

South Staffordshire Local Plan

Matters, Issues and Questions Response – Savills on behalf Indurent Strategic Land Ltd and J&M Holt (11-04-25)

(Please note that Regulation 19 representation were made on behalf of St Modwen Strategic Land Limited and J&M Holt. St. Modwen Strategic Land Limited has now become Indurent Strategic Land Ltd)

Matter 2: Duty to Co-operate

Issue 1 – Whether the Council has complied with the Duty to Cooperate in the preparation of the Plan.

Please find attached the representations made by Indurent Strategic Land Ltd (herein 'Indurent') and J&M Holt at Regulation 19 relating to cross boundary issues and duty to cooperate (Paragraphs 3.6 – 3.7). The following comments update or expand on points raised in those representations.

Question 1 – Have all the genuinely strategic matters requiring cross boundary co-operation been identified?

We do not consider that all genuinely strategic matters requiring cross boundary co-operation have been identified.

Employment land provision is a key strategic matter which requires cross boundary co-operation between local planning authorities due to South Staffordshire District Council's (SSDC) strong locational connections to the wider West Midlands. It is positive to see that SSDC have acknowledged this and produced a South Staffordshire Functional Economic Market Area (SSFEMA) Statement of Common Ground (SoCG) August 2024. The SSFEMA has been signed by all members of the FEMA (Cannock Chase District Council, Dudley Metropolitan Borough Council, Sandwell Metropolitan Borough Council, City of Wolverhampton Council, Walsall Metropolitan Borough Council, Stafford Borough Council and SSDC).

However, in their Regulation 19 responses, most of the Local Planning Authorities (LPA's) consider the Duty to Cooperate has been met despite not having agreed how the shortfall of employment and residential land should be distributed. No agreement is in place to proportion the significant shortfall across the HMA and the FEMA and without a Memorandum of Understanding in place, South Staffordshire District Council ('SSDC') has not sufficiently evidenced how their contribution is proportionate and how it will help address the shortfall.

Question 2 – Have the neighbouring authorities and prescribed bodies the Council is under a legal duty to co-operate with been correctly identified?

The local authorities in the SSFEMA have been included in the Duty to Cooperate discussions carried out by SSDC. While Sandwell is referred to as a "local planning authorities outside of the South Staffordshire FEMA" (page 3 of the SSFEMA), its inclusion in the SoCG is welcomed.

Question 3 – Has any neighbouring authority or prescribed body indicated that the duty to cooperate has not been complied with in relation to any strategic matter? If so, what was the councils response?

As set out in our Regulation 19 representation priority should be to seek agreement to the SSFEMA SoCG by all of the relevant local planning authorities, to provide certainty in relation to both employment and housing requirements for the plan period.

However, while the FEMA authorities have signed up to a SoCG it is highlighted that some of the figures set out in the SSFEMA have been superseded by those in the Black Country (BC) FEMA of March 2025. The BCFEMA now sets out that the "*employment land shortfall identified by the Black Country authorities has altered in its exact amount, but remains significant at around 280ha to 2042 in 2024*" (paragraph 3.2). This is a significant increase from the shortfall range of 153-231ha set out in the

SSFEMA. This increased need by the Black Country should be referenced in the SSFEMA and fully reviewed as part of the Local Plan process.

Question 6 – Who has the Council engaged with in terms of overall employment land provision and what form has this taken?

We have no specific comments to make.

