



The countryside charity
West Midlands

Black Country Employment Land Plan

Update on Capacity for Sandwell/Dudley Plans

Report to CPRE West Midlands Region by *Gerald Kells*

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1. Introduction

1.1 I advised CPRE on previous iterations of the Black Country Economic Development needs Assessment (EDNA) and Strategic Employment Assessments for the Regulation 18 consultation of the Plan which was abandoned in 2022 in favour of developing four local plans. Since then, a further review of the Black Country EDNA (October 2023) has been produced along with a Black Country Employment Land Paper (November 2023).

1.2 This report updates my previous work and considers the current position in relation to employment land to inform CPRE's response to the current Sandwell and Dudley Regulation 18 Plan consultations.

1.3 It should also assist in responding to the anticipated consultations on Walsall and Wolverhampton Plan next year, but will need reviewing in the light of the actual policies and allocations in those boroughs.

2. Background

2.1 2021 Urban Capacity Study

2.1.1 The 2021 Urban Capacity Report referred to a shortfall of Industrial Land in the Black Country of 553 hectares (down from 563 in the previous report).

2.1.2 At the time I was concerned that, while the Urban Capacity Study stated that land in South Staffordshire could contribute to needs of the Black Country, they only considered

30-35% of the now approved West Midlands National Rail Freight Interchange at Four Ashes (80-100 hectares) to be relevant. This seemed conservative, and raised the question of whose need the HNRFI did serve, since it was not required for South Staffordshire's own need according to the SSDC 2018 Economic Development Needs Assessment¹. Moreover, Shropshire in their M54 Strategic Options Study did not seem to identify it as meeting their need.²

2.1.3 Another assumption was in relation to the 90 hectares of additional land in South Staffordshire's own plan. The Urban Capacity Study suggests only 20 hectares of this could be considered as meeting need in the Black Country based on the 2018 South Staffordshire EDNA.

2.1.4 However, that shortfall of 67 hectares in South Staffordshire was based on past completions of employment land, which would also include any employment land meeting Black Country need (by definition). Given the very close links between South Staffordshire and Wolverhampton, with considerable cross-boundary commuting flows, the separation of the two in this way seemed problematic. Indeed, of the four key sites identified in the South Staffordshire Site Allocation Document (SAD)³, three were on the boundary of Wolverhampton.

2.1.5 Moreover, other sites that were being promoted in other neighbouring authorities would appear to be meeting Black Country need. This would include the contested M54 Junction 3 site⁴ as well as a further 123 hectares is identified on other sites in that corridor, not including the Cosford airfield site which covers 250 hectares in total and, whose future is currently uncertain (due to future aviation and RAF operational needs).

2.1.6 The M54 Strategic Options Study suggested an approach to its future was likely to be developed during the plan process. Notably, the approach of Shropshire Council was also based on an optimistic economic need assessment which they claim requires population growth above their demographic need.⁵

2.1.7 At the time I concluded that, while the 2021 EDNA might assist plan-making, there seemed to be a number of adjoining local authorities all promoting employment land which in the end met the same need and that the success of one or the other was likely to come at the cost of the other. Without a more joined up approach to economic need assessment, I was dubious about the robustness of these figures.

¹ <https://www.sstaffs.gov.uk/doc/179880/name/South%20Staffs%20EDNA%20Final%20Report%2007%2009.pdf/>

² <https://shropshire.gov.uk/media/12921/m54-strategic-options-study.pdf>

³ <https://www.sstaffs.gov.uk/planning/site-allocations.cfm>

⁴ See the Representation by Bradford Rural Estates to the Consultation by Shropshire Council on Strategic Sites, Housing and Employment Need promoting land at Jn3 of the M54.

⁵ Urban Capacity Study Para 3.2.1

2.2 Black Country Plan (Regulation 18) Response

2.2.1 Following the publication of the Regulation 18 Plan WM CPRE responded in October 2021 taking account of my previous report. That response generally supported the approach of the Plan to employment land, with the exception of two Green Belt sites in Walsall (Labelled WAE 409 and 410, and close to the Sandhills Neighbourhood Growth Area.) These amounted to 14.33 hectares.

2.2.2 CPRE also disagreed with the overspill requirement of 210 hectares in Para 7.10 of the Plan.

2.2.3 A key reason given was the issue of double-counting of employment land need, particularly on proposed sites adjacent to the Black Country in South Staffordshire where the sites would be serving the Black Country but are included as meeting need in South Staffordshire.

2.2.4 Moreover, CPRE had significant concerns about that the Strategic Employment Site Study on used for the plan was based on pre-pandemic assumptions.

2.2.5 These were set out in objections to Policy CSP1 and EMP1 of the Plan.

3. Economic Development Needs Assessment (2023 Update)

3.1. The 2023 update picks up from the 2022 EDNA. Among other things, it considered travel to work data and concluded that:

'The Black Country (consisting of the four BCLAs) is a sufficiently self-contained labour market in terms of TTWAs to be considered to be a stand-alone Functional Economic Market Area.' And that *'overall, none of the individual BCLAs represents a self-contained labour market area on its own.'*

3.2. It also identified strong functional relationships with Birmingham and adjacent local authorities, varying by local authority.

3.3 This supports the view that employment land should still be considered across the four boroughs, taking account of higher levels of identified supply (in Walsall in particular) to balance shortfalls in other Local Authorities.

3.4 The current overall BC calculations are set out in the 2023 EDNA update. This sets out the employment needs based on Oxford Econometrics and concludes that 515 has are required up to 2041, the expected plan period for future plans. This is lower than the ONS

time series forecasts but similar to the past completions figure of 516 has. A further 63 has are anticipated to be lost to other uses, which creates a total of 577 has (579 has based on past completions). Notably 350 has are for logistics and only 165 has for manufacturing.

