

General Development Applications

(1) Application No: CON/2018/0026

Land at M42, Junction 11, Stretton-en-le-Field,

Part full/part outline planning application for the development of land, for

IM Hill Top Estates Ltd

Introduction

This application has recently been submitted to the North West Leicestershire District Council and the Borough Council has been invited to make representations as a neighbouring Local Planning Authority.

This is an application for major development accompanied by a substantial amount of supporting information. This report will provide a summary of the proposals, but Members are advised to view the whole application and its documentation on the planning pages of the North West Leicestershire District Council's website. The planning reference is 18/01443/FULM.

The Site

This is an area of 97 hectares of agricultural land at Hill Farm immediately west of Junction 11 of the M42 Motorway with boundaries to both the A444 and the B5493. It is relatively flat and has little in the way of surrounding development.

This location is right at the northern extremity of North Warwickshire. The closest settlement is No Man's Heath some around 600 metres from the western application site boundary.

The site is illustrated at Appendix A.

The Proposals

The header to this report summarises the proposals, but in essence it is for a distribution campus similar in concept to the Birch Coppice development in the Borough.

Whilst the application is split into part outline and part detailed, it is perhaps easier to deal with the proposal as a single development.

The applicant has provided an Executive Summary of the proposal and for convenience this is attached at Appendix B. Apart from describing the proposal in general terms it also outlines the planning case that is being put forward.

The plan at Appendix C illustrates the full extent of the development proposal.

Development Plan

The Core Strategy 2014 – NW1 (Sustainable Development); NW2 (Settlement Hierarchy); NW9 (Employment), NW10 (Development Considerations), NW12 (Quality of Development) and NW13 (Natural Environment)

Austrey Neighbourhood Plan – AP3 (Views)

Other Material Planning Considerations

The National Planning Policy Framework 2018

National Planning Policy Guidance

The Submitted North Warwickshire Local Plan 2018 – LP1 (Sustainable Development); LP2 (Settlement Hierarchy), LP6 (Amount of Development), LP11 (Economic Regeneration), LP14 (Landscape), LP16 (Natural Environment) and LP31 (Development Considerations)

Observations

a) Introduction

This is a substantial development proposal right on the “door-step” of North Warwickshire where the rural character of the Borough is its overriding appearance and concern. Clearly North West Leicestershire will determine the application primarily against its own Development Plan, but that determination has to include an assessment of “other material planning considerations”. Those will definitely need to include the potential harmful impacts of the proposal on the wider setting and other communities including those of North Warwickshire.

In this regard the main recommendation set out below is to seek an early meeting with the developer so that he can better understand the Borough Council’s concerns.

Those concerns are likely to be widespread.

b) The Economic Impact

The applicant’s case here is set out in more detail at Appendix D. This clearly argues the case based on need and the shortage of large sites in which to accommodate that need both in the West and East Midlands. From the Borough’s perspective then the proposal, if it is approved, is unlikely to prejudice the content of the Submitted Local Plan. That Plan explicitly focuses on the B2 allocation in connection with the MIRA site and not on additional large scale other employment provision. The proposal here is materially different to the scope of the MIRA allocation. Indeed it could be argued that an approval at Junction 11 might remove some of the immediate pressure on the Borough to promote large scale distribution sites.

The proposal will increase opportunities for employment for North Warwickshire residents. Whilst welcome, this does have other impacts – increased travel to work movements and queries about the skills that might be offered. Moreover an approval could lead to increased pressure for housing, so as to accommodate the additional employment provision and to reduce commuting distances.

At the present time therefore, the Borough's position is recommended to be one of taking a neutral stance on the principle of the development.

c) Highways and Access

The highway impact of the proposal is a major concern for the Borough.

As Members are aware the site is poorly served by public transport links and much of the surrounding highway network, apart from the M42 and A444, is rural in character.

The primary access to the site would via a new three arm roundabout about 100 metres to the west of an improved Junction 11 onto the Motorway. There would also be a secondary access in the form of a priority controlled T-junction with a ghost right hand turn lane, at the far south western end of the site off the B5493. All existing access points into the site would be closed.

Road Safety Audits recommend appropriate overtaking warnings and carriageway makings along the B5493 in the vicinity of the new secondary access in light of the straight lengths of road here and the average speed of existing traffic – 55 to 59 mph.

Additionally changes will be required at Junction 11 and the design of the new roundabout to prevent queueing between the two junctions.

In terms of trip generation then it is estimated that there would be 6783 additional traffic movements generated over a twelve hour period – from 0700 hours. This would be made up of 5667 light vehicle movements and 1116 heavy goods vehicle movements. It is anticipated that 12% of the light traffic generated would use the B5493 in North Warwickshire with there being no use of the B5493 in the Borough by the HGV traffic generated. Impacts on the wider highway network including Junction 10 of the M42 and the Redgate junction of the A444 with the A5 are said to show no material adverse capacity impacts.

It is anticipated that bus services would be extended into the site but there are no firm proposals at this stage.

Car and HGV parking provision is said to satisfy Leicestershire County Council requirements.

