

Spatial Investment Plan

Liverpool City Region 2014-2017

11/5/2013

Version 10

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November 2013

1. Introduction

1.1 Background

This Spatial Investment Plan has been jointly commissioned by the City-Region Planning and Spatial Group and the Liverpool City Region LEP. The report will contribute both to the investment planning of the LEP and the emerging strategic role of the Combined Authority.

The purpose of this plan is to;

- Spatially map and categorise different types of employment sites
- Provide a market summary that assesses the prospects for different types of commercial investment
- Spatially map all the current housing sites under construction in the City-Region
- Identify the short and medium term housing supply
- Identify the potential constraints that could limit the speed and scale of private sector investment in new housing stock
- Make some initial policy recommendations based on the assessment of demand constraints and site availability
- Make some initial recommendations to help shape a future delivery strategy

The next steps in this process of gathering and analysing intelligence at a city-region level, for the commercial sites, is to undertake viability testing on the sites identified, which should then lead towards a prioritised project list within an investment plan for the single local growth fund.

In terms of housing sites, there is a great deal of existing housing and planning data contained within the constituent Local Authorities, the outcome of this piece of work has been to compliment this by providing a commercial perspective on the delivery of housing sites. This provides a better overall foundation to prepare future housing investment strategies at a City-Region level.

1.2 National Context

The UK economy has been through a long and sustained recession, latest forecasts from the OBR (Office for Budget Responsibility) and organisations such as the IMF suggest a recovery, albeit at a relatively slow pace. The national economic picture is one of growing divergence between London and the Greater South East economy and the rest. London as one of only a handful of truly connected global cities has reinforced its position as the primary economic centre of the UK, and as many observers have noted in doing so has become increasingly separated from the economic life of the rest of the Country.

This separation has profound influences upon the English regions; public policy is often insufficiently flexible to meet both the needs of the London economy and the English regions. An example of this is the 'Bedroom Tax' which could help deliver a more rational allocation of precious social housing in London, but in the regional cities has a different impact, penalising individuals who cannot downsize because there is an insufficient supply of smaller rental properties.

The growing divergence has two particularly important implications for the Liverpool City Region. Firstly, it offers an opportunity to make a much greater case for the devolution of powers and

national resources linked to economic development and housing. Secondly, it requires detailed policies and programmes to be established in the regions, which are based on a robust analysis of trends in global and national economics, business, housing and commercial development to demonstrate that the City Region can provide a credible policy lead on these agendas.

In leading the agenda to increase business investment, this plan recognises that a wide range of factors influence the location choices of investors. These include labour market profiles and catchment, cost, connectivity to customers and markets and links to educational or research institutes. The extent to which one particular factor plays a dominant role is dependent upon individual business requirements. Creating a site is no guarantee of subsequent jobs and investment. But equally, without a range of deliverable and high quality sites and properties, the opportunity to pitch to and build relations with investors will be lost.

In the case of promoting housing sites, the City-Region faces a difficult challenge. Whilst market stimulus, such as 'Help to Buy', and improved general sentiment has provided some stimulus to the market, there are some deep rooted problems. Not least, that volume house building has been at record lows for the last three years, and the industry, which is strongly driven by margin returns, is utilising their very large land-banks (in excess of 400,000 plots) to cherry pick the most lucrative sites for development, which in the UK is generally in the greater South East region. To succeed in an objective of promoting new housing development, the City Region will need to be both innovative and flexible.

1.3 City Region Spatial Links

The Liverpool City Region is a classic city-region structure with a functioning city-region economy, having a major City at the centre surrounded by a wider suburban catchment and outlying towns. Liverpool City Centre acts as the main commercial, visitor, cultural and retail centre of the city-region. The extensive transport network ensures that jobs generated in the centre, can benefit the entire wider catchment. Beyond the Centre, the city-region has patterns of traditional high-value residential locations (particularly along the coast) and inland has a series of industrial locations, many of which have developed particular industrial specialisms.

One critical difference between the Liverpool City Region and many other larger English cities is its close proximity to other major economic centres. The Liverpool City Region sits at the Western end of probably the largest agglomeration economy in the UK outside of London. This area is geographically broadly bounded by the M62 and M56 motorways, with Chester and Liverpool at one end, and Manchester at the other. The assets contained within this wider geography include nationally significant concentrations of commercial activity, university and scientific institutions, cultural and sporting institutions as well as heritage and visitor attractions.

There are a wide number of advantages to the Liverpool City Region of being a part of this wider agglomeration economy, but there are also a few downsides.

On the benefits side;

The proximity of the employment base of Manchester City Centre, BBC North and Media City, the Airbus Plant in North Wales and Vauxhall Motors in Ellesmere Port among many others has expanded the employment opportunities and choices of Liverpool City Region residents.

There is a much wider business services market on the doorstep. It is of sufficient scale for major professional service companies to establish in the wider conurbation, and markets for small professional service companies are also much larger.

There is much greater scope to create effective business clusters across an enlarged conurbation. Access to a wider labour market pool assists all Liverpool City Region authorities in being able to offer sites to investors, with confidence that those investors can source a workforce.

In an increasingly globalised economy, the ability for Manchester based businesses to ship goods from the Port of Liverpool, and for Liverpool City Region based companies to have direct flights to global destinations from Manchester Airport are ever more important competitive advantages, particularly for inward investors.

Being a part of this wider agglomeration economy has a few specific downsides;

Being at the western end of corridor, means that more centrally located places can be more attractive to certain employers. Notably, the size and scale of the Warrington economy, and its central presence at the heart of North West Motorway network, gives the Town a distinctive advantage.

With relatively close proximity to Manchester (which is more centrally located), Liverpool appears to have lost out in the plans for a national High Speed Rail network.

Similarly, the extensive motorway network enables higher paid workers in Merseyside the opportunity to commute in from highly attractive residential neighbourhoods outside the City Region, most notably North Cheshire.

It is difficult for ‘secondary’ retail centres to compete, when major retail centres such as Central Liverpool, Central Manchester, the Trafford Centre and Ellesmere Port can be so easily accessed from across the wider conurbation.

Section 2 Employment Sites – Broad Market Analysis

2.1 Background

The objective of this Plan is to identify and prioritise those commercial sites capable of hosting economic activity in the next three years, or, those major sites which will only be fully implemented over a longer period, but need to generate some momentum in the shorter term.

This Plan is not designed to identify ‘broad’ strategic locations; rather it is looking at broadly contained development sites, but within the context of their wider environment and features.

This Plan seeks to identify the large ‘multi-phase’ investment sites that offer the potential for large scale economic growth over the longer-term. It also seeks to identify the key large employment sites which are most likely to attract investment, and then finally, it establishes a schedule of employment sites that have significance at a more local level.

The capacity of the sites to deliver economic activity in the shorter-term is largely dependent upon which markets they are seeking to service.

2.2 Broad Market Outlook 2014-2017

The overall performance of the City Region property market is dependent on many macro-economic factors; the speed of economic recovery and whether the recovery takes hold across all UK regions, or, whether it is largely confined to London and the South East. There are a number of different segments of the commercial property market and there is good reason to assert that some are more likely to stimulate investment and activity than others.

Since the crash of 2008, most forms of commercial development have slowed or stopped. Attracting bank finance to support development schemes has been difficult, and near impossible where a scheme is not pre-let. This has meant the supply of readily available commercial property has shrunk as the vacant schemes have gradually been taken-up and no new replacement stock has been constructed. Given the fragility of the recovery it is not expected that there will be much in the way of investment in speculative stock in virtually all categories of commercial property.

2.3 City Centre Office

There is an estimated 7.15m sqf of office space in Central Liverpool. It is estimated that c1.9m sqf is vacant. However, much of that vacant space (915k sqf) is classified as ‘Grade D’, which is often un-let-able. Only 257k sqf is categorised as ‘Grade A’ space, which is space that is less than five years old.

The time-lag between planning to build a major office development and its availability to the market is generally 2-3 years. The key site identified for future ‘Grade A’ space in central Liverpool is Pall Mall, the site is largely in public ownership which is positive, but remediation works are required to prepare the site for market.

The importance of the City Region being able to offer prime commercial real-estate should not be underestimated, and if the remaining floors in the existing St Paul’s Square scheme let sooner rather

than later, the available pipeline will look very thin potentially for a few years, limiting the potential for the City to compete for certain types of investment projects.

It is also important to maintain a pipeline of high quality refurbished space. The pipeline for this type of space is more positive, with recent capital investments at both Exchange Station (the former Mercury Court on Tithebarn St) and the former Lewis's Department store are both of a high quality.

It should be noted, however, that a tax efficiency scheme (BPRA) which has created strong incentives for very high income tax payers to 'invest' a large chunk of their tax liability in abandoned buildings is being reformed. The scheme is only eligible in assisted areas (hence the interest from outside investors in Central Liverpool), and has been fundamental to the plans to renovate the former Littlewoods Building. The 'value' of the incentive was drastically reduced in the last budget, limiting very large investments by individuals to £50,000. This will reduce the overall level of external investment in business stock.

There have also been recent changes to planning laws, enabling the conversion of offices to residential property. It is too early to say whether this will have a detrimental impact in the City-Region.

The importance of keeping good quality stock coming to the market, and the medium term challenges of financing new build office development, means that high quality refurbishment projects should be given a degree of priority, especially for the those schemes in prime central locations close to the main transport interchanges.

Occupancy costs are also important. There has been a significant increase in power and utility costs. Major UK developer Hammerson reported that in order for their UK Tenants occupational costs to remain flat, they have to reduce power and utility consumption by 7% annually. The City region has very competitive lease pricing, but this advantage will become progressively undermined, if the cheaper rents are offset by higher energy bills. Therefore, measures to promote the energy performance of existing office developments in the City Region, should be considered a policy priority.

2.4 Town Centre Office

There is unlikely to be any demand for new office development in any of the main town centres in the City-Region in the next three years. These town centres include Bootle, Birkenhead, Widnes, St Helens, Huyton and Southport. There may be demand for smaller scale space or from occupiers with very specific requirements. There is no prospect of speculative investment in office stock in this time period.

It may be that a degree of demand for small business space could be accommodated in available town centre stock. Likewise, there may be merit in identifying the most viable office buildings, and considering some refurbishment options to maintain a degree of quality available space to ensure potential inquiries are not lost.

2.5 Out of Town Office

This is one of the most challenging sectors of the commercial property market. The smaller, modern, campus style buildings often clustered around motorway junctions have struggled to attract occupiers. Given the scale and predominance of this type of product in the wider Warrington/M6/M56 corridors, it may be there is a wider regional over-supply.

The Gladman office scheme at Liverpool International Business Park remains largely empty; there is widespread existing availability in Speke at the 'Matchwork' building. There is reported widespread availability of office space at Mere Park in St Helens, a high quality edge of town site. There are currently 18 available units at Daresbury Park, a high quality scheme adjacent the M56. There is significant availability at Atlantic Park in Sefton, with large floor-plates available at Alaska House, and in Caspian House

It is therefore unlikely that the speculative preparation of further sites for out-of-town office development is likely to yield much developer investment over the next three years. Over a longer period the market may return with some vigour, but even if this is the case, there is quite a large backlog of supply in place. In these circumstances, only schemes which have clear evidence of either a specific pre-let or the early input of developer finance, which would trigger construction activity, should be considered as potential priority sites.

2.6 Specialist Facilities

The city-region needs to have a greater share of higher value-added economic activity. It is this type of activity that can create both higher paid jobs, and ensure the city-region has a diverse range of activity within its boundary, so as to ensure it can better survive future economic shocks.