3.5 However, the report also includes a table for individual local authorities, which suggests a contribution for Dudley of 98 has, Sandwell 212 has, Walsall 107 has and Wolverhampton 116, totaling 533 has, slightly lower than the overall BC calculation.

3.6 The report then includes a table of supply of sites, which amounts to a 302.2 has baseline and a windfall calculation of 77.9 has, totaling 380.1 has. This leads to an overall shortfall of 153 has (compared to 533 has need). However, Walsall has a surplus of 64 has, while Dudley has a deficit of 73 has, Sandwell 170 has and Wolverhampton 52 has.

3.7 The Shropshire Plan (at Examination) includes an allocation of 30 has for Black Country needs, albeit this is not defined by specific allocations. There is a further 36.6 has of employment land in the Regulation 19 South Staffordshire Plan which is considered surplus to their requirement. Stantec also continue to recommend 67 has of the WMRFI is identified as assisting the Black Country. In other words, 133.6 has of land is identified in neighbouring districts, leaving a final shortfall of 19.3 has (533 - 513.7 has)⁶

3.8 The EDNA is supported by a technical employment supply paper. It explains how the figures are derived. One notable fact is that the windfall employment land supply (which underpins the figures in the EDNA update) has largely occurred in Dudley (40%) and Sandwell (56%) with Walsall only contributing 4%. This would support the proposition that there is cross boundary inter-action and suggest that shortfalls in allocations in some BC local authorities may be counter-balanced by its windfall supply.

4. Commentary

4.1 The current employment land calculation leads to a marginal shortfall across the four BC boroughs of 19.3 has. 47.3 has is identified in the Green Belt in Walsall, of which WM CPRE previously opposed 14.3 hectares. Given the location of those sites I see no reason for CPRE to change its stance should those come forwards in a future Walsall Plan. This would increase the overall BC shortfall to 33.6 has. This would still only be 6% of the requirement.

4.2 However, as I previously advised CPRE, I have reservation about the low amount of employment land in either South Staffordshire or in Shropshire which is assumed to meet needs in the Black Country.

4.3 It seems to me that the WMRFI (now permissioned) will support significant warehousing capacity to support the Black Country and that the allowance of 67 should be considered as an under-count. This is given added weight by the fact that 61% of employment land need in the BC is for logistics provision.

⁶ The EDNA update gives 19.4 and the ELSP 19.3 but the difference is marginal, probably a result of rounding up.

4.4 I do not consider any more employment land is needed in the FEMA, but, even if it were, I note that the South Staffordshire Plan takes forward trends in South Staffordshire which has arguably been inflated by previous relocation from the Black Country.

4.5 Also, the very significant land on sites identified in the M54 corridor in Shropshire, notwithstanding the current debate about the M54 Junction 3 site, would provide large amounts of employment land, not all of which I consider to have a strong justification for meeting needs in Shropshire.

4.6 In other words, I do not consider the marginal BC shortfall to be a matter which requires addressing, primarily because the logistics need will be met at the WMRFI.

5. Dudley

5.1 According to the 2023 Dudley Urban Capacity Review, 98 has is required in Dudley, of which 25 has are available from allocations and from small windfalls. Within that supply figure there appears to be no allowance for larger windfalls, even though the BC evidence suggests that could be an important source in the borough. A further 14 has is considered to be specifically related to Dudley from the WMRFI.

5.2 However, taking account of the wider BC evidence, it is not proposed to include any Green Belt sites in Dudley but to rely on Duty-to-Cooperate to meet any employment land shortfall.

5.3 Policy DLP18 of the plan, 'Economic Growth and Job Creation' says:

Dudley Council will seek to deliver at least 72 hectares of new employment land between 2020 to 2041 through:

a. the development of Employment Opportunity Sites allocated within this Plan, equal to 24ha, with that figure including completions since 2020.

b. the redevelopment, intensification, conversion and enhancement of existing employment areas and premises, including the development of small opportunity sites (sites between 0.25 ha and 0.4 ha).

c. the Duty to Cooperate process: the development of employment sites outside of the borough, which have an evidenced functional economic link to Dudley Borough

5.4 It seems to me that the reference to 'an evidenced functional economic link', is unhelpful as it suggests that further employment land could be sought in South Staffordshire (and other more rural districts) rather than in the Black Country itself even though the evidence suggests there is sufficient Black Country urban land to meet those needs.

6. Sandwell

6.1 The Sandwell Urban Capacity Study identifies a supply of 42 has and a shortfall of 169-170 has, taking account of lost employment land. As with Dudley, this does not seem to allow for large windfalls.

6.2 Policy SDS 1 includes 29 has of vacant employment land and 1206 has altogether, although much of that latter figure is existing employment land which makes the policy somewhat confusing.

6.3 It also says that:

'Those development needs that cannot be accommodated within the borough will be exported to sustainable locations in neighbouring local authority areas, following consultation.'

6.4 It seems to me that, again, this allows for exports to local authorities beyond the Black Country which are not required by the evidence, and also to allow for exports to authorities within the BC who have employment shortfalls themselves, rather than to areas where there is an excess of supply.

6.5 Para 3.17 suggests that Duty to Cooperate may only:

'address a small proportion of the housing and employment shortfall,' and blames the limited legal powers of the Council.

6.6 While this may be correct, the wider evidence suggests that there is sufficient brown field land within the Black Country to meet BC employment needs, so it is hard to see why that shortfall cannot be addressed with that sub-region. In my view, the plan should be clearer that the evidence supports the use of wider BC capacity rather than seeking employment land from elsewhere.