



**COUNCILLOR PHIL DAVIES**

**CABINET**

**26 March 2018**

**WIRRAL CORE STRATEGY LOCAL  
PLAN - WIRRAL EMPLOYMENT LAND  
AND PREMISES STUDY**

**Councillor Phil Davies, Leader of the Council - Growth, said:**

“As part of the extensive and detailed process of producing a Local Plan for Wirral, it is vital we have a full understanding of the employment land we have, and what we need in the future.

This becomes even more important when we consider the huge investment interest in Wirral at the moment, through developments such as Wirral Growth Company. This report provides Cabinet with a thorough study of our employment land, and will help us as we move through the process of developing our full Local Plan during 2018.”

**REPORT SUMMARY**

In January 2017 Wirral Council asked its retained consultants – Lichfields (assisted by Lambert Smith Hampton) to prepare a Borough-wide Wirral Employment Land and Premises Study [Wirral ELPS]. The Wirral ELPS updates the evidence base, replacing the existing Wirral Employment Land and Premises Study prepared by BE Group in 2012.

Cabinet on 27 February 2017 (Minute 96 refers), when considering the results of further consultation on the Borough’s housing needs and land supply, resolved that the future designation of existing employment land is not determined until the Employment Land and Premises Study Update has been completed and approved.

The Wirral ELPS draws on an assessment of local market conditions, engagement with local stakeholders and businesses, viability assessments of a range of typical industrial and office uses and a review of the current employment land portfolio to arrive at a recommended employment land supply for the Borough to inform the emerging Core Strategy Local Plan. Emphasis is placed on the suitability, deliverability and viability of sites and land for future employment use.

The recommended employment land supply to be included in the Local Plan comprises 41 sites totalling 59.5 hectares net. A further 13 sites are identified at Wirral Waters as of strategic importance to the wider Liverpool City Region; 12 sites for mixed uses, where the final potential for future B Class employment uses is currently unknown; and 17 sites to be safeguarded for longer term employment uses.

The report supports the following pledges in the Wirral Plan 2020:

- Pledge Eight: Greater job opportunities in Wirral
- Pledge Ten: Increase inward investment
- Pledge Eleven: Thriving small businesses

The report is a key decision as the findings could affect a large number of residents and businesses in a large number of Wards.

## **RECOMMENDATIONS**

- (1) The findings of the Wirral Employment Land and Premises Study 2017 are used to inform the content of the Council's emerging Core Strategy Local Plan.**
- (2) That Cabinet recommends to Council that the Wirral Employment Land and Premises Study 2017 is approved as a material consideration for use by Planning Committee in the determination of planning applications.**

## **SUPPORTING INFORMATION**

### **1.0 REASONS FOR RECOMMENDATIONS**

- 1.1 To approve up-to-date evidence on employment land to inform the preparation of the Council's Core Strategy Local Plan and assist with the consideration of planning applications and the implementation of the Council's Growth Plan and Strategic Regeneration Framework.
- 1.2 To comply with the legal and procedural requirements for the preparation and adoption of an up-to-date Core Strategy Local Plan for Wirral, in line with the National Planning Policy Framework [NPPF].

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 Paragraph 21 of the NPPF advises that in drawing up Local Plans, local planning authorities should:
  - set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;
  - set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated 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.
- 2.2 The Wirral ELPS will inform the preparation of the Council's statutory Local Plan for the area. Not preparing an up-to-date Local Plan would mean that the Council would have to continue to rely on the Unitary Development Plan adopted in February 2000. The national presumption in favour of sustainable development would be held to apply where the development plan is absent, silent or relevant policies are out-of-date (NPPF paragraph 14). In the absence of an up-to-date Local Plan, decisions on planning applications will have to be made in the context of the National Planning Policy Framework, with policies in the Unitary Development Plan only carrying weight according to their consistency with the Framework.
- 2.3 Not preparing an up-to-date Local Plan may also incur financial penalties and the intervention of the Secretary of State.

### **3.0 BACKGROUND INFORMATION**

- 3.1 In 2017 Wirral Council asked its retained consultants – Lichfields (assisted by Lambert Smith Hampton) to prepare a Borough-wide Wirral Employment Land and Premises

Study [Wirral ELPS]. The Wirral ELPS updates the evidence base, replacing the existing Wirral Employment Land and Premises Study, last prepared by BE Group in 2012. The scope of the Wirral ELPS is to:

1. establish Wirral's planning policy and economic context;
2. assess recent trends and performance in the commercial property market, defining Wirral's distinct market areas;
3. consult with local stakeholders and businesses;
4. assess the current employment land portfolio to determine the suitability and deliverability of sites and land, considering whether they should be retained or released for other uses;
5. assess the viability of different sized industrial and office developments in each of Wirral's market areas; and
6. recommend an appropriate employment land portfolio for Wirral, balancing quantitative and qualitative factors to inform the emerging Local Plan over the period to 2033.

