Zone, and Mersey Waters. Enterprise Zones are specific areas where a combination of financial incentives, reduced planning restrictions and other support are used to encourage the creation of new businesses and jobs – and contribute to the growth of the local and national economies. All business rates growth within Enterprise Zones for a period of at least 25 years will be retained by the local area, with the receipts from Liverpool's EZ reinvested. In this regard, five designated Mayoral Development Zones (MDZ) in; North Liverpool, the Knowledge Quarter, Stonebridge Cross, Eastern Approaches and Speke Garston, will be prioritised for investment. The MDZs located in Stonebridge Cross, Eastern Approaches and Speke Garston, are immediately adjacent to or in close proximity to the Knowsley settlements of Kirkby, Huyton and Halewood respectively with functional linkages to employment opportunities for residents. The Local Plan therefore must be mindful of the context of investment priorities in these strategic locations when considering Knowsley's employment requirements, whilst noting that the EZ and all of the MDZs are expected to provide additional employment opportunities for the City Region in the future.
- 2.4.11. Further evidence has been prepared in the form of the **Liverpool City Centre Strategic Investment Framework (SIF)**<sup>62</sup> which creates a new 15 year vision for the city centre, outlining proposed developments and improvements to key business and residential districts. These areas include a focus upon six major transformational projects in Liverpool, Waterfront, St Georges, Central, Knowledge Quarter, Commercial District and Great Streets, which are likely to provide employment opportunities which will attract Knowsley residents.
- 2.4.12. South Liverpool (which incorporates Speke and Garston) is just outside Knowsley but is contiguous with Halewood in the south of the Borough. Speke Garston as mentioned previously is also one of the Strategic Investment Areas identified by the emerging Liverpool Local Plan, as well as an MDZ. The **South Liverpool International Gateway Strategic Regeneration Framework**<sup>63</sup> identified new development opportunities for housing, leisure, office, and manufacturing. The report states that the area "... has a total of 129.16 hectares of available employment land and could provide for shortages in supply in Knowsley." The report, however, did not quantify the

---

<sup>62</sup>

Liverpool City Centre Strategic Investment Framework (Liverpool Vision, 2012)

<sup>63</sup>

South Liverpool International Gateway Strategic Regeneration Framework (Liverpool Vision, 2011)



amount of land that could be available to meet Knowsley's needs. Although the Regeneration Framework does not have formal status as a planning policy document, it is understood that Liverpool City Council intend to take account of its findings in future stages of its Local Plan.

2.4.13. With regard to the above, it is clear that the South Liverpool International Gateway site and other strategic employment sites such as 3MG in Widnes remain regionally significant investment priorities in accordance (as identified by Liverpool and Halton, in Local Plan documents including those emerging in the former). As a consequence, there is a need to consider the potential effect upon employment provision within Knowsley and particularly in terms of the functional linkage of these areas with adjoining settlements. This includes consideration of the extent to which additional employment provision is appropriate in terms of neighbouring regeneration priorities. This should influence policy approaches in terms of appropriate distribution of new development, together with other factors such as land availability and any consequences relative to the requirement to release land in the Green Belt within Knowsley, which should only occur in very special circumstances.

2.4.14. The importance of the consideration of the functional linkage between Halewood and Speke, and Kirkby with areas of Liverpool is emphasised by historical precedent provided by the **Merseyside Objective 1 Programme 2001 - 2006** (the second programming period following the original 1993 – 2000 period). The Objective 1 programme identified eight areas (known as Strategic Investment Areas), which had the greatest potential to generate further employment and economic growth. Knowsley contained all or part of three of these, located at:

- Huyton / Prescot
- Kirkby / Gillmoss (known as "Approach 580")
- Halewood / Speke

2.4.15. It should be noted that the Huyton/Prescot and Approach 580 Strategic Investment Areas were partly within the Green Belt in Knowsley. These areas included the South of the M62, and land to the East of Knowsley Industrial Park which are both included as broad locations suitable for Green Belt release in the Local Plan (Policy CS5). These areas were identified as having considerable economic potential as part of the Merseyside Objective 1 Programme, but their Green Belt designation has constrained the potential development of these locations to date.

## 2.5 Local policy and evidence

2.5.1. The first Knowsley Sustainable Community Strategy (entitled: **Knowsley the Borough of Choice: Sustainable Community Strategy 2008 – 2023<sup>64</sup>**) identified a need for an additional 233 VAT registrations each year to bring the number of businesses in the Borough up to the UK average. It also identified a

---

<sup>64</sup> Knowsley the Borough of Choice: Sustainable Community Strategy 2008 – 2023 (Knowsley Partnership and Knowsley MBC, 2008)

need for an additional 2,900 businesses to be located in the Borough by 2023 and that 15% of business premises should be designated for office use.

2.5.2. Knowsley's refreshed Sustainable Community Strategy, entitled: **A Strategy for Knowsley: the Borough of Choice**<sup>65</sup>, was prepared partly to respond to changing circumstances between 2008 and 2013, and as some of the priorities established in the first version needed alteration to reflect progress. The strategy's primary objective in employment policy terms is to place 10 000 Knowsley residents into long term jobs and develop a range of businesses in the local economy.

2.5.3. The **Knowsley Economic Regeneration Strategy**<sup>66</sup> responds to the City Region context and LEP priorities by recognising the need to re-balance the Borough's employment base away from reliance upon the public sector. It therefore sets out the contribution of Knowsley to the City Region economic priorities as follows:

- **Knowledge Economy** - Knowsley's infrastructure provides a competitive advantage across knowledge based industries in particular advanced manufacturing and financial and business services. Knowsley has an internationally recognised advanced manufacturing industry with Jaguar Land Rover, Getrag and Halewood International choosing to locate in the Borough.
- **Liverpool SuperPort** – There is an aspiration for transformation of the City Region's ports, airport, road, rail and logistics assets into a low carbon SuperPort of international stature. Knowsley is likely to be attractive for investment in associated employment sectors given its infrastructure advantages.
- **Low Carbon Economy** - Knowsley Industrial Park is home to a growing nucleus of businesses in renewable energy and environmental technologies and has the potential to be a 'Green Energy Hub'<sup>67</sup>
- **Visitor Economy** - establishing the City Region as a major visitor destination through the marketing and development of the region's cultural and heritage assets, retail and hospitality offer, and tourist attractions. This includes popular tourist destinations in Knowsley such as Knowsley Safari Park, Knowsley Hall and Prescot Town Centre.

2.5.4. As part of the statutory development plan for Knowsley, the saved policies<sup>68</sup> of the **Knowsley Replacement Unitary Development Plan (UDP)**<sup>69</sup> and the evidence collated for the Plan are considered to be still relevant, although must be considered in terms of degrees of weight which can be applied relative to compliance with the NPPF. The Proposals Map is also relevant as it indicates the extent of the Borough's urban and Green Belt areas as well as existing employment areas and allocations.

---

<sup>65</sup> A Strategy for Knowsley: The Borough of Choice 2012 – 2023 (Knowsley Partnership and Knowsley MBC, 2013)

<sup>66</sup> Knowsley – A Good Investment Knowsley's Economic Regeneration Strategy 2012-15 (Knowsley MBC, 2012)

<sup>67</sup> Knowledge Economy: delivering new opportunities for growth (U.R.C Associates, 2011)

<sup>68</sup> All UDP policies except: H1, S3, S8 and T4.

<sup>69</sup> Knowsley Replacement Unitary Development Plan (Knowsley MBC, 2006)

2.5.5. The **Joint Employment Land and Premises Study (JELPS)**<sup>70</sup> considered the supply and future need for employment land in Knowsley, Halton, Sefton, and West Lancashire and covered the period 2008 - 2026. In order to determine future need, the study considered the merits of three different methodologies as follows:

- economic forecasting;
- projecting forward historic take-up of employment land based on short term trends;
- projecting forward historic take up of employment land based on long term trends.

2.5.6. The above methods formed the basis for three of the scenarios considered in detail within this Report (see Chapter 5) for assessing future employment development requirements in Knowsley, namely methods “Economic 4”, “Historic 2” and “Historic 3”. Detailed conclusions relating to the suitability of each of these approaches is therefore included in that section, but updated to reflect current monitoring data.

2.5.7. The JELPS concluded that a partial remodelling of parts of the Knowsley Industrial and Business Parks could contribute to the new land supply required, by making more efficient use of the land available in this area. In response, the Council, in partnership with the North West Development Agency (NWDA), commissioned DTZ in conjunction with ARUP and Taylor Young to review the role of Knowsley Industrial Park (KIP) and Business Park. The resultant document produced was the **Delivering a New Future for Knowsley Industrial Park - Strategic Framework**<sup>71</sup>. The overall aim of the study was to provide a deliverable physical development and investment framework to drive future increased business growth at KIP, reinforcing its role as a major city region and regional business and employment hub.

2.5.8. The "Delivering a New Future for Knowsley Industrial Park - Strategic Framework" report identified that:

- Knowsley Industrial Park (and Business Park) remains a positive asset, but there are some key gaps and weaknesses that need to be addressed;
- There is a need to strengthen linkages to Kirkby Town Centre in terms of physical, business and employment links;
- Significant financial investment is required to modernise some key areas of Knowsley Industrial Park;
- Opportunities to attract growth sector businesses including ‘green businesses’ must be pursued to enhance the breadth of businesses on Knowsley Industrial Park and broaden its appeal as an inward investment location; and

---

<sup>70</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

<sup>71</sup> Delivering a New Future for Knowsley Industrial Park - Strategic Framework, (DTZ / Taylor Young / Arup, 2010)

- Approximately 24.6 hectares of net additional land capacity for employment development could (subject to funding and site assembly) be created by remodelling parts of the current Industrial Park.

2.5.9. The Local Plan reflects the recommendations of the Delivering a New Future for Knowsley Industrial Park - Strategic Framework report by identifying this area as a Principal Regeneration Area (in Policy CS11) to support identified employment land requirements (in Policy CS4).

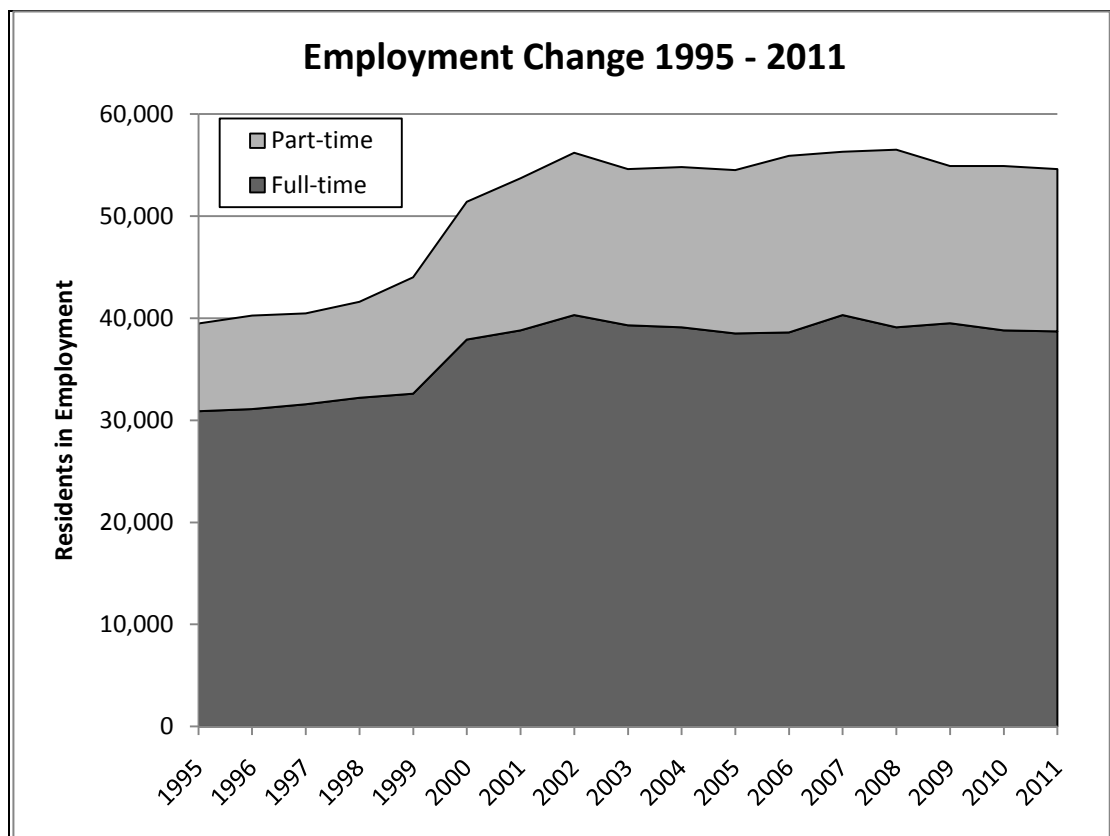
### 3. Influence of Local Circumstances and Historic Trends

#### 3.1 Knowsley’s Employment

3.1.1. Manufacturing industries have played a significant role in Knowsley's economy since 1945. The period of growth and investment coincided with the expansion of the suburban fringe of Liverpool, which linked and / or merged with Knowsley’s existing market towns and rural economy which preceded the growth in manufacturing. The manufacturing industries have primarily been located in the Borough's Industrial and Business Parks and the Ford (now Jaguar / Land Rover) car plant at Halewood. During the late 1970s and 1980s over 20,000 jobs were lost from Knowsley Industrial Park alone and thousands of local people faced unemployment. Since the 1990s employment levels have increased again, but still remain less than former levels.

3.1.2. Figure 3.1 indicates employment change within Knowsley between 1995 and 2011.

**Figure 3.1: Employment Change 1995 to 2008**



Source: ONS Annual Business Inquiry Employee Analysis (1995 - 2008) & ONS Business Register Employment Survey (2009 - 2011)

3.1.3. Figure 3.1 identifies a consistent trend of increase in total employees (around 43% in total) within Knowsley, including a more rapid period of growth between 1999 and 2002, and a levelling off between 2008 - 2011. There has

been a 102% increase in numbers of part time employees and a 26% increase in numbers of full time employees.

- 3.1.4. The trends of employment growth between 1995 and 2011 are important for the purposes of future forecasting as it is consistent with the most recent economic cycle, including periods of growth and recession. Although it is unlikely that these precise trends will be replicated in the future it is evident that the general trend of prevailing employment growth justifies the need to plan to accommodate additional employment requirements.
- 3.1.5. Sustainable economic growth will be particularly needed in the future if Knowsley is to build upon previous progress in narrowing the gap with regional and national averages in employment rates. Between 2000 and 2011, the Borough's Job Density (the numbers of jobs per resident aged 16-64) rose by 10.2% while nationally it fell by 1.3%<sup>72</sup>. The recent strong growth in employment reflects efforts by public and private sector partners to expand the business base and promote enterprise in the Borough resulting in substantial numbers of jobs being created. This reflects for example the investment in Kings Business Park and Prescott Business Park which have provided significant growth in the high quality office sector during the last decade.
- 3.1.6. Knowsley's economic performance however still lags behind the UK and North West average as displayed in Table 3.1 below. In this regard, the Council's Economic Regeneration Strategy<sup>73</sup> reports that the Borough has below average business start up and business survival rates, thereby presenting a challenge that will need to be addressed by promoting sustainable economic growth in target and emerging sectors.

**Table 3.1: Estimated Jobs by Sector (2008)**

Total jobs	Knowsley		North West	GB
	Number	%	%	%
Full-time	39,100	69.2	69.1	68.8
Part-time	17,400	30.8	30.9	31.2
Manufacturing	11,200	19.8	11.6	10.2
Construction	3,000	5.2	5.2	4.8
Distribution, hotels & restaurants	9,900	17.5	23.5	23.4
Transport & communications	2,800	4.9	5.8	5.8
Finance, IT, other business activities	9,200	16.4	19.7	22
Public administration, education & health	18,100	32.1	28.2	27
Other services	2,100	3.8	4.9	5.3

Source: ONS Annual Business Inquiry Employee Analysis (2009)

<sup>72</sup> Nomis Job Density [accessed 7 June 2013]

<sup>73</sup> Knowsley – A Good Investment, Knowsley's Economic Regeneration Strategy 2012-15 (Knowsley MBC, 2012)

- 3.1.7. Table 3.1 identifies that although the manufacturing sector (which accounts for 10% of businesses and 20% of total employment) has declined as a proportion of total jobs in recent years, it still accounts for a higher proportion of jobs in Knowsley than it does at the national level<sup>74</sup>. This reflects the Borough's role in the automotive industry and its supply chain, as well as advanced manufacturing and engineering sub-sectors. New investment has also expanded the employment base in the business services, ICT, creative, tourism, leisure, financial services, communications, logistics and distribution sectors.
- 3.1.8 With regard to the above, JELPs<sup>75</sup> suggested that it is important to plan for new manufacturing development in Knowsley, even though as a sector it is forecast to decline nationally. This was due to the nature of the local economy; with manufacturing forecast to continue to play an important role due to local circumstances being favourable for this sector as noted by the Liverpool City Region Local Enterprise Partnership (LEP) priorities. Nevertheless the comparative sectoral splits identified in Table 3.1 presents significant issues for Knowsley's industrial areas in terms of the need for adaptation. This is noting that existing premises and associated infrastructure in some areas may no longer be suitable or sufficiently attractive for modern employment needs in sectors where Knowsley's representation is comparatively low relative to the North West and Great Britain averages, increasing the potential for high vacancy levels. In this regard, there will be a need to address constraints to unlock the potential of existing employment land (for example, the need for remodelling and investment in Knowsley Industrial Park), to assist the adaptation to modern needs and accommodate the diversification of local economies towards office, financial and service-based uses, in line with wider trends and forecasts. This is necessary if local employment opportunities are to be maintained and improved.
- 3.1.9. Knowsley has a higher proportion of employment (at 32%) in Public Administration, Education and Health sectors than the North west and national averages. This reflects the presence of Whiston Hospital, a major sub-regional employer, together with substantial local government functions, schools provision and other public services. Whilst employment in some parts of the public sector may be less affected than others, any future forecasts need to be mindful of the potential implications of the Government's austerity programme which may present budget constraints for the continuation of some local services in the future. This also reaffirms the need for diversification of the local economy to ensure that Knowsley remains sufficiently adaptable and attractive for emerging and growth employment sectors.
- 3.1.10. The requirement to diversify the local economy in the future to meet local needs is also emphasised by Table 3.2 on the following page, which identifies the occupational split of Knowsley residents.

---

<sup>74</sup> Knowsley MBC: Core Evidence Base Report (Regeneris Consulting Ltd, 2007)

<sup>75</sup> Joint Employment Land and Premises Study (BE Group, 2010)

**Table 3.2: Occupation of Residents**

Occupation	Knowsley		North West (%)	Great Britain (%)
	Number	%		
Managers, directors and senior officials	4,100	6.8	9.4	10.1
Professional occupations	7,200	12.0	18.0	19.4
Associate professional & technical	6,200	10.4	13.1	14.2
Administrative & secretarial	8,000	13.5	11.5	10.9
Skilled trades occupations	7,300	12.2	9.9	10.5
Caring, leisure and Other Service occupations	7,200	12.0	10.1	9.0
Sales and customer service occupations	7,000	11.8	9.1	8.2
Process plant & machine operatives	6,200	10.4	7.0	6.3
Elementary occupations	5,800	9.8	11.1	10.8

Source: Annual Population Survey 2012 (ONS, 2013)

- 3.1.11. Table 3.2 indicates that Knowsley residents are under-represented in managerial and professional occupations. Professional occupations are also significantly lower than rates for the North West and also for Great Britain. The influence is however much broader than the availability of employment land and premises in Knowsley alone (i.e. educational attainment, available skills, willingness to commute, availability of sustainable transport options, etc) and is therefore addressed by a wider scope of policy approaches in the Local Plan. It is however evident that the diversification of employment opportunities in Knowsley would have positive benefits for the local economy, noting the data within Table 3.3 below.

**Table 3.3: Residents Pay**

	Knowsley	North West	Great Britain
	(£)	(£)	(£)
<b>Gross weekly pay</b>			
Full Time Workers	450.80	472.50	508.00
Male Full Time Workers	502.40	509.60	548.80
Female Full Time Workers	387.20	419.50	449.60
<b>Hourly Pay</b>			
Full Time Workers	11.14	11.98	12.88
Male Full Time Workers	12.14	12.52	13.48
Female Full Time Workers	10.04	11.24	12.04

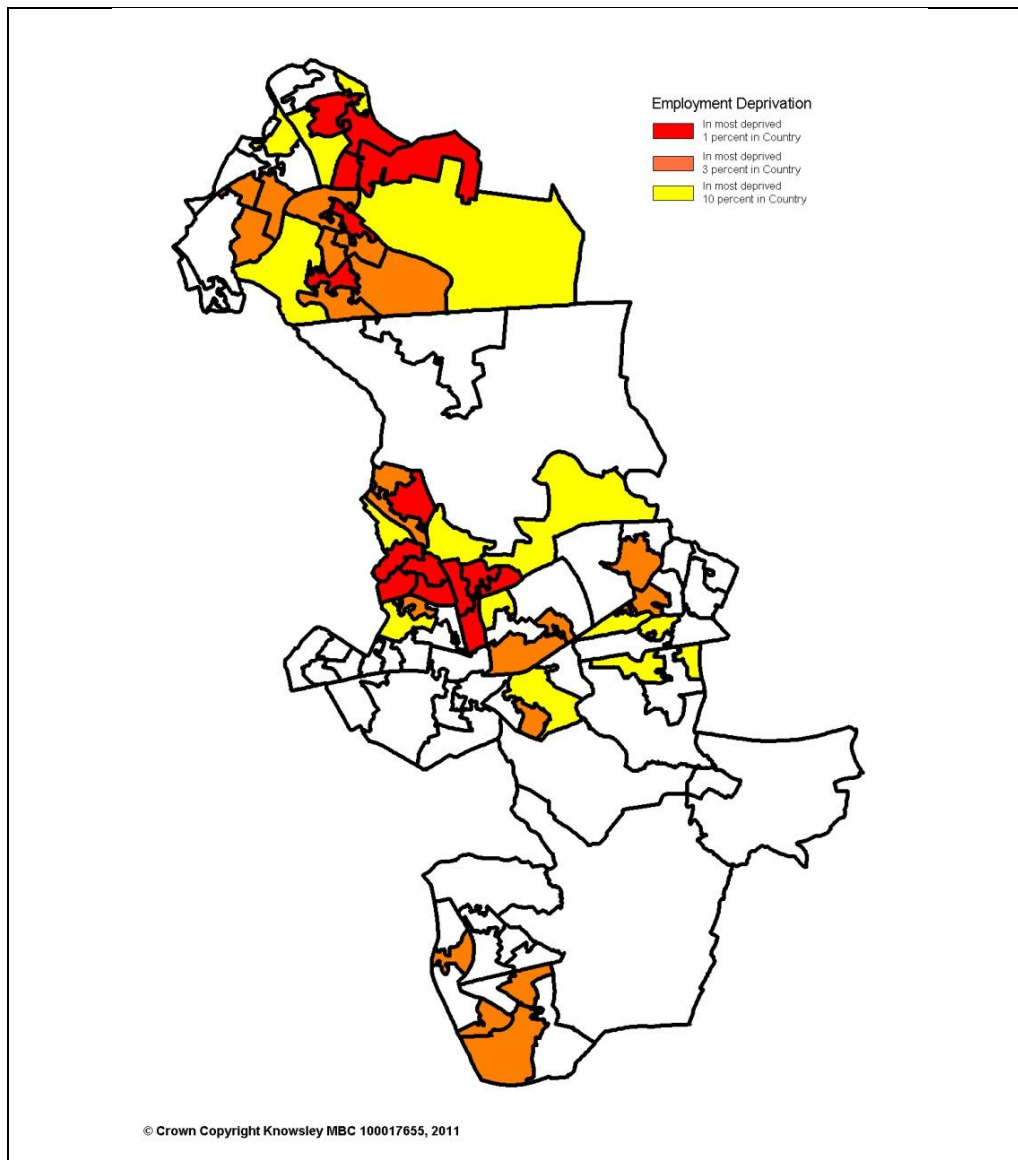
Source: Annual Survey of Hours and Earnings resident analysis (ONS, 2012)



3.1.12. Table 3.3 indicates that the Borough has low average wage levels for residents across both full time and part time employment and applicable to both genders, when compared to the average wage in both the North West and Great Britain. In this regard, there is a clear correlation with levels of deprivation in Knowsley.

