



Application by Four Ashes Limited for an Order Granting Development Consent for the  
West Midlands Interchange

Representations for The Inglewood Investment Company Limited

by Bruce Owen

REFERENCE 20015438

2<sup>nd</sup> April 2019

**APPENDICIES (1 to 4 of 7)**

- 1 GVA December 2008 Representations to West Midlands Regional Spatial Strategy on behalf of Kilbride Properties Limited.
- 2 July 2015 the Kilbride Group web site extract – Rail Projects / Four Ashes
- 3 First Round Consultation correspondence issued to Occupiers 12th April 2016
- 4 JLL Market Report into land proposed for West Midlands Interchange 25th March 2019



**20015438 Appendix 1**

**GVA Dec 2008 Representations to WM RSS**

Our ref: SDT/GEG/01A628769

5<sup>th</sup> December 2008

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c/o Government Office for the West Midlands  
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- 9 DEC 2008

HAND DELIVERED

Dear Sir/Madam,

**Representations to West Midlands Regional Spatial Strategy Phase Two Revision –  
Draft Submission**

GVA Grimley Ltd are instructed by Kilbride Properties Ltd to make submissions to the WM RSS Phase Two Revision in respect of land at Four Ashes, Stretton.

Please find attached report which provides comments in relation to Policy PA9 and paragraph 7.46 of the Phase Two Revision draft submission document. We have also provided an electronic version on CD.

We would be grateful if you could confirm receipt of these representations. However, should you require any further information please do not hesitate to contact me.

Yours faithfully

[Redacted signature]

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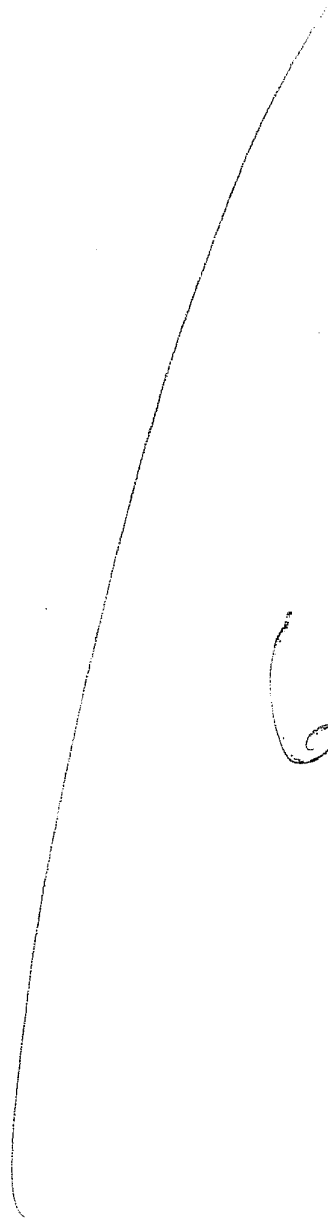
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cc William Crawford - Kilbride Properties Ltd



662

**West Midlands Regional Spatial Strategy  
Phase Two Revision**

Consultation Response Form on the West Midlands RSS Phase Two Revision  
Draft submitted by the West Midlands Regional Assembly

**Making Comments**

It is very helpful to us if you use this form to make your comments and if possible e-mail or post it to the following:

WMRSS Panel Secretary  
c/o Government Office for the West Midlands  
5 St Philip's Place  
Colmore Row  
Birmingham B3 2PW

E-mail: [wm.panelsecretary@gowm.gsi.gov.uk](mailto:wm.panelsecretary@gowm.gsi.gov.uk)

**Deadline for Comments**

Deadline for receipt of completed forms is 12.00pm on 8<sup>th</sup> December 2008

**Additional Copies**

Additional copies of the form can be downloaded from the Government Office for the West Midlands web site at <http://www.go-wm.gov.uk> or [www.wmra.gov.uk](http://www.wmra.gov.uk) or can be requested by contacting Government Office for West Midlands on: 0121 352 5476.

**How to complete this form**

Please complete a separate copy of the form for each matter that you wish to comment on, showing each time which policy or paragraph of the WMRSS Phase Two Revision Draft Submission documents you are commenting on.

Please note that all comments will be made available for the public to read – they cannot be treated as confidential. However, please be assured, WMRSS Panel Secretary will only use the contact details provided for the sole purpose of distributing appropriate information about this consultation and the next stages of the process.

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For WMRSS Panel Secretary use: WMRSS Phase Two Revision  
Consultee reference  
Comment reference

I am commenting as (please tick)			
A private individual	<input type="checkbox"/>	Local Authority of Parish Council	<input type="checkbox"/>
Business representative group	<input type="checkbox"/>	Campaign Group	<input type="checkbox"/>
Utility and emergency services	<input type="checkbox"/>	Statutory Body or Government Agency	<input type="checkbox"/>
Landowner, Developer or Agent	<input type="checkbox"/>	Voluntary / Community group	<input type="checkbox"/>
Representative of a client	<input checked="" type="checkbox"/>	Other (please specify)	<input type="checkbox"/>
If you are commenting on behalf of a client, please add their name here		MR WILLIAM CRAWFORD KILBRIDE PROPERTIES LTD	

Please indicate which Paragraph or Policy your comment relates to:		
Paragraph Number	Policy Number	Policy PA9 (including A,B,C,D)
Please use the section below to give your comments.		

PLEASE REFER TO ATTACHED REPORT.