Members are expected to have several concerns in order to limit any adverse impacts arising from the traffic generated by this proposal – ensuring that the layout and road junctions are designed such that HGV movements are not feasible along the B5493; that “rat-running” of lighter vehicles through the local rural highway network with its villages is controlled, that there are sufficient HGV parking spaces on-site to prevent on-street parking on the main roads in the Borough and that there is provision made for extending bus services.

As a consequence until these matters are resolved the proposal would not be considered to satisfy Core Strategy Policy NW10.

d) Landscape and Visual Impact

As indicated above the site is in a wholly rural landscape. The North Warwickshire Landscape Character Assessment identifies the No Man's Heath to Warton Lowlands as the closest landscape character area to the application site. This describes that area

as being a well ordered agricultural landscape with scattered farmsteads and nucleated hill top villages, connected by a network of minor roads. It is a distinctly rural landscape with the only notable urban influence being the Motorway. The section of this area most affected by the development is that alongside the B5493 from No Man's Heath towards the Motorway junction which presents an open landscape with wide views. Moreover the change in levels over the site means that the higher existing ground levels are along this southern boundary.

In general terms the proposal will introduce a substantial built form of development within this distinctly rural open landscape. The massing, scale and rectangular buildings together with its associated lighting will have a landscape impact. Extensive perimeter landscaping and mounding, the lowering of levels – even along the southern edge - and the use of sympathetic materials and variable ridge heights will reduce this impact. However there will be a material change to the landscape when viewed from within the Borough along the length of the B5493, which essentially marks its southern boundary.

Members may be familiar with a similar situation along the A5 Watling Street at the Magna Park estate just outside Lutterworth. The change in the landscape along this stretch of road will be adverse with a high degree of change. Residents too will have their existing views foreshortened. Mitigation will not enable the proposed development to become absorbed within the landscape. The residual landscape impact will still be adverse – a conclusion also reached by the developer.

The same conclusion arises with the impact on visual amenity.

At the present time therefore the very scale and nature of the proposal gives rise to an objection in landscape and visual terms. The adverse impacts acknowledged above will not satisfy Core Strategy policy NW12 as the proposal would not “positively integrate” with the character, appearance and environmental quality of that part of North Warwickshire most affected. It would neither satisfy policy NW13 as it would not protect or enhance the quality, character and local distinctiveness of the natural environment of those parts of the Borough most affected.

e) Other Impacts

The proposal will be lit. Members are familiar with the effects of modern lighting technology and how this can reduce significant visual impacts – e.g. at Baxterley. It is acknowledged that different levels of lighting are needed throughout the site and that impacts can be reduced through having the right number of lighting columns and the correct angle for the luminaries. However there will always be a residual impact in that there will be a “glow” from the site even if the light sources are screened and not visible. This factor adds to the concerns expressed above in respect of the changes to the landscape and visual amenity.

The other issue here is the likely impact from noise emissions. Fortunately for North Warwickshire's perspective there is little in the way of a resident population close to the site. Nevertheless Members are fully aware of the impact of noise from further afield, rather than just around the perimeter of a site. There are two matters that need addressing with this proposal. The first is to ensure that the service yards are located within the site and not around the perimeter as is presently proposed along the southern boundary with the B5493. Not only are they then screened by other buildings but all of the potential activity associated with the use of the buildings is located centrally.

Members will be aware of the changes sought recently at Hams Hall to ensure that this arrangement was brought into use. It is essential here too. The second matter is to ensure that noise is mitigated at source. Hence air conditioning and refrigeration plant and particularly their exhausts should be fitted with baffles from the start and all loading bays should have electric pick up points.

Until satisfied on these matters the proposal would not accord with Core Strategy Policy NW10.

f) Conclusions

It is considered that the main thrust of the Council's representations here should relate to the actual and potential adverse impacts likely to be caused by the proposal.

As a consequence it is recommended that these concerns be forwarded to North West Leicestershire and that the developer be asked to meet with Council representatives in order to amplify these concerns. It would be appropriate that North West Leicestershire representatives were also invited.

Recommendation

- a) That North West Leicestershire District Council be informed of this Council's initial objections and concerns as expressed in this report and that
- b) Representatives of the Council meet the applicant together with representatives of the North West Leicestershire District Council in order to further discuss these concerns.

