

## **Rugby Local Plan Examination**

### **Statement Prepared by Oxalis Planning on Behalf of Roxhill Developments**

#### **In response to employment data supplied by Rugby BC and St Modwen Developments (Matter 2, Issue 2b; and Matter 3, Issue 3a)**

**30 January 2018**

#### Introduction

1. At the Rugby Local Plan Stage 1 Hearing Sessions on 24<sup>th</sup> and 25<sup>th</sup> January 2018, a discussion took place about employment land need and supply in response to the Inspector's MIQs. Documents were submitted by Rugby Borough Council (RBC) late on day three of the hearings (Document Ref. OTH21) and by St Modwen Developments (Document Ref. OTH19). As other parties had not been given the opportunity to comment on these documents, the Inspector agreed that a written response may be provided by relevant parties. A document was also submitted by the Local Enterprise Partnership (LEP) in relation to employment site availability, although the LEP explained that the version presented needed to be updated and that a revised copy would be provided to the Inspector. As a result, the LEP document does not yet appear in the Examination Library.
2. This statement has been submitted on behalf of Roxhill Developments who are promoting a 55Ha strategic employment allocation (in addition to housing) at Walsgrave Hill Farm and supplements representations previously submitted. It has been demonstrated that the development on this edge of Coventry site is the most sustainable strategy for growth. Furthermore, there are exceptional circumstances to review the Green Belt and allocate the Walsgrave Hill Farm site to ensure that a comprehensive and high quality strategic employment and housing development is delivered that will provide a range of wider economic and infrastructure benefits.

#### Employment Land Memorandum of Understanding 2016 (MoU)

3. Document ref OTH21 includes a table explaining what the Council understands to be the sub-regional employment land requirements, including a breakdown of how land has been attributed within the Memorandum of Understanding (2016). This explained that the employment land requirements set out in the MoU is 714Ha, with 241Ha needing to be re-distributed from Coventry across the other local authorities in the sub-region. The table explains that Rugby has calculated that a total of 876.6Ha of employment land is being provided for within the various adopted and emerging Local Plans.
4. As part of the representations made by Roxhill Developments in November 2016, it was stated that the 714Ha MoU figure was misleading as it included approximately 200Ha of land included to replace existing sites being lost to other uses. When the Inspector queried this with the Council's representative at the Hearing Session (Mr Ireland, GL Hearn), the response given was that employment land lost was taken into consideration and that the 714Ha requirement was net additional land. This is not correct. The 714Ha is not a net additional land figure. To be consistent with the

projected requirement for employment land in the sub-region, set out within the CBRE study, it must identify the net additional employment land figures.

5. Following a review of adopted and emerging Local Plans, it has been calculated that 194.3Ha of land is being lost through the redevelopment of sites within the various authorities across the sub-region as a result of Local Plan allocations and permissions. Other employment land, not currently anticipated, is likely to be lost to other uses through the remainder of the plan period and this therefore reflects a 'best case' situation in terms of loss of employment land. The amount of net additional employment land that the MoU is planning for across the sub-region is therefore only 519.7Ha (714Ha MoU less 194.3Ha lost through re-development).
6. This matter was considered as part of the Coventry City Council Local Plan examination. This is explained at paragraph 177 of the Inspector's report dated 13<sup>th</sup> October 2017 where the Inspector notes that 154Ha of land needed to be added to the 215Ha needed. This was also considered as part of the Warwick District Council Local Plan examination. The Inspector's report dated 28<sup>th</sup> July 2017 refers to the 13.5Ha of land being lost at paragraph 471.

**Table 1 – Net Employment Figures for Coventry and Warwickshire (to 2031) as indicated within adopted and emerging Local Plans**

Local Authority	Gross Figure	Land lost through redevelopment	Net Figure
Nuneaton & Bedworth BC (emerging plan)	87Ha	18.3Ha	68.7Ha
Warwick DC (adopted)	66Ha	13.5Ha	52.5Ha
North Warwickshire DC (draft Submission)	58Ha	8.5Ha	49.5Ha
Rugby BC – Submission	99Ha	0Ha	99Ha
Stratford on Avon DC – (adopted)	35Ha	0Ha	35Ha
Coventry CC – (adopted)	369Ha	154Ha	215Ha
	<b>714Ha</b>	<b>194.3Ha</b>	<b>519.7Ha</b>

7. As illustrated in Table 1, the amount of net additional employment land that local authorities have committed to provide across the sub-region is only 519.7Ha and not 714Ha as has been promoted by Rugby Borough Council and their representatives at the Local Plan examination. It is worth noting that neither Rugby nor Stratford identify the amount of land likely to be lost to other uses during the plan period. It is also likely that other authorities have only assessed what has been lost recently and not anticipated what is likely to be lost throughout the plan period.

