

Wigan Council

**Wigan Employment
Land Review and
Strategic Housing Land
Availability Assessment**

Issue

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Availability Assessment**

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February 2007

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1 Introduction

Wigan Council is commencing the preparation of a Local Development Framework [LDF] under the new planning system. LDFs must be developed from a robust evidence base covering a wide variety of spatial issues. This brief outlines the requirement for a study that will contribute to the overall evidence base of Wigan Council's emerging LDF, combining two key thematic areas that are at once distinct and yet intrinsically linked, namely employment and housing:

- **Employment Land:** Councils are required by Central Government to review their existing employment land allocations, make an assessment of the need for new employment land and premises and consider whether new allocations should be made or existing sites de-allocated. In light of recent policy guidance and the outcomes of the Wigan UDP Inspection Report, a key purpose of this study is to provide a robust evidence base for the development of employment land related policies in Wigan Council's emerging LDF. In doing so, the study would assess existing employment land provision and forecast future need in Wigan in order to provide the basis for further defining the employment land portfolio in the Borough.
- **Housing Land:** Councils are also required to undertake a Strategic Housing Land Availability Assessment that would provide a robust evidence base of housing land availability to inform their Local Development Documents. The Housing Land Availability Assessment was first introduced in draft PPS3 in December 2005, whilst at the same time, draft guidance on the production of HLAA's was also published. The guide is based on previous guidance to assess housing land availability and urban capacity. When it is finalised it will replace the previous guidance on urban capacity studies, *'Tapping the Potential'*.
- Based upon the draft *Housing Land Availability Assessment Draft Practice Guide*, as well as *'Tapping the Potential – Assessing Urban Housing Capacity – Towards Better Practice'* and the NWRA's *'Exploring Urban Potential for Housing in the North West'*, this study will seek to quantify the urban housing capacity of the Wigan Council area. The draft RSS indicates a potentially significant increase in Wigan's housing allocation, although this is subject to review. Providing this additional level of housing in the Borough per annum could pose a serious challenge to updating the 2004 UPS, allowing for the current capacity of allocated sites in the adopted UDP.

This brief requires the submission of a proposal to provide a combined Employment Land Review and Housing Land Availability Assessment that will identify the current supply of and future provision of both employment and housing land in Wigan. The two studies would be undertaken in parallel to allow a transparent approach to site assessment and greater efficiency in the research.

This brief provides an introduction to the current situation regarding employment land and housing reviews in the North West, leading to a discussion as to the likely methodology to be followed in undertaking the work. Following discussions on this approach with WMBC, details on the study outputs and timetable will be provided.

1.1 Background

This section summarises the current background information relevant to Employment Land Reviews and Housing Land Availability Assessments in the Wigan Metropolitan area. Relevant findings for the Borough are outlined, and an initial comparison is made between the differing methodologies for both types of study. Opportunities for combining the investigative and procedural tasks of the two methods are also identified.

The need for this work arises from national policy guidance in the first instance. In particular, PPS3 (Housing), PPS7 (Sustainable Development in Rural Areas) and PPG4 (Industrial, Commercial Development and Small Firms) highlight that local authorities should undertake local needs assessments in order to carry out Urban Potential Studies / Housing Land Availability Assessments for housing, and to establish the quantity, quality and type of employment facilities required to meet future needs in their areas. The two guidance documents produced by national Government need to form the basis of the work in Wigan in order to comply with evidence base requirements for the LDF. The key issues from these documents that have informed the methodology proposed in the following section are summarised below:

Employment Land Reviews: Guidance Note (2004)

In December 2004 the ODPM published this report which aimed to provide local planning authorities with effective tools with which to assess the demand for and supply of land for employment. The guide is the primary reference tool for Local Authorities to use when assessing the suitability of sites for employment development, safeguarding the best sites in the face of competition from other higher value uses and to help identify those which are no longer suitable for employment development which should be made available for other uses.

The specific objectives of the guide are to help planning authorities to:

- assess the future demand for employment land (at the regional down to the local level);
- assess the future supply of sites for employment (at the local up to the regional level);
- assess the suitability of individual sites, whether existing, permitted or proposed for future employment uses;
- identify sites which are clearly unlikely to be required by the market or are now unsustainable for employment development;
- develop appropriate future policies and proposals in regional spatial strategies (RSS), but more particularly, in local development frameworks (LDFs), both in development plan documents (DPDs) and supplementary planning documents (SPDs); and
- improve systems for monitoring outcomes and reviewing employment policies and programmes.

The guide identifies a three step process in undertaking employment land reviews:

Stage 1 Taking stock of the existing situation, including an initial assessment of 'fitness for purpose' of existing allocated employment sites;

Stage 2 Creating a picture of future requirements by using a variety of means to assess the scale and nature of likely demand for employment land and the available supply in quantitative terms;

Stage 3 Identifying a 'new' portfolio of sites through a more detailed review of site supply and quality and identify and designate specific new employment sites in order to create a balanced local employment land portfolio.

It would be expected that, in undertaking the Employment Land Review for Wigan, this three-stage process would take place in parallel with the SHLAA work. The primary guidance for such a review is outlined in two key documents, '*Housing Land Availability Assessments*' and the NWRA's '*Exploring Urban Potential for Housing in the North West*', discussed below.

