

South Staffordshire Local Plan Examination

Matter 12 Building a Strong Local Economy

Matter Statement

Lichfields on behalf of Richborough Estates Ltd

11 April 2025

LICHFIELDS

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Introduction

This Hearing Statement on Matter 12 is submitted by Lichfields on behalf of Richborough Estates Ltd in relation to their land interests at Gailey Lea Farm. Please refer to the full introduction included within Richborough Estates' Hearing Statement on Matter 2.

Separate representations have been submitted in respect of the following Matters:

- Matter 2 – Duty to Co-operate;
- Matter 4 – Development Needs and Requirement.

Hearing Statement

Matter 12 Building a Strong Local Economy

Issue 1: Whether the approach of Policy EC1 to sustainable employment growth is justified, effective and consistent with national policy.

Q1. In terms of being justified and consistent with national policy:

Q1b. Is the proposed employment land strategy justified through robust evidence and is it consistent with the Spatial Strategy and the National Planning Policy Framework?

- M12/I1 Q1.1 No. The proposed employment land strategy is not justified by robust evidence and it is not consistent with national policy as set out in the National Planning Policy Framework (NPPF) (2023). We have set out our concerns under Matter 4: Development Needs and Requirements, but highlight below where this causes deficiencies in respect of both the Spatial Strategy and NPPF.
- M12/I1 Q1.2 Lichfields on behalf of Richborough has provided a detailed review of the Council's employment land evidence, including the Employment Developments Need Assessment 2022 (EB45) and the 2024 Update (EB44) set out at Appendix 1. This finds that the South Staffordshire EDNA has a number of technical deficiencies and inconsistencies which mean that it does not provide a robust assessment of the internally-derived needs within South Staffordshire. These deficiencies have been previously identified by Lichfields on behalf of Richborough in earlier consultation stages, but have not been adequately addressed. In particular, we highlight the reliance on employment forecasts that are more than three years old and the attempt to apportion some of the WMI supply to South Staffordshire in a way that is inconsistent with the approach adopted by the Black Country Local Authorities (EB49) as just two examples. This does not represent an approach which is compliant with the requirements of the Planning Practice Guidance (PPG).
- M12/I1 Q1.3 The effect of these deficiencies is to understate the actual internally-derived need position, and to overstate the contribution of WMI to meeting South Staffordshire's internally-derived needs by at least 13.8 ha. The internally-derived employment land requirement for South Staffordshire is therefore significantly higher than is currently being planned for.
- M12/I1 Q1.4 Furthermore, due regard has not been paid to the latest sub-regional and regional employment land evidence, namely the Black Country Economic Development Needs Assessment 2023 and the 2024 Update, and the West Midlands Strategic Employment Sites Study 2021 (EB47) and the 2024 Update (EB92). The Council, within their response to Richborough's representation during the previous consultation (Pre-Publication 2024) recognises the importance of the FEMA and the low levels of self-containment that the district has by stating that:

"the district is not a self-contained FEMA and has low levels of self-containment."

- M12/I1 Q1.5 On this basis, the Council fully recognises the extent of economic linkages with the wider area and the district's suitability to help address wider employment land needs where these have been identified.
- M12/I1 Q1.6 The latest Black Country EDNA confirms is a significant increase in the employment land requirements of the Black Country resulting in an increased shortfall of additional 115ha, even once the provision (agreed through Statements of Common Ground) provided by WMI and other strategic sites in South Staffordshire and Shropshire is included. Accordingly, we do not consider that the Council is making a proportionate contribution to the unmet needs in the BCLAs given these are now significantly higher.
- M12/I1 Q1.7 The West Midlands Strategic Employment Sites Study (WMSESS), published in August 2024, provides significant new evidence on the requirements for strategic employment land provision to meet manufacturing and logistics needs on sites of at least 25ha (and ideally larger). South Staffordshire is located within Opportunity Area 2 which is identified as having a requirement for two road-based strategic sites in addition to the WMI, estimated to be equivalent to 75 hectares of strategic road-based employment land — 50 hectares for B8 mixed-use and 25 hectares for B2/E(g) use. More specifically, M6 Junction 12 is highlighted in the study as one of the top 50% scoring junctions.
- M12/I1 Q1.8 The lack of additional strategic employment land provision of this type in South Staffordshire is not consistent with the provisions of the NPPF, in particular:
- “86. Planning policies should:*
- b) set criteria, or **identify strategic sites**, for local and inward investment to match the strategy and **to meet anticipated needs over the plan period.**”*
- “87. Planning policies and decisions should **recognise and address the specific locational requirements of different sectors**. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for **storage and distribution operations at a variety of scales and in suitably accessible locations.**” (emphasis added)*
- M12/I1 Q1.9 Synthesising the above, it is clear that in terms of its underestimate of internally-derived needs, the increase in the level of unmet needs now arising from the Black Country FEMA identified by the updated evidence, and the pressing need for additional road-based strategic employment sites in optimal locations such as M6 Junction 12 set out in the WMSESS, that the South Staffordshire PP 2024 is not making sufficient provision for employment land. In this context, the land promoted by Richborough at Gailey Lea Farm is ideally suited in terms of scale, type and location to satisfy the additional needs that have been identified. A further allocation of 87ha at this site is therefore justified. This would ensure that the PP is sound and compliant with paragraphs 11b, 24, 35c, 85, 86c and 87 of the NPPF.
- M12/I1 Q1.10 Alternatively, the Council could include a modification to the 2024 PP which inserts a new Safeguarded Land policy to ensure that safeguarded land is identified and can be available, if needed, as a buffer to ensure that the Green Belt boundary retains a degree of permanence. This should safeguard those sites indicated by the strategic evidence, including Gailey Lea Farm (E58).

Q2 In terms of being effective:

Q2b. How will the preferred employment land strategy be effective in meeting the range of identified quantitative and qualitative employment needs of the district for the plan period in a sustainable way?

- M12/I1 Q2.1 As noted in our response to Question 1, it is not considered that the Council's preferred employment land strategy will be effective in meeting the range of identified quantitative and qualitative employment needs. Specifically, the internally-derived needs within South Staffordshire are under-estimated, nor does the plan consider the increased needs across the FEMA and the strategic requirements identified through the West Midlands Strategic Employment Sites Study. The latest evidence indicates that there is at least an additional 115.2 ha of need across the FEMA.
- M12/I1 Q2.2 The northern parts of South Staffordshire are highly accessible locations. The West Midlands Strategic Employment Sites Study 2024 (EB92) has identified M6 Junction 12 and M6 Junction 13 with a capacity to unlock future opportunities for industrial or logistics developments. These locations have been assessed by the strategic evidence and score very high. As such, these should be the preferred candidates for additional land supply across the district.
- M12/I1 Q2.3 On this basis, and in order for the Proposed Policy EC1 to be effective, it needs to demonstrate that sufficient employment supply has been identified to balance with this need. Therefore, the Council should allocate more land, including the Gailey Lea Farm site (with reference E58). Alternatively, a new policy that gives significant weight for employment development proposals which can assist in meeting the unmet and strategic needs identified (subject to criteria), or in the absence of this, provide for a specific Local Plan review with a specified timeline should be included as modifications within the Plan. An early review mechanism secured by way of a policy requirement would prove far more effective than simply relying on the statutory requirement of NPPF paragraph 33.

Q3 Are any modifications necessary in the interests of soundness of the Plan?

- M12/I1 Q3.1 Yes, there are specific proposed modifications to the Publication Plan to ensure its soundness. It is recommended that additional employment land should be allocated to meet the increased internal employment need and beyond.
- M12/I1 Q3.2 Alternatively, a new policy should be introduced that safeguards employment land including an allocation at Gailey Lea site alongside the remaining high performers based on the recent regional evidence, namely EB92. This will be combined by the requirement for an immediate Local Plan Review that should be included within the Proposed Policies EC1 and SD4.
- M12/I1 Q3.3 This review will need to consider the increased shortfall of employment land across the Black Country as well as the requirements for additional strategic sites within the M6/M54 South Staffordshire Opportunity Area and, critically, the weight that the NPPF puts on the need to identify strategic sites to meet anticipated needs over the plan period (para 86b) and specifically to plan for storage and warehousing at a range of scales and in suitably

accessible locations (para 87). Otherwise, the Publication Plan cannot be regarded as being in accordance with national policy and, thus, it is not considered sound.

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Appendix 1 South Staffordshire Employment Land Needs Evidence

Review by Lichfields

Richborough Estates Ltd

04 April 2025

LICHFIELDS

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1.0

Introduction

1.1

This report has been prepared by Lichfields on behalf of Richborough Estates Ltd in the context of the promotion of land at Gailey Lea Farm, located in South Staffordshire. The purpose of this report is to provide a review of the employment land needs evidence relevant to determining the employment development needs and requirements to be provided within the South Staffordshire Local Plan Review, and to consider whether these have been adequately addressed within the Publication Plan (Regulation 19) 2024 (“PP”).

Background

1.2

The site at Gailey Lea Farm is located adjacent to the M6 J12, the A5 and with easy access to the M54 to the south. To the south-west of the site, and beyond the M6, is the site for the forthcoming West Midlands Interchange (WMI), which comprises an open access intermodal strategic rail freight interchange terminal (“SRFI”), c.743,200 sq. m of rail-served warehousing floor space, a small amount of space for ancillary buildings and storage areas, along with at least c.108 ha of onsite Green Infrastructure.