## Employment Need

8. A study was carried out in August 2015 by CBRE on behalf of the Coventry and Warwickshire LEP to provide an assessment of future employment need. This study recommended a range of 500-660Ha of net additional employment land but suggested that the LEP plan for the higher end of this range. This is the evidence that underpinned the employment land requirements figure in the 2016 MoU.
9. The report prepared by CBRE seeks to accord with the requirements of the NPPF and NPPG in preparing employment land studies and identifying employment land requirements. A fundamental component of the assessment of needs, as recognised by CBRE and in accordance with Government policy, is to *'liaise closely with the business community to understand their current and potential future requirements'* and to consider market intelligence and the locational and premises requirements of particular types of business.
10. The 2015 CBRE report noted that take up had accelerated strongly since the recession. However in the two and half years since the completion of the report growth in the Coventry and Warwickshire area has been very strong and the take up of strategic employment sites exceptionally high. This has been driven by the automotive sector and large scale logistics. Sites at Ryton, Rugby Gateway and Ansty have seen rapid take up and are now almost complete. JLR's expansion has seen them acquire the remaining land at Whitley Business Park and a large part of the recently approved Whitley South scheme (part of the Coventry and Warwickshire Gateway site). These market signals indicate a strong demand for strategic employment sites and a need for additional land to be brought forward.
11. CBRE concluded that future supply is reliant on new major strategic sites being brought forward at Coventry and Warwickshire Gateway and extensions to Bermuda Park (Nuneaton), but even with these sites, the availability of employment land would be around the bottom end of the forecasts. Given this they suggest that it is necessary to consider whether and when additional strategic sites can be identified. Such sites they say, should be located in the Coventry Travel to Work area to meet local labour market needs and promote sustainable travel patterns with new household growth (see key highlights, page 2, of the CBRE Report).
12. Additional strategic sites have not been identified through the Rugby Local Plan. It is evident that additional strategic employment sites are essential if the sub region is to appropriately meet the employment needs of the area over the plan period. From the representations made at the Hearing Sessions, this view is shared by the LEP and Chamber of Commerce and based on clear market evidence identified by CBRE and reinforced through market patterns over the last few years. As recommended by CBRE, these sites should be provided within the Coventry travel to work area. This aligns with the evidence presented in the Savills Study that accompanied Roxhill's Matter 2 hearing statement.
13. A failure to address these clear market signals would be contrary to Government policy and unsound. Paragraph 19 of the NPPF is unequivocal. It states that "*Significant weight should be placed on the need to support economic growth through the planning system*".

## Local Plan Provision

14. Examination Document Ref. OTH21 sets out what Rugby Borough Council's believes to be the amount of employment land being planned for within adopted and emerging Local Plans across the Sub-region. The document states that 876.6Ha of land is being provided. There has not been sufficient time to scrutinise how this figure has been arrived at and therefore there remains some uncertainty about whether this can be relied upon as being accurate. Notwithstanding this, while numerically this may be correct, the figure is wholly misleading and should not be relied upon for a number of reasons:

- The 876.6Ha figure is not the amount of additional (net) employment land being provided. As set out above, it is vital for consistency that 'net new' figures are established. 194.3Ha (as a minimum) is replacing employment sites lost through re-development. 682.3Ha is therefore the net additional figure that Local Plans are providing for, based on the figures used in OTH21.
- The 154Ha figure for Stratford-upon-Avon includes a 100Ha site at Gaydon/Lighthorne Heath and is only available for the expansion of Jaguar Land Rover. This site is not available to meet the wider market demand and should not be included in the Local Plan supply figures. This would reflect the same approach to how the Gaydon JLR expansion was dealt with in the MoU. With this site excluded, only 582.3Ha is being allocated in Local Plans to meet market need.
- Only three of the six Local Plans have been adopted following scrutiny at examination. Employment allocations in emerging plans are proposed on sensitive sites that may not be deemed acceptable following challenge.
- 110Ha of land planned for through Rugby BC's Local Plan relates to Ryton Pro Logis and Ansty Park. Only 12Ha remains available on these sites and therefore these sites will not contribute to the sub-regional employment needs over the remainder of the plan period.
- Only one of these Local Plans (Warwick District Council) includes an allocation over 35Ha (Coventry and Warwickshire Gateway) and therefore there is little in the adopted or emerging plans to be attractive to the large floorspace, Grade A logistics market. It should be noted that Roxhill is developing the Coventry and Warwickshire Gateway site and there is already substantial interest in taking units on the remaining land despite the planning application not having yet been submitted.