3.1.13. Figure 3.2 below, identifies Index of Multiple Deprivation (IMD) Super Output Areas (SOAs) for the employment domain within Knowsley that are within the 10% most deprived in the Country. The Employment Deprivation Domain measures involuntary exclusion of the working age population from the labour market. The colour codes on the Map represent areas within the 1% most deprived (red - most severe), within the 5% most deprived (orange) and within the 10% most deprived (yellow).

**Figure 3.2: Areas of Employment Deprivation**



Source: *The English Indices of Deprivation 2010 - Employment Domain, CLG, 2010*

- 3.1.14. Figure 3.2 identifies that there are specific clusters of deprivation, with the most severely affected areas in the Kirkby and Huyton settlements, with smaller clusters in Prescott, Whiston and Halewood. These areas correlate with high levels of worklessness with the percentage of people claiming Job Seekers allowance highest in Kirkby (7.4%), followed by Huyton (6.6%), Halewood (5.5%) and Prescott, Whiston, Cronton and Knowsley Village (4.9%)<sup>76</sup>.
- 3.1.15. Locations and levels of worklessness are influenced by a number of broader factors than employment provision alone and therefore a general conclusion regarding employment need cannot be specifically derived from social circumstances. This is noting that employment in Knowsley is not restricted to residents alone, as the high quality road and rail links serving the Borough encourage movement to and from the area for employment within the sub-region. Nevertheless the Local Plan approach does need to acknowledge that the distribution of employment land for the plan period can have some positive benefits in terms of resident's quality of life. This is noting that access to employment is a significant barrier in circumstances of high deprivation due to low car ownership and therefore a suitable local range of employment opportunities is likely to increase the prospects of residents gaining employment.
- 3.1.16. In 2011, 37.1% of households in Knowsley did not have access to a car. This was above the average in Merseyside (35.1%), and significantly above North West (28.0%) and National (25.8%) averages<sup>77</sup>. Residents of the Borough on average are therefore less able to access job opportunities that are only realistically accessible by car and where hours of operation (e.g. shift work) make it difficult. It is therefore essential that employment opportunities facilitated by the Local Plan are accessible by modes of travel other than the car, such as walking, cycling or public transport to ensure maximum local benefit to the wider objectives of the Core Strategy.

## 3.2 Future Workforce

- 3.2.1. The Borough experienced a large population decline in the 1970s and 1980s followed by smaller losses in the 1990s and 2000s. Population projections indicate what will happen if past trends continue. The Borough's population is expected to rise by 3,100 between 2011 and 2021<sup>78</sup>. This is due to it being projected that there will be more births than deaths, combined with a net migration loss (more people leaving than coming into the Borough).
- 3.2.2. Figure 3.3 identifies the projected population change between 2011 and 2021.

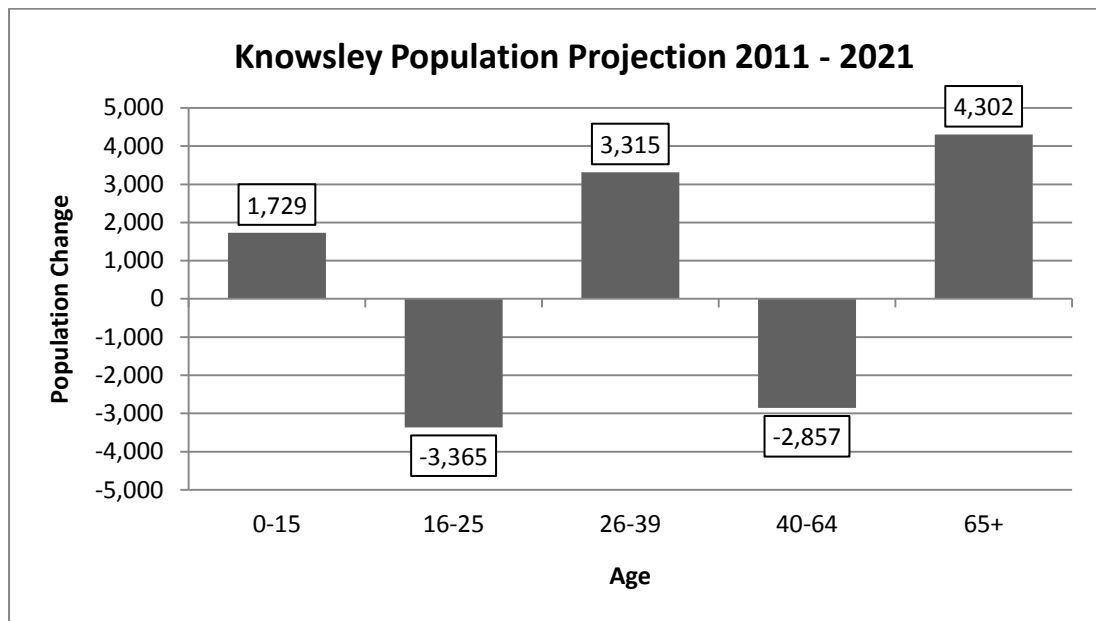
---

<sup>76</sup> Area Profiles (Policy Impact and Intelligence Team, Knowsley MBC, 2011)

<sup>77</sup> 2011 Census

<sup>78</sup> Interim 2011-based sub national population projections (ONS, 2013)

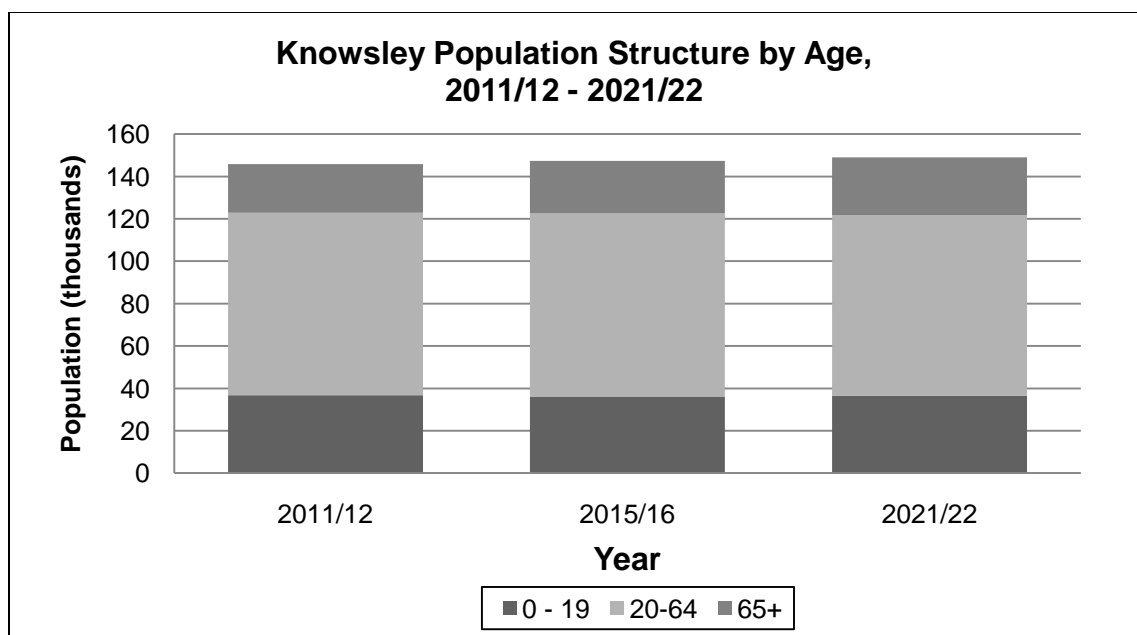
**Figure 3.3: Knowsley Population Projection 2011 - 2021**



Source: Interim 2011-based sub national population projections (ONS, 2013)

3.2.3. Figure 3.3 identifies that it is expected that the structure of the population will continue to move to a more ageing population. It is projected that by 2028 the number of persons aged 16 to 64 will fall by around 2,900, despite growth in the aged 26 - 39 age group, there is an equivalent loss in the 16 - 25 age group. The most mobile people are often the young, skilled and qualified and it is these types of person who have left in the past. Figure 3.4, provides an indication of the forecast reduction in working age population.

**Figure 3.4: Knowsley Population Structure by Age, 2011/12 – 2021/22**



Source: Interim 2011-based sub national population projections (ONS, 2013)

- 3.2.4. Loss of working age population however does not indicate a loss of demand for employment and consequently less employment land being required. This is noting that the loss of working age population can occur due to a lack of suitable range and choice of jobs, therefore additional investment and growth is required to ensure population retention.
- 3.2.5. The potential consequences of maintaining the current situation is that it could have the negative effect of making it more difficult to attract new employment to an area and thereby reduce prospects for investment. This is noting that high levels of out-migration are likely to be a threat to the attractiveness of the Borough to employers. In this regard it is considered that the Local Plan approach is appropriate in seeking interventions which will secure a more diverse range and choice of employment opportunities with aspirations for the delivery of sustainable economic growth. The contribution of new employment development and appropriate opportunities being available has the potential to increase the attractiveness of the Borough as a place for local people to work and therefore address the forecast trend of outward migration of young, skilled and qualified residents.

### 3.3 Employment land - supply and demand

- 3.3.1. Table 3.4 identifies the annual take-up of employment land between 1995/6 and 2012/13. This information is important as it indicates the range of previous annual demand for employment development in Knowsley over a significant time period. It should be noted that the source of this data is the Position Statement - Employment<sup>79</sup> which shows significant revisions to the annual breakdown compared to the figures previously reported in JELPS, the Overview Study, the Council's Monitoring Reports and previous versions of this Technical Report. The reasons for the differences compared to the previously reported data are set out in the Position Statement.
- 3.3.2. The consideration of the most up to date information on take up rates to update the historic trends in JELPS and the Overview Study is considered appropriate when forecasting future land requirements. This is noting that JELPS suggested that "*the effects of this recession cannot be ignored in the short term*" but "*will revert to their long term averages*"<sup>80</sup>. For this reason the Council has taken account of take up rates from 2010/11 to 2012/13 in setting its target for future employment development between 2010 and 2028 (see section 5 of this Report for further details). The adjustment provided by including the additional take up for 2010 - 2013 within historic trends is considered a proportionate approach that does not undermine a longer term view of more favourable conditions for growth. This is noting that it assesses a longer period of time which broadly aligns with a single economic cycle and the timescale of the Local Plan (2010 - 2028). It should also be acknowledged in this context that Knowsley's historic trends were three years shorter in JELPS than other districts making them less robust initially as a judgement on longer term trends. JELPS also identified that Knowsley was unique in so far as the previous short term trend between 2003 - 2008 actually reduced the

<sup>79</sup> Position Statement – Employment (Knowsley MBC, 2013)

<sup>80</sup> Joint Employment Land and Premises Study, pg. 239 (BE Group, 2010)

annual average take up rate, compared to increases in all other districts in the study. This remains the case, despite the data updates causing an increase in the annual average from the 6.72 ha per annum (reported in JELPS) to 9.85 ha per annum according to the updated information identified in the Position Statement - Employment<sup>81</sup>.

- 3.3.3. The cumulative employment land take up for any purpose over the period covering 1995/96 - 2011/12 shown in Table 3.4 has increased from 173.31 ha in total (average of 10.2 hectares per annum) as reported in the draft of this Technical Report published in November 2012 to 176.09 ha in total (average of 10.4 hectares per annum). However the addition of a further year's monitoring (2012/13) has now reduced the annual average take up rate to 10.0 hectares per annum. A detailed comparison of the specific data sets, the reasons for undertaking / publishing data updates and the methodology used are set out in the Position Statement.

**Table 3.4: Employment Land take-up 1995/6 to 2012/13**

Year	All Employment Land	For Employment Purposes <sup>82</sup>
	(ha)	(ha)
1995/96	8.60	3.90
1996/97	13.39	13.39
1997/98	9.77	9.77
1998/99	13.31	11.67
1999/00	19.74	15.56
2000/01	26.08	25.27
2001/02	12.04	12.04
2002/03	9.70	9.70
2003/04	10.34	9.42
2004/05	8.40	8.40
2005/06	5.25	5.25
2006/07	14.93	13.14
2007/08	10.34	10.34
2008/09	6.55	6.55
2009/10	0.78	0.78
2010/11	3.42	1.28
2011/12	3.45	3.45
2012/13	4.13	4.13
<b>Total</b>	<b>180.22</b>	<b>164.04</b>
<b>Annual Mean Average</b>	10.01	9.11
<b>Median Range Values</b>	9.70 - 9.77	9.42 - 9.70

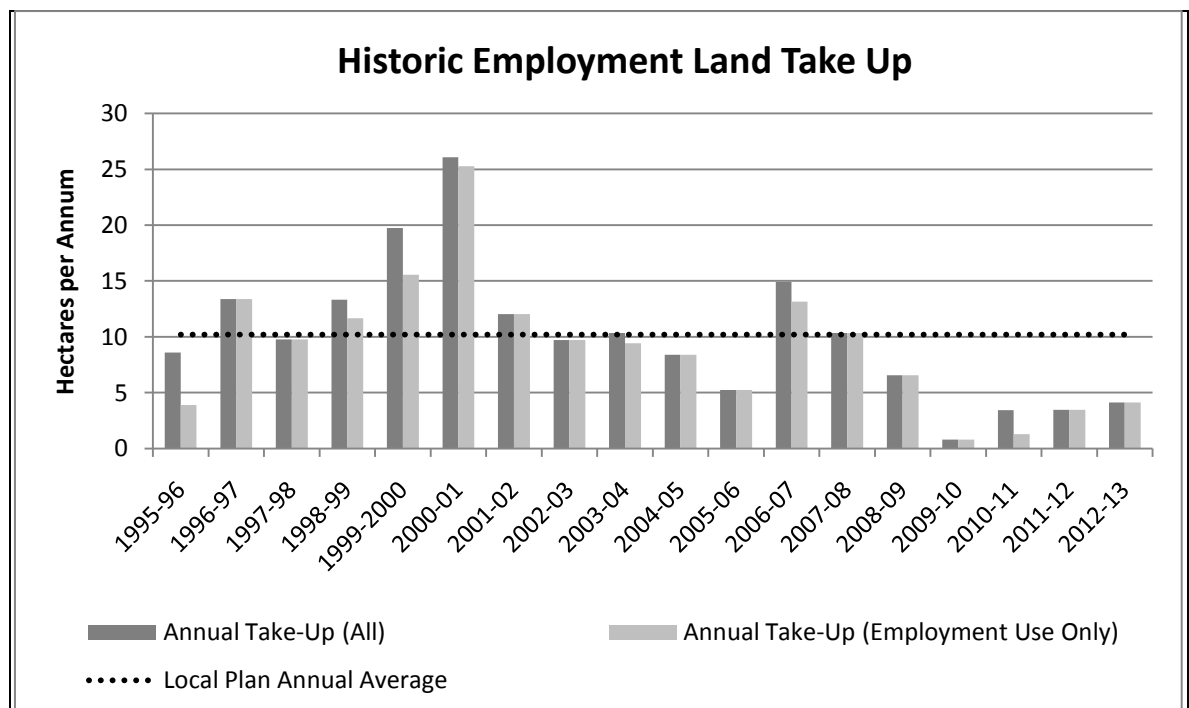
Source: Knowsley Council: Policy, Impact and Intelligence

<sup>81</sup> Position Statement – Employment (Knowsley MBC, 2013)  
<sup>82</sup> B1, B2, B8 & Sui Generis Only

3.3.4. Table 3.4 indicates that there has been significant variation in employment land take up rates during the 1995 – 2013 period , from a minimum of 0.78 ha to a maximum of 26.08 ha per annum, and a mean of just over 10 ha per annum. In this regard, the predominant period of growth was up to 2007/08 during which period Knowsley contained a significant amount of vacant industrial land (primarily available due to previous closures) providing a significant range and choice of available land. This was supported by other notable influences on delivery such as favourable economic conditions for borrowing together with availability of investment sources such as the North West Development Agency, grant assistance, etc, which enhanced development viability during this period. Knowsley also benefitted from significant economic investment from European and National Government during this period, including the Objective 1 Programme (which existed from 1993 until 2007).

3.3.5. Knowsley (as part of the wider Merseyside area) has continued to benefit from European Union funding assistance since 2007 and there are also other funding streams in place such as the Government's Growing Places fund. However, in overall terms the level of public sector financial assistance that is available to support new economic development is at a lower level than was the case in previous years particularly the period of the Objective 1 programme between 1993 and 2007. Figure 3.5 displays the long term trend in Table 3.4 that indicates a broad correlation between employment land take up rates relative to the trends in availability of funding assistance set out above, with the annual average trend plotted for comparison purposes.

**Figure 3.5: Historic Employment Land Take Up**



Source: Knowsley Council: Policy, Impact and Intelligence

- 3.3.6. When considering Table 3.4 and Figure 3.5, it should be recognised that the availability of public sector investment and grant funding has declined significantly in recent years and is not expected to rise back to levels enjoyed at the time of the Objective 1 programme in the future. This suggests that notwithstanding an ability to improve the range and choice of available sites through the Local Plan, the optimum build rate levels experienced in the past may be difficult to achieve in the future and thereby create a potential anomaly that results in the inflation of annual average used in forward projections.
- 3.3.7. Current economic conditions introduce challenges with regard to economic viability for most employment uses during the early part of the plan period, which reduces the potential of speculative builds. This creates reliance upon operator and business model led requirements encouraging development based upon Knowsley's locational advantages<sup>83</sup>. This existing position is reflected in the recent employment land take up rates whereby the cumulative rate over a recent three year period (2010/11 - 2012/13) of 11.00 ha is less than two individual years (1999/2000 and 2000/01) during the economic 'boom' period. On this basis, it is evident that short term fluctuations in terms of take up rates cannot be relied upon, could be considered anomalous and may be influenced by the quality and supply of available sites. Nevertheless, the significant variation resulting from different economic conditions must reasonably be considered in terms of an assessment of an appropriate Local Plan figure for employment land requirements up to 2028. The current low levels of employment land take up however does re-affirm the need to provide a sufficient range, choice and quality of sites to attract investment during difficult economic conditions and thereby support sustainable economic growth in Knowsley. This includes the need to build upon the successful delivery of Kings Business Park by identifying a successor site to deliver diversification of employment sectors in Knowsley, as recommended by JELPS.
- 3.3.8. In view of the above, it is not considered appropriate to emphasise the worst case scenario during extreme economic conditions as indicative of anticipated take up rates in the future. This is noting that the Local Plan policy approach intends to be aspirational in promoting economic investment over a 15 year period that will reflect a more diverse range of economic conditions. On this basis it is appropriate to consider both the current position and information relating to the period immediately prior to the economic recession to provide an indication of likely business interest in locating within Knowsley. More moderate conditions between optimal economic conditions and those during a recession are considered more typical of expected future trends than those experienced recently.
- 3.3.9. The implications of any demand and supply imbalance in terms of available employment premises are an important indicator of when demand for additional land may be required. Table 3.5 provides information on available premises at April 2013 compared to those in an above average employment land take up period in Knowsley before the economic recession (2008).

---

<sup>83</sup>

Knowsley Economic Viability Assessment (Keppie Massie, 2012)

**Table 3.5: Amount of Marketed Employment Premises (B1, B2 & B8 use)**

		Size Band (sq. m.)							Total
		0 - 100	101 - 200	201 - 500	501 - 1000	1001 - 2000	2001 - 5000	5001 +	
2008	Floorspace (sq. m.)	250	2,330	5,950	15,971	24,367	20,781	169,135	<b>238,784</b>
	Properties	3	15	17	23	19	8	9	<b>94</b>
2013	Floorspace (sq. m.)	641	1 992	16 102	29 888	31 892	50 325	163 145	<b>293 985</b>
	Properties	8	13	47	40	24	16	13	<b>161</b>

Source: Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010) & Knowsley Council – Business Liaison & Investment Team (2013)

3.3.10. Table 3.5 suggests that a significant range and choice of employment premises was marketed and or let during both 2008 and 2013. The level and range of supply of these existing premises and the relative increase in supply between the two years could have influenced the recent slowdown of take up rates. Between 2008 and 2013 there has been a 71% increase in the number of properties being marketed and a 23% increase in total floorspace being marketed. This is likely to be due to the prevailing economic conditions in this period which appear to have increased vacancy levels and suppressed demand despite there having been lower levels of land take up in the preceding period. This conclusion is supported by consideration of the number of premises and land enquiries as displayed in Table 3.6 and Figure 3.6, which compares two full calendar years immediately preceding Table 3.5 to reflect market conditions at the time.

