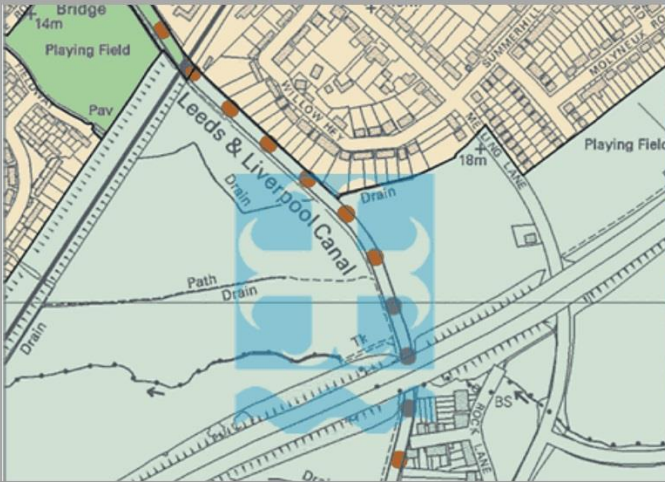


Advice Note Sefton's Employment Land Needs

Sefton Council



December 2015

Advice Note – Sefton’s Employment Land Needs

- 1.1 The need for employment land, as identified in Local Plan Policy MN1, was defined in the Sefton Employment Land and Premises Study Refresh (2012, Doc. EM2) and updated in the Employment Land and Premises Study Update (2015, Doc. EM1). Both studies were completed by consultants BE Group. In both studies the preferred method of forecasting was a forward projection of historic employment land take up across the remainder of the Local Plan period.
- 1.2 This Note, prepared by BE Group, considers how Sefton’s net employment land requirement was reached in the two studies, and the differences between the approaches of the two in calculating that need.

Employment Land and Premises Study Refresh (2012, EM2)

Need

- 1.3 Historic take up data was obtained for the period 1992-2012, which totalled 64.48 ha (see Table 72 of the 2012 Study, EM2) with an average annual take up rate of 3.22 ha/year, i.e. $64.48 \text{ ha} \div 20 \text{ (years)} = 3.22 \text{ ha}$.
- 1.4 This was projected forward for a period of 19 years over 2012-2031 (the current Local Plan end point of 2030 had not been defined when this study was undertaken), i.e. $3.22 \times 19 = 61.18 \text{ ha}$ of need.
- 1.5 A buffer of five years further take up was the applied (i.e. to 2036) to ensure that developers and occupiers had a choice of sites by size, quality and location and to provide a continuum of supply beyond the end of the Plan period, i.e. $3.22 \times 5 = 16.10 \text{ ha}$.
- 1.6 Total need was therefore 61.18 ha plus the five year buffer (16.10 ha) = **77.28 ha**

Supply

- 1.7 As of 31st March 2012 Sefton had a realistic employment land supply, excluding several constrained sites, of 53.78 ha (see Table 69 of the 2012 Study, EM2).
- 1.8 The following further adjustments were made to that supply to reflect conditions on the ground (see Table 79 of the 2012 Study, EM2):

- An increase in supply to reflect high vacancy rates in the local property supply of that time, which gave more options top occupiers = +5.13 ha
- A reduction in supply to reflect employment land which was to be lost to housing development, primarily around Hawthorne Road, Bootle, associated with the former Housing Market Renewal Programme = -9.76 ha
- A reduction in supply to reflect employment land around Regent Road/Derby Road, Bootle projected to be lost to the expansion of the Port of Liverpool = -2.63 ha.

1.9 The net result of these adjustments is a reduction in supply of 7.26 ha, i.e. $53.78 - 7.26 = 46.52$ ha

1.10 When that supply is deducted from the total need above an outstanding requirement of 30.76 ha remains, i.e. 77.28 ha (need) – 46.52 ha (supply) = **30.76 ha (remaining need)**.

1.11 To meet this further requirement the Council is proposing Green Belt releases totalling 35 ha, i.e. Land East of Maghull, North of Formby Industrial Estate and South of Formby Industrial Estate, as noted in Local Plan Policy MN2.

Employment Land and Premises Study Update (2015, EM1)

Need

1.12 Historic take up data was obtained for the period 1992-2015, with revisions to the take up data for 2005-2011 on the figures in the 2012 Study. This revised/extended take up totalled 69.88 ha (see Table 42 of the 2015 Study, EM1), with an average annual take up rate of 3.04 ha/year, i.e. $69.88 \text{ ha} \div 23 \text{ (years)} = 3.04$ ha.

