

Appendix 4 – Detailed Background Reports: Document Review

BACKGROUND INFORMATION

This appendix provides a review of key background documents relating to the region and sub-region which set the context for Wirral’s employment land and property market.

North West Employment Land Study (NWRA, 2005)

The North West Employment Land Study analysed allocated employment sites in the Liverpool and Halton sub-region. Just three sites in Wirral are classed within the ‘top tier and available for development’ category. The majority are identified as being of average or poor quality and unavailable for development in the next three years. See Table A4.1 below.

Table A4.1 – Wirral Availability and Deliverability Rankings

ID Number	Site Name	Developable Area	Type	Appropriate Use	Market Use Score
Top Tier and Available					
MEWR10	Former UML Power Station	6.78	Brownfield	General ‘B’ use	3.67
MEWR13	Premier Brands	6.90	Greenfield	General ‘B’ use	3.75
MEWR9	Girlings Field	7.02	Greenfield	B1	3.83
Middle Tier and Unavailable within next three years					
MEWR2	Lever Faberge	22.54	Brownfield	General ‘B’ use	3.30
MEWR5	North Road Tank Farm Complex	9.28	Brownfield	General ‘B’ use	3.22
MEWR6	MOD Tank Farm	8.10	Brownfield	General ‘B’ use	3.22
MEWR7	Former RV Chemicals	8.09	Brownfield	General ‘B’ use	3.28
MEWR12	Former River Streets	5.77	Brownfield	General ‘B’ use	3.40
MEWR14	Bankfields	5.86	Greenfield	General ‘B’ use	3.23
MEWR15	QE2 Docks	6.54	Greenfield	General ‘B’ use	3.43
Lower Tier and Unavailable within next three years					
MEWR1	Cammell Lairds	24.49	Brownfield	General ‘B’ use	3.08
MEWR3	RHM Mills and Canada Creek	10.86	Brownfield	General ‘B’ use	3.00
MEWR4	Bromborough	9.61	Brownfield	General ‘B’ use	3.17

ID Number	Site Name	Developable Area	Type	Appropriate Use	Market Use Score
	Coast				
MEWR8	Bidston Dock	17.31	Brownfield	General 'B' use	2.77
MEWR11	Hind Street Regeneration Area	6.16	Brownfield	General 'B' use	2.55

Source: North West Employment Land Study 2005

North West Ports: Economic Trends and Land Use Study (NWDA, 2005)

The Study provides an assessment of the economic trends and land use requirements of Birkenhead Docks and Twelve Quays.

With regard to Twelve Quays, the study states that with its 24-hour unrestricted access direct to the sea, and proximity to major markets, this is the best-appointed roll-on-roll-off (Ro-Ro) facility in the North West. It should benefit from expected trade growth in a more stable market environment. However, the lack of land for the storage of trailers may become a constraint in the future. Given current market and policy trends, its future roles are likely to be:

- A major Ro-Ro facility serving the GB-Ireland market (i.e. a national role)
- Given sufficient land availability adjacent to the terminal, the facility could help to support the development of distribution activity serving both the North West and the Irish markets.

For Birkenhead Docks the report states that the lack of an active rail link to the port may restrict its development potential as a site for distribution activity. But land availability is very unlikely to be a constraint on development. The availability of land could provide an opportunity for the development of non-port or port-based distribution activity. Given current market and policy trends, the Docks' future roles are likely to be:

- A sustainable distribution hub (waterborne, rail and road freight transport), principally serving a regional hinterland as long as a rail link is available
- Potential development of distribution activity serving both the North West and Irish markets.

North West Ports Economic Trends & Land Use Study, NWDA (2009)

The study provides an update of previous research carried out in 2005. It provides an evidence base for the development of future regional policy and strategy, assessing key economic trends affecting North West ports and how this translates into land requirements.

The Port of Liverpool is acknowledged as consisting of a number of separate facilities. In Wirral these comprise:

- Tranmere Oil Terminal – solely concerned with the import of crude oil for Shell’s Stanlow refinery
- Twelve Quays – Ro-Ro terminal, described as probably the best appointed Ro-Ro facility in the North West
- Birkenhead Docks – despite deep water, are dominated by Liverpool’s facilities which have an almost identical hinterland for the range of cargoes and which enjoys better economies of scale
- Bromborough – competing in the local ‘small ports’ market, handling minor bulk flows on a riverside berth.

The Manchester Ship Canal reference includes the plans for further Canal-side facilities at Port Wirral (Eastham).

Government has developed a consultation document (published 2008) on masterplanning for ports. Although this remains voluntary, the document suggests any ‘major’ port that wants to expand its facilities in a way that has external impacts beyond the port estate will find it much easier to receive relevant permissions if a masterplan has been developed.

Amongst other matters, the masterplan should set out where changes of land use are likely to be required to support growth areas.

The report notes Wirral planners are keen to see the introduction of a port masterplan, particularly because of proposals to recycle operational port land at Birkenhead Docks for non-port uses.

Comment is made on the key constraints and opportunities for each of the North West’s ports. The Wirral ports are summarised in Table A4.2.

Table A4.2 – Wirral Ports – Summary of Constraints & Opportunities

Port	Constraints	Opportunities	Conclusion
Twelve Quays	<ul style="list-style-type: none"> • Strong Holyhead & Liverpool competition for Ro-Ro freight volumes • Short term lack of growth in Irish Sea 	<ul style="list-style-type: none"> • Policy/legislation changes should increase market share • Medium/long term growth in Irish Sea 	<ul style="list-style-type: none"> • Given sufficient land availability adjacent to the terminal, the facility could help to support the development of distribution activity serving the NW and Irish markets.