**Table 3.6: Annual Number of Premises Enquiries**

		Size Band (sq. m.)						Total
		0 - 100	101 - 500	501 - 1000	1001 - 3500	3501 - 5000	5001 +	
2006 & 2007	Industry	48	95	31	47	10	15	<b>246</b>
	Office	104	38	8	2	1	0	<b>153</b>
	<b>Total</b>	<b>152</b>	<b>133</b>	<b>39</b>	<b>49</b>	<b>11</b>	<b>15</b>	<b>399</b>
2011 & 2012	Industry	66	36	17	12	12	9	<b>152</b>
	Office	55	14	2	0	0	2	<b>73</b>
	<b>Total</b>	<b>121</b>	<b>50</b>	<b>19</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>225</b>

Source: Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010) and Knowsley Council – Business Liaison & Investment Team (2013)

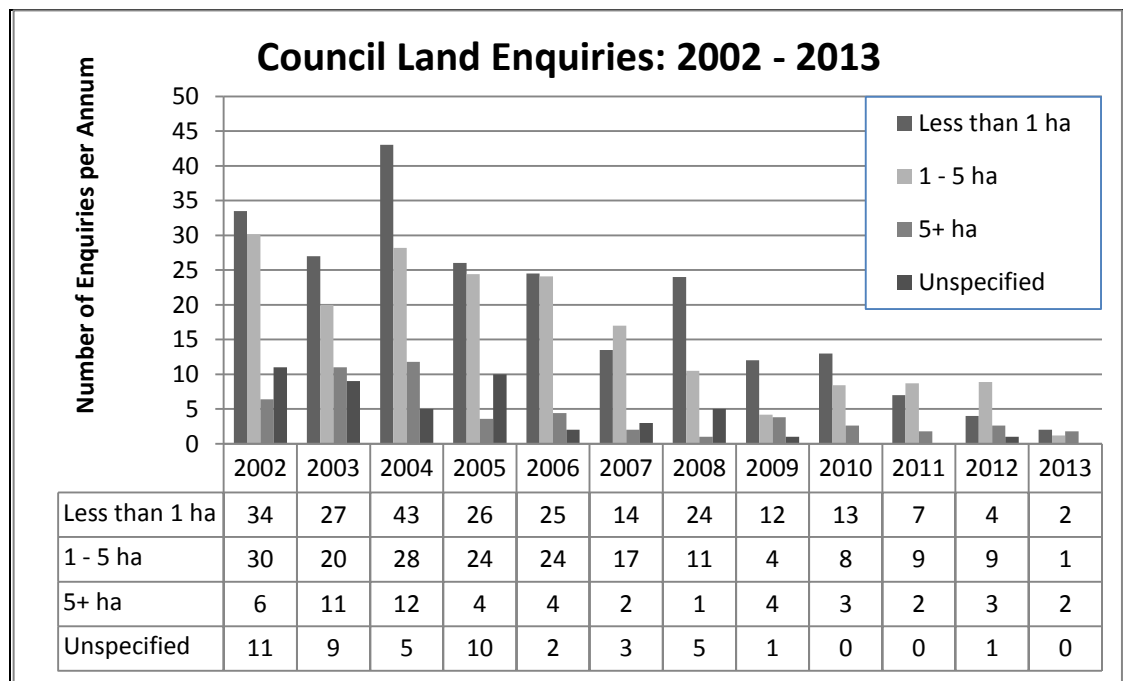
3.3.11. Table 3.6 identifies that the highest demand for existing premises is focussed upon those between 0 sq.m and 500 sq.m. This size of premises primarily serves Small and Medium Enterprises (SMEs) which is a target sector for both Knowsley and the Liverpool City Region. Furthermore the general trend of a lower level of demand (evidenced by the 44% decrease in enquiries), with proportionate decreases in both the industrial (38% decrease) and office sectors (52%), has primarily affected units between 0 - 3,500 sq.m, with demand for larger units remaining consistent at lower levels. When comparing



the levels of demand identified in Table 3.6 to the scale and number of premises marketed in Table 3.5, it appears that the current premises supply deficit is most evident for units between 0 - 200 sq.m in size. This is a continuation of a trend in 2006/2007, albeit that the overall numbers of enquiries in this category have reduced by 40%, whilst the number of available premises has increased by around 90%. These trends of reducing demand and increasing supply of premises are likely to have had an influence on demand for land, as further employment land take up is less necessary in circumstances of potential oversupply. Consequently it could be considered that the higher levels of employment take up experienced pre-recession (2006 & 2007) could have been driven by more buoyant demand for premises, which far exceeded supply at the time and suggested a deficiency of suitable premises to satisfy the requirements from businesses in both industrial and office sectors.

3.3.12. In the context of the above, Figure 3.6 identifies the trend of land enquiries to the Council over the previous decade.

**Figure 3.6: Council Land Enquiries: 2002 - 2013**



Data Source: Knowsley Council - Business Liaison & Investment Team (2013)

3.3.13. Figure 3.6 indicates that there has been a progressive decrease in demand for land in the 10 years up to 2012 which is evident across all size sectors except sites of 5+ ha, where demand is proportionately low in any case. Together with the comparison of Tables 3.5 and Table 3.6, this is a potential indicator of reduced demand for land and consequently the decline in annual employment land take up experienced over the same period. This trend needs to be considered when forecasting future requirements, to avoid an oversupply of land in the future, as current levels of demand suggest that achieving the high levels of take up of the past is an aspirational goal. Nevertheless it is acknowledged that the implications of the recession are

likely to have had some influence in suppressing the baseline levels of demand, therefore such a trend cannot be relied upon to continue or even remain as low for the duration of the plan period.

- 3.3.14. Although there remains some demand for larger land areas, the general trend suggests that Knowsley's Local Plan approach focusing upon regeneration and remodelling of existing available employment land to meet modern employer requirements is appropriate to ensure that they remain adaptable to emerging employment sectors.

### 3.4 Knowsley's Strengths and Challenges

- 3.4.1. It is evident that the Local Plan approach will need to adapt to local circumstances to ensure sustainable economic growth in the future. In this regard, Knowsley has several key assets including:

- role as a key employment location – the Borough's business parks provide substantial employment in manufacturing, distribution and services, with good access to employment locations along and around the Liverpool-Manchester corridor and excellent transport linkages;
- recent precedent of a growing business base - between 1995 and 2008 employment rose by 41% with job density rises of over 8.5%. This compares to a 2.5% drop nationally over the same period; and
- businesses in priority sectors - there are a wide range of companies operating in the Borough in priority sectors for both the Liverpool City Region and the wider North West (e.g. knowledge driven, creation and high technology, such as the automotive uses in Halewood).

- 3.4.2. Knowsley however also faces several key challenges that must be accounted for as part of the Local Plan approach, such as;

- a falling Working Age Population – forecast over Core Strategy's plan period;
- worklessness – comparatively high relative to sub-regional, regional and national levels;
- lower than average incomes – compared to those of residents in surrounding districts, while many higher paid jobs appear to be taken by people who live outside the area;
- continued need to improve educational attainment – currently below the national and regional averages. Raising attainment levels will enable more people to enter work and better equip the Borough's workforce for more knowledge intensive economic activity.
- high levels of deprivation – many of the challenges faced by residents of the Borough stem from a high level of deprivation and the multiple disadvantages which are associated with it. Knowsley remains one of the most deprived areas of the country both in the intensity and extent of deprivation in the Borough; and
- risk of economic downturn – the Borough has made progress in strengthening its economy, but gains can easily be offset by continuation

of the current economic downturn. The extent to which public sector spending cuts will affect the Borough's economy is currently uncertain.

## 4. Identifying Employment Land Requirements

### 4.1 Methodology

4.1.1. In order to identify the amount of employment land needed to ensure continued economic growth, the following process has been used:

- Step 1 – identify current employment land supply. This was accomplished by the Council initially identifying a land supply and external consultants assessing the extent to which the sites have a realistic prospect of development, with the most up to date information provided by the Position Statement – Employment<sup>84</sup>.
- Step 2 – assess a full range of reasonable scenarios for deriving future jobs and employment land targets. This step included the development of a range of scenarios based on different methodologies for assessing future employment land supply. These forecasting methods fell into two basic categories which included: projections based on jobs forecasting; and projections forward of historic take-up of employment land over different time periods. The various methods included use of evidence from the now revoked Regional Spatial Strategy<sup>85</sup> and the Joint Employment Land and Premises Study<sup>86</sup>, with updates in accordance with the Position Statement – Employment where appropriate. Methods based on jobs forecasting included translation into land requirements by minimum and maximum limits being applied to floorspace per job to allow for different type of job, and plot ratio to reflect different needs within industry sub-sectors. Step 2 is contained in Chapter 5.
- Step 3 – assess strengths and weaknesses of methodologies and decide on preferred methodology for determining employment land need. This includes consideration of the Overview Study<sup>87</sup> which compared the approaches to this issue in 8 local authorities across the Liverpool City Region. Step 3 is contained in Chapter 5.
- Step 4 – identify whether there is likely to be a shortfall of provision over the period to 2028 taking account of potential losses of existing employment land to other uses. Step 4 is contained in Chapter 6.
- Step 5 – assess the merits of different ways to make up any shortfall of provision e.g. through more efficient use of existing employment areas, meeting needs in neighbouring districts or expansion into areas currently identified as Green Belt. Step 5 is contained in Chapter 6.

4.1.2. The steps set out above were supplemented by specific consideration being given to the need to provide a wide range and quality of sites, and of the distribution of land across the Borough. This analysis is also contained in Chapter 6.

---

<sup>84</sup> Position Statement – Employment (Knowsley MBC, 2013)

<sup>85</sup> North West of England Plan – Regional Spatial Strategy to 2021 Employment Land Implementation Note – April 2009 (4NW, 2009)

<sup>86</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

<sup>87</sup> Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011)

## 4.2 What land is available for employment in Knowsley?

4.2.1. In order to evaluate if the Borough contains a sufficient quantity of employment land to meet its future need, it is first necessary to identify the amount of land that is currently available for employment purposes.

4.2.2. The Council has identified that at April 2013 there was 170.15 ha of land that it considered to be suitable for future employment use<sup>88</sup>. The sites were spread across the main industrial locations and business parks in the Borough and included:

- sites allocated in the UDP<sup>89</sup> for employment development (Policy EC2) that have not been developed;
- vacant sites allocated within Primarily Industrial Areas (Policy EC3); and
- sites with extant planning permission for employment purposes.

4.2.3. Knowsley's main locations in which B1, B2 and B8 employment uses are located are:

- Knowsley Industrial and Business Parks to the east and south east of Kirkby form one of the largest industrial estates in Europe, covering 377 hectares and 120 hectares respectively. The location benefits from its proximity to the M57 and M58 motorways, the A580 and to Knowsley's rail freight terminal, and is characterised by a broad mix of uses and character due to its scale ranging from heavy / specialised industrial, warehousing / distribution, general industrial / business premises, advanced manufacturing and office accommodation. The locality has the highest proportion of available land for development in Knowsley due to its scale.
- Huyton Business Park covers around 80 hectares and benefits from its proximity to the M57 and M62 motorways, and has a mix of general industrial / business premises, manufacturing, office accommodation and warehousing / distribution. Available land for development is limited to a small number of infill plots and potential remodelling opportunities.
- Kings Business Park in Prescott covers approximately 20 hectares in total and was designated as a Regional Strategic Employment Site in the former North West Regional Economic Strategy. It is a high quality office site and benefits from its proximity to the M57 motorway, with a limited amount of available development land.
- The Jaguar / Land Rover plant in Halewood covers 139 hectares in total, 19 hectares of which is allocated in the UDP as being suitable for B1, B2, and B8 uses. The available site could accommodate suppliers to the firm, as well as the company's own operations in advanced manufacturing, with other fringe areas of the site appearing potentially capable of remodelling. The site benefits from its proximity to the M62 motorway and a rail freight terminal adjoining the West Coast mainline.
- South Prescott / Prescott Business Park in Prescott covers 47 hectares in total, which is designated as an Action Area in the UDP which is suitable

<sup>88</sup> Position Statement - Employment (Knowsley MBC, 2013)

<sup>89</sup> Knowsley Replacement Unitary Development Plan (Knowsley MBC, 2006)

for B1, B2 and B8 uses, and includes an employment site of 29.38 ha in total, although a recent planning permission has been granted in June 2013 for part alternative use for residential purposes.

- Whiston Enterprise Park in Whiston covers approximately 13 hectares and benefits from its proximity to the M57 and M62 motorways. It has a predominant mix of warehousing and distribution, with capacity for expansion in its northern section.
- Stanley Grange in Knowsley Village covers around 3 hectares in total, located on the western edge of the Knowsley Estate and benefits from its proximity to the A580 and M57 motorway. The location is a conversion of former agricultural buildings and provides primarily office accommodation for small businesses.
- Boulevard Industry Park in Halewood adjoins the boundary with Liverpool, covering approximately 12 hectares within Knowsley (of the total of 24 hectares developed between 2000 - 04) and benefits from its strategic location adjacent to the Jaguar/Land Rover plant.

4.2.4. In addition, there are a number of other employment areas of general industrial character (Former Lancashire Watch Factory in Prescott, Pentagon in Halewood, Eli Lilly in Halewood, Stoves in Whiston) and a number of B1 office premises located in Knowsley's main town centres (Huyton, Kirkby and Prescott). For the purposes of employment land calculations, other uses including retail sectors and other major employers such as Whiston Hospital, schools, etc, are excluded from consideration, as they are more specialised in terms of their respective needs. Future retail needs are alternatively considered in the Technical Report - Planning for Retail in Knowsley<sup>90</sup>, whilst schools, hospitals and other public sectors services are defined as infrastructure and are evaluated in the Infrastructure Delivery Plan<sup>91</sup>.

4.2.5. The Position Statement - Employment<sup>92</sup> evaluates each of the sites identified as main locations for B1, B2 and B8 employment uses in accordance with previous approaches undertaken as part of the Joint Employment Land and Premises Study (JELPS)<sup>93</sup>. The assessment identified four sites totalling 10.92 ha that were unlikely to be developed for employment purposes, as listed in Table 4.1.

4.2.6. Two of the sites listed in Table 4.1 (County Road / Arbour Road and Kipling Avenue) were previously identified in JELPS Table 97 and consequently removed from the supply, but re-appraisal was necessary due to their ongoing vacancy and an absence of development in the interim period. Similar re-appraisal was also undertaken on sites identified in JELPS at Admin Road, Kirkby (planning permission for industrial unit) and Cross Huller, Knowsley Business Park (expiry of planning permission for car park use) which were returned to the land supply as a consequence. The remaining deduction

---

<sup>90</sup> Technical Report: Planning for Retail in Knowsley (Knowsley MBC, 2013)

<sup>91</sup> Infrastructure Delivery Plan (Knowsley MBC, 2012)

<sup>92</sup> Position Statement – Employment (Knowsley MBC, 2013)

<sup>93</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

recommended by JELPS at Ellis Ashton Street was retained as the site was confirmed as operational.

**Table 4.1: Sites excluded from Supply**

Site	Location	Area (ha)	Reason
County Road / Arbour Road	Knowsley Industrial Park	0.62	Likely to be developed for non-B class uses
Kipling Avenue	Huyton Business Park	2.34	Poor access. Owner pursuing residential use on site
Tank House	South Prescott	1.94	Recently implemented planning permission for re-use of premises
Rod Rollers	South Prescott	6.02	Extant planning permission for re-use of premises
<b>Total</b>		<b>10.92</b>	

4.2.7. Following the deduction of the sites listed within Table 4.1, the Position Statement - Employment considered 170.15 ha of land to have a realistic prospect of being developed. Table 4.2 summarises the evaluation of the sites that the Position Statement – Employment identified as having a realistic prospect of future employment development.

**Table 4.2: Land Supply (at April 2013)<sup>94</sup> by Site Type and Size<sup>95</sup>**

Type	Within 3 years		3-5 years		5+ years		Total	
	Number of sites	Area of sites (ha)	Number of sites	Area of sites (ha)	Number of sites	Area of sites (ha)	Number of sites	Area of sites (ha)
Industrial less than 1ha	16	7.34	11	6.26	1	0.67	28	14.27
Industrial 1ha to 5ha	7	16.39	3	6.74	1	2.30	11	25.43
Industrial more than 5ha	2	11.67	0	0.00	2	29.09	4	40.76
<b>Total Industrial</b>	<b>25</b>	<b>35.40</b>	<b>14</b>	<b>13.00</b>	<b>4</b>	<b>32.06</b>	<b>43</b>	<b>80.46</b>

<sup>94</sup> Excludes potential remodelling opportunities and sites currently constrained by Green Belt designation  
<sup>95</sup> Updated table based upon JELPS study categorisation of sites on the basis of suitability for offices (generally the higher quality sites and business environment) and industrial (generally the lower quality sites or locations with an established mix of offices and industry)

Industrial / Office less than 1ha	4	3.03	1	0.92	0	0.00	5	3.95
Industrial / Office 1ha to 5ha	9	22.18	1	1.91	1	2.00	11	26.09
Industrial / Office more than 5ha	3	24.07	2	26.21	0	0.00	5	50.28
<b>Total Industrial / Office</b>	<b>16</b>	<b>49.28</b>	<b>4</b>	<b>29.04</b>	<b>1</b>	<b>2.00</b>	<b>21</b>	<b>80.32</b>
Office less than 1ha	1	0.07	0	0.00	0	0.00	1	0.07
Office 1ha to 5ha	2	2.71	0	0.00	0	0.00	2	2.71
Office more than 5ha	1	6.59	0	0.00	0	0.00	1	6.59
<b>Total Office</b>	<b>4</b>	<b>9.37</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>4</b>	<b>9.37</b>
<b>Total</b>	<b>45</b>	<b>94.05</b>	<b>18</b>	<b>42.04</b>	<b>5</b>	<b>34.06</b>	<b>68</b>	<b>170.15</b>

Source: Knowsley Council: Policy Impact and Intelligence

4.2.8. The Position Statement - Employment<sup>96</sup> contained an updated position of what the JELPS study considered to be the Knowsley's realistic employment land supply. The document identified that on 1 April 2013 the Borough had **170.15 ha** of land with a realistic prospect of development for employment purposes. This includes 107.15 ha of existing UDP allocations including those with planning permission (63%), 12.02 ha of sites under construction (7%), 4.22 ha of other sites with planning permission (3%) and 46.76 ha of other available sites within existing industrial areas (28%). The most recently reported figures in the Monitoring Report 2012 identified 149.5 hectares of existing land supply. The new data creates an uplift of 20.65 hectares of current land supply. This is associated to updates to the baseline supply, including additional marketed land at large scale sites such as the former Sonae site (12.62 hectares), the former Ethel Austin site (5.06 hectares), together with the addition of a number of previously unrecorded land clearances that have occurred within Knowsley Industrial Park, Academy Business Park and Huyton Business Park since JELPS was published.

<sup>96</sup> Position Statement – Employment (Knowsley MBC, 2013)



- 4.2.9. Over half of the land area (94.05 ha) in the current realistic supply was considered to be available or likely to be available within the following three years (2013/14 - 2015/16). 80.32 ha of the realistically available land is or would be available for office and industrial uses, with 80.46 ha being available for solely industrial use and 9.37 ha available solely for office use.
- 4.2.10. The figure of **170.15 ha** of employment land supply is used in the subsequent calculations to assess whether the Borough has a sufficient quantity of employment land to meet its future need with individual site details contained within Appendix A. To ensure that this supply figure at April 2013 reflects the plan period requirement covering the Local Plan from the base date of 2010 until 2028 in calculations, the delivery of 11.00 ha between April 2010 and April 2013 should be deducted accordingly from any forecasts when considering surplus and deficit of supply.
- 4.2.11. The realistic supply identified at 1<sup>st</sup> April 2013 excludes other sources of long term supply that may be secured through potential remodelling opportunities and sites currently constrained by Green Belt designation that form part of the wider Local Plan policy approach to employment. This is noting that the baseline supply relative to associated forecasts is intended to inform the extent of need for additional supply from these sources, including for flexibility in meeting post plan period needs. Furthermore, there is also no allowance in the realistic supply made for potential windfall sites that could emerge during the Local Plan period to consolidate the existing supply due to the unreliability of such assumptions. In this context, it is accepted that any Local Plan policy approach will need to be informed by regular monitoring in terms of the quantity, quality, suitability and range of sites available.

### **4.3 Range and suitability of existing employment sites**

- 4.3.1. The Position Statement - Employment evaluated the quality of sites and the employment types that the sites could be developed to accommodate. Assessing the quality of sites is subjective and can be interpreted in a number of ways. Businesses may not always want a high quality site as they are often more expensive to purchase or rent. Figures 3.2 and 3.3 on the following page provide an objective indication of site quality relative to site size and employment type, based upon the site scoring list and criteria in Appendix D of the Position Statement - Employment.
- 4.3.2. Figures 4.1 and 4.2 outline that the majority of Knowsley's current employment land supply (46 of 68 sites - 68% of the overall sites) are within the medium quality range (40 - 59). Furthermore the majority available within 0 - 3 years are either high or medium quality sites (42 of 45 sites – 93% of sites). In considering the priorities for future land supply, it should be noted that the totals represent a significant number of sites and land area that available within 0 - 3 years - total of 94.01 ha. When this level of supply is considered in the context of historic employment take up rates in Knowsley in Table 3.4, it is evident that 94.01 ha resembles a significant surplus of supply for any reasonable expectation of development requirements over a three year period, notwithstanding any potential cumulative backlog of delivery

accrued between 2010 - 2013. It is therefore reasonable to consider that a significant proportion of the sites provide an ongoing range and choice which although eroded with time, will remain sufficient to carry forward into the existing 3 - 5 year and 5+ year timeframes to enhance the range and choice of sites available in the medium and long term.

**Figure 4.1: Site Quality by Site Size**



Source: Knowsley Council: Policy Impact and Intelligence

**Figure 4.2: Site Quality by Availability and Employment Type**



Source: Knowsley Council: Policy Impact and Intelligence

- 4.3.3. When considering Figures 4.1 and 4.2 and Table 4.2, it can be concluded that the information indicates that the existing land supply provides an appropriate range and choice of available sites to accommodate different types of employment development, notwithstanding a potential deficit of high quality office environment in the medium / long term. On this basis, it can be concluded that reduced take up rates experienced recently are more likely to have been influenced by unfavourable economic conditions and associated decline in market demand, rather than the range, quality and choice of sites being unavailable.
- 4.3.4. Notwithstanding the above, it cannot be discounted from the information within Figures 4.1 and 4.2 that higher take up rates in the past may have been influenced by the availability of a larger number of higher quality sites at the time. In this regard, it is apparent that the Council will need to adapt its existing land supply for the Local Plan period to ensure it is attractive for development which will support sustainable economic growth. As a consequence, there will be a requirement for additional land to ensure longer term needs are addressed in positive circumstances which encourage sustainable economic growth. It is apparent that a significant take up rate of higher quality sites (i.e. offices) or larger scale sites (5+ ha) in the early part of the plan period could result in a potential undersupply of suitable land of sufficient quality. This justifies the Local Plan approach of remodelling parts of Knowsley Industrial and Business Parks whilst seeking a successor site(s) to Kings Business Park to meet longer term needs and identifying other locations for potential Green Belt release to provide adequate flexibility.
- 4.3.5. On the basis of the above, there is an evident need for an improved quality and quantity of site during the plan period. However the Council must be cautious in avoiding an overreaction to current economic circumstances which are unlikely to be maintained in the long term, noting the significant available supply and the need to support regeneration priorities in the most suitable locations. It is therefore considered that the Council's emphasis should be upon improving the range and quality of the sites available, with the initial priority being to promote appropriate infilling, redevelopment and (where deliverable) remodelling of existing industrial areas, including allocation through the Local Plan: Site Allocations and Development Policies. Any release of additional supply in greenfield or Green Belt locations (as required) to consolidate the employment land supply should be based upon identified need where a suitable and viable alternative is not available in the realistic supply and carefully controlled through Local Plan policies CS4 and CS5 respectively to ensure no harm to regeneration priorities.

## 5. How much employment land is needed in Knowsley up to 2028?

### 5.1 Methods of employment land forecasting

5.1.1. This chapter aims to predict the amount and type of land that will be required for employment purposes in the Borough from a base date of April 2010 up to March 2028. It does so by considering seven methods which fall into two basic categories as follows:

- **Economic forecasting** (see methods Economic 1 to 4 below); and
- **Historic trends** (see methods Historic 1 to 3 below).