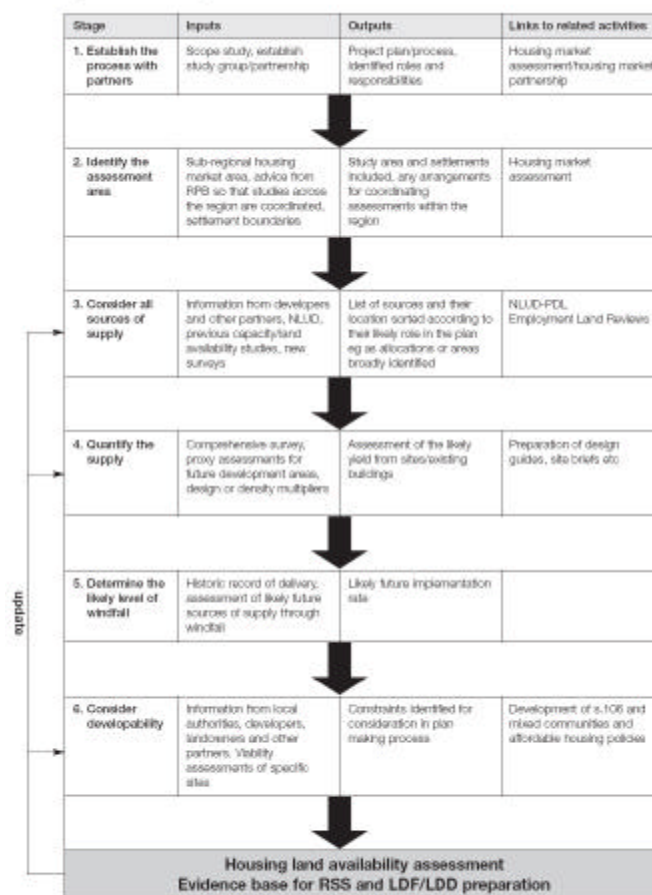
Housing Land Availability Assessments: Identifying appropriate land for housing development (December 2005)

This guide provides local authorities, developers and other bodies involved in carrying out assessments of housing land availability with a simple process and advice on the issues that need to be considered. Its present status is that of a working draft document which is likely to be subject to further change as highlighted in the adopted PPS3 (November 2006). The guide is based on previous guidance to assess housing land availability and urban capacity, discussions with practitioners and emerging practice in some areas. When it is finalised it will replace previous guidance on urban capacity studies 'Tapping the Potential', discussed below.

The new housing land availability assessments are not intended to do the job of the plan. Whilst they will identify land they will not make judgements about whether this is developable or not and whether it forms part of the 5 year supply. The assessments will be part of the evidence base for the plan and a tool which Wigan Council will be able to use to monitor and update their LDF. The information from assessments will be a major factor in allocating sites for housing, identifying broad areas for future development and in the managed release of sites.

There are six key steps in undertaking the assessment, summarised below:

Figure 4.1: Summary flow chart



Source: ODPM (2005)

Whilst the process is not intended to be prescriptive, it does provide an important guide when formulating a robust approach for this study of housing availability in Wigan Council.

According to PPS3, the key outputs of an HLAA are to:

- Assess the likely level of housing that could be provided if unimplemented planning permissions were brought into development;
- Assess land availability by identifying buildings or areas of land (including previously developed land and greenfield) that have development potential for housing, including within mixed use developments.
- Assess the potential level of housing that can be provided on identified land.
- Where appropriate, evaluate past trends in windfall land coming forward for development and estimate the likely future implementation rate.
- Identify constraints that might make a particular site unavailable and/or unviable for development.
- Identify sustainability issues and physical constraints that might make a site unsuitable for development.
- Identify what action could be taken to overcome constraints on particular sites.

ODPM (2000): Tapping the Potential – Assessing Urban Housing Capacity – Towards Better Practice

In order to make the best use of the potential to recycle land and buildings in any one location, PPG3 set out the expectation that all local planning authorities should undertake urban housing capacity studies. '*Tapping the Potential*', a best practice guide to PPG3, was designed to highlight the issues authorities may encounter in undertaking their capacity work and to act as a checklist of the various options available and decisions which have to be made at any point in the capacity assessment process. Whilst this document is now somewhat out of date following the publication of the draft Housing Land Availability Assessments by the ODPM in 2005, it still represents a useful guide to ascertaining the total supply of housing land available in an area, and many components of its methodology have been carried through into the 2005 guidance.

The approach advocated in Tapping the Potential has four main stages and components highlighted in the table below:

Assessing urban housing capacity

Identifying capacity sources

- identify urban areas to be assessed
- consider all sources of capacity

Surveying the capacity

- quantifying capacity
- start with what you know
- use existing data
- survey methodologies
- comprehensive surveys
- priority area studies
- typical urban area studies

Assessing yield

- using land efficiently
- density multipliers
- design-led approaches
- yardsticks

Discounting potential

- moving from unconstrained capacity
- how to discount
- discounted capacity
- testing

'Tapping the Potential' sets out clearly that there are three distinct methodologies which a LPA can adopt. These have been carried forward into the ODPM's 2005 guidance:

- 1) Comprehensive Survey** – This is the guidance's preferred method of undertaking an UPS. It involves a full survey of all sites within the area, which then forms a robust baseline with which to help shape future capacity requirements and updates. Negatives to this method include its extremely resource intensive nature that involves appraising sites and potential supply in areas that may not fully justified, i.e. suburban back-lands and living over the shop.
- 2) Typical Urban Area Survey** – This has become the most common method of appraisal due to the reduced workload, although a viable document is still produced. This usually involves dividing up settlements in character areas based upon dwelling type, age of the area and housing density. Capacity of this 'character area' is then expressed through density per hectare rather than by site, with overall results grossed from each character area. Negatives to this method are that it tends to overestimate the potential within residential areas, and is usually more effective at a regional scale.