1.3

The site comprises of 207 acres (or 87 ha) and is located within the Green Belt. However, it is considered that the Site has a weak contribution to the five purposes of the Green Belt, and the harm from its release would be considered to be ‘Very low harm/Low harm’ by virtue of the significantly urbanising impacts that the consented WMI and M6 will have on this area of the Green Belt within South Staffordshire.

Figure 1.1 Site Location



- 1.4 The Gailey Lea site was submitted as part of the Call for Sites process in 2021 as a future employment site with an indicative masterplan which demonstrates that could deliver approximately c. 228,000 sq.m of mixed employment (E(g)(i)/(ii)/(iii)/B2/B8) floorspace together with attractive open space and other supporting infrastructure.
- 1.5 The site is therefore located in a crucial area within the District, which will act as a key focus for future employment development. It is also well placed to meet the Black Country Authorities' (BCAs) unmet employment needs in close proximity to where they arise, given its proximity to Wolverhampton. In essence, the site is a highly sustainable and logical location for future employment growth.
- 1.6 This was also reinforced by the Council's Economic Strategy and Employment Site Assessment Topic Paper 2024 (EB42) that included an assessment of Land at Gailey Lea Farm (Ref E58). According to the Sustainability Assessment, the site would provide major positive effects in relation to the economy criteria, as the development will provide significant employment opportunities. It is also assessed by the Council that the site, *"has clear distribution/logistics benefits due to proximity to the M6 (J12) and the West Midland Interchange"*, and there are further *"supply chain opportunities"* acknowledged due to the proximity to other strategic employment allocations. It is also stated that the scale of the site highlights the potential to be of strategic scale, which is in high demand across the area. This aligns with the evidence set out in the West Midlands Strategic Employment Sites Study (see section 4.0).
- 1.7 Although it is acknowledged that the site performs well against the market and economy criteria and it would unlock significant strategic and local opportunities including accommodating the significant strategic scale logistics and manufacturing needs across the wider area, the Council draws the following conclusion:
- "A need for strategic scale logistics and manufacturing across the wider region has been determined through the West Midlands Strategic Employment Sites Study (WMSESS). However, the site is in the Green Belt and **it is the Council's choice not to release further Green Belt for employment land at this current time** given the substantial pipeline of strategic employment land in the district, including an opportunity to allocate a further strategic site on non-Green Belt land (M6, Junction 13)." (emphasis added).*
- 1.8 However, Richborough consider that given the current and future unmet demand for employment space in the area as discussed in this report, and combined with the site's key advantages to accommodate employment space for both strategic and local industrial and logistics space, the Council's "policy choice" cannot be justified while there are clear exceptional circumstances in place for release of Green Belt land. In the context of the Site being in the Green Belt, similar to the Council's conclusion on the 'exceptional circumstances' justifying the release of Green Belt land for housing, the Council has demonstrated that the sequential approach has been followed, and – crucially – that there are no other suitable strategic employment sites. As such it can be adjudged that exceptional circumstances have been demonstrated. Moreover, the Council has chosen to release Green Belt – albeit only for housing. As such, any further employment growth would require Green Belt release. Moreover, whilst it is justified to consider 'harm' in the balance when assessing exceptional circumstances for Green Belt release, it is not

- 1.9 compliant with national policy to release only those sites which perform the worst against the Green Belt purposes (i.e. low Green Belt harm). It is therefore entirely in accordance with the NPPF to release Green Belt land to meet these employment land needs, even if the Council has assessed and concluded a perceived higher level of harm.

Summary of proposed modifications

Table 1.1 Key Matters of Soundness and Recommended Policy Changes

Policy Reference	Reason for Representation	Recommended Policy Change
Policy DS4: Development Needs	<p>Is not compliant with national policy – not justified, effective, or positively prepared – nor legally compliant with the DtC: the Council's current approach to addressing its own needs, or the unmet needs of the FEMA and wider area is not appropriate or justified by robust evidence; as a result, Richborough considers that there is a cogent argument for the Council to accommodate further employment growth within the District, as it is unlikely that this could be accommodated elsewhere within the FEMA and beyond.</p> <p>It is therefore critical that a FEMA-wide approach to ensuring additional, well-located sites, which are capable of accommodating larger units, are brought forward through the Council's LPR to help meet demand and deliver high-quality floor space within the FEMA. This is critical in order for the LPR to accord with paragraphs 11b, 24, 35c, 85, 86c and 87 of the NPPF and the guidance within the PPG.</p>	<p>Policy DS4 (Development Needs) should be amended to reflect a more realistic assessment of the District's employment land needs over the plan period as well as an increased contribution towards the unmet employment land needs of the BCA and potentially Birmingham.</p> <p>This would ensure that the 2024 PP is sound and compliant with paragraphs 11b, 24, 35c, 85, 86c and 87 of the NPPF and the guidance within the PPG.</p>
	<p>Is not compliant with national policy – not effective, or positively prepared: The absence of a commitment to review the plan to address the unmet needs of the FEMA and GBBCHMA results in the Council failing to provide any certainty for how these needs will be met, and ultimately failing to deliver against identified unmet housing and employment needs, contrary to paragraphs 24 and 33 of the NPPF.</p>	<p>The Council should include a modification to the 2024 PP to ensure that a review policy is included to ensure that the unmet needs of the FEMA and GBBCHMA can be met shortly after the adoption of the LPR (i.e. 18-24 months after adoption).</p> <p>This would ensure that the 2024 PP is sound and compliant with paragraphs 11b, 24, and 33 of the NPPF and the guidance within the PPG.</p>
Policy DS5 – The Spatial Strategy to 2041	<p>Is not compliant with national policy – not justified, effective, or positively prepared: The analysis and justification provided by the Council for discounting the Site is poorly evidenced and not supported by justified evidence. There are no other 'sequentially preferable' strategic employment opportunities outside of the Green Belt and the scale of the unmet employment needs of the FEMA is such that Green Belt release is fundamentally required to meet the strategic needs.</p> <p>As such, Richborough strongly contends that that there is a clear and cogent need for additional employment land within the District to meet not just only the District's own employment needs, but also to assist in addressing the acute shortfall arising</p>	<p>Policy DS5 (The Spatial Strategy to 2041) should be amended to include Richborough's Site (Site Ref: E58a and E58b) as an employment allocation for 87 ha, capable of accommodating c.228,000 square meters [sq. m] of high-quality B8/Logistics floor space.</p> <p>This would ensure that the Council is adequately addressing its own employment land needs over the plan period as well as an increased contribution towards the unmet employment land needs of the Black Country and West Midlands.</p> <p>Alternatively, given the significant level of unmet and strategic employment needs identified and the paucity of readily available land for large scale employment provision – Richborough consider that an additional policy which provides a clear basis for decision-taking subject to evidence of immediate needs for employment land and/or additional strategic site requirements identified within the WMSESS is necessitated. A suggested form of words is set out below:</p>

Policy Reference	Reason for Representation	Recommended Policy Change
	from the BCAs, and Richborough's site should be included within the 2024 as a logical and sustainable strategic employment allocation.	<p>"Policy DSx – Additional Employment Land <i>Significant weight will be given in decision-taking for employment development proposals where the following criteria can be demonstrated:</i></p> <p><i>i) there is evidence of employment needs that cannot otherwise be met by existing supply or allocations; or</i> <i>ii) there are unmet strategic site requirements identified by the West Midlands Strategic Employment Sites Study (2024 or successor reports) in relation to South Staffordshire (Opportunity Area 2) and the relevant FEMA."</i></p> <p>This would ensure that the 2024 PP is sound and compliant with paragraphs 11b, 24, 35c, 85, 86c and 87 of the NPPF and the guidance within the PPG.</p>
	<p>Is not compliant with national policy – not effective, or positively prepared: It is clear that through a future LPR, the Council will need to release further employment land, either to address wider FEMA needs or the District's.</p> <p>As such, the permanence of the Council's currently proposed Green Belt boundaries is in doubt, as it is very likely that the Council will again need to revisit releasing Green Belt land in due course. In this regard, the identification of additional safeguarded land will ensure that Green Belt boundaries will not need to be altered at the end of the plan period. This is critical in order for the LPR to accord with paragraphs 11b, 16a, 16b, 24, 35a-d, 85, 86c, 148c and 148e of the NPPF.</p>	<p>The Council should include a modification to the 2024 PP which inserts a new Safeguarded Land policy to ensure that safeguarded land will be available, if needed, as a buffer to ensure that the Green Belt boundary retains a degree of permanence. To this end, Richborough has suggested the below policy wording:</p> <p>"Policy DSx – Land Safeguarded for Employment Needs <i>a) Safeguarded land has been identified for employment development. This is at the four existing freestanding strategic employment sites at i54, Hilton Cross, ROF Featherstone/Brinsford and Four Ashes and Land at Gailey Lea Farm.</i> <i>b) All safeguarded land identified for employment needs and removed from the Green Belt (including existing safeguarded land) will retain its safeguarded land designation until a review of the Local Plan to commence within 12 months of the adoption of this Plan proposes the development of those areas in whole or part."</i></p> <p>This would ensure that the 2024 PP is sound and compliant with paragraphs 11b, 16a, 16b, 24, 35a-d, 85, 86c, 148c and 148e of the NPPF.</p>

Report structure

1.10

The report is structured about the following questions:

- **Section 2.0** – is the Council's evidence on employment land needs in South Staffordshire robust in determining the level of internally-derived needs?
- **Section 3.0** – what employment land needs arise from the wider Black Country Functional Economic Market Area (FEMA), and have these been adequately considered?