5.1.2. A number of methods examined in this chapter use evidence collected during the preparation of the Regional Strategy<sup>97</sup>, whilst others use evidence from the Joint Employment Land and Premises Study (JELPS)<sup>98</sup>. Although the Government has revoked the Regional Spatial Strategy (RSS), the evidence which underpinned the RSS will remain in the public domain. This includes work undertaken by 4NW and partner organisations during 2009 and 2010 towards a replacement Regional Strategy, which was not completed following the change in Government in 2010.

### 5.2 Economic Forecasting models (Methods “Economic 1, 2, 3 and 4” – see below)

5.2.1. Economic forecasting models project the number of jobs that will be required in an area. They require an understanding of the macroeconomic context, exploring past trends, and applying economic relationships, whilst making assumptions about Government strategic policy and changes to different types of employment. In this regard, the methods tend not to take account of policy interventions and aspirations such as those included in Local Plans and therefore reflect only an estimate of future economic performance in a ‘policy off’ situation.

5.2.2. National policy prior to 2012<sup>99</sup> required regional planning authorities to set regional job targets and then disaggregate minimum job targets to local authority level. This was provided in evidence from Regional Strategy (RS2010) preparation - Runs A, B, and C. Local authorities were then expected to identify a range of sites to facilitate a broad range of economic development. In this regard, it should be noted that the NPPF has maintained a national policy focus on job creation, but has now removed references to the ‘regional level’ and the specific disaggregation of ‘job targets’ to districts. As a consequence, any specific job data is now an informative tool for Local Authorities to interpret into an appropriate policy approach given the absence of a consistent regional approach. In Knowsley’s case the Council has chosen

---

<sup>97</sup> 4NW Setting Employment Land Targets For North West England (Roger Tym and Partners, 2010)

<sup>98</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

<sup>99</sup> Planning Policy Statement 4: Planning for Sustainable Economic Growth (DCLG, 2009)

to pursue a continuation of the existing land supply based approach within the UDP.

- 5.2.3 In January 2010, the former 4NW commissioned Roger Tym and Partners to undertake a scoping study<sup>100</sup> to develop a preferred methodology for developing district level job targets. The subsequent report (April 2010) recommended that 4NW use job growth forecasts, provided by the Regional Economic Forecasting Panel, as a starting position. 4NW were then to work with local authorities to “reality test” the forecasts and factor in policy targets and aspirations. A dissemination event held with officers from local authorities in the North West confirmed that the Regional Strategy would set job targets and then work would commence on an authority by authority basis to translate the job targets into a requirement for employment land.
- 5.2.4 In July 2010 a technical background paper<sup>101</sup> was produced by 4NW setting out initial technical work undertaken to predict future housing and job growth figures for the North West. Although five different scenarios were modelled (known as Runs A to E) only Runs A, B & C set out job growth figures. The runs were informed by the published Regional Economic Forecasting Panel (REFP) long term baseline forecast for the region as a whole<sup>102</sup>. The forecast developed by the REFP considered forecasts from three economic forecasting houses (Cambridge Econometrics, Oxford Economics and Experian) but did not align directly with any of them. It was a ‘policy off’ forecast and did not take into account any aspirations or policy interventions.
- 5.2.5 Runs A to C of this work produced job targets for districts (i.e. net additional jobs required in Knowsley up to 2030). Whilst they did not produce land supply targets the Council has used the work that was undertaken to form the basis of three of the methods used to assess future land supply requirements in Knowsley (methods “Economic 1 to 3” below).

### Run A

- 5.2.6 Under Method Economic 1 - Run A - RSS housing distribution<sup>103</sup> a jobs growth target was produced for the North West which was then disaggregated to district level according to the proportion of housing growth to be accommodated in each district.
- 5.2.7 The regional jobs growth target for this method was based on modelling work by Experian, using three scenarios - long term growth, recent trends and aspirational growth. The aspirational growth scenario was disregarded as being too optimistic. The long-term scenario suggested that, between 2005 and 2021, there would be an increase of 120,000 jobs in the North West, whereas the recent trends scenario suggested that the figure would be

---

<sup>100</sup> 4NW Setting Employment Land Targets For North West England (Roger Tym and Partners, 2010)  
<sup>101</sup> Technical Background Paper Initial Technical Work on Housing Provision and Job Growth Figures for the North West July 2010 (4NW, 2010)

<sup>102</sup> Regional Economic Forecasting Panel State of the Northwest Economy: A Long-term Forecast for the Northwest 2010 – 2030 (NWDA, 2010)

<sup>103</sup> RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheet 13

306,000. Using a ratio between the resultant RSS figure for housing in the region, long term trends and housing growth forecasts, applied to job growth forecasts a figure for the North West of 245,921 additional jobs was forecast between 2005 and 2021. The annual average number of jobs of 13,662 was then multiplied by 24 to arrive at the jobs requirement for the region of 327,888 for the period of 2006 - 2030.

5.2.8 The regional job growth figure was then distributed to district level using a percentage distribution equivalent to the localised distribution of the RSS's housing growth targets to each district (in Knowsley's case 450 net dwelling completions per year). An annualised figure was then produced for each district and applied to the period 2006-30. Run A produced, for Knowsley, a projected job increase of 266 per annum (6,384 between 2006 and 2030). Between 2010 and 2028, Run A therefore forecasts that the Borough will see a **4,788** increase in jobs required.

5.2.9 Jobs growth in Run A is directly linked to housing growth; therefore it is intended to reflect a disaggregated need from a regional level, rather than being consistent with localised need. This is noting that it does not take any account of the influence of and changes to commuter flows, the distribution of existing employment or future policy initiatives. For example, the disaggregation method produces a baseline presumption that additional Knowsley residents will be employed within Knowsley at the same rate as existing, and additional residents in other districts will be employed within Knowsley at the same rate as existing. This scenario is considered unlikely given the proximity of residential and employment areas in districts immediately adjoining Knowsley are likely to influence changes to localised employment demand. As a consequence, whilst such an approach may be appropriate at a regional scale, and for other types of use such as the distribution of other types of development such as housing, it clearly must be treated with caution and cannot be considered sufficiently robust to translate to employment land requirements. This is noting that there is unlikely to be a consistent sub-regional approach to employment land needs which could otherwise address the fundamental local weaknesses at a larger scale.

### Run B

5.2.10 Method Economic 2 - Run B – Regional Economic Forecasting Panel was based on work produced by Cambridge Econometrics for the former 4NW and NWDA. This method provided indicative Local Authority forecasts of population (total and by age bands), Gross Value Added (GVA, total and by sector), and employment (total and by sector, occupation and status). These forecasts were developed using Cambridge Econometrics Local Economic Forecasting Model, and therefore reflect the assumptions within that model. The outputs were constrained, however, to the overall regional long-term baseline forecast published by the Regional Economic Forecasting Panel (REFF)<sup>104</sup>. This was based on the assumption, by the REFF, that the

---

<sup>104</sup> RS2010 Part 2 housing provision and job growth figures summary and background data July 2010, sheet 14 and 15

influence of the previous recession on slow growth would continue to 2015, after which there would be a return to long-term growth rates. Although updated economic forecasts have been produced in the interim period, the REFP assumptions on differential growth levels and the duration of the period of slow growth remain consistent.

- 5.2.11 The work by Cambridge Econometrics forecast that in Knowsley, 44 new jobs would be created each year up to 2015, after which 227 new jobs would be created each year. Under this scenario, between 2010 and 2028 there would be a **3,171** increase in jobs required in the Borough.
- 5.2.12 Run B is similar to Run A in terms of reflecting isolated need that does not take any account of local circumstances such as changes to commuter flows, the distribution of existing employment or future policy initiatives. As a consequence, the job creation figures must be treated with caution and cannot therefore be considered sufficiently robust to translate to employment land requirements. This is noting that there is unlikely to be a consistent sub-regional approach to employment land needs which could otherwise address the fundamental local weaknesses at a larger scale.

### Run C

- 5.2.13 Method Economic 3 - Run C - ONS Population and CLG Household Forecasts was based on sub national population projections published in June 2008 by ONS and fed into the 2006-based sub-national household projections published in March 2009<sup>105</sup>. This is noting that although the ONS produced population forecasts, it has not produced employment forecasts.
- 5.2.14 Run C<sup>106</sup> calculated the relationship between jobs and population within the indicative Local Authority forecasts to identify comparative job density rates and applied them to the ONS population forecasts. Run C produced, for Knowsley, a projected job increase of 206 per annum. Under this scenario, between 2010 and 2028, there would be a **3,708** increase in jobs required in the Borough.
- 5.2.15 Run C is directly linked to population numbers therefore it does not take any account of changes to commuter flows, the distribution of existing employment or future policy initiatives. For example, the method produces a baseline presumption that additional Knowsley residents will be employed within Knowsley at the same rate as existing, and additional residents in other districts will be employed within Knowsley at the same rate as existing. This scenario is considered unlikely given the proximity of residential and employment areas in districts immediately adjoining Knowsley are likely to influence changes to localised employment demand. As a consequence such an approach must be treated with caution and cannot therefore be considered

---

<sup>105</sup> The 2008-based sub-national population projections have subsequently been produced. The revised population projections are significantly lower than the 2006-based projections reflecting changes to assumptions around migration.

<sup>106</sup> RS2010 Part 2 housing provision and job growth figures summary and background data Final version July 2010, sheets 10, 14 and 15

sufficiently robust to translate to employment land requirements. This is noting that there is unlikely to be a consistent sub-regional approach to employment land needs which could otherwise address the fundamental local weaknesses at a larger scale.

### **5.3 Translating regional work on job growth forecasts into employment land figures**

- 5.3.1. To provide an indication of the relationship between job and land requirements, jobs forecasting can be translated into land requirement by setting minimum and maximum limits on floorspace per job to allow for different type of job, and plot ratios (floorspace to site area, e.g. a plot ratio of 40% indicates that one hectare of land can accommodate 4,000 sq m of floorspace) to allow for different industry needs. For the purposes of this report all land requirements are based upon gross figures unless otherwise stated.
- 5.3.2. A report prepared by Roger Tym and Partners for the former 4NW<sup>107</sup> suggests that an office worker will need on average 16 m<sup>2</sup> net floorspace while an industrial or warehouse worker will require on average 61 m<sup>2</sup> net floorspace. It also suggested that for industrial and warehousing development and for out-of-centre offices, a reasonable plot ratio assumption is around 35%, which is therefore applicable to Knowsley.
- 5.3.3. The Technical Reference Report to the Overview Study<sup>108</sup> identified a broadly consistent approach in the employment land and premises studies across the sub-region to the amount of space needed for workers in office accommodation (19.1 m<sup>2</sup> to 20.1 m<sup>2</sup>). The space required for each factory worker, however, varied from 30 m<sup>2</sup> to 58.1 m<sup>2</sup> while for warehouse workers it varied between 40 m<sup>2</sup> and 67.4 m<sup>2</sup> within the Liverpool City Region. This document also found that assumed plot ratios used in employment land and premises studies, varied across the sub-region. The biggest variance was for office use with 33% in St. Helens and 100% in Liverpool. Factory plot ratios varied from 33% in St. Helens to 45% in Liverpool. Warehouse plot ratios varied from 40% to 50%.
- 5.3.4. The general variance between the areas appears to be the difference between sub-urban locations such as St. Helens and urban centre locations like Liverpool where the pattern of development would be entirely different. For example, the types of offices, warehouses and factories in St. Helens and other sub-urban districts are likely to be lower density developments with a limited proportion of multiple storey buildings resulting in high land take per job. In contrast, urban centre development in Liverpool would be expected to be much more high density in terms of both land take and per job, with significant potential for a high number of storeys (particularly for office uses in central locations). In this regard, it should be noted that Knowsley does not have any baseline data for existing job density or plot ratios, therefore differing

---

<sup>107</sup> 4NW Setting Employment Land Targets For North West England (Roger Tym and Partners, 2010)  
<sup>108</sup> Housing and Economic Development Evidence Base: Overview Study Technical Reference Report (Liverpool City Region Partners, 2011)



scenarios based upon the ranges identified are required to be modelled accordingly.

5.3.5. Table 5.1 identifies the area of land required for Regional Strategy Runs A, B, and C from 2010 to 2028 under a range of scenarios. The table uses the RTP / 4NW assumption of 35% plot ratio as a minimum. A maximum of 90% plot ratio was selected from the Technical Reference Report to the Overview Study<sup>109</sup> as a number of authorities in the North West used this plot ratio for office accommodation. Liverpool's plot ratio of 100% was not chosen because it is considered unlikely that in Knowsley the density of development would be the same as Liverpool's. In this regard, the plot ratio identified in the Overview Study of the other North West districts (range of 33% to 40%) was considered to be close enough to the 35% minimum to justify its use.

**Table 5.1: Employment land needed for Methods “Economic 1, 2 and 3” for 2010 to 2028<sup>110</sup>**

<b>Method Economic 1 - Run A - Jobs for plan period 4788 (266 jobs per year)</b>				
<b>Jobs for plan period</b>	<b>Floorspace per job (m2)</b>	<b>Floorspace needed (m2)</b>	<b>Plot Ratio (%)</b>	<b>Site area required (ha)</b>
4,788	16	76,608	35	21.9
4,788	61	292,068	35	83.4
4,788	16	76,608	90	8.5
4,788	61	292,068	90	32.5
<b>Method Economic 2 - Run B - Jobs for plan period 3171 (44 jobs per year for 5 years followed by 227 jobs per year for 12 years)</b>				
<b>Jobs for plan period</b>	<b>Floorspace per job (m2)</b>	<b>Floorspace needed (m2)</b>	<b>Plot Ratio (%)</b>	<b>Site area required (ha)</b>
3,171	16	50,736	35	14.5
3,171	61	193,431	35	55.3
3,171	16	50,736	90	5.6
3,171	61	193,431	90	21.5
<b>Method Economic 3 - Jobs for plan period 3708 (206 jobs per year)</b>				
<b>Jobs for plan period</b>	<b>Floorspace per job (m2)</b>	<b>Floorspace needed (m2)</b>	<b>Plot Ratio (%)</b>	<b>Site area required (ha)</b>
3,708	16	59,328	35	17.0
3,708	61	226,188	35	64.6
3,708	16	59,328	90	6.6
3,708	61	226,188	90	25.1

5.3.6. Table 5.1 identified the following ranges of potential requirements for the Core Strategy Plan period of 2010 until 2028 based upon the upper and lower plot ratio and floorspace density scenarios as follows:

<sup>109</sup> Housing and Economic Development Evidence Base: Overview Study Technical Reference Report (Liverpool City Region Partners, 2011)

<sup>110</sup> Based on runs A to C of the work undertaken by 4NW – see preceding paragraphs

- Method “Economic 1” - between 8.5 ha and 83.4 ha
- Method “Economic 2” - between 5.6 ha and 55.3 ha
- Method “Economic 3” - between 6.6 ha and 64.6 ha

5.3.7. It is important to note that the variation in assumptions applied based upon plot ratios and floorspace densities is intended to cover all potential scenarios of varying use types. This includes the anticipated scenario of a mix of employment uses which reflects the flexibility of the Local Plan approach in Policy CS4.

5.3.8. An alternative Method “Economic 4” is based on forecasting produced for the JELPS study by Oxford Economics. It used a demand-based modelling technique which included the move to different types of employment, particularly the shift from industrial to office-based employment. The basic principle is that less space is needed to accommodate higher job density employment such as office space than in traditional manufacturing industries. The Oxford Economics methodology suggests that 1,529 new jobs will be created between 2008 and 2026. However forecast sectoral change (included in Appendix B and C of this Technical Report) identifies significant losses in the manufacturing sector, which is a significant proportion of Knowsley’s existing employment provision.

5.3.9. Using average floorspace requirements to disaggregate calculations to Knowsley from a number of research documents for different type of jobs and plot ratios<sup>111</sup> this method estimated that a maximum of 9.30 ha of additional land was required for office use due to undersupply in these sectors, although up to 52.62 ha of land could be considered surplus for industrial use. These scenarios would therefore result in a range of requirements from an additional 1.90 ha to a potential oversupply of 52.62 ha for the period up to 2026 (see Appendix C of the Technical Report for detailed breakdowns), based upon 2008 supply in JELPS<sup>112</sup>. In this context, it should be noted that the variation in land supply between JELPS and the recent Position Statement - Employment is an additional 19.01 ha of land. The prevailing economic conditions since 2008 and the additional two years of the plan period, ensure that uplifts cannot be arbitrarily applied to the 2008 calculations to provide an accurate conclusion that all scenarios would now automatically result in a surplus supply of land relative to need. However a reasonable judgement conforms to this view, noting the worsening economic conditions since 2008 and the increased land supply available.

5.3.10. The JELPS study also identified that the theoretical forecasts contradict what was happening in practice when compared to Valuation Office data. The BE Group stated in the JELPS study that in their opinion there will be a move to higher density employment. Counter to this, however, they believe that there will be an increasing need for employment land because of an increase in numbers of small businesses who will want better quality, more spacious

---

<sup>111</sup> See Paragraph 9.25 of Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

<sup>112</sup> Data from Table 127 of Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

accommodation. BE Group also feel that more 'service sector employment' will be in light industrial premises rather than offices than is generally predicted. This is likely to be the case for Knowsley to some extent, with the Council's Economic Regeneration Strategy<sup>113</sup> also prioritising other target sectors in the Liverpool City Region that are likely to require significant land take, such as;

- Transport, communication and distribution: including freight movement, logistics services and warehousing.
- Manufacturing: including advancing engineering and materials, green energy generation, automotive industry, food and drink.
- Finance and business services: including banking, finance, insurance, legal services, accountancy, management consultancy, recruitment and property services.

5.3.11. With regard to the above, it is apparent that the use of sectoral trends applied by Oxford Econometrics could result in a significant underestimation of employment land requirements given assumptions of a decline in the manufacturing sector for Knowsley, which is different from longer term trends identified in the Overview Study<sup>114</sup>. Local circumstances suggest that due to Knowsley's location and infrastructure advantages, the area is likely to be suitable for growth manufacturing sectors and other high land take uses such as distribution and warehousing. These forms of development would necessitate a significant uplift in employment land requirements above economic models.

5.3.12. As will be seen later in this report, historically the development of employment land in Knowsley has been considerably above Methods "Economic 1 - 4" at an average of around 10 ha per year. The accuracy of future forecasting based upon historic trends in this context is considered in more detail later in the report. Nevertheless at this stage, it is considered that there is justification to presume a disparity between any potential under estimation provided by economic forecasts and actual delivery in the future, for the following reasons:

- Econometric projections only represent the absolute minimum amount of land needed<sup>115</sup>.
- Econometric forecasts assume that there will be a shift from industrial to office-based employment. The JELPS study concluded that the theoretical forecasts for Knowsley contradict what is happening in the Borough even though the trends have been occurring for some twenty years or more.
- The Borough being a location for employment of sub-regional significance with Knowsley Industrial and Business Parks and the Jaguar Land Rover plant - consequently a large number of workers in Knowsley live outside of the Borough, which is confirmed by the commuter flows identified in Figure 1.1.

---

<sup>113</sup> Knowsley Economic Regeneration Strategy (Knowsley MBC, 2012)

<sup>114</sup> Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011), Figure 5.13.

<sup>115</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

- Econometrics not accounting for accelerated growth associated to significant sub-regional projects such as the Liverpool SuperPort, and;
- Econometrics not accounting for policy aspirations, including the need for additional growth and locational advantages relative to certain employment sectors.

5.3.13. As a consequence of the above, this Technical Report concurs with the conclusion of the JELPS study<sup>116</sup> that econometric forecasts appear to contradict what is happening in practice in terms of employment take up rates at a local level. The economic forecasts are therefore considered to underestimate long term needs which would not meet the NPPF requirements of flexibility for emerging sectors and sustainable economic growth. In this regard, although the economic forecasts are not considered suitable to take forward as a land requirement, they do provide a conservative indication of business need in a 'policy off' situation. On this basis, sufficient land will need to be available to accommodate the future business needs, as identified in these job projection models.

#### **5.4 Historic Trend models (Methods “Historic 1, 2, 3 and 4”)**

5.4.1. The continuation of historic trends is a straightforward employment land forecasting method, taking account of the evidence of past take-up and creates an average build rate. It assumes that the average rate of development that has occurred in the past will continue into the future. In this regard it is acknowledged that average rates can be significantly influenced by short term peaks associated to large developments. This will be considered in the context of the employment land take up trends displayed in Table 3.4. This is noting that there is a significant contrast between the cumulative longer term take up rates in the first nine years between 1995/96 – 2003/04 of 122.97 ha (annual average of 13.66 ha per year), and the cumulative take up in the more recent nine year period between 2004/05 – 2012/13 of 57.25 ha (annual average of 6.36 ha per year).

5.4.2. The JELPS study<sup>117</sup> considered three methods of projecting employment land need using historic take-up of land (all calculations are based upon gross figures unless otherwise stated). This includes necessary consideration of scenarios which both include and exclude a flexibility “buffer” in the figures to allow for additional choice and flexibility. A further scenario has been added for the purposes of this Technical Report to consider the implications of historic trends accounting for forecast economic change.

5.4.3. Finally it is also necessary to update the historic trends on which the figures are based for methods up to the base date of 2010 and also to 2013. This is intended to provide the basis for comparison of the implications of the recent recession and early plan period delivery. As a consequence, a total of 18 different employment land forecast options are tested through the 4 main

---

<sup>116</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

<sup>117</sup> Ibid

scenario methods, and are considered to provide an appropriate range of alternatives to inform the selection of an appropriate Local Plan employment land requirement for 2010 - 2028.

### Method Historic 1

- 5.4.4. Method Historic 1 (“Regional Spatial Strategy 2008 employment land requirement”) was considered as part of the JELPS study. Policy W3 of the recently revoked RSS (2008) set out the required supply of employment land for each of the sub-regions across the North West. It identified that ‘Merseyside and Halton’ (including Knowsley) required an additional 494 ha of land for employment purposes between 2005 and 2021. The requirement was grounded in the findings of the 2005 Regional Employment Land Study (RELS)<sup>118</sup> which identified 111.86 ha of available land in the Borough. The study, however, was limited in that it only identified sites in excess of 5 ha, which if compared to Knowsley’s current realistic supply (Table 4.2) would exclude 43% of the total employment land area available in 2013, following deduction of completions between 2005 - 2013.
- 5.4.5. The RSS did not set specific targets for individual districts. The JELPS study updated the RELS land supply data to 2008 using known land take-up figures, new allocations and new planning permissions to produce an updated sub-area land requirement. This was then disaggregated to districts in proportion of the supply of land that each district had in 2005. When including a 20% flexibility factor to allow for choice of site, the JELPS study interpreted that Knowsley’s proportion of the 494 ha sub regional requirement would be 95 ha of additional land<sup>119</sup>. Based upon the 2005 data updated to 2008, the Borough’s total employment land requirement to meet the RSS target was 278.5 ha (90.05 ha of additional land<sup>120</sup>). In attaining this figure the RSS applied an 18.5% increase above the historic trends to allow for unpredictability of the methodology and further growth, in addition to the standard 20% flexibility factor. When this is rolled forward to 2010 - 2028 and the historic trends data is updated via the Position Statement - Employment, the overall employment land requirement would be **17.41 ha per annum**, which would equal **379.96 ha in total** when including backlog (198.81 ha of additional land<sup>121</sup>) or **313.38 ha in total** when excluding backlog (132.23 ha of additional land<sup>122</sup>). If the associated flexibility factors were not applied, the overall land requirement would be **11.35 ha per annum** or **234.55 ha in total** (53.40 ha of additional land<sup>123</sup>) for 2010 - 2028 including previous backlog or **220.3 ha in total** (31.82 ha of additional land<sup>124</sup>) when excluding previous backlog (see Table 5.2 for more details).

