Sustainability Appraisal Appendix T4.5

Wigan Council

LDF

WIGAN LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY

Economy and employment
Final Topic Paper 5

AUGUST 2011

Core Strategy Submission Version

Places Directorate
www.wigan.gov.uk/ldfcorestrategy

Contents

ONE	Introduction	2
TWO	Key plans, policies and strategies reviewed	6
THREE	Other key evidence reviewed	12
	Key sources of information	12
	Climate change considerations	42
	Key community and stakeholder involvement	43
	Infrastructure audit	46
FOUR	Key messages	48
FIVE	Main spatial planning issues identified	51
SIX	Main infrastructure issues identified	53
SEVEN	Main sustainability issues identified	55
EIGHT	Our sustainability framework	56
	Baseline position	58
NINE	An assessment of legality and soundness	65
TEN	Next steps	76

ONE
Introduction

Purpose of this document

1.1 This is Topic Paper 5 on 'economy and employment'. It is one of 13 topic papers that we have produced to help ensure that our Local Development Framework Core Strategy is properly backed by robust and credible evidence. The 13 topic papers are:

1. Health and recreation
2. Community safety and neighbourhood quality
3. Community development and involvement
4. Education and learning
5. Economy and employment
6. Housing
7. Retail and centres
8. Accessibility
9. Built environment and landscapes
10. Wildlife habitats and species
11. Energy
12. Waste
13. Natural resources and pollution

1.2 Each topic paper provides a summary and analysis of the evidence which informs the Core Strategy and the Sustainability Appraisal. The evidence is set out in detail in a series of evidence reviews of the same name which sit alongside the topic papers. This topic paper focuses on the following Core Strategy policies:

- CP5 'Economy and employment'
- SP2 'Our town and local centres'
- SP3 'A key strategic site - Northleigh Park'
- SP4 'Broad locations for new development'

1.3 We have combined the evidence gathering stages for both the Core Strategy and the Sustainability Appraisal, to streamline the documentation produced and avoid duplication. This has ensured that sustainable development is embedded in the process of producing the Core Strategy. This topic paper also sets out how we have engaged with the community and other stakeholders and established the legality and soundness of the policies. More details of this are set out in Section 9 'An assessment of legality and soundness'.

1.4 Each topic paper can be read in isolation but, inevitably, there are important related matters in other topic papers and evidence reviews. The key related topic areas for 'economy and employment' are:

- Education and learning
- Accessibility
- Built environment and landscapes

1.5 Rather than preparing an additional report on 'climate change', we have considered this important theme within each topic paper. This is to make sure that it is not viewed as a 'stand alone' issue.

How the Local Development Framework will be used

1.6 The Local Development Framework is the planning strategy for the borough. The Core Strategy is the principal development plan document in our Local Development Framework. It sets out what development is needed for the next 10-15 years, where this will go and how it can be achieved. For the most part the details will be determined in other policy documents that will make up the Local Development Framework. These will include an Allocations and Development Management Plan, area action plans and supplementary planning documents. All of these other documents will have to conform to the Core Strategy and be equally founded on a robust and credible evidence base.

1.7 We have to work with national and European legislation on Sustainability Appraisal and national and regional planning policy. Of particular importance to economy and employment are Planning Policy Statement 4 'Planning for Sustainable Economic Development' and the Regional Spatial Strategy, which is currently part of the development plan for the Borough but will be revoked once the Decentralisation and Localism Bill is enacted.

1.8 Wigan is over-represented in declining sectors of the economy. Whilst these sectors have a key role in the borough we need to look at new ways to diversify and modernise our economy. The Local Development Framework will provide planning policies that will facilitate the conditions to enhance and modernise the economy for the benefit of local communities. This will be achieved in line with the principles of sustainable development, ensuring that economic, social and environmental objectives are secured together.

How the Sustainability Appraisal framework will be used

1.9 The purpose of the Sustainability Appraisal is to appraise the social, environmental and economic effects of strategies and policies in the documents that form the Local Development Framework. This has been done from the outset in preparing the Core Strategy to ensure that decisions are made that accord with sustainable development.

1.10 A framework of sustainability objectives has been used to test and ask questions of each approach considered in the Core Strategy. The appraisal process has a number of set stages that must be followed, but each stage has been revisited as new information became available.

1.11 This topic paper contains the information we have used to help us establish the issues for 'economy and employment'. This information has helped us to establish a set of sustainability objectives and sub-questions to tackle these issues - see section 8 'Our sustainability framework'.

Viewing documents

All documents related to the Core Strategy are available to view on our website at: www.wigan.gov.uk/ldfcorestrategy.

Paper copies of the Core Strategy, Sustainability Appraisal and the 13 Topic Papers are also available at:

- All our public libraries (except the children's library)
- Wigan Town Hall*
- Wigan Life Centre, College Avenue, Wigan, WN1 1NJ*

Viewing documents

** Until January 2012, after which documents will be available at the One Stop Shop, Wigan Life Centre, The Wiend, WN1 1NH.*

TWO

Key plans, policies and strategies reviewed

2.1 This section focuses on the most relevant published plans, policies and strategies for economy and employment in Wigan Borough and draws out the key messages for the Core Strategy and Sustainability Appraisal. The key plans and strategies which provide support for policy CP5, and the economic elements of policies SP2, SP3 and SP4 are:

National plans, policies and strategies

Planning Policy Statement 1: Delivering Sustainable Development (2005)

With regard to sustainable economic development Planning Policy Statement 1 states that planning authorities should:

1. Recognise that economic development can deliver social and environmental benefits;
2. Recognise the wider benefits of economic development and consider these alongside any adverse local impacts;
3. Ensure that suitable locations are available for industrial, commercial, retail, public sector (e.g. health and education), tourism and leisure developments so the economy can prosper;
4. Provide for improved productivity, choice and competition;
5. Recognise that all local economies are subject to change;
6. Actively promote and facilitate good quality sustainable development;
7. Ensure the provision of sufficient, good quality, new housing in sustainable locations;
8. Ensure that infrastructure and services are provided to support new and existing economic development and housing;
9. Ensure that development plans take account of the Regional Economic Strategy, Regional Housing Strategies and Local Authority Strategies;
10. Identify opportunities for future investment to deliver economic objectives;
11. Provide a positive planning framework for sustainable economic growth to support efficient, competitive and innovative business, commercial and industrial sectors;

12. Focus developments that attract a large number of people in existing centres to promote their vitality and viability, social inclusion and more sustainable patterns of development;
13. Promote higher density and mixed use development on previously developed land to achieve brownfield land targets; and
14. Avoid constraining beneficial economic development by imposing disproportionate costs in terms of environmental or social impacts.

Planning Policy Statement 4: Planning for Sustainable Economic Growth (2009)

This Statement redefines economic development, sets the government's objectives for prosperous economies, and sets both plan making and development management policies for economic development, including retail and centres, in both urban and rural areas.

The plan making policies identify that local planning authorities should ensure that their development plan:

- sets out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth, identifying priority areas with high levels of deprivation that should be prioritised for regeneration investment;
- supports existing business sectors and where possible, identifies and plans for new or emerging sectors likely to locate in the area;
- positively plans for the location, promotion or expansion of clusters or networks of knowledge driven or high technology industries;
- seeks to make the most efficient and effective use of land, prioritising previously developed land which is suitable for reuse;
- identifies, protects and promotes key distribution networks, and locates developments which generate substantial transport movements in locations that are accessible, avoiding congestion and preserving local amenity as far as possible; and
- where necessary safeguards land from other uses, identifies a range of sites, to facilitate a broad range of economic development.

2.2 Other key national plans, policies and strategies which provide support for policy CP5, and the economic elements of SP2, SP3 and SP4 include:

- **Planning Policy Statement 1 Supplement: Planning and Climate Change:** From an economy and employment perspective, it states that local planning authorities should prepare spatial strategies which respond to the concerns of business and encourage competitiveness and technological innovation in mitigating and adapting to climate change, and secure the highest viable resource and energy efficiency and reduction in emissions.

Regional / sub-regional plans, policies and strategies

North West of England Plan - Regional Spatial Strategy to 2021 (2008)

The Regional Spatial Strategy forms part of the development plan for the borough, setting the context for our Core Strategy and other development plan documents. Policies with a particular relevance to economy and employment are:

Policy DP2 Promote Sustainable Communities - Seeks to revive local economies to help ensure the building of sustainable communities.

Policy DP3 Promote Sustainable Economic Development – Seeks to improve productivity, and to close the gap in economic performance between the North West and other parts of the UK.

Policy DP6 Marry Opportunity and Need – Priority should be given to linking areas of economic opportunity with areas in greatest need of economic, social and physical restructuring and regeneration.

Policy RDF1 Spatial Priorities - priorities for growth and development are:

- Regional centres;
- Inner areas surrounding the regional centres;
- Towns / cities in the 3 city regions (of which Wigan is listed)

Policy W2 Locations for Regionally Significant Economic Development - Sites should be capable of development within the plan period, highly accessible (especially by public transport, walking and cycling), well related to areas with high levels of worklessness and/ or areas in need of regeneration, and well related to neighbouring uses.

Policy W3 Supply of Employment Land - Local planning authorities should undertake a comprehensive review of commitments, secure a portfolio of sites that comply with spatial development principles and contribute to meeting the identified shortfall of employment land in Greater Manchester, whilst ensuring that the most appropriate range of sites are safeguarded for employment use.

Policy W4 Release of Allocated Employment Land - There should be presumption against the release of allocated employment sites for other uses. Sites should not be released where they provide an important contribution to the economy of the local area.

Other relevant policies include:

- DP1 Spatial Principles
- DP4 Make the Best Use of Existing Resources and Infrastructure
- MCR1 Manchester City Region Priorities
- MCR5 Northern Part of the Manchester City Region

2.3 Other key regional or sub-regional plans, policies and strategies which provide support for policy CP5 and the economic elements of policies SP2, SP3 and SP4 include:

- **Moving Forward - The Northern Way (Northern Development Agencies, 2004)** - In response to the increasing gap between the economies of the north and south of England, three northern development agencies were commissioned by the government to work out what the north should do differently to significantly accelerate the rate of economic growth and to devise a vision. The study identified a need, amongst other things, to market the North better in a global context, build on its strengths and realise benefits from its assets, promote entrepreneurialism, exploit the knowledge base and bring more people in to employment.

- **Regional Economic Strategy (NWDA, 2006) -** This was a rolling 20 year strategy to shape the future economic direction of the Northwest. At the heart of the strategy was the concept of achieving sustainable development. At the City Region level it identified a strong potential for growth in knowledge sectors and large concentrations of high value activity in manufacturing, financial and professional services, media, creative and cultural industries. However it also identified key challenges such as high concentrations of economically inactive people, of which the majority have low levels of qualifications and the increasing economic gap between the north and south of the City Region. Specific to Wigan it recognised the congestion problem and identified that actions to reduce this will help encourage inward investment.

- **Greater Manchester City Region Development Programme (Manchester Enterprises, 2006) -** This sets a vision which states that by 2025 the Manchester City Region will be "a world class city-region at the heart of a thriving North".

Local plans, policies and strategies

Wigan Replacement Unitary Development Plan (2006)

Employment policies are contained within Chapter 7 of the Unitary Development Plan. General policies G1A - Impact of Development on Amenity and G1B - Planning Obligations also apply. Employment policies EM1A and EM1B will be saved until they are replaced in the Allocations Development Plan Document. Other employment policies and policies G1A and G1B will be superseded by new core and spatial policies, as set out in Chapters 8 and 9 of the Core Strategy.

Wigan Economic Development Plan (2005)

The Wigan Economic Development Plan identifies that there is a need to:

1. Offer greater opportunities for local residents by modernising the local economy, thereby increasing the number and quality of jobs. However, this requirement for modernisation should be balanced against the quality of life in the borough. Wigan Borough does not have the development land capacity to meet the full employment needs of its residents. The major centres of employment outside

the borough such as the Regional Centre, Warrington and Bolton will, therefore, remain integral to the growth in prosperity of borough residents.

2. Attract high quality investment which will require a corresponding high quality offer in terms of sites, infrastructure, skilled labour and the wider environment.
3. Improve the transport infrastructure of the borough to enable residents to easily access opportunities.
4. Realise the full potential of the Wigan economy by directing economic regeneration at those in greatest need. Economic inefficiencies can be addressed by focusing on worklessness and areas of high deprivation.
5. Increase the skills base of local residents, which will have to increase to enable them to take full advantage of the new opportunities being created and to increase wage levels.
6. Invest in town centres as important engines and indicators of economic prosperity to meet increasing user expectations.
7. Recognise that the growth of the leisure, cultural and sport sectors of the economy will contribute significantly to the enhancement of the quality of life for Wigan residents.