- **Section 4.0** – what are the implications of the West Midlands Strategic Employment Sites Study for South Staffordshire and have these been addressed?
- **Section 5.0** provides overall our conclusions.

2.0 Employment land needs in South Staffordshire

- 2.1 This section reviews the Council's evidence on employment land needs to consider whether it is robust in determining the level of internally-derived needs in South Staffordshire.

Economic Development Needs Assessment

- 2.2 The Council's latest Economic Development Needs Assessment ('EDNA')² for South Staffordshire was published in March 2024 by SPRU. The EDNA updates the 2022 iteration and purports to provide an up-to-date position of the employment land requirements of South Staffordshire District through to 2041.
- 2.3 The 2024 EDNA concludes that the District has a gross residual objectively assessed employment land need ('OAN') of 62.4 ha for the period 2023-2041, increasing to 81.2 ha inclusive of the demand arising from the apportionment of the planned West Midlands Interchange (WMI).
- 2.4 Set against a claimed pipeline land supply of 90.0 ha, the EDNA concludes that South Staffordshire has a surplus of 27.6ha of employment land which can make an updated contribution towards the unmet employment land needs of the neighbouring Black Country, comprising Dudley, Sandwell, Walsall, and Wolverhampton. It also states that the amount of the WMI that will contribute to South Staffordshire's employment land supply remains at 18.8 ha, inclusive of 8.8 ha which is not currently captured by the forecast labour demand. In addition, the Draft South Staffordshire Local Plan (2024)³ also allocates 17.6 ha of strategic employment land at M6 Junction 13, Dunton.

Critique of the 2024 EDNA Update

- 2.5 Lichfields, on behalf of Richborough, previously submitted representations to both the 2022 PP and 2024 PP which set out a series of concerns regarding the approach taken to determining needs in the 2022 EDNA and subsequent 2024 EDNA respectively. Richborough's main concerns regarding the 2024 EDNA can be summarised as follows:
- 1 The loss replacement of 12.1 ha is based on a miscalculation of the annual average of committed losses, which, if corrected, would increase the adjustment by around 8ha (to 20.1 ha);
 - 2 The Completions Trend scenarios significantly underplay the true scale of need by excluding a margin of choice and the substantial levels of strategic sites that have come forward in recent years;
 - 3 Logistics is under-represented in the modelling and the forecasting does not reflect the substantial growth in the sector in recent years nor the market intelligence which points to identified shortfalls in available industrial floorspace in South Staffordshire of all sizes and unprecedented demand for large logistics in prime locations;

² South Staffordshire District Council (2024), *South Staffordshire Economic Development Need Assessment Update – March 2024*.

³ South Staffordshire District Council (2024), *South Staffordshire Publication Plan (Regulation 19)*.

- 4 The Growth Scenario is not aspirational enough and should apply a percentage growth rate to the District-level figure. The current approach suppresses logistics needs compared to recent trends;
- 5 The WMI is an important contributor to wider strategic needs, but it is not the role of the EDNA to attempt to quantify how much of its land actually contributes to the needs of the District – this has already been calculated on a consistent basis for the wider region. The resultant figure, of 5 ha, is far below the EDNA's 18.8 ha calculation which appears flawed in certain respects;
- 6 SPRU's approach to calculating strategic needs assumes that the Experian-led econometric Growth Forecast factors in all of the strategic requirements when this is simply not the case - the very modest addition of 44 jobs per annum to uplift the Transport & Storage sector growth is inadequate to meet likely future growth needs and should be greater;
- 7 The latest forecasting data from Cambridge Econometrics ('CE') and Experian should be obtained and remodelled given the passage of time. The March 2024 Experian projections suggest that instead of a net employment growth of 3,500 between 2020 and 2041 as per the November 2021 forecasts, the District's economy will grow by 4,900 jobs, an uplift of 40%. There is also forecast to be a much stronger growth in the Transport and Storage sector (from +100 to +700), pointing to a net increase in demand for B8 logistics sites;
- 8 The EDNA's identification of 27.6 ha of unmet need contribution from the current supply is unfounded. The calculation is at least partly based on past trends completions that do not include 'true' strategic take up from JLR, Amazon and Gestamp; and
- 9 The EDNA does not model the strategic employment land needs of the Functional Economic Market Area ('FEMA') as a whole but then attempts to justify South Staffordshire's contribution. That is the remit of a wider strategic study (as considered in section 3.0 of this report).

- 2.6 Collectively, these concerns mean that it is not considered that the EDNA provides a robust basis for determining employment land needs in South Staffordshire. Additional information is set out within our representations submitted to the 2024 PP, with the key concerns explained in more detail below.

Loss replacement

- 2.7 The EDNA rightly converts the net floorspace requirements to gross through the application of what SPRU considers to be a suitable level of loss replacement.
- 2.8 SPRU's approach to accounting for loss replacement examines the quantum of losses of existing stock which are expected to be lost over the forecasting period. This reflects the annual average for current committed losses (applied over three years) and is multiplied across the total remaining 2023-2041 period. The annual average committed losses is stated to be 4,465 sqm, which over three years is 13,394 sq.m. In paragraph 6.10 SPRU then state that:

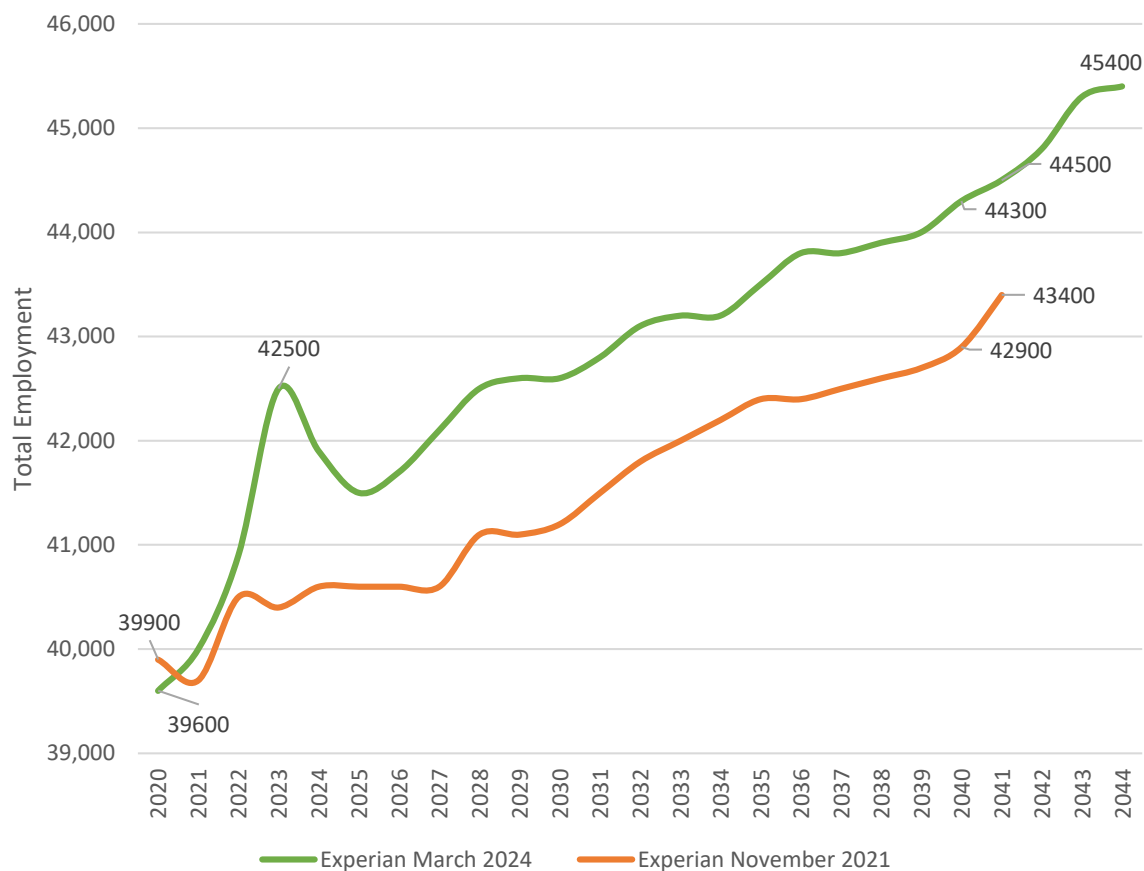
"Assuming this level of losses continues over the remaining plan period would mean that a further 48,218 sqm of E(g)/B Class employment land will be lost in South Staffordshire."