Quite often this type of activity will require a property outside of the standard office/industrial format. This may require the construction of specific properties designed to appeal to specialist/niche occupiers. These can be particularly important if the City Region is to capture a share of higher value added activity. There are a number of facilities of note in the City Region.

Many of the key knowledge institutions in the city-region are clustered within what is now known as the 'Knowledge Quarter'. This relatively compact site, close to the city centre, contains a concentration of the major knowledge institutions in the city; these include Liverpool University, John Moores University, the School of Tropical Medicine and the Royal Liverpool Hospital. This area is estimated to represent 15% of the city's total GVA and supports 15,000 jobs.

Contained within the Knowledge Quarter are a number of specialist facilities;

- Liverpool Science Park, which provides flexible business space to support small knowledge sector companies and university spin-out businesses.
- The Proudman Oceanographic Laboratory
- The National Centre for Zoonosis research
- Proposals for a new Bio-Innovation Hub to be constructed.

The Daresbury facility in Halton contains a cluster of science business of national importance, it is already home to two successful business centres and the established Cockcroft Institute, there are

proposals for a third small business centre on the site. The site is also an academic centre of excellence. It is home to over 400 scientists who work across a number of scientific disciplines including accelerator science, high performance computing, and, sensors and detectors. The site has strong links with major UK and international industrial and science based companies. It is estimated there are 100 high-tech companies employing in the region of 500 staff.

The former National Bio-Manufacturing Centre is Speke, now operated by Eden Bio Design, provides a unique facility to enable small and start-up drug companies to run effective trials on their pre-market products

The Liverpool Innovation Park on Edge Lane contains a server farm and high speed online connectivity. The main building on the site has been refurbished, and is now home to an increasing population of small businesses, many in the ICT sector.

2.7 Small Business Space

The availability of small business workspace is much more difficult to accurately assess across the City Region. There appears to be significant availability of space in areas such as the Ropewalks in Liverpool. A lot of space in the past has been supply driven, and arguably somewhat distorted by grant funding regimes.

There have been some examples of programmes which have successfully delivered small business space. The levels of available space in different parts of the City-Region are quite difficult to analyse for start-up space, as there are no central records.

An alternative policy for the City Region could be to award small capital grant funding and target this at growing small businesses, to be strictly applied as capital funding to contribute to the cost of expansion. This would lead to a more demand-driven market being established, whereby small businesses effectively apply capital investment into the stock they judge best meets the needs of their business.

2.8 Light Industrial Space

These sites typically contain a production/manufacturing/storage space and an associated office facility, usually with a front yard with dedicated parking or a shutter access to gain access to the production space. They are typically developed in terraces in a managed environment.

Demand for this type of product has remained robust throughout the recession. The Estuary Banks scheme sold its first phase off plan in 2012, the Wellington Estate in North Liverpool has all 19 units let, which comprises a total of 107,000sqf of space. Redsun Developments have also successfully developed schemes on the Wirral.

Whilst ensuring that the market does not become saturated with one type of property product, well located sites in places where existing space is largely taken up, would appear to represent a viable opportunity for development in the 2014-17 period.

It also noted that the City-Region appears to have a very large volume of largely outmoded, although still widely occupied, industrial stock (this is often found on the older, often pre-war industrial

estates). The quality of this stock may be acting as a major constraint on the growth of firms, and acting as a break on the performance of key industrial locations.

2.9 Distribution Scale Sites

The Port of Liverpool is being expanded through the installation of an in-river terminal. This will enable post-Panamax size ships to use the facility, potentially doubling the cargo handling capacity of the Port. This expansion should have knock on impact in the wider region. It should, at the very least, provide a boost in demand for larger well placed sites both in the vicinity of the Port and in the wider City-Region. Based on an optimistic scenario, it could transform the level of demand for large sites across the whole city-region (those capable of hosting upwards of 500,000sqf sheds).

The preferred sites will usually have rail-head capacity to enable large amounts of goods to be transferred via rail freight. The Rail enabled facilities also contribute to sustainability, not only by reducing truck mileage, but also by freeing up some of the most congested parts of the UK motorway network (such as the M6).

The sites need a very significant amount of land, especially for the larger multi-modal sites, with a capacity to accommodate several hundred thousand square feet. Below this level, there could be significant demand for large, well located and prepared sites that could accommodate individual sheds in the 100,000sqf range.

2.10 Industrial Land

The maintenance of an effective set of sites to support a range of industrial type activity is an important element of servicing potential investment inquiries.

There is no single type of site that can be defined for industrial/manufacturing uses, but a few critical factors that can have varying levels of importance to potential occupiers.

There are higher end manufacturing/research type requirements, that will generally put a higher premium on the quality of environment than a standard manufacturing requirement, there are some good examples of this type of commercial premises in Speke and at Wirral International Business Park

It is likely, that over time, the better located industrial sites have been taken-up, and the remaining available land may well be compromised. In many cases available sites will suffer from contamination, access or layout problems. In the past there have been national funding resources and programmes, such as the Derelict Land Programme, which have played a major part in bringing brownfield land back to the market (the ERDF and Growing Places funding are often limited in this regard because of the requirement for time-limited and direct job outcomes). The absence of these programmes, and the resources that support the clean-up works, mean that many sites which could be re-used are left un-developed, because the cost of remediation and infrastructure provision exceeds any development value the site could generate.

At a city-region level it would be worthwhile monitoring the availability of industrial land, and to consider making resources available to produce a portfolio of well located, formerly brownfield, industrial sites.

2.11 Land Supply

There is a strong pattern emerging in relation to land supply for employment uses.

There appears to be a rapidly diminishing supply of available and good quality land for industrial and distribution type uses. There is very limited future supply at key locations such as 3MG in Widnes and Knowsley Industrial Park. All Authorities have reported shortfalls one way or another.

The diminishing pipeline of available land would be an issue at any point in the economic cycle. However, at a point where the UK economy appears to be returning to growth, whilst at the same time proposals are in place to significantly expand the Port of Liverpool, this land shortfall should be recognised as an urgent economic development priority for the City Region.

Planning needs to commence to identify future land which could be made available for commercial, distribution and industrial development, and consideration should be given to using resources to support the bringing forward of a pipeline of viable, well connected sites at a city-region level.

Each Local Authority has its own employment land studies, and these would definitely benefit from being put in a city-region wide context. A shortage of a particular type of site in one locality may not be a problem if there is surplus of similar availability in a neighbouring Borough. Co-ordinating future land pipelines and land release at a city-region level should ensure that there is an overall optimum level of supply.

Section 3

Economic Sites (Key Findings, Policy Observations and Interim Recommendations)

A primary objective of this report is the mapping of a set of key employment and housing sites, with the potential to deliver development activity before 2017.

The scale of activity required to ‘map’ the key housing and employment sites and to comment on their current status has meant that at this stage only a very cursory review of a specific projects potential to deliver activity before 2017 has been included.

3.1 Economic Sites

This Report makes a number of specific policy observations and broader recommendations.

An over-riding recommendation concerns the way in which projects are appraised ahead of being potentially awarded public funding. There has been a tendency to support projects on the basis of their stated ‘job creating’ capacity, which makes assumptions that once an office is constructed or land is cleared jobs will suddenly appear. This is not borne out by experience. Future appraisals should put a greater emphasis on understanding whether the site or the product will have genuine traction in the market, and therefore, whether stated outcomes are probable.

3.2 Land Availability and Large Sites

The City Region is running low on its pipeline of larger commercial and industrial land, and if increased demand from Port expansion and generally improved UK economic conditions is factored in, there is a risk that if new sites aren’t identified that future jobs and investment opportunities will be lost. This land shortage may also constrain the future development of light industrial units designed for SME occupation. The City Region should prioritise the assembling of a new and diverse portfolio of employment sites.

The City region has only a very limited number of sites which can currently host very large distribution requirements. The report identified a small number of large multi-phase investment sites in the City Region. These multi-phase sites are often quite complex and will often require a level of resource simply to identify how to proceed with a development pathway.

Interim Recommendations

- A pipeline of very large, distribution capable, sites should be identified, and the preparation of these sites should be clear priority for intervention.
- The city-region should develop a programme to bring forward a new generation of employment sites in a range of different locations. Recyclable resources could be applied towards the preparation of sites, with repayment made upon eventual development.

- The City Region should prioritise resources to support the major multi-phase investment sites (identified in Table 1) meet milestones, ensure that momentum is achieved and sustained, and that economic development is secured over the longer term.
- A ‘delivery plan’ should also be put in place to oversee the implementation of ‘Investment Opportunity Sites’ (identified in Table 2).
- The Port of Liverpool master-plan identifies how land on the dock and port estate can be configured to support port operations, however, there should be further analysis carried out to identify how new land opportunities could be created in the immediate port hinterland.

3.3 Sites for Office Development

- There is no overall shortage of land available for new commercial (office) development at a City-Region level. The only notable exception to this is the lack of available land for new development in the heart of the Liverpool Commercial District.
- The crash of 2008 and the following recession may have had a significant impact on the attitudes of professional, financial and business service companies. In a more cost conscious environment the willingness to commit to expensive new offices may be on the wane. If indeed there is limited demand for high-end ‘Grade A’ office space over the longer term this has a significant implication for the future development patterns of Liverpool Commercial District, Wirral Waters and Liverpool Waters.
- The Business Parks designed in the early 2000’s (such as Kings Business Park in Knowsley and Estuary in Liverpool) appear to have stalled. There has been little evidence of interest from large occupiers in out-of-town business parks for a number of years. There is also the potential of over-supply in the wider city-region, with very large sites on the edges of Chester and Warrington also struggling to attract market interest. Whilst there may be a degree of pick-up in demand as the general economy improves, the likelihood of a return to major scale out of town development is low.
- It is worth noting that similar locations have hosted some extraordinary success stories. The growth of the Homes Bargain and B&M retail chains, from prepared sites at Stonebridge and Speke, are an example of the scale of activity and level of jobs that can be supported from large and well located sites.
- This is not an argument for neglecting office development. The City Region stock is constantly ageing, and sustainability and environmental pressures, mean that an old and energy inefficient office stock will act as drag on future economic performance. The UK remains a predominantly service-based economy, and offices are at the heart of this economy.

- There should be greater consideration of what type of office space will be required in the future, and how the City Region can promote some of the fundamentals that would promote new office development (whatever form it takes), such as best in class broadband and communication infrastructure.
- A large number of small business centres have been established in the City-Region. These have been constructed on the back of ERDF resources as well as local regeneration funds. There is no collated data on how successful these Centres have been, and there is no overall assessment of how much space is available in the existing stock.

Interim Recommendations

- It is important to ensure that should the market for 'Grade A' new office space return; that well located and viable sites are prepared and ready to go. Whilst there are no plans for any new 'Grade A' office space in Liverpool in the near future, the key expansion plot for the Commercial District, at Pall Mall, requires a remediation programme to be enacted, this should be considered an early priority.
- A policy of promoting the environmental retrofitting of the most viable office buildings in the best locations would help ensure that the overall office stock does not deteriorate further and that too much stock does not fall into a category of being 'un-occupyable'. There is potential for joint work between construction schools within the HE sector and building owners, to establish cutting edge techniques for retrofitting to high environmental standards.
- Prior to supporting future small business space projects a comprehensive review of take-up and space availability in purpose built small business space should be undertaken, in order to better establish actual need and geographic evenness of provision.
- The city-region should pro-actively explore the likely future occupational needs and broad property requirements of service sector companies going forwards, and then consider how a property offer might be configured in response.

3.4 Sites for Specialist Occupation

Consideration must be given to how specific assets based in the City Region can be exploited to shape land and property propositions that can help attract growing businesses and inward investors to locate in the City Region.