## **SUMMARY OF KEY FINDINGS**

### **Economic Context (Section 3 of the Report)**

- 3.2 In section 3 of the report, Lichfields review a range of demographic and economic indicators, including economic performance, business demography and enterprise, labour market, commuting patterns, earnings, skills and occupations and deprivation. They draw upon this to consider the main implications for employment land in the Borough in the form of an analysis of the strengths, weaknesses, opportunities and threats facing Wirral.

<b>SWOT Analysis</b>	
<b>Current Strengths</b>	<b>Current Weaknesses</b>
<ul style="list-style-type: none"> <li>• Job growth rates are currently higher than the North West region;</li> <li>• Strong employment growth in business services, health and ICT over the last decade;</li> <li>• Higher business birth rates than the region or UK between 2010 and 2015;</li> <li>• Lower unemployment rate than the region and UK in recent years;</li> <li>• High resident earnings;</li> <li>• Strong proximity to and commuting relationships with key growth areas of Liverpool, Manchester and Chester</li> </ul>	<ul style="list-style-type: none"> <li>• The size of Wirral's population has declined in recent years, though this trend has halted;</li> <li>• Employment in manufacturing and construction sectors has reduced over the last decade;</li> <li>• Over-representation of employment in retail and public sector;</li> <li>• Business death rate as a proportion of the stock is high compared to the region and UK;</li> <li>• Employment has only recently reached pre-recession levels;</li> <li>• Hotspots of deprivation driven by lower incomes and fewer employment opportunities</li> </ul>
<b>Current Opportunities</b>	<b>Current Threats</b>
<ul style="list-style-type: none"> <li>• High business birth rates in recent years and an entrepreneurial culture will help drive future employment growth;</li> <li>• Low workplace earnings are attractive to businesses;</li> <li>• Competitive workforce skills compared to the region (though worse than the rest of the UK);</li> <li>• High workforce representation in professional and associated professional/technical occupations to support growth in the knowledge economy</li> </ul>	<ul style="list-style-type: none"> <li>• Working-age population is forecast to shrink, and economically active population has grown at a slower rate than the region and UK in recent years</li> <li>• Workforce attainment rates of high level qualifications (degree level and above) are low compared to the rest of the UK</li> <li>• Smaller proportion of the workforce employed in technical and vocational skilled occupations compared to the region and UK</li> </ul>

## **Market Areas**

- 3.3 Lichfields identify five broad market areas in Wirral, based on the Settlement Areas identified in the emerging Core Strategy, the distribution of available sites and their understanding of the local market. Subsequent findings are presented on the basis of these market areas. The market areas are:
- Wirral Waters and Enterprise Zone sites (this is to take into account the additional incentives offered by the Enterprise Zone and Wirral Waters Investment Fund);
  - Birkenhead and Wallasey (this is based on Settlement Areas 1 to 3 in the Core Strategy, excluding Wirral Waters and Enterprise Zone);
  - Bromborough and Eastham (this is based on parts of Settlement Area 4 in the Core Strategy, extended to include part of Area 8);
  - Mid-Wirral (this is the same as Settlement Area 5 in the Core Strategy); and
  - West Wirral and Rural Areas (this is based on Settlement Areas 6, 7 and the remainder of Area 8 from the Core Strategy)

## **Viability Analysis (Section 5)**

- 3.4 Lambert Smith Hampton assessed the potential viability of employment sites for eight types of commercial development (including small, medium and large industrial units and offices in different locations plus large distribution centres) which could be expected to come forward within each of the five market areas. The assessment identified viability issues for new build development across Wirral, simply because potential returns (gross development value) will generally be outweighed by the total costs of development (build costs, professional fees, land, profit, etc.). This was without taking into account any abnormal costs such as land reclamation on brownfield sites or the availability of grant funding: as these can vary significantly between sites they cannot be factored into this type of high-level viability analysis.
- 3.5 Lichfields note that any lack of development viability is not just down to poor sites or high abnormal costs but is a factor of prevailing economic and market conditions. Given the best possible portfolio of sites and environment for business, Lichfields are of the view that employers will continue to be attracted to the Borough – even if in pure monetary terms it is not currently viable to build the required premises on a speculative development basis.

## **Stakeholder Consultation (Section 6)**

- 3.6 A key part of the study involved consulting with a wide range of stakeholders including commercial agents, landowners, developers, economic development and business organisations, and undertaking a survey of local businesses. As part of the Duty-to-Cooperate, consultations were also held with adjoining Local Planning Authorities to determine the cross-boundary economic and employment land relationships. The findings of this stakeholder engagement is summarised in Section 6 of the report and confirmed that there is no expectation for Wirral to accommodate employment needs arising from elsewhere and vice versa. Large scale developments would, however, affect existing commuting and employment relationships; for example, between Wirral and Liverpool and between Cheshire West and Chester and Wirral.