- 3) Priority Area Study** – This focuses survey work on sites which are most likely to realise the most yield or those that currently match the policy initiatives within the LPA. Best practice indicates that this is the preferred method when looking to appraise vacant and derelict land and the redevelopment of buildings. It is also particularly useful for assessing locations that are inherently highly accessible through walking/public transport. Negatives for this method are that it can underestimate the potential if priority areas alone are to be considered.

NWRA (June 2003): Exploring Urban Potential for Housing in the North West

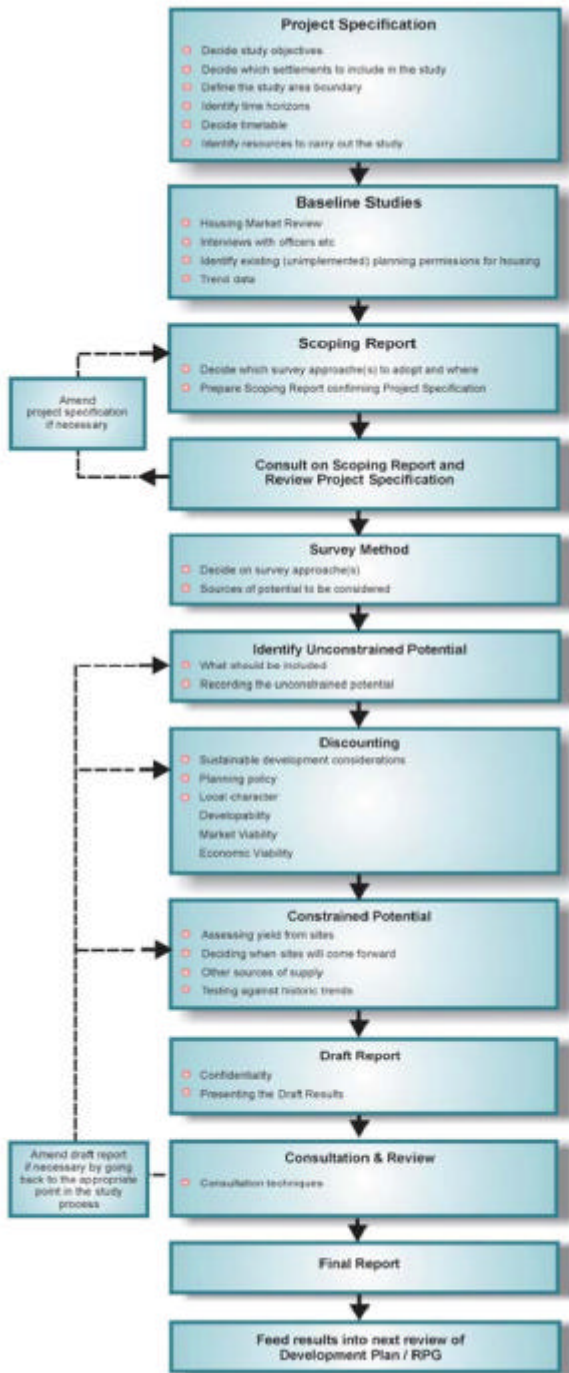
Recent guidance produced by Entec in conjunction with NWRA (July 2003) suggests that the most appropriate UPS methodologies in the North West would be a Priority Area Study (PAs) for larger settlements and a Comprehensive Study for smaller settlements. PAs are deemed to work best for the North West for many reasons, including the possibility of alignment with other initiatives, e.g. the Priority Areas could match Housing Market Renewal Areas and other regeneration initiatives. In addition, by focussing on Priority Areas (usually based around transport nodes) it is possible to adopt a more sustainable approach.

The Figure over the page summarises the approach set out in the guide. It is based around a series of steps that reflect 'Tapping the Potential' but at the same time are intended to make the study process transparent, results more robust and to engage stakeholders at informative stages. It has been set alongside the staged assessment of Employment Land Reviews, taken from the ODPM's 2004 guidance, in order to indicate areas of overlap between the two methodologies.

Areas of particular commonality between the two approaches are as follows:

- Project specification;
- Collation of baseline data;
- Trend data;
- Site appraisal criteria formulation;
- Site appraisals;
- Quantifying capacity;
- Confirming additional sites to be brought forward;
- Consultation and review.

