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Coventry & Warwickshire Employment Needs

Addendum to the Coventry & Warwickshire Alignment Paper

Iceni Projects Limited on behalf of
Rugby Borough Council

November 2025

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ON BEHALF OF RUGBY
BOROUGH COUNCIL

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Coventry & Warwickshire Employment
Needs
ADDENDUM TO THE COVENTRY & WARWICKSHIRE
ALIGNMENT PAPER

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A1. RESPONSE TO KEY ISSUES RAISED IN REPRESENTATIONS

1. INTRODUCTION

- 1.1 Iceni Projects (Iceni) has been commissioned by Rugby Borough Council (the Council) to review a number of technical representations received as part of their Regulation 18 consultation on its emerging Local Plan relating to employment land issues, and in particular the West Midlands Strategic Employment Sites Study 2024 ('WMSESS') together with the associated Coventry & Warwickshire HEDNA-WMSESS Alignment Paper 2024 (the 'Alignment Paper').
- 1.2 This report summarises the key issues arising from the review of the key representations.¹ This is set out in Appendix A1, which additionally responds to the key issues raised.
- 1.3 Arising from this review of representations, key issues requiring further considerations in planning for employment land within the sub-region were:
- The need to revise the strategic sites supply and residual needs position within Coventry & Warwickshire to take account of the erroneous inclusion of the country park at Coventry Gateway South within the land area. The effect of this is to reduce the scale of committed supply by 90 ha;
 - Correction to 5% suppressed demand model figures within the WMSESS, and consideration of any implications arising; and
 - Consideration of the robustness of the assumed plot ratio for strategic employment sites of 0.35.
- 1.4 This addendum has been commissioned by the HMA authorities - Rugby Borough Council, Nuneaton and Bedworth Borough Council, Coventry City Council, Warwick District Council and Stratford on Avon District Council – to consider and address these issues. It provides an addendum to the Coventry & Warwickshire Alignment Paper 2024 and the West Midlands Strategic Sites Study 2024.

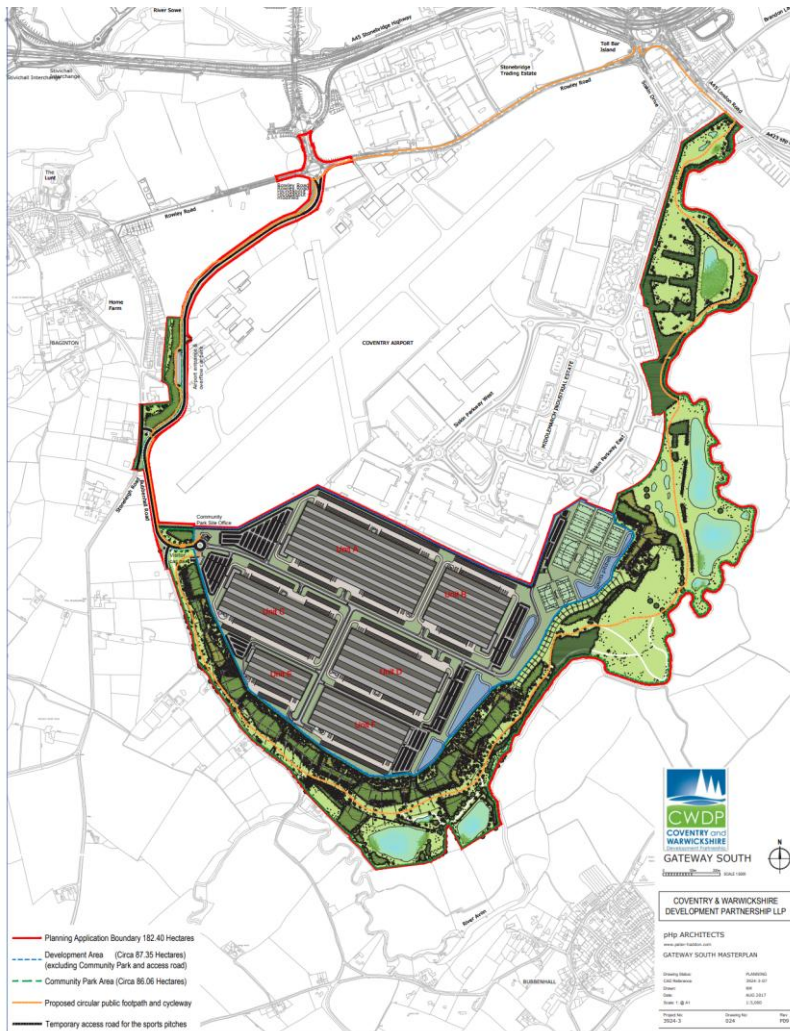
¹ Representations made by SEGRO/Stantec, Marrons / Stoford, LSH / Richborough, Nurton, Savills/Quod

2. STRATEGIC SITE SUPPLY – COVENTRY GATEWAY SOUTH

Revised Strategic Sites Supply

- 2.1 Within the West Midlands Strategic Employment Sites Study 2024, 178ha of supply was included at Coventry Gateway South. Closer investigation indicates that this site contains a substantial country park as per the masterplan below (Figure 2.1). The actual development area of the site is 87.4ha and therefore there was a material inflation of the strategic sites supply within the WMSESS, equivalent to 90ha. It is appropriate to adjust the commitments figures in the WMSESS on this basis.