Port	Constraints	Opportunities	Conclusion
	Ro-Ro market <ul style="list-style-type: none"> • Medium term, lack of parking space which may restrict ability to exploit likely trade growth 	Ro-Ro market <ul style="list-style-type: none"> • Development of Regional Distribution Centres close to Ro-Ro terminal 	
Birkenhead Docks	<ul style="list-style-type: none"> • Available deepwater facilities at Liverpool • Lack of active rail link 	<ul style="list-style-type: none"> • Land available for development • Retain role as regional port for dry and liquid bulk cargoes • Sustainable distribution role • Development of rail traffic 	<ul style="list-style-type: none"> • Sustainable distribution hub serving a regional hinterland • Potential development of distribution activity
Bromborough (Mersey Wharf)			<ul style="list-style-type: none"> • Small sustainable distribution hub for bulk/semi bulk goods serving regional hinterland
Port Wirral (Eastham)		<ul style="list-style-type: none"> • Rail access via reinstated line • Proximity to Vauxhall plant provides potential for export of cars by sea 	<ul style="list-style-type: none"> • Mitigation for loss of port land at Ellesmere Port and Runcorn Docks • Dry bulk/semi-bulk traffic

Source: North West Ports Economic Trends & Land Use Study, NWDA 2009

North West Competitiveness and Operational Programme 2007-2013 (NWDA, 2007)

Over the period 2007-2013, the North West is set to receive just over €750 million in ERDF support under the Competitiveness strand of the EU's Structural Funds. Out of this total, 41 percent is ringfenced for Merseyside. In response to this opportunity, partners in the region have developed a North West Operational Programme (NWOP) to determine how these resources are to be used.

The report provides an overview of the North West economy. Greater Merseyside has a GVA of £16.1 billion, 19 percent of the regional total, and was historically dominated by port and port-related service activities. It has a population of 1.5 million. Now the sub-region has concentrations in chemicals and public sector administration, and a developing services sector. Liverpool is the major city and has 447,000 residents. The most significant features are the importance of the public sector to GVA, the low importance of manufacturing and the significance of financial and business services overall. In relative terms Greater Merseyside has an above regional average concentration of GVA and employment in the financial

services sector, but its shares of GVA in business services are similar to the regional average and its employment share is lower.

Table A4.3 – Key Economic Indicators

	Greater Merseyside	North West
Population (000s, 2004)	1485.9	6846.3
Population density (2004)	1637	459
Population change (1999 – 2004)	-0.9 percent	0.8 percent
GVA, £billion (2003)	16.2	97.1
Average annual GVA growth (1998-2003) - current prices	5.1 percent	4.6 percent
GVA per head (2003)	£11,846	£14,269
Relative GVA per head, England = 100 (2003)	72	86
No. of firms (000s, 2004)	39.8	232.9
Employment (000s, 2004)	589.5	3014.9
Average annual employment growth (1999-2004)	1.6 percent	1.6 percent
Economic activity rate (2005)	73.4 percent	76.6 percent
Unemployment rate (2005)	4.8 percent	4.7 percent

Source: North West Competitiveness and Operational Programme 2007

The North West has a relatively small business base given the size of its economy. Business density, as measured by the number of VAT registered businesses per 10,000 working age adults, is 18 percent below the average for England, and indeed the region has the lowest business density of any English region after the North East. To reach the national average rate of business density in 2004, the region would need an additional 37,800 VAT registered businesses, and despite an increase in the business stock, this gap has increased over the past five years. In this period, the sectors that have grown their business stock have been financial intermediation, business services and hotels and restaurants. Agriculture, manufacturing and mining, electricity, gas and water supply have all seen falls.

Table A4.4 – Size Breakdown of Firms

Area	Proportion, percent			
	1-10 Employees	11-49 Employees	50-199 Employees	200 or more employees
Greater Merseyside	78.5	16.4	4.2	0.9
North West	81.2	14.4	3.5	0.8
England	83.7	12.5	3.0	0.7

Source: North West Competitiveness and Operational Programme 2007

Greater Merseyside is some way behind the rest of the region, trailing the national per capita average for business density and business start-up rate by some 40 percent. Self-employment rates are also low compared to national levels. Survey evidence suggests that there are prevailing negative attitudes to enterprise in Greater Merseyside. The proportion of respondents who believe that entrepreneurs have high status, and that there is good media coverage of entrepreneurship, is lower than both the national and regional averages. Also, compared to the rest of the region, Greater Merseyside residents are less likely to see setting up a business as a good career choice.

There is limited data on innovation at the sub-regional level, but trends tend to be correlated with rates of enterprise and GVA per employee. There is evidence of considerable variation in levels of innovation in the North West. There is a strong concentration of higher education institutes (HEI) assets and a good base of knowledge-intensive businesses in Greater Manchester and Greater Merseyside (concentrated in the city centres).

Greater Merseyside has a concentration in chemicals (RES target sector), tourism and public sector administration, and an important maritime sector (which cuts across a number of SICs).

Greater Manchester and Greater Merseyside have enjoyed the majority of business investment (indigenous and inward investment) in recent years. Within these sub-regions, the core cities of Manchester and Liverpool have performed the best overall. With continued growth in the service sector, and tradeable business services in particular, these areas will continue to be a key pole for business investment.

The North West's portfolio of strategic regional sites is a vital resource in the region's efforts to maximise both employment and wealth. There are 25 strategic regional sites in the North West, which have an important role to play in attracting investment in high value functions in target sectors. They also provide an opportunity to capitalise on strong or world-class assets such as HEIs and R&D-intensive sectors. The sites have been earmarked based on the potential to accommodate knowledge-based industry (RES growth target sectors) and generic manufacturing (RES established target sectors).