## **Review of the Employment Land Portfolio (Section 7)**

- 3.7 To align with the SHELMA, the Wirral ELPS only considers B-Class land uses, which include:
1. B1a/b Business (offices / research & development);
  2. B1c/B2 Light / General Industrial (workshops / factories); and
  3. B8 Storage or Distribution (wholesale warehouses, distribution centres).
- 3.8 The review focuses upon sites and land currently in existing employment use, or allocated for employment use within the adopted UDP. Additional potential sites were also assessed to determine their suitability for employment use, mostly sites with no existing notation in the UDP or subject to non-employment designations such as a Key Town Centre. In total, 93 sites were assessed (covering 237 hectares (gross) of land), the majority of which fell within the Birkenhead & Wallasey and Bromborough & Eastham market areas. Each site was visited and assessed for its suitability for future employment use in line with national planning practice guidance, in addition to considering the outcome of stakeholder consultation and the viability assessment outlined above. Each site was given a rating of 'very good', 'good', 'average', 'poor', or 'very poor' as a broad indication of the overall quality of the employment land opportunity rather than as a comparison of one site against another. The assessment is summarised in individual proformas for each site containing photographs, red-line boundaries on aerial maps, site descriptions, assessments, the final rating and a policy recommendation. A further 3 sites which had gained planning permission for employment uses since the study began were not assessed but included in the overall portfolio.
- 3.9 Lichfield's approach to determining Wirral's employment land supply was framed by three key objectives:
1. Protect and provide good quality sites suitable for employment uses with the greatest prospect of delivery over the Local Plan period to 2033, and to respond to areas of strong market demand, in particular ensuring that Bromborough - Wirral's nucleus of prime industrial space - has sufficient good quality sites to meet levels of demand. As viability is challenging, even in prime locations such as Bromborough, the recommended portfolio therefore needs to focus on the best quality sites with positive viability to ensure that supply is able to respond to demand with limited intervention;
  2. Remove policy protection for employment designations and de-allocate poorer quality sites that are unlikely to meet modern business needs and/or have significant deliverability and viability issues. This responds directly to feedback from local businesses and stakeholders that much of the existing employment space is of poor quality and is not fit for purpose. This is particularly the case in Birkenhead where there is a wider need for regeneration and to provide opportunities for businesses to relocate from poorer quality premises (particularly in and around Wirral Waters) to better quality premises that better meet the needs of modern occupiers; and
  3. Distinguish between meeting Wirral's local business needs and strategic requirements generated by the wider Liverpool City Region and inward

investment, specifically Wirral Waters, which aims to attract investment of a scale over and above the needs of Wirral Borough in isolation.

### Recommended Employment Land Supply

3.10 From the overall portfolio of employment land assessed, Lichfields recommend that thirteen sites be de-allocated, released for other uses or not allocated for B-Class employment use. This includes seven allocated and existing sites, totalling 6 hectares (net), and six potential sites that are considered inappropriate to be allocated for B-Class use, which are generally poor quality sites with significant development constraints and low market attractiveness. Some are considered to have challenging deliverability within the Local Plan period up to 2033, have permission or are under construction for alternative uses, or are simply inappropriate for future B-Class use. These sites are:

Site ID	Site Name	Site Area (ha)	Brief summary of reasons for exclusion from employment land portfolio/supply
35	North of Oakdale Road - West of New Way Business Centre	0.78	Site is poor quality and has serious development constraints.
54	Clatterbridge Hospital, Clatterbridge Road	4.74	Not possible to determine suitability for a particular type or form of development due to Green Belt status.
65	Former Burtons Biscuits, Pasture Road	12.51	Poor market attractiveness and demolition cost constraints; now has planning permission for housing. Re-designate as Primarily Residential unless continued employment use can be secured.
66	Former River Streets, Beaufort Road	4.02	Housing scheme under discussion – retain Primarily Residential designation.
133	Former Waste Transfer, Limekiln Lane	1.59	Development constraints and adjoining use favour restoration for public open space.
255	Village Road Oxton, (2-2A)	0.10	Site under construction for mixed-use development, proposed re-designation as local centre in Local Plan.
342	57A-59 Norman Street	0.18	Backland site in primarily residential area-better pursued for residential development.
343	Chester Road Industrial Units (Darlington's Yard)	0.01	Exclude because of small size and Green Belt status.
360	Fmr Punch Bowl Inn Hoylake	0.01	Retain in town centre boundary-suitable for mix of town centre uses.
365	Former Hurstwoods International, New Brighton	0.58	Site under construction for extra-care residential development.
391	Car Park, Alabama Way	0.50	Layout and context favours retention as public amenity/ access to the coast.
420	Rear of Arrowe Brook Road, Upton	2.00	Site now under construction for residential development.
421	Cross Lane Industrial Estate	1.61	Site no longer available with the