BACKGROUND PAPERS

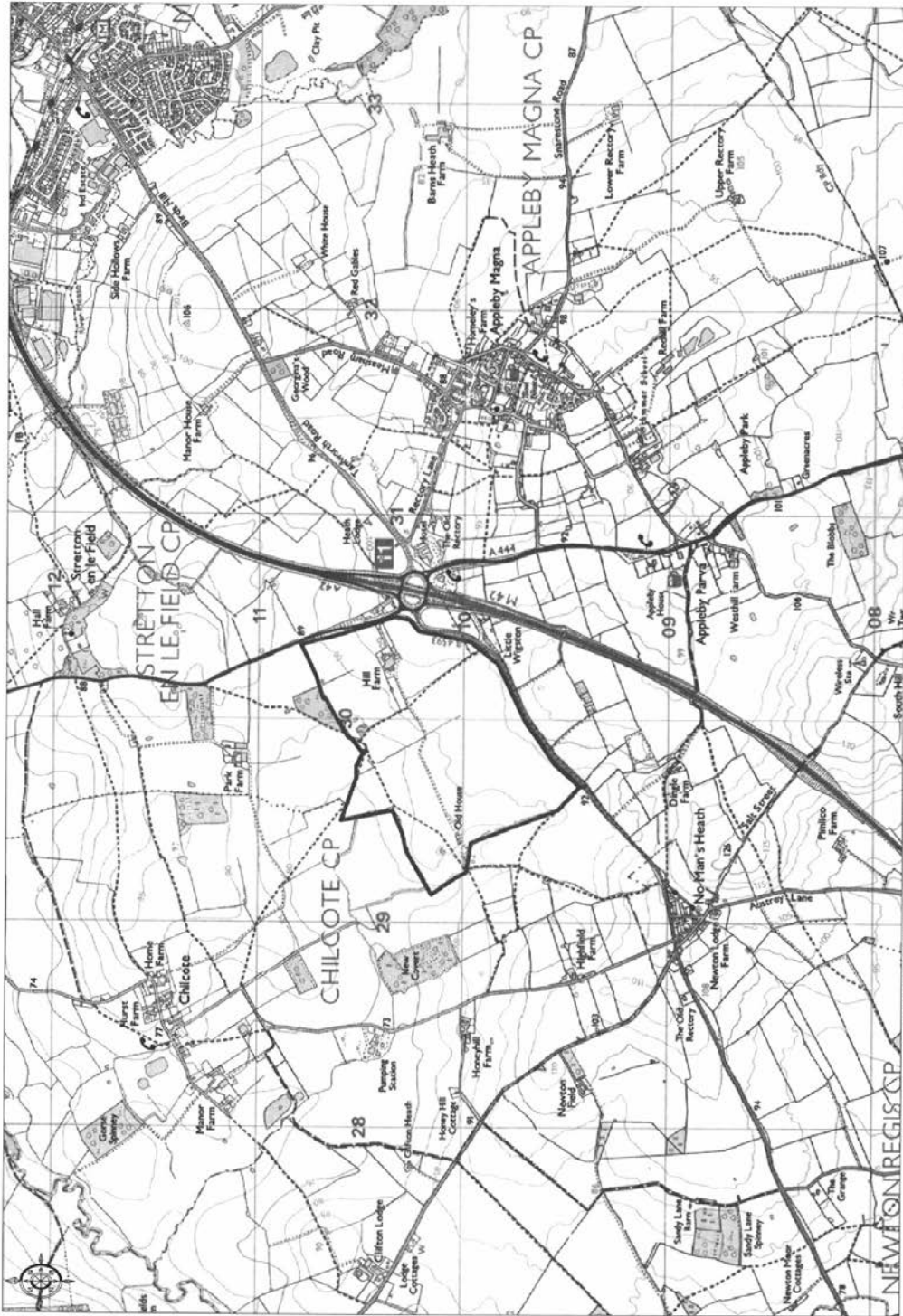
Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

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Background Paper No	Author	Nature of Background Paper	Date
1	NWLDC	Letter	7/8/18

Note: This list of background papers excludes published documents which may be referred to in the report, such as The Development Plan and Planning Policy Guidance Notes.

A background paper will include any item which the Planning Officer has relied upon in preparing the report and formulating his recommendation. This may include correspondence, reports and documents such as Environmental Impact Assessments or Traffic Impact Assessments.



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This plan is published for the convenience of identification only and although believed to be correct is not an authoritative record of the current road network.



Executive Summary

- i) This statement has been prepared on behalf of IMP Hill Top Estates Limited (the Applicant) in support of a hybrid planning application for B Class employment development at land at Junction 11, M42 (the Site). Its purpose is to explain the proposals and to justify them in the context of relevant planning policy and other material considerations.
- ii) The Site is situated immediately west of Junction 11, M42, with boundaries to both the A444 and B5493. The application site area measures 97.39 hectares (240.65 acres). The Site is relatively flat and featureless, has little if any surrounding development or settlement in the immediate vicinity of the Site, and is particularly suited to accommodate large industrial floorplate buildings. It has been farmed intensively as arable land.
- iii) The hybrid planning application comprises two elements. The first part is a full planning application for a new distribution park (Class B8) with ancillary offices (Class B1a) and associated works and access. The second part is an outline planning application for Class B1c, B2 and B8 employment uses with ancillary offices (Class B1a), including access, and associated commercial and amenity uses.
- iv) The full planning application comprises five units totalling 279,007 sq m (GEA) sited on a net development area of 51.16 hectares. The units range from 21,058 sq m to 97,792 sq m (GEA), with maximum building heights ranging from 19.5m to 22.5m. The units all have a low pitch and parapet roof. The elevations have a pixelated cladding system, with darker grey tones proposed at lower level and lighter grey tones at upper level to merge into the skyline. All units are served by numerous dock loading and level access doors with generous yard space and circulation. Car parking is separated and lies outside secure fencing for each unit.
- v) The outline planning application covers the remainder of the proposed built development of the site. This has an area of 13.19 hectares and has capacity for 70,993 sq m (GEA) of built floorspace. The units will be used for Class B1c, B2 and B8 and indicative layout plans for this plot show a large unit (Unit 6) of 56,712 sq m (GEA) with 550 car parking spaces, and a much smaller unit of 3,539 sq m (GEA), with 34 car parking spaces. The maximum height of Unit 6 will be 24.5m. The indicative layout plan shows also a gateway building fronting the main access to the site from the B5493. This building could be used for a number of uses, including as a management suite for the development, a creche, an office, a gym or a café. In addition, the plan shows an amenity area with a multi-use games area for the benefit of employees and local residents.
- vi) Access is proposed from two points on the B5493. The main access will be a new roundabout at the north east corner of the Site, with this access for cars, buses and HGVs. A secondary access will be provided in the south west corner of the Site by way of a priority junction with a right turn filter lane from the east, with this access restricted to cars and buses.
- vii) Surface water will be drained by attenuation through the use of two balancing ponds in the north of the site. Foul drainage will be pumped out of the River Mease catchment to Tamworth Treatment Works. Other services will be provided and reinforced as necessary.
- viii) Landscaping has been an important element in the scheme's development. There is extensive landscaping proposed to the perimeter of the Site, including mounding and bunding, with this averaging 50m in width, but as wide as 120m in places. This area absorbs 28 hectares (69 acres)– roughly 30% of the total gross area of the Site. The proposals will be screened by the planting of over 100,000 native trees with a range of semi-