- The potential to build Centres of excellence associated with the partners based in the Liverpool Knowledge Quarter. These may have the potential to create viable clusters of high value activity in the city-region; they add to the appeal of the city-region as a location for knowledge economy companies and help build a sustainable business base.

- The JV partners at Daresbury are currently developing ‘Project Tech Space’ which will provide additional laboratory and office accommodation as part of the Enterprise Zone. The facility will support the demand for laboratory capacity in excess of that available in the ITAC (Innovations Technology Access Centre) building and also to provide grow on space to companies’ currently leasing space within the Innovation Centre and Vanguard House. The current plan is to develop approximately 46,000sqf net accommodation with the majority of the space included within in a 3-storey multi let building.
- There has been a general lack of laboratory space within the City Region. Larger occupational requirements cannot be accommodated, and it is reported that there is a level of demand from companies housed within the existing incubator centres. This level of demand should be properly analysed to better understand future space requirements.
- Some of the early stage proposals for Wirral Waters, such as Chinese Trade Centre, offer an opportunity for the City Region to build and establish greater links with growing parts of the world, they would also further diversify the employment base of the region.
- There are some highly specialist facilities which are of importance to the City Region. These include the opportunity to construct a permanent Cruise Liner Terminal on the river-front, the potential to use land ownerships to revitalise the resort of Southport, and an opportunity to build on the advantage of the hosting of the Open Golf in the city-region by constructing a resort hotel at Hoylake.

Interim Recommendations

- Priority should be given to supporting the development of the two key science and technology clusters in the city-region, the ‘Knowledge Quarter’ in Liverpool and ‘Sci-Tech’ at Daresbury.
- This should include the development of detailed physical development plans for both sites, with a series of prioritised capital projects.
- The availability of public funding from sources such as ERDF, which was always geared to support higher added value economic activity, may be much more limited going forwards. Therefore, propositions for new specialist facilities will have to demonstrate an ever greater degree of commercial viability from an early concept stage.
- Sites which have the potential to diversify the economic base of the city-region, such as tourism and visitor projects should be considered an important element of a spatial economic plan; they must also be subject to the same level of robust testing in terms of their capacity to deliver hard economic returns.

Section 4 Categories of Employment Sites

For the purposes of this report four categories of site have been identified.

For the purposes of this report some sites which would once have been classified as ‘multi-phase’ are now defined as ‘Large Investment Sites’ as they have successfully worked through the phases, and all that is now left are one or two prepared plots (such as 3MG in Widnes).

A ‘**Multi-Phase investment site**’ is defined as a site designed to be implemented over many phases and over a longer time period. Because these sites have long term visions it is important to recognise that only aspects of their implementation can be achieved before 2017. Multi-Phase investment sites are not judged to necessarily have any greater economic impact than particular ‘investment opportunity sites’

It is necessary to identify the early ‘momentum’ projects which are the short term/early phase activities programmed to take place on these sites over the next three years. Distinguishing the near-term opportunities is critical, as so many big schemes in the city-region are branded as transformational, but will only be so over the next two or three decades.

An ‘**Investment Opportunity Site**’ is defined as a medium to large size site that is capable of hosting economic activity of a distinctive nature. The sites in this category should be able to host significant employment uses, and should demonstrably expand the range of choices available to potential expanding businesses or inward investors.

Sites for general or industrial type uses must demonstrate that they possess attributes that are not otherwise generally already available on the market. Sites promoting out-of-town office uses should clearly demonstrate actual market interest, or local drivers that can stimulate investment.

A ‘**Local Opportunity Site**’ is a site which can make a significant local employment impact. These are sites which have the potential to come forward in the next three years and deliver benefit.

A **longer term employment site** is one which has been identified as potentially significant, but may have limited prospects of economic activity commencing in the next three years.

Table 1 Multi-Phase Investment Sites

Location	Description
Liverpool City Centre SIF (Phase 1) Central Liverpool (the corridor leading from St George’s Hall/Lime St to the Waterfront through historic downtown to the waterfront and Kings Dock)	The first phase of the SIF extends from London Road and Lime Street Station through St Georges Quarter and Historic Downtown to Kings Dock on the waterfront. This arc-shaped area includes many of the key economic development opportunities that will drive the future growth of the city. Some projects are long term and others will deliver between 2013 and 2017. The key projects for the early phases of the programme include: transformation of civic space around St Georges Quarter, bringing vacant buildings back into use in Historic Downtown, the preparation and development of Pall Mall for commercial offices, the development of a permanent cruise liner terminal and development at Kings Dock.
Parkside St Helens	This site has the potential to accommodate a significant scale of large distribution uses. It is rail connected, so has an added benefit of providing more sustainable method of moving large volumes of

	<p>goods in and out of the City Region. The site is of a potentially nationally important scale, and has the potential to be a major hub for the North-West region.</p> <p>The site has a potential 155ha of land for development for a Strategic Rail Freight Interchange (as allocated in the St Helens Core Strategy). It is strategically located adjacent to the M6, as well as the West Coast Mainline rail line and the Trans-Pennine rail line. The site, part of which was an ex-colliery, is one of the largest sites within the north west for a logistics hub. The site has the potential for direct rail access onto the national rail network as well as the national motorway system. The location of the site plus its size and topography would allow for large distribution buildings of up to 700,000 sqm.</p>
Wirral Waters (Part of Mersey Waters Enterprise Zone)	<p>There are a range of planned development opportunities at Wirral Waters for shorter term fruition. The site has very long overall development vision, as the site extends to around 500 acres. The early proposals are for an automotive supplier park; and the International Trade Centre will be largely dependent on the schemes ability to pre-let space (this will provide for a c600k sqf building in the first phase). There has been significant investment in on-site infrastructure. There are also plans to develop an existing building on the site as a Film hub. The key projects at East Float include a new College campus, and redevelopment of the Hydraulic Tower, both of these projects are dependent upon the outcomes of public funding decisions. There are proposals for mixed use development (North-bank East) which will include a mix of retail, leisure and residential elements.</p>
Liverpool Waters (Part of the Mersey Waters Enterprise Zone)	<p>This is a c150 acre site made up of redundant docklands. The site is bounded by Princes Dock to the south and extends north to Bramley moor Dock in the north. The site contains 2km of waterfront access. An outline planning application has been approved which enables development of up to 1.32m sqm across many different use classes. There are some early infrastructure, transport and public realm programmes as an early priority to prepare the wider site for large scale development. Early activity on the site has included the development of a new maritime academy for Liverpool Community College.</p>
Knowledge Quarter Liverpool	<p>This location contains many of the key knowledge and learning institutions in City Region. A Knowledge Quarter Mayoral Development Zone Board has been formed, and this Board, which comprises all the key stakeholders, will oversee the development and implementation of a strategy for the zone. The University of Liverpool, John Moores University, the School of Tropical Medicine and the Royal Liverpool Hospital all have major planned capital programmes. There are specific proposals for a second phase Bio-Innovation Hub, a Material Innovation facility and the redevelopment of the former Post Office facility on Copperas Hill. This site represents a very important concentration of the city-regions knowledge assets, and it is therefore central to the wider aspiration of diversifying the city-regions economic base.</p>
Daresbury 'Sci-Tech' Halton	<p>'Sci-Tech' Daresbury is an international hub for world-class science, innovation and enterprise, driving collaboration between these</p>

	different groups. The Enterprise Zone covers approximately 28 hectares of the “Campus Vision” outlined in the Daresbury SIC master-plan, to enable the expansion of the B1 science, high tech and research facilities, detailed in the HBC Core Strategy document, (April 2013). The site size is designed to attract world-class occupiers to the region whilst supporting the wider knowledge based economy that is being promoted. The Enterprise Zone has the long term capability of delivering over 1 million sqf of high quality real estate to support the growth generated by the commercialisation of STFC research.
Dunningsbridge Road (East) Sefton	This location contains a combination of large vacant plots (including the former Peerless site), the existing Heysham Industrial Estate and links into the Switch car site. There is the potential for this whole area to be reconfigured to create a coherent single industrial estate, this will require an infrastructure plan for the area to be undertaken
Knowsley Industrial Park The largest industrial estate in the City region, with only a few significant plot sizes remaining	The site is the largest industrial site in the City Region. It benefits from excellent main highway/motorway connectivity, and take-up of available land has been strong. There remain a few plots of scale. The former Sonae plant has 40 acres of development land, this site also benefits from the potential to create a rail connection. There is also the potential to expand the existing Alchemy site, with 25 acres of development land available. Academy Business Park is a further 25 acre site with design and build opportunities. The final major land opportunity is the land in the principal ownership of the Potter Group, which when combined with other ownerships could create a 50 acre site, which also has the potential for rail connectivity. In addition, there are a number of smaller scale available sites together with longer term opportunities for remodelling of existing land and premises.
Edge Lane Sites Liverpool	The Edge Lane corridor contains a number of large land opportunities. The Liverpool Innovation Park, and the associated development land, provides an opportunity to develop occupational opportunities for knowledge businesses and those with high data and connectivity requirements. The planned refurbishment of the Littlewoods Building will create new opportunities and a better overall physical environment. The surplus land at the Fruit and Vegetable market site provides an opportunity to develop a ‘food hub’. There is also a planned redevelopment of the Retail Park.

Table 2: Investment Opportunity Sites

Site Location	Description
Wirral International Business Park Former MOD Site Riverside Office Park	The former MOD site is an 8ha site, one of the last few large land opportunities at the WIBP. The site has been substantially remediated, with some limited clearance required. The site is fully powered and directly in Wirral Council ownership. There is also a 3.4ha site at WIBP which has planning permission for large scale office development (the balance of the Riverside Business Park). There are other development plots noted on the site, including c.20 acres former RV chemicals site which requires remediation, and Wirral Council own an 8 acre site on the waterfront, which has

	abnormal ground conditions. There is also the former Spectrum site in HCA ownership, which could be developed subject to appropriate development use in line with the local planning priorities coming forward.
Estuary Commerce Park South Liverpool A fully landscaped and serviced, high end business park in the vicinity of Liverpool Airport 135 acre site in freehold ownership of the HCA, four main plots remain for development	This site was designed as a high quality out of town business park. It has a very high quality finish to the site and full infrastructure servicing. However, there have been no large developments or lettings over the last five years, with the only new development being the creation of small business units. The strategy for delivery on this site may need revision.
Stonebridge Park East Liverpool The creation of a very large development plot	Liverpool City Council are currently re-configuring the entire district, the result of which will be to utilise a part of the vacant business park site for other community uses, and to create a single very large site. These positive steps will create a site, next to the main M57 and A580 junction, which would be ideally placed to service a very large space requirement (in excess of 1m sqf), one likely to be generated by proximity to the expanded container Port.
Haydock Industrial Estate St Helens	Haydock Industrial Estate is 142ha in size and accommodates a mix of B1 /B2 / B8 uses. There is a total of 6.6ha vacant land available for commercial development, including sites at Old Boston Site and Empress Park. The Estate is bounded to the south by the East Lancashire Road (A580) and to the east by the M6, creating a prime location for commercial development and in particular logistic based companies, which already accommodates regional / north west Distribution Centres, including those for Sainsbury's, Bookers and the Book People.
Former Pleasureland Site Southport	This is a significant site including the Pleasureland Theme Park. There have been pre-recession attempts to find a 'big bang' solution to this site, which have proven unsuccessful. To take this site forward infrastructure may be needed as an early phase, to improve pedestrian/cycling links through the site and to the wider town centre, plots for development activity could be prepared- any development should enhance the locality as a regional visitor attraction.
3MG Widnes	This site is a major logistics and distribution site for the City Region. The site has been successfully established in the marketplace, and the remaining development opportunities are clearly defined. These include Halton Field, which has the capacity to accommodate a mega shed, in the region of 1msqf. The other available plot has the potential to be reconfigured to create plots according to specific occupier requirements.
Widnes Waterfront Former Bayer Crop Site Widnes	This is very large site (40 acres) in the Widnes waterfront zone. A development partner has been appointed, and there is a projected start on site for December 2015 . The site is currently projected to be appropriate for logistics/distribution and warehousing