Comparison between NWRA's UPS Methodology and ODPM's ELR Guidance



NWRA (June 2003) Exploring Urban Potential for Housing in the North West

ODPM (Dec 2004) Employment Land Reviews: A Full Guide

Figure 2.2: The Steps Involved in the Three Stages of Employment Land Reviews

Stage 1: Taking stock of the existing situation	Step 1: Devise brief for Stage 1 Step 2: Collate data on land stock and revealed demand Step 3: Devise and apply site appraisal criteria Step 4: Undertake preliminary site appraisal Step 5: Confirming the brief for Stages 2 and 3
Stage 2: Creating a picture of future requirements	Step 6: Understand market areas and segments Step 7: Select and apply suitable forecast model/demand analysis Step 8: Quantify employment land supply Step 9: Translate employment forecasts to land requirements Step 10: Scenario testing
Stage 3: Identifying a 'New' Portfolio of Sites	Step 11: Devise qualitative site appraisal criteria Step 12: Confirm existing sites to be retained or released and define gaps in portfolio Step 13: Identify additional sites to be brought forward Step 14: Complete and present the employment land review

1.2 Existing Relevant Information Sources

The remainder of this section summarises other key contextual drivers for the study, at a regional and local level. This includes details of the existing data and other information that will need to be considered and incorporated into the proposed Wigan ELS and UPS:

NWRA (2005): North West Employment Land Study

Published in April 2005 the study was commissioned by the North West Regional Assembly and forms a key part of the evidence base of the Regional Spatial Strategy (RSS). The study aimed to provide an up-to-date, accurate and robust assessment of the quantity and quality of existing employment land in the North West, and the extent to which this land can meet projected future demand for the period to 2021.

The report included Wigan within the Greater Manchester sub-region, which it estimated to have around 1,330 hectares either allocated or committed for B1, B2 and B8 employment land. The study estimated that, at current rates of take up for the sub-region (112 hectares per annum), then this would result in a forward land supply capable of accommodating development for the next 18 years. Consequently, it concluded that additional land would be required to cover the full plan period (up to 2021), although it did not specify which Boroughs this should be located within.

Submitted Draft Regional Spatial Strategy for the North West of England (January 2006)

The NWRA used the findings of the North West ELS work to inform its policy decisions in the submitted draft RSS. The RSS uses the current average annual take up rate for each sub-region, multiplied by an increase in annual take up rates (11%, based on GVA growth per annum) and a flexibility factor of 20% (to reflect the strength of the local economy and local demand) in order to arrive at an employment land allocation. Using this method, the RSS requires 368 hectares of land to be provided 2005-2010; an identical amount for the subsequent five year period, and 490 between 2015-2021.

Policy W3 provides a sub-regional distribution; the NWRA state that it is inappropriate to set out individual authority figures which need to be determined at a sub-regional level to reflect the capacity of authorities to accommodate different amounts of land.

The draft RSS also provided housing provision figures covering the period 2003-2021. The equivalent figure for Wigan suggested that the total level of provision should be in the order of 16,200 dwellings, at a rate of 900 per year net of clearance replacement. At least 80% should be located on brownfield land.

Manchester Enterprises (2005): Greater Manchester Employment Land Demand Appraisal

This document provides information on future employment land use trends and projections in the Greater Manchester sub-region. The purpose of the study was to determine whether Greater Manchester had the right employment site capacity, with the right infrastructure in place in the right locations to accommodate its employment growth forecasts. Using a different set of employment projections (based on OEF rather than Experian, as used by the NWRA), the study found there could be a net demand for 189 ha of B1 land, between -380 and -470 hectares of B2 land and up to 144 ha of B8 land between 2005 and 2021, although as with the RSS data, it is not specific to each Local Authority area.

This work has since been supplemented by a supply side analysis of strategic employment sites in the sub-region, undertaken by Donaldsons.

Wigan Council Replacement Unitary Development Plan and subsequent Independent Examination

One of the main drivers for the Employment Land Review is the Unitary Development Plan (UDP) Inquiry. The UDP stated that provision would be made to allow for the development of an annual average of at least 15.4 hectares (gross) of land for development, equating to 216 hectares, together with a further 43 hectares (gross) to provide a 20% flexibility allowance for choice and range of sites. The total provision required to cover the period of 14 years, from April 2002 to April 2016, therefore, is at least 259 hectares. The Plan identified 201 hectares within 26 of the 35 Primary Employment Areas identified under Policy EM1A. However, when assessing each individual site in detail, the Inspector concluded that there were significant constraints on further development of the South Lancashire Industrial Estate in Ashton, such that the available land may not be developed out by April 2016. Consequently, this leaves a shortfall of up to 91 hectares of additional employment land to be provided¹.

The supply of land provided in the UDP to meet the housing requirement during the 14 years of the plan period, 2002-2016, was in the order to 9,040, at a rate of 510 dwellings per year. This is considerably less than the 900 dwellings per year advocated in the draft RSS, although it is understood that the housing figures in the RSS are still the subject of debate. This would suggest that there may be a need to allocate a substantial number of additional housing sites in the LDF.

Wigan Council (August 2004): Urban Potential Study

This UPS was commissioned by the Council to reflect the recent updates in approach advocated in *Tapping the Potential* and the NWRA's *Exploring Urban Potential for Housing*. The aim of this study was to provide information on the reality of the potential of the area to provide the necessary future housing sites. It sought to demonstrate that the Council's estimate of 258 dwellings being contributed from new sites not yet identified (windfalls) was realistic and achievable.