Demand for property is highest in and around the major conurbations although demand is growing strongly in Warrington, Halton, other parts of Cheshire and parts of Lancashire, where access to major transport routes is good. Changing patterns of employment and economic activity by sector are being reflected in changing sectoral and spatial demand for

different types of business property. This ongoing industrial change means that the region's already large stock of previously developed land (PDL) (i.e. brownfield sites) is likely to increase. Redeveloping PDL is particularly challenging for the North West as it is largely concentrated in areas where demand is weak and where the costs associated with recycling land are high. Greater Merseyside's industrial legacy in particular has left it with a high proportion of derelict land.

Table A4.5 – Greater Merseyside SWOT Analysis

Strengths & Opportunities	Weaknesses & Threats
Critical mass of culture, sporting, heritage, leisure, natural environment and retail assets	Per capita GVA remains well below the England average and the lowest of all the sub-regions
Seaboard location and role as the gateway for trade and people into the North West, North Wales and North of England; important maritime sector	
Liverpool John Lennon Airport is one of the fastest growing in the UK in recent years	Economic activity rates in Greater Merseyside are lower than in any other metropolitan area
Premier business locations including Liverpool city centre, Wirral Docklands, Parkside, Prescot Business Park, Atlantic Gateway and Widnes Waterfront	Despite economic growth experienced in Liverpool, deprivation and worklessness remain high
Greater Merseyside is one of the fastest growing regions in the UK in recent years. Liverpool has performed particularly well in job creation terms	Greater Merseyside business density and start-up rate is well behind the UK and North West figures – total entrepreneurial activity is low and entrepreneurial skills are under-developed
An excellent HE and FE sector	Deficiency in skilled and highly qualified people – skill levels lower than in the region and UK as a whole, particularly among younger people
The gap on national employment rates is being closed, and at current growth rates should equal the UK in less than a decade	Industrial legacy has left Greater Merseyside with high proportion of derelict land
Internationally and nationally significant clusters	Deprivation levels in parts of the sub-region are among the highest in the UK – Liverpool is ranked first and Knowsley third on the indices of deprivation
Capital of Culture 2008 provides an opportunity for the whole region and a spur to creative industries and the arts in Greater Merseyside	
Construction of the Mersey Gateway will enhance Greater Merseyside's connectivity to national markets	
Opportunities related to the strength of the third sector	

Source: North West Competitiveness and Operational Programme 2007

The ERDF should primarily focus on the three following priorities:

- Innovation and the knowledge economy
- Environment and risk prevention

- Access to transport and telecommunication services of general economic interest.

The structure of the NWOP is summarised in Table A4.6 below.

Table A4.6 – Outline of NWOP Framework

RES: Vision – A dynamic, sustainable international economy which competes on the basis of knowledge, advanced technology and an excellent quality of life for all			
Improving productivity and growing the market		Creating the conditions for sustainable growth	Growing and accessing employment
Priority 1 – Stimulating enterprise and supporting growth in target sectors and markets	Priority 2 – Exploiting innovation and knowledge	Priority 3 – Creating the conditions for sustainable growth	Priority 4 – Growing and accessing employment
AA1-1 Developing high-value new enterprise	AA2-1 Exploiting the science and R&D base of the region	AA3-1 Exploiting the economic potential of major gateways in Merseyside	AA4-1 Stimulate enterprise in disadvantaged communities and under-represented groups
AA1-2 Developing higher added-value activity in target regional sectors	AA2-2 Encouraging innovation to improve productivity in all companies	AA3-2 Developing high quality sites and premises of regional importance	AA4-2 Supporting linkages to key employment areas
AA1-3 Increasing sustainable consumption and production	AA2-3 Developing better management and leadership	AA3-3 Supporting the improvement of the region's visitor offer and image	AA4-3 Supporting employment creation for areas of regeneration need

Source: North West Competitiveness and Operational Programme 2007

Regional Economic Forecasting Panel: Business Forecasts North West (NWRU, 2007)

The North West economy is forecast to grow by 2.6 percent in 2007, slightly faster than 2006. GVA in the region is expected to grow at 2.3 percent in 2008 and at 2.4 percent in 2009 and 2010.

Strongest GVA growth is expected to come from construction, transport and communications and public services. These gains are expected to outweigh an anticipated slowdown in growth in manufacturing, distribution, hotels and catering, and in financial and business services. GVA growth in manufacturing is expected to grow at 1.25 percent in 2007 and 2008. Financial and business services will remain a key driver of growth in the region. Growth will be at 5 percent in 2007, 3 percent in 2008 and a shade higher in 2009 and 2010. Liverpool is benefiting from a strong construction sector in the run up to the city being the European Capital of Culture in 2008. Further benefits can be expected but not enough to

offset the passing of a peak in construction and later effects from a slower growth in public spending.

Table A4.7 – Weight of Key Sectors in Overall GVA

	North West Proportion, percent	UK Proportion, percent
Manufacturing	18.6	14.4
Construction	6.4	6.2
Distribution, hotels & catering	16.5	15.8
Transport & communications	8.2	8.0
Financial & business services	20.2	26.6
Public and other services	23.5	23.6

Source: Regional Economic Forecasting Panel: Business Forecasts North West 2005

Strategic Regional Sites Evidence Base (NWDA, 2005)

This report sets out the evidence base for strategic regional sites. It provides general and site specific objectives for each site, and discusses some emerging issues, and their implications for the preparation of the RSS.

The term strategic regional site is used by the North West Development Agency to describe 25 key employment sites, the delivery of which will be critical to the effective implementation of the RES.

Tables A4.8 and A4.9 provide an overview of the planning background, issues and objectives of Wirral's two strategic regional sites.