Figure 2.1 Masterplan Coventry Gateway South



Source: Coventry and Warwickshire Development Partnership (W/18/0522)

- 2.2 An adjustment to the committed supply figure from this site impacts upon the total residual need across the West Midlands study area, in addition to the residual need apportioned to Opportunity Area 7, where the Coventry Gateway South site is located.

- 2.3 The effect of including only the developable area within the supply (87 ha), rather than the total site area, is to reduce the total WMSESS commitments of 1,305ha, by 90ha to 1,215ha. This in turn, increases the total WMSESS strategic sites shortfall by 90ha. This adjustment to the overall West Midlands strategic sites residual need is shown in the table below, which increases from 615ha – 977ha to 705 - 1,067ha. The table below thus updates Table 10.8 within the WMSESS Report.

Table 2.1 Adjusted WMSESS Supply-Demand Balance (Table 10.8 WMSESS)

	MDST²	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	
Adjustment to Commitments	-90	
Adj. Road Shortfall	931	638
Rail Shortfall	135	67
Adj. Shortfall (Ha)	1,067	705

Source: Iceni adjustment to WMSESS 2024

- 2.4 The methodology within WMSESS 2024 apportions a residual need, after committed supply has been accounted for. Therefore there is no straight forward mechanism to update the apportionment for all opportunity areas if assumptions to the committed supply (as of April 2022) changes.
- 2.5 Whilst it is not within the scope of this work to fully update the findings of the WMSESS report, the impact on the Coventry and Warwickshire authorities has been considered below.
- 2.6 Table 12.1 within the WMSESS 2024 report calculates the years of supply by Area of Opportunity based on average annual take-up (based on the historic average 10-year net absorption rate). The Coventry Gateway South site was included within the figures within this table within the Mixed/B8 supply.³ The report indicates that Area 7 (M6/A45/A46 Coventry & Rugby) has 20 years' of Mixed Employment/ B8 supply ('B8/Mixed supply'). Reducing the B8/Mixed supply in Area 7 by 90ha, to reflect the incorrectly inclusion of the country park at Coventry Gateway South, takes the Area 7

² MDS Transmodal – Traffic Growth and Replacement Demand Model

³ The 322.2 ha of Mixed/B8 supply shown in Table 12.1 comprising Prologis Ryton (16.7 ha), Faultlands (26 ha), Meadow off Pilgrims Walk (Prologis Park Extension, 5.9 ha), Coventry Gateway South (177.7 ha) and Land at Baginton Fields and SE of Whitley Business Park (25 ha), Tritax Symmetry Rugby (46.2 ha), Rugby Radio Station (16.0ha) and Coton Park East, Rugby (8.7 ha). NB. The Coventry Gateway site is rightly included as a Mixed/B8 site in the Table 12.1 analysis rather than B2 as shown in WMSESS Appendix A3

B8/Mixed supply from 322ha to 232ha. With an average net absorption of 16ha per annum **this reduces the years' supply position in Area 7 to 14.5 years.**

- 2.7 Table 12.2 of WMSESS 2024 indicatively distributes the residual strategic site requirement in the WMSESS study area across the 9 opportunity areas based on years-supply, market ranking, size of OA, proximity to SRFI and Green Belt constraints. It identifies the need to provided for 575 – 975 ha of land on strategic sites across the West Midlands study area to meet the residual need (which was 615 – 977 ha in the Study as shown in Table 10.8).
- 2.8 With the increase in the residual needs position to 705 – 1067 ha (as per Table 2.1 above), it is evident that provision at the higher end of the range shown in WMSESS Table 12.2 in each of the Opportunity Areas (totalling 975 ha) would provide a scale of supply towards the upper end of the residual needs range indicated, but would fall short of the revised higher end of the range by 90 ha.
- 2.9 In the context of an additional 90ha of additional residual need, there is a potential requirement for **up to two additional B8/Mixed sites of a notional 50ha** to be apportioned to meet the highest end of the needs range; however the higher end of the supply recommendations in WMSESS Table 12.2 continues to meet the lower end of the range.
- 2.10 As acknowledge above, it is not straightforward to update the apportionment exercise undertaken within the WMSESS for the C&W study area on its own. However, taking into account the reduced years-supply in Area 7 and its highest market ranking of 'A' (as shown in WMSESS Table 12.2), it would be appropriate for **at least one of these additional sites i.e. 50ha to be apportioned to Area 7.** We would recommend that additional land is sought to provide for a further 50 ha of supply on strategic sites as a minimum in Area 7.
- 2.11 The residual 50 ha of land which would be required to meet the highest end of the range shown in Table 2.1 could additionally be considered within Coventry & Warwickshire, or equally in other parts of the region; however it represents a scale of provision which equates to 1.5% of the need shown in the MDST modelling scenario which is well within the margins or error associated with long-term forecasting such as this. We consider on this basis, and given that it is common to provide some supply-side flexibility within local plans, that there is no need to fundamentally review or revise the wider WMSESS conclusions as set out in Table 12.2.
- 2.12 The subsequent impact of the reduced supply and an additional strategic site within Area 7 on the Coventry & Warwickshire Alignment Paper 2024 is considered below.