mature and young trees planted, resulting in over 11.8 hectares (29 acres) of new woodland. This will be supplemented by planting of new hedges and shrubbery. In addition, acoustic fencing is proposed in a number of places to mitigate against any potential noise disturbance.

- ix) The Site is crossed by two public footpaths. These footpaths will be diverted and will form part of the network of footpaths running through the landscaped amenity area which surrounds the development. This area will be accessible to staff employed on site and members of the general public.
- x) The proposed development is market driven. However, it is feasible that construction starts in 2019 and the development is fully operational by 2021, by which time the economic context both regionally and locally may be different. The proposals will contribute to the economic resilience of the District and the wider area.
- xi) The design process has been lengthy and extensive, involving a series of structured meetings with the Local Planning Authority, North West Leicestershire District Council. The objective has been to minimise visual intrusion and other environmental effects (e.g. noise, light pollution and traffic) as far as possible. This has required a balancing exercise to accommodate the likely operational requirements of industrial and logistic companies, who will bring significant economic and social benefits, and the resulting environmental impact of a large development in the countryside. The design evolved with this objective in mind. This has resulted in a number of changes to the principal design elements – layout, elevational treatment and landscaping. The latter has led to a significant increase in the width of mounding and depth of tree planting and a corresponding reduction in the capacity of the Site for built development, but has improved significantly the landscaped setting of the development.
- xii) A series of meetings have been held with Highways England, Leicestershire County Council (the Highway Authority) and North West Leicestershire District Council. This has been to agree the scope of the Transport Assessment, the Framework Travel Plan and the modelling and testing of the proposed development in the context of the wider road network. This process has led to the identification of a number of measures necessary to accommodate the proposed development and to limit its significant impacts as effectively as feasibly possible. The main measures proposed include:-
 - The design of the site accesses.
 - Proposed improvements to Junction 11, including partial signalisation, widening of the southbound approach to the A444, amendments to the circulatory carriageway, and enhanced footpath provision.
 - Investment in sustainable travel.
- xiii) With regards to the latter, a number of sustainable travel measures have been considered by the Applicant in discussion with the Highway Authority and the District Council. These include a Sustainable Access and Transport Strategy (SATS) which enables the developer to respond to potential end user requirements to provide public and bespoke transport services, and other initiatives (e.g. car sharing), as a realistic alternative to single occupancy car use. The SATS will define:-
 - A level of bus services from surrounding towns (e.g. Burton, Swadlincote, Tamworth, Coalville and Measham) to provide for and cater for the specific shift changes of operators.
 - The intended method of meeting that demand by either:
 - tender services with a local provider;