Table A4.8 – Planning Background, Issues and Objectives, Birkenhead Twelve Quays

Priority Economic Target	Vision and Objectives	RPG Policy Alignment	Development Plan Position
Strategic distribution (port related)	Create a modern river terminal to serve the region	EC4: Business Clusters	Allocated under Policy EM3 in Wirral UDP (February 2000) for B1, B2 and B8 uses.
	Provide a high quality well planned scheme at a key gateway to the region from Ireland	T6: The Region's Ports and Strategic Inland Waterways	Identified in Wirral UDP First Deposit Draft Alteration as a

Priority Economic Target	Vision and Objectives	RPG Policy Alignment	Development Plan Position
	Accommodate strategic distribution development and maximise the inter-modal potential of the site	T7: Freight Transport in Metropolitan RPA and in a Metropolitan Town in RPG	Regional Investment Site
	Provide employment opportunities including those for residents in the local vicinity	EC5: Regional Investment Sites	
	Assist in facilitating the economic restructuring of parts of the Wirral	EC6: The Regeneration Challenge: Bringing the Benefits of Economic Growth to Areas of Acute Need	
	Accommodate businesses that will use the river terminal for the transportation of passengers and freight	EC7: Warehousing and Distribution	
	Accommodate the Maritime Centre of Excellence		
	Enable the environmental quality and image of the site, one of the region's major gateways, to be considerably upgraded		

Source: NWDA Strategic Regional Sites Evidence Base 2005

Table A4.9 – Planning Background, Issues and Objectives, Wirral International Business Park

Priority Economic Target	Vision and Objectives	RPG Policy Alignment	Development Plan Position
Established target sectors	<p>WIBP is Wirral’s largest and potentially highest quality business location with good public links to areas of severe regeneration need. It presents the opportunity to:</p> <ul style="list-style-type: none"> • Act as a focus for inward investment and indigenous growth • Accommodate generic manufacturing • Make some provision for knowledge-based industry in an improved environmental setting • Relating to the adjacent Mersey riverfront and Country Park 	<p>EC4 Business Clusters</p> <p>EC5 Regional Investment Sites</p> <p>EC6 The Regeneration Challenge: Bringing the Benefits of Economic Growth to Areas of Acute Need in the Metropolitan RPA and in a Metropolitan Town in RPG</p>	EM1B of the Wirral UDP First Deposit Draft Alterations (July 2004) for B1, B2 and B8 uses

Source: NWDA Strategic Regional Sites Evidence Base 2005

Strategic Regional Sites Annual Monitoring Report (NWDA, 2006)

The report provides an update on Twelve Quays and Wirral International Business Park.

With regard to Twelve Quays, the report states that the site presents the opportunity to:

- Create a modern river terminal to serve the region
- Provide a high quality, well planned scheme at a key gateway to the region from Ireland
- Accommodate strategic distribution development and maximise the inter-modal potential of the site
- Provide employment opportunities, including those for residents in the local vicinity
- Assist in facilitating the economic restructuring of parts of the Wirral
- Accommodate businesses that will utilise the river terminal for the transportation of passengers and freight
- Accommodate the Maritime Centre of Excellence
- Enable the environmental quality and image of the site, one of the region’s major gateways, to be considerably upgraded.

In 2004 an additional 2.8 hectares extended the Twelve Quays River Terminal and a new terminal management programme was implemented to accommodate existing demand and

facilitate further growth. The £8.6 million Spaceport International Space and Exploration Centre opened in July 2005 at the Seacombe Ferry Terminal.

Scantec are constructing a headquarters office building on a 0.51 ha site at Morpeth Wharf. Phase 2 of Maritime Business Park was due for completion in September 2006. Gregor Shore had begun the conversion of two prominent listed buildings along the East Float and had submitted a planning application for a further new development on adjacent land to the west. In addition, planning permission for a seven-storey waterfront office block was granted at Kings Wharf in September 2005.

The Twelve Quays site covers approximately 84 ha and is on the A554 Tower Road immediately to the north of Birkenhead town centre. Junction 1 of the M53 lies 3 km from the site via the A5139, giving access to Cheshire and the south. The Mersey tunnels provide access to Liverpool city centre.

Birkenhead Hamilton Square station gives connection to the rail network. The Twelve Quays River Terminal, built by the Mersey Docks and Harbour Company, provides modern facilities for both passengers and freight. The port handles daily, Ro-Ro traffic from Belfast and Dublin.

Wirral's UDP allocates 19.2 ha of land at Twelve Quays for B1, B2 and B8 uses under Proposal EM3. Approximately 10 ha have already been developed, excluding the Ro-Ro ferry terminal. Approximately 6 ha are currently available for development, outside the Dock Estate. The land comprises seven plots ranging from 0.8 to 1.5 ha.

With regard to WIBP, the report states that it is Wirral's largest and potentially highest quality business location with good links to areas of severe regeneration need. It presents the opportunity to:

- Act as a focus for inward investment and indigenous growth
- Make some provision for knowledge
- Accommodate generic manufacturing-based industry in an improved environmental setting, relating to the adjacent Mersey Riverfront and Country Park.

The NWDA, along with its partners, has continued to bring forward a number of sites for reclamation. Consultants have completed a masterplanning exercise for the business park.

The NWDA has enabled a national developer to acquire an important gateway site for redevelopment and has agreed funding towards the 13,000 sqm landmark development at the southern entrance to the business park. Construction of the scheme was completed in Spring 2005, it provides office and high-tech industrial space on a 2.9 ha site. Priority Sites have completed Phase 2 of the Plantation Business Park at Stadium Road (3.4 ha) and has begun the construction of ten industrial units at Martindale Road.

Industrial development at Ferry View, Coliseum Business Park and the first phase of the office development at Riverside Park are scheduled for completion in Autumn 2006. Additional land at the former MOD Tank Farm (8.05 ha) is being reclaimed for development by the Council.