Updating the Alignment Paper Analysis

- 2.13 The following updates have been made to the tables within the Coventry and Warwickshire Alignment Paper, superseding the previous amendments made in October 2024 (Addendum A).
- 2.14 With an additional strategic site requirement of 50ha in Area 7, **there is an updated residual need for 250 to 425ha of strategic sites across the Coventry & Warwickshire sub-region**. The table below updates Table 3.1 in the Alignment Paper.

Table 2.2 Updated WMSESS Indicative Site Need – C&W Opportunity Areas (Table 3.1 Alignment Paper 2024)

Opportunity Area	Type of Site	Indicative additional strategic site requirement at B8/mixed c.50ha - B1/B2 dedicated c.25ha	Indicative land need 2022-45
Area 5: M42 North Warwickshire	B8/Mixed	1-2	50-100
	B2	0	0
Area 7: M6 / A45 / A46 / M45 Coventry & Rugby	B8/Mixed	2-3	100-150
	B2	1-2	25-50
Area 8: A46 / M40 Warwick	B8/Mixed	1-2	50-100
	B2	1	25
Total			250-425

Source: Icen Analysis of WMSESS 2024

- 2.15 Pro-rating for the updated residual strategic sites need for the 2021-45 period (to align with the Coventry and Warwickshire HEDNA timescales) and subtracting the 2021/22 strategic site completions results in an updated strategic sites need of 231 to 413ha for the 2021-45 period as shown below. This table replaces Table 3.2 in the Alignment Paper.

Table 2.3 Updated Calculating the Strategic Sites Need for C&W 2021-45 (Table 3.2 Alignment Paper 2024)

	Ha
WMSESS Strategic Sites Need (2022-45)	250 – 425
Avg Need per Annum	10.9 – 18.5
Pro-rata Need (2021-45)	261 – 443
Supply (2021/22 completions)	-30*
Total Residual Strategic Sites Need 2021-45	231 - 413

* Coventry, Whitley Way Business Park - Puma Park; North Warwickshire - St Modwen, Tamworth Logistics Park
Source: Icen Analysis of WMSESS 2024

- 2.16 Adding the updated total Coventry & Warwickshire commitments to the residual need results in a total gross strategic sites need of 796 to 978ha for the 2021-45. This analysis, as shown in the table below, updates Alignment Paper Table 3.3. Overall, the gross need has reduced compared to the 2024 Alignment Paper which indicated a gross strategic sites need for 835 – 1,017ha.

Table 2.4 Updated Calculation of Gross Need Strategic Sites Need for C&W – 2021-45 (Table 3.3 Alignment Paper 2024)

	Ha
Total Residual Strategic Sites Need 2021-45	231 - 413
C&W Strategic Site Commitments	565
Total Strategic Sites Need	796 - 978

Source: Icen Analysis of WMSESS 2024

- 2.17 The table below shows the updated total industrial need, combining the strategic sites need with the local industrial need as identified in the 2024 Alignment Paper in Table 3.9. It updates this table.

Table 2.5 Updated Total Industrial Need (Table 3.9 Alignment Paper 2024)

	2021-41	2021-45	2021-50
Industrial Need Non-Strategic Sites			
Rugby	58.4	68.0	79.5
North Warwickshire	60.3	70.2	82.1
Nuneaton & Bedworth	41.2	47.8	56.1
Coventry	104.9	121.8	142.8
Stratford	144.2	167.3	196.2
Warwick	83.3	96.6	113.3
Total	492.0	572.0	670.0
Strategic Sites Need 2021-45	796 - 978		
Total C&W Industrial Employment Land Need	1,288 – 1,470	1,368 – 1,550	1,466 – 1,648