- 2.9 This is then converted into land by applying a plot ratio of 40%, and, based on 100% loss replacement over the 18-year plan period 2023-41, it is concluded that an additional 12.1 ha of land is required to convert the net figures to gross.
- 2.10 However, this calculation appears to be founded on an error. SPRU has taken the 13,394 sqm figure and divided it by five years, not three, to come to 2,679 sqm, which it has then multiplied by 18 years (the plan period 2023-41) to come to a loss replacement figure of 48,218 sqm, or 12.1 ha.
- 2.11 SPRU should have multiplied the 4,465 sqm annual figure by 18 years, to come to 80,370 sqm, or 20.09 ha – some 8 ha greater than the figure calculated by SPRU. The erroneous 12.1 ha figure is included in the calculations throughout the remainder of the EDNA, which means that the overall gross requirement should be at least 8 ha higher.

The growth scenario is not aspirational enough

- 2.12 The EDNA 2024 uses the same economic forecasts that were obtained to inform the preparation of the EDNA 2022, extending the forecast period to 2041. This is on the grounds that:
- “the relatively positive outlook generated through preparation of the Growth Scenario within the EDNA 2022 reflected assumptions for a post-Covid bounce and limited evidence of adverse prospects for growth by sector arising from Brexit-related effects. Analysis of the economic baseline considered within the EDNA Update indicates that for the district itself these assumptions remain relatively robust, reflected in positive indicators for growth in output and employment”* [paragraph 5.2].
- 2.13 SPRU therefore retains the CE and Experian projections from the 2022 EDNA, both of which were produced in November 2021. The modelling indicates a net growth of 5,176 (2020-2041) for CE, and +3,500 for Experian (upon which the Growth Scenario is founded).
- 2.14 However, as illustrated in Figure 2.1 overleaf, the use of updated Experian projections suggests that instead of a net employment growth of 3,500 between 2020 and 2041 as per the EDNA 2024, this will increase to 4,900, an uplift of 40%. Therefore, SPRU’s grounds for retaining the outdated November 2021 forecast on the basis that it would be more aspirational than the updated March 2024 forecast is incorrect. Plainly, the EDNA 2024 does not actually provide an update in this regard, and relies on forecast assumptions that are now over three years old.
- 2.15 Furthermore, some of the key industries associated with the EDNA’s employment land sectors are also forecast to experience a large uplift in growth. The Transport & Storage sector, for example, which is closely associated with B8 logistics, was previously forecast to experience a net growth of only 100 jobs between 2020 and 2040 in the 2022 EDNA. The latest projections increases this to 700 net jobs, a seven-fold increase.
- 2.16 Taken together, this suggests that the internally-derived employment land needs of South Staffordshire will be higher than the EDNA 2024 implies.

Figure 2.1 Experian employment growth scenario for South Staffordshire District



Source: Experian November 2021 / March 2024

The role of the West Midlands Interchange

- 2.17 Section 8.0 of the EDNA examines the relationship between the WMI and future economic growth scenarios. It accepts that the development of the SRFI proposals within South Staffordshire helps to meet needs that have arisen across a wider area (principally Birmingham and the Black Country).
- 2.18 The West Midlands SRFI Employment Issues Response Paper⁴, produced by Stantec in February 2021, identifies a robust ‘minimum share’ of the SRFI site that would meet the employment land needs of local authorities within the West Midlands study area, including South Staffordshire. The study states that the SRFI scheme includes an abnormal quantum of non-developable land (i.e. Country Parks) but also land required for the strategic infrastructure – including rail infrastructure. As such 193 ha of the 297 ha total site area is considered as the net developable area that will accommodate 743,200 sq.m of new space. Table 5 of the SRFI Report suggests that South Staffordshire’s share of the overall SRFI land area is 5 ha or 2.6% of the total (i.e 193 ha).
- 2.19 However, SPRU uses econometric modelling to explicitly define South Staffordshire’s share of the WMI land in isolation with no consideration of other areas, which is against the approach that Stantec suggests should be followed. They derive a contribution of 18.8 ha

⁴ Stantec (2021), *West Midlands Strategic Rail Freight Interchange Employment Issues Response Paper – Whose need will the SRFI serve?*

from WMI to South Staffordshire's employment land supply, i.e. 13.8 ha greater than the contribution calculated by Stantec.

2.20 The deviation of the approach stands in contrast with the evidence base of other authorities in the West Midlands who have adopted the figures produced by Stantec, including the Black Country Local Authorities. Furthermore, the manner in which the 18.8 ha contribution that the WMI makes to South Staffordshire's requirement is calculated is opaque and difficult to replicate.

2.21 Accordingly, our view is that the EDNA's conclusion that 18.8 ha of WMI would contribute towards the District's supply of employment land to meet the projected demand is unnecessary, given that the subject has already been analysed in depth on a consistent basis across the wider region and which finds that the contribution the WMI made to South Staffordshire's future logistics needs should be assumed to be 5 ha.

Summary

2.22 Our review of the South Staffordshire's employment land evidence finds:

- a There are a number of technical deficiencies in terms of the approach taken by the EDNA, as have been set out in Richborough's earlier representations. These issues have not been addressed.
- b The combined effect of these is that the internally-derived employment land figure set out in the EDNA is currently understating the actual need position. In particular, the reliance on employment forecasts that are more than three years old means that the EDNA 2024 is not actually a robustly-based update of the evidence.
- c The separate attempt to apportion some of the WMI supply to South Staffordshire is inconsistent with the approach set out in the Stantec study which is adopted by the Black Country Local Authorities, and overstates the contribution of WMI to meeting South Staffordshire's internally-derived needs by at least 13.8 ha.

3.0 **Employment land needs arising from the Black Country FEMA**

- 3.1 This section considers what employment land needs arise from the wider Black Country Functional Economic Market Area (FEMA), and whether have these been adequately considered in determining South Staffordshire's employment land needs.

OAN of Employment Land within the Black Country

- 3.2 The Black Country Local Authorities Economic Development Needs Assessment ('EDNA') was produced in 2022 to provide estimates of employment land demand in the four Black Country Local Authority ('BCLA') areas. This analysis was subsequently updated in October 2023 and again in November 2024⁵. The four Councils were previously preparing the Black Country Plan, which would act as the spatial development plan for all of the constituent BCLAs. However, in October 2022 the four Councils agreed not to proceed with the Black Country Plan and instead, the individual local authorities would prepare their own individual local plans. Therefore, the BCLA EDNA update 2024 provides an OAN of employment land to inform the preparation of these individual local plans.
- 3.3 The November 2024 EDNA update identifies a total OAN for the BCLAs of 634.7 ha between 2020 and 2041. This is significantly higher than the OAN identified in the preceding October 2023 EDNA update of 533.0 ha.
- 3.4 The November 2024 EDNA identifies 377 ha of employment land supply, excluding any provision from South Staffordshire or any other neighbouring authority. Therefore, there is an identified shortfall of 257.4 ha across the Black Country, including completions delivered between 2020-2024, which lies within the planning period. This represents a significant increase from the 153 ha shortfall identified in the previous October 2023 EDNA.
- 3.5 Table 3.1 overleaf identifies the change in the shortfall for the Black Country between the October 2023 and November 2024 Black Country EDNAs.

⁵ Black Country Local Authorities (2024), *Black Country Local Authorities Economic Development Needs Assessment Update – November 2024*.

Table 3.1 Demand / supply balance for the BCLAs assessed within the October 2023 and November 2024 EDNAs (ha)

	OAN	Internal Supply	Internal Supply - including apportioned windfall sites and past completions ⁶	Demand / Supply Balance – including internal supply, windfall sites and past completions	Total Supply – including apportioned windfall, past completions and apportioned external supply ⁷	Total Demand / Supply Balance
October 2023 EDNA						
Dudley	98.0	19.1	44.3	-53.7	79.3	-18.7
Walsall	107.0	154.4	171.1	64.1	171.1	64.1
Wolverhampton	116.0	54.0	79.1	-36.9	106.6	-9.4
Black Country excluding Sandwell	321.0	227.5	294.4	-26.6	254.1	36.0
Sandwell	212.0	32.4	85.8	-126.2	165.4	-46.6
Black Country including Sandwell	533.0	259.9	380.2	-152.8	419.5	-10.6
November 2024 EDNA						
Dudley	116.5	12.11	50.4	-66.1	86.9	-29.6
Walsall	141.8	140.8	141.2	-0.6	141.5	-0.3
Wolverhampton	146.9	42.83	81.0	-65.9	117.4	-29.5
Black Country excluding Sandwell	405.2	195.7	272.5	-132.7	328.4	-59.4
Sandwell	229.5	32.8	104.9	-124.6	173.7	-55.8
Black Country including Sandwell	634.7	228.5	377.4	-257.4	502.2	-115.2

Source: Black Country EDNA (October 2023) / Black Country EDNA (November 2024) / Lichfields analysis

⁶ Within the October 2023 EDNA, past completions from 2020 to 2022 were included within the supply assessment as follows: Dudley 6 ha, Walsall 16.7 ha, Wolverhampton 10 ha, and Sandwell 9.7 ha. An additional 77.9 ha of small and large windfall sites were also identified across all four BCLAs. For the purposes of this report, the 77.9 ha has been apportioned between the four BCLAs based on their share of the total employment land needs shortfall of allocated employment land across the Black Country in order to provide an indicative assessment of the demand / supply balance across the individual BCLAs.

The November 2024 EDNA update provides a total of the past completions between 2020 and 2024 of 79.1 ha as well as 69.7 ha of windfall sites across all four BCLAs. For the purposes of this assessment, the total of 148.8 ha has also been apportioned between the four BCLAs based on their share of their total shortfall of allocated employment land within the Black Country to provide an indicative assessment of the demand / supply balance across the individual BCLAs.