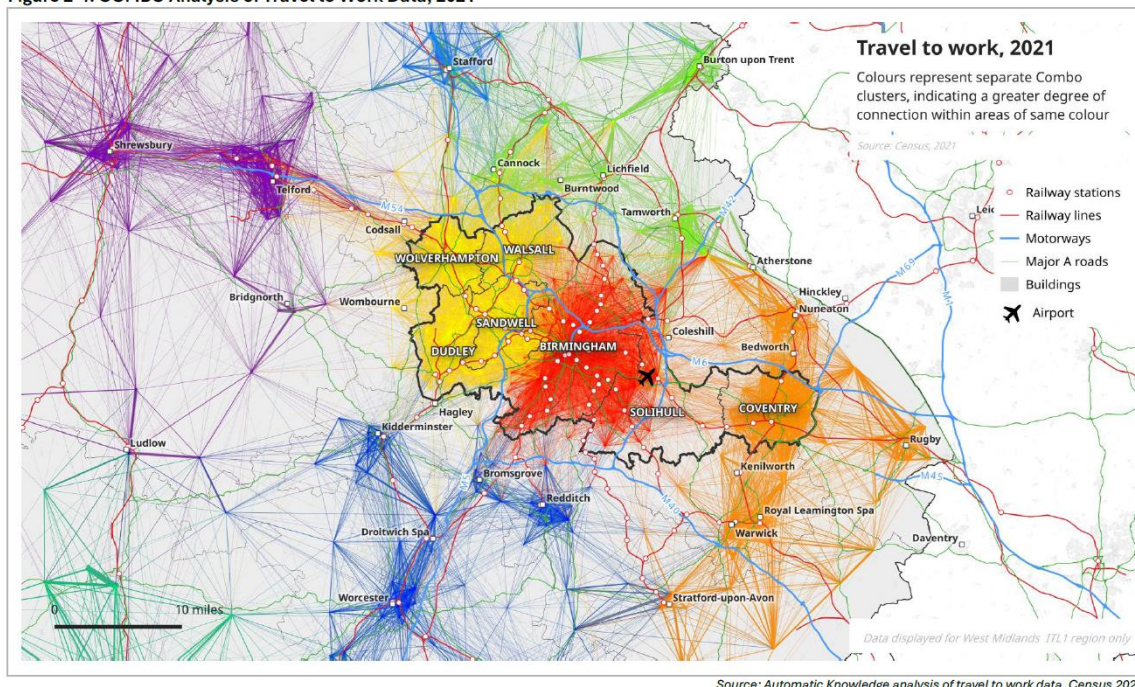
Question 7 – In terms of migration, commuting and travel to work areas:

- a. What are the inter-relationships with neighbouring authority areas?
- b. How have these been taken into account in preparing the Local Plan?

There is expected to be both out-commuting and in-commuting in relation to travel to work patterns for SSDC. This includes commuting to and from the Black Country and surrounding authorities, including Stafford.

This is evidenced in the document entitled “West Midlands Futures: Economic Geographies of the West Midlands” produced by West Midlands Combined Authority which sets out that in respect of its analysis of Travel to Work data from the 2021 Census data that areas within South Staffordshire, Stafford and the Black Country are shown within the same “combo area”. Such areas are coloured as to indicate a greater degree of connection, as shown below:

Figure 2-4: COMBO Analysis of Travel to Work Data, 2021



In relation to the proposed allocation of Land at M6 Junction 13 for employment (Policy SA5 ref. E30), it is anticipated that a significant number of staff will reside within Stafford Borough.

The likely travel patterns associated with staff have been forecast within the Transport Assessment accompanying the current outline planning application (ref. 23/01080/OUTMEI) for industrial and logistics development that is with SSDC for determination. The forecast utilises Census data, and is accounted for in the assessment of the highway network. This work has been prepared in consultation with Staffordshire County Council Highways and National Highways.

The Transport Assessment for the junction 13 application concludes at paragraph 7.1.3 that there is no evidence that there will be any capacity issues on the highway network as the result of proposed development and that no mitigation is required at any junction as a consequence of the proposed development.

Question 8 – Are the co-operation activities and outcomes sufficiently evidenced? Have all relevant signed and dated Statements of Common Ground been provided, consistent with the requirements of the National Planning Policy Framework and the associated Planning Practice Guidance? If not, why?

The SSFEMA SoCG has been signed by all relevant parties. However, the SoCG needs to be updated to reflect the latest position on employment land shortfall from the Black Country authorities.