The study concluded that there is capacity within the Borough for some 9,240 dwellings, equivalent to 18 years supply of housing land. To consider only those sites classified as likely to come forward provides 6,194 dwellings or 12 years supply.

On this basis, the Council's allowance for windfalls of 258 dwellings per year, given in Policy R1A of the Replacement UDP seems justified if not rather conservative. However, in the light of the draft RSS allocation (which may or may not be amended), this figure of 258 windfall dwellings per annum and 510 dwellings in total per annum does not appear adequate, and it is therefore likely that the UPS will need to be revised accordingly.

¹ Inspectors report on Draft Replacement UDP, August 2005 paragraphs 7.61 – 7.62, 7.225 – 7.236 & Wigan Unitary Development Plan, proposed Modifications to the Replacement Plan, January 2006, Policy EM1.

1.3 Study Objectives

In light of the national guidance and the review of the existing information sources, the following core objectives have been proposed for the study:

- **Provide a review and clarification of current employment land studies, UPS and other data** relating to Wigan to ascertain the amount of employment and housing land currently available in the Borough. This would be expected to focus primarily upon the North West Employment Land Review, the Demand for Employment Land in Greater Manchester, and the Urban Potential Study for Wigan Council;
- **Based upon currently available economic forecasts and realistic scenarios, summarise the future demand, for employment land and premises in Wigan** within its regional, sub regional and local context;
- **Identify the level of housing need and trend data for Wigan** based on existing data sources, including the emerging housing figures in the RSS;
- **Assess the suitability and spatial distribution of housing and employment land requirements** in Wigan based on up-to-date indicators of future demand and the context of sustainable development.
- **Identify key sites which need to be safeguarded for employment use** and consider if there is potential for employment sites to be released for housing or other uses;
- **Identify additional sites** to accommodate employment floorspace of the appropriate type and density and in appropriate locations to meet the requirements of any shortfall of employment land identified;
- **Identify additional housing sites** of the appropriate type, tenure and density and in appropriate locations to meet the requirements of any shortfall identified;
- **Provide a series of recommendations** in response to the principles set out above and to outline future approaches to the monitoring and management of employment and housing land supply within the Borough.

The study would provide robust evidenced outputs on and a series of recommendations that would form the basis of policy decisions on future housing and employment allocations in Wigan. These would be taken forward through the LDFs processes to develop the housing and employment policies and allocations for Wigan.

2 Detailed Project Specification and Methodology

The following specification sets out the scope, specific tasks and required outcomes of the tender. Within this context it is recognised that a more detailed project plan with key milestones will need to be prepared in conjunction with Wigan Council. Also, whilst the following project specification sets out the key work parameters and outputs, these may need to evolve as the project develops (subject to findings and/or emerging policy guidance), where this will add value to the required outputs and will not compromise the delivery of the project overall within the agreed timescale and budget.

The methodology is slightly complicated by the need to integrate the Employment Land Review (ELR) and Strategic Housing Land Availability Assessment (SHLAA). A range of approaches to linking the two studies have been considered. The preferred approach is to undertake the ELR and the SHLAA in parallel.

A key assumption has been made in terms of the size of the sites under consideration. Whilst neither PPS3 or the draft Housing Land Availability Assessment indicate a minimum size threshold for assessment, the 2004 ODPM guidance on Employment Land Reviews states that a minimum site size threshold of perhaps 0.25 ha (or 500m² of floorspace) would be appropriate for a comprehensive database in most areas. Consequently, in order to ensure consistency across the two studies, it is suggested that only sites over 0.25 hectares are assessed.

Methodology

Phase 1: Employment Land Review

1) Project Specification –

- Define study objectives
- Decide timetable for delivering project and identify resources necessary to carry out the study.

2) Collate information from existing baseline studies and survey data – this would involve reviewing the available information on employment land stock, supply and demand in the Borough, focusing particularly on:

General:

- Inspector's report on Wigan Council's UDP;
- Wigan Council's UDP;
- Discussions with selected consultees regarding future employment land market requirements;
- Other material that may be available from Wigan Council such as planning permissions and take up rates.

Employment Land:

- Manchester Enterprises' Employment Land Demand Review in Greater Manchester;
- NWRA's Regional Employment Land Assessment;
- Donaldsons' supply side analysis of the Greater Manchester sub-region;
- A review of available property market appraisals, confirming likely business needs;
- Obtain information from ERO on site appraisals and landowner / developer enquiries

3) Devise site appraisal criteria: using a site assessment matrix based upon the RSS employment site assessment matrix devise a set of key assessment criteria regarding the quality of each of the potential and allocated employment sites identified (including those sites with extant planning permission for those uses), which should include considerations of:

- The fit with RSS objectives, RES objectives, and those of Wigan Council's UDP;
- Market attractiveness factors;
- Sustainable development factors;
- The availability and deliverability of the site.

4) Identify additional sites to be brought forward:

This stage sets out the process for identifying 'new' employment sites in a formal way but this must be tailored to the extent of the site search which is required:

It has been agreed that this part of the work would be undertaken by officers from Wigan Council, with the results collated and issued to Arup in the form of a detailed appraisal spreadsheet and associated commentary for inclusion in the final report. Wigan Council will consequently be responsible for publicising the study and requesting site information from landowners / developers. Arup have not allowed for any time inputs during this stage, the implications of which will be discussed and confirmed at the project inception meeting.