<sup>118</sup> Regional Employment Land Study Phase 1 and 2, Arup, 2005 and Regional Employment Land Study Phase 3 (Arup, 2005)

<sup>119</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

<sup>120</sup> Based upon 2013 supply of 170.15 ha, with 2010 - 2013 delivery deductions of 11.00 ha

<sup>121</sup> Ibid

<sup>122</sup> Ibid

<sup>123</sup> Ibid

<sup>124</sup> Based upon 2013 supply of 170.15 ha, with 2010 - 2013 delivery deductions of 11.00 ha

5.4.6. Whilst the Regional Spatial Strategy requirement no longer forms part of the adopted development plan following the RSS revocation, it is still appropriate to consider Method Historic 1 as one of the scenarios when considering Knowsley's future employment land requirements. However, it should be noted that the forecasts are disaggregated from a generalised sub-regional requirement that does not account for local circumstances to the extent of other measures. In particular, the overall requirements appear significantly inflated by the nominal addition of 18.5% above pre 2008 take up levels for the sub-region with an additional 20% flexibility applied during the plan period. This approach was heavily influenced by 2005 assumptions of continued economic growth from peak levels without the benefit of foresight of resultant economic conditions up to 2013 which must be considered by this Technical Report. As a consequence, this results in land requirement figures of 379.96 ha when considering any associated backlog, or 313.3 ha excluding backlog, which are the largest requirements of any scenario and are considered to be significant overestimations of need or realistic deliverability. Furthermore, even after the removal of the nominal 18.5% uplift and 20% plan period flexibility, the resultant requirements of 234.55 ha and 220.3 ha for the plan period are considered to be less robust than more recent historic trends in Method Historic 2.

#### Method Historic 2

- 5.4.7. Method Historic 2 (long-term take-up of employment land) was considered in the JELPS study and using the average build rates between 1995 and 2008. This was then uplifted by 20% to be consistent with the RSS methodology. Using the 1995 to 2008 long-term trend updated by the Position Statement - Employment (12.45 ha per year), a total of **224.10 ha** would be required between 2010 and 2028 (42.95 ha of additional land based upon 2013 supply<sup>125</sup>). This would be increased to **268.20 ha** in total if the 20% uplift was applied (87.05 ha of additional land based upon 2013 supply<sup>126</sup>).
- 5.4.8. When the long term trends are updated relative to the additional annual rates of employment land take up through to 2010, then the required amount of land per year would be 11.28 ha per year or 13.54 ha if the 20% uplift was applied. This would mean that **203.04 ha** and **243.72 ha** respectively of total land would be required between 2010 and 2028 (or additional land requirements of 21.89 ha or 62.57 ha respectively based upon 2013 supply<sup>127</sup>).
- 5.4.9. If the long-term trend is further updated relative to the additional annual rates of employment land take up through to 2013, then the required amount of land per year would be 10.01 ha or 12.01 ha if the 20% uplift was applied. This would mean that **180.18 ha** and **216.18 ha** respectively of total land would be required between 2010 and 2028 (or a surplus supply of 0.97 ha and 35.03ha of additional land required respectively based upon 2013 supply<sup>128</sup>).

---

<sup>125</sup>

Ibid

<sup>126</sup>

Ibid

<sup>127</sup>

Ibid

<sup>128</sup>

Based upon 2013 supply of 170.15 ha, with 2010 - 2013 delivery deductions of 11.00 ha

- 5.4.10. The JELPS study considered at the time of its publication that the 1995 to 2008 trend (13 years) with a 20% uplift, was the best method of determining projected need as it is dependent on actual completions. It does, however, assume that the scale and nature of development in the future will be the same as what was delivered in the past. Although the recession is likely to affect future employment growth at least in the early years of the Plan period, the study considered that, after a two to three year downturn, economic trends would revert to their long term averages. This differs from the conservative approach utilised by the REFP modelling which aligns more consistently with the subsequent experience of a slow recovery from an initial severe recession. This indicates that the timescale for a return to previous levels of growth remains less predictable than forecast in JELPS. As a consequence, there is an immediate potential for over-estimation of employment land requirements based upon future forecasting at a baseline level, even before a 20% uplift for flexibility is included.
- 5.4.11. In the context of the above, it is considered that updated longer term historic trends based upon the 1995-2010 (15 years) and 1995-2013 (18 years) are more robust than the JELPS forecast period of 1995-2008 which can therefore be discounted. This is noting that the 1995-2010 and 1995-2013 trends are based upon more up-to-date information. Furthermore they more accurately reflect the implications of the recent recession which provides a better counter balance to the otherwise anomalous influence of peak economic conditions in the 1997-2004 period. This is noting that levels of growth during the 1997-2004 period, disproportionately inflate the average across the shorter term historic period of 1995-2008 which does not encompass a full economic cycle, given only the final year of this period occurred during the onset of recession conditions, with the full effects only experienced thereafter.
- 5.4.12. Section 5.5 considers and compares the relative merits and implications of using the 1995-2010 or 1995-2013 in determining the appropriate Method Historic 2 forecast for the plan period covering 2010-2028, therefore as neither can be discounted at this stage, both inform the scope of scenarios for Method Historic 4.

### Method Historic 3

- 5.4.13. Method Historic 3 was considered by the JELPS study and is based upon the short-term take-up of employment land over the previous five years. Using the data updates from the Position Statement - Employment and bringing forward the five year period to 2005 – 2010 to reflect the commencement of the plan period, would identify a land requirement of 7.57 ha per annum which is significantly below the long-term trend. The main factors that may have contributed to this include:
- short term reductions in the available range, quality and choices of immediately developable employment sites following the major investment and high take up levels before 2005 - although Knowsley had 54 ha of

employment land with planning permission in 2005<sup>129</sup> which reduces the likely significance of this issue;

- the recession in the UK economy forming the majority of the period used to determine the trend; and,
- reductions in short term demand to develop employment land associated to a potential oversupply of available or vacant premises.

5.4.14. Using data from Table 3.4, if the 2005 to 2010 short-term trend was applied then **136.26 ha** would be required in total between 2010 and 2028 (resulting in a surplus supply of 44.89 ha based upon 2013 supply<sup>130</sup>) or **163.44 ha** if the 20% uplift was applied (resulting in a surplus supply of 17.71 ha based upon 2013 supply<sup>131</sup>).

5.4.15. If the short-term trend is updated relative to the additional annual rates of completion up to 2013 in the Position Statement - Employment, i.e. 2008/9 to 2012/13, then the required amount of land (based on 3.67 ha per year) for 2010 to 2028 would be **66.06 ha** (resulting in a surplus supply of -115.09 ha based upon 2013 supply<sup>132</sup>) or **79.20 ha** if the 20% uplift was applied (resulting in a surplus supply of -101.95 ha based upon 2013 supply<sup>133</sup>).

5.4.16. With regard to the above, it is considered that the JELPS study conclusion that short-term historic trends are too strongly influenced by major investment or lack of investment in an individual year is reasonable. On this basis it is not considered appropriate to plan for the future provision based on this method.

#### Method Historic 4 (additional scenario exclusive to this report)

5.4.17. Employment land requirements based upon Method Historic 2 between 2010-2015 can be re-profiled to account for REFP econometric forecasts (40% reduction to the level of pre-recession take up, plus 20% flexibility) rather than applying average annual take up assumptions in accordance with JELPS recommendations.

5.4.18. When based upon a 1995-2010 historic trend<sup>134</sup>, this approach reduces the annual rate to 8.12 ha for the early third of the plan period, with a higher rate of 13.54 ha per annum applied to 2017-2028. This would result in a reduction in overall employment land requirements for the plan period to **211.20 ha** of total land required (or 30.05 ha of additional land based upon 2013 supply<sup>135</sup>), which reduces to **175.98 ha** (annual rates of 6.77 ha and 11.28 ha respectively, or a 5.17 ha surplus of land based upon 2013 supply<sup>136</sup>) if the 20% flexibility buffer is removed.

<sup>129</sup> Annual Monitoring Report 2005 (Knowsley MBC, 2005)

<sup>130</sup> Based upon 2013 supply of 170.15 ha, with 2010 - 2013 delivery deductions of 11.00 ha

<sup>131</sup> Ibid

<sup>132</sup> Ibid

<sup>133</sup> Ibid

<sup>134</sup> Using historic trends figures from Position Statement – Employment (Knowsley MBC, 2013)

<sup>135</sup> Based upon 2013 supply of 170.15 ha, with 2010 - 2013 delivery deductions of 11.00 ha

<sup>136</sup> Based upon 2013 supply of 170.15 ha, with 2010 - 2013 delivery deductions of 11.00 ha



- 5.4.19. The proportionate reductions tested in this context are considered reasonable; given that JELPS identified a sufficient range and choice of land to meet short term requirements. Furthermore any qualitative improvements to the range and choice of sites available via remodelling supported by the Local Plan - which could influence higher rates of development and investment than existing, are unlikely to be delivered between 2013 and 2016.

#### Overview

- 5.4.20. Table 5.2 provides a summary of the figures that are obtained for each of Method Historic 1 – 4 scenarios and sub-calculations, including variations in circumstances where a flexibility buffer of 20% is applied during the plan period and also when the buffer is removed. It is important to consider these differing scenarios, particularly to inform Section 5.6 which assesses the suitability of approaches to flexibility, noting that the 20% flexibility component applied during the plan period remains a discretionary element, as it is a holdover of a component initially applied to the RSS forecasting to reflect the uncertainty of historic trends. In this context, it should be noted that the 4NW Employment Land Implementation Note<sup>137</sup>, is clear that *‘the need to apply the flexibility factor will require a judgement from LPAs, working with 4NW, based on what the evidence base reveals, and set within the policy context of RSS and the relevant emerging DPDs’*. On this basis, and in view of the subsequent disbandment of 4NW and revocation of RSS, the role of the Technical Report is to assess whether this element remains appropriate from a Knowsley perspective.

---

<sup>137</sup>

North West of England Plan – Regional Spatial Strategy to 2021 Employment Land Implementation Note – April 2009 (4 North West, 2009)

**Table 5.2: Employment land needed for Methods “Historic 1 - 4” for 2010 to 2028**

Method	Time period	Land requirement (adjusted for rounding)	Amount required per year (rounded)	Equivalent land required for 2010 to 2028	Land Supply 2013 <sup>138</sup>	Take Up Deductions 2010 - 2013	Equivalent Additional Land required in ha for 2010 to 2028
	years	(ha)	(ha)	(ha)	(ha)	(ha)	(ha)
<b>Method Historic 1 - Regional Spatial Strategy requirement (2005 - 2021)</b>	16	278.56	17.41	379.96	170.15	11.00	198.81
Regional Spatial Strategy requirement (2005 - 2021) excluding 2005 – 2010 backlog <sup>139</sup>	16	278.56	17.41	313.38	170.15	11.00	132.23
Regional Spatial Strategy requirement (2005 - 2021) excluding 18.5% increase and 20% flexibility factor	16	181.60	11.35	234.55	170.15	11.00	53.40
Regional Spatial Strategy requirement (2005 - 2021) excluding 18.5% increase and 20% flexibility factor and 2005 – 2010 excluding backlog <sup>140</sup>	16	181.60	11.35	204.30	170.15	11.00	23.15
<b>Method Historic 2 - Long-term historic trend<sup>141</sup></b>							
1995-2008	13	161.85	12.45	224.10	170.15	11.00	42.95
1995-2008 with 20% uplift	13	193.72	14.90	268.20	170.15	11.00	87.05
Updated to 1995-2010	15	169.20	11.28	203.04	170.15	11.00	21.89
Updated to 1995-2010 with 20% uplift	15	203.10	13.54	243.72	170.15	11.00	62.57
Updated to 1995-2013	18	180.18	10.01	180.18	170.15	11.00	-0.97
Updated to 1995-2013 with 20% uplift	18	216.18	12.01	216.18	170.15	11.00	35.03
<b>Method Historic 3 - Short-term historic trend<sup>142</sup></b>							
2005 - 2010	5	37.85	7.57	136.26	170.15	11.00	-44.89
2005 - 2010 with 20% uplift	5	45.40	9.08	163.44	170.15	11.00	-17.71
Updated to 2008 - 2013	5	18.35	3.67	66.06	170.15	11.00	-115.09
Updated to 2008 - 2013 with 20% uplift	5	22.00	4.40	79.20	170.15	11.00	-101.95
<b>Method Historic 4 – Hybrid long term trend and econometrics<sup>143</sup></b>							
2010-2016 based upon 1995-2010 trend	6	40.62	6.77				
2010-2016 based upon 1995-2010 trend	12	135.36	11.28	175.98	170.15	11.00	-5.17
2010-2016 +20% (annual) based upon 1995-2010 trend	6	48.72	8.12				
2017-2028 +20% (annual) based upon 1995-2010 trend	12	162.48	13.54	211.20	170.15	11.00	30.05
2010-2016 based upon 1995-2013 trend	6	36.06	6.01				
2017-2028 based upon 1995-2013 trend	12	120.12	10.01	156.18	170.15	11.00	-24.97
2010-2016 +20% (annual) based upon 1995-2013 trend	6	43.26	7.21				
2017-2028 +20% (annual) based upon 1995-2013 trend	12	144.12	12.01	187.38	170.15	11.00	6.23

<sup>138</sup> Position Statement – Employment (Knowsley MBC, 2013)  
<sup>139</sup> 2005 - 2010 backlog = 66.58 ha (104.43 ha required – 37.85 ha delivered)  
<sup>140</sup> Ibid  
<sup>141</sup> JELPS figures updated and corrected by Position Statement – Employment (Knowsley MBC, 2013)  
<sup>142</sup> Ibid  
<sup>143</sup> Uses historic trends figures from Position Statement – Employment (Knowsley MBC, 2013)

## 5.5 Preferred Methodology for estimating employment land need

- 5.5.1. Determining future land requirement is not an exact science and each of the methods considered have advantages and disadvantages. As can be seen in Table 5.1 and 5.2, the different approaches used to quantify new employment land requirements for the plan period produced significantly varying results.
- 5.5.2. Economic forecasting (used for Methods Economic 1, 2, 3 and 4) is dependent on a number of factors including the performance of the economy and consequently the number of jobs over a long period. It is also dependent upon a range of assumptions including assumed space required per job and plot ratios. Economic forecasts do not take account of policy aspirations or policy interventions. The economic forecasting that includes assumptions on housing growth does not take account that some districts are predominantly commuter areas and are likely to experience change in this regard, nor that there are structural differences in employment patterns between local authorities. According to the JELPS study<sup>144</sup>, econometric projections only represent the absolute minimum amount of land needed. They do not provide for choice of site and are not responsive to changing circumstances. A choice of different types, sizes, and locations of site is necessary throughout the Plan period. They are therefore unable to produce a robust forecast of employment land need that will meet the requirement in the NPPF for Local Plans to plan proactively with sufficient flexibility to deal with changing circumstances. For these reasons, the Council has not used any of Methods Economic 1, 2, 3 or 4 to underpin the employment requirements in its Local Plan.
- 5.5.3. Historic take-up rates assume that the scale and nature of development will remain unchanged, in terms of employment density and patterns, together with market drivers. In this regard, they do not account of changes in these factors. However they are believed to reflect what demand could be released if appropriate supply is made available and economic conditions are favourable<sup>145</sup>. Nevertheless a weakness of rolling forward historic trends forecasting is that they can be skewed by significant development levels in certain years or, as shown in the short-term trends, years of lower than average activity. In this regard, the Council also must recognise that high levels of take up in the past were likely to be attributable in part to the higher availability of public sector funding support, which enhanced deliverability across a range of sites and may not be available in the future (for example, Objective 1 funding which existed in two tranches between 1993 – 2000, and 2000 – 2007). The reduced availability of this funding source is likely to influence reduced delivery rates in the future due to reduced deliverability. This is particularly evident in current economic conditions given the Economic Viability Assessment<sup>146</sup> has identified viability issues across all types of employment development. Whilst this does not account for business models that benefit from the locational advantages of operating from Knowsley and therefore can overcome financial losses directly associated to a development,

---

<sup>144</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

<sup>145</sup> *ibid*

<sup>146</sup> Knowsley Economic Viability Assessment (Keppie Massie, 2012)

it does suggest that speculative developments are much less likely than was the case in the late 1990s / early 2000s.

5.5.4. When considering the appraisal of Methods Historic 1- 4, it can be concluded that only Method Historic 2 and Method Historic 4 are a potentially suitable basis for establishing employment land requirements in the Local Plan. This is noting that the Council agrees that JELPS appropriately discounted Method Historic 1 and Method Historic 3 for the following reasons;

- Method Historic 1 is likely to produce an excessive surplus of employment land, given the economic recession which has taken place since the completion of RSS and comparisons with the other methods (including those used by 4NW in preparing for the review of RSS).
- Method Historic 3 based upon the short-term historic take-up method is unreliable as the figure is skewed by the low rate of delivery in recent years.

5.5.5. The JELPS study recommended use of the long-term historic take-up method (Method Historic 2), on the basis of which it concluded that the Borough will require a significant amount of additional employment land, including an additional 20% above the actual historic take-up. This was included to make the methodology consistent with studies which underpinned the RSS, but differed in terms of the justification due to the need to account for range and choice to reflect post plan period needs.

5.5.6. With regard to the above, in considering the suitability of the hybrid Method Historic 4, a degree of caution is required in terms of relying upon econometric adjustments as a basis for employment land requirements, noting the unpredictability of forecasting in current economic conditions. This method is therefore considered more appropriate as a re-profiling exercise to provide a realistic check of the requirement for the inclusion or exclusion of the 20% flexibility measure on the preferred approach of Method Historic 2. This is essential given that the Overview Study<sup>147</sup> suggested that the Method Historic 2 methodology often results in higher requirements over plan periods when projected forward, due to the influence of short term anomalies and assumptions relating to market conditions that are unlikely to be replicated in the future.

5.5.7. The conclusion of this Technical Report is that long-term historic take up of employment land (**Method Historic 2**) will provide the most robust means of determining the future level of employment land provision that will be needed to support the Borough's economic growth in the context of the aspirations of the NPPF. This is noting that short-term historic trends are too strongly influenced by major investment or lack of investment in an individual year.

5.5.8. In assessing the appropriate time period to utilise for the Method Historic 2, it is considered that the benefits of the 1995-2010 time period are that it would

---

<sup>147</sup> Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011)

be consistent with the base date of the baseline employment land needs forecast and provide a more robust dataset than JELPS through the addition of two years. However the drawbacks of this approach are that it does not fully reflect or adapt to the implications and longevity of the effects of the recession to the same extent as a timescale of 1995-2013. There are also further benefits of utilising a 1995-2013 time period in terms of a more robust dataset of a further 13 years, together with consistency relative to the length of the plan period and the most recent economic cycle. However in this regard, it is noted that the consultation on the Local Plan: Core Strategy Proposed Submission version was undertaken on the basis of a ½ year of (2012/13), therefore it is considered appropriate to adopt the annual average of the trends for 1995-2012 and 1995-2013 for the Local Plan in the interest of consistency. The resultant figure is an annual average of 10.19 ha per annum (rounded)<sup>148</sup>, which remains broadly the same as proposed in Policy CS4 of the Local Plan: Core Strategy Proposed Submission version, notwithstanding updates to the original data as a consequence of the publication of the Position Statement - Employment. In the interest of clarity, it should be noted that if a full year's take up for 2012/13 is included, the resultant figure of 10.01 ha per annum (as per Table 5.2) would be slightly lower.

- 5.5.9. It is accepted that there are consequential drawbacks of the three year overlap period, and the potential adjustments resulting from under-delivery influencing the annual average. Nevertheless in the circumstances, this is acceptable noting the previous indications that the baseline position includes a degree of aspiration and accounts for employment land losses to other uses. On the basis of evidence in Table 5.3 a significant residual backlog will remain to be carried forward from the early part of the plan period.

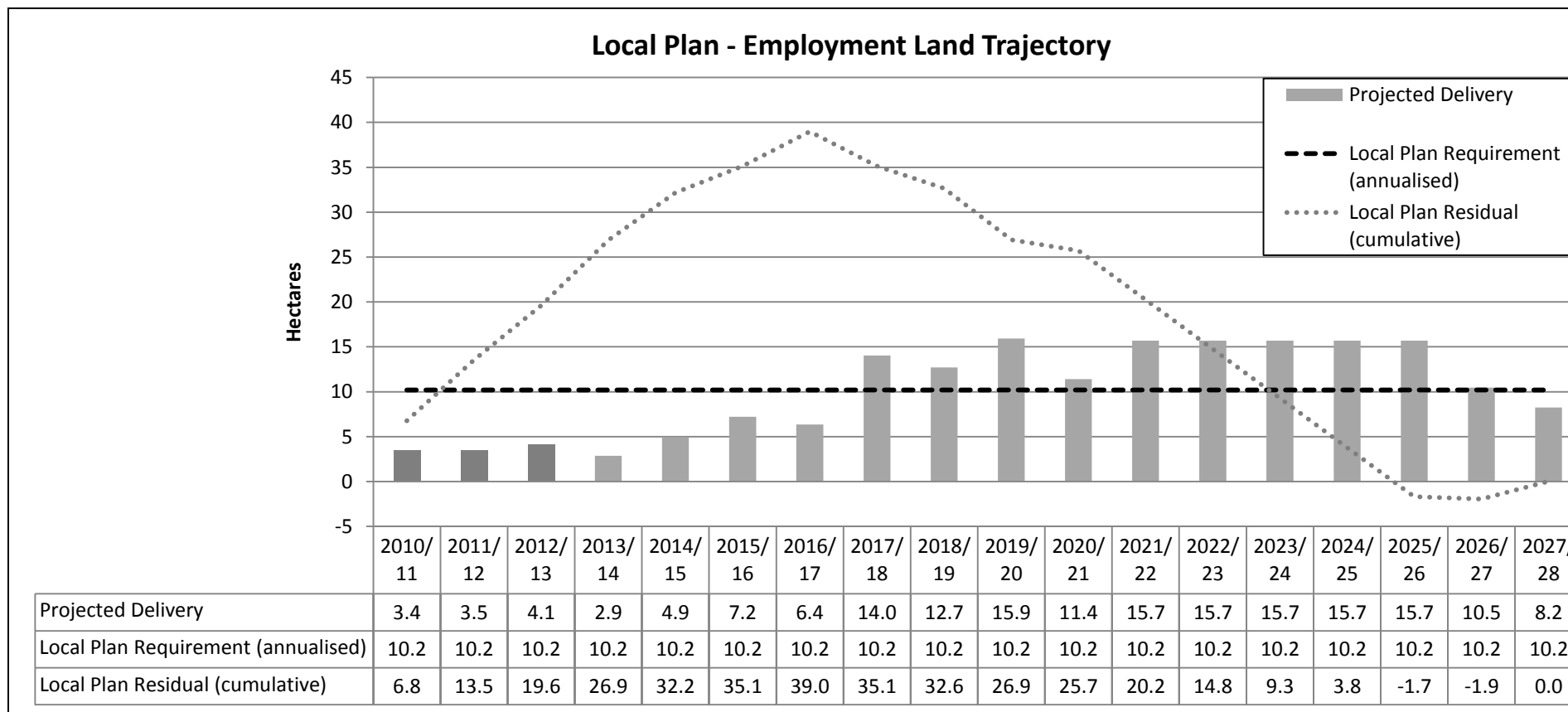
**Table 5.3: Comparison of Employment Land Take Up Rates to 2028**

	2010-11	2011-12	2012-13	Total 2010-2013
<b>Annual Employment Land Take-Up (All)</b>	3.42	3.45	4.13	<b>11.00</b>
<b>Annual Average (ha)</b>	10.19	10.19	10.19	<b>30.57</b>
<b>Cumulative Delivery Shortfall (ha)</b>	6.77	13.51	19.57	

- 5.5.10. On the basis of the above, this Technical Report recommends that the long-term historic land supply (averaged between 1995 to 2012 and 1995 to 2013 historic trends) should be used to project the baseline employment land need for the period April 2010 to March 2028 (10.19 ha per year x 18 years = **183.5 ha** - rounded).
- 5.5.11. An indicative employment land trajectory is included on the following page, which outlines the potential build out rates required to achieve the baseline employment land requirements, profiled by land supply assumptions.