Ineos Site Runcorn	This site offers a unique opportunity to attract specific industrial occupiers. The site contains the necessary infrastructure and environment to accommodate specific chemical process type manufacturing. The presence of an on-site heat and power facility, steam piping, on site fire service, port access and available power infrastructure given this site some unique attributes.
Atlantic Park/Senate Business Park Sefton	This large site on the Dunningsbridge Road in Sefton has a combination of office and factory uses. There is a current proposal for a c0.5m sqf large shed on the site, which if it proceeds will remove a lot of the available land in one go. There may be a requirement to manage abnormal costs in order to support further development on parts of the site. There are also phased land opportunities at the Senate Business Park.
The Heath Runcorn	This is the former ICI headquarter facility. There is a significant grouping of science related activity undertaken on the campus, including a data centre and a hydrogen research facility. It currently accommodates 170 companies and some 1,800 staff. There are plans to reconfigure some of the existing buildings and to create some further development plots.
Port of Liverpool sites + Port Hinterland North Liverpool/South Sefton	<p>There is a significant collection of sites on the Port of Liverpool site, many associated with the 'Freeport' zone. Many of these sites will require re-modelling to accommodate growth and development of the Port. There is also potential to re-structure sites in the immediate Port hinterland, to create opportunities to re-use low value or abandoned land to maximise of benefits of expansion.</p> <p>There are also proposals for the development of nearby Bootle Town Centre. There is a strategy in place for both the development of the Hugh Baird College, and proposals around the development of an office quarter in Bootle. A portfolio of associated development sites will be made available to the market.</p>
Huyton Business Park and development Land at Cronton Road Knowsley	<p>Large, good quality allocated employment site (8 ha) with outline planning permission for mixed use development comprising employment, retail, hotel and salting depot immediately adjacent to J1 of the M57 and J6 of the M62 with frontage onto Huyton Business Park.</p> <p>The main Huyton Business Park is a highly accessible location adjacent to J1 of the M57 and J6 of the M62 with 7.4 ha available for commercial development (B1 / B2 / B8) across a range of site sizes.</p>

Table 3: Local Opportunity Sites (2014-17 potential)

Site Location	Description
Venture Point South Liverpool A 20-acre site in Speke, with 8.97 acres available for Development. The site is sub-divided into 6-7 available	Venture point was created to provide development opportunities for high quality SMEs. These serviced plots in Speke have been very slow to move over last 4 years. It would appear on the face of it that there should be a degree of additional demand for space in the vicinity following the rapid expansion of the Jaguar/Land Rover plant, and the subsequent increase in demand down the factory supply chain, but this does not appear to have fed through into local

plots	markets. There does however, appear to be a reported shortage of high quality 20-40k sqf space for immediate occupation by this sector. Developers are therefore being encouraged, where assisted by public sector finance, to consider the opportunities the Venture Point can offer.
Pumpfields Site and Great Howard St Corridor North Liverpool	This project relates to the opportunity to improve the quality of employment space north of the city-centre within the Enterprise Zone. This area comprises Pumpfields and the Great Howard Street (A565) corridor, which extends from Liverpool City Centre north towards the Port of Liverpool. Pumpfields and the Great Howard Street corridor are important employment areas, however they are characterised by poor quality premises and underutilised land and buildings. Significant public sector investment is required to assemble and prepare sites to facilitate private sector investment. The City Council secured £25 million of RGF round 2 monies for the North Liverpool Programme Bid which included an allocation of £8 million for site acquisition, preparation and development to be focussed in this corridor. Around 2 hectares of land are now in public sector ownership and a further 2 hectares is likely to assemble within the next 3 years. There is feasibility work underway by LCC into an early phase of development.
Former Croda/Uniqema Plant Wirral	A proposal for a mixed use development is being progressed through the planning system for this 5.9ha site. A 106 agreement is currently under negotiation. It has a 3 phase build out, and the developer has commenced early works.
Kirby Town Centre Development Land Knowsley	There is available land for commercial activity in Kirby Town Centre, together with outline permission for mixed use development comprising a foodstore, retail, service and leisure units.
Daresbury Business Park Halton	This is a large and established business park (separate from the Sci-Tech campus) which lies adjacent to the M56 motorway. The land-owner is currently seeking to refresh planning permissions, it is noted that the site currently covers only in the region of 1/3 of the designated land for the business park.
Southport Business Park Sha expansion to existing Business Park	Much of the land required to create an expansion to the existing Business Park requires remediation, there is an agreement for an adjacent house builder to progress this. The site requires planning permission, and there are issues with power supply. It was noted that there is some local interest from companies for light manufacturing space, and consideration may need to be given locally over the type of uses the Park will seek to promote.
Anfield Regeneration Programme Liverpool	This proposal has a large housing element; so much of it is contained in the housing section of this report. There are, however, a number of commercial elements including plans to refurbish the football stadium, and the creation of a new High Street.
Everton Park Area Liverpool	This project will transform Everton Park into one of the most significant new visitor destinations in the city through creating a new visitor centre, café and conference facilities.
Project Jennifer North Liverpool	Project Jennifer is a major regeneration scheme delivering a new district centre comprising a new supermarket, shops, market, health centre, homes and business space. This project is to support the delivery of light industrial and small business premises as part of the wider Project Jennifer scheme.

Tower Wharf Wirral	This is a 1.2 ha site in the ownership of the HCA. A feasibility study has been undertaken for the development of a small business centre, the demand study has shown there is latent demand for workspace in this area.
Europa Boulevard Birkenhead	This is a scheme in Birkenhead Town Centre, which is based on reconfiguring a part of the centre and the incorporation of a number of existing publicly owned buildings and land. Neptune Developments have a 12 month lock out to finalise a master-plan for the entire site.
Johnsons Lane Industrial Complex Widnes	Johnsons Lane lies approximately 1 mile east of Widnes town centre. The site lies at the end of Johnsons Lane which is accessed off Gorsey Lane close to the junction of A562 Fiddlers Ferry Road and A557 Eastern By-Pass. This provides fast access to Junction 7 of the M62, 4 miles to the North. It is a predominantly cleared site of approximately 20 acres, and can be divided into plots if required. The site is suitable for B2-B8 industrial uses, although other employment uses may be considered, subject to planning.
Marine Business Park Abbey Street Wirral	Wirral Council has utilised RGF grant to acquire the site. There is a live tendering exercise in order to find a development partner to build out c30,000 sqf of office space on a 0.4ha site.
Pilkington Park St Helens	Pilkington Park has 10.1ha available for commercial (B1 / B2 / B8) development adjacent to the Pilkington's Cowley Hill plant and is located between St Helens Town Centre and the East Lancashire Road (A580). The site benefits from an outline planning permission which provides direct vehicular access onto City Road which leads directly to the A580 and there is also a rail line (presently disused) which accesses the site.
Rainford Industrial Estate St Helens	Site at Sandwash Close (Rainford Industrial site) 6.4ha site with detailed planning permission for 140,000 sqf manufacturing (B2) and distribution (B8) building and outline permission for B1 / B2 / B8 unit on the remainder of the site. The site is located adjacent to the green belt. The development also provides a new access road to access the Rainford By Pass (A570), which links directly to the East Lancashire Road (A580) to the south and the M58 to the north.
Knowsley Safari Park	This is a significant national tourism attraction which sits within the historic parkland setting Knowsley Estate and comprises Knowsley Safari Park and Reserve. This is a product of the 1970s, but still attracts over 250,000 visitors to the sub-region annually. However, it is disconnected from public transport, pedestrian and cycle networks, is over reliant upon the motor vehicle and is in need of investment to increase the offer in the context of much greater competition from other leisure, tourism and retail destinations. To take this site forward, infrastructure may be needed as an early phase, to improve pedestrian/cycling links to the site and to the town centre, plots for leisure related development activity could be prepared - any development should enhance the locality as a national and regional visitor attraction.
Kings Business Park, Prescot Knowsley	Modern high quality office park owned and developed by Marshall in close proximity to J2 of the M57, with Phase 2 development land (up to 9.3ha) remaining.

Table 4: Longer Term Employment Sites

Site	Location
Port Wirral Eastham	This is a very large 59ha site in the ownership of Peel Holdings. There are long term plans to transfer activity from Ellesmere Port and Runcorn Docks over a longer time period. This is a potentially significant site, but is at an early stage in its planning and master-planning process.
Former Prysmium Development Land (South Prescot) Knowsley	This site has the potential to provide up to 24 hectares of development land. However, the site is on split levels with approximately 16 hectares on one level, and 8 hectares on another, and includes a current outline planning permission for residential development on part of the site. The site also benefits from an existing road link into the site.
Hind St Birkenhead	The site contains a mix of HCA and National Grid land. There is outline permission for a mixed use regeneration scheme, with permission for an access road in place. The site is of a reasonable scale (6.14ha), but development progress will not be made until agreement on the funding of the removal of existing gas holders is agreed.
Stadium Site Liverpool	There are early proposals to establish a new Stadium site, as part of a mixed-use development scheme
Hoylake Golf Resort Wirral	This project has the potential to provide a very significant visitor attraction for the City region. The site is currently subject to an OJEU process, with the outcome expected to coincide with the hosting of the Open Gold in Hoylake in 2014. The project, once defined, will have to secure planning.
Former Ravenhead Glass Site St Helens	Former Ravenhead Glass site is located adjacent to St Helens Town Centre, it is adjacent to the Liverpool Wigan railway line and close to the Linkway which provides direct access to the south onto Junction 7 of M62. The site is a vacant brown field site of 9.17ha, located between the Pilkington manufacturing site and Knauff (Insulation manufacturing and distribution) site.
Mere Grange (Phase 2 +3) St Helens	The Mere Grange, which is owned by Langtree, is located on a prominent site adjacent to the St Helens link-way in close proximity to J7 of the M62. Phase 1 of Mere Grange has been developed out as a grade A office development as has the site infrastructure and phases 2 and 3 provide a development opportunity for additional 'high spec' offices or alternative commercial development.
Langtree Park St Helens	Langtree Park is located adjacent to St Helens Town Centre and has been part developed by the Langtree Park Stadium home to Saints Rugby League Team and a large Tesco's store and the infrastructure has been provided. The site fronts onto the M62 link-way which provides direct access to the M62. The site could support a leisure/commercial development.
Woodside Wirral	This is a c17 acre site in mixed ownership including Merseytravel, Peel, Wirral Council and other private landowners, which has aspirations for retail, leisure and hotel uses. A master-plan has been generated for the site, although no doubt the phasing of the activity on the site will need to be established.
Levers Expansion Land Wirral	This is land owned by Unilever, which the company may be retaining to support future expansion plans. The site is large (25.4ha) and if it

	comes forward could offer an important employment site, but is dependent upon Unilever internal business planning.
Clatterbridge Hospital Site Wirral	This is a site with surplus development land (4.72ha) in the ownership of Wirral Hospitals Trust, located very close to a M53 junction. There are no live plans for the development of the site at the time of writing.
Jaguar Land Rover Expansion Land, Halewood Knowsley	This land is owned by Tata, which the company may be retaining to support future expansion plans. The site is large (16.5ha) and if it comes forward could offer an important employment site.
Cronton Colliery (and Land to the South of the M62) Knowsley	The land is currently within the Green Belt, although it is identified as a 'reserve' location to meet employment needs within Knowsley through the emerging Local Plan. The site is large comprising a proposed Country Park and capacity for 24.5ha of employment development. The site offers potential to address both local and sub-regional requirements relating to the Knowledge Economy, and / or large scale warehousing and distribution.
East of Knowsley Industrial and Business Parks Knowsley	The land is currently within the Green Belt, although it is identified as a 'reserve' location to meet employment needs within Knowsley through the emerging Local Plan. The site (7.2ha) is considered suitable to provide additional land supply capacity, whilst delivering an enhanced gateway to Knowsley Industrial and Business Park from the eastern approach of the A580 to complement ongoing regeneration.
Knowsley Lane, Huyton Knowsley	The land is currently within the Green Belt, although it is identified as a 'reserve' location suitable for mixed use development to meet residential and employment needs within Knowsley through the emerging Local Plan. The site is large with approximately 10.8ha considered suitable to provide a successor site as a high quality office destination, following the development of remaining land supply within Kings Business Park.
Carr Lane, Prescot Knowsley	The land is currently within the Green Belt, although it is identified as a 'reserve' location to meet employment or residential needs within Knowsley through the emerging Local Plan. The location of the site (3.2ha) adjacent to South Prescot ensures it is suitable to provide expansion capacity if required.