			developable land part of adjacent van hire business.
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- 3.11 As such Lichfields overall recommended employment land portfolio comprises 83 sites of 143.6 hectares (net). Lichfields then go on to consider which sites in the overall remaining portfolio should comprise the declared employment land supply in the emerging Core Strategy Local Plan. They discount thirteen Wirral Waters sites of strategic importance to the wider Liverpool City Region; twelve sites appropriate for mixed use development (where the precise quantum of B-class uses would be unknown until development proposals come forward) and seventeen sites to be safeguarded for long term employment use (generally sites owned by existing businesses and only accessible to them; or sites where deliverability is currently unknown and may come forward after 2033). The mixed use sites in particular may contribute B1a/b/c Class employment space over the course of the Plan period, although the quantum of this is unknown at present.
- 3.12 Lichfields final recommended employment land supply for inclusion in the Local Plan therefore comprises 41 sites with a combined net developable area of 59.5 hectares. The majority of the recommended supply relates to eight retained Employment Development Sites and twenty-six retained Primarily Industrial Area designations. A further four potential sites are considered suitable employment sites and are also recommended to be allocated for B-Class use. The three small sites with extant planning permission not assessed by Lichfields are also included as part of this final employment land supply. The full list of sites is included as an appendix to this report.

### **Demand and Supply Balance (Section 8)**

- 3.13 The Wirral ELPS does not assess the need or demand for future employment land which is currently being considered in a separate cross-boundary report - the Liverpool City Region Strategic Housing and Employment Land Market Assessment [SHELMA]. The SHELMA will identify the quantum of office, industrial and small scale warehousing land that will be needed in Wirral, to 2037 and will also consider the need for strategic warehousing for the Liverpool City Region as a whole. The SHELMA was subject to stakeholder consultation in October 2017 and the responses are currently being considered by the LCR Combined Authority, prior to final adoption by each of the partner authorities later in 2018.
- 3.14 The draft Liverpool City Region SHELMA currently indicates a potential requirement of between 57 and 130 hectares of B-Class land in Wirral for the period 2012 to 2037. Pro-rated to the Wirral Local Plan period, to 2033, the range narrows to 34 to 78 hectares. It should however be noted that this excludes the additional need for sites for large scale B8 use which the SHELMA will consider at the wider Liverpool City Region level. The draft SHELMA recommendations at Wirral level set against the overall employment land portfolio and recommended employment land supply are summarised in Table 8.1 of the Wirral ELPS, which is reproduced below. The recommended employment land supply of 41 sites covering 59.5 hectares (net) falls within the upper range of the requirement for Wirral estimated by the draft Liverpool City Region SHELMA.

Table 8.1 Forecast net requirement for Wirral Local Plan period up to 2033 (ha)

Scenario	B1	B2	Small scale B8	Total	Margin	Total + Margin	Surplus (Total + Margin - Overall portfolio, @ 143.6 ha net)	Total + Margin - Recommended supply @ 59.5 ha net
Baseline scenario (6,600 FTEs)	13.44	6.78	0	20.22	13.8	34.02	+109.6	+25.5
Growth scenario (11,500 FTEs)	17.1	7.44	0	24.6	13.8	38.4	+105.2	+21.1
Past completions	15.66	53.4	8.7	77.76	0	77.76	+65.8	-18.26

Source: GL Hearn (2017) Draft Liverpool City Region Strategic Housing & Employment Land Market Assessment, Lichfields analysis  
 Note: Overall Portfolio = 143.6 ha, Recommended Supply = 59.5 ha.

### Spatial Distribution and Delivery Timescales (paragraphs 8.9-8.16)

3.15 Table 8.2 in the Wirral ELPS (reproduced below) shows both the number of sites and their combined net developable area for each market area. The timescales identify nine sites that are already either fully developed or under construction, with the remaining timescales broken down into the five-year periods of the Local Plan. Indicative timescales for delivery were derived on the basis of the commercial property market review, consultations with stakeholders such as agents, landowners and developers, and site specific information such as viability and known development constraints.

Table 8.2 Spatial Distribution and Delivery Trajectory of the recommended employment land supply

Market Area	Fully Developed or Under Construction		2018 to 2023		2023 to 2028		2028 to 2033		Plan period 2018 to 2033	
	No. of sites	Net developable area (ha)	No. of sites	Net developable area (ha)	No. of sites	Net developable area (ha)	No. of sites	Net developable area (ha)	No. of sites	Net developable area (ha)
Birkenhead and Wallasey	3	0.0	8	4.3	3	1.9	1	10.4	15	16.6
Wirral Waters Enterprise Zone	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Bromborough and Eastham	3	0.0	7	12.0	3	9.8	4	18.2	17	39.9
Mid Wirral (Moreton, Greasby, Upton)	1	0.0	1	0.2	1	1.1	1	1.5	4	2.8
West Wirral and Rural Areas	2	0.0	0	0.0	0	0.0	0	0.0	2	0.0
Extant planning permissions	0	0.0	3	0.2	0	0.0	0	0.0	3	0.2
<b>Total</b>	<b>9</b>	<b>0.0</b>	<b>19</b>	<b>16.6</b>	<b>7</b>	<b>12.8</b>	<b>6</b>	<b>30.1</b>	<b>41</b>	<b>59.5</b>