⁷ External supply includes 67 ha committed to the BCLAs from the WMI (as outlined within the West Midlands Strategic Rail Freight Interchange Employment Issues Response Paper (February 2021)), the 45.2 ha currently identified as surplus within the South Staffordshire Publication Plan (2024), and 30 ha identified as being surplus from Shropshire as per the Black Country EDNA 2023 and 2024 (albeit for which the Local Plan is now in the process of being withdrawn). As above, the total external supply of 142.2 ha has been apportioned based on each BCLA's total share of allocated employment land within the Black Country to provide an indicative assessment of the demand / supply balance across the individual BCLAs.

Sources of supply outside of the Black Country

- 3.6 Given that the shortfall of employment land within the Black Country is significant, a Statement of Common Ground⁸ signed in January 2025 by a number of West Midlands LPAs, including South Staffordshire, Shropshire and all four BCLAs, states that cross-boundary cooperation with local authorities within and outside of the Black Country FEMA is required to meet this need.
- 3.7 The 2024 Black Country Employment Land Supply Technical Paper ('ELSTP')⁹ states that 67 ha of employment land from the WMI development in South Staffordshire (based on the Stantec calculations referenced in section 2.0) is available to help meet this need. Additionally, the South Staffordshire Publication Plan (2024) states that an additional 45.2 ha of employment land within the District will also be available to meet wider needs within the Black Country. This comprises:
- the 27.6 ha surplus identified within the South Staffordshire EDNA 2024; and
 - 17.6 ha from the strategic employment allocation at M6 Junction 13, Dunston.
- 3.8 A further 30 ha had been identified in the emerging Shropshire Local Plan as being available to contribute to employment needs in the Black Country, however this Plan has been recommended to be withdrawn since March 2025¹⁰. In total, the Black Country ELSTP states that 142.2 ha of employment land from local authorities within the FEMA is available to meet employment land needs across the Black Country, including the 112.2 ha contribution from South Staffordshire (i.e. 67 + 27.6 + 17.6 ha). These provisions are agreed within the January 2025 Statement of Common Ground (SST/ED12) which also states that signatories, including South Staffordshire, will consider through future Local Plan reviews whether opportunities for further contributions should be tested, having regard to up to date evidence. These needs are now even greater given the withdrawal of the Shropshire Local Plan which means this supply contribution has likely now fallen away, since the Statement of Common Ground was signed.
- 3.9 When factoring this additional supply against the updated shortfall of 257.2 ha outlined within the BCLA EDNA November 2024, there **remains a significant shortfall of at least 115 ha within the Black Country up to 2041**. This is significantly increased from a shortfall of 10.6 ha based on the demand supply balance presented in the BCLA EDNA October 2023. Therefore, it is clear the employment land need position within the Black Country has changed significantly since the South Staffordshire employment land needs evidence and the 2024 Publication Plan were prepared, and the far higher shortfall of 115 ha across the BCLAs has not been considered in South Staffordshire District Council's attempt to help meet their neighbouring authorities' needs. As agreed within the January 2025 Statement of Common Ground (SST/ED12), South Staffordshire District Council is obliged to consider whether further opportunities to contribute to employment land need in the Black County should be tested through a review of their Local Plan, in light of the updated November 2024 Black Country EDNA evidence.

⁸ Black Country Local Authorities (January 2025), *Black Country Functional Economic Market Area (FEMA) and locations with an economic relationship with the Black Country FEMA - Statement of Common Ground (SST/ED12)*.

⁹ Black Country Local Authorities (2024), *Black Country Employment Land Supply Technical Paper – November 2024 update*.

¹⁰ [Local Plan to be withdrawn in response to inspectors' letter - Shropshire Council Newsroom](#)

- 3.10 It should also be noted that the apportionment of 67 ha of land from the WMI development to the Black Country is described as a “*very much a minimum figure*” within the Black Country ELSTP, and given that the significant remaining shortfall in the neighbouring Black Country, the additional 13.8 ha of land at the WMI that South Staffordshire has ‘claimed’ above its assessed apportioned share of 5ha will in reality be needed to make a further contribution to address the shortfall of their BCLA neighbours.

Summary

- 3.11 Our review of the BCLA EDNA evidence finds:
- a Between the updates to the EDNA in 2023 and 2024, there has been a nearly 20% increase in the OAN for employment land within the Black Country, with uplifts in all of the four local authority areas. The latest position is a requirement for some 634.7 ha.
 - b Between the updates, the internal supply position was essentially static (actually recording a slight reduction) at around 380ha. Even when factoring in the various elements of assumed external supply – such as the contribution of sites in South Staffordshire and Shropshire (but for which the Local Plan is now recommended to be withdrawn) – there remains a shortfall against the OAN. Significantly, this shortfall has increased from around 11ha (2023 EDNA) to at least 115.2 ha (2024). This means that since the South Staffordshire PP was submitted in April 2024, the Black Country shortfall has increased by over 100ha.
- 3.12 Accordingly, we do not consider that based on this evidence, the Council is making a proportionate contribution to the unmet needs in the BCLAs. As noted in section 2.0, the South Staffordshire 2024 EDNA underestimates the internally-derived demand for employment land within the district and overstates the supply available to meet the District’s needs at the WMI development. Therefore, the 45.2 ha surplus that the South Staffordshire Draft Local Plan reports as being available to meet the needs of the BCLAs is overstated and the true surplus is smaller. Furthermore, even if the 45.2 ha of land from South Staffordshire were accepted, more recent evidence points to the shortfall within the BCLAs increasing significantly.
- 3.13 Through the January 2025 Statement of Common Ground (SST/ED12), South Staffordshire District Council is obliged to consider whether further opportunities to contribute to the significant employment land need in the Black Country should be tested through a review of their Local Plan, in light of the updated November 2024 Black Country EDNA evidence.

Employment land position within the FEMA

- 3.14 The South Staffordshire EDNA 2024 states that the FEMA for South Staffordshire comprises South Staffordshire, Cannock Chase, and Stafford, as well as three of the four Black Country local authorities (‘BCLAs’) of Wolverhampton, Dudley, and Walsall, with Sandwell excluded.
- 3.15 However, the Statement of Common Ground between South Staffordshire District Council and Sandwell Metropolitan Borough Council (July 2024) contradicts this by noting the following:

“SSDC and SMBC both sit within the South Staffordshire functional economic market area (FEMA). SMBC is also within the Black Country FEMA and SSDC is identified as being outside of the Black Country FEMA but still having strong economic links to it despite this. There is therefore clearly a strong functional link between SMBC and SSDC on employment matters.” (paragraph 11, emphasis added).

3.16 Table 3.2 below identifies the demand / supply balance of employment land needs across all of the constituent authorities within South Staffordshire’s FEMA, showing the position with and without Sandwell included.

3.17 Given there is no identified shortfall or surplus in Stafford, and the 10 ha shortfall in Cannock Chase will be met through 10 ha of provision at WMI, any surplus within South Staffordshire could be used to help to address the shortfall in employment land across the BCLAs.

Table 3.2 Demand / supply balance for local planning authorities within South Staffordshire’s FEMA (ha)

	OAN	Internal Supply (including past completions and windfall sites)	Demand / Supply Balance	Source
South Staffordshire	62.4	107.6 ¹¹	45.2	South Staffordshire EDNA update (2024) / South Staffordshire Publication Plan 2024
Cannock Chase	n/a	n/a	-10	South Staffordshire Publication Plan (2024)
Stafford	n/a	n/a	No identified shortfall	South Staffordshire Publication Plan (2024)
Black Country excluding Sandwell	405.2	272.5	-132.7	Black Country EDNA update (2024) / Lichfields analysis
Black Country including Sandwell	634.7	377.4	-257.4	Black Country EDNA update (2024) / Lichfields analysis

Source: Lichfields analysis

3.18 As noted above, the employment land surplus of 45.2 ha outlined in the South Staffordshire PP 2024 is identified as being available to meet the outstanding employment land need across all of the BCLAs, not just across those authorities which lie within South Staffordshire’s FEMA. This is also reaffirmed within Duty to Cooperate document DC5.

3.19 If the FEMA is defined to exclude Sandwell, there is still assessed to be a shortfall of 59.4 ha across the FEMA when accounting for external supply from South Staffordshire and Shropshire as illustrated in Table 3.1 above¹². If the FEMA is defined to include Sandwell, as per the Statement of Common Ground noted above, this shortfall rises to the full 115.2ha.

¹¹ This includes the 90.0 ha of supply identified in the South Staffordshire EDNA 2024 as well as the 17.6 ha from the strategic employment site at M6 Junction 13 within the South Staffordshire Publication Plan 2024.

¹² This figure is indicative. It has been calculated by apportioning the available supply of 30 ha from Shropshire (albeit for which the Local Plan is now in the process of being withdrawn), 67 ha from WMI, and 45.2 ha identified within the Black Country ENDA

2024 between the four BCLAs based on their share of the total identified shortfall of employment land across the whole Black Country within the Black Country EDNA 2024.

4.0 Implications of the West Midlands Strategic Employment Sites Study

- 4.1 This section considers the implications of the West Midlands Strategic Employment Sites Study ('WMSESS'), published in August 2024, for the South Staffordshire PP 2024.