<sup>148</sup> Calculation based upon 1995-2012 annual average (10.36 ha per annum) + 1995-2013 annual average (10.01 ha per annum) divided by 2.

**Figure 5.1: Indicative Employment Land Trajectory 2010 - 2028**



Source: Knowsley Council: Policy, Impact and Intelligence (2013)<sup>149</sup>

<sup>149</sup> Data source: Position Statement – Employment, Appendix D

Assumptions - 80% delivery of current supply averaged by land supply appraisal range of availability with build out period of 24 months, 80% of 5+ years current supply averaged over remaining years, minimum 20% build out of Green Belt and remodelling sites

## 5.6 Should a flexibility factor be built into the figures?

- 5.6.1. In accordance with the NPPF it is necessary to consider whether the proposed employment land figures contain enough flexibility to accommodate new development or changes in the development market.
- 5.6.2. The RSS method (Method Historic 1) included a 20% flexibility factor in recognition that there may, exceptionally, be a need to provide additional land to take account of special circumstances, such as the expansion requirements of a particular business or the realisation of significant inward investment potential. A subsequent guidance note<sup>150</sup> states that local authorities must use their own judgement as to whether to apply the flexibility factor in supply calculations as previously mentioned. In this regard, it should be noted that the RSS forecasting methodology reflected a differing economic outlook than subsequently experienced, and therefore is considered to reflect a significant degree of over estimation due to reliance upon superseded data and outdated economic assumptions.
- 5.6.3. Notwithstanding the above, the Joint Employment Land Study identified long and short-term historic trends (Historic Methods 2 and 3) also included the provision of a buffer above the trend. However the JELPS study included a buffer in order to maintain a choice (by quality, size, type and location) of sites on a continuing basis beyond the Core Strategy's end date, rather than to specifically account for unforeseen circumstances. Nevertheless the JELPS study chose 20% as a buffer to be consistent with the Regional Spatial Strategy flexibility factor.
- 5.6.4. The Overview Study<sup>151</sup> notes that while an allowance for choice and churn is not a specific requirement of government guidance it is standard practice to include a buffer for flexibility within preferred requirements. This allowance recognises that a proportion of employment land may be lost to non-employment uses over the plan period, and that there will be requirements resulting from movements within the economy (i.e. business relocations) that do not necessarily generate additional jobs but require additional land. The Overview Study<sup>152</sup> suggested that although a continuation of the historic trend is likely to be unrealistic, it does show a general trend. However it also concluded that the demand figure identified within JELPS (long-term historic trend plus 20% uplift) is likely to represent an optimistic view of employment requirements relating to deliverability and favourable economic conditions. This is also noting that the Method Historic 2 figures (including 20% flexibility) based upon JELPS calculations were higher than the RSS employment forecast share and historic Valuation Office Agency (VOA) data.
- 5.6.5. With regard to the above, the general indication is that the imposition of a 20% flexibility buffer above the baseline Method Historic 2 rates identified would be

---

<sup>150</sup> North West of England Plan – Regional Spatial Strategy to 2021 Employment Land Implementation Note – April 2009 (4NW, 2009) (Paragraph 3.2)

<sup>151</sup> Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011)

<sup>152</sup> *ibid*

inappropriate during the plan period itself. This is noting that a take up rate of 12.01 ha per year as re-profiled to a 1995-2013 trend in Method Historic 4 (including flexibility) has only been attained and exceeded on one occasion in the previous decade for employment land take up (including losses to non-employment uses). This trend occurred despite a period of favourable economic conditions which preceded the recent economic recession in 2008, with no robust evidence of an insufficient land supply during this period. On this basis, the Method Historic 2 (including 20% flexibility) and the lower Method Historic 4 calculation (also including 20% flexibility), could be considered to include a potential over-estimation of plan period needs, this is also noting that the method utilises data for all employment land take up (including previous losses to other uses of approximately 9%). This thereby justifies considering the suitability of adopting an approach based upon the lower range of Method Historic 2, i.e. excluding 20% flexibility buffer within the baseline plan period requirement, and instead accommodating flexibility as part of allocation of supply and for post plan period needs. This is noting that the requirement to prevent over-estimation of baseline need is particularly important in the Local Plan given that any undersupply incapable of being addressed by remodelling will necessitate Green Belt release, which the NPPF permits in only exceptional circumstances. In this regard, the Method Historic 2 annual take up rate for the 1995-2013 period, adapted to the Local Plan requirement of 10.19 ha per annum excluding plan period flexibility, has only been achieved on three occasions in the previous ten years and the cumulative take up within this period of 67.59 ha is around 35% lower than the cumulative requirements based upon a ten year annual average. On this basis, Method Historic 2 is considered to incorporate some built in aspiration and flexibility to account for a range and choice of sites during the plan period, including consideration of the influences of vacancy and churn.

5.6.6. On the basis of the above, this Technical Report recommends that the 20% uplift above the historic trends is not implemented when determining and identifying the baseline employment land need during the plan period in Policy CS4 of the Local Plan: Core Strategy. This is for the following reasons:

- The Overview Study<sup>153</sup> concluded that historic trends forecasting often result in high requirements over plan periods when projected forward.
- The preferred method for predicting future needs (Method Historic 2) already produces a high figure for future needs even without the flexibility factor, when compared with econometric approaches used by some neighbouring authorities.
- It is unlikely that there will be significant losses of employment land within the existing supply to other uses aside from a large site at South Prescott and a small scale site at Prescott Trade Centre which will need to be replaced (see Chapter 6). This is because most B use classes remaining in Knowsley are within industrial estates of significant scale which provide a critical mass of industries that share the same infrastructure, customers and skills base which offer an operating environment for growth. The

---

153

Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011)



majority of these heavily industrialised areas are therefore a constrained, unsuitable or an unattractive environment for other uses such as residential. These areas are therefore likely to remain available for employment development.

- Although the JELPS study suggested that there will be more of a requirement for light industrial premises in Knowsley than is generally predicted, there is likely to be some movement towards higher density office accommodation subject to an improvement in economic circumstances;
- Although econometric based forecasting methods (Methods Economic 1 to 3 as described above) are not favoured as means of predicting future land requirements, it is considered that some account still needs to be taken of predicted economic trends used in these methods. Method Historic 4 offers a hybrid viewpoint in this regard, which indicates that Method Historic 2 (plus 20% flexibility) provides a significant overestimation of employment requirements.
- NPPF (paragraph 14) confirms that Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change unless (underlining inserted) specific policies in the Framework indicate development should be restricted. In the case of Knowsley, expansion of the existing industrial areas is heavily constrained by Green Belt designation. Although the Local Plan recognises that some release of Green Belt is required (to provide contingency in meeting needs relating to range and choice of sites within the plan period and beyond) it is necessary to follow a balanced approach under which impact upon the purposes of the Green Belt is minimised.
- Investment in Local Plan economic regeneration priorities could be undermined by excessive release of less sustainable Green Belt sites, which are likely to be more attractive to investment due to fewer existing site constraints.
- Although neighbouring authorities are not considered to be capable of meeting Knowsley's future employment land need, it is considered that there are strong cross boundary flows which are likely to exist, particularly to strategic employment sites in Speke / Garston, North Liverpool, the 3MG site in Halton, and to a lesser extent the proposed Omega development in Warrington. Opportunities for development in these areas provide some flexibility to meet unanticipated requirements which can be of benefit to Knowsley residents.
- The Council should avoid a potential oversupply of additional employment land in Knowsley which could otherwise undermine the investment in regeneration priorities of neighbouring authorities, for example the area covered by the South Liverpool International Gateway area and 3MG in Halton.

5.6.7. Notwithstanding the above, the Council agrees that flexibility of land supply is required to provide a sufficient range, choice and quality of sites to meet employment needs throughout the Local Plan period and beyond. However the Council considers that the circumstances relating to the suitability of available supply to attract investment and economic growth are more dynamic and changeable than can be accounted for by a proportionate uplift above

baseline requirements identified in Local Plan: Core Strategy Policy CS4. It is therefore intended that the necessary flexibility for delivery of Local Plan employment land requirements is incorporated within the supply to be identified and allocated as part of the Local Plan: Site Allocations and Development Policies document.

- 5.6.8. In remaining consistent with the above, it should be noted that the Council does not seek to pursue an assumption that the entire current supply figure will be delivered during the plan period. This would be unrealistic and is not supported by evidence of historic trends where a surplus of available supply has always remained. Furthermore the Council is mindful of the qualitative evidence of priorities to improve the supply and the potential need to make available a range of sites to meet demands which are often not influenced by the quantity of available supply alone. As such the calculations in Table 5.2 are considered to offer only an arithmetic indication of any supply surplus, or shortfall that would need to be met based upon requirements relative to current supply. In practice, the identified level relative to each scenario represents the absolute minimum amount of land considered to be needed to accommodate the employment requirements. Consequently the Council expects that flexibility in terms of the overall quantity of available land will need to be greater than the minimum requirements, together with an additional supply buffer to account for post plan period needs.
- 5.6.9. In this respect, the Council provides details in Section 6 of the potential options to address quantitative and qualitative employment land requirements during the Local Plan period and beyond. This balances maintaining sufficient flexibility to react to changing market demands and encouraging economic growth, whilst ensuring only appropriate release of Green Belt when necessary, recognising that the identified baseline requirements remain aspirational.

## **6. Options for addressing the shortfalls in land supply and the need for flexibility – 2010 to 2028, and post plan period**

### **6.1 Introduction**

6.1.1. Chapter 4 shows that, in April 2013, the Borough had **170.15 ha** of land that was available or would become available during the Local Plan period and had a realistic prospect of development. Chapter 5 concludes that the Borough will require (using an adaptation of the preferred method, i.e. Method “Historic 2 – long term trends”) up to **183.5 ha** of land to accommodate its employment land needs from 2010 to 2028. The Borough therefore has an immediate shortfall land available of **2.35 ha** over this period, relative to current supply once the 11 ha take up between 2010-2013 is deducted. This shortfall however is considered to be a minimum at this point in time, and does not account for;

- flexibility of supply to ensure a suitable range, choice and quality of sites to encourage investment,
- potential increases to supply requirements if sites currently in the employment land supply are developed for other purposes –see Section 6.2 below.
- windfall developments and unforeseen additions to supply.

6.1.2. This chapter sets out what strategic options the Council has considered to address the potential shortfall of supply that could arise up to 2028, and including post plan period needs.

### **6.2 Flexibility for potential losses of employment land to other uses**

6.2.1. To assess requirements for future provision of employment land it is necessary to factor in potential losses of existing employment land to other uses such as housing. The NPPF establishes that vacant employment land should not be preserved for employment uses if there is no realistic possibility of the land actually being used for employment in the future.

6.2.2. The baseline shortfall of 2.35 hectares in provision from 2010 until 2028 could therefore be increased by the loss of existing employment sites to housing. The scope for this however is limited due to the nature of Knowsley’s industrial estates which are of a significant scale providing a critical mass of industries that share the same infrastructure, customers and skills base thereby offering an operating environment for growth. The majority of these heavily industrialised areas are therefore a constrained, unsuitable or an unattractive environment for other uses such as residential. These areas are therefore likely to remain primarily available for employment development.

6.2.3. The main area where there is likely to be pressure to change existing employment land to housing and other uses is South Prescot. This is because (unlike the large industrial areas like Knowsley Industrial and Business Parks) this area already contains a mix of uses and there is known developer interest

in promoting predominantly residential development in this area despite the location continuing to be marketed for employment purposes.

- 6.2.4. With regard to the above, it is noted that the Joint Employment Land and Premises Study<sup>154</sup> recommended that the former Pirelli site in South Prescott (Area A of UDP Policy EC5) be protected for employment purposes. However the report also suggested that as the site was also considered suitable for housing in the Strategic Housing Land Availability Assessment, it may make a significant contribution to meeting the Borough's housing need. Outline planning permission was granted in 2013 for a mixed use development which contained a small amount (4 ha) of employment uses and a much larger amount (25.4 ha) which could accommodate residential development. If this permission is implemented or another development proceeds which is primarily for non employment uses, the baseline shortfall in employment land for 2010 - 2028 would be increased by up to 21.15 ha through deduction from current employment land supply at April 2013.
- 6.2.5. There is also an outline planning permission for residential development at Kipling Avenue (also an existing Primarily Industrial Area), although this would not increase any shortfall. This is noting that this site has already been removed from the realistic supply in accordance with JELPS recommendations (see Table 4.1 for full list of removals).
- 6.2.6. Table 6.1 shows the Borough's potential minimum shortfall of employment land under different scenarios. However, only extant planning consents for non-employment uses relating to existing supply (i.e. South Prescott) can reasonably be evaluated in terms of potential loss of employment land from the existing supply.

**Table 6.1: Employment land shortfall scenarios**

	Minimum (ha)	Maximum (ha)
Projected Employment Land Need	183.50	183.50
Employment Land Need, adjusted to 2013-2028 <sup>155</sup>	172.50	172.50
Employment Land Supply 2013	170.15	170.15
Minimum shortfall <sup>156</sup>	2.35	2.35
Loss of employment land through development at South Prescott for non-employment purposes	0	21.15
<b>Potential Minimum Shortfall Range</b>	<b>2.35</b>	<b>23.50</b>

- 6.2.7. Table 6.1 above, indicates a potential minimum shortfall of employment land ranging from 2.35 ha to 23.50 ha of employment land for the plan period based upon current supply at April 2013 that needs to be addressed by approaches in the Local Plan. In this regard, it will be appropriate to ensure

<sup>154</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010)

<sup>155</sup> After deduction of 2010-2013 delivery of 11 ha.

<sup>156</sup> Ibid

that when flexibility in addressing this shortfall is considered, it is planned towards the worse case scenario of accommodating the loss of South Prescott. This will need to be achieved through the identification of additional land together with a buffer to account for range and choice for the plan period and beyond to account for potential and unforeseen losses of employment land supply, which may need to be replaced.

6.2.8. Whilst it is not necessarily accepted that a nominal quantity is an effective method to plan for uncertainty, it is the optimal solution available in the circumstances to provide a flexibility buffer that can be supplemented by policy criteria to identify a suitable range, choice and quality of land to meet market demands. On this basis, the Council considers that it is appropriate to plan towards identifying and allocating through the Local Plan: Site Allocations and Development Policies, additional land comprising 30% above the employment land requirement remaining for 2013-2028 - 172.50 ha. This proportion closely aligns with an appropriate minimum figure to provide sufficient contingency relative to current supply to account for the loss of South Prescott (21.15 ha or approx 12.5%), together with flexibility above plan period requirements to account for range and choice of market demand up to 2028 and beyond (34.50 ha or 20%). In total such a scenario would require 55.65 ha of additional land, which comprises 32% (rounded) of additional land above Local Plan requirements, and would increase Knowsley's potential land supply to be identified in the Local Plan: Site Allocations and Development Policies document, to 225.80 ha. This figure however is subject to change, given the possibility of further take up, losses to other uses and windfall additions to supply in the interim period. Furthermore, it should be noted that the aspirations to achieve the flexibility factor stated must be balanced against minimising the need for Green Belt release and the consideration that the plan period requirement already accounts for a degree of flexibility by including take up of employment land for other purposes in the historic trends forecasting.

### **6.3 Options to address shortfall**

6.3.1. In developing the Core Strategy (for example in its Issues and Options paper<sup>157</sup>) the Council has assessed several options as to how additional employment land provision could be made over the Plan period. These included:

- Remodelling of Industrial Parks
- Development in neighbouring districts
- Development in sustainable locations in the Green Belt.

6.3.2. Having considered the previous consultation responses received, sustainability appraisal findings and the evidence collated to date, the Council's views on each of these options are set out below.

---

<sup>157</sup> Knowsley Local Development Framework Core Strategy Issues and Options Paper (Knowsley MBC, 2009)

## 6.4 Additional capacity from remodelling of Industrial Parks

6.4.1. Undeveloped land within the employment areas represents the majority of Knowsley's current available land supply. It is therefore appropriate to first identify the extent to which underused sites in established industrial areas could contribute additional land supply during the Local Plan period in a 'policy on' situation, including assessing the capacity for growth of established businesses. This process has been informed by a combination of evidence base studies (JELPS<sup>158</sup> and Delivering a New Future for Knowsley Industrial Park – Strategic Framework<sup>159</sup>) together with recent site appraisals as part of the Position Statement - Employment<sup>160</sup> and is presented in Table 6.2 below.

**Table 6.2: Employment locations – remodelling potential (at April 2013)**

Employment Location	Community Area	Sites	Potential Remodelling	% Share
			(ha)	
Boulevard Industry Park	Halewood	0	0	0%
Eli Lilly	Halewood	1	0.79	3%
Huyton Business Park <sup>161</sup>	Huyton	0	0	0%
Jaguar Land Rover	Halewood	1	8.65	38%
Kings Business Park	PWC&KV	0	0	0%
Knowsley Business Park	PWC&KV	0	0	0%
Knowsley Industrial Park <sup>162</sup>	Kirkby	11	12.37	54%
Pentagon	Halewood	1	1.04	5%
South Prescott	PWC&KV	0	0	0%
Whiston Enterprise Park	Whiston	0	0	0%
<b>Total</b>	<b>Knowsley</b>	<b>14</b>	<b>22.85</b>	<b>100%</b>

Source: Knowsley Council: Policy Impact and Intelligence

6.4.2. It should be noted that if the above remodelling is delivered it would contribute to a reduction in Knowsley's shortfall in employment land supply and may reduce the extent that plan period requirements will need to be met by release of Green Belt locations, as illustrated in Table 6.3. In this regard, it will be

<sup>158</sup> Joint Employment Land and Premises Study (BE Group, 2010)

<sup>159</sup> Delivering a New Future for Knowsley Industrial Park – Strategic Framework (DTZ, 2010)

<sup>160</sup> Position Statement – Employment (Knowsley MBC, 2013)

<sup>161</sup> Includes Paramount Business Park

<sup>162</sup> Includes Academy Business Park and Image Business Park

necessary for the Council to undertake a process of consultation and direct land owner contact, including a Call for Sites exercise, to assess the deliverability of these opportunities (or others which may emerge) before addition to the current land supply and / or allocation for development through the Local Plan: Site Allocations and Development Policies document.

**Table 6.3: Potential contribution of remodelling to supply**

	Minimum (ha)	Maximum (ha)
Minimum short-fall of current supply for identified employment needs for the plan period taking account of potential loss of employment land	2.35	23.50
Potential capacity from remodelling	22.85	22.85
<b>Potential shortfall of supply relative to minimum employment land requirements</b>	<b>0 (+20.50)</b>	<b>0.65</b>
Potential remaining land supply flexibility requirements	53.30	53.30
<b>Potential shortfall of supply, including flexibility component</b>	<b>32.80</b>	<b>53.95</b>

6.4.3. With regard to Table 6.3 above, it is evident that the full delivery of remodelling would be suitable to address the minimum employment requirements and almost sufficient to address a 'worst case scenario' in circumstances where South Prescott would be lost to non-employment uses. However when a potential flexibility component is added, a shortfall range of between 32.80 ha and 53.95 ha could remain. In this respect, it is evident that the Local Plan: Core Strategy (in Policy CS4 and Policy CS11) supports the approach of remodelling industrial parks to meet some of the shortfall of employment land in the Borough. However additional land from other sources will be required to address the need for flexibility of land supply, particularly in addressing post plan period needs.

## 6.5 Influence of development in adjacent districts

6.5.1. The Liverpool City Region "Overview" study<sup>163</sup> evaluated the methodologies used and established a composite picture of the demand for land across the City Region. In summary the key issues for Knowsley are:

- Supply and demand for employment sites and premises across the Core study area of the City Region up to 2031 are balanced, provided that aspirations for remodelling/regeneration and site delivery and potentially significant contributions to supply at Omega (Warrington) and Parkside (St Helens) are delivered.

<sup>163</sup> Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011)

- The importance of potential B8 delivery at Speke (South Liverpool), Omega, and Parkside, to potentially accommodate or offset demand and growth requirements in both Halton and to a lesser extent Knowsley.
- The potential need to identify additional land supply in the longer term across a greater number of authority areas if aspirations for remodelling / regeneration are not realised, relating specifically to West Lancashire, Knowsley, Halton, and Sefton.

6.5.2. As mentioned previously, the study concluded that Knowsley has a key functional relationship with Liverpool. In this regard, the Council considers that Liverpool has insufficient capacity to realistically contribute to the delivery of any employment land shortfall in Knowsley. Nevertheless there are strong cross boundary commuting flows which are likely to exist particularly in terms of the Halewood area and Speke / Garston (South Liverpool International Gateway), and the Halewood area and 3MG in Halton. The same applies to the Kirkby area and northern areas of Liverpool, and to a lesser extent the Huyton, Prescott and Whiston areas with the proposed Omega development in Warrington. It is therefore important that the Council limits the possibility of overestimation of employment land requirements in these locations which could otherwise re-direct investment from the regeneration priority areas of neighbouring authorities.

6.5.3. The Overview Study also identified that, in the long term, St. Helens may be able to meet some of Knowsley's B8 employment land need if the rail freight terminal at Parkside is delivered. However, it remains uncertain whether the rail freight terminal at Parkside will be delivered and therefore no reliance can be made on the possibility that St. Helens could meet some of Knowsley's B8 employment land need. In this regard, it is also likely that many Knowsley residents would find it difficult to access jobs at Parkside, due to limited public transport provision between Knowsley and the eastern part of St. Helens.

6.5.4. There is considered to be no scope for Sefton or West Lancashire (or to a lesser extent Halton) districts to meet Knowsley's employment development needs as these districts have a limited supply in existing urban areas to meet their own needs. This is notwithstanding the proximity of Simonswood Industrial Estate in West Lancashire to Kirkby. This is noting that although its location and development opportunities therein could be considered to contribute to employment needs in Knowsley – West Lancashire proposes allocations for employment in their Local Plan on the basis of those considered suitable to help the needs of West Lancashire rather than Knowsley.