- site operated services with a local provider but for staff only; or
 - other site specific/demand response methods available at that time.
- xiv) Encouragement for staff to use public transport and other forms could be co-ordinated by a Travel Plan, once an operator is identified. The Travel Plan will contain a number of measures:-
- Subsidised bus passes for employees.
 - Travel packs.
 - Personalised travel planning.
 - Car sharing initiatives
 - Other initiatives (e.g. cycle storage, showers, lockers and other measures encouraging cycling and walking).
- xv) The proposals have been the subject to a full round of public consultation. This has included meeting with stakeholders (including Local Parish Councils) and a public exhibition held across four days in three different locations. The feedback received has demonstrated a broad spectrum of views and has led to the identification of a number of issues and concerns. These issues and concerns are covered and answered by the technical evidence that supports the application. In addition, the Applicant has identified mechanisms to monitor and review perceived impacts. This includes the setting up of a Local Transport Impact Fund.
- xvi) The proposals conform fully with relevant planning guidance contained in the NPPF and planning policy in the recently adopted Local Plan from North West Leicestershire.
- xvii) The NPPF sets out a number of key relevant objectives:-
- Contribute to the achievement of sustainable development by fulfilling its three principal dimensions of sustainable development – economic, social and environmental.
 - Proactively support sustainable economic growth, including facilitating the needs of business.
 - Secure high quality design and good standard of amenity for existing and future occupants of land and buildings.
- xviii) The proposed development supports fully and responds to these objectives. The application is supported by an Energy and Sustainability Strategy. This demonstrates that the proposals achieve a BREEAM 'Very Good' rating and 'Excellent' rating for water and energy.
- xix) Local Plan policy presumes in favour of new employment sites, including in the countryside, which meet an **immediate need or demand** for additional employment land which cannot be met from land allocated in the adopted Plan, and which meet three criteria as set out in Policies Ec2 and S3. The evidence we have presented, in an Employment Land Statement, demonstrates that there is **both an immediate need and demand** for employment land at this location of a type and quality that cannot be met elsewhere in the District and wider afield.
- xx) The proposed development is suitable, available and deliverable to meet the immediate demand we have identified and meets all the established criteria for strategic employment sites, specifically:-
- It is located at a motorway junction.

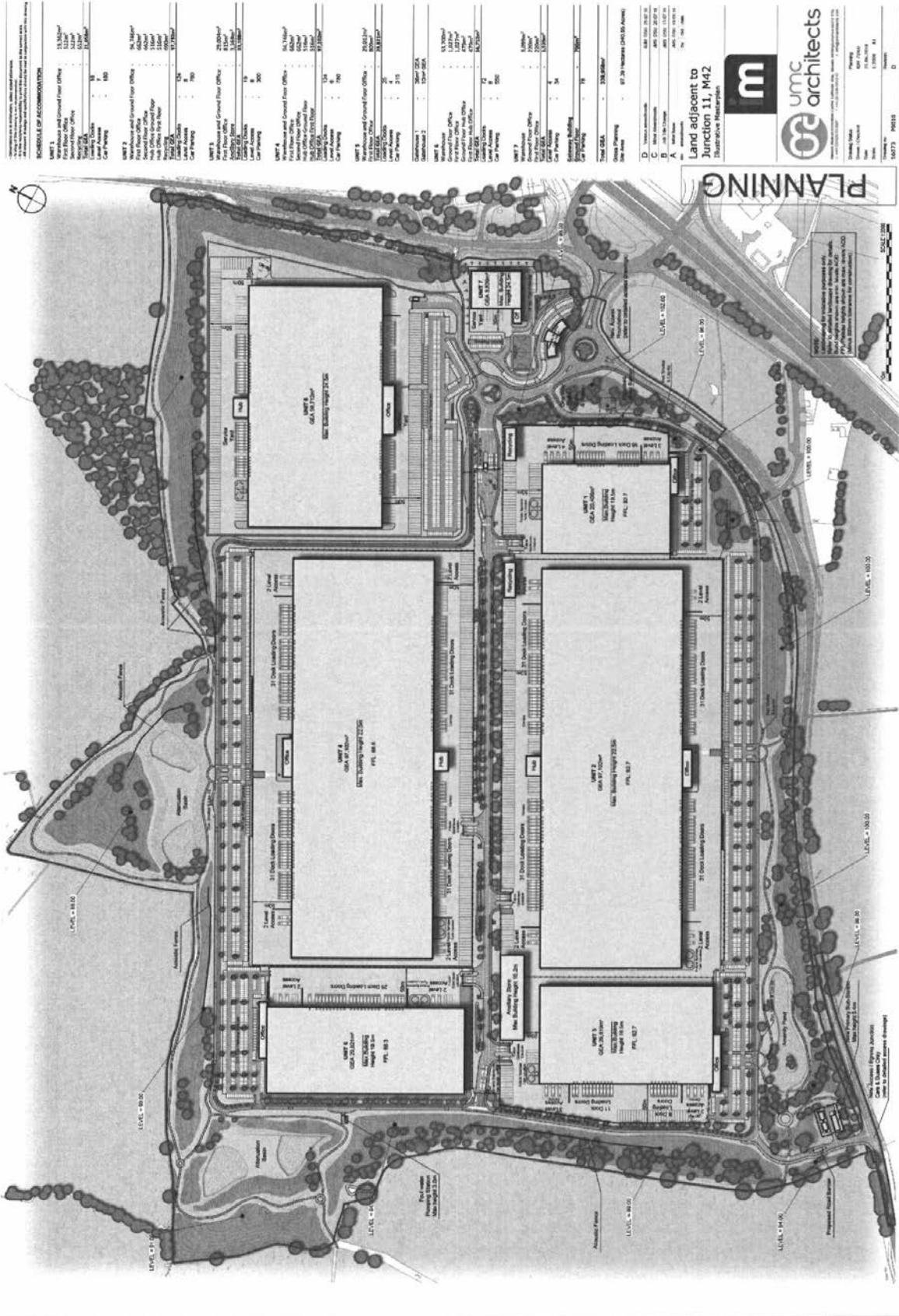
- It is in range to serve the strong West Midlands market, particularly the manufacturing sector.
- It enjoys a good catchment for labour, with significant housing growth (75,000 new homes) planned within a 30 minute drive time catchment.
- It is accessible to rail facilities at both Birch Coppice and Hams Hall.
- It has a sufficient scale and is able, currently, to accommodate large floorplate buildings of 1 million sq ft.
- It is located away from any adjoining, incompatible uses, such as housing.