2.4 Other local plans and strategies which provide support for policy CP5 and the economic elements of policies SP2, SP3 and SP4 include:

- **Vision 2026: Sustainable Community Strategy (2008)** - Policy CP5 and the economic elements of policies SP2, SP3 and SP4 are in line with two of the priority areas identified: 'Ambitious Communities' and 'Realising Ambitions'.

2.5 There are other relevant plans and strategies that contribute to the economy and employment evidence base. These are summarised in our 'economy and employment evidence review' that is available on our website.

THREE

Other key evidence reviewed

Key sources of information

3.1 This section brings together and analyses the key evidence relating to the economy and employment topic area. It outlines key characteristics, trends, issues and opportunities and supports the policies relating to economy and employment in the Core Strategy. It also gives an overview of the infrastructure and climate change considerations and a summary of stakeholder and community involvement.

3.2 The main sources of information used are:

Regional / sub-regional*

* Produced by Manchester's Commission for the New Economy unless stated otherwise

- Demand for Employment Land in Greater Manchester Study (Association of Greater Manchester Authorities, 2006)
- Manchester City Region Knowledge Economy Report (Local Futures Group, 2006)
- Draft Manchester's Skills and Employment Strategic Framework (The Commission for Economic Development, Employment and Skills, 2008)
- Digital and Creative Industries - Enterprise and Skills: Sector Strategy and Action Plan (NWDA, 2008)
- Manchester Independent Economic Review - Economic Baseline Assessment (2008)
    - Unit 1: Economic Context
    - Unit 2: Business Rate
    - Unit 3: People
- Manchester Independent Economic Review (2009)
    - The Review
    - The Case for Agglomeration Economies
    - Innovation, Trade and Connectivity
    - Inward and Indigenous Investment

    - Labour Markets, Skills and Talent
    - Sustainable Communities
    - Wigan Brief

- Greater Manchester Employment Land Position Statement (NLP, 2009)
- Greater Manchester Town Centre Study (Drivers Jonas, 2010)
- Identification and Market Demand-led Assessment of Large Employment Sites within Greater Manchester (Jones Lang LaSalle, not yet published)

Local

- A Fresh Future for Wigan - A Marketing Strategy for Wigan's New Economic Development Zone (B2B International, 2002)
- The State of the Borough - An Economic, Social and Environmental Audit of Wigan (Local Futures, 2005)
- Mid Strategy Review (B2B International, 2005)
- How are we doing? A Final Review and Evaluation (B2B International, 2007)
- Wigan Employment Land Review (Wigan Council, 2007)
- Taking Action in the Downturn (Experian, 2009)
- Worklessness Strategy: What Makes Wigan Work? (Wigan Council, 2009)
- Wigan Local Economic Assessment (Wigan Council, 2010)
- Market Appraisal of Key Employment Site Options (Review of Employment Sites for Wigan Council) (B2B International, March 2010)
- Wigan Economy Briefing (Wigan Council, June 2010)
- Agents and Developers' Questionnaire - Martland Park and The Bell (Wigan Council, April 2010)
- Testing the Case for an Employment Site of Exceptional Quality in Wigan (GVA, 2010)
- Wigan Employment Land Availability Report (Wigan Council, April 2011)
- Key Sites Viability Study (District Valuers Office, 2011)
- Site of Exceptional Quality - Briefing Note (GVA, June 2011)
- Site of Exceptional Quality - Topic Paper: Evidence Report (GVA, 2011)

Other statistical evidence

- Greater Manchester Forecasting Model (2010)
- Annual Business Inquiry Data
- Annual Survey of Hours and Earnings (2010)
- NOMIS (www.nomisweb.co.uk)
- Office for National Statistics (www.statistics.gov.uk)
- Wigan Economy Briefing bulletins (Wigan Council, 2011)
- Unemployment Monitor (monthly data and analysis)

Background

3.3 The borough has a diverse economy with around 5,000 businesses and 109,200 employees involved in a variety of sectors. These include traditional sectors such as manufacturing and engineering, a significant public sector including local government, education and health services, and a large retail sector, particularly within Wigan, Leigh and Ashton town centres.

3.4 These jobs are focused within a number of key employment areas across the borough, including 35 allocated primary employment areas which are the focus for B-class employment uses, town centre locations, and other smaller clusters of employment activity.

3.5 National and international companies located in the borough include Tote Sport, JJB Sports, Santander, HJ Heinz, Wincanton, Patak's Foods Ltd and Shearings Holidays Ltd. Wigan is also the corporate home to many well known companies including Allenbuild Commercial Developments and Hitchen's Foods.

3.6 Despite this, the borough under performs and needs to grow significantly as an economic force if it is to compete effectively nationally and with the top performing economic areas in the region such as Warrington, Manchester, Trafford and Chester. Taking advantage of the borough's strategic location in close proximity to the strategic road network will play a large part in this.

3.7 The recession has had a major impact on economic development at national, regional and local levels. The sectors which dominate the local economy, including manufacturing and engineering and construction, have been the hardest hit. In response, Wigan Council has worked hard to minimise the impact of the recession within the borough and to develop a framework to aid recovery.

Existing land availability

3.8 The most up-to-date Unitary Development Plan Allocated Employment Land Availability Report identifies that 175.16 hectares of employment land was available in the borough on allocated employment sites at April 2011. This is indicated in Table 3.1 below.

UDP Ref	Site Name	Site Area (ha)
EM1A 1	Stone Cross Park	0.48
EM1A 5	Moss Industrial Estate, Lowton	2.05
EM1A 6	Parsonage, Leigh	18.18
EM1A 8	Hope Carr / Leigh Commerce Park	4.00
EM1A 9	Chaddock Lane, Astley	17.69
EM1A 12	Gibfield, Atherton	2.99
EM1A 14	West of Leigh Road, Hindley Green	22.01
EM1A 15	Swan Lane, Hindley Green	6.63
EM1A 16	Makerfield Way, Ince	7.15
EM1A 17	Wigan Enterprise Park	0.9
EM1A 18	Dobson Park Industrial Estate, Ince	0.35
EM1A 19	Rosebridge, Ince	0.50
EM1A 20	Westwood Park	20.56

UDP Ref	Site Name	Site Area (ha)
EM1A 22	Chapel Lane	0.46
EM1A 24	Springfield and Miry Lane	3.44
EM1A 25	Martland Park and Heinz	8.1
EM1A 27	Bradley Lane, Standish	1.92
EM1A 28	Richmond Hill Industrial Estate, Pemberton	0.45
EM1A 29	Lamberhead Industrial Estate, Pemberton	0.60
EM1A 30	Pemberton Park	15.78
EM1A 32	Warrington Road, Hawkley	2.25
EM1A 33	Wheatlea Industrial Estate	0.45
EM1A 36	South Lancashire Industrial Estate (plus extension land)	38.23
Total		**175.16**

Table 3.1: Employment land availability on allocated sites at April 2011

3.9 During the period April 2009-April 2011, no employment land was taken up within these allocated employment sites. Take up since 2007 has been well below previous years and is a reflection of the current poor economic climate. Prior to 2007, the borough experienced an average annual take up of 15.49 hectares within allocated sites during the period 1996-2006.

3.10 The future employment land requirement of the borough has been assessed in both the Wigan Employment Land Review (2007) and the Greater Manchester Employment Land Position Statement (2009).

3.11 The Employment Land Review concluded that the borough could require between 293 and 336 hectares of land for employment for the period 2005-2026. This equates to between 13.8 and 15.9 hectares per annum. It states that the deficit in likely demand and supply should be addressed through the allocation of between 125 and 170 hectares of new sites in the borough with the onus on the Council to provide new site allocations that are sufficiently attractive to the market to encourage the private sector to commit significant medium to long term investment in the Wigan area.

3.12 The Greater Manchester Employment Land Position Statement concluded that 297 hectares of employment land, including a 20% flexibility factor, was needed in Wigan for the period 2007-2026 to meet demand; equating to 15.63 hectares per annum.

3.13 The proposed employment land supply for the Core Strategy period and associated quantitative issues are detailed in paragraphs 3.84 - 3.86.

Worklessness

3.14 As referred to in Topic Paper 4 'Education and learning', poor basic skills and a lack of formal or vocational qualifications are contributing to high levels of worklessness in the borough. In addition, a historic low level of enterprise is adding to this problem. These issues are key barriers preventing high numbers of people in Wigan from securing sustainable long term employment.

3.15 According to the Department for Work and Pensions, 31,200 residents of working age in Wigan were claiming key out-of-work benefits in November 2010. This equated to a worklessness rate of 15.7% which was higher than the North West average of 14.9% and compared poorly to the UK average of 12.2%. Key out-of-work benefits consists of the groups: job seekers, Employment and Support Allowance (ESA) and incapacity benefits, lone parents and others on income related benefits.

3.16 Unsurprisingly the highest levels of worklessness are found in Wigan's most deprived communities. Particular clusters cover Leigh and north Atherton (especially Hag Fold) and areas surrounding Wigan town centre, including areas around Ince in Makerfield, Worsley Mesnes, Newtown and Norley. This can be seen in Figure 1 below. The 32 most deprived Super Output Areas have an average worklessness rate twice the national average.

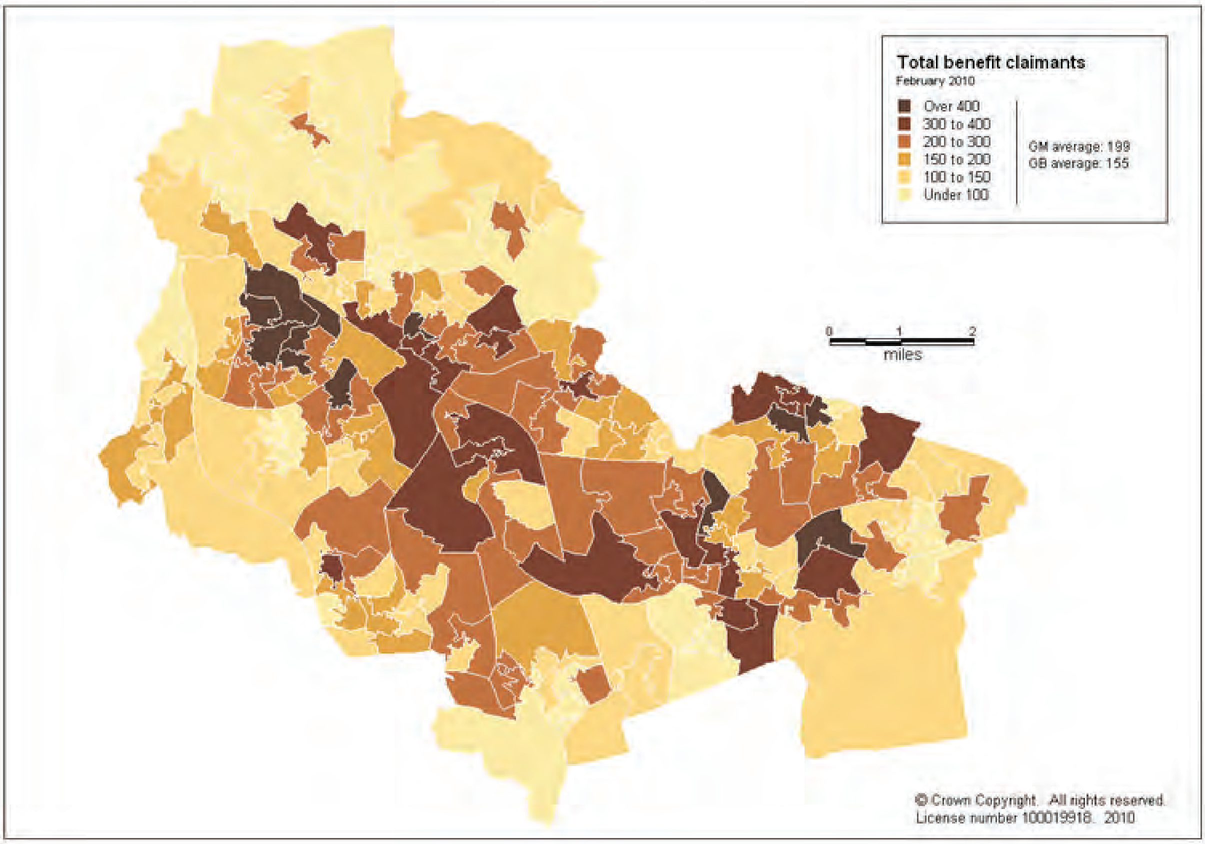

Figure 1 Total benefit claimants in Wigan (Department for Work and Pensions, 2010)

3.17 At November 2010, 9.5% of working age people in Wigan were claiming Employment Support Allowance or other incapacity benefits. This rate is significantly higher than the North West and UK average, which is 8.7% and 6.6% respectively. Although the overall incapacity benefit rate has reduced steadily over the past 10 years, from 12.5% in 2000, the rate in deprived areas has remained constant (Wigan Worklessness Strategy). There is also a static number of young claimants aged 16-24.