1.13 This was projected forward for over the now defined Local Plan period of 2012-2030 (18 years), i.e. $3.04 \times 18 = 54.72$ ha of need.

1.14 A buffer of five years further take up was the applied (i.e. to 2035) to ensure that developers and occupiers had a choice of sites by size, quality and location and to provide a continuum of supply beyond the end of the Plan period, i.e. $3.04 \times 5 = 15.20$ ha.

1.15 Total need is therefore 54.72 ha plus the five year buffer (15.20 ha) = **69.92 ha**

Supply

- 1.16 As of 31st March 2015 Sefton had a realistic employment land supply of 82.1 ha. This comprises all the employment sites, including Green Belt options, proposed under Local Plan Policy MN2.
- 1.17 To ensure the supply picture is aligned with the measure of need, which starts at 2012, B-Class employment completions that have occurred since 2012 are also included in the total supply. This indicates Sefton's total land supply potential over the Local Plan Period 2012-2030. 6.49 ha of land has been taken up in the Borough over 2012-2015 (see Table 42 of the 2015 Study, EM1), added to the forward land supply proposed in Policy MN2 (82.1 ha), this increases the supply to 88.59 ha.
- 1.18 Again further adjustments were made to the supply to reflect conditions on the ground (see Table 66 of the 2015 Study, EM1):
- A reduction in supply to reflect the loss of the former Phillips Factory, Southport to housing, as proposed in Local Plan Policy MN2 = -6.00 ha
 - An reduction in supply to reflect likely further employment land losses to non-B Class development, including enabling development on employment sites and (modest) losses to housing = - 8.00 ha
 - An reduction in supply to reflect employment land around Regent Road/Derby Road, Bootle projected to be lost to the expansion of the Port of Liverpool = - 2.63 ha.
- 1.19 The net result of these adjustments is a reduction in supply of 16.63 ha to 71.96 ha, i.e. $88.59 - 16.63 = 71.96$ ha
- 1.20 When supply is deducted from the total need above (69.92 ha) a land supply surplus of 2.04 ha results, i.e. 69.92 (need) – 71.96 (supply) = **-2.04 ha (remaining land)**.
- 1.21 If the Green Belt options (35 ha) were excluded from the supply then a land supply shortfall of 32.96 ha results, i.e. 2.04 surplus – $35 =$ **-32.96 ha**.

Differences between the 2012 and 2015 Studies

- 1.22 Differences in the findings of two employment land studies are a result of the following factors.

Take Up Data

- 1.23 Reflecting development activity in the intervening three years the two studies use different periods of take up to calculate the annual average take up rate, i.e.
- 2012 Study - 1992-2012, 64.48 ha of land taken up = 3.22 ha/year average rate
 - 2015 Study – 1992-2015, 69.88 ha of land taken up = 3.04 ha/year average rate.
- 1.24 Take up data for the years 2005-2011 was also recalculated for the 2015 Study although the overall change was only an increase of 0.45 ha on the same years in the 2012 Study.

Forecasting Period

- 1.25 The 2012 Study forecast for a 19 year period 2012-2031. Since that time the Local Plan period was clarified as 2012-2030 (18 years), which was the forecast period in the 2015 Study.

Varying Adjustments

- 1.26 The further supply adjustments differ between the two studies, reflecting changing circumstances on the ground. In 2012, the net supply deduction was 7.26 ha, by 2015 it had increased to 16.63 ha, reflecting a greater risk of losses in the land supply to alternative uses and far lower vacancy rates in the existing stock of property.

Conclusion

- 1.27 Sefton Employment Land and Premises Study Refresh (2012, Doc. EM2) identified a land supply shortfall of 30.76 ha against projected needs of 77.28 ha. As a result, the Council proposed Green Belt releases totalling 35 ha (Local Plan Policy MN2) to meet the deficit. This level of need was confirmed in the Employment Land and Premises Study Update (2015, Doc. EM1). That study identified a realistic land supply of 71.96 ha over the Local Plan period 2012-2030, after adjustments, and including the Green Belt options. Against a need of 69.92 ha for the same period there is a modest surplus of 2.04 ha. **Thus Sefton needs all of the land proposed under Policy MN1 to meet its forward needs for the remainder of the Plan Period, allow for a degree of choice in supply and account for predicted losses in that supply.**