Overview

- 4.2 The WMSESS provides the latest employment needs evidence for strategic employment sites specifically the need for large scale logistics and manufacturing employment sites. This study was commissioned by the West Midlands study area local planning authorities and the West Midlands Combined Authority. Footnote 4 on pg 25 of the report confirms that South Staffordshire Council was part of the commissioning group.
- 4.3 Strategic sites are defined in the study to be for manufacturing and logistics uses, being broadly recognised as above 100,000 sqft or 9,300 sq.m. Additionally, the study outlines that strategic sites should typically be a minimum of 25 hectares to support infrastructure and power investment. Smaller sites pose challenges in achieving biodiversity net gain, integrating blue and green infrastructure, reaching critical mass, and managing plot ratios, which currently range from 25% to 35% according to the study. This is also the threshold used in previous West Midlands Strategic Employment Sites 2015 and 2021 and the study states that it remains a relevant threshold for strategic sites.
- 4.4 The study emphasises that *"sites of 50-60 ha are preferable,"* as larger sites allow for a mix of smaller and larger units. Furthermore, location is a key factor, with the study stating that:
- "being adjacent to the strategic road network is a fundamental requirement—especially with access to multiple strategic road networks, as logistics occupiers require trip reliability and optionality."*

Market position

- 4.5 The WMSESS in Chapter 4 outlines the market dynamics of the manufacturing and logistics commercial market in West Midlands focused on strategic units of 9,300 sq.m and above. This is presented through 2023 CoStar data and data provided by Knight Frank. It is highlighted that the market experienced exceptional demand for logistics premises between 2020 and 2022, driven by the COVID-19 pandemic and the rise of e-commerce. However, by 2023, this demand had moderated due to factors such as the war in Ukraine, high inflation, and global economic headwinds.
- 4.6 Despite the moderation, the study notes that the market is expected to continue benefiting from the structural shift towards e-commerce and emerging industries such as green energy. Vacancy rates for large units have remained sub-optimally low since 2014, putting pressure on rents and land values, and reducing options for business growth and foreign investment.
- 4.7 The study highlights that South Staffordshire is part of the wider Staffordshire market area discussed in Chapter 4. CoStar describes Shropshire and Staffordshire as an important industrial market and a strategic location for logistics operators, serving the Birmingham

and Manchester conurbations. Retailers and online players have major distribution and fulfilment centres located here. The industrial sector in Shropshire and Staffordshire has proven resilient, driven by the growth of online retailers and third-party logistics providers.

Demand position

- 4.8 The WMSESS assesses demand for strategic sites over the plan period 2022 to 2045, a 23-forecast period. Three scenarios are assessed in the study this include:
- 1 **Traffic Growth & Replacement Demand Model:** Produced by consultancy MDS Transmodal (MDST) the MDS Transmodal Traffic Growth and Replacement Demand (MDST) model forecasts the need for logistics land by considering two main factors: the need to replace functionally or physically obsolete warehouses, and the additional demand generated by economic and population growth. The central scenario¹³ of this model projects a total land requirement (including roads and railways) of 3,980 hectares for the period 2022-2045.
 - 2 **Completions Trends:** Analyses historical completion rates of strategic units provided by the local authorities monitoring data of units 9,000 sq.m and above from monitoring years 2011/12 to 2021/22. This model indicates a total land requirement of 2,351 hectares for the period 2022-2045. The report considers that this model could underestimate future needs given the limited historical supply.
 - 3 **Net Absorption Trends:** Using CoStar data for net absorption two different periods are assessed the 2011-19 and 2011-22 periods representing the trend in year-on-year growth. The scenario identifies 2,062 ha of need for industrial and warehousing under the average net absorption rate of 2011-19 and 2,184 ha using the average net absorption rate of 2011-2022. The study highlights that the difference in the two periods of analysis are not significant.
- 4.9 It should be noted that across all scenarios a plot ratio of 0.35 has been utilised based on previous research in Warehousing and Logistics in Leicester and Leicestershire and based on feedback by stakeholders on warehousing and logistics plot ratios. Later in the study, once adjustments are made and gross requirements are turned to net requirements, the forecasted need is assessed as either road need and rail need, whereby road need uses a plot ratio of 0.35 and rail need of 0.25. The road to rail split is based on the MDST model which assumes demand for 81% road and 19% rail.
- 4.10 Chapter 10 of the study highlights a number of sensitivity analysis and adjustments made to the need scenarios. This includes:
- a **Suppressed Demand:** Sensitivity tests at 5% and 8% availability rates were conducted, showing additional demand of 446 ha and 2,099 ha, respectively. The 5% scenario was ruled out as it falls below the need identified in the completion scenario, while the 8% scenario was dismissed as the study states this likely overestimates the actual strategic sector requirement—particularly when considering the temporary surge in demand driven by the pandemic. However, our view is that longer-term structural shifts—such as e-commerce growth, supply

¹³ The central scenario assumes a 30-year lifecycle for the replacement of large manufacturing space. A high-replacement scenario was tested with a 20-year lifecycle, while a low-replacement scenario considered a 40-year lifecycle. Based on CoStar data on stock age, the study concluded that the central scenario offered the most balanced approach moving forward.

chain resilience, and inventory strategies—would justify a higher baseline demand projection.

- b **Safety Margin:** A flexibility margin of ~1.8 million sq.m (5 years of completions) was included to account for development delays.
- c **Manufacturing Demand Adjustment:** A 30% increase was applied to warehouse demand forecasts to reflect manufacturing space needs, based on West Midlands' industry mix.
- d **Strategic Units on Non-Strategic Sites:** A 35% reduction was applied to strategic space forecasts, recognizing that some large units are built on smaller sites.
- e **Small Units on Strategic Sites:** A 10% increase was applied to account for smaller units within strategic sites, based on case study analysis.
- f **Brownfield Recycling:** A 20% adjustment was made to replacement demand to reflect brownfield site reuse, reducing the net land requirement to 860 ha.

4.11 Accounting for the above adjustments to the preferred needs scenario, the gross requirements of 3,080 ha-3,354 ha are netted down to the range of 1,920-2,282 ha of which the completions trend models sets a minimum requirement and the MDST Central scenario is at the upper end of the range. Of this total, the road need is identified as **1,555-1,848 ha** and the rail need as **365-433 ha** over the study period.

Supply position

4.12 The study assesses the supply of strategic sites (+25 ha) comprised of sites with planning permission and allocations. Table 6.1 of the study sets out the number of sites and supply by local authority from April 2022 based on local authority monitoring data. In total table 6.1 identifies 30 sites across the West Midlands and a total supply of 1,305 ha. Of this, 381.6 ha of supply is identified in South Staffordshire across four strategic sites:

- West Midlands Interchange (WMI);
- ROF Feathersone;
- i54 Extension; and
- a fourth site which is not specifically identified in the study.

4.13 The study also does not provide a supply position on a site-by-site basis, however according to the South Staffordshire Publication Plan 2024 (Reg 19)¹⁴ there is approx. 297 ha of employment land at WMI – albeit, as noted in section 2.0, the developable land area is actually 193ha – 26 ha at ROF Featherstone and 40 ha in the i54 Extension. The fourth site is likely to be the existing i54 allocation at Wobaston Road, inferred from Figure 12.3 of the study, where two manufacturing strategic commitments – one identified as the i54 Extension – are positioned adjacent to each other. This would contribute another 4.8ha based on the Publication Plan 2024 on available land for employment.

¹⁴ [Publication Plan \(2024\) Regulation 19](#)

Supply and demand balance

- 4.14 The WMSESS highlights in Chapter 10 Table 10.8 the supply and demand balance for the West Midlands, which is replicated in Table 4.1 below. This highlights that there is 548-841 ha shortfall across the West Midlands for road strategic sites and 67-135 ha shortfall for rail strategic sites.

Table 4.1 Supply-Demand Balance for West Midlands Strategic Sites

	MDST	Completions
Forecasted Need 2022-45 with adjustments and margin	3,354	3,080
Strategic sites adjustment (-25%)	2,516	2,310
Brownfield recycling adjustment	2,282	1,920
Adjusted Road Need	1,848	1,555
Adjusted Rail Need	433	365
Commitments	1,305	
Road Shortfall	841	548
Rail Shortfall	135	67
Shortfall (ha)	977	615