Construction of a new road that will reduce traffic congestion in and around WIBP has now been completed. The new access route will considerably improve the connectivity of the park. The extension of Caldbeck Road to connect to Stadium Road, will link the retail and industrial section – known as Croft Business Park, with the eastern employment section. The scheme has been delivered by the NWDA in partnership with the Council.

WIBP is an established business park on the west bank of the Mersey Estuary approximately 6.5 km south of Birkenhead. Liverpool city centre and Liverpool John Lennon Airport are 11 km and 22 km away respectively. From the south it is accessed via Junction 5 on the M53. From Liverpool and the north it is accessed via the Mersey Tunnel (Queensway) and the A41.

The site covers an area of 334 ha, of which approximately 50 ha remain undeveloped. Only 21 ha are currently suitable for immediate development. It is largely a brownfield site, with previous uses including two power stations, oil storage and chemical works. The undeveloped land comprises 19 plots ranging from 0.2 ha to 9.6 ha. Some sites will require further decontamination or infrastructure provision if they are to be brought forward for development.

The site is designated as a primarily industrial area under Policy EM8 of the adopted Wirral UDP and 39.3 ha are allocated for B1, B2 and B8 development under Proposal EM3. Approximately 25 ha of this land has already been developed plus an additional 10 ha at other sites within the business park.

RSS Annual Monitoring Report for the North West of England (NWRA, 2007)

This is the fourth Annual Monitoring Report produced by the NWRA and monitors policies contained within the RSS for the North West (RPG13).

With regards to economic growth, just over 1.4 million sqm of floorspace was developed in the North West for industrial and/or commercial use between 2005 and 2006. This figure is a considerable increase on the figure for 2004/05 (835,896 sqm).

Between 2005 and 2006 just under 90 percent of all industrial and/or commercial development in the North West took place on PDL, representing a 12.5 percent rise on the previous year. Fourteen local authorities achieved 100 percent of industrial and/or commercial development on PDL – Ellesmere Port, Allerdale, Carlisle, Manchester, Oldham, Salford, Stockport, Trafford, Chorley, Hyndburn, Knowsley, Liverpool, Sefton and Wirral.

With regards to employment land, 2005/06 data from the North West local planning authorities showed there was a total of almost 50 million sqm of land available for employment use in the region. A quarter of the region's available employment land is in Merseyside, with Wirral contributing just over 2.5 million sqm.

West Chester North East Wales Employment Land Study (NWDA, 2004)

The study area covers Flintshire, Wrexham, Ellesmere Port and Neston and Chester – core study area (CSA). Denbighshire, Wirral, Halton and Warrington are identified in the Wider Reference Area (WRA).

Economic success is particularly resonant in the majority of the CSA, but less so within the hinterlands of the WRA, notably Denbighshire and Wirral. Significant 'corridors of deprivation' exist in the WRA, such as along the M53 in Wirral and along the A548 through Flintshire and Denbighshire. The profile of deprivation in the sub-region is clearly reflected in the designation of EU Assisted Area Status. Wirral and Denbighshire are currently in receipt of Objective 1 support. Economic activity is noticeably lower in parts of Wirral, Ellesmere Port, Flint/Holywell and Runcorn/Widnes. Concentrations of unemployment in the West Cheshire – North East Wales sub-region are not as extensive as in North Wirral and Runcorn/Widnes.

In the WRA, there has been a net population loss of 2.5 percent in the 1990s, following an increase in population in the 1980s. This reflects a significant fall in the population residing in Halton and Wirral. Wirral lost 6.6 percent of its population in the 1990s, which is a

significant increase in population loss compared to the previous decade (1.9 percent). For the WRA, the projected population in Wirral and Halton is anticipated to decline significantly towards 2021. A significant flow of migration has been from Wirral and Liverpool, southwards into Ellesmere Port, Chester and particularly Flintshire.

The economy of North East Wales is strongly integrated with nearby parts of Cheshire and the Wirral. The labour market is particularly fluid and county or national borders are an irrelevance. From an economic planning perspective, this is important because the anticipated structural changes will entail a great deal of turnover of both firms and labour. Such 'churning' is unavoidable and is not economically detrimental so long as an effective labour supply can be assured. Such assurances follow from the maintenance of an appropriate learning environment that matches individual and employer needs. But it will also require an appropriate communications and transport infrastructure to facilitate labour mobility over greater travel to work distances as well as over a greater array of opportunities than may have hitherto been the case.

The West Cheshire – North East Wales sub-region is an extremely successful and prosperous area which overall is epitomised by low unemployment, increasing economic activity and rising average GDP. The CSA though contains a number of 'pockets' of significant deprivation.

The main sectors of cross-border interest, at a strategic and local level, are aerospace automotive, chemicals, financial services, food, engineering and tourism/retail. These sectors provide perhaps the best opportunities for cross-border co-operation, in whatever form, within and around the CSA.

There is clear economic evidence to suggest that the counties of Flintshire and Wrexham have far more in common with their adjacent English neighbours of Chester and Ellesmere Port and Neston, than with Welsh counties to the west. The nature of population movement across the national border is a particular feature of this sub-region, both between Chester and Wrexham but in particular between Chester and Flintshire (more than twice the flow of Chester-Wrexham). Other significant cross-border flows include Ellesmere Port and Neston to Flintshire and Wirral to Flintshire.

Merseyside Economic Review (Merseyside Economic Partnership, 2007)

This is the fifth edition of the Merseyside Economic Review. The report provides a review of Merseyside under the following themes:

- Economy
- Employment
- Business
- People and skills
- Transport
- Environment
- Business environment
- Society.