In terms of the programme for this stage of the work, four weeks has been allowed for developers to respond to the request for site information

5) Undertake detailed site appraisal: Appraise sites to rate 'best' employment sites and allocations and potential sites to be released. It is agreed that this part of the work will be undertaken by officers from Wigan Council (and local commercial agents, to be identified by the Council), with the results collated and issued to Arup in the form of a detailed appraisal spreadsheet and associated commentary for inclusion in the final report. As with Stage 4, Arup have not allowed for any time inputs during this stage, the implications of which will be discussed and confirmed at the project inception meeting.

6) Select and apply suitable forecast model analysis: on the basis of the employment and demand analysis undertaken to date, and following consultation with neighbouring authorities and sub-regional bodies, devise a clear and robust methodology to identify the demand for employment land sites specific to Wigan. This would be expected to identify facets from each of the major sub-regional and regional employment land studies already undertaken to provide a picture of likely requirements for B1, B2 and B8 employment land in the Borough.

7) Identify employment land needs / shortfall: Within the context of the findings of steps 1-6, the study should identify any shortfalls in employment land in relation to quantity, quality, location and any other related policy objectives. The extent and type of additional employment land needed should be specified and any sites that are unlikely to be required in the foreseeable future (by virtue of unsuitability, lack of prospects of market interest, conflict with current or emerging planning policy) should be identified.

8) Confirm existing sites to be retained or released: On the basis of the outputs of Steps 1-7, this stage would confirm those sites to be released and retained, whilst identifying the extent of the need for new employment land allocations. Those sites that would not go forward for employment uses would be included in the UPS in Phase 2.

8) Define gaps in the portfolio: this step would provide an analysis of the nature of the gap in market requirements in terms of:

- Type of employment premises (by market segment);
- Locational / access requirements (defining the area of search, as per step 2);
- Environmental quality requirements (setting site parameters);
- Minimum plot and site size requirements (to determine scale of opportunity);
- Overall quantum of floorspace / land required over the plan period for that segment.

10) Monitoring –The ELR is a ‘snap shot’ in time and should be reviewed regularly, perhaps in line with revisions to the LDF process. As a minimum, sites should be reviewed on a yearly basis with a full review of the ELR every three years to maintaining a rolling capacity figure. Consequently, Arup will make recommendations at this stage of the study regarding the necessary monitoring arrangements that will need to be put in place to ensure that the study and associated databases are kept up-to-date.

11) Provide a final ELR report, including recommendations regarding monitoring: this would summarise the key conclusions of the study, identifying gaps in the employment land portfolio and opportunities to address this through the allocation of additional sites that have emerged from the capacity assessment. Specifically, this report would:

- Confirm the nature of the ‘gap’ in market requirements in terms of type of premises, locational/access requirement, environmental quality requirements, minimum plot and site size requirements and overall quantum of floorspace/land required over the plan period for that segment.
- Identify potential sites.
- Discuss the site appraisal process.
- Provide an overview of the site appraisal matrix.
- Justify the ‘trade-off’ of sites assessed against other desirable forms of development/policy objectives.
- Review ‘new’ against ‘existing sites’ to ensure consistency of assessment.
- Confirm sites for inclusion in portfolio in LDF.

The study would provide robust evidenced outputs on and a series of recommendations that would form the basis of policy decisions on future housing and employment allocations in Wigan. The report would also set out realistic and practical proposals to monitor land supply and demand, to provide a robust basis for reviewing employment and housing policies and programmes and to inform the preparation of the LDF documents and the Annual Monitoring Report (AMR). This would firstly be issued in draft to Wigan Council to enable amendments to be incorporated into the final document.

Key Stakeholder Engagement – Such a study requires considerable consultation with all relevant stakeholders. Current guidance suggests two formalised consultation exercises, one at the initial phase of the process, allowing parties, particularly the Chamber of Commerce, to input their views regarding the demand for certain types of sites in Wigan. Another consultation would be commissioned towards the end of the study period, most logically after the sites have been identified and assessed to allow the same bodies input into the decisions being made and highlight any potential errors and contribute any final pieces of information applicable to the sites. This two-pronged consultation process aligns with the drive from the new planning system to facilitate increased stakeholder involvement.

Phase 2: Strategic Housing Land Availability Assessment

1) Project Specification:

- Establish the process with key stakeholders;
- Define study objectives;
- Decide timetable for delivering project and identify resources necessary to carry out the study.
- Identify the assessment area – Define appropriate search area boundaries so that any capacity outlined can be demonstrated to be working towards government objectives of sustainable development. As noted in the ODPM's guidance, it should identify all settlements where housing could be provided – not just the main urban areas. This should consider the scope of 'urban' areas – settlement envelopes to be used, perhaps those defined within current Local Plan. Rural areas should be included if they are felt to provide opportunities for future housing or employment development.

2) Considering the Sources of Supply:

This would involve identifying all potential sources of housing supply within the area of search. The guidance suggests the following tabulation of the sources to help frame the process and to provide an easy way to collate the data and information. The table has been supplemented by an overview of the likely method to be used in obtaining the information, and how it might contribute to the source of supply (i.e. windfalls, large site identification).