Source: Icen Projects analysis of Local authority Monitoring Data

- 2.18 The following provides an update to Section 4 of the Alignment Paper (based on the increased Area 7 need for additional strategic sites). It considers the residual strategic sites need for the 2022-45 period based on further strategic site commitments recorded/ understood since the WMSESS was prepared within the C&W sub-region.
- 2.19 Taking account of 64ha at Padge Hall Farm (permitted December 2023) and 2ha at Lyons Park (not previously included in WMSESS supply) the residual strategic sites need is as follows (updating para 4.11 Alignment Paper 2024):

-
- Area 5: North Warwickshire – 50-100ha
 - Area 7: M6 / A45 / A46 / M45 Coventry & Rugby – 59-134ha
 - Area 8: A46 / M40 Warwick – 75-125ha
 - **Total: 184 – 359ha**

3. SUPRESSED DEMAND MODEL

- 3.1 One of the representations to the Rugby Regulation 19 Local Plan highlighted that the suppressed demand adjustment within the Net Absorption Suppressed Demand Low model (i.e. the model based on 5% availability) has been incorrectly applied in Table 10.3 of the WMSESS.
- 3.2 An adjustment of 319,379 sq.m was incorrectly applied in WMSESS Table 10.3. Instead a figure of 1,562,523 sq.m for suppressed demand should have been applied based on 5% low suppressed demand rolled forward for the 2022-45 plan period (as per table 10.1 WMSESS 2024).
- 3.3 The table below shows the corrected Net Absorption Suppressed Demand Low Model. This increases the total need under this model from 7.9 million sq.m. It updates Table 10.1 in the WMSESS 2024 for this Scenario, showing a gross need for 9.1 million sq.m, equivalent to 2,802ha when accounting for a 0.25 plot ratio on rail-based sites and 0.35 plot ratio on road-based sites.

Table 3.1 Corrected Net Absorption – Suppressed Demand Low Model

	Floorspace (sq.m)	Land (Ha)
Forecasted Need	7,550,730	
Supressed Demand Adjustment	1,562,523	
Total	9,113,253	2,604*
Road-based Need	7381735	2,109*
Rail-based Need	1,731,518	693**
Total Road/Rail Aggregate		2,802

*0.35 plot ratio

**0.25 plot ratio

Source: Iceni analysis of WMSESS 2024

- 3.4 The table below shows the impact on the summary of strategic needs (Table 10.4 WMSESS). The corrected modelled needs for the Net Absorption Suppressed Demand (Low) Model of 2,802 ha still remains the lowest modelled need and below the completions model.
- 3.5 The strategic site requirements are based on the gross completions and MDST models which forecast 3,080 ha and 3,980 ha of need respectively (before further adjustments for brownfield recycling and small units). The completions model would therefore remain the lower bound of the range of strategic sites need and the correction to the Net Absorption Suppressed Demand Low Model figures has no material impact on the conclusions of the WMSESS 2024.

Table 3.2 Updated Summary of Forecasted Strategic Needs 2022-45 (Ha)

	MDST Central Scenario	Completions	Net Absorption - High	Net Absorption - Low
Total	3,699	2,862	4,256	2,604
Road-based Need	2,996	2,318	3,447	2,109
Rail-based Need	984	761	1,132	693
Total Road/Rail Aggregate	3,980	3,080	4,579	2,802

Source: Icení analysis of WMSESS 2024

4. STRATEGIC SITE PLOT RATIOS

- 4.1 A third topic that has been raised is around the use of a 0.35 plot ratio to convert floorspace requirements into land requirements. Representations to Rugby Local Plan Regulation 18 consultation suggested that a lower plot ratio should be used in light of Biodiversity Net Gain (BNG) requirements, the need for larger areas for HGV circulation, ESG-compliant features such as solar panels and advanced mechanical systems.
- 4.2 It is recognised that the plot ratio will vary by scheme, dependant on a site-specific planning and environmental constraints, however for high-level studies such as WMSESS, which did not carry out individual assessment of sites and their development potential, a broad assumption was required to provide an indicative region-wide need and apportionment. Such an approach is standard for employment land studies and supported by the Planning Practice Guidance⁴.
- 4.3 The table below calculates the plot ratio of strategic site schemes within the West Midlands study area and Leicestershire to test the robustness of the use of a 0.35 plot ratio within the wider Golden Triangle area for strategic sites where big box logistics development has or is being brought forwards.
- 4.4 For clarity, the plot ratio of sites has been calculated based on the **gross developable area**, excluding factors such as infrastructure works to external access roads, areas of separation and country parks, but including internal roads and landscaping.
- 4.5 On average across the sites considered, the plot ratio aligns with the 0.35 ratio used within WMSESS. This therefore appears to be a reasonable assumption for the plot ratio on strategic sites for the purposes of modelling future needs.
- 4.6 Biodiversity net gain (BNG) requirements for major sites, as mandated by the Environment Act 2021, have applied to major developments determined since early 2024. BNG requirements can be met through on-site provision or off-site provision (or in some exceptional circumstances through purchasing biodiversity credits). There is some possibility that moving forwards, on-site BNG requirements could influence plot ratios; however they might not influence the gross developable area applying the above definition and could be met through landscaping or wider greenspace provision which is provided on-site but excluded from the gross developable area calculation. Fundamentally these are site-specific issues which require consideration at a site-based level.

