

Cassidy+ Ashton

Architecture + Building Surveying + Town Planning

Warrington Borough Local Plan 2021 – 2038 Examination

Hearing Statement – Matter 5

ON BEHALF OF PATRICK PROPERTIES LTD.

July 22nd 2022

CASSIDY + ASHTON



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1.0 INTRODUCTION

- 1.1 This Statement is submitted on behalf of Patrick Properties, in respect to Matter 5 – Economic Growth and Development.
- 1.2 The relevant Submission Plan policy is **Policy DEV4 – Economic Growth and Development**.
- 1.3 With reference to document ID02 – Matters, Issues and Questions identified by the Inspectors, the key issue is as follows:

Issue: Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to economic growth and development.

The key questions are set out below.

- Q1.** *Is the Economic Development Needs Assessment 2021 justified in basing the need for employment land on historic take up rates rather than jobs growth forecasts?*
- Q2.** *What effect has the development of the Omega site had on past take up rates and is it justified to assume such take up rates will continue over the plan period?*
- Q3.** *Will the supply of employment land from site allocations and planning permissions in neighbouring authorities and the wider area affect demand for employment land in Warrington?*
- Q4.** *What is the basis for including a three year buffer and is this justified?*
- Q5.** *What is the basis for including the allowance for business displacement and is this justified?*
- Q6.** *Is it reasonable to rely on two substantial allocations to meet most employment needs?*
- Q10.** *In other respects, is Policy DEV4 justified, effective and consistent with national policy?*
- Q11.** *Are any main modifications to Policy DEV4 necessary for soundness?*
- 1.4 The Council has submitted the Local Plan to the Government for Examination, during which, amongst other matters, the Inspectors must be satisfied that the Local Plan is positively prepared, justified, effective and consistent with national policy – these being the tests of soundness. The purpose of these representations is to highlight the fact that we do not consider the Plan, as submitted, to meet the tests of soundness and what changes need to be made to rectify this position.
- 1.5 As a starting point, support is expressed in principle for the approach taken by the Council to alter the Green Belt boundaries to meet its housing and employment needs. However, the

crux of previous representations and our position for consideration at the Examination is that there has been an overall shortfall in the allocation of sites for employment development.

- 1.6 This hearing statement is specific to the Economic Growth and Development – separate hearing statements will be submitted at the appropriate junctures specific to the allocations, Green Belt boundaries and respective policies.
- 1.7 We are of the view, and as will be evidenced in further hearing statements, that the overall shortfall in employment land, in conjunction with the *narrow allocation* of sites for employment development presents somewhat of a deliverability issue for Warrington as they progress through the plan period.
- 1.8 Ultimately, additional land needs to be allocated for employment development so as to ensure the soundness of the Plan against the tests of being justified, effective and consistent with national policy.
- 1.9 Patrick Properties are the promoters of land known as South Station Place, south of Birchwood railway station. The site is suitable for employment and infrastructure led development and detailed representations have been submitted to the Local Plan [UPSVLP 0436]. This statement does not directly promote the site but in the circumstances of the Local Plan being found unsound in respect to employment land, the site is available together with the adjacent land being promoted by St Modwen [UPSVLP 1420] [Appendix CA1].

2.0 SOUNDNESS

2.1 Soundness is explained in paragraph 35 of the National Planning Policy Framework (NPPF) (Jul. 2021). The Inspector has to be satisfied that the Plan is positively prepared, justified, effective and consistent with national policy.

2.2 Test 1 - Positively prepared

This means that the Plan should be prepared based on a strategy which, as a minimum, seeks to meet the area's objectively assessed needs, and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development.

2.3 Test 2 - Justified

The Plan should be an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence.

Our view is that the Employment Development Needs Assessment (EDNA 2021) does not constitute proportionate evidence and that reasonable alternatives have not properly been considered. On this basis, it is presented that the Plan is limited in terms of its selection of allocated employment sites.

2.4 Test 3 - Effective

The Plan should be deliverable over the plan period and based on effective joint working on cross boundary strategic matters that have been dealt with rather than deferred, as evidenced by a statement of common ground.

In assessing whether the Local Plan is effective the Inspector will assess whether it is deliverable within the timescale set by the Local Plan.

Our view is that the deliverability of sites (allocations) is key to ensuring the soundness of the Plan. The deliverability of Warrington's employment requirements is questioned, on the basis of the limited selection of sites. It is presented that Warrington as a Borough is at risk of failing to meet identified requirements should any site face delays / unforeseen technical issues.