With regards to the economy, the review states the following:

- Total GVA growth on Merseyside has kept pace with the UK as a whole, whilst GVA per head has grown at a rate higher than the regional and national averages. The data released in 2006 by the ONS provides data for 2004. This shows that the total GVA for Merseyside in 2004 was £17 billion, compared to £16.1 billion in 2003. This represents a growth of some 5.6 percent, which is comparable to the North West figure of 5.5 percent and only slightly behind an average UK growth rate of 5.9 percent
- Although total GVA implies a stable growth the results per person are more dynamic: a strong Merseyside GVA is reflected in a per capita GVA for the sub-region that has grown by 5.5 percent from 2003 (from £11,798 to £12,448). This is on a par with the UK growth rate and marginally higher than the North West average (5.4 percent)
- For GVA at the local level, Wirral experienced the slowest growth in Merseyside with a rate of 4.7 percent. In terms of total GVA, Liverpool dominates, accounting for 41 percent of Merseyside's value. Wirral accounts for 18.2 percent
- Highest growth in Merseyside's total GVA between 1995 and 2004 was in the hotel and restaurant sector (increase of 144 percent), financial intermediation (increase of 100 percent) and real estate and business services (increase of 94 percent).

With regards to employment, the review states the following:

- The proportion of the Merseyside working age population in employment increased from 68.1 percent to 68.2 percent in between 2004 and 2005
- Between 2005 and 2006, Wirral experienced a decrease of -0.1 percent
- Self-employment has reduced in Wirral from 7.5 percent to 7.0 percent between 2004 and 2005
- Wirral has the lowest rate of economic activity in Merseyside (75.8 percent)

- Between 2005 and 2006, the rate of economic activity amongst 16-24 year olds has decreased in Wirral (-2 percent).

With regards to business, the review provides the following information:

- Merseyside has 26,655 businesses registered for VAT, representing a 2.3 percent increase since 2005
- 27 percent of all Merseyside business stock is in the real estate and business sector
- At the start of 2006, Wirral had a business density of 22.0 VAT businesses per 1000 adult population (North West has 32.1 VAT businesses per 1000 adult population)
- In 2004, Wirral had a job density of 0.62, compared with the region's 0.81 and nationally 0.84.

With regards to the business environment, the review provides the following information:

- Since 1998, property vacancy rates in Liverpool have significantly declined from 16 percent in 1998 to 11 percent in 2005, although there has been no evident change in property vacancy rates in Liverpool, St. Helens or Wirral over the past 12 months
- In Birkenhead, industrial land values range from £220,000 to £300,000 per ha.

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

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

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

- Transport by sea
- Wholesale distribution.

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

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

Table A4.10 and A4.11 shows the relationship between the maritime sector and the number of employees and GVA in the sub-region. Table A4.10 shows that of all maritime-based jobs in the Merseyside sub-region, 14 percent are in Wirral.

Table A4.10 – Employment by Area

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

Source: Maritime Sector on Merseyside – Economic Impact Study 2007

Table A4.11 – GVA by Local Authority (£'000)

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

Source: Maritime Sector on Merseyside – Economic Impact Study 2007

Merseyside Employment Land Study (NWDA, 2004)

The study makes the following key comments on Wirral:

- The service sectors are more dominant than traditional industries. 55 percent of employment is in the service sector in Wirral
- Wirral has an under-representation in both the transport and communications sector and the banking, finance and insurance sector. The largest contributor in the services sector being public administration, education and health (32 percent)
- The majority of those employed in the sub-region are employed in Liverpool and Sefton, closely followed by Wirral. Wirral has a slightly higher proportion of the sub-regional employment land supply than its proportion of the sub-regional workforce
- Wirral is the fourth largest provider of employment floorspace in the sub-region with 1,955,000 sqm of offices, factories and warehouses
- Between 2000 and 2003, there has been a decrease in the amount of office floorspace in Wirral, whereas the amount of industrial floorspace has increased.

At the macro level, the report highlights the following future trends

- The continuation of slow but steady economic growth in the UK
- That the booms and busts of the past 20 years are unlikely to be so pronounced in future
- A question mark over the UK's ability to maintain its share of inward investment in Europe and the total size of the likely European inward investment market
- A continuing shift from manufacturing to service sector jobs and knowledge based industries
- Well qualified, highly skilled white collar workers are still favoured over lower skilled workers
- Education and health sectors on the way up, along with selected areas of business services
- Self-employment to rise along with small business formation
- Some continuing relocation away from London and the South East but the scale of this will depend on speed of economic growth.

At a micro level, it is evident that Greater Merseyside's previous reliance on the manufacturing industry has more than likely suppressed economic growth.

The report identified 1208 ha of employment land across the sub-region. 20 percent in Wirral (246 ha). Wirral has the second highest supply of brownfield employment land

(behind Liverpool), accounting for 17 percent of employment land in the sub-region and 83 percent of its overall employment land supply. Wirral has an average employment site size of 3 ha. 18 of the 82 sites in Wirral are over 5 ha in size, totalling 61 percent of Wirral's employment land supply. The largest site is 19.3 ha at Cammell Laird's, the second largest is 13.2 ha at Levers in Bromborough.

38 percent of the supply in Wirral is considered poor, with 14 percent considered average. Although Wirral has the largest supply of poor quality employment sites (at 93.7 ha), half of the sites are judged to be of good, or very good, quality (37 percent and 11 percent respectively).

Wirral has the lowest level of contamination in the sub-region with just 18.04 ha identified as being possibly contaminated. The majority of the employment land is available in the short (66 percent) and medium term (27 percent), 161.4 ha and 66.0 ha respectively. The remaining 18.3 ha is available in the longer term.