3.18 According to the Wigan Economy Briefing (June 2011), 8,595 people in Wigan were claiming Job Seekers Allowance in May 2011. This equates to 4.3% of working age people, which is below the Greater Manchester average of 4.5% but above both the North West (4.2%) and national (3.7%) average. Encouragingly, Wigan's annual change (May 2010-May 2011) was the second largest decrease in Greater Manchester at 4.1%. This outperforms both the regional (0.18%) and national (1.12%) averages and has resulted in a recent narrowing of this gap. However, at May 2011, there were 9.7 claimants per unfilled job centre vacancy, which is much higher than the regional (6.5) and national (6.3) average.

3.19 The number of young Job Seekers Allowance claimants in Wigan remains a concern with 2,760 claimants aged 18-24 in May 2011. Wigan also has above average proportions of long term claimants (those claiming for over 12 months), particularly within the 18-24 age bracket.

3.20 A lack of skills and poor qualifications is a growing issue with employers increasingly demanding higher qualifications as part of the recruitment process. There is also an increasing requirement for vocational qualifications even for traditional ‘low-skilled’ jobs. The cost of gaining such qualifications is often too expensive for those on benefits. Requiring employers and developers to enter into local labour and training agreements should reduce this issue.

3.21 The Economic Development Plan identifies that the full potential of the Wigan Economy can only be realised by directing economic regeneration at those in greatest need, and that economic inefficiencies can be addressed by focusing on worklessness and areas of high deprivation.

Income

3.22 The average income within the borough is below sub-regional, regional and national levels by both place of residence and place of work. This is illustrated in Tables 3.2 and 3.3 which include data taken from the Annual Survey of Hours and Earnings (2010).

3.23 By place of residence, the average wage in Wigan is £22,464. This is 7% below sub-regional and regional averages and 15% below the national average. Despite this, a 1% increase on 2009 wages has helped to narrow this gap. Low wages reflects the high proportion of local residents with a lack of skills and poor qualifications in comparison to our comparators.

3.24 The annual gross wage figures for male employees living in Wigan increased slightly in 2010 to £27,639. This is around £1,750 and £5,500 below the Greater Manchester and national average respectively. The annual gross wage for female employees in Wigan decreased by 1.1% in 2010 to £17,173, widening the gap with national, regional and sub-regional levels.

Gross wages in 2010	Wigan	% annual change	Greater Manchester	% annual change	North West	% annual change	UK	% annual change
Male	27639	0.1	29383	-0.6	29574	-0.2	33186	-0.2
Female	17173	-1.1	18770	1.6	18663	1.8	19711	1.2
All	22464	1.0	24048	0.4	24062	0.6	26510	0.2

Table 3.2: Average income by place of residence, 2010

3.25 By place of work, the average wage in Wigan is £21,734. Wages below sub-regional, regional and national averages reflects the lack of high earning jobs available in the borough.

Gross wages in 2010	Wigan	% annual change	Greater Manchester	% annual change	North West	% annual change	UK	% annual change
Male	27143	0	30451	-0.7	29354	-0.7	33186	-0.2
Female	16966	0	19329	1.7	18686	1.6	19711	1.2
All	21734	0	24772	0.2	23886	0.2	26510	0.2

Table 3.3: Average income by place of work, 2010

3.26 Resident based earnings are higher than workplace earnings in Wigan, showing that residents have to commute outside the borough for higher paid jobs.

3.27 According to the Greater Manchester Local Economic Assessment (2010), a consequence of low wages is that Wigan residents are less productive than Greater Manchester as a whole. This enduring low productivity suggests that whilst Wigan has been successful in creating new employment opportunities, these have been relatively low-value.

Commuting patterns

3.28 Statistics from the Office for National Statistics (2008) indicate that Wigan has the highest commuting outflows in Greater Manchester with around 47,000 people commuting out of the borough each day to work. As 22,000 people commute into the borough for work, Wigan has a net flow of around 25,000. The commuting outflow is forecast to increase year on year for the period up to 2026 when a net flow of 28,400 is predicted by the Greater Manchester Forecasting Model. This outflow rate is forecast to increase at a faster rate then other Greater Manchester authorities. This is set out in Table 3.4. Requiring employers and developers to enter into local labour and training agreements where appropriate would contribute to reducing out-commuting from the borough.

Local Authority	2010 (000s)	2026 (000s)	Change (000s)
Bolton	-6.2	-9.4	-3.2
Bury	-14.6	-15.8	-1.2
Manchester	+96.3	+114.5	+18.2
Oldham	-1.4	-4.2	-2.8
Rochdale	-2.9	-4.6	-1.7
Salford	+12.3	+15.2	+2.9
Stockport	+6.1	+5.3	-0.8
Tameside	-19.2	-22.2	-3.0
Trafford	+4.7	+7.6	+2.9

Local Authority	2010 (000s)	2026 (000s)	Change (000s)
Wigan	-24.7	-28.4	-3.7

Table 3.4: Net commuting (Greater Manchester Forecasting Model, 2010)

Key forecast indicators

3.29 Key forecast indicators for Wigan from the Greater Manchester Forecasting Model are set out in Table 3.5. This provides forecasts for 2026 and allows comparison with Greater Manchester. As the forecasting model is strongly influenced by previous patterns of economic activity, it has a tendency to replicate current conditions. It is therefore a useful tool for identifying areas of concern and need and enables early intervention to rectify less desirable trends, for example the forecast commuting outflow.

	Wigan			Change		Greater Manchester
	2010	2020	2026	2010-20	2010-26	2010-26 change
Population (000s)	307.7	319.3	323.7	3.8 (%)	5.2 (%)	8.6%
Employees (000s)	93.7	100.4	100.9	7.1 (%)	7.7 (%)	12.3%
Self employed (000s)	15.4	16.3	16.5	5.4 (%)	7.1 (%)	8.5%
Total employment - jobs (000s)	109.2	116.7	117.4	6.9 (%)	7.5 (%)	11.9%
Total employment - people (000s)	102.1	108.9	109.5	6.7 (%)	7.3 (%)	11.2%
Unemployment level (000s)	8.8	7.3	7.4	-1.5 (000s)	-1.4 (000s)	-10.2 (000s)
Unemployment rate (%)	4.6	3.9	4	-0.7 (pp)	-0.6 (pp)	-0.7 (pp)

	Wigan			Change		Greater Manchester
	2010	2020	2026	2010-20	2010-26	2010-26 change
Residence based employment (000s)	126.8	136.6	137.9	9.8 (000s)	11.1 (000s)	119.2 (000s)
Residence employment rate (%)	67.5	74.2	75.9	6.7 (pp)	8.4 (pp)	5.9 (pp)
Net commuting (000s)	-24.7	-27.7	-28.4	-2.9 (000s)	-3.7 (000s)	7.4 (000s)
GVA total, £m	3582.8	4573.3	5124.9	2.5 (% pa)	Unknown	Unknown
Households (000s)	133.9	145.4	151.2	11.5 (000s)	17.3 (000s)	165.7 (000s)

Table 3.5: Key findings and projections (Greater Manchester Forecasting Model, 2010)

3.30 According to the data, the total number of employees residing within the borough is forecast to significantly rise from 126,800 to 137,900 in the period 2010-2026. In comparison, over the same period, the number of people in employment within the borough is forecast to increase by just 7,400 from 102,100 to 109,500. This results in increased out-commuting and demonstrates a significant need for additional employment opportunities of varying skills and types within the borough.

3.31 For the period 2010-2026, the forecasting model estimates a loss of around 3,650 jobs in the manufacturing sector, including a loss of 1,060 jobs in food and drink production, which is strongly represented in the borough. The loss of manufacturing jobs is a global trend, primarily as a result of increased automation. This has enabled productivity in manufacturing to be sustained but with a reducing workforce. Therefore despite forecast job losses, manufacturing will remain a strong and significantly important sector within the borough over the plan period.

3.32 Table 3.6 illustrates that the forecast loss of manufacturing jobs in Wigan at 29% is lower than the majority of other Greater Manchester districts and below the sub-regional, regional and national averages.

	2010 (000s)	2026 (000s)	Actual change	% change
Bolton	13.3	9.6	-3.7	-28
Bury	6.4	4.2	-2.2	-34
Manchester	11.9	7.4	-4.5	-38
Oldham	10.5	6.8	-3.7	-35
Rochdale	10.7	7.3	-3.4	-32
Salford	7.4	5.0	-2.4	-32
Stockport	11.5	7.7	-3.8	-33
Tameside	12.0	8.2	-3.8	-32
Trafford	10.0	6.9	-3.1	-31
Wigan	12.5	8.9	-3.6	-29
Greater Manchester	106.3	72.0	-34.3	-32
North West	304.7	212.9	-91.8	-30
United Kingdom	2487.2	1751.8	-735.4	-30

Table 3.6: Forecast change in manufacturing jobs (2010-2026)

3.33 Job losses in manufacturing are estimated to be offset by an increase of around 6,000 jobs in business services, plus increases in health (+1,350), construction (+930), retail (+1,210), distribution (+450) and other personal services (+1,290).

3.34 Gross Value Added (GVA) is a measure in economics of the value of goods and services produced in an area, industry or sector of an economy. It is therefore a good indicator of economic performance. Wigan's total Gross Value Added (GVA) is approximately £3.5 billion with a relative productivity 2.5% below the North West average. Although GVA is forecast to increase gradually for the period to 2026, relative productivity with the North West average is expected to gradually decline.

Job density

3.35 According to the Office for National Statistics (2009), Wigan has the second lowest job density in Greater Manchester with only 0.57 jobs per person. This compares poorly against the regional (0.75) and national (0.78) rate and also against neighbouring authorities including Bolton (0.68), Salford (0.81), Warrington (0.95) and Chorley (0.65). This is also a significant factor why employees commute out of the borough for employment.

Challenges

3.36 Our evidence base has identified a number of key challenges with regard to the Wigan economy which will need to be addressed if we are to create sustainable economic growth, boost our economic performance and profile and provide a wider range of job opportunities.

Factors hindering business investment

3.37 Despite its strategic location at the heart of the North West, Wigan Borough is poorly regarded as a business location primarily due to a negative image or perception of the area and poor accessibility from the strategic road network (motorways). This contributes significantly to a local economy which under performs at the national, regional and sub-regional level. The Manchester Independent Economic Review identifies that Wigan has the lowest business density rate (number of businesses by area) in Greater Manchester and a relatively low stock of registered businesses reflecting the challenges that the borough faces in terms of attracting and retaining companies. Key factors hindering business investment in the borough have been identified in studies, including the 2002, 2007 and 2010 B2B reports, and through consultation with key economic stakeholders. These include:

- Poor perception of Wigan as a business location
- Poor highway access / lack of sites with good communications
- Age, condition and suitability of employment accommodation

- Lack of an established office market
- Poor broadband infrastructure / slow network speeds
- Power supply issues
- Workforce with a low skills base

Perception of Wigan as a business location

3.38 Evidence suggests that the image and perception of Wigan is a major hindrance to business investment. The 2002 Wigan B2B Report indicated that the 'flat caps and mill clogs' image still persists and this was reaffirmed by B2B in 2007 when, despite first impressions of Wigan being generally very positive when images were shown to prospective investors, front of mind associations were still of the typical 'northerner' when the location was revealed. The study identified that Wigan is perceived to be on par with St Helens and Bolton as a business location and is associated with a variety of activities and issues, many of which hark back to its industrial past. Road congestion, poor communications and a low skills base are also identified as key perceptions.

3.39 According to local agents, the borough has a poor image and economic profile and there is a lack of awareness of Wigan's employment offer in the wider commercial market place (GVA briefing note, 2011).

3.40 Evidence also suggests that Wigan's peripheral location in the Manchester City Region can be a factor as there is a desire, by many companies looking at locating in the City Region, to locate in close proximity to the M60 motorway.

Lack of sites with good communications

3.41 Despite being well served by the strategic road network, including the M6, M61,M58 and A580, congestion and weaknesses in the efficiency of the road network across the borough constrains our ability to attract new investment. This is a particular problem in the inner areas of the borough where a significant proportion of the available employment land is located.

3.42 Martland Park is a good example of this. Despite being one of Wigan's most premier employment parks, access to and from the strategic road network is poor restricting its attractiveness to investors.

Age, condition and suitability of employment accommodation

3.43 A large proportion of the borough's existing employment accommodation is in poor condition, and or, not of the right type or specification to meet modern business needs. Wigan's industrial legacy coupled with the decline in manufacturing has played a large part in this problem.

3.44 The Employment Land Review recognises this problem and consequently identifies numerous employment sites as requiring modernisation, notably in Wigan, Ince, Atherton, Leigh, Astley, Golborne and Standish. This required modernisation has resulted in a significant loss of employment uses over recent years, as an element of higher value uses, usually housing, has been needed to make schemes viable. Recent examples are given in Table 3.7.