Regulation 19 Consultation Response

Part B – Please use a separate sheet for each representation

Name or Organisation:

3. To which part of the Local Plan does this representation relate?

Paragraph	Chapter 3 – What does the Local Plan need to consider?	Policy		Policies Map	
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4. Do you consider the Local Plan is :

(1) Legally compliant	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
(2) Sound	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
(3) Complies with the Duty to co-operate	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Please tick as appropriate

5. Please give details of why you consider the Local Plan is not legally compliant or is unsound or fails to comply with the duty to co-operate. Please be as precise as possible.

If you wish to support the legal compliance or soundness of the Local Plan or its compliance with the duty to co-operate, please also use this box to set out your comments.

Cross Boundary Issues and Duty to Cooperate (Paragraphs 3.6 – 3.7)

In paragraphs 3.6 – 3.7 reference is made to South Staffordshire District Council's (SSDC) legal duty to cooperate with neighbouring authorities and other prescribed bodies on strategic matters that cross administrative boundaries. In relation to the provision of employment land, cooperation between the local authorities, which form the South Staffordshire Functional Economic Market Area (FEMA), is essential to ensuring an appropriate supply of land to address future needs.

The South Staffordshire Economic Development Needs Assessment 2024 (EDNA) (paragraph 3.5), identifies the South Staffordshire FEMA as including Cannock, Stafford, Walsall, Wolverhampton and Dudley. As set out in the Savills Industrial and Needs Assessment (February 2024, page 6) (Appendix 1) we continue to recommend that Sandwell is also included when assessing the needs of the FEMA and the Property Market Area (PMA) for South Staffordshire. This is because Sandwell is located on the M5 / M6 corridor, as are the key employment locations in South Staffordshire. Moreover, SSDC's Duty to Cooperate Topic Paper April 2024 (paragraph 5.14) also refers to the requirement for the District to meet a portion of the Black Country's unmet employment land need. The Black Country is comprised of Walsall, Wolverhampton, Dudley, and Sandwell.

Paragraph 5.16 of the South Staffordshire Duty To Cooperate (DtC) Topic Paper states that, following the suspension of the Black Country Plan in late 2022, SSDC has prepared a Statement of Common Ground (SoCG) across its own FEMA and the four Black Country local authorities.

We support the Council's commitment to plan positively across administrative boundaries, particularly in light of constraints (such as Green Belt) impacting delivery of strategic employment sites within the FEMA. We recommend that the priority is to seek an agreement to the SoCG by all of the relevant local planning authorities, to provide certainty in relation to both employment and housing requirements for the plan period. This will help ensure that the plan is positively and effectively prepared National Planning Policy Framework 'NPPF' paragraph 35(a and c)).

It is understood that the next iteration of the West Midlands Strategic Employment Site Study (WMSESS) will be published shortly, which will be a key evidence base document in relation to the distribution, scale and delivery of key strategic employment locations in the region. It is understood that this will be signed by the participating authorities (which will include all of those within the South Staffordshire FEMA and the Black Country) and as such we suggest that the SOCG is updated to reflect the outcome of the WMSESS once published.

Evidence Base (Paragraphs 3.8-3.9)

Economic Development Needs Assessment (EDNA 2024) Update

The Economic Development Needs Assessment (EDNA 2024) updates the evidence previously published in the EDNA 2022 by presenting a position on the employment requirements of South Staffordshire District through to 2041. We support the Council's decision to review the EDNA, including to account for the plan period to 2041. However, we continue to maintain our objection to the methodology used, and consider that the employment need identified in the Publication Plan is still underestimated.

Our position in relation to the Council's EDNA is set out in detail in the Savills Industrial and Logistics (I&L) Needs Assessment – Addendum Note (May 2024) (Appendix 2) and the Savills Industrial and Logistics Needs Assessment (February 2024) (Appendix 1) accompanying these representations. Read together, these reports replace our I&L needs assessment submitted to the Regulation 19 consultation in December 2022.