6.5.5. Having regard to this evidence and the findings of consultation in developing the Local Plan, the Core Strategy does not propose that the shortfall be met in adjoining local authorities. This is also because:

- such an approach would undermine the Council's objective of increasing economic activity, encouraging inward investment and regeneration in Knowsley; and



- reliance upon neighbouring districts would increase the need to travel for residents.

6.5.6. Although adjoining districts are not capable of meeting Knowsley's future employment development need, the existence of opportunities in neighbouring districts should still be taken into account in assessing pressures for further employment land in specific parts of Knowsley. For example the South Liverpool International Gateway Strategic Regeneration Framework<sup>164</sup>, which covers Speke and Garston, has a total area of 129.16 hectares of available employment land. This concentrated availability of developable employment land in the Speke/Garston area has (along with the earlier evidence in the JELPS and other studies) helped to confirm that additional employment land is not required in the Halewood area of Knowsley. This is noting that the South Liverpool International Gateway site and another strategic employment site in close proximity at 3MG in Widnes both remain regional strategic investment priorities in accordance with RSS (as identified by Liverpool and Halton UDPs and their emerging Local Plans respectively). As a consequence, there is a need to avoid any potential negative effect of providing additional employment land provision within Halewood's Green Belt, which could undermine these regeneration priorities. This is noting the functional linkage between these areas which will provide employment opportunities for Halewood residents in close proximity, to supplement those existing in Knowsley.

## **6.6 Additional capacity from release of sustainable sites within the Green Belt**

6.6.1. Under national policy, significant changes to Green Belt boundaries can only be made under exceptional circumstances. However, the Overview Study<sup>165</sup> recognises that in the medium / long term Green Belt land release may be required. The Core Strategy therefore (in policy CS5) proposes to meet some of the land requirements to 2028 through release of land from the Green Belt. The location and timing of delivery would (under policy CS5) be carefully controlled to ensure that regeneration in existing industrial areas is not jeopardised. The phasing of site release will also take account of the wider Liverpool City Region context where adjoining districts are also seeking to regenerate their industrial areas.

6.6.2. In order to identify appropriate sites, the JELPS study recommended areas of search for additional land. The suggested areas of search were to the north east of Junction 6, M62 at Windy Arbor Road, Whiston, and to the south west of Knowsley Business Park. JELPS also identified a need for a successor site to the successful King's Business Park, recommended that the successor site should be in close proximity to the Business Park with land in Knowsley Lane, Huyton identified as the most suitable location. All three of the suggested areas of search are, however, in the Green Belt.

---

<sup>164</sup> South Liverpool International Gateway Strategic Regeneration Framework (Liverpool CC, 2010)

<sup>165</sup> Housing and Economic Development Evidence Base Overview Study (Liverpool City Region Partners, 2011)

6.6.3. The Knowsley and Sefton Green Belt Study assessed the capability of areas currently within the designated Green Belt to accommodate future residential and / or employment development. Further information on the Council's approach to this issue is in the Green Belt Technical Paper. Key points from this work (which explain why some Green Belt locations recommended in the JELPS have not all been taken forward in Policy CS5) are as follows:

- The land south of Whiston (to the north of the M62) is considered to be more appropriate as a housing site rather than an employment site. The need for additional employment land in this area identified in the JELPS is proposed to be met through the allocation of land which is immediately adjacent to the south of the M62. Land to the south of the M62 is included as a Green Belt reserved location in Policy CS5 (rather than previously safeguarded in the Core Strategy Preferred Options), to reflect that it may now be required to meet Knowsley's employment land needs during the plan period. This is noting the potential loss of employment land supply in other parts of the Borough and to provide sufficient flexibility of supply together with a range, choice and quality of sites to ensure delivery of sustainable economic growth.
- The southerly expansion of Knowsley Business Park is not put forward as a future employment area (contrary to the recommendations of the JELPS) as the subsequent Green Belt study has identified this as part of a "strategic gap" which should be protected from development. The need for an expansion of this Business Park identified in the JELPS is instead to be met through an easterly expansion alongside the A580. This is consistent with the Knowsley Industrial Park Regeneration Framework which has been published subsequent to the JELPS in 2010.
- Consistent with the JELPS findings, the land at Knowsley Lane is identified as a potential employment site, albeit with a flexible approach which is likely to include residential uses.

## 6.7 Five-year employment land supply

6.7.1. The Joint Employment Land and Premises Study recommended that local authorities should seek to ensure that there is always a five year supply of land that is available<sup>166</sup>. The Local Plan: Core Strategy proposes (see Policy CS4) to make provision for 10.19 ha of land per annum to be provided for employment development over the period from 2010 to 2028. This equates to a minimum five year target of 51.00 ha.

6.7.2. At April 2013, the Borough had a current supply of realistically developable land of 170.15 ha, of which 136.09 ha was considered to be available or likely to become available within five years, which significantly exceeds the five year requirement through a surplus of 85.09 ha. This suggests that the Policy CS5 mechanism for release of Green Belt sites is unlikely to be triggered in the short term based upon quantity or the range or choice of site, unless an

---

<sup>166</sup> Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010), page 306

applicant can demonstrate a shortfall relative to a specific sectoral requirement that could not otherwise be met within the current supply.

## 6.8 Should employment sites be restricted to specific types of employment use?

6.8.1. The Core Strategy's Issues and Options Paper considered if the use of some employment sites should be restricted to specific employment types such as office and knowledge based industries. This would encourage similar types of site to be located in close proximity to each other which may engender competition. This approach would, however, be less flexible and therefore less responsive to changing market conditions, which does not accord with the requirements of the NPPF. The Core Strategy therefore does not follow this approach. The Strategy does however require that high density jobs such as office uses should be located as a first preference in the most accessible locations such as town centres and the major employment areas of Knowsley Industrial and Business Parks, Huyton Business Park, and Kings Business Park. This is consistent with the sequential test within the NPPF.

## 6.9 Distribution of Supply

6.9.1. Table 6.4 shows the indicative distribution of land that the Position Statement - Employment<sup>167</sup> considers has a realistic prospect of development for employment purposes. The majority is located in the Knowsley Industrial Park in Kirkby (84.24 ha). Of the 54.06 ha located in Prescott, Whiston, Cronton and Knowsley Village, the largest proportion is located in Knowsley Business Park (18.27 ha). Halewood only contains one site which is the Jaguar Land Rover expansion land (16.47 ha).

**Table 6.4: Employment Land Distribution (current Supply as at 2013)**

Community Area	Total Area (ha)	% of 2013 Current Supply
Huyton	15.38	9%
Kirkby	84.24	49%
Prescot, Whiston, Cronton & Knowsley Village	54.06	32%
Halewood	16.47	10%

Source: Knowsley Council: Policy Impact and Intelligence

6.9.2. The distribution of employment land provision is heavily influenced by the existing pattern of land supply and where land and jobs have historically been located. The Local Plan ensures sufficient flexibility to ensure that opportunities are available to re-consider whether currently allocated sites are still the most appropriate and to identify further locations for potential future allocation through subsequent stages of Local Plan preparation in accordance with NPPF requirements. Table 6.5 below includes this distribution of existing supply and adds the additional Green Belt broad locations identified as

<sup>167</sup> Position Statement - Employment (Knowsley MBC, 2013)

suitable for potential release for employment purposes to indicate the potential range of spatial distribution in the Local Plan<sup>168</sup>. This includes the influence of;

- Potential loss of employment land at South Prescot.
- Non-delivery of remodelling
- Physical and planning constraints to developable areas of Green Belt locations (see Appendix D for details).

**Table 6.5: Local Plan Indicative Scenarios of Employment Land Distribution**

<b>Community Area</b>	<b>Minimum<sup>169</sup></b>	<b>Maximum<sup>170</sup></b>
Huyton	15.38 ha	36.73 ha
Kirkby	84.24 ha	112.36 ha
Prescot, Whiston, Cronton & Knowsley Village	32.91 ha	81.75 ha
Halewood	16.47 ha	26.95 ha
<b>Total</b>	<b>149.00 ha</b>	<b>257.79 ha</b>

Source: Knowsley Council: Policy Impact and Intelligence

6.9.3. With regard to Table 6.5, it is evident that the maximum scenario for employment land relative to the Local Plan requirements to 2028 would result in a surplus of up to a maximum of 85.29 ha relative to the remaining baseline employment land requirements of 172.50 ha up to 2028 (see Policy CS4), whereas the minimum scenario would result in an under supply of 23.50 ha. This re-affirms the importance of the delivery of opportunities for remodelling as part of the Local Plan approach to ensure sufficient flexibility for the current land supply and potential loss of employment land at South Prescot. Whilst release of identified Green Belt locations ensures appropriate flexibility for the plan period and beyond. It should however be noted that the developable area for employment uses could reduce by up to 22.40 ha based upon the upper and lower scenarios in Appendix D, and priorities for residential development.

6.9.4. In general, the distribution of employment land to specific townships has been guided by both opportunity and need, together with land availability and suitability aligning with Local Plan priorities. This is reflected by;

- emphasis upon the sub-regional importance of employment and regeneration opportunities in Knowsley Industrial and Business Parks which results in a high proportion of growth in Kirkby;
- identification of a successor site to Kings Business Park at Knowsley Lane (as recommended by JELPS), to complement the existing provision in Huyton which also includes Huyton Business Park, and;

<sup>168</sup> Source: Table 3.2 of Position Statement - Employment (Knowsley MBC, 2013)

<sup>169</sup> Excludes remodelling and Green Belt locations, includes potential supply losses in South Prescot

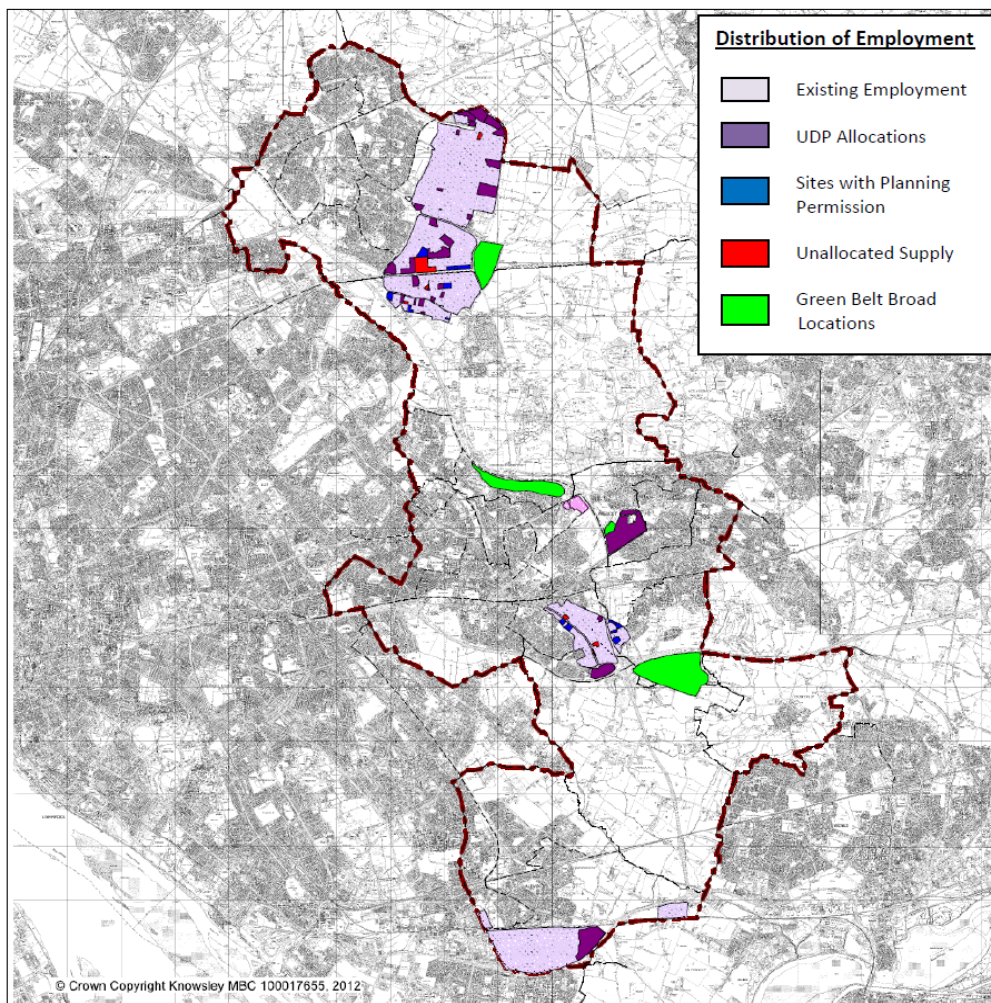
<sup>170</sup> Includes remodelling and maximum potential in Green Belt locations from Appendix D, excludes potential supply losses in South Prescot

- identification of a suitable alternative employment provision in Prescot / Whiston at South of the M62 to account for the possibility of the loss of a significant proportion of existing allocations at South Prescot.

6.9.5. In adopting the proposed distribution as part of the Local Plan, the Council is mindful of the need for a balanced approach in meeting Knowsley’s needs, whilst not impacting upon regeneration initiatives in the surrounding districts. The availability of existing and potential future employment opportunities for example in South Liverpool, North Liverpool, Widnes and St Helens have all been taken into account in assessing the most appropriate distribution of new sites in Knowsley. For example, the South Liverpool International Gateway site and the strategic employment site at 3MG in Widnes are very close to Halewood, and thereby limit any justifiable benefits of considering Green Belt release to provide additional employment land around Halewood.

6.9.6. The Local Plan approach is considered the most appropriate method to account for market signals in terms of areas with proven market interest in ensuring deliverability of Local Plan priorities and is indicated on Figure 6.1.

**Figure 6.1: Distribution of Employment in Knowsley**



*\*Green Belt Broad Locations indicated reflect the boundaries in the Local Plan Core Strategy*

- 6.9.7. The Local Plan approach to employment distribution also addresses the areas of greatest need in deprivation terms (Huyton and Kirkby) and reflects the need for additional land in other areas (i.e. Prescot / Whiston) to support housing growth that will not detract from regeneration priorities nearby. Furthermore, noting that there is a need for Green Belt release to address Knowsley's employment land needs through to 2028 and beyond, it seeks to direct the development to the most appropriate and sustainable locations as identified by the Green Belt Study<sup>171</sup> and Technical Report: Green Belt<sup>172</sup>.
- 6.9.8. The Local Plan objectives are consistent with the national policy approach in the NPPF, and therefore the distribution pursued is considered to be sufficiently flexible to support a strong and responsive economy, ensuring that appropriate land of the right type is available in the right places and at the right time to support growth and innovation. In this regard, it should be noted that not all locations are equally suitable for growth. This is because existing employment areas benefit from the most sustainable and accessible locations in Knowsley that are well served by existing infrastructure. As a consequence, existing employment areas generally remain the most attractive locations for future investment provided suitable sites are available; given the existing critical mass of businesses enhance competitive advantages and there is proven developer interest. These developer preferences have also informed the identification of broad locations in the Green Belt which may be suitable for employment purposes. This is noting that sites at: land to the east of KIP / KBP; Knowsley Lane; and Carr Lane all remain close to established employment areas and are intended to complement these areas when the existing range and choice of sites is exhausted. The other proposed site at South of the M62 is considered to benefit from similar accessibility advantages (i.e. immediate proximity to the M62 and M57) and comprise a strategic scale to develop a viable critical mass of employment uses. This should ensure that it is capable of sustaining a new employment destination that will be attractive for future investment noting previous developer interest.

## 6.10 Discounted Alternative Distributions of Employment Growth

- 6.10.1 It is acknowledged that the Local Plan approach is not the only potential option for the distribution of employment growth. However it is considered to be the most appropriate policy approach by which Knowsley can ensure compliance with the NPPF with regard to planning for sustainable economic growth, whilst addressing the existing constraints on land availability up to 2028.
- 6.10.2 With regard to the above, it is considered that alternatives, for example, distribution of employment land in proportion to the working age population, levels of unemployment, or the projected housing growth of the community areas would not be suitable to address Knowsley's long terms needs in the context of the Core Strategy objectives. In distributing land, the Local Plan

---

<sup>171</sup> Knowsley and Sefton Green Belt Study – Final Knowsley Report (Knowsley MBC, 2012)  
<sup>172</sup> Technical Report: Green Belt (Knowsley MBC, 2012)

must take into consideration the Core Strategy policy objectives, particularly relating to sustainable economic and employment growth and its contribution to wider objectives relating to regeneration, reducing social and economic regeneration, and narrowing the gap between the richest and poorest communities.

6.10.3 The alternative distributions of new employment land which have been considered and discounted by the Council are as follows;

- Pro rata distribution in relation to housing growth: Huyton and Stockbridge Village (33%), Kirkby (15%), Prescot, Whiston, Cronton & Knowsley Village (33%), Halewood (19%).
- Pro rata distribution in relation to working age population: Huyton and Stockbridge Village (37.6%), Kirkby (28.6%), Prescot, Whiston, Cronton & Knowsley Village (19.2%) and Halewood (14.6%).
- Pro-rata distribution in relation to unemployment rates: Huyton and Stockbridge Village (6.6% rate - 27% distribution), Kirkby (7.4% rate - 30% distribution), Prescot, Whiston, Cronton & Knowsley Village (4.9% - 20% distribution) and Halewood (5.5% - 23% distribution).

6.10.4 These alternative distributions have been dismissed, for the following reasons;

- The distribution and supply in each scenario is already significantly exceeded by existing provision in Kirkby.
- Each of the discounted scenarios would fail to utilise opportunities of location, accessibility and sustainability advantages associated to existing employment sites. This is particularly evident for the sub-regionally important Knowsley Industrial and Business Parks, where there is sufficient critical mass and proven developer interest which is likely to prove attractive for future economic growth.
- Each of the discounted scenarios would require identification of new sites in Huyton and Halewood which due to constraints on land availability in these settlements would necessitate release of additional land within the Green Belt. This would be inappropriate in the context of the NPPF, noting the conclusions of the Green Belt Study<sup>173</sup> and Technical Report: Green Belt<sup>174</sup>.
- The development of additional employment land in Halewood has the potential to impact upon regeneration priorities of neighbouring authorities relating to South Liverpool and 3MG (Halton), locations which are accessible to Halewood residents.

---

<sup>173</sup> Knowsley and Sefton Green Belt Study – Final Knowsley Report (Knowsley MBC, 2012)  
<sup>174</sup> Technical Report: Green Belt (Knowsley MBC, 2012)

## 7. Conclusion

- 7.1.1. National, city regional and local policy requires the Local Plan to take a positive approach towards meeting economic development needs over the Plan period up to 2028. These should link effectively to established priorities, for example those of the Liverpool City Region Local Enterprise Partnership (see Chapter 2).
- 7.1.2. As a result of the revocation of RSS, the Knowsley Local Plan includes a locally derived employment target. The Council has developed this in cooperation with neighbouring districts including through the completion of the LCR Overview Study (see Chapter 2). A range of evidence has been considered in deriving the target including the Joint Employment Land and Premises Study, the Overview Study, evidence which underpinned the RSS (2008) and further evidence which 4NW gathered in preparation for reviewing the RSS in 2009 and 2010.
- 7.1.3. The Borough has a complex range of economic challenges including high levels of deprivation (see Chapter 3). It also has significant opportunities resulting from its range of attractive employment locations which are accessible from other districts. The economy of the Borough is inextricably linked with that of the wider Liverpool City Region (see Chapter 3).
- 7.1.4. Key employment locations in Knowsley include; Knowsley Industrial and Business Parks. These are located next to each other and comprise one of the largest industrial areas in the North West. Other major employment locations are at Huyton Business Park, Kings Business Park and the Jaguar / Land Rover plant in Halewood.
- 7.1.5. A central objective of the Council is to regenerate Knowsley Industrial Park in accordance with the published regeneration framework for this area (see Policy CS11 of the Core Strategy).
- 7.1.6. The Council has followed a logical stepped approach to identifying its future employment land requirements which is summarised in Chapter 4.
- 7.1.7. The Borough had, at April 2013, **170.15 ha** of land that was considered to have a realistic prospect of development for employment purposes. It has an appropriate range and choice of size of site for all employment types, with a distribution of available employment land across all settlements in the Borough to meet needs during the early part of the Local Plan period.
- 7.1.8. To identify how much land is required to meet needs up to 2028, eight different methods have been considered. Four of these were based on econometric forecasting models, three based on projecting forward historic trends and a single hybrid based on projecting forward historic trends, but with adaptations for econometric trends. The relative merits of these are outlined in Chapter 5.



- 7.1.9. The preferred method (referred to as Method “Historic 2” in Chapter 5) is to project forward long term historic trends. Based on this method **183.5 hectares** of employment land will be needed to meet the needs for employment development from 2010 to 2028. This results in an existing baseline shortfall of supply comprising **2.35 hectares** over this period, following deduction of take up between 2010 - 2013.
- 7.1.10. It is estimated that this shortfall of supply relative to plan period requirements could increase to a total of **23.50 hectares** if the maximum amount of existing employment land at South Prescott is changed to housing use, or **76.80 hectares** when the flexibility component is added. Conversely if the land at South Prescott remains in employment use and remodelling opportunities totalling 22.85 hectares are delivered, there would be a surplus supply of **20.50 hectares**, or a remaining shortfall of **32.80 hectares** of land supply when including a flexibility component. In this regard, a proportion of remodelling will be required to ensure flexibility of supply for the minimum plan period requirements in accordance with the NPPF, the scale of which remains dependent upon the extent of any loss at South Prescott. In view of this uncertainty, the Local Plan approach (Policy CS4 and Policy CS11) seeks to develop the maximum capacity of remodelling in Knowsley Industrial Park and other industrial areas to ensure the optimum amount of flexibility. This would thereby minimise the need for land in locations proposed for Green Belt release to meet plan period and flexibility needs as scheduled to be allocated as part of the Local Plan: Site Allocations and Development Policies.
- 7.1.11. In order to meet potential employment land shortfalls during the Local Plan time period and beyond, the Council has considered three strategic options:
- Remodelling of Industrial Parks (see above);
  - Development in neighbouring districts; and
  - Development in sustainable locations in the Green Belt.
- 7.1.12. Chapter 6 contains a detailed assessment of each of these options. The Council considers that, on the available evidence, adjoining districts could not accommodate Knowsley’s future employment land need shortfall appropriately. This conclusion takes account of evidence in the Overview Study, the increased need of residents to travel, and the need to ensure that jobs are accessible to Knowsley residents. Nevertheless the location of Halewood, its existing employment area to the south and the proximity to adjoining industrial areas in South Liverpool (Speke / Garston) and to a lesser extent 3MG (Halton) ensure a functional relationship for employment provision which justifies not addressing additional needs arising from Halewood in isolation.
- 7.1.13. In order to ensure that the Borough continuously has at least five years employment land supply for the whole plan period with flexibility beyond, land will need to be removed from the Green Belt to ensure that it is available when required. This will make sure that regeneration objectives and Brownfield priorities are not undermined Policy CS5 of the Core Strategy which requires

that land currently in the Green Belt only be developed when necessary during the latter part of the Plan period. Policy CS5 proposes a robust release mechanism based on monitoring of supply and take-up rates.