Ref:	Address	Proposal	Decision
A/09/72812	Bridgewater Business Park, Leigh	Mixed use regeneration scheme comprising residential (C3), employment (B1) and small scale retail (A1), new public open space and associated infrastructure	Approved with conditions
A/08/70445	Parsonage, Leigh	Mixed use regeneration comprising employment uses, retail uses, residential development, medical centre and associated development in class D1.	Approved with conditions
A/11/75372	Barrs, Gibfield Park, Atherton	Redevelopment of site to provide up to 275 residential dwellings and up to 18,580 square metres of commercial development (use Class B1(b), B1(c) and B8) together with 0.85 Ha of open space, and 0.45 Ha of acoustic buffer following demolition of vacant factory.	Approved subject to signing the Section 106 agreement

Ref:	Address	Proposal	Decision
A/11/75748	Land At Frog Lane/Field Street/Hey Street, Wigan	Mixed use development comprising 85 no residential units and 1951sqm of class B1(a) employment accommodation. Application in outline with means of access for approval and all matters reserved.	Pending

Table 3.7: Planning applications or permissions with a proposed loss of employment development

3.45 In addition, our Strategic Housing Land Availability Assessment 2010 update includes evidence of a sustained loss of employment uses over time due to the closure or relocation of poorly performing or unattractive employment sites. Agents currently marketing sites on Martland Park have cited the specification of the units, together with poor accessibility to the strategic road network, as a major factor hindering investment.

Lack of an established office market

3.46 Although Greater Manchester has the largest office market outside London, the Wigan office market only accounts for 6% of this supply. The small proportion of grade A space in the borough (18% of total supply) is restricting the market and has been reflected in some of the rents previously achieved. Evidence from Jones Lang LaSalle identifies that 35% of Wigan's office market is within Wigan town centre, where demand for office accommodation in the period 2003-2008 was much below that of Stockport, Altrincham (Trafford) and Bolton town centres, and on par with Ashton-under-Lyne (Tameside) and Oldham. In 2009, office take up in the south of the Manchester City Region was over three times that achieved in the north.

3.47 Although the borough experienced a growth in commercial office floorspace between 1998 and 2008, consultation with commercial market agents identifies that Wigan has failed to establish itself as a consistently recognised office market location beyond indigenous investment activity. Strong local competitors include Bolton (decentralised), Warrington (decentralised), South Manchester, Liverpool Airport, and Salford Quays, all of which are noted to have a critical mass and reputation as office investment locations.

3.48 The Manchester Independent Economic Review identifies that the borough also has a low proportion of employment in knowledge intensive sectors compared to other Greater Manchester districts and areas of the North West. In fact there are no high skilled employment sectors concentrated within Wigan Borough. According to the Manchester City Region Knowledge Economy Report, 45.2% of jobs within Wigan are in K4 sectors, the least knowledge-intensive industries where graduates make up only 1-15% of the labour force and which are generally low value, low wage sectors. This is a higher proportion than in both Greater Manchester (34.7%) and the Manchester City Region (35.1%). Wigan has a lower proportion of jobs in K1 and K2 sectors, the most knowledge intensive industries. Despite this, the sectors that have grown the most in the borough over the last decade are Education, Life Sciences and Financial and Professional services, illustrating the increased importance that the ‘knowledge based-economy‘ will play to Wigan’s economy.

3.49 According to local agents, the borough is only likely to be able to attract footloose occupiers to out of town locations accessed from the strategic road network, and potentially Westwood Park if the road infrastructure is improved.

Poor broadband infrastructure and power supply

3.50 According to local agents, low broadband connection speeds and poor power supply has deterred businesses from investing at Martland Park and at other employment locations in the borough. Virgin Media actually have good broadband coverage in the borough and offer ‘second generation’ broadband providing high speed operation on an uncontended network. The key strategic site at Northleigh, all of the proposed broad locations, and the majority of Primary Employment Areas are within close proximity to this network. Despite this, access is severely limited due to the high prices charged by providers for 'leased line' access, in the region of £2-5,000 per month. This is beyond the reach of many local businesses in the city region and, as a consequence, the only users tend to be larger or rapidly expanding companies, most of which are situated within Manchester City Centre.

3.51 As a reaction, Manchester Digital Development Agency, in conjunction with the Association of Greater Manchester Authorities (AGMA), has plans to set up an investment vehicle to deliver second-generation broadband alongside the Metrolink routes (outside of the borough) and at key business locations within Wigan, Bolton and Stockport. The proposed Wigan-Salford-Manchester Busway provides an opportunity to deliver this infrastructure in the borough. It is anticipated that necessary capital will be generated through Local Enterprise Partnerships, the North West Evergreen Fund (JESSICA) and planning obligations.

Power supply

3.52 Power supply issues have been experienced by the council as part of proposed developments at Pemberton Park and Makerfield Way, where it has been found that proposals would overload or strain the existing electricity supply. Local agents and developers have raised similar issues at Martland Park. Additional capacity is generally achieved by the development of a new electricity sub-station which are costly and can consequently impact on the viability of employment schemes.

3.53 According to local agents, the power supply at Martland Park is not static and is governed by the requirements of Heinz whose electricity usage fluctuates depending on operations at a given time.

Low skills base

3.54 According to the Manchester Independent Economic Review, the legacy of a declining manufacturing base and a low wage economy has left Wigan with a legacy of lower levels of average skills levels, and crucially lower levels of Level 4+ skilled residents than Greater Manchester, North West and UK averages. This is illustrated in Table 3.8.

	Wigan (numbers)	Wigan (%)	North West (%)	Great Britain (%)
NVQ4 and above	44,900	22.5	28.7	31.3
NVQ3 and above	89,500	44.9	49.6	51.0
NVQ2 and above	126,800	63.6	66.8	67.3
NVQ1 and above	160,900	80.6	80.6	80.2
Other qualifications	13,800	6.9	7.3	8.5

	Wigan (numbers)	Wigan (%)	North West (%)	Great Britain (%)
No qualifications	24,800	12.4	12.1	11.3

Table 3.8: Qualifications (Office for National Statistics, 2010)

Strengths

3.55 Our evidence base, including consultation with key economic stakeholders in the borough, has also identified a number of key strengths of Wigan as a business location. These include:

- Strategic location and communications
- Labour pool: size, price, loyalty and quality (particularly for manufacturing)
- High concentrations of employment in key industry sectors

Strategic location and communications

3.56 The borough's basic location, allied to good strategic communications, is a major opportunity which has not yet been fully realised. GVA consider the M6 motorway to be the borough's most valuable asset in terms of attracting inward investment. Located midway between Manchester and Liverpool and with strategic access to the M6, M58, M61 and A580 the borough has excellent transport links to major commercial markets including much of the north of England, the Midlands, London and the South East, and international airports and seaports (MIER, Wigan Brief). Wigan town centre is also on the West Coast Mainline providing direct rail links to London, Birmingham and Glasgow. There are also a number of local rail networks linking the town with Bolton, St Helens, Salford and Manchester city centre.

Labour pool

3.57 With a population of over 300,000 residents, Wigan Borough has a large potential labour force. According to local agents, Wigan's labour pool is well thought of by existing employers in terms of size, price, loyalty and quality, particularly for manufacturing. The 2007 B2B study states that "Wigan's main strength is its labour supply and cost of labour in comparison to other towns".

High concentrations of employment in key industry sectors

3.58 The Economic Baseline of the Manchester Independent Economic Review (2008) identifies six priority sectors, and a further nine key industry sectors that are important to the Manchester City Region. Some of these are important due to the Gross Value Added (GVA) per employee rates they achieve, and many are critical for the future in terms of growing the knowledge economy. Of these, Wigan has above national average concentrations in two priority sectors (Manufacturing and Life Sciences) and four key sectors (Construction, Logistics, Retail and Sport).

3.59 At a sub-regional level, Jones Lang LaSalle identify that the Manchester City Region's economy appears relatively strong in a number of traditional manufacturing sectors, most notably textile and clothing production but also the production of food products, chemicals, rubber, plastic and paper products and electrical equipment. Warehousing and support activities also feature strongly. These sectors, particularly the manufacturing of food products, play an important role in the Wigan economy.

Opportunities

3.60 The GVA study 'Testing the Case for an Employment Site of Exceptional Quality' (2010) terms the current employment land position in Wigan as "supply constrained demand", particularly in the west of the borough in close proximity to the M6 corridor. Evidence suggests that there is a relatively footloose occupier market focused on the M6 motorway corridor that, due to a combination of strategic, site access and infrastructure constraints (as detailed above), Wigan is unable to attract. Furthermore, the study identifies that where high quality sites with good access to the motorway network have been brought forward in other local authority areas, they have proven to yield results in terms of attracting business investment. This opportunity is explained in more detail from paragraph 3.70 onwards.

How do we get there?

3.61 In response to the strengths, weaknesses and opportunities identified above, and in order to boost the economic performance and profile of the borough, our evidence base strongly indicates that there is a need to bring forward a range of new high quality employment sites and focus on delivering employment opportunities within specific key employment sectors.

Delivering key employment sectors

3.62 Manufacturing, construction and low skilled occupations have been the hardest hit by the current recession. This has had significant implications for the borough as these sectors dominate the local economy. Experian, in their study 'Taking Action in the Downturn' identify the following sectors as areas in which the borough is well placed to deliver in order to aid the economic recovery and create a prosperous economic future:

- Manufacturing and engineering (including food and drink processing)
- Digital information and communications technology
- Creative, Digital and New Media
- Environmental technologies
- Construction sector businesses

3.63 Experian suggest that building upon our current strengths, particularly our successful manufacturing base, is central to our future economic prosperity. Manufacturing is identified in the baseline of the Manchester Independent Economic Review as one of six priority sector accelerators in the Manchester City Region. This is due to it having the second highest current level of total Gross Value Added (GVA) output and GVA per employee of any sector in the city region, being a significant employer and having a number of high value sub-sectors. The sub-sectors provide the council with a major opportunity, for example environmental technologies linked to the growing waste and recycling agenda, and creative and digital and new media linked to Media City UK.

3.64 Wigan already has a strong food sector. This has played a huge part in retaining jobs through the current recession. There are international food companies in Wigan with world wide brands and reputations with the potential to add significant value to the Wigan offer. Existing Wigan based companies in the sector are relatively robust.

3.65 The relocation of five major BBC departments to Media City UK in Salford Quays provides the city region with a major opportunity to develop an internationally competitive cluster of creative and digital businesses built on innovation and creative talent. This opportunity stretches across the city region with the Wigan Pier Quarter and areas along the proposed Wigan-Salford-Manchester busway providing excellent opportunities within the borough. Directly linked to this are the proposals by the Manchester Digital Development Agency to develop a next generation broadband network across Greater Manchester. This creates a huge opportunity in developing this sector in the borough.

3.66 In addition, the borough's leisure and culture agenda, in particular the development of Greenheart, will provide job opportunities within the leisure sector. To maximise the potential of this sector, strong links need to made with business tourism, in particular at Leigh Sports Village, Wigan town centre, Robin Park and also hotel, sports and culture opportunities within the Wigan Pier Quarter.

3.67 The Council's Economic Regeneration Office is currently working with sector development networks to produce Sector Action Plans for the sectors identified by Experian. It is anticipated that these will be produced in 2012.

3.68 In addition to developing these sectors, promoting enterprise can play a key role in strengthening the local economy. The level of enterprise in the borough is the lowest in Greater Manchester and lower than national, regional and sub-regional averages. This heightens the pressure on being able to attract inward investment to the borough which has proved problematic, for the reasons described elsewhere. In order to reverse this trend, there is a need to provide suitable accommodation for business start-ups such as incubator units within new employment developments.

Need for new employment sites

3.69 In order to boost the economic performance and profile of the borough, there is a need to bring forward a range of new employment sites of the right quality in terms of location, accommodation provision and supporting infrastructure, to attract, maintain and grow businesses, particularly within the M6 Corridor and in the east-west core of the borough. According to our evidence base, this includes the need for a site of exceptional quality adjacent to the M6 motorway and other key employment locations at Westwood Park, Pemberton Park, Landgate and Chaddock Lane. The quality and deliverability of new employment allocations will be critical to the success of the Wigan economy. It is important that there is a range of allocated employment sites, but if the broad offer is not of a sufficient quality, it is likely that some allocations will be underutilised.

Junction 25, M6, South of Wigan

3.70 The Council commissioned GVA in 2010 to test the case for an employment site of exceptional quality in the borough. As part of the study, four functional commercial market areas in the borough were assessed – the M6 Corridor, Wigan Central, West Leigh and the A580 Corridor.

3.71 GVA identify that to be classified as being of 'exceptional quality', sites need to be of a sufficient scale and in an appropriate location. Sites need to be of a sufficient scale to provide flexibility and choice to occupiers and be capable of delivering a critical mass of business activity. The location of the site relative to sector drivers is critical, including direct accessibility and visibility in this context.