xxi) The proposed development meets the three principal criteria set by Policy Ec2, as follows:-

- **Be accessible or be made accessible to a choice of means of transport** – The submitted Transport Assessment and Framework Travel Plan proposes a number of sustainable travel measures. This includes a Sustainable Access and Transport Strategy, which enables the developer to respond to potential end user requirements to provide public and bespoke transport services and other initiatives as a realistic alternative to single occupancy car use.
- **Good access to the strategic highway network** – The Site is located on Junction 11 of the M42 with excellent access to the strategic highway network. The Transport Assessment demonstrates that the impact of the network will be acceptable, subject to proposed improvements to Junction 11, as agreed with Highways England and Leicestershire County Council.
- **No detrimental impacts arising to amenities of nearby residential property or the wider environment** – The Site is not located near residential property and no significant detrimental impact will arise to residential properties. Careful consideration has been given to minimising visual intrusion, noise and light pollution through the design of the scheme, mounding and bunding, tree planting and acoustic fencing.

xxii) The application is supported by an Environmental Statement. This demonstrates that there are no overriding environmental constraints which would preclude the proposed development. The design of the proposals have taken into account the likely significant effects and, where necessary, mitigation measures will form an integral part of the proposed development. These mitigation measures will make the development acceptable in environmental terms and will be secured by the use of planning conditions or obligations.

APPENDIX C



Executive Summary

- i) This Statement presents an assessment of the need for a new strategic employment park of land at Junction 11 of the M42. It responds to national and local planning policy, alongside evidence of need and demand.
- ii) Relevant Planning Policy (Policy Ec2) places a positive presumption in favour of development proposals which meet an immediate demand or need for additional employment land, over and above that already consented or allocated, which cannot be met from land allocated in the recently adopted Local Plan.
- iii) This statement provides substantial evidence on the demand for additional employment land in the Midlands, particularly for large strategic employment sites to serve the market for large scale industrial and logistics units. This evidence covers national market trends, regional market trends, key market drivers, the large-scale return of speculative developments, the shortfall of suitable development land, and the qualitative requirement for development land, with particular reference to the importance of access to the national motorway network.
- iv) The take up of large scale units for Q1 2018 in the UK totalled 8.7 million sq ft. It marks the highest quarterly level of take up in the UK on record. The market of large scale units in the Midlands has improved dramatically over the last 5/6 years. This is due to economic growth, the renaissance in the manufacturing sector, and the increasing dynamism of the distribution sector.
- v) There is a significant shortfall of suitable development land for large scale industrial and distribution units. At the end of 2017, Grade A supply of premises represented less than 12 months of demand at current levels of take up. In addition, market signals (such as rents, yields and land values) provide further evidence of an increasing shortage of stock of suitable premises and land relative to demand.
- vi) This statement considers in more detail the demand for large scale units in the M42/A42 corridor – a key strategic road of geo-economic importance to the Midlands' economy. The M42/A42 provides a vital link to the West Midlands, is a key element to the Golden Triangle, and provides access to regional freight interchanges at Hams Hall, Birch Coppice and East Midlands Gateway.
- vii) The M42/A42 has accounted for a substantial slice of the Midlands market. Take up in this sector in the last two years totals just under 6 million sq ft – equating roughly to 30% of all floor space transacted in the Midlands over the same period.
- viii) We are aware of a significant number of active requirements for large units for the M42/A42 corridor through marketing sites and existing speculative buildings at Junctions 10 and 13 of the M42/A42 motorway. We have logged 70 active enquiries, with these ranging from 100,000 sq ft to 1 million sq ft.
- ix) IM Properties have not marketed the application site. Nevertheless, they have received very strong enquiries from a number of potential occupiers – one for well in excess of 1 million sq ft; another in excess of 500,000 sq ft. Both parties have expressed a very clear interest in the proposed development and are in negotiations with IM Properties. The proposed requirements, combined, would substantially exhaust the whole of the site.
- x) The extent of recent development activity, the number of active requirements, and the very strong interest received from a number of parties provide a strong indication of the immediacy of demand for additional employment land at this location.