Source: Lichfields' analysis

- 3.16 The recommended employment supply aims to reduce the reliance on poorer quality sites, predominantly within the Birkenhead and Wallasey market area, while retaining better quality sites that are most suitable for continued B-Class employment use. More than half of the recommended employment land supply is expected to be delivered in the last five years of the Local Plan, and more than two thirds of the total supply is expected to be provided in the Bromborough and Eastham market area. The supply of employment land in the Birkenhead and Wallasey market area is expected to decrease over the short to medium term before increasing towards the end of the Plan period. This is because the most readily developable sites included in the recommended supply for the market area are smaller infill development plots. Lichfields note that grant funding or other mechanisms should be considered to accelerate delivery of good quality but constrained sites in Bromborough and Birkenhead. Additionally, they recommend that the Council should consider the qualitative arguments for allocating new strategic sites that are more readily developable than the constrained brownfield sites that characterise much of the existing supply.

### **Assessment of Employment Areas (paragraphs 8.17-8.40)**

- 3.17 In addition to the site-specific assessments, Lichfields also provide a commentary on each of Wirral's wider employment areas to provide guidance on their future role and importance in the Borough's overall hierarchy of sites. To provide continuity with the previous 2012 Wirral Employment Land and Premises Study, Lichfields group each of the employment areas and sites into four main categories that reflect their position in the study area as a whole (rather than their sub-regional significance). A short summary draws together the key points from the analysis for each market area. Lichfields consider that all the existing employment areas continue to play an important role in the local economy. Of particular importance, employment areas away from the Birkenhead and Wallasey and Bromborough and Eastham areas, notably North Cheshire Trading Estate and the existing employment areas in Moreton and Upton should retain a 'key employment area' designation, with Carr Lane retained as a 'key local area'.

### **Options for accommodating growth (paragraphs 9.19-9.41)**

- 3.18 In light of the recommended employment land supply Lichfields identify a number of options for accommodating future growth:

#### **1. Allocate New Industrial Sites**

- 3.19 Lichfields consider that allocating additional sites for industrial development would increase the current choice of sites and provide the Borough with new development opportunities of the size and scale necessary to allow local businesses to expand. This is particularly important in their view, as a significant amount of demand for premises and development in the Borough is driven by local businesses. Several agents reported that they had unmet enquiries from local businesses looking for new premises. Lichfields consider that this option could be set out in more detail in a new policy in the emerging Local Plan, setting out precise locations and sites to allocate.
- 3.20 Within the current economic climate, Lichfields consider that the focus should be on sites in areas of strongest market demand. Whilst there are robust levels of demand

for industrial premises across the Borough, the Bromborough and Eastham market area receives the greatest level of interest. Agents reported that in Mid Wirral and West Wirral market areas demand is driven primarily by local indigenous businesses. The demand for industrial premises is primarily from manufacturing and light engineering businesses; and distribution businesses tend to locate in Wirral International Business Park where there is good access to the M53. There is a particular shortage of industrial/distribution sites up to 930 sqm / 10,000 sq ft across the Borough, but there is also demand for larger premises above 9,300 sqm / 100,000 sq ft. Demand is concentrated in Bromborough and Eastham, though there is also demand for sites in Birkenhead and the Mersey Waters Enterprise Zone where there is also good access to the M53. The most popular industrial estate, Wirral International Business Park, is nearly fully developed with significantly fewer sites now available.

- 3.21 Lichfields therefore consider that the focus in Wirral should be on providing further industrial and warehousing allocations, despite the greater demand for office space forecast at City Region level in the draft SHELMA, particularly as past completions demonstrate that industrial and distribution-based demand has driven development in the Borough in recent years.
- 3.22 Although econometric projections suggest a potential growth in office jobs over the plan period in the Borough, there are concerns regarding the amount of office space that is required in the local context. The office market in Wirral is predominantly focused on Birkenhead and demand is predominantly from local SMEs looking for small office spaces. This is likely to continue for the short term at least until the Wirral Waters scheme develops further and begins to provide larger-scale higher quality office accommodation.
- 3.23 Lichfields consider that this is partly because the office market remains relatively weak in Wirral due to the proximity of the Borough to more established office centres such as Liverpool and Manchester. Further substantial office allocations could also serve to further weaken the attractiveness of secondary office space in Wirral. The current stock of office space in the Borough is biased towards refurbished buildings rather than purpose-built accommodation. Most office enquiries are from local businesses and there is considered to be insufficient demand for significant new-build premises in the short term.