Table 1: Sources of Supply

Source	Area in hectares (gross)	Likely yield (dwellings)	Suitable Role (allocation, identification or to inform windfall allowance)	Method
Sources in the existing stock				
Subdivision of existing housing			Identification / windfall	Use historical data of permissions from Wigan to establish trend. Not possible to survey.
Flats over shops			Identification / windfall	Use historical data of permissions from Wigan to establish trend. Possible source from identified large mixed use sites. Difficult to survey.
Empty homes			Identification / windfall	Use Wigan Council information on current empty properties.
Intensification of existing areas (i.e. gardens)			Identification / windfall	Use historical data of permissions from Wigan Council to establish trend. Difficult to survey.
Redevelopment of existing housing (demolition and replacement with a greater number)			Allocation / identification	Use historical data of permissions from Wigan Council to establish trend. Housing development team may be able to identify opportunities in the social housing stock.
Brownfield land				
Previously-developed vacant and derelict land and buildings (non-housing)			Allocation / identification	Use historical data of permissions from Wigan Council to establish trend. Information from landowners & developers to identify site potential.
Redevelopment of car parks			Allocation / identification	Survey of existing car parks.
Conversion of commercial buildings			Allocation / identification	Use historical data of permissions from Wigan Council to establish trend. Information from landowners and developers to identify site potential.
Other sources				
Unimplemented / outstanding planning permissions			Allocation / identification	Use data from Wigan Council.
Review of existing housing allocations in plans			Allocation / identification	Consider whether existing estimates of capacity are appropriate.
Review of other allocations in plans			Allocation / identification	Consider the potential for non-housing sites to be re-allocated for housing.
Land not previously developed including greenfield sites			Allocation / identification	Information from landowners and developers to identify potential.

Much of this stage of the work would involve collating information from existing baseline studies and survey data, focusing particularly on:

- Inspector's report on Wigan Council's UDP;
- Wigan Council's UDP;
- Discussions with selected consultees;
- Other material that may be available from Wigan Council such as planning permissions and take up rates.
- Identification of existing (unimplemented) planning permissions for housing;
- Wigan Council's Urban Potential Study 2004;
- Obtain information from ERO on site appraisals and landowner / developer enquiries.

This has been programmed to begin at the same time as Task 4 in the Employment Land Review, to enable one mail-shot to be sent out to developers and agents who may wish to put forward sites for assessment. WMBC will be responsible for publicising the study and requesting site information from landowners / developers.

When contacting landowners, developers and land agents, it is suggested that to avoid a flood of responses relating to individual dwellings and small sites that would be extremely resource intensive to process and difficult to incorporate into the study in a meaningful way, it is suggested that the representations would need to conform to all of the following tests:

- The site could accommodate over 10 dwellings;
- The site is likely to become available for development or redevelopment within the time study's time horizon;
- It is clearly under-used; and
- That it might reasonably be targeted for development, given Wigan Council's policy considerations.

3) Quantifying the Supply:

Step 2 will have identified the different sources of supply and where to look for them. This third stage in the process will quantify the number of homes that could be provided on each of these individual sources.

i) Devise site appraisal criteria: using a site assessment matrix based upon that used for the ELR in Phase 1 and the matrix used as part of Wigan's 2004 UPS. This will involve devising a set of key assessment criteria regarding the quality of each of the potential and allocated housing sites identified in Stage 2 (including those sites with extant planning permission for those uses), which should include considerations of:

- The fit with RSS objectives, RES objectives, and those of Wigan Council's UDP;
- Market viability;
- Sustainable development factors;
- The availability and deliverability of the site.

ii) Undertake detailed site appraisal: Appraise sites sieved in Stage 2 to rate 'best' housing sites, allocations and potential sites.

- It is suggested that a **priority area study** be undertaken as recommended by the NWRA as the most appropriate of the three different survey approaches outlined in the guidance. This focuses survey work on areas likely to yield a significant amount of supply, or where housing development would be beneficial or meet policy objectives

most fully. Best practice indicates that this is the preferred method when looking to appraise vacant and derelict land and the redevelopment of buildings. It is also particularly useful for assessing locations that are inherently highly accessible through walking/public transport. Negatives for this method are that it can underestimate the potential if priority areas alone are to be considered.

iii) Identification of Unconstrained Potential: After surveying the potential the next stage would be to assess the yield, based upon the number of dwellings that could be developed on each site. Density multipliers would be used due to the large number of sites likely to be identified. Standard densities would be multiplied against the total area of each site to obtain unconstrained yield. The guidance from NWRA attaches a caveat to this, outlining that potential should not be overly detailed at the unconstrained stage as there is a temptation to role these figures forward without considering other factors.

It is agreed that part ii) of the work relating to the detailed site appraisal will be undertaken by officers from Wigan Council, with the results collated and issued to Arup in the form of a detailed appraisal spreadsheet and associated commentary for inclusion in the final report. Wigan Council would be assisted in this task by commercial agents, to be identified by the Council. Arup have included a time allocation for this stage in order to devise the site appraisal criteria and to adapt them from the ELR model (part i); to manage the output of the work and to ensure its integration with subsequent stages of the study; and to identify the unconstrained potential of the sites (part iii).