- xi) We have appraised also the ability of suitable development land to accommodate this demand. The allocated Money Hill site is not suitable for development of large scale units. It is compromised by the mixed use nature of its allocation, with particular reference to housing. Instead, we see this site serving predominantly the local market. Sawley crossroads is no longer available, being taken by Aldi and the former Lounge site is fettered by HS2 and no longer being marketed. East Midlands Gateway is filling rapidly, tapping into the strong M1 market. There are no other allocated or permitted sites in the District along the M42/A42 corridor that can accommodate the proposed development and serve the market demand we have evidenced by reference to transactions and active requirements.
- xii) In addition, there is a relative shortage of deliverable sites to the south of the site, along the M42 corridor, to meet the immediate and strong demand we have demonstrated. The current supply of deliverable sites also lacks really large plots. None of these sites will be able to accommodate the two specific operators, who are in active discussions with IM Properties about development at the application site.
- xiii) Conversely, the application site is suitable, available and deliverable to meet the immediate demand we have identified. It meets also the established criteria for a strategic employment site, specifically: -
- It is located at a motorway junction.
 - It is in range to serve the strong West Midlands market, particularly the manufacturing sector.
 - It enjoys a good catchment for labour with significant housing growth (75,000 new homes) planned within a 30 minute drive time catchment.
 - It is accessible to rail freight interchanges at both Birch Coppice and Hams Hall.
 - It has sufficient scale and is able, currently, to accommodate large floor plate buildings of 1 million sq ft.
 - It is located away from any adjoining, incompatible uses, such as housing.
- xiv) It is for these reasons why the site has attracted very strong interest already even though marketing of the site has yet to commence.
- xv) A number of published studies and draft Local Plans have addressed the need for strategic employment land in the M42 corridor and the wider sub-region. These include:
- Leicester & Leicestershire Strategic Distribution Study, November 2014.
 - West Midlands Strategic Employment Sites Study, September 2015.
 - Coventry & Warwickshire Employment Land Use Study, September 2015.
 - Leicester & Leicestershire HEDNA, January 2017.
 - West Midlands Land Commission Land Report, February 2017.
 - North Warwickshire Draft Local Plan, November 2017.
 - Leicester & Leicestershire Strategic Growth Plan, Consultation Draft, January 2018.
- xvi) All of these studies point to the strength of the market for large scale distribution and manufacturing and there being an overall shortage of suitable and available development land over forecast need.
- xvii) Policy Ec2 requires evidence indicating an immediate need or demand. This statement provides a clear demonstration that **both need and demand** exist, with particular reference to the application site.

1. Introduction

Context

- 1.1. The principal planning policy context for the proposals is Policy Ec2 of the adopted Local Plan for North West Leicestershire. This policy allocates up to 16 hectares of new employment land to land north of Ashby-de-la-Zouch (Money Hill). However, for reasons referred to below, this policy also provides a positive presumption in favour of proposals which meet certain criteria.
- 1.2. This presumption is set out in Part 2 of Policy Ec2 and reads as follows:-
- “(2) Where evidence indicates an immediate need or demand for additional employment land (B1, B2 and B8) in North West Leicestershire that cannot be met from land allocated in this plan, the Council will consider favourably proposals that meet the identified need in appropriate locations subject to the proposal:*
- (a) being accessible or will be made accessible by a choice of means of transport, including sustainable transport modes, as a consequence of planning permission being granted for this development; and*
- (b) having good access to the strategic highway network (M1, M42/A42 and A50) and an acceptable impact on the capacity of that network, including any junctions; and*
- (c) not being detrimental to the amenities of any nearby residential properties or the wider environment.”*
- 1.3. Paragraph 8.26 provides some justification. It notes that the allocated provision will result in a shortfall compared to that projected by the Housing and Economic Development Needs Assessment (HEDNA) for Leicester and Leicestershire, GL Hearn, January 2017. It states further that this will be addressed by the review to the Local Plan committed to by Policy S1 (including taking into account of any additional land which might be redistributed to the District from elsewhere in the Housing Market Area (HMA)) and through determination, against Ec2(2), of any planning applications which come forward in the meantime.
- 1.4. Paragraph 5.5 identifies the objectively assessed need, computed by HEDNA, of 66 hectares for the plan period to 2031. This overall requirement is set out in the context of completions (from 2011), commitments and an allowance for potential loss of employment land in Table 5. This deduces a shortfall of 39 hectares compared to the requirements identified in HEDNA.
- 1.5. However, it is important to note that this identified need (i.e. 66 hectares) makes no allowance for large or strategic distribution (B8 Class). This is confirmed in paragraph 5.5, which states:
- “The HEDNA has identified a need of 66 hectares of employment land (comprising those uses which fall within Class B1, B2 and B8 of less than 9,000 sq m (as defined by the Use Classes Order 2015)). A study in respect of the need for additional provision for distribution uses (Class B8) of more than 9,000 sq m has identified a need for both additional road and rail connected sites across the HMA but it does not identify any specific requirements for individual districts/boroughs.”*

- 1.6. A third element, apart from the overall quantitative shortfall in providing the objectively assessed need and no account being taken of strategic distribution, is the quality and range of sites. This was considered specifically by the Inspector to the recently adopted Local Plan to be an important justification for the approach set out in Policy Ec2(2).
- 1.7. The Inspector's reasoning is set out clearly in paragraphs 192 and 193 (in part) of this report. These are set out below for ease of reference:

"192. However, Representors also question whether, irrespective of overall quantity, the Plan provides for a sufficient range of sites in size and location. These concerns are justified with respect to the degree of flexibility afforded by the Plan and the recognition of the strategic importance of the M42 corridor in relation to distribution across the wider transportation network.

193. The Council therefore now proposes MMs 40-41 to add a second clause to Policy Ec2 and expand the supporting text on New Employment Sites. This is to provide an appropriate level of flexibility in the choice and location of employment sites, including within the M42 corridor, in response to evidence of need or demand and subject to transport and amenity considerations..."