Section 5 Housing Sites

The objective of this report is to identify the housing sites which are currently on site at the moment and under construction by the private sector, and then consider the pipeline of available housing sites. This analysis should inform a debate about how to best create an optimum mix of housing opportunities; one that the market will be in a position to respond to.

Assessing the likely shape and scale of future private sector house-building in the City Region is difficult. Future growth will depend both on national economic performance, and the extent to which regional growth is achieved as the UK slowly moves out of recession. There are long term trends that point to significant future demand for new housing, an Oxford Economics forecast estimates the population of the City-Region will increase from roughly 1.507m today to around 1.535m in 2023, a 1.9% increase. Demographic assessments show over a longer period (2006 to 2021) that the average household size will reduce from 2.3 to 2.1 people.

These trends need to be considered against other fundamental shifts that are occurring. Large portions of the labour market are becoming ever more informal, jobs for life have all but disappeared, permanent public sector jobs have drastically reduced and in certain growing sectors, older workers are increasingly excluded. These trends are combining to reduce the overall pool of people who are in a position to secure a mortgage and purchase a private home.

Large scale increases in private sector led house-building will only occur at the point at which there is a commensurate rise in the number of people in jobs with both decent wages, and a degree of permanence.

5.1 The Housing Agenda in Context

It is estimated that there are in the region of 670,000 dwellings in the City Region. Of these private sector dwellings approximately 150,000 are in the social rented sector. There are a number of longer term issues associated with the City Region housing agenda, some of which have been flagged in previous Spatial Investment Plans, these can be summarised as follows;

- There is the on-going need to raise the quality of the housing offer overall, with a particular focus on improving neighbourhoods.
- There is also a need to address housing stock that is old and often in poor condition, which leads to higher energy costs and contributes to household poverty.
- There is a need to provide a wider range of property choices, in particular a better supply of ‘aspirational’ homes, 68% of properties across the City Region are estimated to be in Council Tax Bands ‘A’ and ‘B’, with only 15% in Band ‘D’ or above.
- Bringing the large number of empty homes (estimated at 16,400 in 2012) back into use
- Delivering effective neighbourhood interventions in the most deprived wards, in order to provide better more sustainable communities with better access to employment.
- Significant investment has been achieved in the social housing sector following stock transfer, however, standards in much of the private rented sector are not acceptable
- Most of the poor quality stock is now concentrated in the private rented sector, where a lack of regulation, and housing benefit payments which are made irrespective of whether basic

standards are met (1 in 4 houses in Liverpool does not have central heating), represents the biggest challenge for policy makers in addressing basic housing standards.

- A combination of employed people struggling to access mortgage finance, and the low standards and insecure tenancies on offer from the existing private rented sector, means there may be space in the market for high quality, purpose built property for longer term rent, especially for those with jobs who cannot meet strict mortgage lending criteria.
- Housing supply is not well aligned to demographics. For example, 39.2% of households in the City of Liverpool have lone occupants yet 77% of overall stock is made up of houses and 19.9% flats with just 2% bungalows.
- There is a long waiting list for people seeking to access Social Housing, yet each successive variant of the national Affordable Housing Programme (AHP) the grant element has been reduced, making it much more difficult for Housing Providers to make new schemes stack-up.

The City Region has a very large supply of terraced housing in large swathes of Liverpool, but also in the other principal former industrial towns in the City Region. There is also a large supply of three bedroom properties, often in large single-format former municipal estates.

The stock has been somewhat diversified by;

- The robust nature of the south Liverpool housing market, which has proven attractive to younger professionals, and when well located sites have come to the market (for example through the recent surplus school sites sale) these have proven attractive to the market
- The 2000-2008 boom in apartment building in Central Liverpool. Whilst many schemes struggled to make a financial return as the onset of the financial crisis of 2008 hit, over time the surplus stock has now sold, and the market has matured to the point that new schemes may start to trickle in.
- There has been a rapid growth in the construction of specialist student accommodation in Central Liverpool.
- The successful delivery of replacement housing, particularly stock aimed at first time buyers, in the former Housing Market Renewal areas.
- The construction of new suburban housing schemes, in particular to the East of the City Region, where demand for this type of housing product remains high, as these locations (clustered around motorway interchanges) service very wide labour markets.

The objective of this housing plan is not to dictate what type of housing new-build mix should be constructed, nor seek to impinge on local planning priorities. However, for the wider health of the city region economy it should be recognised that a mix of types of properties at a wide range of price points, and in a mix of different locations would collectively contribute towards the economic vitality of the broader city region.

The broader housing issues listed in this section cannot all be addressed over a three year period as many are long term. The ability of the City-Region to tackle its specific set of housing related challenges is, at least in part, constrained by a suite of national programmes that often have a marginal impact on the issues identified above, or are tied into the delivery of welfare programmes at a national level (eg: Housing Benefit).

5.2 Housing Affordability

There is a significant affordability issue in the Liverpool City Region.

The affordability issue is not as profound as that facing the Greater London economy, where very high prices have been the predominant cause. In the Liverpool City Region it is caused by relatively low wages, especially when measured against average house prices.

The perception of there not being a problem may have been caused by the availability of small terraced houses, generally in poor condition, available for very low prices. It is also the case that there remain properties available in London for under £100k, but these are usually flats in poor condition in the worst performing parts of the City. The poorest stock should not be used as a proxy for assessing 'affordability' in any urban location.

An internationally recognised methodology for assessing 'affordability' is to measure the ratio of the median household income to the median house price. The Demographic international house price study (2012) benchmarks housing affordability across six separate countries. It uses the 'median multiplier' which is the '*the median house price divided by gross median household*' income. A multiple of 3 is seen as the outer boundary of affordability. 3.1 to 4 is defined as *moderately unaffordable*, and between 4.1 and 5 is *un-affordable* and above 5 is defined as *seriously unaffordable*.

The Liverpool City Region scores 5.2, which is categorised as *seriously unaffordable*. Whilst these numbers are less than Greater London (6.9) and Cheshire and Warrington (6.4) they are much higher than locations such as Seattle (4.3), Chicago (3.3) Atlanta (1.9) and Dublin (3.4). Unlike the UK, it should be borne in mind that both North America and Ireland had a market crash, prices collapsed and are now more aligned to wages. It should be borne in mind that since the study was completed, and as of September 2013, UK house prices have increased further while wage levels have largely frozen.

The affordability issue can be seen in some practical examples;

A Keepmoat development scheme in Anfield is marketing the smallest starter homes on the development at between £90,000 and £95,000. The median salary in Liverpool is c£22,000. Median household income in Liverpool (CACI) is reported as £30,374 (LCR figure £32,072). On traditional lending criteria, half of all Liverpool households could barely secure a sufficient mortgage to buy even the smallest starter homes ($3.5 \times £30,374 = £106,309$).

If the CACI income data is correct that would suggest with a median household income of £30,374, the median house price (at a ratio of 5.2) would be around £157,944. Data on average house prices shows that the average Liverpool semi-detached house sold for £155k; and the average detached house was £263k in 2011. This would appear to validate a median income to median house price ratio in the region of 5.2.

The presence of an unaffordable housing market has a number of impacts for an implementation strategy. The most immediate impact is on the volume of people able to access a mortgage. Whilst, by mid 2013, a combination of discounted finance available to Banks (Funding for Lending) and 'Help to Buy' have created a much wider range of mortgage options and products (and a larger pool of

buyers), this should not be mistaken for a return to the sub-prime lending practices that were widespread before 2008.

5.3 Delivering New Housing Stock

It is clear that the ‘Help to Buy’ intervention will support Developers sell houses to a particular category of people, those with permanent jobs and strong credit histories, whose barrier to property ownership is their ability to raise a deposit. The policy assist with only one aspect of affordability, the raising of a deposit, in most other way it appears to have inflated the cost of housing, making the cost of a first time home even more expensive.

As with the ‘First Buy’ and ‘New Buy’ schemes, the ‘Help to Buy’ programme will assist a section of those people who aspire to own a house, but *only* a section.

It also does not help a potentially very large group of people access good quality housing. That cohort of people in employment but who have either poor credit histories or insecure employment. This ‘group’ of the population is likely to have grown significantly in the city-region, as employers increasingly use short term contracting procedures, such as ‘zero hours’ contracts. It is also worth bearing in mind that huge numbers of public sector employees have lost their jobs; this group will have represented a large pool of people who would have cleared most mortgage qualification criteria.

To compound the problem of mortgage qualification, there is evidence of mortgage companies rationing the total number of mortgage offers they will make on certain development sites.

The approach best suited to the Liverpool City Region is one which recognises that outright home ownership is likely to be out of reach for many in the City Region (especially given existing wages to house price ratios), especially those with uncertain or low incomes, poor credit histories, personal indebtedness and child caring responsibilities.

Models to meet the housing needs of those in work who cannot access the mortgage market should be given more detailed consideration;

- The potential for ‘Shared Ownership’ schemes should be reviewed, as a proven mechanism for promoting a form of ownership for lower paid workers
- Promoting schemes capable of generating a s106 Planning Gain, or CiL, especially where they are being used to increase social housing supply
- Local Authorities should consider the adoption of affordable housing standards by, for example, specifying that a percentage of any new scheme should include a certain number of ‘affordable homes’
- Purpose built for rent properties, especially those that offer tenants longer guaranteed tenancies, than the mainstream private rented sector is able to support
- Consider a potential future role for high quality municipal housing

Before firm policy conclusions are drawn, it is important to consider the interplay between the potentially large (but unknown) cohort of working people who cannot qualify for mortgages and the extent to which social housing offers viable and good quality longer-term housing options. In the event that social housing is largely unable to meet this groups needs, either now or in the future,

and assuming that the private rental sector is unable to mature beyond being in a position to offer nothing more than an insecure six-month tenancies, a clear and particular housing need can be said to have been identified.

5.4 Spatial element to Housing Delivery

The City-Region housing market does not operate as a closed economy. Constraint policies in one location will not always ensure delivery in another. The policy of promoting the urban core is broadly sound, however, not all locations and not all housing products are competing with the urban core. The focus of policy should be to maximise the range and choice of housing options, with an emphasis placed upon jobs and growth.