4) Determining the likely level of windfall:

Windfall sites are previously-developed sites (brownfield) that have not been specifically identified as being available in the plan process. Although the contribution to housing supply from individual windfalls cannot be quantified in advance (by definition), it is reasonable to expect that windfalls in general will emerge over the course of the plan period.

PPS 3 states that allowances for windfalls should not be included in the first 10 years of land supply unless LPAs can provide robust evidence of genuine local circumstances that prevent specific sites being identified. *'In these circumstances, an allowance should be included but should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends'*. PPS3 goes on to state that where appropriate, SHLAAs should evaluate past trends in windfall land coming forward for development and estimate the likely future implementation rate.

The study would therefore look to make an allowance for windfall sites coming forward on the basis of examining past trends and on the likely future implementation rate.

5) Considering developability:

The steps described in the preceding sections produce an 'unconstrained' supply figure. The unconstrained housing supply of an area is the theoretical total number of dwellings that it could accommodate if all of the potential sources were developed optimally.

The next stage of the assessment would be to consider and identify whether the identified sites are genuinely available for development and are realistically developable in the short, medium and long term. This would build on the site assessment undertaken in stage 3 (iii) and would be used to identify, in collaboration with landowners and developers, any constraints which might dictate the timeframe in which the sites they suggest might come forward.

The role of the assessment is to identify sites, identify constraints and the severity of the constraints that WMBC should take into consideration in preparing development plan documents. Windfall sites, either included as part of a windfall allowance in the relevant development plan document, or those arising over and above this are likely to be

developable in terms of their availability and viability; otherwise an applicant would not be bringing a site forward.

The assessment would then develop an **indicative rank of sites** in terms of the advantages and disadvantages they offer under availability, suitability and viability.

This exercise would produce an informed estimate of the proportion of the unconstrained supply that can realistically be expected to come forward and be developed over time. The aim of this process, therefore, should be to identify what is likely to be realistically achievable.

As a cross-check, the study should consider indicative **discount rates** for the sources of supply discussed in Stage 2, as for many sources, the level of housing supply that can be achieved in reality is much less than the potential.

Discounting would be based on certain percentages highlighted in the guidance and also information on past trends. NWRA guidance also suggests the consideration of anticipated development costs and scheme values within the discounting process.

Final SHAA Output:

The final output of this study will be the identification of land that is suitable for housing over the plan period. It will not make judgements about whether this is developable or not, and whether it forms part of the five year supply. It will, however, identify constraints on the sites and consider how they might be overcome during the plan period. The assessment will form part of the evidence base for the plan, and will represent a tool which Wigan MBC can use to monitor and update their plans. This would firstly be issued in draft to Wigan Council to enable amendments to be incorporated into the final document.

Key Stakeholder Engagement – Such a study requires considerable consultation with all relevant stakeholders. Guidance suggests that the Local Authority should lead the assessment in partnership with developers, Registered Social Landlords and other agencies such as the Environment Agency and English Partnerships. The guidance suggests that working with landowners, housing developers or their representative bodies will help authorities to reach agreement about the status of different sites in terms of their readiness to be developed and the advantages and disadvantages of doing so.

Along with requesting information from developers and other partners regarding potential development sites in Stage 2, the guidance also recommends involving the development industry in Stage 5, considering developability, to clarify viability or ownership constraints.

Health Warnings – The entire study should come with a caveat that the identification of sites with the ELR and SHLAA will not represent the acceptance that development of these sites for housing or employment use is acceptable in principle.

3 Programme

A 26 week programme has been developed based on the stages set out in the methodology section. The programme involves progressing the Employment Land Review initially, with the Strategic Housing Land Availability Assessment beginning in earnest in May with a combined stakeholder consultation stage on new employment / housing sites once the redundant employment sites have been identified in task 4 of the ELR.

	29/01/2007	05/02/2007	12/02/2007	19/02/2007	26/02/2007	05/03/2007	12/03/2007	19/03/2007	26/03/2007	02/04/2007	09/04/2007	16/04/2007	23/04/2007	30/04/2007	07/05/2007	14/05/2007	21/05/2007	28/05/2007	04/06/2007	11/06/2007	18/06/2007	25/06/2007	02/07/2007	09/07/2007	16/07/2007	23/07/2007	
	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22	Week 23	Week 24	Week 25	Week 26	
Phase 1: Employment Land Review																											
<1: Project Specification																											
<2: Collate information from Existing site studies and survey data																											
<3: Devise site appraisal criteria																											
<4: Identify additional sites to be brought forward																											
<5: Undertake detailed site appraisal																											
<6: Select and apply suitable forecast and analysis																											
<7: Identify employment needs / shortfall																											
<8: Confirm existing sites to be retained or reused																											
<9: Define gaps in the portfolio																											
<10: Monitoring Recommendations																											
<11: Provide Final ELR Report																											
Phase 2: Strategic Housing Land Availability Assessment																											
<1: Project Specification																											
<2: Considering the Sources of Supply																											
<3: Quantifying the Supply																											
<4: Determining the likely level of windfall																											
<5: Considering developability																											
<6: Provide Final SHLAA Report																											
consultation with Stakeholders / Developers																											
Stakeholder Group Meeting																											
Final Reports																											