

Nurton Developments Ltd

Representations to the Wolverhampton Draft Regulation 19 Local Plan

Black Country Local Authorities Economic Development Needs Assessment Update – November 2024

Response to Question 3

Context

1. Nurton Developments Ltd (NDL) is a Birmingham based developer of industrial and warehouse premises and promoter of strategic development opportunities.
2. NDL is promoting a strategic employment site in the wider sub-region. This is Hilton Park at Junction 11, M6. This site is located in the District of South Staffordshire, which has a close economic relationship with Wolverhampton and the wider Black Country. The site will be able to deliver close to 2 million sqft of new industrial and warehouse floorspace and meets well the description of a strategic employment site as defined by the West Midlands Strategic Employment Site Study published in September 2024.
3. The introduction and justification to Policy EMP1 - Providing for Economic Growth and Jobs – refers to the need and supply of employment land to serve Wolverhampton, as evidenced by the Black Country EDNA Update of November 2024 (hereon referred to as the EDNA 2024). This is summarised below in Table 1.

Table 1 – Need and Supply of Employment Land serving Wolverhampton (all figures in hectares)

Need (2020 – 2042)	149
Supply:	
Completions (2020 – 2024)	22.6
Planning Permissions (as at 2024)	3.4
Allocations	39.5
Total Supply	65.5
Shortfall	83.5

4. In paragraph 7.15 of the draft Local Plan, it states that:-

“This unmet need should be exported, as far as possible, to authorities that have a strong existing or potential functional economic relationship with Wolverhampton, for example in terms of migration patterns, commuting links and/or connectivity through physical infrastructure such as rail and motorway. These are authorities evidenced as, primarily, being within the same Functional Economic Market Area (FEMA) as Wolverhampton – the Black Country FEMA – and also those authorities outside the FEMA, which have strong or moderate economic relationships with Wolverhampton”.

5. In paragraph 7.16, it states further that: -

“The Black Country FEMA has identified areas of strong economic transaction with South Staffordshire and Birmingham...”

6. Paragraph 7.17 then goes on to describe work undertaken to export unmet employment land need through the Duty to Co-operate process, particularly with South Staffordshire which:-

“.....has generally been able to demonstrate a surplus of employment land to meet its needs.”

Summary of Representations

7. NDL does not take issue with the overall strategy of the Local Plan as to employment land. It recognises that the opportunities for employment development, particularly for large sites, is very constrained by the dense urban character of the City of Wolverhampton and the wider Black Country. As such, there is an obvious requirement on neighbouring authorities, which are not so constrained and enjoy much better access to the motorway and strategic road network, to help the City meet its unmet needs. South Staffordshire is best placed to fulfil this role and has done so previously (e.g. the i54 development that is located on the boundary with Wolverhampton).
8. However, NDL questions the quantification of need of employment land for both the City and the wider Black Country. It considers that the assessment of this need, as set out in the EDNA 2024, still contains a number of flaws with the quantitative need substantially under-estimated.
9. In addition, NDL considers that the quantitative assessment of supply, as summarised by the EDNA 2024, is over-estimated.
10. Put together, the actual shortfall between need and supply, measured quantitatively, is far greater than acknowledged by the EDNA 2024 and referenced by Section 7 of the draft Local Plan. This is illustrated below by Table 2.

Table 2 – Quantitative Shortfall between Need and Supply (all figures in hectares)

	EDNA 2024		NDL's Assessment	
	Black Country	Wolverhampton	Black Country	Wolverhampton
Need (2020 – 2042)	661.9	149	766.18	215.98
Supply	381.45	65.5	307.65	65.50
Shortfall	280.45	83.5	458.53	150.48

11. More detailed reasoning behind NDL's assessment is provided below.

12. NDL contends that its quantitative analysis should underpin the discussions with the relevant local planning authorities under the Duty to Co-operate on how best to meet the unmet need for Wolverhampton and the wider Black Country.
13. In addition, NDL considers that there is a clear qualitative shortage of large sites to serve the sub-regional needs for freight and logistics and allow for the expansion or modernisation of other industries of local, regional and national importance. The new NPPF advises that planning policies should pay particular regard to accommodating these sectors (paragraphs 86 and 87 of the NPPF).
14. The need for new strategic employment sites to serve the industrial and logistics sectors of the Black Country and South Staffordshire is identified by the recently published West Midlands Strategic Employment Sites Study. However, the EDNA 2024 makes no reference to this.