A City-Region Housing Strategy was generated by consultants GVA in 2007. The Plan had a particular emphasis on creating greater links between key employment sites in the city-region, and areas which could accommodate a greater level of housing. The projections on build numbers, did not and could not have forecast the scale of recession that hit in 2008, but the report does make some useful and still valid assessments of the different markets operating within the city-region.

The GVA plan recognised the existence of three separate sub-markets. A northern, eastern, and southern housing market.

The Northern HMA (Housing Market Area) incorporated Liverpool, Sefton, Wirral, Knowsley and West Lancashire)

The Southern HMA incorporated Chester, Ellesmere Port, Wrexham, Flintshire and Vale Royal)

The Eastern HMA incorporated Warrington, St Helens and Halton.

A separate Plan was generated for each of the three Housing Market Areas. This analysis is important as it recognises the pull between neighbouring authorities beyond the City-Region boundary.

The broader Warrington housing market is relatively strong, partly because of the Towns economic base and also its physical centrality within the region, being on the interchange of the main regional motorway network. The strength of the wider Warrington market is currently a key influence on the ground in the Eastern Housing Market area. Towns like Newton Le Willows offer a more affordable location for new build estate housing within the same wider market. It is much the same for East-Runcorn, house-builders recognise the strong demand from the South Warrington market and will see Runcorn as a viable, albeit cheaper, alternative. In neither case would the urban-core in Liverpool be particularly impacted, as a city-region constraint policy would simply mean that buyers would move to alternate locations, those with available supply, in Wigan or western Salford.

5.6 Sustainable Locations

The City Region needs a diverse portfolio of sites.

There is an opportunity to use the extensive Mersey-Rail network to better promote housing schemes in the immediate vicinity of Stations, those sites within a practical walking distance offer

the potential for commuting without car-use. Schemes that can offer this should be positively encouraged.

Also, schemes which will provide a commercial boost to a District Centre that is under threat of decline should be encouraged.

The reality of the suburban layout of the City Region is that outside of the ‘core’, it is much more difficult, because of largely low density development patterns, to construct new housing directly in the vicinity of public transport. Also, the further out of the urban core, the lower the likely volumes of people commuting to Liverpool City Centre. The factories, industrial estates and out-of-town office parks across the wider City-Region don’t have Stations, even if an employee can board a train near their home.

The promotion of Park and Ride schemes at key Mersey Rail Stations is a practical and achievable way of promoting *greater* sustainability across the whole of the City Region. Partial modal-split is the most viable approach towards sustainable travel outside of London, and plentiful and cheap car parking at key Stations is a way to deliver this. These parking facilities could be augmented by effective and high security bike storage, which if implemented would further promote sustainable travel.

5.7 Categorising Housing Sites

The first category of housing site identified, is those sites being developed by House Builders (Category 1). These are sites which are currently active, with full marketing and sales material available, identified plots, and sale prices published.

There are then two further broad categories of site;

The first category is for ‘primary residential land opportunities’. Sites in this category have been identified as sites with strong prospects of seeing delivery of scale before 2017. These sites tend to be larger sites (but not exclusively so) and will usually have planning permission in place, a developer in situ and in many cases early phases of development may have already occurred on the site.

The second category is for ‘housing land development opportunities’. These are defined as sites with the prospect of potential for accommodating housing development before 2017, but may have been stalled for some time, or have other barriers stopping them from going on site.

In general, smaller schemes with less than 30 homes have not been flagged, unless the scheme is seen as having particular localised significance. Similarly, sites with a planning permission, but with a land owner with little apparent desire to develop the site have been excluded.

Section 6

Housing Sites (Key Findings, Policy Observations and Recommendations)

This report makes a number of policy observations and some recommendations that should be considered in developing City Region wide housing policy.

These are broad observations, and a degree of caution should be exercised, given that many of the observations have been made without detailed underpinning evidence. This should not invalidate any of the observations, but suggests there are areas where a more detailed underpinning evidence base should be established to better inform policy decisions.

6.1 Overall State of the Market

- There are a large number of private sector led housing construction sites ‘open’ in the City Region. But this is not necessarily an indicator of a healthy housing market
- Although a large number of sites are currently ‘open’ and marketing new Build homes, overall sales on many sites may be slow.
- This is because there is strong evidence that House-Builders are changing the way they develop sites. Having lost large sums of money following the recession of 2008, largely because of a surplus of unsold new houses, Builders are taking much less risks on development sites. They are construction a small number at a time, and only committing to constructing new houses when others have sold. Whilst there would appear to be a very healthy number of sites ‘open’ in the City Region, overall output may be disappointingly low because of *a very slow build-out of sites*.
- Because volume house-builders possessing very large land-banks they are in a position to be highly selective over which new sites they open-up. If existing plots are slow to sell in the City-Region it may be difficult to secure funding to ‘open’ sites here as opposed to other parts of UK where the market may be much more dynamic.
- The vast majority of private sector stock under construction would appear to be three bedroom properties and small four bedroom properties. (At the same time the Social Housing Providers across the City Region find themselves with a surplus of three-bedroom properties and a shortage of one bedroom apartments).
- There also appears to have been a whole-scale retreat from the construction of Flats. Whilst it is understandable that many lenders got cold feet given the number of distressed schemes that they had on their books following the crash of 2008, the changing demographics would suggest that Flats should retain an important part of the longer-term City-Region property mix.
- The previous generation of equity support projects (New Buy and First Buy) appeared to usefully support first time buyers access new build properties in the City Region. There is little doubt that the ‘Help to Buy’ scheme will also support a greater number of people secure mortgages, particularly for entry level stock. This will likely ensure that future phases of new build property in the former HMR areas should continue to sell.

Interim Recommendations

- There is little evidence of the construction of flats or bungalows, two property types that given demographic trends of an ageing population, and, an increase in lone households, where new-build supply is not responding to wider social needs. A future housing strategy should identify the potential scale of need for these property types, and consider what policy levers might influence supply.
- Further, and more detailed analysis should be undertaken on the ‘pipeline’, the number of ‘plots’ available on sites which are under construction, this information should be regularly updated and analysed at a city-region level on behalf of all the constituent Authorities.
- Further analysis should be undertaken to establish the optimum mix of housing supply at a City-Region level, and aggregate the social housing supply pipeline and the private sector housing pipeline.
- Regulation of the private rented sector, so long as it does not create disincentives, has an important role to play in improving overall standards.

6.2 Access to the Housing Market

There is, however, a large cohort of working people for whom ‘Help to Buy’ will not provide assistance. Mortgage lenders will continue to lend on a selective basis. For working people with part time, short term or zero hours contracts, for self certifiers, for people with poor or patchy credit histories or existing unsecured lending, mortgages will remain very difficult to access. This category of people may represent a large cohort of the working age population in the City Region. The only option for people in this position will be the unregulated private rental market, which offers only short-term tenancies, limiting the ability of people to put down roots in their local community.

At a City-Region level it should be recognised that the UK housing market has been significantly distorted. The introduction of ‘Help to Buy’ has artificially increased the pool of people with only a very small equity share in their homes, and the ‘funding for lending’ scheme has artificially reduced the cost of mortgage finance. There is a downstream risk of households being under major financial duress, especially if there is a sharp rise in interest rates.

Interim Recommendations

- To counter this risk, at a City Region level housing policy should be based on enabling the provision of a wide range of housing choices and options, without an assumption that owner occupation is always the right option for an individual or a family.
- The opening out of a wider range of alternative choices for individuals and families should include consideration of the role of large-scale and purpose built property for long term rental. This report noted only two proposed schemes in the City-Region of this type applying for the recent ‘Build to Rent’ initiative CLG recently launched.

- So long as they do not engage in sub-prime lending practices, local mortgage schemes can play an important role in increasing access.

6.3 The former Housing Market Renewal Areas

- The former Housing Market Renewal areas have succeeded in delivering new housing throughout a sustained period of recession. It is clear that new stock constructed in the former HMRI areas has sold well, and on-going Developer interest in new site opportunities is a positive factor. One particular trend that should be noted is that in each of the former HMRI areas the House-Builders are overwhelmingly building entry level stock at very low (comparable) price points (£90,000 to £140,000).
- Consideration may need to be given to ensuring that an element of larger and slightly higher quality housing is included in these areas going forwards, to ensure that when residents in former HMRI areas look to move up the property ladder, viable local choices exist. This should help reduce ‘churn’ in these communities and creates greater long-term stability in these neighbourhoods.
- There remain parts of the city-region where there are concentrations of low demand, where there is very low demand for the housing stock. Once areas reach a negative ‘tipping point’ there are few policy tools available to avert a further downward slide. Therefore, overall housing policy should take account of the value of stabilising neighbourhoods in decline.
- There has been a clear demonstration that the policy objective of removing outmoded housing stock which has reached the end of its life with modern new build housing has been broadly successful. First time house buyers have paid significant premiums to live in a new build house over aged terraced stock. If policy in the City Region is to be genuinely responsive to market signals, then the creation of new-build houses in the inner-suburbs through a policy of pro-active land clearance is valid. The alternative is to; 1) build new houses only on outer-suburban sites, 2) build on existing green spaces and parks in the inner-suburbs, or, 3) do nothing, reducing housing choices and fail to address issues of decline.
- The lack of a national urban regeneration programme, has meant that some of the tools needed to create a better quality overall environment are not available. There remain a number of locations in the City Region where the ability to fund wider regeneration activity, such as at Anfield, will directly help underpin the speed and quality of any planned housing development.

Interim Recommendations

- That City-Region strategy should continue to argue for the merits of selective clearances to support market restructuring.

- City-Region strategy should continue to identify locations where a complimentary urban regeneration programme could support both housing market stability and growth, and argue the merits of such an approach

6.4 Aspirational Housing/ Larger Family Homes

- The level of demand for aspirational housing will always link to the level and scale of economic activity within the City Region. There can be no significant growth of ‘higher-end’ housing without a commensurate increase in the number of higher paid jobs in the City Region.
- This may explain why there appears to be a limited number of premium ‘Executive’ estates under construction. Equally, policy makers should consider the possibility that the preferred type of location for ‘higher end’ properties may be changing. The demand for premium priced property may have moved into the most desirable South Liverpool suburbs, as wealthy buyers put an increased focus on walk-able access to restaurants, bars and boutique shops.
- The extent to which this market can be further established is dependent upon the availability to bring forward land in the right places. Where this has occurred, for example ‘the King David’s Park’ scheme, which comprises 25 houses on Dunabin Road in South Liverpool, very high quality aspirational housing has been offered to the market.
- The changing generational profile of wealth may also be influencing residential development patterns. The traditional very large houses in locations such as Birkdale or West Kirby may be increasingly held by an older generation who acquired many of the properties before UK house prices rose significantly. The cohort of working people in the City-Regions who could command an income sufficient to acquire these very large houses and then run them may be relatively small. There is also a distinct lack of larger new-build properties available in these locations.
- The bulk of larger format suburban family housing is being constructed on some on the fringes of the Borough of St Helens and to the north of Widnes. It is in these locations where the most significant supply of housing priced in the £150,000 to £350,000 market is under construction.
- The enduring appeal of the north Cheshire market for large family homes presents a viable alternative for higher earners in the city-region to reside, but so too does the south Warrington market, Chester and North Wales, and, West Lancashire. With Authorities receiving higher premiums through new homes bonus allocations for larger houses, there is a real risk of a loss of overall resources to the city-region if there is on-going leakage.