Wirral has a mixed economy and is considered to be a popular commuter area for locations such as Liverpool, Chester and Manchester. There are a range of national and international companies in Wirral such as Bristol Myers Squibb, Lever Faberge, Unilever and Vauxhall Motors. Perhaps best known for its ship building/maritime history the decline in many of the traditional industries has been counter balanced by the growth of SMEs.

Regeneration has taken place in and around Wallasey and Birkenhead with schemes such as Twelve Quays, Maritime Business Park and Woodside Business Park, The Hamilton Quarter and Europa Boulevard. Business units in such locations have tended to appeal to local and regional companies with industries rents similar to other parts of Merseyside. However office rents for new accommodation are some 40 percent less than in Liverpool and Chester, and there is a much smaller supply of stock. WIBP, an area of some 336 ha, has been identified by NWDA as a site of strategic importance and consideration is being given to the development of 223,000 sqm of office and industrial space on 68 ha of it. However, it is uncertain as to how much of that total will be built speculatively and the likelihood is that pre-lets will be awaited.

Wirral has the third highest average annual employment land take-up rate in Merseyside. Between 1993 and 2004, the rate has averaged 11.7 ha. Wirral has also had the most success attracting B2 users, with more than 69 ha being taken-up over the past ten years for these uses. This is more than double the second highest figure (34.4 ha) over the same

period (in Liverpool). There was a ten year high of 25.4 ha of take-up in 1995/96, the majority of which, 24.42 ha, was for B2 uses. Take-up also peaked in 2000/01, with 20.5 ha of land developed, however, this was largely due to 16.58 ha used for B8 uses. Wirral also has the highest rate of take-up for B8 uses with 32.66 ha developed since 1993/94, although there has been no take-up for this use for the past two years. This could however be attributable to increased levels of B8 development elsewhere in the sub-region, over the same two-year period, or due to external factors outside of the sub-region.

The average take-up rate for each area is shown in Table A4.12. It also shows the forward land supply based on historic take-up.

Table A4.12 – Unconstrained Land Supply Estimates for Greater Merseyside

District	Employment Land Supply, ha	Average Annual Take-up Rate, ha	Number of Years Forward Supply
Halton	189.36	18.61	10
Knowsley	145.13	13.65	11
Liverpool	332.93	8.18	41
Sefton	89.8	5.04	18
St Helens	205.47	9.78	21
Wirral	246.05	10.66	23

Source: Merseyside Employment Land Study 2004

Table A4.13 shows the supply estimates for each area after excluding all sites assessed as being of poor quality.

Table A4.13 – Land Supply Estimates for Greater Merseyside Excluding Poor Quality Sites

District	Employment Land Supply, ha	Average Annual Take-up Rate, ha	Number of Years Forward Supply
Halton	189.30	18.61	10
Knowsley	127.84	13.65	9
Liverpool	178.24	8.18	22
Sefton	61.4	5.04	12
St Helens	132.26	9.78	14
Wirral	152.35	10.66	14

Source: Merseyside Employment Land Study 2004

The Mersey Belt Study (NWDA, 2002)

The main objectives of the Mersey Belt Study were to promote an integrated approach to the future planning and investment in the regional target sectors in two broad areas: North of the Mersey (the Metropolitan Axis) and South of the Mersey (the Southern Crescent). The study identifies that Wirral is in the Metropolitan Axis (Core).

The main issues identified in the Metropolitan Axis include securing regeneration; investing in a physical environment, which is often degraded; and building on major assets which include:

- Two major city centres
- Major infrastructure for the arts, sports and culture
- Well developed rail and bus networks
- Several leading universities
- Highly developed road and motorway networks
- Substantial capacity especially in land supply
- A major international port.

The Mersey Belt study identified 40 key sites as being suitable for knowledge-based industries. Ten were classified a 'Category A' in which public investment needs to be made, to improve accessibility, infrastructure and image. The remaining 30 'Category B' sites generally have a lower need for public investment. No sites in Wirral were identified as being either Category A or B.

However Clatterbridge Hospital was identified as a site which could support the life sciences sector, providing other initiatives were undertaken in the area. The site is 'washed over' by the greenbelt but is identified as a major development site within it, which could potentially come forward in the next five to 15 years.

The site benefits from excellent access to the M53 and a high quality, attractive environment. Clatterbridge is a leading oncology research centre and the Council has ambitions for its development as a medical/pharmaceutical cluster. Preliminary discussions have taken place in this regard and it is hoped that these can continue. Scope exists to develop linkages between Clatterbridge Hospital and hospitals in Liverpool city centre, local Universities and Daresbury Science Park. The site has poor public transport access, with no plans for improvement. However, should significant development occur, sustainable transport access could be improved through the implementation of green travel plans.

The following recommendations are made for employment land in the Metropolitan Axis:

- Recognise that only a relatively small number of key sites (defined in the study) should be reserved for/promoted for the target sectors, in order to concentrate resources
- For the best sites, define this use in a similar way to the Southern Crescent sites
- Concentrate these sites on regional strategic corridors
- Recognise that strategic corridors physically linked to the Southern Crescent or existing knowledge-based industry locations will be easier to establish than satellites which 'jump' into new areas
- Ensure that each site for knowledge-based industry has a local employment strategy linking its employment potential to areas of need – in terms of public transport, education, training and jobs
- For other sites, permit, but do not promote, target sector development on those defined as of medium suitability for knowledge-based industry
- Whilst recognising that employment land is required for many other industrial uses other than the target sectors, also recognise that there appears to be excess employment land and that some of it might be better converted to residential use for quality homes for knowledge-based workers, thus cutting down journeys-to-work and leading to a more sustainable development pattern
- Promote transport schemes that will improve the sustainability of sites including:
 - Strategic rail and light rail links and new stations/halts
 - Company/site travel plans.