3.72 It was concluded that there is a specific opportunity for a site of exceptional quality within the M6 Corridor maximising the logistics and distribution sector in immediate proximity to the strategic north – south road network. Any such site should also seek to maximise its contribution to the local economy by making allowance for expanding and relocating high value manufacturing activity within the borough, with an element of office provision to offer balance to Wigan's current portfolio of office sites. Such an offer on a strategic site with prominence and proximity to the M6 motorway has clear opportunity to attract future footloose occupier activity, to diversify the business base of the borough and provide a range of employment opportunities for local people. The site would provide a distinctive addition to that currently offered on existing employment sites in the borough.

3.73 Following a thorough site assessment and Green Belt assessment (see paragraph 3.75), it was concluded that land within the Green Belt in close proximity to Junction 25 of the M6 motorway is the most appropriate location for realising this specific opportunity. Due to its position, prominence and accessibility to the strategic road network, evidence implies that this location will attract businesses that would not otherwise come to Wigan. As such Policy SP4 proposes a location of around 30 hectares for a high quality employment park comprising offices, industrial, manufacturing and logistics.

3.74 It was concluded that Wigan Central, West Leigh and the A580 Corridor do not offer sites with a sufficient scale or location to be deemed 'exceptional quality'.

Green Belt assessment

3.75 As stated above, development at Junction 25, M6, South of Wigan will require a change to the Green Belt boundary. The fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open. Planning Policy Guidance 2: Green Belts (PPG2) is clear in stating that inappropriate development is by definition harmful to the Green Belt, and that such development should not be approved except in very special circumstances, where the benefits of development clearly outweigh harm. PPG2 sets out the following five purposes of including land in the Green Belt:

- To check the unrestricted sprawl of large built up areas
- To prevent neighbouring towns merging into one another
- To assist safeguarding the countryside from encroachment
- To preserve the setting and special character of historic towns
- To assist in urban regeneration, by encouraging the recycling of derelict and other urban land.

3.76 A Green Belt assessment is set out in Stage 2 of the study 'Testing the Case for an Employment Site of Exceptional Quality (GVA, 2010)'

3.77 The Site of Exceptional Quality - Topic Paper: Evidence Report (GVA, 2011) provides further justification in support of development within this broad location. Amongst other things, this demonstrates the unsuitability of alternative available sites within the borough and supports the proposed scale and focus of development.

Implications of not developing this site

3.78 The Junction 25, M6 South of Wigan site has the necessary characteristics to significantly contribute to a much needed 'step change' of the Wigan economy. The development of the site is vital if we are to increase prosperity in the borough and increase the number of highly skilled and well paid jobs, in line with our spatial vision and spatial objectives. Not developing an employment site of exceptional quality in this location is contrary to our vision and would have significant detrimental implications as set out below:

- There would be an increased reliance on our current portfolio of sites which do not have the key characteristics, namely scale or location, to attract the level of key growth sectors required to boost the borough's economic profile and performance and provide highly skilled, better paid jobs. This 'more of the same' approach would make it difficult to improve perceptions of the borough as a business location.

- The opportunity to maximise the M6 corridor, which has been identified by commercial experts as the borough's greatest asset in terms of attracting business investment, would be missed.
- The site would be likely to create higher skilled and well paid jobs which would not otherwise come to the borough. These would enable professionals residing in the borough to access employment without leaving the borough, consequently contributing to reduced out-commuting for skilled employment. If the site is not developed, it is likely that these jobs would be created outside the borough. In recent years, the borough has missed many investment opportunities due to the lack of suitable sites which meet investors' needs. Missing out on these jobs will further stifle the borough's economic profile and performance within a competitive marketplace.
- The lack of a high profile employment site would reduce the borough's ability to compete economically with other districts in the sub-region particularly those with existing or planned employment locations of sub-regional or regional importance, such as Bolton (Cutacre), St Helens (Parkside), Rochdale (Kingsway), Chorley (Buckshaw) and Salford (Media City UK).
- The creation of high quality jobs would attract professionals to both live and work in the borough. This would result in a more prosperous local economy as wealthy people would use and spend money at local facilities and services which will help local businesses.
- Development at Junction 25, M6, South of Wigan could be the catalyst for further high quality economic development and regeneration along the corridor between Junction 25 and Wigan town centre. This includes the development of Westwood Park and the 'Eastern Gateway' to the town centre. Not developing at Junction 25 could jeopardise the success of this regeneration corridor and potentially affect the appetite for development in these other priority areas.
- There is a quantitative need for the development. A development of around 30 hectares in this location constitutes around one eighth of the identified employment land requirement of up to 250 hectares for the period 2010-2026. If this site is not allocated, the quantum of development would be lost and the overall employment need would not be met.
- The qualitative need would not be met elsewhere in the borough as there are no appropriate and viable alternative sites within the M6 Corridor. Quantitatively, most

of the need could be met on sites within the East Lancashire Road corridor. However, whilst development along this corridor is likely to be commercially attractive, it is located outside of the 'east-west core' and therefore would not result in economic, social and environmental regeneration. In addition, job opportunities within the East Lancashire Road corridor would be more accessible to residents in Warrington, St Helens and Salford districts than those residing in the more deprived areas of Wigan Borough.

Westwood Park, Wigan

3.79 Westwood Park is an important employment site on the southern edge of Wigan town centre, adjacent to the Wigan Flashes. It is a former power station site which is now reclaimed. It has planning consent for employment development and for the supporting A49 diversion road infrastructure. Whilst interest has been shown in the site there have been no genuine takers for significant employment uses and so the Council has commissioned DTZ to provide it with options on taking the site forward. Early indications suggest that the most likely recommended approach is more of a mixed use scheme with residential and potentially some commercial alongside the new employment uses.

Landgate, Bryn

3.80 The B2B study considers Landgate to be an attractive site based on its proximity to Junction 25 of the M6 motorway (the main junction for Wigan) and the already established South Lancashire Industrial Estate. It is considered that the site should be of mixed development use which, depending on the development of road infrastructure, could be a popular location for distribution, leisure, retail or residential uses. The Employment Land Review scores the site highly in terms of sustainability and quality of site. The GVA study concludes that whilst it is an attractive and accessible site, the site's lack of visibility from the M6 motorway means it does not have exceptional quality.

Chaddock Lane, Astley

3.81 The B2B study considers Chaddock Lane to be an excellent site due to good transport links to the East Lancashire Road corridor, Manchester, Liverpool, and the M60 and M62 motorways. It is described as a 'must-do' scheme which would have a high level of impact and would be relatively easy to implement. It is felt that the site is most suitable for general industrial uses plus storage and distribution. The Wigan Employment Land Review ranks this site highly in terms of planning policy compliance, sustainability and market attractiveness.

Pemberton Park, Pemberton

3.82 The B2B study considers the strong transport links to be a big positive for the site and that a mixed use site including retail, workshops and residential development is possible. However contamination and land remediation issues could potentially discourage investors. The site has planning permission for a comprehensive mixed-use development consisting of residential, employment and leisure/retail uses.

Viability of employment sites

3.83 The viability of six key sites proposed for development in the Core Strategy was assessed by the District Valuers Service in Autumn 2010. This included key employment proposals at Landgate and at The Bell, Lamberhead Green. Whilst it was concluded that sites, including Landgate would be unviable in the current market, it was recognised that if a relatively small increase in margins were to occur, by way of a reduction for example in building costs, then the results could be significantly improved. It was concluded that The Bell is unviable due to the cost of the significant road infrastructure required and is likely to remain unviable in an improved market.

Quantitative issues

3.84 As detailed at paragraph 3.11, the Employment Land Review and the Greater Manchester Employment Land Position Statement concluded that the borough could require between 13.8 - 15.9 hectares and 15.63 hectares per annum respectively to meet projected employment demand. These studies both represent a point in time and we feel both underestimate the problems associated with the borough's existing employment locations as explained above.

3.85 Table 3.9 identifies the proposed employment land supply for the 15-year Core Strategy period. This equates to a gross supply of 260.6 hectares and includes existing land availability within our primary employment areas, town centre sites, and land within our proposed key strategic site and broad locations. The full 175.16 hectares currently available within the primary employment areas, as identified in Table 3.1, is not included within the supply as there are extant planning permissions at Parsonage (EM1A 6) and Pemberton Colliery (EM1A 30), which include non-employment uses. The site areas shown for the broad locations and town centre sites are indicative.

Site Name	Site Type	Site Area (Hectares)
Land availability within existing primary employment areas	Primary Employment Areas	158.07
Northleigh	Key Strategic Site	8.00
South of Hindley	Broad location	12.40
East of Atherton	Broad location	15.00
Landgate	Broad location	22.00
Junction 25, M6 motorway	Broad location	30.00
Wigan Pier Quarter	Existing allocation	2.67
Land west of Bridgewater Primary Employment Area	Planning application	2.18
Queen Street/Princess Street, Wigan	Town Centre	3.40
Leigh Town Centre	Town Centre	0.50
Wigan Hub	Town Centre	1.92
Northern Crescent	Town Centre	1.22
Eastern Gateway	Town Centre	3.24
Total		**260.60**

Table 3.9: Proposed employment land supply (2011-2026)

3.86 As explained in paragraph 3.45, it is inevitable that a significant proportion of the supply identified within our existing primary employment areas will be lost to non-employment uses for viability reasons where elements of higher value uses will be required to enable essential modernisation and regeneration of the remainder of the site. We acknowledge that this will be required in some instances and this is reflected in clause 3 of Core Strategy policy CP5. This will result in a reduced employment land portfolio and a potential shortfall of employment sites to meet forecast demand. There is therefore a strong quantitative case in support of the employment uses proposed within our proposed key strategic site and broad locations, in addition to the qualitative case made previously in this section.

Climate change considerations

3.87 How we prepare for climate change and reduce further greenhouse gas emissions is a major challenge. It requires changes to almost everything we do and must, therefore, be considered from many different perspectives. The issues that are particularly important for economy and employment are:

- There is a need to break the link between economic prosperity and the environmental impacts this has traditionally caused.
- There is a growth market in environmentally sound services, products and technologies.
- Increased costs to business as a result of flooding and other weather extremes (insurance / damage / lost time etc.) and potential opportunities to exploit new markets caused by changing weather (e.g. more outdoor lifestyles).
- Staff working conditions could become increasingly uncomfortable, reducing productivity.
- Supply chains are vulnerable to disruptions due to extreme weather events.
- Increased drought risk could impact on water intensive processes, and rainfall could increase delays to construction work.
- The costs of acting now to prepare for and reduce the potential impacts of climate change are less than the costs of delaying action. 1% of Gross Domestic Product invested now could prevent a 5-20% loss of Gross Domestic Product in the future, according to the Stern Review on the Economics of Climate Change (2006).

Key community and stakeholder involvement

3.88 There are a number of 'key stakeholders' who have played an important role in the development of our approach to economy and employment. By identifying and involving these key stakeholders from an early stage, we have been able to establish a stronger evidence base and more sustainable policy options.

3.89 The following key stakeholders have been involved:

- The North West Development Agency
- Homes and Communities Agency
- The Commission for the New Economy
- Manchester Investment Development Agency Service (MIDAS)
- Skills Funding Agency
- Greater Manchester Chamber of Commerce
- Job Centre Plus
- Education and training providers
- Adjacent local authorities
- Major developers and landowners
- Wigan Borough Partnership, our local strategic partnership
- Community groups, including townships forums and the Community Network
- The residents of the borough

3.90 These key stakeholders have been involved at all stages of the Core Strategy's preparation including issues and options, preferred options, revised proposals and draft policies, and the proposed submission stage.

3.91 There were 14 representations on policy CP5 at the proposed submission stage. West Lancashire, Warrington and St. Helens Councils, Greater Manchester Chamber of Commerce, North West Development Agency, Manchester Digital Development Agency, Manchester Airport, Associated British Food and Bluemantle support the policy, albeit that Manchester Airport want a specific reference to the important role that the airport plays in Wigan and the north of England.

3.92 Natural England objects to the lack of wording to reflect the recommendations of the Habitat Regulations Assessment. Minor change 1.27 is proposed in response but to the supporting text for policy CP12 'Wildlife habitats and species' instead. They also object to the lack of reference to sustainable rural economic development, agriculture and farm diversification.

3.93 CBRE and Langtree Group consider the policy to be insufficiently flexible and, consequently, not deliverable. They believe it should allow for poor quality or unsuitable employment sites to be released for non-employment uses. WR Estates question the deliverability of existing allocated sites which are yet to come forward and believe that the development of greenfield land, such as land within their ownership adjacent to Bradley Hall Trading Estate, is required to meet the shortfall in employment land supply, in addition to the proposed key strategic sites/ broad locations. They also consider that the restriction of employment development within certain parts of the borough to be inappropriate. The site issues raised will be considered in a subsequent development plan document that will review the suitability of sites against clauses 3 and 5 of this policy in particular. No changes are proposed.