## **2. Intensification of Existing Sites**

- 3.24 Lichfields identify the upgrading and refurbishment of existing industrial areas (and where possible, their redevelopment, so that they can be used more efficiently) as a further option for accommodating future requirements. Better utilisation of the existing industrial stock could be achieved through gradual redevelopment of individual plots, for example, by replacing a large older unit with a development of modern smaller units for which there is stronger demand. There is a particular need for this in the Birkenhead and Wallasey market area which has a prevalence of poorer quality and older premises, much of it dating from the 1950s.
- 3.25 Lichfields recognise that there may be limited scope to upgrade and renew some of the poorer performing sites, to ensure that this space remains attractive and viable to the market. In the first instance, they consider that this approach could focus on older employment sites that do not currently reflect modern working layouts, densities,

technology and premises and perform relatively poorly based on recent site assessments. In particular, older industrial and dock related buildings should be targeted, as these form many of the poorer-rated sites. This may comprise redevelopment, although qualitative improvements could also be delivered through refurbishment of existing buildings (to an extent).

### **3. Policy Delivery Mechanisms**

- 3.26 Alongside provision of new supply, as noted above, Lichfields consider that upgrading and renewal of the Borough's existing office stock will also be important. It will not only ensure that this space remains attractive to the market, but may also provide the opportunity to create some additional supply. This may comprise redevelopment, but qualitative improvements can also be delivered through refurbishment of existing sites and premises.
- 3.27 Lichfields recommend that the Council should work with partners such as the Liverpool City Region LEP and Homes England to support delivery of employment sites where viability is challenging development. This could include supporting elements of cross subsidy with higher value uses as part of wider employment developments, such as trade counters or food outlets. Additionally grant funding mechanisms or rent commitments could help de-risk development. Other policy tools highlighted by Lichfields include business improvement districts, Section 106 agreements/future community infrastructure levy, local development orders, design codes and planning briefs to de-risk planning issues and provide greater certainty. Encouragement for owners and developers could also be aided by a range of planning and economic development interventions including:
1. a Local Plan policy encouraging such forms of upgrading (although this will only work in combination with other actions);
  2. continued and stronger Local Plan policy protection for certain industrial sites (reducing the potential for residential 'hope value' pricing out development);
  3. local initiatives to publicise to local firms case studies of successful upgrading of business premises, including costs, local contractors involved and rental or other benefits achieved;
  4. encouragement of mixed use developments to help facilitate and cross-subsidise the creation of B-class premises; and
  5. direct engagement with owners regarding the upgrading of their premises.

#### **Other Policy Issues (paragraphs 9.44-9.48)**

##### **Wirral Waters and the Dock Estate**

- 3.28 The Wirral Waters market area covers much of the current and former dock estate in Wallasey and Birkenhead. Lichfields consider that it will be vital for Wirral Council to ensure that any proposed developments featuring sensitive receptors that would adjoin the Mersey Waters EZ (and particularly MEA Park) do not compromise the future deliverability of these employment proposals prior to delivery. For example, if site 66 (Former River Streets, Beaufort Road) were to come forward for residential use it should be designed in such a way that it would not prohibit or undermine future proposals for large scale B1/B2/B8 development at the adjacent MEA Park.

3.29 Whilst a significant proportion of the former dock estate was assessed in this study, not all of the active sites in this area were reviewed, as the port operator still expects large areas to remain in port-related use during the Plan period. Lichfields consider that whilst every proposal should be treated on its merits, in very general terms the existing uses within the former dock estate are appropriate in the current context/phase of development. In the long term, however, there will clearly be a wide-ranging transformation of the dock estate, which is likely to extend beyond the Plan period and which could radically change the mix of uses (particularly to the east) that could potentially be accommodated. Lichfields consider that the Council will need to be mindful of this when planning the wider regeneration of this part of Birkenhead. The current masterplan for the area broadly envisages East Float coming forward for a mix of C2/C3 residential/ B1 business/ D1 institutions /D2 leisure and Sui Generis uses over the plan period, whilst West Float is predominantly intended for B1c/B2 and B8 uses.

### **Affordable Space for Small Businesses**

3.30 There is a shortage of good quality smaller industrial premises, with smaller premises up to 930 sqm / 10,000 sq ft being in particularly high demand from local SMEs. Demand is concentrated in Bromborough, though there is also a need in Birkenhead and Wallasey and to a lesser extent in Moreton. Agents reported that they had unmet enquiries from local businesses looking for premises to expand into. Based on experience elsewhere, Lichfields put forward two possible approaches to providing such premises:

1. Secure provision of small units within larger employment developments, residential or mixed use schemes. This could be achieved as part of the S.106 obligations with the developer delivering the units for management by the Council or another operator. Lichfields recognise that caution will be needed in periods of market uncertainty to ensure this does not delay or even prohibit delivery of potentially valuable development.
2. Encourage conversion or sub-division of older industrial space into a number of small, lower cost units which could provide a more cost effective option than provision of new bespoke space. If the market did not bring this forward, such a scheme could be instigated by the Council with a development partner or consortium.