Critique of EDNA 2024

15. NDL has engaged and made representations in respect of the various iterations of the EDNA through the development plan process for Wolverhampton, Dudley and Sandwell. Specifically, NDL made representations to the Wolverhampton draft Local Plan (Regulation 18) in respect of the EDNA 2023. For ease of reference, a copy of these representations is appended. These include more detailed analysis of the EDNA 2023 provided in submissions to the Dudley Local Plan (Regulation 18) in December 2023.

Need

16. NDL's principal concerns about the assessment of need by the EDNA 2023 covered the following:-
 - Arbitrary deployment of method for each authority and lack of consistency.
 - No allowance for suppressed demand.
 - Under-estimation of replacement of future losses.
 - No allowance for flexibility or market churn.
 - Insufficient wider assessment of strategic employment land.
17. The EDNA 2024 now employs a consistent method based on projections of growth from past completion trends. This raises the base level of projected need and is welcomed by NDL.
18. However, the EDNA 2024 does not address the four remaining concerns identified by NDL in previous representations. These concerns were set out in greater detail in the representations made to the draft Dudley Local Plan (Regulation 18) in December 2023.
19. These concerns still stand and should be read in full. They are summarised and added to in turn below.

Suppressed Demand

20. There are two principal aspects of suppressed demand:-

- Constraints on supply within Wolverhampton and the wider Black Country because of its urban and congested nature.
 - The extent that development outside the boundaries of the Black Country serves the needs of the Black Country.
21. The EDNA 2024 does acknowledge the latter as a factor in estimating need. However, in NDL's view, it underestimates significantly its extent. The EDNA 2024 makes allowance of only 14.76ha for future development in South Staffordshire serving the needs of the Black Country for the whole of the study period (i.e. from 2020 to 2042). This is split evenly across the four Black Country local planning authorities (i.e. 3.69 ha each).
22. This allowance seems disproportionate both quantitatively and in terms of geographical distribution. There has been significant development in South Staffordshire since 2012 close to Wolverhampton's boundaries. This includes the development of i54 (including JLR's engine factory of 175,000 sqm) and Four Ashes (100,000 sqm split between units for Gestamp and Amazon). It is to be noted that the latest iteration of the South Staffordshire EDNA (2024), which supports South Staffordshire draft (Regulation 19) Local Plan, excludes both of these developments from its projection of local need for employment just for South Staffordshire, based on past completions, as it considered them to be "atypical".
23. NDL has made representations to the South Staffordshire draft Local Plan (Regulation 19). It contends that the Four Ashes development should not be considered to be "atypical" and forms part of the evidenced local need for South Staffordshire. However, NDL accepts that the i54 development (which took up c.100 ha) does not meet a local need for South Staffordshire, but instead meets a sub-regional need, with particular respect to Wolverhampton and the wider Black Country.
24. For these reasons, NDL contends that this should be reflected in assessing the base level of need for Wolverhampton. The simplest way to do this is to adopt the high scenario for Wolverhampton rather than the preferred mid scenario. The EDNA 2024 has chosen to do this for Dudley but not for the other three LPAs. Doing so would increase the base projection for Wolverhampton from 138.6 ha to 187.9 ha (reference Table 2 of the EDNA 2024) and for the Black Country from 598.9 ha (Table 5) to 644.6 ha. The latter retains the allowance of 3.69 ha each for development in South Staffordshire meeting need for Dudley, Sandwell and Walsall.

Replacement of Future Losses

25. The EDNA 2024 allows for future losses of existing employment land which are **allocated** for residential development. This allowance totals 63 ha for the Black Country of which 11 ha covers land in Wolverhampton.
26. NDL does not question the principle of making such an allowance. However, no allowance has been made for **windfall** housing on existing employment land. This is inconsistent in terms of methodology.