Source: Icen analysis

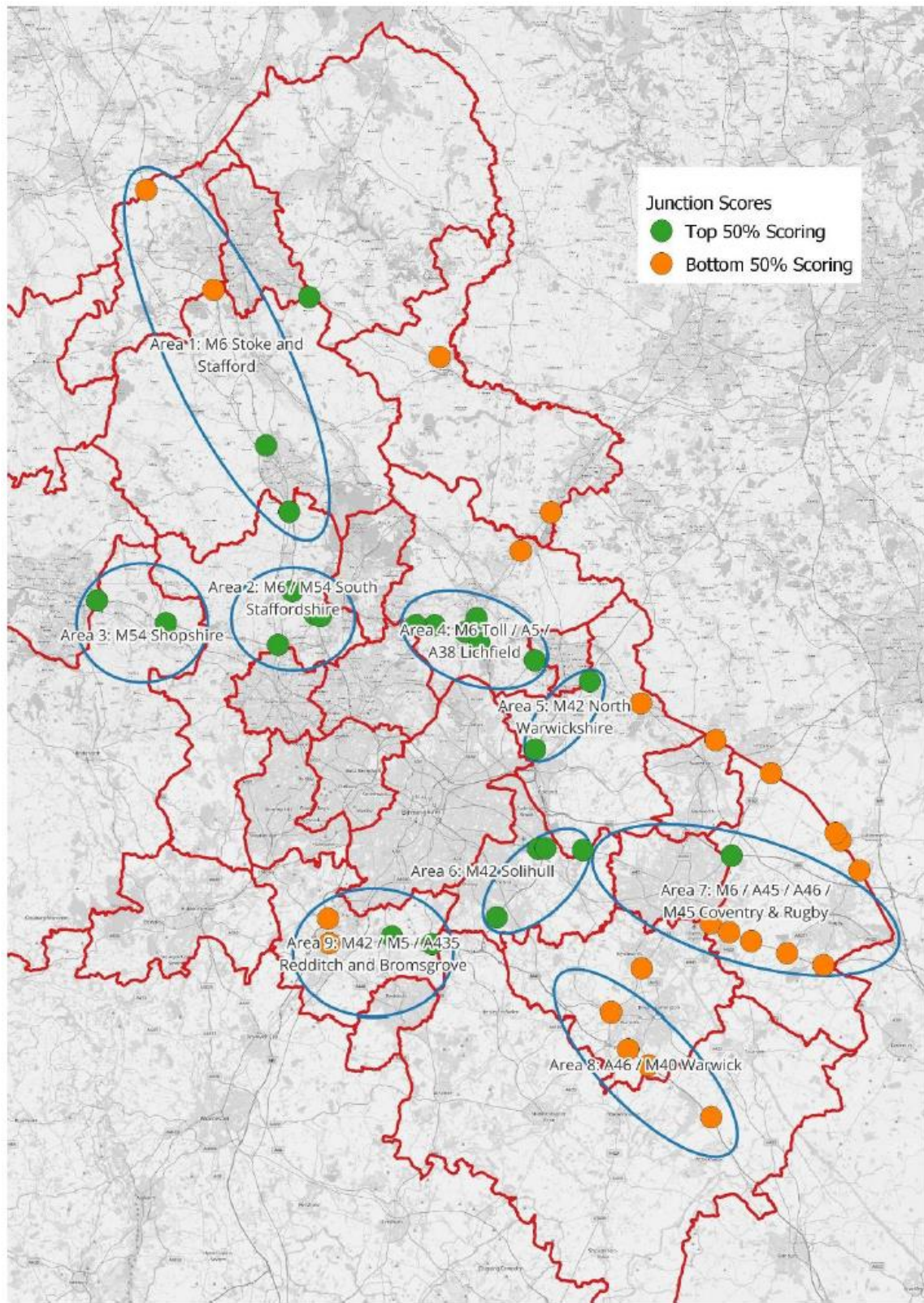
- 4.15 The study then goes on to state that given the shortfall, and the minimum size site of 25 ha, to meet the road shortfall of 548-841 ha it would be require an equivalent of 22-34 sites of this size. However, the study goes on to state that a site of 50 ha and upwards for a strategic site is more viable in terms of infrastructure investment. This would result in a range of 11-17 strategic sites to meet road requirements across the West Midlands.
- 4.16 The study then caveats that some sites delivered will be below the 25 ha minimum threshold such as extensions to existing strategic sites and a number of sites will be larger. It is then stated that ideally at least half of the future strategic sites (6-9) will be in the upper end of the scale (i.e. 50ha+), of which the study states based on an analysis of site testing an average size for a strategic site is around 80ha.
- 4.17 As such the study concludes that a **minimum of at least 11 new strategic sites need to be planned for across the West Midlands, in addition to the current supply pipeline.**
- 4.18 Around 30% of road-based need will be required for manufacturing uses, and 70% for logistics, based on ratios of stock, take up and market factors assessed in the study. As such for the total road-based need of 1,555-1,848 ha this indicates broadly:
- A manufacturing need of around 500-600 ha;
 - General B class need including logistics of 1,100-1,300 ha.
- 4.19 The study states that dedicated strategic manufacturing sites provide a total committed supply of 418 ha, including 44.8 ha from the i54 Extension in South Staffordshire. This committed supply is expected to help meet part of the 500–600 ha demand for manufacturing-related road space. However, the study also notes that there is “*potential for an additional 200 ha of manufacturing space growth over the next 20 years*”.

- 4.20 Furthermore, the study highlights that the majority of current manufacturing supply is concentrated in Coventry and Warwickshire, with limited availability north of Birmingham in Staffordshire, aside from the i54 Extension. The study emphasises the strategic importance of i54 and reinforces the case for “*policy support on support for manufacturing north of Birmingham to drive regeneration*”. This underscores the need for additional strategic manufacturing land allocations in South Staffordshire.
- 4.21 The study states that for mixed sites including for logistics “*there appears to be a considerable shortfall in space following several years of high demand.*” The study highlights that around half of the existing stock is concentrated in Coventry and Warwickshire, particularly at Coventry Gateway and Symmetry Park Rugby. It concludes that the current supply for mixed-use logistics sites is likely to last less than a decade, potentially as little as five years at the regional level. However, this supply is not evenly distributed, reinforcing the need for additional strategic sites to meet future demand.

Opportunity areas for new road-based strategic sites

- 4.22 As a result of the identified shortfall in road-based and rail-based strategic sites across the West Midlands, the study assesses the potential locations for accommodating future strategic sites. The study defines Opportunity Areas (OAs) using an approach that combines road transport corridors, and, in the case of rail OAs, rail corridors based on established criteria. The study identifies 9 road-based OAs based on strategic highway network routes, locations contain in main market areas, reasonable access to labour around urban areas and reflects the junction assessment (Figure 4.1).
- 4.23 The study states that these OA are considered to provide a guide on the optimum locations for future strategic employment sites. Land at Gailey Lea Farm sits within the OA2: M6/M54 South Staffordshire and Black Country. This is the only OA in South Staffordshire and the Black Country identified in the study.
- 4.24 For the road-based opportunity areas a junction assessment is undertaken whereby junctions across the West Midlands were assessed by their junction capacity, public transport labour accessibility and car labour accessibility to assess which junctions could best support new strategic sites. The M6 J12, proximate to Gailey Lea, is highlighted in the study as one of the top 50% scoring junctions.
- 4.25 It is also noted that OA1 comprises of a small section of South Staffordshire which includes M6 J13, which ranks among the top 50% of highest-scoring junctions. While the study does not identify any commitments adjacent to this junction, as illustrated in Figure 2.2, the South Staffordshire PP 2024 allocates land adjacent to M6 Junction 13, Dunston. This site is proposed for a strategic allocation of 17.6 hectares for E(g), B2, and B8 uses, helping to meet demand near a high-performing junction.