Interim Recommendations

- City-Region housing strategy should consider the extent to which there has been ‘leakage’ of wealthier families from parts of the city-region because of a lack of supply of larger new build housing.
- Liverpool City Council should consider continuing to release viable plots of a small to medium size in the most attractive suburbs in the south of the City, to capture that part of the population who desire high-end suburban housing.
- A future housing strategy should consider how best to ensure that there is not ‘leakage’ of higher earning residents and families to outlying housing markets.
- The city-region should consider undertaking a revised City-Region, Strategic Housing Market Assessment (SHMA).
- A greater future focus should be placed on the demand for private housing, with more accurate modelling of the population, considering the likely future demand for private sector housing, and the potential constraints impacting upon the population, such as the number of working people likely to qualify for mortgage finance, and the number of working people who actually aspire to outright home ownership.

6.5 The role of the Social Housing Sector

The scope of this report has not extended to the role of social housing providers. The extent to which social housing providers are able to undertake significant investment programmes in the City Region over the next few years is an important overall consideration. Especially when considering the question of the extent to which volume house-builders are meeting broader housing needs in the City Region.

A detailed Housing Strategy would have to take into account all types of provision, and therefore, a better profile of the business planning intentions of the social housing sector would be a pre-requisite to the development of a comprehensive housing strategy.

Section 7 Categories of Housing Site

Table 5: New Housing development being *actively marketed* by House-Builders in the Liverpool City Region.

Scheme Name + Location	Scale and Mix	Price Positioning
Barratt Homes		
'Tower Gardens' Off Mill Road North Liverpool	- 92 plots - On Site	- 3 bed £136k - 4 bed £136 - 4 bed £145k
'Imagine Park' Speke Hall Road Liverpool	- 268 plots - On site - 1,3, and 4 bed	- 1 bed £81.5k - 3 bed £162k - 4 bed £159.5k to £229k
'Delph Wood' Sutton St Helens	85 plots for development <i>It is estimated that around 1/3 of the site has been constructed, with potential for c. 60 further plots available.</i>	2,3, and 4 bedroom houses £110k to £180k
Redrow Homes		
'Cressington Heath' Garston Liverpool	- 48 plots being actively marketed	- 3 bed £199k - 4 bed £221k - 4 bed £249k
'King Davids Park' Dunbabin Road Liverpool	- 25 plots being actively marketed	
'The Avenue at Summerhill Park' Thingwall Lane Knowsley	- 119 plots - 9 reported as sold off plan (Jan 2013)	- 3 bed £190k - 4 bed £227k - 4 bed £249k
Lancaster Place Widnes	- 28 completions - 18 u/c - 80 on site 126 units in total	- 4 bed £329k - 5 bed £362k
Barrow's Green Widnes	- 49 completions - 21 u/c - 79 on-site 149 total	2,3 and 4 bedroom houses Range: £140k to £270k
Bellway Homes		
'Williamson Place' Edge Hill Liverpool	2,3 and 4 bedroom homes over 3 phases Phases 1 complete, 2 nearly	2 bed bungalow £109k 2 bed mid-terrace £125k 4 bed townhouse Not priced

	complete, and 3 is planned to commence shortly	
'Bellefield' West Derby Liverpool	c. 75 plots being actively marketed	4 bed house £319k 4 bed house £384k 5 bed house £400k
'Alderman Place' Hunts Cross Liverpool	c. 68 plots being actively marketed	3 bed starter home £94k 3 bed detached £119k
'St Elizabeths Place' Bootle Sefton	Phase 5, c.80 plots	
'Church Fields' Litherland Sefton	c. 80 plots for development, actively marketed	3 – 4 bedroom houses £179k to £197k
'Roby Park' Roby Huyton	c. 50 plots for development, actively marketed	4-5 bed room houses, £250k to £320k
'Hawthore Park' Crosby Sefton	c. 85 plots for development, actively marketed	3-4 bedroom houses, £204k to £335k
'The Birches' Widnes Halton	c. 24 plots being actively marketed	4-5 bedroom houses, from £299k
'Chadwick Park' Derby Road Widnes Halton	c. 120 plots being actively marketed	3-4 bedroom houses between £188k to £217k
'Links View' Ainsdale Sefton	c. 100 plots being actively marketed	3,4 and 5 bedroom houses priced between £249k and £369k
Taylor Wimpey		
'Bishops Gate' Newton Le Willows St Helens	c. 76 plots being actively marketed <i>The first 7 houses are under construction by Taylor Wimpey, significant remaining availability</i>	2,3 and 4 bedroom houses £150k to £220k
'Cunningham Grange' Knowsley Road St Helens	c. 176 plots, on-site and actively marketed <i>Around 55 plots are sold, and a remaining capacity of 110 plots available on the site.</i>	1 + 2 bed apartments 3 and 4 bedroom houses £90k to £235k
'Speakman Gardens'	c. 70 plots being actively	2 bedroom apartments

Prescot Knowsley	marketed	3 + 4 bedroom houses £87k to £160k
'Watermill Garden' Bromborough Wirral	c. 82 plots, <i>reported as largely sold</i>	2,3 and 4 bedroom houses From £162k
Persimmon Homes		
'Woodbridge Farm' Stockbridge Village Knowsley	c. 40 plots	2 and 3 bedroom houses From £70k to £100k
'Vulcan Park' Newton Le Willows St Helens	c. 21 plots constructed in first phase. Site has much larger overall capacity. <i>Potential for a total development capacity of 208 units</i>	2,3 and 4 bedroom houses
David Wilson Homes		
'St John's Place' Kirkdale Liverpool	c. 50 plots This is a Phase 2 of scheme, first phase sold very quickly	3 bedroom houses £141k to £143k
Keepmoat		
'The Parks Phase 2' Anfield Liverpool	c. 239 plots (near completion) 120 units for RSP	£119k to £135k 3 bedroom homes from £119k
'St Josephs Place' Birkenhead Wirral	c. 62 plots (near completion) c. 20 units for RSP	From £102k 3 bedroom homes form £102k
'Regency Park' Bootle Sefton	Plots unknown	£106k to £144k 2-4 bedroom homes
'Coffee House Bridge' (Phase 1) Bootle Sefton	c. 26 plots being actively marketed	£109k to £124k 2-3 bedroom houses
Hamilton Place (Phase 3) North Huyton Knowsley	c. 28 plots being actively marketed	£95k to £129k 2 and 3 bedroom houses
Bridgewater Gardens Runcorn Halton	c. 91 plots being actively marketed	£90k to £112k 2,3 and 4 bedroom homes Scheme includes 20 units supported by HCA 'Build to Rent'
Gleeson		
'Montreal Gardens' North Huyton Knowsley	c. 213 plots – mainly sold a few remaining 3 bed units	2,3,4 bed houses £90k to £118k

'Cawdor Park' Granby Liverpool	c. 65 plots being actively marketed Reported as successful scheme with few plots left	2-3 bedroom houses £93k to £128 left (118k to 127k)
'Grafton Park' Dingle Liverpool	c. 77 plots being actively marketed	2,3 and 4 bedroom houses 3 bed houses only remaining Lane'
'Stanley Walk' North Huyton Knowsley	c. 45 plots being marketed	2,3 and 4 bedroom houses £99k to £167k
'Knowsley Lane' North Huyton Knowsley	c. 75 plots being marketed	2,3 and 4 bed houses 3 bed houses only remaining £124k -£129k
Lovell		
'Sevenoaks' Birkenhead Wirral	c. 128 plots Mainly sold, about 35 remains	Only 3 beds available £120k to £130k
'Church Fields' Garston Liverpool	c. 250 plots c. 60 marketed in first phase	Only 3 beds available £120k to £130k
'Mill Brook' Wood Lane Liverpool	c. 47 plots	2 bed bungalows 2, 3 and 4 bed houses Only 3 bed houses remain £104k to £137k
Bovis Homes		
'Carlett Glade' Eastham Wirral	Not yet being marketed	Not yet released
Miller Homes		
'Scholars Green' Windle St Helens	c. 53 plots being actively marketed	2 bed apartments 4 + 5 bedroom houses £145k to £300k
Jones Homes		
'Eccleston Grange' St Helens	38 plots being currently marketed (18 sold), scope for a second phase <i>There is capacity for 262 overall units on the site, and most likely to be high value 3,4 and 5 bed houses</i>	2 bed £152k 3,4, and 5 beds between £250k and £400k
'Newlands Grange' Newton le Willows	77 plots currently being marketed	2 bed £119k 4 bed £230k
'Heathlands' Widnes	39 plots currently being marketed	Only 4+5 bed houses on scheme 4 bed £260k 5 bed £360k - £400k

Morris Homes		
'Waterside Village' Lea Green St Helens	c. 218 plots being currently marketed	Very wide range of properties 2 bed from £120k 4 + 5 beds £160k - £320k
'The Point' West Derby Liverpool	c. 180 plots overall, limited availability at this site	Only 3 bed houses remain From £125k to £196k
'College Place' Newton Le Willows St Helens	50 plots, with some availability remaining	3 + 4 bedroom only £182k to £276k
Countryside Properties		
'Mann Island' Liverpool	c.68 flats remaining in development	1 bed £103k to £130k 2 bed £172k to £183k 3 bed £265k to £365k
'NG Liverpool' Norris Green	48 plots being marketed	Only 3 beds remain From £123k to £150k
Wain Homes		
Sherdley Park St Helens	c.90 plots with limited availability	Apartment £75k 2 bed £120k 3 bed all sold 4 bed £214k
Ben Bailey Homes		
'Rylands Park' St Helens	52 units completed 11 under construction <i>There is capacity for a further 30 plots to be developed on this site</i>	

Table 6 – Shorter Term Land Supply (Housing). This table lists land that has no major impediments to stop it becoming available in the period 2014-17.

Sites in the City Region available to be brought forward for Housing Development, with activity likely before 2017		
Site/ Location	Broad description of the Site and its potential prospects for development before 2017	Baseline Potential delivery/Optimistic Scenario Delivery*
Daresbury Halton	This site has the overall potential to accommodate 1,400 homes over 3 component sites. It is anticipated a first (300 homes) phase	Initial planning permission sought Development option in place with Redrow Homes

	could come forward, and a planning permission is being sought to access the A56. The later phases of development will require infrastructure works to open up the centre of the site.	
Sandymoor Runcorn (First Phase)	This is a component part of a much larger site (referenced in Table 7). The HCA has been marketing the site, and is looking for a development partner to deliver an initial 200 homes on site.	200 homes in 1 st phase
North Huyton Knowsley	This is a very large housing site. The first phase has seen 260 homes constructed. The sites overall capacity is in the region of 1,450 houses. A phase 2 proposal is currently under negotiation. At the present time 3 to 4 sales per month are being recorded.	260 homes completed Second Phase numbers to be confirmed Overall capacity 1,450 houses
Town Lane Site Southport Sefton	Planning is in place for 670 units, with 126 extra care units. Site requires remediation, which David Wilson homes will undertake. There is a 15% affordable share planned on site. Expected to build in the region of 70 units per year when underway	670 houses 126 extra care units 15% affordability target
Klondyk/ Bootle Sefton	Former HMR location, Developer Bellway are lead partner for the site, and have indicated they are keen to proceed	131 units net (following demolitions)
Aintree Curve Sefton	The site is in multiple occupation, however site owners have agreed to jointly market, and Persimmon have an agreement. There are some infrastructure costs, which it is hoped development values will cover. A planning application is expected.	100 units
Land at Powerhouse Site Sefton	The site has planning permission; however, there may be issues of affordability which stop the site from coming forwards.	75 units, with 15% affordable
Land East of Damfield Lane Sefton	There are some ground and infrastructure works on site. There is a proposal for an extra care home site, an expected start on site scheduled in the next 12 months (by Autumn 2014)	105 units
Ministry of Justice Site Maghull Sefton	The land is currently being 'marketed' by the HCA. There is a milestone for getting a developer in place by the end of the second quarter of 2014.	Site has capacity for in the region of 300 homes
Sevenoaks (Phase 2) (Five Ways 2) Wirral	The site has a planning application in place, and a successful Phase 1 has been completed. Lovell's are in place as Developer and have indicated that they want to increase the 135	135 units with potential for more