15. The Council's claims that 876.6Ha of land is being provided for within adopted or emerging Local Plans is mis-leading as it does not demonstrate the amount of net additional land available, it does not explain how much is available to the open market and incorrectly assumes that emerging allocations will all be found acceptable following scrutiny at examination. Local Plans are providing for less than 600Ha of new employment land, which is substantially below the CBRE recommended need, which in itself is out of date. This figure also fails to take account of high levels of recent market take-up and significant market demand, as explained further below.

## Employment Land Supply

16. While it is essential that adopted and emerging Local Plans provide a pipeline of sites to meet demand for employment land, often many of these sites are not at a stage that are ready and available to satisfy market demand. Often those sites that are available are not in the right location or there are restrictions that make them unsuitable for the end-users that are seeking premises.
17. At the Stage 1 Hearings, different parties referred to evidence about what they believe to be available employment land across the sub-region. The Programme Officer has confirmed that Document Ref. OTH19 was produced by St Modwen Developments and handed in to the Inspector on Thursday 25<sup>th</sup> January 2018. That document lists nine sites that they believe are available in Coventry, Warwick, Nuneaton and Bedworth and Rugby, totalling 401Ha of land.
18. Document OTH19 contains a number of errors and therefore can not be relied upon as credible evidence. These are set out below:
  - a. The amount of available land at Baginton Fields is 10.7Ha (as per Coventry and Warwickshire LEP) and not 25Ha.
  - b. The amount of available land at Coventry and Warwickshire Gateway is 100Ha (3Ha at Whitley South and 97Ha at Gateway South) and not 235Ha. The 235Ha figure is the overall gross site area and includes substantial land that is retained in the Green Belt and will be provided as a Community Park.
  - c. The two sites in Nuneaton and Bedworth (Phoenix Way (18Ha) and Bowling Green Lane (26Ha)) are both Green Belt sites and cannot be relied upon as being available until adoption of the Local Plan.
  - d. Pro Logis Park, Ryton has 7Ha of land available, not 9Ha (as per Coventry and Warwickshire LEP)
  - e. The Prospero Ansty site within Rugby BC is within the Green Belt and is not an employment allocation in the emerging plan. Any re-development would be subject to planning permission (and Green Belt 'openness' tests). At that stage, the net amount of employment land would need to take account of employment land lost through the redevelopment of the Rolls Royce plant.
19. When the above errors are corrected, the amount of available land referred to in the table is 145.7Ha. It should be noted that a number of sites over 5Ha are available but missing from the table in document OTH19.
20. The most accurate and up to date assessment of available land supply within Coventry and Warwickshire has been provided by the LEP. It is understood that this table is being updated with the current position and submitted as part of the Stage 1 Hearing Sessions. Roxhill has seen an updated draft of this table and is content that this information is accurate.
21. The LEP has helpfully categorised the different sites that they have listed to those that are a) immediately available; b) imminently available; c) allocated within Local Plans; d) within emerging allocations; d) other. This evidence states that less than 200Ha of land is available within the next 12 months. This aligns with the study carried out by Savills (Roxhill Hearing 2 Statement, Appendix A) that states at paragraph 1.18:

*“Increasing take-up against a backdrop of limited speculative development in 2016 resulted in falling supply and a critical shortage of floorspace both nationally and regionally, particularly of those larger, well-located, high specification units which are increasingly the focus of demand.*

And at paragraph 2.20:

*“The majority of supply in the region is relatively small in size and there is a severe shortage of the higher quality, large scale units”.*

### Conclusions

22. The amount of land being planned for across the sub region fails to take account of employment land lost through redevelopment. As a result, the authorities are planning for 194Ha less than is needed.
23. The local plan allocations includes a 100Ha site at Gaydon (adopted Stratford-upon-Avon DC Local Plan) that is protected to provide for the future expansion of Jaguar Land Rover. This site is therefore not available to meet general market demand and cannot be relied upon in the supply figures. This requirement not identified within the 2015 MoU, despite being known about at that time, as that only identified a need of 35Ha for Stratford-upon-Avon.
24. Evidence supplied by the Local Enterprise Partnership demonstrates a critical shortage of supply of sites to meet demand.
25. There is only one available site over 35Ha (Coventry and Warwickshire Gateway) within the sub-region capable of meeting the demand for grade A, large floorspace logistics development. There has been significant interest in that site despite there being no planning permission in place.
26. Rugby BC's is providing no strategic employment in its Plan to meet sub-regional employment demand despite its excellent location in relation to the edge of Coventry and the strategic highway network.
27. Rugby's strategic sites at Ryton Prologis and Ansty Park are almost entirely developed and therefore provide no opportunity for growth for the remaining 13 years of the Rugby Local Plan period.
28. The lack of a strategy to meet the substantial evidence of demand for additional large employment sites, as supported by the LEP and the Chamber of Commerce is contrary to paragraph 19 of the NPPF.