Figure 4.1 WMSESS Road Opportunity Areas

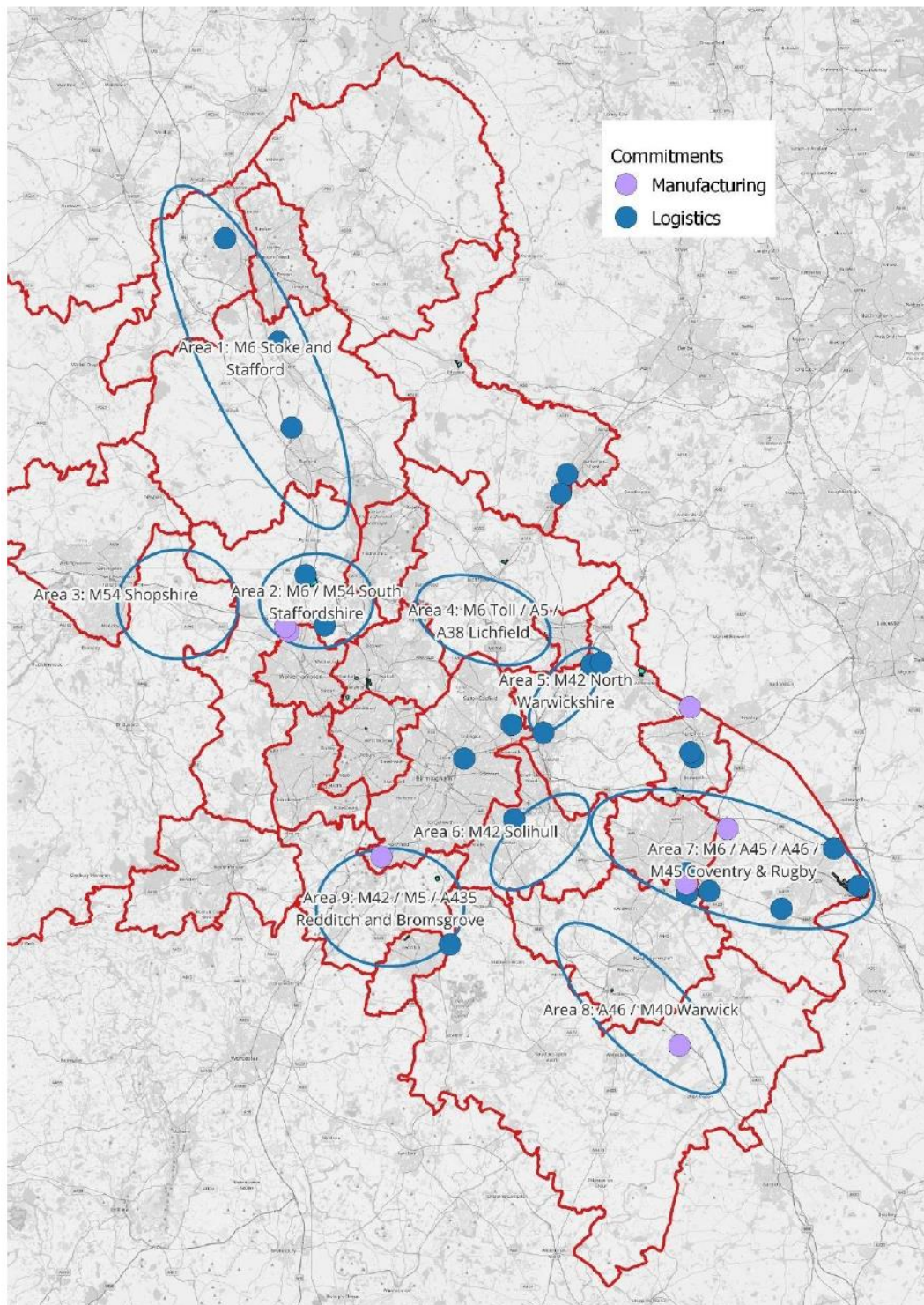


Source: Figure 12.2, WMSESS

4.26

Figure 4.2 highlights the existing supply commitment within the OAs. Within OA2, there are four strategic sites identified, this includes two manufacturing commitments which includes i54 extension and i54 allocation, the two logistic commitments relating to WMI and ROF Featherstone strategic sites.

Figure 4.2 Supply Commitments within the Opportunity Areas



Source: Figure 12.3, WMSESS

- 4.27 The study identifies that, despite the existing commitments in OA2, there remains a need for one additional strategic site for B8/mixed-use development and one for manufacturing to meet road-related requirements. Specifically, it highlights that the current supply commitments in OA2 will be insufficient to meet B8/mixed-use demand during the second half of the plan period (post-10 years), as summarised in Figure 4.3 below:

Figure 4.3 Indicative Site Distribution by Opportunity Area (Ha)

	Notional supply – years (hatched areas = current committed supply)				Market rank	Indicative phasing	Indicative additional strategic site requirement at B8/mixed c.50ha – E(g)/ B2 c.25ha	Narrative – market rank / performance, scale (no. LPA), site supply, SRFIs, Green Belt
Opportunity Area	Type	0-5	5-10	10-15	15-20			
Area 1: M6 Stoke and Stafford	B8/ Mixed					B	C	2
	E(g)/ B2						B	0-1
Area 2: M6 / M54 South Staffordshire and Black Country	B8/ Mixed (road)					B	D	1
	E(g)/ B2						D	1

Source: Table 1.2, WMSESS

- 4.28 The study also emphasises that OA2 is a key employment hub in the West Midlands, home to numerous long-established national and regional businesses. However, much of the existing stock is aging and no longer meets modern logistics and manufacturing requirements. The i54 development has helped introduce newer stock, but looking ahead to 2045, the study concludes that: “*the opportunity area is expected to require additional sites to meet both manufacturing and logistics need*”.
- 4.29 In total, the study identifies 10–16 strategic sites for B8/mixed-use, estimated to provide 500–800 ha of additional strategic supply to address the B8 road-related shortfall. Additionally, 3–7 strategic sites have been identified to meet E(g)/B2 (manufacturing) needs, providing approximately 75–175 ha to help meet the manufacturing road-based shortfall. The study assumes a strategic site size of 50 ha for B8/mixed-use and 25 ha for E(g)/B2 uses.
- 4.30 As a result, OA2 is recommended to provide a total additional supply of 75 ha of strategic road-based employment, this comprises of one strategic site of 50 ha for B8/Mixed uses and one strategic site of 25 ha for B2/E(g) to meet road-based requirements. OA2 is located mainly within South Staffordshire, and as a result, it is clear that there is a requirement for 75 ha road-based strategic land supply within South Staffordshire during the second half of the plan period (post-10 years).

Summary

- 4.31 Our review of the WMSESS evidence finds :
- The West Midlands industrial and logistics market remains strong despite post-pandemic demand stabilisation. Structural shifts, including e-commerce growth

and green energy, continue to drive demand. Low vacancy rates since 2014 have increased rents, land values, and business constraints due to limited supply.

- b The demand position highlights a significant need for land for strategic employment sites in the West Midlands over the period 2022-2045, with a shortfall of between 548 and 841 hectares for strategic road sites and between 67 and 135 hectares for strategic rail sites. This underlines the need to identify and allocate new sites to meet this demand.
- c Gailey Lea Farm is located within OA2 (M6/M54 South Staffordshire & Black Country), which is formally recognised for strategic employment growth, reinforcing its suitability for development. The M6 J12 Junction, adjacent to Gailey Lea Farm, ranks among the top 50% of high-scoring road links, demonstrating its strong potential for supporting new strategic employment sites.
- d Existing commitments in OA2, such as WMI, i54 extension and ROF Featherstone, are insufficient to meet future B8/mixed-use and manufacturing demand within OA2, particularly in the second half of the plan period (post-10 years). Gailey Lea Farm is well-positioned to address this shortfall.
- e Further, much of the industrial stock in OA2 is aging and no longer meets modern logistics and manufacturing standards, reinforcing the need for new, high-quality employment space.
- f OA2 is recommended by the study to provide two strategic sites, estimated to be equivalent to 75 hectares of strategic road-based employment land — 50 hectares for B8 mixed-use and 25 hectares for B2/E(g) use.

5.0 Conclusions

- 5.1 This report provides a review of the employment land needs evidence relevant to determining the employment development needs and requirements to be provided within the South Staffordshire Local Plan Review, and to consider whether these have been adequately addressed within the PP 2024. Our conclusions are set out below.
- 5.2 At the **district level**, the South Staffordshire EDNA has a number of technical deficiencies and inconsistencies which mean that it does not provide a robust assessment of the internally-derived needs within South Staffordshire. These deficiencies have been previously identified by Lichfields on behalf of Richborough in earlier consultation stages, but have not been adequately addressed. In particular, we highlight the reliance on employment forecasts that are more than three years old and the attempt to apportion some of the WMI supply to South Staffordshire in a way that is inconsistent with the approach adopted by the Black Country Local Authorities as just two examples. The effect of these deficiencies is to understate the actual internally-derived need position, and to overstate the contribution of WMI to meeting South Staffordshire's internally-derived needs by at least 13.8 ha. The internally-derived employment land requirement for South Staffordshire is therefore significantly higher than is currently being planned for.
- 5.3 Looking at the wider **Functional Economic Market Area (FEMA) level**, between the updates to the BCLA EDNA in 2023 and 2024, there has been a nearly 20% increase in the OAN for employment land which now stands at 634.7 ha. Even when factoring in the various elements of assumed external supply – such as the contribution of sites in South Staffordshire and Shropshire (for which the Local Plan is now recommended to be withdrawn) – there remains a shortfall of at least 115.2ha against the OAN.
- 5.4 Accordingly, we do not consider that the Council is making a proportionate contribution to the unmet needs in the BCLAs. The combination of underestimating the internally-derived demand for employment land within the district and overstating the supply available to meet the District's needs at the WMI development, the 45.2 ha surplus that the South Staffordshire PP 2024 reports as being available to meet the needs of the BCLAs is overstated and the true surplus is smaller. Even if the 45.2 ha of land from South Staffordshire were to be accepted, the more recent evidence points to a significantly greater shortfall across the Black Country FEMA. If the FEMA is defined to exclude Sandwell, there is assessed to be a shortfall of 59.4 ha across the FEMA when accounting for external supply from South Staffordshire and Shropshire. If the FEMA is defined to include Sandwell, as per the Statement of Common Ground agreed with between South Staffordshire and Sandwell Metropolitan Borough Council, this shortfall rises to the full 115.2ha.
- 5.5 At the **regional level**, the West Midlands Strategic Employment Sites Study (WMSESS), published in August 2024, provides significant new evidence on the requirements for strategic employment land provision to meet manufacturing and logistics needs on sites of at least 25ha (and ideally larger). South Staffordshire is located within Opportunity Area 2 which is identified as having a requirement for two road-based strategic sites in addition to the WMI, estimated to be equivalent to 75 hectares of strategic road-based employment land – 50 hectares for B8 mixed-use and 25 hectares for B2/E(g) use. More specifically, M6 Junction 12 is highlighted in the study as one of the top 50% scoring junctions.

- 5.6 Taken together, it is clear that in terms of its underestimate of internally-derived needs, the increase in the level of unmet needs now arising from the Black Country FEMA identified by the updated evidence, and the pressing need for additional road-based strategic employment sites in optimal locations such as M6 Junction 12 set out in the WMSESS, that the South Staffordshire PP 2024 is not making sufficient provision for employment land. In this context, the promoted land at Gailey Lea Farm is ideally suited in terms of scale, type and location to satisfy the additional needs that have been identified.