⁴ Reference ID: 2a-030-20190220

- 4.7 Based on the analysis of plot ratios, as shown below, no further sensitivity analysis relating to strategic development needs to be undertaken.

Table 4.1 Plot Ratio Examples

Site Name	Local Authority	Floorspace (sq.m)	Gross Developable Area (Ha)	Plot Ratio
Plots 6 and 7 Ansty Park (R22/0491)	Rugby	35,739	8	0.45
Faultlands Farm	Nuneaton and Bedworth	92,904	26	0.36
St Modwen / Indurent Park - Tamworth	North Warwickshire	80,000	25.4	0.31
Hamms Hall - Former B Station Site	North Warwickshire	85,000	20.9	0.41
Magna Park South	Harborough	287,709	88.6	0.32
Magna Park North	Harborough	419,800	225 ⁵	0.27
Four Ashes Bericote	South Staffordshire	105,419	25.7	0.41
Hinckley Park	Hinckley & Bosworth	41,530	13.3	0.31
Optimus Point	Blaby	44,738	14.76	0.30
i54 Western Extension	South Staffordshire	100,000	29.4	0.34
Wobaston Road, i54	South Staffordshire	35,563	7.7	0.46
Pets at Home, Redhill Business Park	Stafford	71,569	23.6 ⁶	0.30
Average				0.35

Source: Icen research

- 4.8 However due to the variation of plot ratios by scheme it would be best practice to plan and monitor employment needs and delivery in floorspace terms.

⁵ Excluding country park

⁶ Excluding 3.1ha along A34

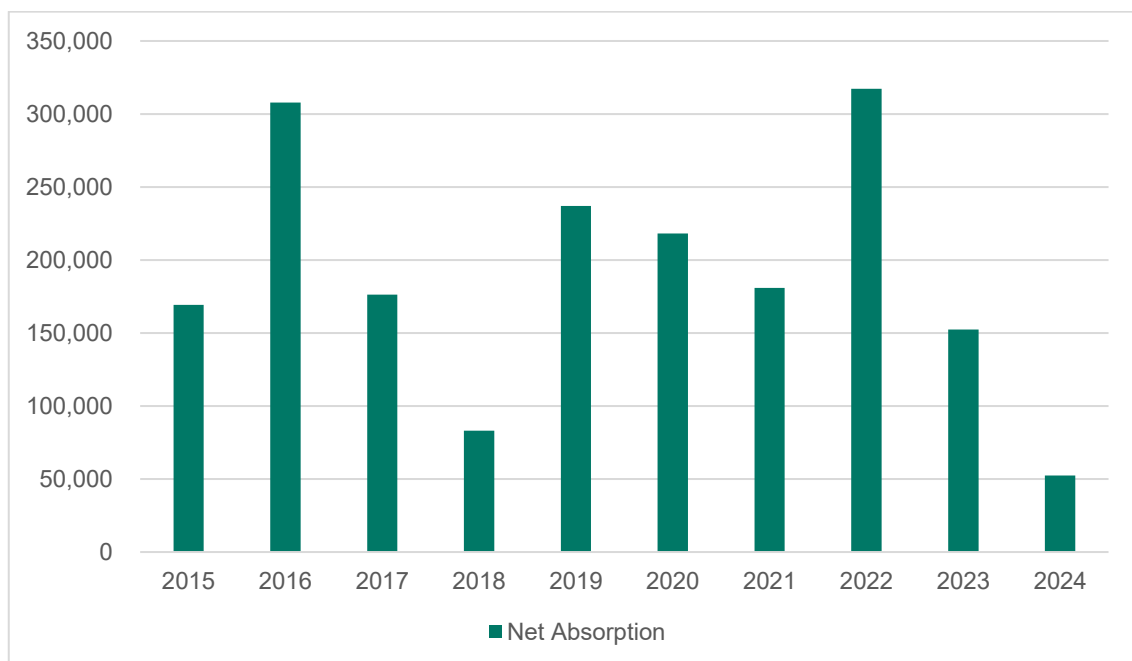
A1. RESPONSE TO KEY ISSUES RAISED IN REPRESENTATIONS

- A1.1 This Appendix provides responses to other representations made to the Regulation 18 draft Rugby Local Plan regarding the Coventry & Warwickshire HEDNA 2022, West Midland Strategic Sites Study 2024 and the Coventry & Warwickshire Alignment Paper 2024. It identifies and summarises key issues, and then sets out Iceni's response.