- 7.1.14. Policy CS4 of the Local Plan: Core Strategy will ensure that, at all times, a sufficient quantity of deliverable sites is available to meet the needs for employment development over the following five year period. The five year supply is defined as 5 x the annual average required to meet the overall need for the plan period; that is 51.0 ha (5 x 10.19 ha). This should be monitored on an annual basis.
- 7.1.15. Core Strategy policies CS4 and CS11 aim to facilitate the remodelling of the Borough's industrial parks in order to utilise opportunities of location, accessibility and sustainability advantages, including proximity to residential communities, together with proven developer interest associated to existing employment sites. This suggests that the existing employment locations are most likely to be attractive for future investment. Remodelling existing industrial parks also has the additional benefit of limiting the need for take-up of additional land currently in the Green Belt. For the same reason, the Core Strategy proposes to safeguard existing employment land from development for other uses, except where there is no reasonable prospect of a site being used for economic purposes or when an alternative use would bring overriding benefits and contribute to the regeneration of the area.

## 8. Glossary

Core Strategy	The overarching development plan document of the Local Plan. It sets out the long term spatial vision for the local planning authority area, as well as the spatial objectives and the strategic policies to deliver that vision.
Development Plan Document	The documents that make up the development Plan for the Borough. They potentially include the Core Strategy, Site Specific Allocations of Land, and Area Action Plans (if considered necessary) and other documents deemed necessary by the Council to deliver the spatial strategy.
Employment Land	Although in the wider context land uses such as retail and leisure contribute to employment, in this Technical Report the term 'employment' relates to Business (Use Class B1), General industry (Use Class B2), Storage & Distribution (Use Class B8 plus "Sui- Generis" commercial uses) that have similar characteristics to industry or storage.
Employment Land Supply	Land considered suitable for employment use whether or not it has a realistic prospect of being developed for such use.
JELPS	The Joint Employment Land and Premises Study Halton, Knowsley, Sefton and West Lancashire (BE Group, 2010) was a study undertaken by the BE Group for Halton, Knowsley, Sefton and West Lancashire Councils to assess existing supply and future need of employment land.
Local Plan	The name given to the local development documents and other documents that provide the framework for delivering the spatial strategy for a council area.
Liverpool City Region	The Liverpool City Region covers the boroughs of Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral.
Plan Period	The period between 2013 and 2028.
Regional Strategy	Document that previously set out the region's policies in relation to the development and use of land. It formed part of the development plan, prior to its revocation in 2013.
Realistic Employment Land Supply	Land with a realistic prospect of being developed for employment purposes.
Use Classes Order	The Town & Country Planning (Use Classes) Order 1987 (as amended) lists 16 classes of use. A change from one use to another use within the same Class does not normally require planning permission.

**Appendix A: Employment Land Supply - April 2013**

Site Name	UDP Proposals Map Code	Community Area	Site Size (ha)	Market Availability	Potential Use	Availability (years)
I M I Yorkshire Copper Tubing Ltd, East Lancashire Road, Knowsley Industrial Park	PIA	Kirkby	3.06	Under Construction	Office / Industrial	0 - 1
Units 17 - 21, Lion Court, Kings Drive, Kings Business Park	RIS	PWC&KV	1.45	Available, not being Marketed	Offices	0 - 1
Land Opposite Contract Chemicals, Bounded By Penrhyn Road/Villiers Road, Knowsley Business Park, Knowsley	E27	PWC&KV	1.30	Under Construction	Industrial	0 - 1
Land Adjacent Nexus Business Park, Off School Lane, Knowsley Business Park	PIA	PWC&KV	1.26	On Market	Office / Industrial	1 - 3
Land at Kings Drive, Kings Business Park	RIS	PWC&KV	6.59	Not Available	Offices	1 - 3
Land at corner of A580 / Moorgate Lane, Knowsley Industrial Park	E33	Kirkby	3.27	On Market	Office / Industrial	1 - 3
Land Between Cronton Road And M62 Motorway (Junction 6)	E2	Huyton	8.03	On Market	Office / Industrial	1 - 3
Land at Kings Business Park, Off Liverpool Road	RIS	PWC&KV	1.26	On Market	Offices	1 - 3
Land Adjacent To 42 Randles Road, Knowsley Business Park	E19	PWC&KV	0.92	On Market	Industrial	1 - 3
Project Pluto (Former Petrolite Ltd Site), Acornfield Road, Knowsley Industrial Park	E6, LWS - 2	Kirkby	7.66	Under Construction	Office / Industrial	0 - 1

Site Name	UDP Proposals Map Code	Community Area	Site Size (ha)	Market Availability	Potential Use	Availability (years)
Part of Dairy Crest / Kraft site, A580, Knowsley Industrial Park	E25, LWS - 4	Kirkby	3.97	Available, not being Marketed	Industrial	1 - 3
Esselte Ltd, Wilson Road, Huyton, L36 6HQ	PIA	Huyton	0.84	Available, not being Marketed	Office / Industrial	1 - 3
Land adjacent Former Ethel Austin Site, Ainsworth Lane, Knowsley Business Park	E32	PWC&KV	2.25	On Market	Industrial	1 - 3
Unit 1 & 2 To Rear Of Counterline Ltd, Randles Road, Knowsley Business Park	PIA	PWC&KV	0.15	Available, not being Marketed	Industrial	1 - 3
Land at Penrhyn Road / Villiers Road, Knowsley Business Park	E27	PWC&KV	0.85	Not Available	Industrial	0 - 1
Land Adjacent To CDMS, Fallows Way	E4	PWC&KV	0.55	On Market	Office / Industrial	1 - 3
Land Between Units 7 And 19 Randles Road, Knowsley Business Park	E24	PWC&KV	1.31	Available, not being Marketed	Industrial	1 - 3
Land At Image Business Park, Acornfield Road, Knowsley Industrial Park	PIA	Kirkby	0.24	On Market	Industrial	0 - 1
Black Jack, Hornhouse Lane, Knowsley Industrial Park	E10	Kirkby	2.98	On Market	Office / Industrial	1 - 3
School Boys Plantation, Randles Road, Knowsley Business Park	E17	PWC&KV	0.29	On Market	Industrial	1 - 3
Land north of Image Business Park, Acornfield Road, Knowsley Industrial Park	E38	Kirkby	3.41	On Market	Office / Industrial	1 - 3
Batleys Cash And Carry, Fallows Way, Whiston	PIA	PWC&KV	1.22	Available, not being Marketed	Industrial	3 - 5

Site Name	UDP Proposals Map Code	Community Area	Site Size (ha)	Market Availability	Potential Use	Availability (years)
Land To The Rear Of Whiston Works, Fallows Way	E4	PWC&KV	0.89	On Market	Office / Industrial	1 - 3
Land between Villiers Court and Overbrook Lane, Knowsley Business Park	E36	PWC&KV	0.43	Not Available	Industrial	3 - 5
Land bounded by Randles Road, School Lane and Gellings Road, Knowsley Business Park	E37	PWC&KV	0.92	Not Available	Office / Industrial	3 - 5
Land at Knowsley Lane, Huyton	GB	Huyton	10.68 - 21.35	Not Available	Office / Industrial	5+
Alchemy, Located Off East Lancashire Road, Kirkby	PIA	Kirkby	8.38	On Market	Office / Industrial	1 - 3
Land At Bens Court, Off Randles Road, Knowsley Business Park	E20	PWC&KV	0.42	Available, not being Marketed	Industrial	1 - 3
Land at junction of Penrhyn Road / School Lane, Knowsley Business Park	E23	PWC&KV	0.57	Available, not being Marketed	Industrial	1 - 3
South Prescott (Area B)	SPAA	PWC&KV	2.24	Available, not being Marketed	Office / Industrial	1 - 3
Land Adjacent To Railway House, Hale View Road, Huyton	PIA	Huyton	0.07	Not Available	Offices	1 - 3
Batleys Cash And Carry, Fallows Way, Whiston	PIA	PWC&KV	0.44	Available, not being Marketed	Industrial	3 - 5
Ainsworth Lane / Penrhyn Road, Knowsley Business Park	E18	PWC&KV	0.26	On Market	Industrial	1 - 3
Land at Academy Business Park, Knowsley Industrial Park	E9	Kirkby	1.48	On Market	Office / Industrial	1 - 3
South Prescott (Area A)	SPAA	PWC&KV	21.15	On Market	Office / Industrial	3 - 5

Site Name	UDP Proposals Map Code	Community Area	Site Size (ha)	Market Availability	Potential Use	Availability (years)
Land To Rear Of Delphi Delco, At Junction Of South Boundary Road/Hornhouse Lane, Knowsley Industrial Park	E35	Kirkby	1.93	On Market	Office / Industrial	1 - 3
Land Between And Including Units 1-9 Interchange Motorway Estate, Wilson Road, Huyton	PIA	Huyton	0.98	Not Available	Industrial	1 - 3
Land adjacent to Former Ethel Austin Building, School Lane, Knowsley Business Park	PIA	PWC&KV	5.06	On Market	Office / Industrial	3 - 5
Moss End Way (East), Knowsley Industrial Park	E13	Kirkby	2.09	Available, not being Marketed	Industrial	1 - 3
Moss End Way (West), Knowsley Industrial Park	E14	Kirkby	4.14	Available, not being Marketed	Industrial	1 - 3
North Perimeter Road / Moss End Way, Knowsley Industrial Park	E15	Kirkby	5.31	Not Available	Industrial	1 - 3
Land to the East of Knowsley Industrial Park	GB	Kirkby	7.20 - 15.75	Not Available	Office / Industrial	5+
Ford Jaguar Land Rover Expansion Area, Speke Boulevard	E1	Halewood	16.47	Not Available	Industrial	5+
Land at Britonwood Industrial Estate, Knowsley Industrial Park	E12	Kirkby	6.36	On Market	Industrial	1 - 3
Land at junction of Randles Road & Gellings Road, Knowsley Business Park	PIA	PWC&KV	0.33	On Market	Industrial	1 - 3
Land at Carr Lane, Prescot	GB	PWC&KV	3.18	Not Available	Office / Industrial	5+

Site Name	UDP Proposals Map Code	Community Area	Site Size (ha)	Market Availability	Potential Use	Availability (years)
Land East Of Moorgate Point, Moorgate Road, Knowsley Industrial Park	PIA, LWS - 55	Kirkby	2.55	On Market	Office / Industrial	1 - 3
Land at Marl Road / Woodward Road, Knowsley Industrial Park	E8	Kirkby	0.47	Available, not being Marketed	Industrial	1 - 3
Land off Ainsworth Lane, Knowsley Business Park	PIA	PWC&KV	0.38	Available, not being Marketed	Industrial	3 - 5
Academy Business Park, Knowsley Industrial Park, Kirkby	PIA	Kirkby	1.91	Available, not being Marketed	Office / Industrial	3 - 5
Former Council Yard at Depot Road, Knowsley Industrial Park	PIA	Kirkby	0.13	On Market	Industrial	0 - 1
Junction Of Gores Road / Acornfield Road, Knowsley Industrial Park	E28	Kirkby	0.75	Available, not being Marketed	Office / Industrial	1 - 3
Land at South of the M62, Cronton	GB	PWC&KV	24.51	Not Available	Office / Industrial	5+
Interchange Motorway Estate, Wilson Road, Huyton, Knowsley	PIA	Huyton	0.75	Not Available	Industrial	1 - 3
Land adjacent to Ambiente House, off Admin Road, Knowsley Industrial Park, Kirkby	PIA	Kirkby	0.85	Available, not being Marketed	Industrial	3 - 5
Vacant Site (Former Rentokil Site), Bradman Road, Knowsley Industrial Park, Kirkby	PIA	Kirkby	1.33	On Market	Industrial	1 - 3
Land at junction of Wilson Road & Brickfields, Huyton Business Park	PIA	Huyton	0.57	Available, not being Marketed	Industrial	3 - 5
Hi-Wire Ltd (Essex International), Ellis Ashton Street, Huyton, Knowsley, L36 6BW	PIA	Huyton	2.35	Available, not being Marketed	Industrial	3 - 5



Site Name	UDP Proposals Map Code	Community Area	Site Size (ha)	Market Availability	Potential Use	Availability (years)
Jaguar Land Rover Fringe, between North Road & South Road, Halewood	PIA	Halewood	8.65	Not Available	Industrial	5+
Land adjacent to BASF Coatings & Inks Ltd, Ellis Ashton Street, Huyton Business Park	E41	Huyton	0.90	Available, not being Marketed	Industrial	3 - 5
Britonwood Yard, off Faraday Road, Knowsley Industrial Park	PIA	Kirkby	0.42	On Market	Industrial	1 - 3
Land at QVC site, Knowsley Industrial Park	PIA	Kirkby	1.54	Not Available	Office / Industrial	5+
Land opposite 2 Gladeswood Road, off Webber Road, Knowsley Industrial Park	E42	Kirkby	0.50	On Market	Industrial	3 - 5
Land at junction of Woodward Road & Acornfield Road, Knowsley Industrial Park, Kirkby	PIA	Kirkby	0.34	On Market	Industrial	1 - 3
Land Fronting D Evans Electrical, Huyton Business Park, Wilson Road	PIA	Huyton	0.22	Available, not being Marketed	Industrial	3 - 5
Land to north of Academy Business Park, Knowsley Industrial Park, Kirkby	PIA	Kirkby	0.72	Available, not being Marketed	Industrial	3 - 5
Former Sonae (UK) Ltd, Moss Lane, Knowsley Industrial Park, Kirkby	PIA	Kirkby	12.62	On Market	Industrial	5+
Land Bounded By Dale Lane, North Perimeter Road & Woodward Road, Knowsley Industrial Park	E7	Kirkby	3.17	Not Available	Industrial	3 - 5
Land adjacent D A M S International, off Acornfield Road, Knowsley Industrial Park, Kirkby	PIA	Kirkby	0.93	Not Available	Industrial	5+

Site Name	UDP Proposals Map Code	Community Area	Site Size (ha)	Market Availability	Potential Use	Availability (years)
Syntor Fine Chemicals, Woodward Road, Knowsley Industrial Park	PIA	Kirkby	0.58	Available, not being Marketed	Industrial	3 - 5
Land at Syntor Fine Chemicals, Woodward Road, Knowsley Industrial Park	PIA	Kirkby	0.40	On Market	Industrial	3 - 5
Knowsley House, Knowsley Industrial Park	PIA	Kirkby	0.45	Not Available	Office / Industrial	5+
Former Snooker Club / Web Complex, South Boundary Road, Knowsley Industrial Park	PIA	Kirkby	0.99	Not Available	Office / Industrial	5+
Land to the North of South Boundary Road, Knowsley Industrial Park (3 parcels)	PIA	Kirkby	0.53	Available, not being Marketed	Industrial	5+
Fringe of Image Business Park, Knowsley Industrial Park	PIA	Kirkby	1.26	Available, not being Marketed	Industrial	5+
Knowsley Business Centre and South Boundary Road Hub, Knowsley Industrial Park	PIA	Kirkby	2.28	Available, not being Marketed	Office / Industrial	5+
Land adjacent to MTC Northwest, Gores Road, Knowsley Industrial Park, Kirkby	PIA	Kirkby	0.32	Not Available	Industrial	5+
Land between Rail Freight Terminal & Former Sonae, off Woodward Road, Knowsley Industrial Park	PIA	Kirkby	2.30	Available, not being Marketed	Industrial	5+
Pentagon East Expansion, Wood Road, Halewood	PIA	Halewood	1.04	Not Available	Industrial	5+
Land at the Junction of Cusson Road & Dixon Road, Knowsley Industrial Park	PIA	Kirkby	0.43	Not Available	Offices	5+

<b>Site Name</b>	<b>UDP Proposals Map Code</b>	<b>Community Area</b>	<b>Site Size (ha)</b>	<b>Market Availability</b>	<b>Potential Use</b>	<b>Availability (years)</b>
Land off School Lane & Overbrook Lane, Knowsley Business Park	PIA	PWC&KV	2.00	Available, not being Marketed	Office / Industrial	5+
Land at Draw Well Road, Knowsley Industrial Park (2 parcels)	PIA	Kirkby	0.70	Available, not being Marketed	Industrial	3 - 5
Land off Wilson Road, Huyton Business Park	PIA	Huyton	0.67	Not Available	Industrial	5+
Land off Acornfield Road, Knowsley Industrial Park	PIA	Kirkby	2.77	Not Available	Industrial	5+
Land off Hammond Road, Knowsley Industrial Park	PIA	Kirkby	0.87	Not Available	Industrial	5+
Land off Depot Road, Knowsley Industrial Park	PIA	Kirkby	0.22	On Market	Industrial	1 - 3
Eli Lilly Expansion Land, Fleming Road, Halewood	PIA	Halewood	0.79	Not Available	Industrial	5+

## Appendix B: Oxford Econometric for JELPS Study Area (Halton, Knowsley, Sefton and West Lancashire)

### Employment Occupation Forecast

Sector	2008 Number of People	2026 Number of People	Change 2008 -2026	% Change
Agriculture & Fishing	4,080	2,481	-1,599	-39.2%
Energy & Water	473	281	-192	-40.6%
Manufacturing	33,755	23,222	-10,533	-31.2%
Construction	17,757	19,260	+1,503	+8.5%
Distribution, Hotels & Restaurants	61,758	67,360	+5,602	+9.1%
Transport & Communications	17,630	18,107	+477	+2.7%
Banking, Finance, Insurance, etc	48,336	61,195	+12,859	+26.6%
Public Administration, Education & Health	82,436	86,797	+4,361	+5.3%
Other Services	16,361	16,013	-348	+2.1%
<b>Total</b>	<b>282,586</b>	<b>294,716</b>	<b>+12,130</b>	<b>+4.3%</b>

Source: Adapted from Oxford Econometrics (via JELPS), 2008 – Data relates to 4 Authorities rather than just Knowsley

**Economic Forecast Floorspace Need**

Sector	Floorspace required (sq.m)							
	2008		2026		Change		% Change	
	Office	Industrial	Office	Industrial	Office	Industrial	Office	Industrial
Agriculture & Fishing	28,560	31,824	17,367	19,352	-11,193	-12,472	-39.2%	-39.2%
Energy & Water	3,311	3,689	1,967	2,192	-1,344	-1,497	-40.6%	-40.6%
Manufacturing	236,285	354,248	162,554	243,831	-73,731	-110,417	-31.2%	-31.2%
Construction	63,925	186,449	69,336	202,230	+5,411	+15,781	+8.5%	+8.5%
Distribution, Hotels & Restaurants	469,361	222,329	511,936	242,496	+42,575	+20,167	+9.1%	+9.1%
Transport & Communications	137,541	267,976	141,235	275,226	+3,694	+7,250	+2.7%	+2.7%
Banking, Finance, Insurance, etc	763,709	43,502	966,881	55,076	+203,172	+11,574	+26.6%	+26.6%
Public Administration, Education & Health	842,360	61,827	867,970	65,098	+25,610	+3,271	+5.3%	+5.3%
Other Services	121,071	24,542	118,496	24,020	-2,575	-522	+2.1%	+2.1%
<b>Total</b>	<b>2,648,096</b>	<b>1,196,565</b>	<b>2,857,742</b>	<b>1,129,500</b>	<b>+191,619</b>	<b>-66,865</b>	<b>+4.3%</b>	<b>+4.3%</b>

Source: Adapted from Oxford Econometrics (via JELPS), 2008 - Data relates to 4 Authorities rather than just Knowsley

## Appendix C: Oxford Econometrics Disaggregated for Knowsley

### Employment Occupation Forecast

Sector	2008		2026		Change in Employment numbers 2008 -2026
	Proportion %	Number (jobs)	Proportion %	Number (jobs)	
Agriculture & Fishing	0.24	149	0.15	93	-56
Energy & Water	0.07	38	0.04	29	-9
Manufacturing	20.64	12,545	14.64	9,119	-3 426
Construction	6.07	3,688	6.30	3,925	-237
Distribution, Hotels & Restaurants	17.27	10,498	18.60	11,589	+1 091
Transport & Communications	4.32	2,623	4.00	2,492	-131
Banking, Finance, Insurance, etc	16.11	9,788	19.62	12,225	+2 427
Public Administration, Education & Health	31.01	18,842	32.55	20,278	+1 436
Other Services	4.28	2,602	4.10	2,552	-50
<b>Total</b>	<b>100.00</b>	<b>60,774</b>	<b>100.00</b>	<b>62,303</b>	<b>+1045</b>

Source: Adapted from Oxford Econometrics (via JELPS), 2008

### Floorspace required based upon Oxford Econometrics Employment Occupational Change forecasts for Knowsley 2008 2026

Area	2008		2026		Change	
	Office	Industrial	Office	Industrial	Office	Industrial
Knowsley	564,970 sq.m	276,411 sq.m	601,251 sq.m	247,559 sq.m	+36,281 sq.m	-28,852 sq.m

Source: Adapted from Oxford Econometrics (via JELPS), 2008

### Oxford Econometrics forecasts for Employment Land Need (Oversupply) based on Employment Occupation Changes 2008 - 2026 and a development density of 3900 sqm/ha

Area	Office	Industrial	Change
Knowsley	9.30 ha	(7.40) ha	1.90 ha

Source: Adapted from Oxford Econometrics (via JELPS), 2008

## Appendix D: Green Belt Locations and Employment Capacity

Township Area	Ref No.	Location	Minimum Employment Capacity Scenario	Maximum Employment Capacity Scenario
Huyton	3	Knowsley Lane*	10.68 ha	21.35 ha
Kirkby	2	East of KIP / KBP**	7.20 ha	15.75 ha
Prescot, Cronton, Whiston and Knowsley Village	6	Carr Lane***	0 ha	3.18 ha
Prescot, Cronton, Whiston and Knowsley Village	8	South of the M62	24.51 ha	24.51 ha
<b>Borough Total</b>			<b>42.39 ha</b>	<b>64.79 ha</b>
<p>* the location at Knowsley Lane comprises a range from a minimum 50% scenario and maximum 100% scenario of the potential developable area to reflect the potential for mixed use development of the site or development for employment purposes only.</p> <p>** the location to the East of Knowsley Industrial and Business Parks comprises a minimum scenario which excludes land under the ownership or under option of the National Grid that may be required for future substation expansion and / or other operational needs, and a maximum scenario including the entire developable area.</p> <p>*** the location at Carr Lane has flexibility to be brought forward for either residential or employment development depending upon the future status of South Prescot. For the purpose of this report, the residential scenario is presented as a minimum and the employment scenario is presented as a maximum.</p>				

Data Source: Knowsley Green Belt Study and Technical Report: Green Belt (Knowsley MBC, 2012)



**For more information log on to**  
**[www.knowsley.gov.uk/LocalPlan](http://www.knowsley.gov.uk/LocalPlan)**

All mapping is reproduced from the Ordnance Survey material with the permission of the controller of Her Majesty's Stationery Office Crown © Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. Knowsley MBC 100017655, 2012

You can also get this information in other formats.  
Please phone Customer Services on 0151 443 4031  
or email [customerservices@knowsley.gov.uk](mailto:customerservices@knowsley.gov.uk)



*Knowsley Council*

Copyright © 2013 Metropolitan Borough of Knowsley