3.94 The proposed broad location for employment development at M6, Junction 25, South of Wigan (Policy SP4) has attracted substantial opposition, with 2,600 objections by local residents and other individuals and 4 other objections from agents, landowners and the MP. There were 6 supporting representations and 2 representations from the Highways Agency and National Grid providing information to this broad location. The main issues raised were about traffic, Green Belt release, the impact on nearby residential areas and the need for additional employment development when various employment units remain vacant in the borough. Other key points raised included consultation, environmental and health issues.

3.95 One objection contended that sites at Standish could better fulfil the need. St. Helens Council and the Highways Agency are both concerned over the impact of the proposal on the M6 and its other junctions, a matter that will clearly be a concern for the subsequent development plan document within which the precise nature and extent of the allocation will be determined. The National Grid provided confirmation of the pipeline running under the site and the need to consult with them with any detailed proposals. The main issues raised by local residents and other individuals and our responses are set out in Annex 3 and Annex 4 of our Final Consultation Report (August 2011).

3.96 Changes to the policy are proposed in response to the concerns raised: to reduce the area of the site that will be identified by 25% to around 30 hectares; to include offices within the range of employment uses proposed; to focus the development to the west of the A49 Warrington Road; and to make explicit in the policy that the impact on residential amenity will be minimised, rather than just relying on other policies such as policy CP18 'Environmental protection'. This is set out as minor change 1.13 in the schedule of changes.

3.97 We received no objections to proposed employment within our other proposed broad locations for development under policy SP4 or the Northleigh key strategic site under policy SP3.

Infrastructure audit

3.98 There are a number of employment areas in the borough including:

- 35 Primary Employment Areas
- 30 employment clusters
- 3 main town centres - Wigan, Leigh and Ashton
- 6 smaller town centres
- 25 local centres

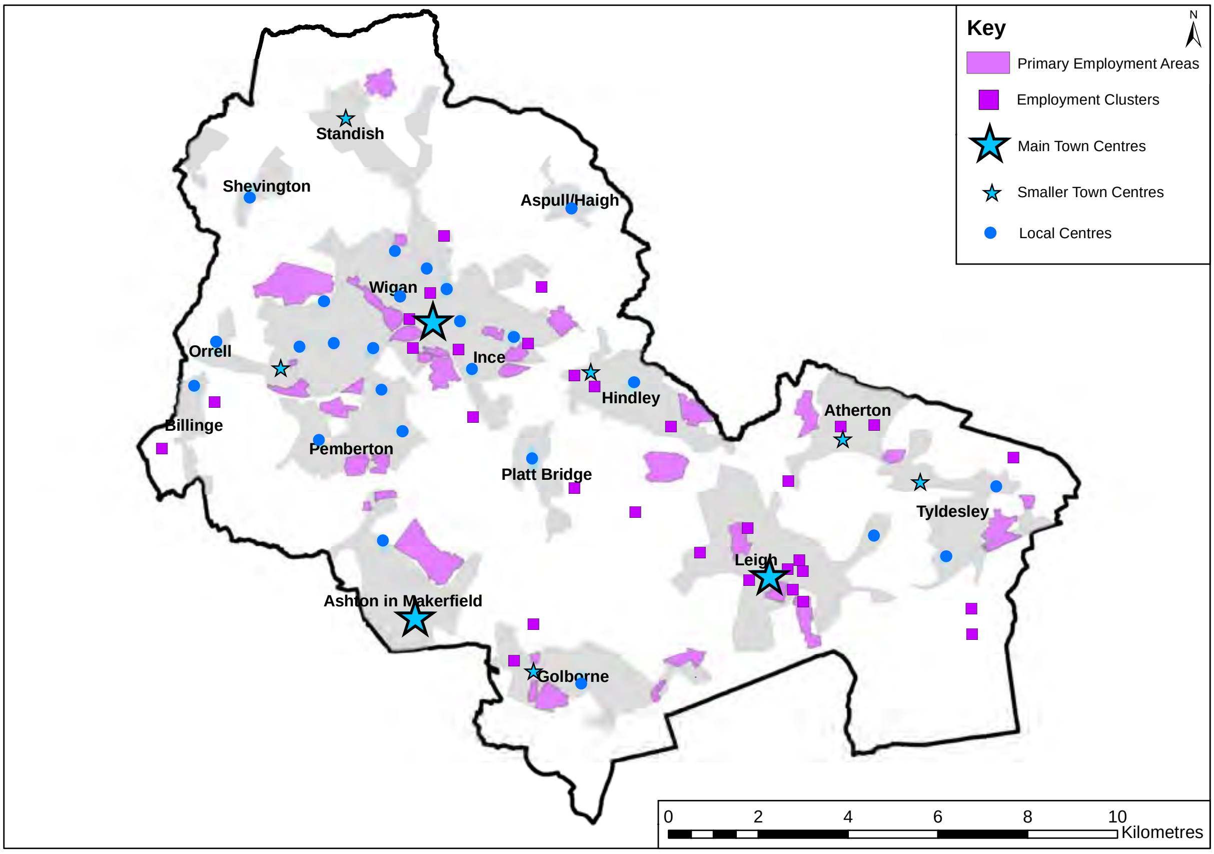

Figure 2 Key employment areas in Wigan Borough

3.99 Whilst the majority of primary employment areas and employment clusters in the borough are successful, a number are unattractive to business investors due to one or more of the following factors, which are covered in detail within Section 3 'Key sources of information':

- Poor perception of Wigan as a business location
- Poor road access, particularly to the strategic network
- Employment accommodation in poor condition and/or not of the right type or specification to meet modern business needs
- Poor broadband infrastructure
- Power supply issues

3.100 These issues need to be resolved if Wigan is to reach its potential as a competitive economic destination with the ability of attracting and retaining business.

3.101 There are currently around 109,200 people employed in jobs based in the borough. The leading sectors are:

- Health - 14%
- Manufacturing - 13%
- Retail - 13%
- Business services - 12%
- Education - 8.1%

3.102 Whilst the borough is over-represented in declining sectors such as manufacturing and engineering, knowledge sectors such as financial and professional services, Digital ICT and environmental technologies have all experienced growth in recent years. Despite this, the borough has a low proportion of employment in knowledge intensive sectors compared to other Greater Manchester districts and areas of the North West.

3.103 Despite there being 109,200 jobs in the borough, over 126,800 employed people reside in the borough, contributing to Wigan having the highest level of out-commuting for work in Greater Manchester.

FOUR
Key messages

4.1 A number of key messages have been drawn from the evidence identified in Sections 2 and 3. The table below identifies these and the most relevant source documents. These key messages have all been addressed in the Core Strategy, particularly by policies CP5, SP3 and SP4.

Message	Source documents
The borough is over-represented in declining sectors of the economy and has a low proportion of knowledge-based business employment.	• GM Local Economic Assessment: Wigan (2010) • Manchester Independent Economic Review (2009) • Taking Action in the Downturn (2009)
The provision of high quality sites and premises, in terms of location, accommodation provision and supporting infrastructure, is needed if we are to attract investment.	• Regional Spatial Strategy for the North West (2008) • Demand for Employment Land in Greater Manchester (2006) • Wigan Employment Land Review (2007) • Testing the Case for and Employment Site of Exceptional Quality in Wigan (2010) • Wigan B2B Report (2010)
There is a need to develop and secure a better image for the borough.	• Wigan B2B Reports (2002, 2007, 2010) • Testing the Case for and Employment Site of Exceptional Quality in Wigan (2010) • Wigan Economic Development Plan (2005)
There is a need to diversify the employment offer in the borough and provide opportunities for a variety of key employment sectors. This	• Manchester Independent Economic Review (2009) • Taking Action in the Downturn (2009) • Wigan B2B Study (2002)

Message	Source documents
should include knowledge intensive sectors whilst retaining those traditional sectors which are important to the local economy.	
We need to meet the level of new employment provision required in the borough (up to 250 hectares gross) to 2026.	• Greater Manchester Employment Land Position Statement (2009) • Wigan Employment Land Review (2007)
We need to protect good employment sites from development pressures from non-employment uses.	• Wigan Employment Land Review (2007) • Wigan Annual Monitoring Reports • Various planning applications identified in Section 3
A low level of enterprise in the borough contributes to high levels of worklessness and limited business start-ups.	• Worklessness Strategy: What Makes Wigan Work? (2008) • Taking Action in the Downturn (2009) • Manchester City Region Development Programme (2006)
Town centres are key locations for business and employment.	• Planning Policy Statement 4 (2009) • Greater Manchester Town Centre Study (2010)
Key factors hindering business investment in the borough include a lack of sites with good accessibility to the strategic road network, the age and condition of existing employment accommodation, and poor broadband infrastructure and power supply.	• Manchester Digital Development Agency • Consultation with local agents • Wigan B2B Reports (2002, 2007, 2010) • Testing the Case for an Employment Site of Exceptional Quality (2010)

Message	Source documents
Wigan has the highest level of out-commuting in Greater Manchester for employment. This is forecast to worsen over the next 15 years.	• Greater Manchester Forecasting Model (2010) • GM Local Economic Assessment: Wigan (2010) • Local Transport Plan
We need to make the best use of the borough's geographical location, recognising the borough's role in growing the regional and sub regional economy.	• Moving Forward - The Northern Way (2004) • North West Regional Economic Strategy (2006) • Regional Spatial Strategy for the North West (2008) • Manchester City Region Knowledge Economy Report (2006) • Wigan Economic Development Plan (2005) • Wigan B2B Reports (2007, 2010) • Testing the Case for an Employment Site of Exceptional Quality (2010)
There is a need to increase employment, especially in well paid and skilled jobs with prospects for career advancement.	• Moving Forward - The Northern Way (2004) • North West Regional Economic Strategy (2006) • Greater Manchester Economic Development Plan • Wigan Economic Development Plan (2005) • Vision 2026 Community Strategy (2008) • Annual Survey of Hours and Earnings (2009) • Annual Business Inquiry data

FIVE

Main spatial planning issues identified

5.1 Set out below are the issues relating to economy and employment which have been identified during preparation of the Core Strategy. Section 5 of the Draft Core Strategy lists the headline issues for the borough.

Issue EE 1

The borough has a low ratio of jobs to workers, resulting in a large net outflow of commuters for work, notably to Bolton, Warrington, Salford and Manchester, St Helens, Central Lancashire (Preston, South Ribble, Chorley) and West Lancashire.

Issue EE 2

The borough is over-represented in declining sectors of the economy such as manufacturing, and under-represented in growth sectors such as skilled office jobs and research and development. Without substantive change there will be fewer jobs in the future and the 'outflow' of commuters will increase.

Issue EE 3

Many of the jobs in the borough are low paid and there are large numbers of people and households on benefits. This has a major impact on poverty and deprivation.

Issue EE 4

There is a need to bring forward new locations for significant economic development to help the borough, the sub-region and the region to achieve their full potential for employment and economic prosperity.

Issue EE 5

We have a large stock of business premises that are in need of modernisation to continue to meet business needs, notably in Wigan, Ince, Atherton, Leigh, Astley, Golborne and Standish. At the same time there is considerable pressure for other forms of development, particularly housing on employment land, which could reduce future employment opportunities further.

Issue EE 6

The borough is well located at the heart of the North West's city regions with excellent motorway connections and relatively good rail connections. There are signs of growth, but we still have a very small commercial office market, few high quality employment sites and premises, a relatively low skills base and a poor internal road network. Our broadband infrastructure is also dated. These need to be tackled in an integrated way or the borough will not meet modern business needs.

Issue EE 7

Despite being located at the heart of the North West, we do not take sufficient advantage of the borough's strategic location or capitalise sufficiently on our major north-south transport routes of the M6 motorway and the West Coast main line. These are major opportunities which need to be realised if we are to attract inward investment.

SIX

Main infrastructure issues identified

6.1 The infrastructure audit in section 3 sets out the current position in the borough. A number of key issues are identified below:

Issue EE 8

Improved accessibility, through new and improved road infrastructure, is fundamental if the borough is to attract new businesses, including growth sectors, and meet modern business needs. Development within the broad locations and at the key strategic site at Northleigh could deliver such new and improved road infrastructure.

Issue EE 9

There is a need to improve the transport infrastructure of the borough to enable residents to access job opportunities more easily.

Issue EE 10

Although the borough can boast 100% second-generation broadband coverage, the high prices charged by providers means that connection is too expensive for the majority of the borough's businesses to access. In order to compete effectively in economic terms, a more affordable connection to the internet is needed.

Issue EE 11

A large proportion of the borough's existing employment accommodation is old, in poor condition and/ or not of the right type or specification to meet modern business needs.

Issue EE 12

The development and retention of some employment sites in the inner area of the borough will require additional road infrastructure works to support the development and the local area.

SEVEN

Main sustainability issues identified

7.1 We identified key issues for the sustainability appraisal to ensure that it is appropriately focused on what is most important and relevant for Wigan Borough. These helped to inform the sustainability appraisal framework. They are:

Issue EE 13

There is a need for more employment land for business development, but also a need to protect environmental assets and promote a sustainable economy.