The Coventry & Warwickshire HEDNA 2022 relies on a 2011-19 trend which does not capture the impact of COVID-19 on the logistics industry.

- A1.2 Response: This was the data that was available at the time the study was completed. The industrial employment land needs are now defined by the Coventry & Warwickshire Alignment Paper and West Midlands SESS which uses data up to the 2023/24 and 2021/22 monitoring periods respectively, capturing the impact of COVID on the industrial and logistics market within the trend-based modelling.
- A1.3 The heightened industrial demand during COVID has been short-lived and market activity indicates that the industrial and logistics market has returned to a pre-pandemic trend. The figure below shows industrial and logistics net absorption for Coventry & Warwickshire – high levels of take-up were seen throughout 2019-22, however in the past two years, take-up has been more muted, in line with levels seen pre-2019.

Figure A.1 Industrial Net Absorption– Coventry and Warwickshire



Source: CoStar 2025

Alignment Paper 2024: The industrial needs are lower than the HEDNA 2022 despite using 2023/24 data. There is a significant adjustment in local need between the HEDNA 2022 and Alignment Paper 2024

- A1.4 Response: The local industrial needs in Alignment Paper combined with WMSESS supersede the industrial needs identified in 2022 HEDNA which related to the need for both strategic and non-strategic units and sites. Strategic unit completions have been removed from the calculations and are addressed at a strategic level recognising that the market geography is wider.
- A1.5 Whilst we recognise that the resultant need shown is lower for C&W specifically within the Alignment Paper, the difference at the higher end of the range⁷ is marginal (2%); and the WMSESS recognises that there is a wider market geography, that other areas have historically had greater supply constraints (such as those related to the West Midlands Green Belt) and overall the preparation of plans informed by the WMSESS should support enhanced overall industrial provision relative to historical trends.

Alignment Paper 2024: The gross strategic sites need should be pro-rated instead of the residual need when aligning the modelling to 2021-45.

- A1.6 Response: WMSESS 2024 does not provide a gross need at a Coventry & Warwickshire level, only a West Midlands regional level; and therefore the suggested approach used within the Alignment Paper is the most practical.

Alignment Paper 2024: The need for 'big-box' on non-strategic sites has been underestimated

- A1.7 Response: This comment relates to a suggestion by Savills that the Alignment Paper erroneously excluded a number of big-box completions on non-strategic sites, and therefore under-estimated the need for such development.
- A1.8 The big box need on non-strategic sites in the Alignment Paper refers to units of > 9,000 sq.m that are not on strategic sites. It does not define specifically (in respect of historical completions) what constitute a strategic site. However having reviewed the additional suggested floorspace delivered, Icen consider that these relate principally to sites which would have met the WMSESS definition as a strategic site (having regard to their size, location, accessibility etc.). The WMSESS 2024 acknowledges that the 25ha site threshold is an optimum and strategic sites can be accommodated on smaller sites.

⁷ Using the upper bound of the strategic unit need + local industrial need.

Alignment Paper 2024: Padge Hall Farm does not fall within Opportunity Area 7 and therefore should not be netted off from the residual WMSESS need for Area 7. The site is for a Hinckley-based occupier, outside of the West Midlands.

- A1.9 Response: The WMSESS 2024 intends to capture both sub-regional and inward investment requirements therefore it is appropriate for the site to contribute to the supply. The opportunity area bubbles within the WMSESS are indicative and Area 7 is the closest opportunity area the site can be attributed to. It is appropriate to include it within the supply, as the Alignment Paper does.

WMSESS 2024: The strategic site need for Coventry and Rugby is significantly below the historical completions and take-up trend

- A1.10 Response: the WMSESS 2024 recognises that Rugby and Coventry have historically taken a large proportion of historical strategic units completions. It is a pan-regional study which consider broad drivers around demand and supply. It is inappropriate to focus narrowly on individual districts and assume that the pattern of past supply at LA level is necessarily replicated.
- A1.11 The WMSESS recognises that there is a wider market geography, that other areas have historically had greater supply constraints (such as those related to the West Midlands Green Belt) and overall the preparation of plans informed by the WMSESS should support enhanced overall industrial provision relative to historical trends.

WMSESS 2024 – Supressed Demand Model: Why is suppressed demand adjustment is only applied to the net absorption scenario? Why hasn't a 5-year margin also been applied to the net absorption model?

- A1.12 Response: The suppressed demand adjustment is only applicable to a net absorption trend due to the way it is calculated. The model follows Savills methodology which seeks to calculate the theoretical market take-up (net absorption) if availability had been maintained at 5%/8% historically. The suppressed demand adjustment and 5-year margin both aim to adjust needs modelling to provide for market flexibility and a margin of error. Applying a margin to the suppressed demand models would result in double counting. Savills' themselves do not include an additional margin on top of the adjustment for suppressed demand.