2.5 Test 4 - Consistent with national policy

The Plan should enable the delivery of sustainable development in accordance with the policies in the NPPF and other statements of national planning policy, where relevant.

Without sufficient allocated land, the Borough's sustainable growth will be compromised. Our view is that the plan is not consistent with the NPPF and will not facilitate the sustainable development of the Borough as a whole.

3.0 ECONOMIC GROWTH AND DEVELOPMENT

Q1. Is the Economic Development Needs Assessment 2021 justified in basing the need for employment land on historic take up rates rather than jobs growth forecasts?

- 3.1 Warrington Council commissioned BE Group to provide an updated Economic Development Needs Assessment (EDNA 2021) to determine the extent of employment land needed and inform the preparation of the Local Plan. The EDNA identified a total need of 316.26 hectares of employment land up to 2038.
- 3.2 In our view, the Economic Development Needs Assessment (EDNA) is flawed. As we consider that there are shortfalls in the methodology of BE Group (on behalf of Warrington Council), specifically in respect to rolling forward historic take-up rates and not taking full account of current trends and changes to the industry in particular due to an increase in online shopping and Brexit.
- 3.3 Ultimately, future take-up of employment land will be influenced by the provision and availability of land, together with wider sectoral, consumer and economic trends. All of these must be considered in projecting need for the plan period, rather than simply looking back over many decades of employment land take up. In this respect, the ‘look-back’ period for assessing the take-up rates runs for 24 years, from 1996 to 2020, a period of time starting with the internet in its infancy, online shopping being almost non-existent and the UK being within the European Union with no prospect of leaving.
- 3.4 In direct response to the EDNA, an Employment Needs Assessment was undertaken by Savills as part of representations submitted on behalf of St Modwen’s [UPSVLP 1420].
- 3.5 As discussed in Savills’ Employment Needs Assessment, the period for analysing ‘take up rates’ that has been adopted by BE is too long, providing data which is out of date and does not account for sector trends and changes. These factors create the demand that provides the underpinning need, and the characteristics of the Industrial and Logistics sector itself, which has grown significantly with online shopping at its core.
- 3.6 As an example of this growth, the last decade has seen a significant increase in online shopping from 6.8% of the market in February 2010 to 19.1% in February 2020. At first this demand was largely accommodated by adjustments to existing retail businesses but most recently has led to a substantial upturn in the provision of large warehousing.
- 3.7 As identified within Savills’ Employment Needs Assessment, online retailing is built on a foundation of increased choice and delivery speeds for the consumer. In delivering e-commerce, high variations of product needs to be located close to consumers, in turn requiring more and more warehouse space for online retailers, in addition to traditional high street retailers, who are adapting their operations and supply chains to compete with the choice and speed of the online market.
- 3.8 As the country recovers from the COVID-19 pandemic, opportunities to kickstart development and attract new business and employment opportunities are to be welcomed. However, the

Local Plan must meet the demands of a strong logistics sector, whose growth has also been fuelled by the pandemic but where the long-term nature of demand is also evident. This presents an opportunity to support the economic recovery in Warrington but also, due to the strength of transport links and recognised existing commuting flows, recovery across the wider North West.

- 3.9 Although it is acknowledged the COVID-19 pandemic has fuelled further growth of the logistics sector, it is widely recognised that the sector has been on the rise for over a decade and therefore it would be unjustified to expect this growth to halt post-pandemic.
- 3.10 To conclude on this matter, although we acknowledge that past take-up rates have previously been a widely recognised method to estimate future demand, as set out in the NPPF, it is submitted that with reference to wider considerations such as changes in the sector in recent years, more time-sensitive contextual factors should play a significant role.
- 3.11 On this basis, we submit that the use of the EDNA methodology is not justified and a more appropriate way forward would be to follow the Savills' Employment Needs Assessment which a shortfall of c. 194 hectares of employment land allocated for the plan period.

Q2. What effect has the development of the Omega site had on past take up rates and is it justified to assume such take up rates will continue over the plan period?