	units currently projected, and may include an element of flats in the scheme	
Church Road Tranmere Wirral	The site is currently being planned by Lovell's, with an intention to create a mixed scheme comprising of in the region of 170 homes.	170 units proposed
New Chester Road Bromborough Wirral	Millar Developments have been leading on the planning of a new residential site. The indications are that the scheme would likely have a mix of 2, 3 and 4 bedroom houses.	86 units propose in a mix of 2,3 and 4 bed housing
Waterside Village (Phase 2) St Helens	The second phase land has capacity for a total of 152 plots. The site has a reserved planning application in place, and a new application is expected shortly from Persimmon Homes.	
Polar Road City Road St Helens	This site is comprised of a former car showroom, which has now been cleared, the wider neighbourhood is residential. The site has active planning permission and Morris Homes are the Developer, a start of site has not commenced.	
Baxters Lane Sutton St Helens	A planning permission has been submitted for residential units by Bovis Homes	Permission sought for 84 units
'Waterside Village' Lea Green St Helens	This site is already active, see it listed under 'Morris Homes' in the live sites section. The existing site has proved very popular, and has sold houses at a wide range of sizes and price points, it is likely a number of four and five bed properties likely to be included in future phases	218 plots currently being marketed A future phase could accommodate a further 100 houses
Pilkington Park St Helens	This site will utilise a former sports ground on surplus land owned by Pilkington. The site has outline planning permission, and a reserved matters has been submitted by Bellway Homes for 153 units. The site is planned to have a mix of 2,3 and 4 bedroom houses	Baseline potential of the site is c50 plots before 2017, on an optimistic scenario 153 units.
The Rocket Liverpool	The former Trade Centre site at the Rocket Liverpool is being progressed by Bellway Homes, who are seeking planning permission to develop 85 homes	85 units Scheme mix not yet released
'Rocket Green' Broadgreen Liverpool	Scheme details not yet released. Site is under control of Bellway and development is expected to commence shortly	
Speke Liverpool	Countryside Properties control the site, and are planning to market shortly.	2 and 3 bed houses From £109k
Anfield	The Phase 4 of the Anfield Programme should	

'Phase 4' Liverpool	progress shortly. Developer Keepmoat are keen to proceed, and note that the overall scheme has been accelerated	131 units
Norris Green Liverpool	There is a proposal, through the City Council JV 'Regeneration Liverpool' construction a specialist private rental scheme, of at least 500 units.	
Project Jennifer Great Homer Street Liverpool	Planning for housing development as part of this mixed use scheme has been established. St Modwens in place as a lead developer.	c. 135 homes (including those constructed at Poet Park)

Table 7: Medium Term Housing Land Supply Land and sites in this category are identified as having potential to support residential development, but at the time of writing are viewed as slightly longer –term in relation to coming to market. It may be the case that certain sites progress quicker than forecast or expected, and for this reason the prospect of development on some of these sites in the shorter term should not be entirely ruled out.

Potential housing development site available over the medium term		
Site/ Location	Broad description of the Site and its potential prospects for development before 2017	Baseline Potential delivery/Optimistic Scenario Delivery*
Sandymoor (Later Phases) Runcorn Halton	Very large site in the ownership of the HCA, submissions from developers have been received. There are a number of infrastructure constraints, but the site mainly draws on existing infrastructure. The site is seen as being in a largely proven area for successful new house-building.	First phase could deliver 200 new homes (Table 6) Overall capacity for 1,400 new homes First units should be on site before 2017
Widnes Waterfront Routledge	This is a reasonable scale development site. However, there is ground contamination, which would add abnormal development cost to any development scheme. Planning has been in place for four years without being activated	Not established Limited prospects for site coming forward this side of 2017
Liverpool Waters Liverpool	There is an overall planning permission for 9,000 units. There are no specific details regarding when some first phase housing may emerge.	(Peel to advise)
Former Oak Tyre Site Rainhill St Helens	This is former industrial site in the town of Rainhill. It has an outline planning permission for 57 plots, a health clinic and a pharmacy. A house builder is expected to be secured shortly	
Moss Nook Sutton St Helens	The land has been partially remediated. There is a requirement for significant new infrastructure, including a spine road which would open up	Total capacity for 900 dwellings, a first phase could deliver 100 dwellings

	access to the site. There is an extant planning permission for the site in place.	
Z Blocks Sefton	Council owned site with some potential. The planning status is ok, but there may be issues around demand	
Land at Ashworth Hospital Sefton	The Hospital want to reduce their land ownership, this creates a potentially viable housing site. However, there are some planning issues, and, agreement of the land value will also need resolving	
Crown Specialist Packaging Site Sefton	The site has planning permission but is not currently being marketed. An existing business has to relocate by October 2013, and a development partner will have to be sought.	97 units
Land at Southport and Formby Sefton	There is a planning permission in place for this site, led by Keepmoat. There are some wider contamination challenges, and a c£500k development value gap. There are also issues around the land receipt which may slow progress.	
Former Johnsons Cleaners Site Sefton	The site is currently contaminated, and there is an obligation on a third party to progress a remediation strategy. Once cleared, and once values are agreed, this is an important site for Sefton	89 units
Ingleborough Road Tranmere Wirral	The landowner is currently seeking a development partner for the site. If successful the site would have capacity for in the region of 90 homes	Potentially 90 units
Former Dell Primary School site Newferry Wirral	There are some ownership issues which require resolution, and if this can be achieved there is the potential for 67 units.	Potentially 67 units
Moreton Wirral	A site in Local Authority ownership which could be disposed of for housing development. There are some logistics around assembling the site, but it has the potential for higher value housing	
Acre Lane Bromborough Wirral	This is a large site in the ownership of the Council, with the potential for disposal for development as a residential site.	
Former Rockferry High School site Wirral	This is a site in the ownership of the Council with the potential to be developed for high quality housing development.	
Former Unichema	The site has outline planning permission for	c. 182 units

Chemicals Site Bromborough Wirral	mixed use commercial development (use classes B1, B2 and B8) and residential development has been approved subject to a s.106 agreement being signed.	
Anfield Phase 5	There remain some CPO issues to resolve, and this will represent the next stage of the new house-building programme in Anfield. It is likely to be timed to come to the market once the Phase 4 programme is nears completion.	c. 113 units
Garden Festival Site Liverpool	There is planning in place, and a scheme has been designed for 1,100 apartments over many phases. Langtree are the overall lead Developer for the scheme	1,100 Units overall
Welsh Streets Liverpool	Development is currently delayed pending full planning permission. The scheme has the potential to deliver 154 units in a first phase, 74 units in a second phase. Scheme is being led by an RSP, who will likely partner up with a volume builder, creating a mixed site.	Potential overall for 224units
Former New Heys High School Liverpool	This site is currently subject to a demolition and clearance scheme.	Overall site capacity in the region of 155
Former Prysmian Cables & Systems Site, Hall Lane, Prescot	Outline planning permission for residential development.	
Vacant Land Bounded By Kipling Avenue, Newsham Road & Adjacent To Sovereign Distillery, Off Logwood Road, Huyton	Outline planning permission granted.	
Site Of Former Saunders Nursery Ltd, Windy Arbor Road, Whiston	Outline planning permission granted.	
Former B I C C Site, Scotchbarn Lane, Prescot	Outline planning permission granted.	
Former Knowsley Community College Playing Field, Larch Road, Huyton	Former playing fields. Planning application submitted on behalf of Barratt Homes currently under consideration.	
Cherryfield School Rockford Avenue, Kirkby	Former school site. Included in Phase 3 of Knowsley's Strategic Land Release Programme for Council owned sites – 2016/17.	

Brookside Community College, Waterpark, Huyton	Former school site. Included in Phase 3 of Knowsley's Strategic Land Release Programme for Council owned sites – 2016/17.	
Former St Joseph, the Worker's playing field, Bewley Drive, Kirkby	Former school playing fields. Identified by Knowsley as suitable for land release - post 2016/17.	
Former St Edmund Arrowsmith RC School, Scotchbarn Lane	Former school site. Included in Phase 2 of Knowsley's Strategic Land Release Programme for Council owned sites – 2015/16.	c. 124 units
Former Sacred Heart School Playing Fields, Westhead, Kirkby	Former school site. Identified by Knowsley as suitable for land release by 2015/16.	c. 82 units
Knowsley Northern Primary Support Centre, Bramcote Walk, Kirkby	Former school site. Identified by Knowsley as suitable for land release by 2015/16.	c. 81 units
Nine Tree Primary School, Hollow Croft, Stockbridge Village	Former school site. Identified by Knowsley as suitable for land release by 2015/16.	c. 55 units
Astley House and Playing Fields, Astley Road, Huyton	Former school playing fields. Identified by Knowsley as suitable for land release by 2015/16.	c. 54 units
Former St Agnes School and Playing Fields, St Johns Road, Huyton	Former school site. Identified by Knowsley as suitable for land release by 2015/16.	c. 53 units
Land at Mill Lane, Kirkby	Identified by Knowsley as suitable for land release by 2015/16.	c. 43 units
Land adjacent to Mosscroft School, York Road, Huyton	Identified by Knowsley as suitable for land release by 2015/16.	c. 36 units
Land at Trecastle Road and Shacklady Road, Kirkby	Previously developed land. Identified by Knowsley as suitable for land release by 2015/16.	c. 20 units

Annex 1

Glossary

Help to Buy scheme (equity loans)

- The Help to Buy scheme was announced in the Budget March 2013 and is aimed at helping individuals buy residential properties to live in
- It extends the previous First Buy scheme by removing the requirement for participants to be first time buyers
- The Help to Buy scheme enables all purchasers with a 5% deposit and who can access a 75% mortgage, to buy a new build home with a value of up to £600k. This is achieved by government providing a 20% shared equity loan with a value linked to that of the property. The loan is interest free for the first five years and repayable at any time or upon the sale of the property
- The scheme is open now and will run until 31st March 2016

Affordable Homes Guarantee Programme (AHGP)

- The existing Affordable Homes Guarantee Programme guarantees up to £10bn of debt for housing providers and thereby reduces the cost of their borrowing for building purpose built private rented and affordable housing properties
- Government announced at the March 2013 Budget that it would double the existing £225 billion funding pot (to £450m) for use alongside the AHGP to support the construction of up to 30,000 new affordable homes
- This builds on the existing Affordable Homes Programme framework. Registered Providers have until 21 May 2013 to bid for a share of the £450m

Build to Rent fund

- Launched in January 2013 to stimulate new private rented housing supply and to provide opportunities for new institutional investment in the sector
- The fund is a fully recoverable, commercial investment where Government will share risk or bridge finance to allow schemes to be built, managed and let
- The fund was initially £200m, but the 2013 Budget announced it is being raised to £1bn due to fund oversubscription
- The first 45 projects with successful bids were announced April 2013 and are expected to support the construction of between 8,000 and 10,000 new private rented homes. A second round of bids for the remainder of the fund will be announced later this year.

Right to Buy

Government suggest in the 2013 Budget that there will be further changes to the scheme to increase accessibility and take-up. The changes are likely to include a simplified application process and reduced eligibility period (from 5 years to 3 years). This follows a reinvigoration of the scheme in April 2012, which saw an increase in the local discount cap rise from £24,000 to £75,000 resulting in greatly increased interest.