

**REPORT TO:** Urban Renewal Policy and Performance Board

**DATE:** 18 June 2008

**REPORTING OFFICER:** Strategic Director, Environment

**SUBJECT:** The development of a proposition based PR and marketing campaign to promote the Halton logistics sector

**WARDS:** Borough-wide

## **1.0 PURPOSE OF THE REPORT**

1.1 This report considers both the current and future capacity of the logistics sector locally and, based upon that assessment, proposes a practical, proposition based public relations (PR) and marketing campaign designed to retain existing businesses and attract new logistic companies to the Borough.

**2.0 RECOMMENDED: That the Board considers the development of a logistics focused, proposition based, marketing and PR campaign and agrees the approach suggested.**

## **3.0 BACKGROUND INFORMATION**

### **Location**

3.1 The Borough of Halton enjoys an enviable position at the heart of the Northwest's communication network. As a consequence many logistic businesses have chosen to locate within the Borough. Runcorn and Widnes' superb transport links make the area easily accessible by road, rail, sea and air. Located between Manchester International and Liverpool John Lennon Airports and close to the Port of Liverpool many major European and international markets are within easy reach of the Borough of Halton.

### **The Scale of the Logistics Sector Locally**

3.2 The Borough of Halton has an existing, and expanding, critical mass in the logistics and transportation sector. There are currently eighty businesses in the logistics sector in Halton including household names such as the Stobart Group, Tibbett & Britten, Wincanton, TDG and Suttons. Of those businesses ten are couriers, thirty-six are road transport companies, seventeen are warehousing and distribution companies while a further seventeen are freight agencies.

- 3.3 The range of products distributed is extensive from chemicals to washing powder, DIY products to bottled water.

The logistic sector employs significant numbers of people locally.

- In 2005 11.8% (6,388) of working Halton residents were employed in the 'transport, storage and communications' sector ranking Halton 12th nationally and 1<sup>st</sup> in the Northwest.
- Between 1997 and 2006 there was a 28.5% increase in employment in the sector locally.
- In 2005 Halton had almost twice as many people employed in the sector as the national average.  
(Source: Local Knowledge)

### **Capacity for Growth**

- 3.4 The Borough of Halton has a growing significance as an intermodal hub.

3.5 *Runcorn and Weston Point Docks.*

Runcorn Docks is owned by Manchester Ship Canal Company (part of Peel Holdings) and operated by :-

- Borax Ltd / Micro Milling (transportation of chemicals, mostly talc, which is also stored on site)
- Colas (transshipment of tarmacadam).

3.6 *Port of Weston*

Port of Weston has recently been acquired by the Stobart Group who has plans for a £60m expansion of the facility which will include :-

- New road access to the Western Expressway
- Dredging the docks to a depth of 8.5m
- Improved access to the docks from the ship canal including removal of 'the nib' to allow 5,000 tonne ships to berth (at present only 2,500 tonnes capacity due to silting)
- New warehouse facilities
- New dock facility to allow 17,500 tonne vessels to off load directly from the Manchester Ship Canal (MSC) and to be turned round in the canal (maximum size permitted on MSC)
- Rail access to new dock facility
- New access to the Weaver Navigation from MSC

Planning permission has been granted for two new warehouse 2,000 m<sup>2</sup> and 6,000 m<sup>2</sup>

3.7 *Mersey Multimodal Gateway (3MG)*

3MG offers unrivalled access to the UK's deep sea ports, with six daily train services to key the southern ports of Felixstowe, Purfleet and Southampton together with Liverpool Freeport. It places logistics and retail businesses at the heart of the motorway network and on the doorstep of two expanding international airports, serving more than two hundred destinations worldwide.

The site has 750,000 sq ft of existing distribution sheds, and outline consent for a total of 1.8m sq ft of new buildings, rising eventually to 3.5m sq ft of space. 3MG is one of the UK's largest dedicated logistics parks designed for multiple occupation so that numerous companies can benefit from its unrivalled infrastructure and connectivity. It's estimated that the development will create 5,000 jobs.

#### **4.0 MARKETING THE LOGISTICS SECTOR**

4.1 A number of factors need to be taken into consideration which will impact upon the development of a Halton logistics brand.

a) *The desirability and benefits of developing and promoting a brand based upon the logistics sector.*

The Borough Council and partners are currently developing a distinct identity for Halton based upon the science, research, technology and advanced manufacturing sectors. While the development of two distinct brands isn't mutually exclusive, particularly given the targeted, niche nature of both the science and logistics sectors, it is important to be clear which brand will be given pre-eminence.

b) *The capacity to accommodate new logistics businesses in the Borough.*

Major distribution facilities require a considerable land take. With the exception of the Stobarts\3MG\Weston Docks axis Halton has very little vacant, developable land for new, large scale, logistics uses. Table A illustrates the existing vacant logistics/distribution space in the borough. If let, the circa 1 million square feet of vacant space could generate between 1,000 and 1,500 new jobs.

**Table A**

<b>Unit</b>	<b>Location</b>	<b>Size (ft2)</b>
G360	Runcorn	360,000
Haygemeyer	Runcorn	342,000
Moorfield Road	Widnes	101,379
The Bear	Widnes	103,073
Express Industrial Estate	Widnes	107,138
<b>Total</b>		<b>1,013,590</b>

## **5.0 NEXT STEPS**

- 5.1 Given the regional significance of the 3MG programme, particularly since the Stobart Group brought added impetus to the project, the 3MG team already have in place a sophisticated marketing and PR plan delivered, in part by external PR consultants. Any borough wide, logistics, marketing campaign will, therefore, need to be fully integrated with the on-going 3MG campaign.
- 5.2 The Borough of Halton has a strong case to position itself as a key logistical hub in the Northwest. It is proposed, therefore, that a two stage logistics PR and marketing campaign be undertaken, comprising :-
- **A general PR campaign utilising the local and regional media and the specialist trade and business press to raise awareness amongst the sector generally of the Halton logistics offer**
  - **A specific, proposition based marketing campaign, in partnership with individual agents and landlords, targeting potential end-users thereby reducing the amount of vacant space in the Borough.**

## **6.0 POLICY IMPLICATIONS**

### **6.1 Children and Young People in Halton**

By linking the school curriculum to business needs, the creation of new employment in the logistics sector will provide future job opportunities for young people in the borough

### **6.2 Employment, Learning and Skills in Halton**

The creation of new employment opportunities within an expanded logistics sector locally will interface with the ongoing and detailed

work currently being undertaken to address the emerging and future skills needs of the 3MG project.

### **6.3 A Healthy Halton**

The creation of additional jobs in the logistics sector will assist in addressing issues of deprivation and the associated health problems it can cause.

### **6.4 A Safer Halton**

The creation of additional jobs in the logistics sector will assist in addressing crime related issues, which can be one of the consequences of unemployment.

### **6.5 Urban Renewal**

An expansion of the logistics sector will contribute to the continued diversification of the economy in Halton and will assist in the consolidation of what is an already very important sector in the borough.

## **7.0 OTHER IMPLICATIONS**

7.1 There are no other implications arising from this report.

## **8.0 RISK ANALYSIS**

8.1 Diversification of Halton's economic base over time is vital in order to ensure the future prosperity and vitality of the Borough. The development of the logistics sector will make a positive contribution to the realisation of the Council's wider regeneration objectives.

## **9.0 EQUALITY AND DIVERSITY ISSUES**

9.1 An expansion of the logistics sector locally will provide meaningful employment opportunities for the people of Halton.

## **10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

10.1 None