27. This possibility is expressly allowed for by Policy EMP4 – Other Employment Sites- which presumes in favour of housing on existing low grade employment land. As such, the need for replacement losses is underestimated. This point is developed further in respect of the supply of employment land.

Allowance for Flexibility

28. Ordinarily, an assessment of employment land need will provide for a safety margin of between 2 years' and 5 years' take-up. This is to allow for market churn, development lag, choice, etc. No such margin has been provided in this case.
29. The net need for the Black Country based on past completions (i.e. without any allowance for future losses) is 29.29 ha per annum (Table 5 but adjusting demand up for Wolverhampton to 8.54 ha per annum (i.e. the higher scenario)). A minimum margin based on 2 years' take-up will represent an additional allowance of 58.8 ha for the Black Country and 17.08 ha for Wolverhampton over the plan period.

Summary of Quantitative Need

30. NDL's assessment of need, taking into account the analysis referenced above, is summarised as follows: -

Table 3- NDL's Assessment of Need (all figures in hectares)

	Black Country	Wolverhampton
Base Need (allowing for suppressed demand)	644.6	187.9
Replacement of future losses	63	11
Margin for flexibility	58.58	17.08
Total Need	766.18	215.98

Supply

31. NDL identified previously three principal concerns about the assessment of supply by the EDNA 2023 and associated evidence. These were:-
- The nature of the supply.
 - The likely yield.
 - The assumption that windfall sites should be counted.
32. These concerns have not been addressed by the EDNA 2024.
33. Regarding the final point, NDL considers it to be inconsistent to allow for windfall employment sites in assessing overall supply of employment land, but not to allow for windfall housing on existing employment land in allowing for the future loss of employment land. In the absence of any specific evidence, NDL argues that this element of supply should not be included.

34. This would act to reduce overall supply in the Black Country by 73.80 ha (i.e. the allowance for windfall employment sites) from 381.45 ha to 307.65 ha. It makes no difference to the figures provided in the draft Local Plan for Wolverhampton as an allowance for windfall sites has not been quantified.

West Midlands Strategic Employment Sites Study

35. This study was published in September 2024. However, for reasons which are not clear, the EDNA 2024 makes no reference to it. Indeed, the EDNA 2024 provides no qualitative assessment of supply.
36. The Black Country Employment Land Supply Technical Paper (November 2024) provided detailed site by site breakdown of the supply but provides no specific analysis on the supply of large sites. The schedule of sites appended to this study identifies only one site greater than 10 ha – the former Moxley tip in Walsall which has a site area of 10.83 ha.
37. The West Midlands Strategic Employment Sites Study provides an assessment of need and supply of strategic scale sites. These are defined as being greater than 25 ha.
38. It identifies the M6/M54 South Staffordshire and the Black Country as an Opportunity Area (Area 2). In paragraph 12.28 it states:

“Looking to 2045 the opportunity area is expected to require additional sites to meet manufacturing and logistics need”.

39. In paragraph 12.29, it states further:

“Parts of the Black Country have relatively high levels of employment and lower skills and occupational profile; and new strategic employment site provision can contribute to addressing unemployment/deprivation.”

40. NDL’s analysis of the study suggests that the projection of need for Area 2 has been underestimated, as the data collected on take-up (which is a factor in determining residual need against existing supply) is incomplete. It has missed some key developments in South Staffordshire (e.g. the first phase of the JLR engine factory at i54) and all development at Kingswood Lakeside, a very successful strategic employment site in Cannock Chase. For these reasons, NDL considers that there is a need for a greater number of strategic employment sites to serve this sub-region.
41. The importance of planning policies to accommodate the particular requirements of the freight and logistics sector and encourage the expansion of other industries of local, regional or national significance is emphasised by recent changes to the NPPF (December 2024). To facilitate this, it is vital that the evidence base underpinning development plans accurately forecasts need and predicts demand against a realistic appraisal of supply.

PJL

18 December 2024

Appendix - Representations made by NDL to Wolverhampton draft Local Plan (Regulation 18) in April 2024, including earlier representations made to the Dudley draft Local Plan (Regulation 18) in December 2023.