WMSESS 2024: The preferred scenarios (Gross Completions and MDST) in drawing conclusions do not build in suppressed demand.

- A1.13 Use of the suppressed demand model is not a PPG requirement and indeed is not referenced within the PPG. Net absorption and completion trend-based models have been considered alongside other scenarios as required by the PPG which emphasises consideration of a number of different forecasting approaches.

-
- A1.14 Furthermore the MDST model is not influenced or constrained by historic supply-side factors, and works off the forecast growth in trade/ traffic volumes and replacement demand relating to the age/ fitness for purpose of existing warehousing space. This has then been uplifted to account for manufacturing requirements within the WMSESS.

WMSESS 2024: A 25% deduction was applied to the gross strategic sites need to capture strategic units on non-strategic sites, however in Coventry & Warwickshire only 10-13% of strategic units are on non-strategic sites.

- A1.15 Response: The 25% deduction in WMSESS is generic across the West Midlands study area and will vary by district at a more local level – the WMSESS is a Sub-Regional Study. The 10% figure in C&W is set out in Alignment Paper based on specific evidence/analysis of trends in the C&W area (as described in Para 3.15 and Table 3.6 in the Alignment Paper) and reflects the stronger historical (and expected future) supply of strategic sites; and will balance against a potentially higher proportion of delivery on non-strategic sites in other areas within the wider West Midlands region.

WMSESS 2024: A blanket 30% / 70% split between B2 and B8 is not representative of Coventry & Warwickshire – B2 take-up is lower in C&W.

- A1.16 Response: As noted above, the analysis was undertaken at a West Midlands regional level and based on evidence for the entire region. Consideration of manufacturing clustering within opportunity areas has been made within the apportionment methodology within the WMSESS.

WMSESS 2024: It is not appropriate to apply a brownfield recycling adjustment to the strategic sites need. No completions within the past 4 years have been recycling of old sites.

- A1.17 Response: The brownfield recycling approach is supported by the NPPF 2024 (para 124) which focuses on maximising brownfield land availability. Considering the past 4-years is a short-term position, in contrast with the WMSESS which looks forward 20 years to 2045, where it can be expected that older sites will come forward for redevelopment.

- A1.18 Given the strong influence of replacement demand on the need for industrial space (as shown through the WMSESS), it is entirely reasonable and consistent with the NPPF to assume that a proportion of the need can be met through the redevelopment of brownfield land at suitable locations.

WMSESS 2024: The JLR Gaydon site and Gigafactory should not be included within the supply of strategic sites as they do not assist in meeting the modelled needs

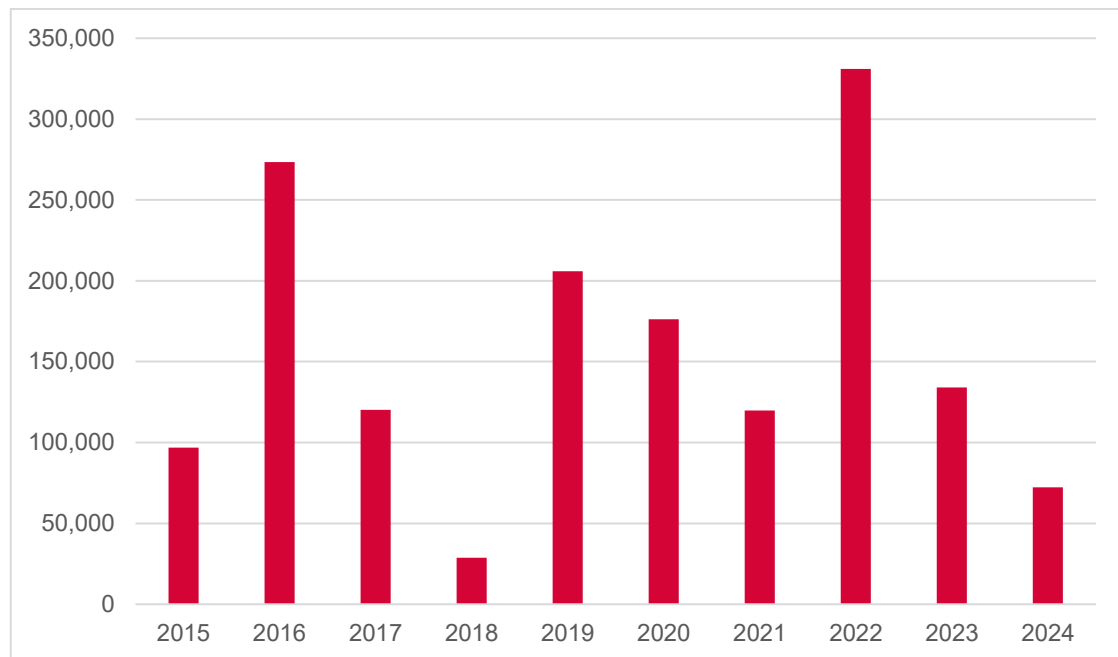
- A1.19 Response: Decision on these issues are for the forthcoming local plans and how these sites are treated within them. Land at Gaydon has not been taken up by JLR - it is not owned by them and is being promoted by the landowner for wider employment development. The Coventry Airport site is

considered as contributing towards B2 supply and would meet a component of the B2 need assessed in the WMSESS.