- 1.8. Policy Ec2(2) refers to M1, A50 and M42/A42 in terms of the strategic highway network. It is notable that the Inspector singled out the M42 corridor in terms of its strategic importance. This stems from the evidence put before him and the need to insulate the Plan from challenges under the Duty to Co-operate.

Purpose

- 1.9. Within this context, this statement seeks to demonstrate that there is an immediate demand and a clear need for new strategic employment development land along the M42 corridor in this location. In addition, it will seek to show that the proposed development of 350,000 sq m (3.75 million sq ft) of large scale industrial and distribution premises on a site of 96.4 hectares (238.3 acres) could not be accommodated on other allocated or consented land within the District or other consented land along the M42 corridor in neighbouring Warwickshire.
- 1.10. How the proposed development meets the three tests set out by Policy Ec2(2) is addressed by the Planning Statement, with reference also to the Transportation Assessment and Environmental Statement.

Scope

- 1.11. Sections 2 and 3 of this statement provide evidence on demand, relative to supply, in terms of the market, for large scale industrial and logistics units. Section 4 provides an overview of the consequential need for large strategic employment land, with reference to published studies that relate to the M42 corridor and the wider market area.
- 1.12. Section 2 of this report provides an overview of the market for large scale industrial and logistics units at a national and regional level, with reference to the latest published research by JLL on demand for this sector. Consideration is given to key market drivers to this segment of the market and recent levels of speculative development – a good gauge of the health and confidence of a market sector. This section considers also the increasingly pressing requirement for strategic development land to serve this market sector and the qualitative requirements of occupiers for new development land in this sector in terms of location, situation, and siting. Particular consideration is given to the importance of direct motorway

access, with reference to a number of schemes in the Midlands which have been successful in accommodating demand for this sector and attracting inward investment.

- 1.13. Section 3 concentrates on the M42 corridor. Its geo-economic importance, as a link between the East to West Midlands, is addressed. Recent development activity in take up is summarised and the successful completed Birch Coppice scheme at Junction 10, M42 is considered as a case study. Section 3 analyses also current active requirements for large industrial warehouses which take in the M42 and refers also to direct enquiries made by two companies interested in the application site. Consideration is given to the scarcity of available and suitable employment development land along the M42 corridor, both within and outside the District to serve this market, and available labour within a 30 minute drive time.
- 1.14. Section 4 provides evidence of the shortfall between the need for strategic employment land and its supply along the M42 corridor. Reference is made to a number of studies and draft Local Plans which take in both the East and West Midlands. These include the Leicester and Leicestershire Strategic Distribution Study, 2014 (as updated); the West Midlands Strategic Employment Sites Study, 2015; the Coventry and Warwickshire Employment Land Use Study, 2015; the Leicester and Leicestershire HEDNA, 2017; the West Midlands Land Commission Land Report, 2017; the Draft North Warwickshire Local Plan, 2017; and the Leicester and Leicestershire Strategic Growth Plan, Consultation Draft, 2018.
- 1.15. Section 5 provides a summary and draws conclusions.

IM Properties

- 1.16. IM Properties is one of the foremost investors and developers of industrial, distribution and office property in the East and West Midlands. Successful developments in the sub-region include:-
- Birch Coppice
 - Blythe Valley
 - Solihull Business Park
 - The Hub, Witton
 - 55 Colmore Row, Birmingham
- 1.17. Recently, IM Properties has received planning permission for a strategic employment development of 30 hectares (82 acres) at Junction 1, M69, Hinckley. This development, being marketed as Hinckley Park, will accommodate a new automated parcel hub for DPD of c 300,000 sq ft on 16 hectares (40 acres), alongside a further 1 million sq ft of B1c, B2 and B8 floorspace across the balance of the site. The extent of the occupier interest in this scheme underlies the Company's confidence in the market need for large employment sites in this location.

JLL

- 1.18. JLL is the biggest commercial property agent serving the UK, with offices throughout the UK, including Birmingham, Manchester and Nottingham. It is a multi-disciplinary practice, but is particularly well known for its expertise and experience with industrial, distribution and office property. It produces a quarterly research report entitled UK Big Box Industrial and Logistics Market. It also produces an annual

report that tracks market sentiment on the demand and supply of industrial floor space throughout the UK.

1.19. JLL is an active agent in the sub-region in terms of employment property and land. Current instructions on the M42/A42 include:-

- Prologis Park, Hams Hall, Junction 9, M42 for Prologis
- Core 42, Junction 10, M42, for Hodgetts Estates
- CP153, Junction 10, M42, for St Modwen
- Zorro, Junction 13, A42, for Canmoor

1.20. The author of this report was involved in the collation of market data and evidence to support the findings of the West Midlands Strategic Employment Sites Study produced jointly by Peter Brett Associates and JLL on behalf of the West Midlands Local Authority Chief Executives, published in September 2015. In addition, the author has provided evidence that was quoted extensively by the West Midlands Combined Authority Land Commission Report of February 2017. Both these reports are referred to in greater detail in Section 4.