Issue EE 14

There is a need to strengthen the borough's 'knowledge economy' by focusing on growth sectors such as Digital information and communications technology and Creative/ Digital/ New Media.

Issue EE 15

Poverty is a major issue in the borough with average incomes being lower than those earned in Greater Manchester, the North West region and nationally. There are high instances of long-term unemployment, and claims for incapacity benefit and jobseekers allowance, particularly within the inner areas of the borough.

Issue EE 16

Low wages and limited employment prospects are arising from a lack of appropriate skills and qualifications. Wigan's labour pool is however well thought of by existing employers in terms of size, price, loyalty and quality, particularly for manufacturing.

EIGHT

Our sustainability framework

Sustainability objectives and criteria

The following sustainability objectives, appraisal criteria and monitoring indicators have been established as part of the framework for assessing the Core Strategy. The objectives have been developed to reflect:

- Government guidance on sustainability appraisal such as 'Sustainability Appraisal of Regional Spatial Strategies and Development Plan Documents (2005)' and recognised frameworks such as the Integrated Appraisal Toolkit (North West Regional Assembly and other agencies).
- The key sustainability issues identified in this topic paper.
- Policy context and legal requirements.
- Feedback and suggestions from consultation on the Sustainability Appraisal Scoping Report (which contained a draft set of objectives and criteria).

The Sustainability Appraisal is underpinned by 19 headline objectives. Objectives 17 and 18 specifically relate to economy and employment.

Sustainability Objective	Appraisal criteria / sub-questions
Objective 17. To aim for a more sustainable local economy that is founded on knowledge-based, socially responsible and environmentally progressive industry and commerce.	Will it support the knowledge sector, including environmental technologies and services?
	Will it improve people’s standard of living and quality of life, helping to reduce inequalities between priority neighbourhoods and the rest of the borough?
	Will it increase the proportion of raw materials and goods procured from the most sustainable sources?
	Will it encourage the adoption of good employee relations and sustainable management practices (Such as Environmental Management Systems, Equality and

Sustainability Objective	Appraisal criteria / sub-questions
	Diversity etc.) by businesses and public sector organisations?

Sustainability Objective	Appraisal criteria / sub questions
Objective 18. To ensure a diverse and prosperous borough of high employment and economic activity that benefits everyone.	Will it support high and stable levels of growth and employment, while ensuring that the benefits of that economic growth can be shared by everyone in the borough?
	Will it make suitable land and property available for sustainable business development and regeneration (i.e. having a positive or neutral impact on environmental and social interests)?
	Will it improve the diversity and innovation of the economy (i.e. improved business development, enhanced competitiveness, improved resilience, non traditional employment sectors such as tourism)?
	Will it encourage inward economic investment and indigenous business activity?
	Will it reduce unemployment and help to improve earnings for local people (particularly in the most excluded communities)?

Baseline position

Sustainability Objective 17: To aim for a more sustainable local economy that is founded on knowledge-based, socially responsible and environmentally progressive industry and commerce

Indicator	Wigan Baseline			Wigan Trend	Relevant Target	Comparisons	Issues/ Comments
Amount of floorspace (sq m) developed for employment use by type	**Use**	**2008-09**	**2009-10**	Major reduction in take up in 2009-10.	Not available	Not available	
	B1(a)	23007	1058				
	B1(b)	0	0				
	B1(c)	0	720				
	B2	7810	1810				
	B8	1813	5371				
	B1/B2/B8	5874	0				
	Other	0	2656				
Percentage of Wigan lower SOAs in the bottom 10% index of multiple deprivation	24.5%			There has been a 2% reduction since 2007	To reduce the gap between the most deprived parts of the Borough	Greater Manchester - 22.7% North West - 20.4%	We have significant pockets of deprivation, with a higher proportion of SOAs in the bottom 10% than the Northwest average.

Indicator	Wigan Baseline	Wigan Trend	Relevant Target	Comparisons	Issues/ Comments
			and Borough averages		
Percentage of residents who feel they have a good standard of living	79% (2006)	Only have data since 2005.	Performance Target of 83% for 2010	Not Available.	Most people in Wigan feel they have a good standard of living.
Number of companies accredited to ISO 14001 standard	6 companies accredited in Wigan (2007) No change since 2005. • Brand-Rex Ltd (Electrical / optical equipment) • BHW (Components) Ltd (Aerospace) • Volex Europe (Electrical / optical equipment) • Volex Wiring (Electrical / optical equipment) • TREMCO Ltd (Chemicals) • Macdermid Plc (Chemicals)			Total of 2918 in England. St Helens (6) Warrington (32) Manchester (25) Preston (10) Trafford (4) London (46) Liverpool (22)	Certain businesses are more likely to pursue such a standard. Such businesses may not be located in certain parts of the country though.

Sustainability Objective 18: To ensure a thriving, prosperous and attractive borough of high employment, reducing the deprivation gap between priority neighbourhoods and the rest of the borough

Indicator	Wigan Baseline		Wigan Trend	Relevant Target	Comparisons	Issues/ Comments
Net 'in-year' increase in employees by key sector (2007-2008)	**Area**	**% +/ -**	Increases in agriculture, retail, transport and communication, health and other personal services. Significant decreases in manufacturing and construction.	1000 jobs per year set out in Wigan Economic Development Plan	**Greater Manchester** **% +/ -**	
	Agriculture	11.2			11.2	
	Extraction	0.3			0.6	
	Manufacturing	-3.8			-2.2	
	Electricity, gas and water	-2.8			-1.9	
	Construction	-5.7			-5.5	
	Distribution	0			0.1	
	Retail	0.6			0.4	
	Hotels and restaurants	-1.1			-0.9	
	Transport and communication	1.1			1.0	

Indicator	Wigan Baseline			Wigan Trend	Relevant Target	Comparisons	Issues/ Comments
	Financial intermediation	-2.6				-2.0	
	Business services	-1.5				-1.7	
	Public administration and defence	-2.4				-2.3	
	Education	-0.4				-0.1	
	Health	2.2				2.5	
	Other personal services	1.4				1.5	
	Total	-0.7				-0.6	
Amount of floorspace developed for employment by type.	**Use**	**2008-09**	**2009-10**	Major reduction in take up in 2009-10.	Not available	Not available	
	B1 (a)	23007	1058				
	B1 (b)	0	0				
	B1 (c)	0	720				
	B2	7810	1810				

Indicator	Wigan Baseline			Wigan Trend	Relevant Target	Comparisons	Issues/ Comments
	B8	1813	5371				
	B1/B2/B8	5874	0				
	Other	0	2656				
Amount of floorspace (sqm) by employment type, which is on previously developed land.	**Use**	**2008-09**	**2009-10**	50% (08/09) All employment development in 2009-10 was on previously developed land compared to just 50% in 2008-09.	Not available	Not available	
	B1 (a)	5062					
	B1 (b)	0					
	B1 (c)	0					
	B2	7810					
	B8	1813					
	B1/B2/B8	4464					
	Other	0					
Employment land available by type; (i) sites identified and allocated in the LDF.	**Use**	**2008-09**	**2009-10**	Overall increase in availability of allocated employment land.	Not available	Not available	
	B1/ B2/ B8	171.82	175.16				
	B1/ B2 only						

Indicator	Wigan Baseline			Wigan Trend	Relevant Target	Comparisons	Issues/ Comments
	B1 only	-	-				
	B2 only	-	-				
VAT Registrations per 10,000 adults	26.6 (2006)			Annual fluctuations, but overall increase since 1998 (22.7)	Target of 31 for 2009	England - 38.8 (2006) North West - 32.4 (2006)	Wigan remains lower than the national and regional averages.
The percentage of the working age population that is in employment	71.5% (2008)			Decrease from 73.2% in 2007.	Target not yet set.	England - 74.5% North West - 72.3%	
Percentage of workforce employed locally	Not available			Not available	Not available	Not available	Develop indicator
Average annual gross wages by place of work	£21,734			Rising in line with inflation	N/A	UK - £26,510 North West - £23,886 Greater Manchester - £24,772	Wigan remains behind sub-regional, regional and national averages. This reflects the lack of high earning jobs available in the borough.

Indicator	Wigan Baseline		Wigan Trend	Relevant Target	Comparisons		Issues/ Comments
Percentage of working age that are claiming "key benefits" (this includes Job Seekers Allowance, Incapacity Benefit, Carers Allowance etc.)	18.2%		Rate has decreased gradually since 1999 but Wigan is failing to close the gap with national and regional averages.	Target of 18.3% for 2009	UK - 14.2% North West - 17.5%		Wigan remains behind national and regional averages.
Comparison of employment rates between 10% most deprived areas and the rest of the Borough (using JSA data)	Not available		Not available	Not available	Not available		Data Gathering required
Annual change in gross wages by place of residence		**2010**	Wigan saw a (mean) 1% annual increase in the gross wage of employees in 2010.		**NW**	**UK**	
	Male	+0.1% to £27639			-0.2% to £29574	-0.2% to £33186	
	Female	-1.1% to £17173			+1.8% to £18663	+1.2% to £19711	

Sources of data

National Indicators, Greater Manchester Forecasting Model, Contextual review documents, Annual Monitoring Report

NINE

An assessment of legality and soundness

9.1 This topic paper provides a summary of the evidence required for our Core Strategy and Sustainability Appraisal. It serves policy CP5 'Economy and employment' and the economy and employment elements of spatial policies SP2 'Our town and local centres', SP3 'A key strategic site - Northleigh Park' and SP4 'Broad locations for new development'. The purpose of this section is to show that we have produced our Core Strategy in line with legal requirements and these policies are 'sound'.

9.2 Some of the legal requirements are procedural and concern the Core Strategy as a whole rather than individual policies; these are covered in the Self Assessment of Soundness and Legal Compliance document that accompanies the Core Strategy. The 4 legal requirements that are specific to contents of the Core Strategy are:

- Community and stakeholder involvement
- Subject to sustainability appraisal
- Conforms generally to the Regional Spatial Strategy
- Regard to the sustainable community strategy

9.3 A further requirement is to have "regard to national policy" but this is also covered under a similar 'test of soundness'.

9.4 To be sound the Core Strategy must be **justified**, **effective** and **consistent with national policy**. Compliance with these tests of soundness is assessed against the following 6 'soundness' sub-headings:

- Founded on a robust and credible evidence base
- The most appropriate strategy when considered against the reasonable alternatives
- Deliverable, including:
    - Identifying what physical, social and green infrastructure is needed to enable the amount, type and distribution of development proposed for the borough;
    - Ensuring that there are no regulatory or national policy barriers to delivery;
    - Ensuring that partners who are essential to delivery are signed up to it;
    - Being coherent with the core strategies prepared by our neighbouring councils.

- Flexible
- Able to be monitored
- Consistent with national policy

9.5 The remainder of this section sets out the case for policy CP5 against these 4 legal requirements and the tests of soundness, and policies SP2, SP3 and SP4 from an economy and employment perspective.

Policy CP5 Economy and employment

Community and stakeholder involvement

9.6 The community and key stakeholders including Greater Manchester Chamber of Commerce, MIDAS and the Council's Economic Regeneration Office have all been involved at each stage of the Core Strategy's preparation. Their views and comments have been considered and have helped to shape the content and direction of policy CP5 and other policies where appropriate. Policy CP5 therefore complies fully with the Statement of Community Involvement in respect of who has been involved or consulted, and how and when consultation has taken place. Details of this involvement are set out in Section 3 of this Topic Paper and within our Consultation Reports.

Subject to sustainability appraisal

9.7 Policy CP5 has been shaped by the outcomes of a robust sustainability appraisal that satisfies the requirements of the Strategic Environmental Assessment Directive. The appraisal process was founded on the collection of thorough baseline information about economy and employment and key stakeholders were involved, including the council's Economic Regeneration Office and the Greater Manchester Chamber of Commerce. The process informed the original choice of policy and subsequently tested it against sustainability principles and objectives. It was then further adapted to address sustainability issues and, as a result, is the most sustainable policy for Wigan Borough that we could reasonably include in the Core Strategy. The full details of the appraisal can be found in the Sustainability Appraisal Report (August 2011).