WMSESS 2024: The pace of development over the last four years extrapolated forward over the forecast period is double that of the identified in WMSESS. This rate of development is expected to continue based on occupier requirements.

- A1.20 Response: This statement is inconsistent with recent market evidence which indicates a clear slowdown in development activity over the last 18-24 months. The use of a 4-year lookback period does not adequately capture the full economic and property market cycle. It is common practice to consider a 10-year historical trend when assessing employment land requirements, as this provides a more balanced view that smooths short-term fluctuations caused by exceptional events.
- A1.21 In recent years, demand for strategic units has been driven by a number of exception, one-off factors, which are unlikely to persist in the longer term forecast period to 2045 and beyond. Factors such as Brexit, port disruptions such as the Suez Canal and the pandemic have driven stock holding requirements to secure UK supply chains. These drivers created a temporary uplift in demand that does not represent a longer-term trend.
- A1.22 The figure below shows the net absorption of strategic units across Coventry & Warwickshire, showing heightened demand from 2019-22, followed by a market slowdown through 2023 and 2024. While it remains reasonable to assume some ongoing demand from re-shoring and supply-chain resilience strategies in response to global geopolitical uncertainty, the surge in activity driven by Brexit and the pandemic has largely subsided. The evidence therefore points to a more moderate and sustainable level of take-up over the medium to long term.

Figure A.2 Strategic Unit Net Absorption– Coventry and Warwickshire

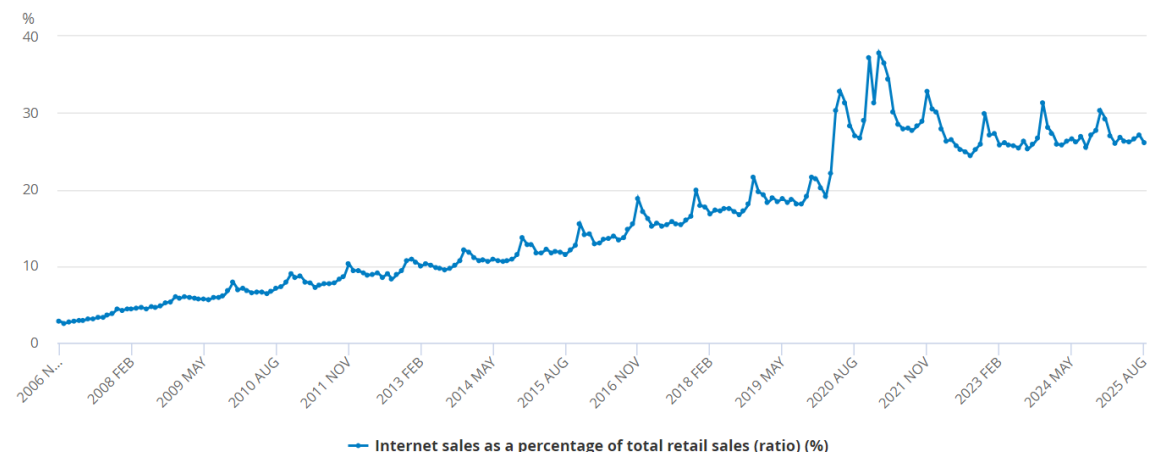


Source: CoStar 2025

A1.23 The exceptional demand observed during the pandemic was closely linked to a sharp, temporary increase in online retail spending, which in turn boosted requirements from e-commerce and third-party logistics (3PL) operators. However, as illustrated in the figure below, online retail activity has since reverted to pre-pandemic trends.

A1.24 Consequently, it would be inappropriate to assume that e-commerce-driven demand will continue at the levels experienced between 2020 and 2023. A longer-term trend (10-year) provides a more realistic projections for future demand, rather than temporary distortions seen in the past 4 years.

Figure A.3 Internet sales as a percentage of total retail sales (%)



Source: ONS 2025

WMSESS 2024: A majority of the committed supply included in WMSESS is within the Green Belt.

- A1.25 Response: WMSESS took a policy-off approach when identifying supply and potential locations. Green Belt performance and the availability of sites within an LPA outside of the Green Belt (in line with NPPF Para 147) are spatial considerations for the LPAs to consider, having regard to wider national policies as part of the Local Plan process.