It is noted that the same methodology from the 2022 EDNA has been used by SSDC. South Staffordshire's future employment land needs are based on a labour demand Growth Scenario. A margin of flexibility has been applied based on 5 years' worth of completions in each of the sectors.

As explained within the Savills Industrial and Logistics (I&L) Needs Assessment – Addendum Note (May 2024) (Appendix 2) paragraph 5.1.2 the SSDC Updated EDNA has limited regard to current day market drivers which we consider has led to an underestimation of 'true' market demand for I&L uses in South Staffordshire. The EDNA Update's demand estimates have limited regard to market signals directly as required by Paragraph 31 of the National Planning Policy Framework ('NPPF'):

'The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals'.

Paragraph 2.3.10 of the Addendum Note (Appendix 2) also highlights that the EDNA update has taken no account of demand that has been lost due to supply constraints and therefore represents a demand profile based on a supply-constrained historic trend (or 'suppressed demand'). Other current and future growth drivers not accounted for in the labour demand method includes the growth in online retailing, E-Commerce spending and growth in UK Freight.

Savills has developed a methodology which addresses these methodological deficiencies and accounts for suppressed demand, as detailed in Section 8 of the Industrial and Logistics Need Assessment February 2024 (Appendix 1).

In summary, Savills has developed a future demand methodology which addresses the flaws of the historic take up rate and labour demand methodologies used in the EDNAs of the South Staffordshire FEMA. The Savills methodology is compliant with the requirements of the Planning Practice Guidance ('PPG') as it:

- Analyses 'market signals, including trends in take up and the availability of logistics land and floorspace across the relevant market geographies'. If a market is identified as being supply constrained (i.e. demand exceeds supply) such as South Staffordshire, the Savills model supplements the historic demand profile accounting for suppressed demand (i.e. demand lost due to historic supply constraints; and
- Applies 'economic forecasts to identify potential changes in demand and anticipated growth in sectors likely to occupy logistics facilities, or which require support from the sector.' The Savills method quantifies how much I&L floorspace growth is linked to current and future e-commerce growth which is the major growth driver for the sector driving both demand for the supply-chain, and also the manufacturing of goods. On the other hand, the historic trend approach used in the South Staffordshire FEMA EDNA's has little regard to how the sector has changed nor current day and future growth drivers impacting the sector.

The Savills methodology represents industry best practice and has been endorsed by the British Property Federation, as set out in the Levelling Up – The Logic of Logistics' Report (BPF and Savills 2022). The BPF Industrial Board, who commissioned the report, consists of many of the major investors and thought leaders in the I&L sector, The United Kingdom Warehousing Association, industrial developers and the BPF itself. The report is also referenced in the DfT's 'Future of Freight Plan'. The Savills approach is more appropriate, and more accurately reflects true market demand, than the varying methodologies used by South Staffordshire and the other local authorities within the FEMA.

As set out in the NPPF, local plans should be prepared positively, in a way that is aspirational but deliverable (paragraph 16) and provide a strategy which, as a minimum, seeks to meet the area's objectively assessed needs (NPPF paragraph 35 (a)). As such it is important that the employment

evidence base provides a true representation of the future requirements of the area and does not under-forecast the employment need resulting in local plan policies which constrain supply.

Table 4: Economic Prosperity – Issues and Challenges

In Table 4 of the Publication Plan 2024 we welcome the identification of the first and second issues / challenges as follows:

- 1. Levels and types of growth needed to meet South Staffordshire's employment land needs and ensuring that local people have good access to a range of employment opportunities.*
- 2. Supporting the economies of adjoining areas and pressure to release land to meet a proportion of their unmet needs.*

It is key that SSDC identifies sufficient employment land necessary to address the future needs of the district and to reduce the out commuting by residents that is currently experienced. As such, we support the site at J13, M6 Stafford (E30) being included as an additional allocated employment site and consider that this is required to address SSDC's employment need. Figure 10.1 of the Savills Industrial and Logistics Needs Assessment (February 2024) (Appendix 1) presents the economic benefits expected to be generated from the J13, M6 Stafford. 90 on-site (gross) construction jobs are expected to be generated per annum over the estimated 50 year construction period and 880 on-site jobs (gross) are expected to be generated by the proposed development. For the operational jobs, it is estimated that 420 on-site and off-site jobs are expected to be generated for South Staffordshire residents.