Wirral Regeneration Framework – Audit and Analysis Report (WMBC, 2005)

The Regeneration Framework was drawn up to provide an improved understanding of:

- Investment and development
- Accessibility
- Labour market issues.

The Audit Report refers to The Merseyside Economic Review 2004 in that it gives an optimistic appraisal of the economic situation in Wirral. The review states that the last five years have seen significant investment from both public and private sectors, with a number of major regeneration and development projects undertaken. Private developers are delivering more contemporary, high quality business space in the Borough at a number of sites in Birkenhead and at WIBP. This has improved market expectations and levels of activity in the area.

Industrial space accounts for 65.5 percent of the total commercial floorspace. Between 2000 and 2003, there has been continued development of new premises on major business parks throughout the Borough. Bromborough has the greatest amount of industrial floorspace, due to WIBP. A total of almost 32,515 sqm of vacant industrial floorspace, the majority of which is in the 465 to 929 sqm size bracket. Nearly half of the property stock is pre-1970. The report states that in Merseyside, the creation of strategic investment areas (SIAs) has focussed new commercial and industrial development into seven key areas of the region. Key flagship projects include:

- Europa Boulevard
- The Gateway, WIBP
- Tower Road Business Park
- WIBP Phase 1d
- Greenfields Phase 3, WIBP
- Maritime Park Phase 2
- Riverside Office Park.

The report provides an overview of WIBP. It was developed in 1995 and covers around 336 ha providing a mix of industrial and commercial sites and business parks, retail, leisure and residential areas, all adjacent to the River Mersey. The NWDA has identified it as one of the top regional strategic investment sites. It has already attracted investment of over £150 million and achieved 1800 of a targeted 3000 jobs. WIBP is home to over 100 companies and organisations, including Tomcat UK, Epichem, Quest International and Qualitek Europe, Tulip International and Meyer Prestige.

The majority of industrial enquiries was for properties below 93 sqm (46 percent). However, 39 percent of enquiries were for properties between 93 and 464 sqm. Only 3 percent were for properties over 2322 sqm. In addition, certain key industrial sectors received the most amount of enquiries (automotive, distribution/warehouse, manufacturing and mechanical engineering).

There is growing demand for offices in Wirral and new speculative developments have proven very successful. Success is due to the relatively low rents and the attractiveness of the accommodation, which is in short supply.

The amount of office floorspace in Wirral has increased consistently since 2000 with a total of 22,000 sqm developed between 2000 and 2003, a 7.8 percent increase. Birkenhead has the most offices (121,000 sqm).

Over half of the offices in Wirral are pre-1970s, indeed, over a third are pre-1940s. 13 percent dates from after 1990 indicating recent investment in modern well-designed office space, albeit mainly on the key business parks.

Of the 200 enquiries received by Wirral Direct in 2003, 79 percent were for properties below 93 sqm.

There is sufficient supply of serviced offices, and demand is not particularly high.

There is a limited supply of available employment land. The largest site is Cammell Laird (24 ha). All other sites are smaller than 10 ha, the majority being smaller than 3 ha. The majority of sites are brownfield with only 8.7 ha of greenfield land being brought forward. However, there may be issues with regards to contamination of the brownfield sites, which may hinder private investment.

Local Development Framework for Wirral: Annual Monitoring Report (2007)

The Annual Monitoring Report (AMR) is a statutory document setting out the progress on the delivery of Wirral's Local Development Scheme and the extent to which the policies set out in the Local Development Documents are being achieved. This is the third Annual Monitoring Report for Wirral and covers the period of April 2006 to March 2007.

The AMR states that in 2005, there were 97,300 jobs in Wirral, showing a 3.5 percent reduction since 2004. Unemployment decreased from 3.8 percent in August 2006 to 3.2 percent in September 2007, although this is still above North West (2.5 percent) and Great Britain (2.2 percent) levels.

Economic activity in Wirral reduced from 76.1 percent in 2005 to 73.9 percent in 2006. Economic inactivity rose from 43,700 to 47,500 up by eight percent since 2005.

Rates of worklessness decreased to 19.2 percent but again it is still consistently higher than regional and national figures (16.7 percent and 13.2 percent respectively)

The AMR refers to work undertaken as part of the preparation of an Enterprise Strategy for Wirral in that 2500 new firms are required in order to bring the local stock of businesses up to the North West average. It is estimated that this would require an additional 83,600 sqm of industrial and an additional 130,000 sqm of office floorspace.

Table A4.14 – Amount of Floorspace Developed by Type and Location (April 2006 to March 2007)

Floorspace, sqm	B1(a)	B1(b)	B1(c)	B2	B8	Total
Total completed floorspace	8542	-	-	13,576	53	22,171
Completed within employment areas	8542	-	-	13,576	53	22,171
Completed within the NWMA	8542	-	-	13,576	53	22,171
Completed on previously developed land	2139	-	-	6850	53	9042
Percentage on previously developed land	25.0	-	-	50.0	100.0	41.0

Source: LDF Annual Monitoring Report 2007

Table A4.15 shows that there is just over 202 ha of employment land available for development (as of 1st April 2006). 92 percent is in the North West Metropolitan Area (NWMA).

Table A4.15 – Employment Land Availability by Type, ha

Land Area, ha	NWMA	Twelve Quays SRS	WIBP SRS	Borough Total
Allocated for B1 uses	1.53	-	-	1.53
Allocated for B1, B2 and B8 uses	85.41	3.29	23.35	87.41
Primarily Industrialised Area (B1, B2 and B8)	62.12	2.05	24.64	76.42
Dock Estate (B1, B2 and B8)	36.72	6.05	-	36.72
Other land with permission for B1, B2 or B8	0.38	-	-	0.49
Total	186.16	11.39	47.99	202.57

Source: LDF Annual Monitoring Report 2007