- 3.12 Para. 3.1.6 of the Local Plan states:

*Warrington already has one of the **strongest economies in the North West**. There has been a significant increase in employment development over the last few years, exemplified by the pace of development at Omega. **Our Economic Development Needs Assessment has identified that market demand to invest in Warrington is set to continue over the Plan period**. The Warrington Means Business Regeneration Framework has set out the Council's ambitious plans for economic growth. **It is essential that the Plan is able to supply additional employment land to sustain and enhance Warrington's economic prosperity.***

- 3.13 As evidenced in the EDNA 2021, the continued demand within Warrington is summarised well on the basis that in 2020, the total floorspace transacted was 120% higher than the previous year, the highest amount since 2014.
- 3.14 Although some of this reflects take up at the Omega development, it is still evidence of how well local market activity has held up, and even improved, particularly during the COVID-19 pandemic.
- 3.15 The Omega development has undoubtedly had a positive impact upon take-up rates in recent years, a growth which is only expected to continue over the plan period, in light of modern purchasing habits. The enhanced consumer choice and convenience associated with e-commerce see that shopping habits are not expected to revert back to the high street.

3.16 However, ultimately, the proposed figure for employment land is too low for the reasons set out previously and although the Omega rates show evidence of a buoyant market, the factors set out in our submissions are those that should be used to identify future demand.

Q6. Is it reasonable to rely on two substantial allocations to meet most employment needs?

3.17 Notwithstanding the identified shortfall in employment land, our view is that, relying upon the two substantial allocations at Fiddlers Ferry and the South East Warrington Employment Area to deliver the majority of the employment needs is a considerable risk to the Local Plan and its soundness.

3.18 Deliverability is a term which has arisen out of the preparation of land assessments and Local Plans. It is used to compare different sites, determine how soon sites are likely to be available for development, how suitable they are and how achievable the development is, when based on a range of likely obstacles.

3.19 Some of the allocated sites are subject to physical or other constraints that could affect their rate of development, for example due to the need to deal with contamination caused by previous industrial activities. In addition to the identification of additional land to meet identified needs, there should also be a contingency allowance for delays to allow for the provision of essential infrastructure in currently undeveloped areas and other issues that may affect supply.

3.20 The limited selection of sites and lack of ‘safeguarded land’ to allow for contingencies presents a deliverability issue, should a review of employment land (prior to the end of plan period) find that additional land is required. This in turn raises doubts over justification of the Plan, i.e. the second test of soundness.

3.21 Our view is that, taking into account the range of factors considered in site selection, and the perceived constraints to each of the sites has caused the Council to limit the selection of sites. This in turn, has caused the plan to be unsound. Ultimately, the Council should consider further sites to increase their employment allocation, therefore providing greater justification and deliverability to the plan’s implementation.

10. In other respects, is Policy DEV4 justified, effective and consistent with national policy?

3.22 Our view is that the Employment Development Needs Assessment (EDNA 2021) does not constitute proportionate evidence which takes account of all relevant sectoral characteristics. On this basis, Policy DEV4 is not justified.

3.23 Taking into account the range of factors set out above, there is an overall shortfall in employment land which can be met within the Borough and that the ‘outside of Borough’ Omega allocation within St Helens does simply not need to be included within Warrington’s allocations to meet the required employment provision.

- 3.24 In line with Para. 140 of the NPPF, once established, Green Belt boundaries should only be altered where exceptional circumstances are fully evidenced and justified, through the preparation or updating of plans. Strategic policies should establish the need for any changes to Green Belt boundaries, having regard to their intended permanence in the long term, so they can endure beyond the plan period. With this in mind, the plan should make provision for employment land in line with the anticipated requirements for Warrington as a strong economy, as set out in the above evidence. This would future proof the Local Plan and ensure it meets the 4 tests to be found sound.
- 3.25 It is submitted that, in light of the above comment, the local authority must ensure that the shortfall in the supply of employment land is addressed in order to find the plan ‘sound’.

Q11. Are any main modifications to Policy DEV4 necessary for soundness?

- 3.26 Policy DEV4 identifies a shortfall in land allocated for employment development. The identification of only two substantial allocations for employment development is of grave concern as any delays and / or deliverability issues will result in a major shortfall of developable employment land within the plan period. As such additional land should be allocated for employment development which can be brought forward in the early years of the plan period. It is not the purpose of this statement to promote particular parcels of land but representations made to the Local Plan demonstrate that there is suitable and deliverable land available which should be allocated and/or safeguard for future development. These additional parcels of land should be identified through Main Modifications to the Local Plan.

4.0 CONCLUSIONS

- 4.1 The approach taken by Warrington Borough Council has been shown to be flawed particularly in respect to reliance upon the EDNA report to predict future employment land requirements. Unless, a more appropriate and up to date methodology is adopted, there will be a significant shortfall in the allocation of employment land in Warrington which would result in serious harm to the local economy.
- 4.2 Furthermore, reliance upon two large allocations seriously risks the ability of the Plan to deliver even the land identified and there is a clear need for additional employment land to be allocated through the Main Modifications process.

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