Additionally, as explained in our response to the Duty to Cooperate section (paragraphs 3.3.6-3.7 of the Publication Plan 2024) it is agreed that SSDC should also be providing for unmet need in the FEMA and Black Country. It is understood that this will be supported by an agreed SoCG signed by all FEMA authorities which identifies and apportions the unmet employment need. It is also noted that the next stage of the West Midlands Strategic Employment Site Study (WMSESS) will be published soon which will be a key evidence base document in relation to the delivery of key employment sites in the region that will be signed by the participating authorities which will include all of those within the South Staffordshire FEMA and the Black Country. The proposed allocation also supports the Green Innovation Corridor, which has been proposed by the West Midlands Combined Authority, and this should be referenced within the Local Plan and evidence base..

To ensure that SSDC can provide for both its employment need and the need of the wider FEMA and Black Country, as set out in our response to Policies DS3 and DS4, it is recommended that a windfall employment policy is included in the plan to allow other employment sites to come forward if the market supports them. Such an approach has been applied effectively within other Local Authority areas (examples include North West Leicestershire and Wiltshire) and would ensure that the Plan is positively prepared and effective over the plan period.

As explained in the accompanying Savills (I&L) Needs Assessment – Addendum Note (May 2024) (Appendix 2) paragraph 1.2.4, even after reviewing the SSDC Updated EDNA 2024 and undertaking sensitivity testing against Savills' supply figures, we consider there to be a shortfall of between **15** and **63 ha** over the Plan period.

(Continue on a separate sheet /expand box if necessary)

6. Please set out the modification(s) you consider necessary to make the Local Plan legally compliant and sound, in respect of any legal compliance or soundness matters you have identified at 5 above. (Please note that non-compliance with the duty to co-operate is incapable of modification at examination). You will need to say why each modification will make the Local Plan legally compliant or sound. It will be helpful if you are able to put forward your suggested revised wording of any policy or text. Please be as precise as possible.

1. The priority should be to seek an agreement to the SoCG by all of the relevant local planning authorities, to provide certainty in relation to both employment and housing requirements for the plan period.
2. The issues and challenges for South Staffordshire are noted. It is maintained that the findings of the EDNA need to be reviewed to ensure that sufficient employment land is made available to address both the needs of SSDC and the wider FEMA and Black Country, and with sufficient flexibility to respond to changing markets and demand.
3. A windfall employment policy should be added to the Plan, to allow other employment sites to come forward if the market supports them. This should be in the form of a separate policy or additional wording to an existing policy. Please refer to our responses to Policy DS3 and EC3.

(Continue on a separate sheet /expand box if necessary)

Please note: In your representation you should provide succinctly all the evidence and supporting information necessary to support your representation and your suggested modification(s). You should not assume that you will have a further opportunity to make submissions.

After this stage, further submissions may only be made if invited by the Inspector, based on the matters and issues he or she identifies for examination.

7. If your representation is seeking a modification to the plan, do you consider it necessary to participate in examination hearing session(s)?

☐

No, I do not wish to participate in hearing session(s)

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Yes, I wish to participate in hearing session(s)

Please note that while this will provide an initial indication of your wish to participate in hearing session(s), you may be asked at a later point to confirm your request to participate.

8. If you wish to participate in the hearing session(s), please outline why you consider this to be necessary:

To provide further clarification and oral contributions to the Local Plan hearing sessions.