### **Monitoring (paragraphs 9.49-9.50)**

3.31 Lichfields set out a number of recommendations for monitoring:

1. levels of future demand for office and industrial space and the range of future requirement estimated by the draft SHELMA this best relates to;
2. how much of the currently identified supply of employment space commitments are likely to come forward and whether any new sites emerge;
3. the extent and type of any losses of existing employment land to non B-class uses, particularly to residential (as part of the on-going monitoring of office losses under the amended Permitted Development Rights, which will now need to incorporate the proposed changes to Permitted Development Rights to include B1c and B8 uses); and,

4. any on-going deficiencies in provision for specific types of employment premises identified in any future consultation with stakeholders (e.g. small, low cost, business or industrial units).

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 Lichfields have undertaken this study under the terms of their appointment as the Council's retained retail consultants in 2013 for a period of five years, following a tender process. The fee of £45,495 excluding VAT was met from the Transformation budget. Some of the recommended interventions to bring forward sites and premises as referenced in paragraph 3.27 may require external funding support.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 The Core Strategy Local Plan for Wirral must be prepared in line with the process set out in national legislation and can only be adopted by the Council if it is found to be legally compliant and sound by a Planning Inspector appointed by the Secretary of State after public examination.
- 5.2 To be sound, a local plan must be: positively prepared, to meet objectively assessed development and infrastructure requirements; justified, in terms of being the most appropriate strategy when considered against the reasonable alternatives; effective, in terms of being deliverable and based on effective joint working on cross-boundary strategic priorities; and be consistent with national policy, by delivering sustainable development in line with the National Planning Policy Framework (NPPF, paragraph 182).
- 5.3 To be legally compliant, the local plan must be prepared to fully comply with national legislation and regulations, including the Duty to Co-operate.
- 5.4 The Council has a legal Duty to Co-operate with named public bodies including adjoining local authorities and national agencies. A failure to comply with the Duty to Co-operate can be fatal to the legal compliance of the Local Plan and could require the Core Strategy to be withdrawn.
- 5.5 The Council must also comply with its own statutory Statement of Community Involvement, last adopted in March 2014.
- 5.6 The approval of the final Draft Core Strategy Local Plan will require a resolution of Council before it can be published and submitted to the Secretary of State for public examination.

#### **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 The Council's Core Strategy Local Plan is prepared by the Council's Forward Planning Service, supported by other teams responsible for housing, regeneration, transport, economic development and public service delivery.
- 6.2 The Wirral ELPS will have implications for the review of development options requested by Cabinet in February 2017 (Minute 96 refers).

## **7.0 RELEVANT RISKS**

- 7.1 A failure to comply with the requirements of national policy can be fatal to the legal compliance and soundness of the Core Strategy.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 A key part of the study involved consulting with a wide range of stakeholders including commercial agents, landowners, developers, economic development and business organisations, and undertaking a survey of local businesses. As part of the Duty-to-Cooperate, consultations were also held with adjoining Local Planning Authorities to determine the cross boundary economic and employment land relationships. The findings of this stakeholder engagement is summarised in Section 6 of the report.
- 8.2 Consultation on the later stages of the emerging Core Strategy Local Plan and the associated evidence base (including the NLP Retail study and the review of development options requested by Cabinet in February 2017) will be undertaken in line with the Council's statutory Statement of Community Involvement approved on 10 March 2014. The review of development options, which will now include the findings of the Wirral ELPS, will be reported to Cabinet in July 2018.

## **9.0 EQUALITIES IMPLICATIONS**

- 9.1 The emerging Core Strategy Local Plan has been subject to ongoing Equality Impact Assessment.
- 9.2 Results of previous Equality Impact Assessments prepared at each stage in the preparation of the Core Strategy can be viewed at <http://www.wirral.gov.uk/planning-and-building/local-plans-and-planning-policy/local-plans/core-strategy-local-plan-0>
- 9.3 A revised Equality Impact Assessment will be presented alongside the proposals to be included in the final Core Strategy Local Plan.

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### **APPENDICES**

List of sites to be included in the local plan and sites with planning permission

The following items can be viewed in the Council's on-line Document Library [here](#) under "Wirral Core Strategy Local Plan – Wirral Employment Land and Premises Study"

Wirral Employment Land and Premises Study (Main Report)  
Appendix 1: Stakeholder consultation  
Appendix 2: Viability appraisal outturns

- Appendix 3: Gross to net adjustments for employment sites
- Appendix 4: Site assessment criteria
- Appendix 5: Sub-area maps
- Appendix 6: Assessed site criteria ratings
- Appendix 7: Site Pro-formas

**REFERENCE MATERIAL**

The previous Wirral Employment Land and Premises Study Refresh (September 2012, BE Group) can be viewed here:

<http://democracy.wirral.gov.uk/ecsddisplayClassic.aspx?name=sd824&id=824&rpId=1000281486&sch=doc&cat=13211&path=12848%2c13202%2c13211>

The Core Strategy for Wirral, Proposed Submission Draft (December 2012) can be viewed at:

<http://www.wirral.gov.uk/my-services/environment-and-planning/planning/local-development-framework/core-strategy-development-plan>