General conformity with the Regional Spatial Strategy

9.8 Policy CP5 is in general conformity with the Regional Spatial Strategy, specifically:

- It promotes sustainable communities in accordance with Policy DP2, by focusing new development within the east-west core of the borough, accessible to homes, workplaces and other concentrations of regularly used services and facilities.
- It promotes sustainable economic development in accordance with Policy DP3, by seeking to improve productivity, focusing new development within the borough's most deprived communities to reduce inequalities at the local level, and requiring employers and developers to enter local labour and training agreements.
- It makes the best use of existing resources and infrastructure in accordance with Policy DP4, by safeguarding existing employment sites and buildings where appropriate.
- It reduces the need to travel and increases accessibility in accordance with Policy DP5, by focusing new development within the east-west core and within town centres where safe and sustainable access is most widely achieved.
- It marries opportunities and need in accordance with Policy DP6 by focusing new employment development within, and in easy access to, areas with the most need of economic restructuring and regeneration.
- It promotes environmental quality in accordance with Policy DP7 by focusing new employment development to locations with safe and sustainable access.
- It reduces emissions and adaptation to climate change in accordance with Policy DP9 through the application of Core policies CP10, CP9 and particularly CP14.
- It accords with policy RDF1 'Spatial Priorities' by promoting town centres for businesses and jobs and according with policies DP1-DP9 as detailed above.
- and RDF3 'The Coast' are not relevant to Wigan Borough.
- With the exception of the proposed broad location for employment development at Junction 25, M6 motorway, South of Wigan (see Policy SP4), the extent of the Green Belt in Wigan will be maintained in accordance with Policy RDF4. Our evidence base identifies exceptional circumstances at Junction 25, M6 motorway, South of Wigan, which override Green Belt retention.

9.9 Policy DP8 'Mainstreaming Rural Issues', RDF2 'Rural Areas' and RDF3 'The Coast' are not relevant to this topic area.

Regard to the sustainable community strategy

9.10 Our sustainable community strategy 'Vision 2026' was produced in 2008 in line with the Core Strategy timeframe. It identifies four priority areas and this policy is in line with two:

- Ambitious communities; and
- Realising aspirations.

Founded on robust and credible evidence

9.11 Policy CP5 is founded on robust and credible evidence as shown in sections 2, 3 and 4 of this topic paper. This is backed up further by the separate 'Economy and employment' evidence review document. The key sources of evidence that support policy CP5 are 'Testing the Case for an Employment Site of Exceptional Quality in Wigan', the Manchester Independent Economic Review, the 2010 B2B study and the Greater Manchester Forecasting Model.

The most appropriate strategy when considered against the alternatives

9.12 Alternative approaches included developing new employment development in the outer areas of the borough e.g. along the East Lancashire Road and in close proximity to Junction 27 at Standish; focusing development solely within the east or west of the borough; and a dispersed option with no overall focus. The east and west options have a partial focus and therefore only partially address social and economic inequalities, and by definition would create new inequalities. The dispersed option fails to marry economic opportunity with the areas of greatest need and therefore fails to address these inequalities at all. Therefore our approach which focuses economic development within the east-west core of the borough is the most appropriate strategy in the context of the evidence reviewed and consultation undertaken.

Deliverable

9.13 The key messages identified in section 4 of this document indicate what needs to be addressed in the borough with regards to economy and employment.

9.14 To address these issues and deliver change and improvement in the borough, policy CP5 has indicated a set of key delivery items. These are set out in the table beneath the policy and include allocating sufficient land of the right quality to meet employment land needs; reviewing and safeguarding existing employment sites; encouraging a suitable supply of small, cost effective premises for new business start-ups; promoting Wigan, Leigh and Ashton town centres as key locations for businesses and jobs and enabling good public transport access to key employment locations both within and outside the borough.

9.15 Policy CP5 is designed to meet Core Strategy objective EE1 - Economy and employment. It also has a partial role in meeting objectives NQ1 - Community safety and neighbourhood quality; CD1 - Community development and involvement; EL1 - Education and learning; and A1 - Accessibility.

9.16 Alongside the council, a number of organisations including landowners, developers, infrastructure companies and local businesses will play a crucial role in the delivery of this policy. The support of these organisations is demonstrated in our Consultation Reports that accompany the Core Strategy.

9.17 Neighbouring authorities have been involved at all stages of the policy's preparation. West Lancashire, St Helens and Warrington Councils made supportive representations to this policy at the proposed submission stage; no local authorities objected. This indicates that the policy is coherent with the Core Strategies of neighbouring authorities.

9.18 There are no regulatory or national policy barriers to the delivery of the policy.

Flexible

9.19 Policy CP5 establishes a focus on what, where and how much new employment development and associated infrastructure will take place in the borough, but focuses this within the east-west core rather than to specific sites. The strategic nature of the policy provides direction to new employment development whilst retaining flexibility and therefore an ability to adapt to future changes during the plan period. An example is a fluctuating economic climate which we have experienced during the preparation of the Core Strategy.

Able to be monitored

9.20 The means for monitoring this policy are set out in chapter 10 of the Draft Core Strategy: Proposed Submission version, specifically:

- Total job and total employment by key employment sector
- The provision of employment sites of the right quality
- Office floorspace within Wigan, Leigh and Ashton town centres

Consistent with national policy

9.21 Policy CP5 is consistent with national policy, specifically:

- Planning Policy Statement 4: Planning for Sustainable Economic Growth
- Planning Policy Statement 1: Delivering Sustainable Development
- Planning Policy Guidance 13: Transport

Policies SP3 'A key strategic site - Northleigh Park' and SP4 'Broad locations for new development' (from an economy and employment perspective)

9.22 This section assesses the legality and soundness of the employment elements of the proposed key strategic site at Northleigh and the broad locations, namely at Landgate, East of Atherton, South of Hindley and Junction 25, M6 motorway, South of Wigan. Other elements of the proposals such as housing and green infrastructure are assessed in other topic papers.

Community and stakeholder involvement

9.23 We have consulted widely on all proposed key strategic sites and broad locations. To raise awareness of the proposals at the preferred options stage, we produced an eight page leaflet detailing the proposals which we distributed to over 95% of households in the borough. We also carried out a series of public consultation events where the local community had the opportunity to seek further information and speak to planning officers about our proposals.

9.24 The broad location at 'Junction 25 M6 motorway, south of Wigan' was proposed after the preferred options stage. Together with the proposed broad location for housing along the East Lancashire Road Corridor, this was consulted upon widely in late 2010 as part of our 'Revised Proposals and Draft Policies'. This included an initial 6 week period of public consultation, extended to 10 weeks, notification letters being sent to all neighbouring properties, landowners and key stakeholders, display of site notices and a consultation drop-in session at a community centre in close proximity to the broad location.

Subject to sustainability appraisal

9.25 Policies SP3 and SP4 have been shaped by the outcomes of a robust sustainability appraisal that satisfies the requirements of the Strategic Environmental Assessment Directive. The appraisal process was founded on the collection of thorough baseline information about economy and employment and stakeholder engagement which helped to inform the deliverability of our policies. The methodology had wide stakeholder involvement. The full details of the appraisal can be found in the Sustainability Appraisal Report (February 2011).

General conformity with the Regional Spatial Strategy

9.26 The employment elements at the Northleigh key strategic site and the proposed broad locations are in general conformity with the Regional Spatial Strategy as set out below:

- They promote sustainable communities in accordance with policy DP2, by fostering sustainable relationships between homes, workplaces and other concentrations of regularly used services and facilities and taking into account the economic and social implications of development on communities.
- They promote sustainable economic development in accordance with policy DP3, by seeking to improve productivity and reduce economic inequalities at the sub-regional and local level.
- They reduce the need to travel and increases accessibility in accordance with policy DP5, by being situated close to a high frequency bus corridor in close proximity to residential areas.
- They marry opportunities and need in accordance with policy DP6, by being easily accessible to areas in need of economic restructuring and regeneration.

- They promote environmental quality in accordance with policy DP7, by being in locations with safe and sustainable access.
- They accord with policy RDF1 'Spatial Priorities' by satisfying the Development Principles (DP) policies as detailed above.
- The broad location at 'Junction 25 M6 motorway, South of Wigan' does not accord with Policy RDF4 'Green Belt'. However, our evidence base identifies exceptional circumstances for the removal of land in this location from the Green Belt. The specific details of this will be determined in a subsequent development plan document that will allocate a site there for development.

Regard to the sustainable community strategy

9.27 Our sustainable community strategy 'Vision 2026' was produced in 2008 in line with the Core Strategy timeframe. It identifies four priority areas and the employment development proposed in Policy SP4, and in SP3 at Northleigh, are in line with 2 of them:

- Ambitious communities; and
- Realising aspirations.

Founded on robust and credible evidence

9.28 This Topic Paper is founded on robust and credible evidence as shown in previous sections 2, 3 and 4 of this Topic Paper. This is backed up further by the separate 'Economy and Employment' evidence review document. The key sources of evidence which support the employment development at Northleigh and within the proposed broad locations are the 'Wigan Employment Land Review', 'Testing the Case for an Employment Site of Exceptional Quality in Wigan' and the 'Key Sites Viability Study'.

The most appropriate strategy when considered against the alternatives

9.29 The alternative approach focused new employment development in outer areas of the borough, particularly along the East Lancashire Road corridor. This was contrary to our key objectives of marrying opportunity and need and providing employment opportunities in locations which were easily accessible by sustainable means, particularly to the most deprived communities within the borough.

9.30 Land at 'The Bell, Lamberhead Green' was originally proposed as a key strategic site for employment development at the Preferred Options stage. This preceded the proposed broad location at Junction 25. Whilst having the attributes of a site of exceptional quality, namely sufficient scale and accessible location, evidence suggests that the site will not be viable due to the requirement of extensive modifications to the junction on the A577 and a new road, which has an estimated cost of around £7 million. At Junction 25, development can be taken more or less straight off the motorway spur, meaning that infrastructure costs are much less and therefore the site is more attractive to investors and is more likely to be delivered.

Deliverable

9.31 The key delivery items table at the end of policy SP4 sets out how the broad locations will be delivered. All sites will be funded and delivered by private developers and landowners. Specific details of development will be determined and set out in a subsequent development plan document. The landowners of all of the sites have been involved in the preparation of the Core Strategy and are in favour. Neighbouring authorities have not made any objections to policy SP4, although St Helens Council have raised concerns that development at Junction 25 could exacerbate traffic congestion along the A58 in St Helens.

9.32 The key delivery items table at the end of policy SP3 sets out how the key strategic site at Northleigh will be delivered. The council has been working very closely with private developers and landowners at Northleigh and a planning application is anticipated in 2012. Neighbouring authorities have not made any objections to policy SP3.

9.33 There are no regulatory barriers to delivery. The only national policy barrier is PPG2 concerning the removal of Green Belt at Junction 25 (policy SP4). However, our evidence base identifies exceptional circumstances for the removal of land in this location from the Green Belt.

Flexible

9.34 Policy SP4 establishes a focus on where, what, when and how development will take place within each broad location, but is not specific about the details of development. Specific details will be determined in a subsequent development plan document. As a key strategic site, policy SP3 includes specific details regarding the types and amount of development sought at Northleigh and the infrastructure required. The policy requires the production of a development brief which the planning application will need to accord with. The policy is flexible as any variations from the requirements specified will be dealt with in the development brief.

Able to be monitored

9.35 The means for monitoring policies SP3 and SP4 are set out in chapter 10 of the Draft Core Strategy: Proposed Submission Version, specifically:

Policy SP3

- Approval of planning application
- Provision of residential development, employment development and strategic green infrastructure
- Completion of Section A and Section B of the link road

Policy SP4

- The allocation of land within each broad location in development plan documents
- The amount of land developed for residential and employment development within each broad location.

Consistent with national policy

9.36 The employment elements within the broad locations and at Northleigh are consistent with national policy, with regard to the key documents reviewed:

- Planning Policy Statement 4: Planning for Sustainable Economic Growth
- Planning Policy Statement 1: Delivering Sustainable Development
- Planning Policy Guidance 13: Transport

Policy SP2 Our town and local centres (from an economy and employment perspective)

9.37 Policy SP2 identifies Wigan, Leigh and Ashton town centres as key locations for offices in the borough. As such it promotes sustainable communities in accordance with Planning Policy Statement 1 and Regional Spatial Strategy policies DP2 and DP3 by providing employment opportunities in locations which are easily and sustainably accessible to all. This contributes to a reduction in social and economic inequalities in the borough and reduces reliance on the private car. The policy is also in accordance with Planning Policy Statement 4 which identifies offices as a main town centre use, and in line with the 'ambitious communities' and 'realising aspirations' priority areas in the Sustainable Community Strategy.

TEN

Next steps

10.1 This is the final version of the topic paper summarising and analysing evidence on economy and employment that we have gathered to inform our Core Strategy: Submission Version and the accompanying Sustainability Appraisal.

10.2 Previous versions of each topic paper and evidence reviews are available from the 'Issues and Options', 'Preferred Options' and 'Draft Core Strategy - Proposed Submission version' webpages for the Core Strategy, on our website at www.wigan.gov.uk/ldfcorestrategy. This is to provide a record of what evidence was available at each stage of Core Strategy preparation.

10.3 We may update this topic paper to inform a future development plan document or a review of the Core Strategy.

LDF

WIGAN LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY

Gillian Bishop
Corporate Director - Places Directorate
Wigan Council, PO Box 100, Wigan, WN1 3DS

Wigan Council

MCT11-497/AUG05-11