Additional background information relating to the earlier stages in the preparation of the Core Strategy Local Plan can be viewed on the Council’s website at

<http://www.wirral.gov.uk/planning-and-building/local-plans-and-planning-policy/local-plans/core-strategy-local-plan>

The documents related to the Council’s ongoing review of development options can be viewed at

<http://www.wirral.gov.uk/planning-and-building/local-plans-and-planning-policy/local-plans/core-strategy-local-plan-6>

**SUBJECT HISTORY (last 3 years)**

Council Meeting	Date
Cabinet – Core Strategy Local Plan – Report of Further Consultation on Housing Need and Land Supply	27 February 2017 (Minute 96)

## Appendix - List of sites to be included in the Local Plan

<b>ID</b>	<b>Site Name</b>	<b>Gross site Area (HA)</b>	<b>Net Developable Area (HA)</b>	<b>Market Area</b>
6	Eastham Dock Estate - Queen Elizabeth II Dock	6.57	6.57	Bromb & Eastham
13	Eastham Dock Estate - North Road Tank Farm	9.32	8.38	Bromb & Eastham
17	Riverview Road - East of Tulip	2.94	1.91	Bromb & Eastham
24	Premier Brands, Reeds Lane - North of Access Road	1.46	1.46	Mid Wirral
31	Twelve Quays - Morpeth Waterfront	1.51	1.36	B'head & W'sey
49	Riverside Park (Phases 2b - 4)	3.37	3.03	Bromb & Eastham
50	Former Tank Farm, Commercial Road	0.97	0.97	Bromb & Eastham
57	North Cheshire TE - S of Avalon Funeral Supplies	0.21	0.09	B'head & W'sey
64	Former TRFC Training Ground, Valley Road	1.28	1.1502	B'head & W'sey
70	Peninsula Business Park, Moreton	1.26	1.13	Mid Wirral
72	North Cheshire TE - North of PK Commercial	0.48	0.43	B'head & W'sey
74	Former MOD Tank Farm, Old Hall Road	8.07	6.85	Bromb & Eastham
79	Birkenhead Dock Estate - Bidston Dock	17.55	10.40	B'head & W'sey
97	Former Royal Swan Hotel, Dock Road	0.23	0.38	B'head & W'sey
101	Quest International, Bromborough Coast	0.60	0	Bromb & Eastham
110	West Float Industrial Estate, Dock Road	0.34	0.34	B'head & W'sey
116	Former Builders Yard, Magazine Lane	1.01	1.01	Bromb & Eastham
123	Wheatland Lane, Seacombe	0.50	0.5	B'head & W'sey
125	Tarran IE - Tarran Way North	0.24	0.24	Mid Wirral
217	Ten Streets - Phase 1	0.98	0.98	B'head & W'sey
219	Former Parry & Sherlock, Cleveland Street	0.35	0	B'head & W'sey
232	Ten Streets - Phase 4	0.52	0.33	B'head & W'sey
234	Former Spectrum Adhesives, Caldbeck Road	2.36	2.36	Bromb & Eastham
242	Slack Wood, Riverview Road	2.03	1.35	Bromb & Eastham
263	Riverbank Road, Magazine Lane	1.78	1.6	Bromb & Eastham
309	Adj 45 Old Bidston Road	0.13	0.13	B'head & W'sey
324	Former Croda/ Uniqema site	5.03	0	Bromb & Eastham
328	Former Pallet yard, Birkenhead Road	0.63	0.63	B'head & W'sey
330	Tulip expansion	2.30	2.18	Bromb & Eastham
334	Former UML Power Station (balance of site 75)	2.78	0	Bromb & Eastham
341	Arnwood Phase 2 (balance of 241)	0.16	0	Bromb & Eastham

356	Royston Dental Laboratory	0.07	0	W.Wirral & Rural
358	Forge Engineering Ltd	0.30	0	Mid Wirral
359	Pemway Enterprise Centre	0.05	0	W.Wirral & Rural
364	Former Epichem, Power Road	3.87	1.93	Bromb & Eastham
403	E of 54 Old Bidston Road	0.02	0.02	B'head & W'sey
415	Former Eastham Sand, Riverbank Road	3.89	1.94	Bromb & Eastham
418	Vacant Yard, 303 Corporation Road	0.18	0	B'head & W'sey

<b>Sites with planning permission</b>		
<b>Site Name</b>	<b>Proposal</b>	<b>Site area</b>
Former M53 Ford, Hind Street	Renovation of car showroom and garage replacement of existing workshop building and subdivision of former NHS building as a separate unit for B1, B2 & B8 uses (APP/17/00526)	Net change in B class floorspace 190 sq m (0.019HA)
Land adjacent to Howdens, Tarren Way West	Proposed industrial unit with mezzanine level and car parking (OUT/16/00737)	0.09 HA
Hoylake Crash and Service Centre, New Hall Lane	Erection of additional workshop unit for B-class use (APP/16/01612)	447 sqm net (0.045HA)