662

(Please continue on a separate sheet if required)

**West Midlands Regional Spatial Strategy  
Phase Two Revision**

Consultation Response Form on the West Midlands RSS Phase Two Revision  
Draft submitted by the West Midlands Regional Assembly

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For WMRSS Panel Secretary use: WMRSS Phase Two Revision  
Consultee reference  
Comment reference

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I am commenting as (please tick)		
A private individual	<input type="checkbox"/>	Local Authority of Parish Council
Business representative group	<input type="checkbox"/>	Campaign Group
Utility and emergency services	<input type="checkbox"/>	Statutory Body or Government Agency
Landowner, Developer or Agent	<input type="checkbox"/>	Voluntary / Community group
Representative of a client	<input checked="" type="checkbox"/>	Other (please specify)
If you are commenting on behalf of a client, please add their name here		MR WILLIAM CRAWFORD KILBRIDE PROPERTIES LTD

Please indicate which Paragraph or Policy your comment relates to:	
Paragraph Number	7.46 (Policy PA9)
Policy Number	

**Please use the section below to give your comments.**

PLEASE REFER TO ATTACHED REPORT (p24).

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(Please continue on a separate sheet if required)





**Representations to Policy PA9 West  
Midlands Regional Spatial Strategy  
Revision Phase 2**

**On behalf of Kilbride Properties Ltd  
December 2008**

662

662

## Contents

1.	INTRODUCTION.....	1
2.	SCOPE OF RESPONSE.....	2
3.	RELEVANT POLICY AND STUDIES CONTEXT.....	3
4.	A – LACK OF DEFINITION OF RLS.....	6
5.	B - RLS LOCATIONAL AND ASSESSMENT CRITERIA.....	7
6.	C – THE LAND REQUIREMENT FOR RLS.....	9
7.	D – THE IDENTIFICATION OF ADDITIONAL RLS REQUIREMENTS.....	11

### Appendices

Appendix 1	Site Location Plan (including Concept Plan)
Appendix 2	Transport Statement, Scott Wilson, December 2008
Appendix 3	Four Ashes: A Regional Logistics Site for the West Midlands- Scoping Report, Intermodality, December 2008
Appendix 4	Network Rail letter dated 15 <sup>th</sup> April 2008
Appendix 5	Phase 1 Ecological Report, Environ, December 2008
Appendix 6	Phase 1 Contamination Review, Environ, December 2008
Appendix 7	Landscape and Visual Appraisal, Environ, December 2008
Appendix 8	Sustainability Statement, Environ, December 2008

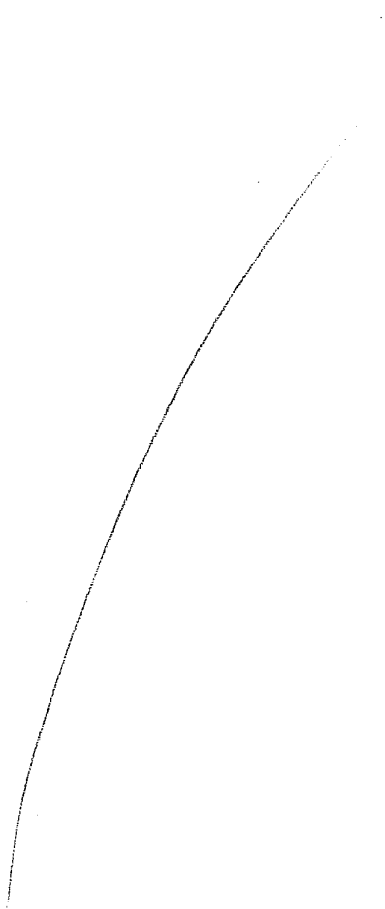
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## 1. INTRODUCTION

- 1.1 GVA Grimley is instructed by Kilbride Properties Limited to submit representations to the draft West Midlands Regional Spatial Strategy (WMRSS) Phase Two Revision.
- 1.2 The Kilbride Group is a specialist transport infrastructure and property development company, focussing in particular on the rail sector. The strategy of the group is to put infrastructure in place first to serve development. In this way the development is not only given the best practical chance of being a sustainable part of a community or region, but the infrastructure also enhances the appeal of the development and thereby contributes to the development of the project.
- 1.3 The majority of the rail expertise has derived from a number of award winning rail freight projects developed by the team, including the Jaguar Castle Bromwich Rail Terminal and the Jaguar Halewood Rail Terminal, which won the National Rail Award, the Institute of Logistics Freight project of the year and a British Green Apple award. In addition to this rail terminal developments have been carried out by the Kilbride team for BMW at Cowley and for Walon at Corby Eurohub.
- 1.4 The rail activities of the group have diversified to include passenger rail line reinstatement projects, where again rail infrastructure is put in place to serve development. The study into the reinstatement of the Lewes- Uckfield line serving significant housing allocations in the area was funded by Kilbride and more recently the reinstatement of the Bere Alston to Tavistock line in Devon has been promoted by the group.
- 1.5 At the group's Shipton on Cherwell quarry site in Oxfordshire, the provision of a rail connection opens up the opportunity to develop rail freight terminal facilities, fill operations and commercial development opportunities, as well as providing an option of providing a passenger rail station to serve residential development. Under both options the rail infrastructure provides the opportunity to bring brownfield land back into economic use. The Group's most recent rail terminal development is at Keypoint Swindon from where Honda are now transporting cars to mainland Europe via the Channel Tunnel by rail.
- 1.6 Kilbride Properties Limited has an interest in an area of land in excess of 200 hectares in a location along the Wolverhampton to Penkridge Corridor, west of junction 12 of the M6 in South Staffordshire. These representations are submitted in response to Policy PA9, Regional Logistics site (RLS) in view of their interest in promoting an RLS in this location.

662



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## 2. SCOPE OF RESPONSE

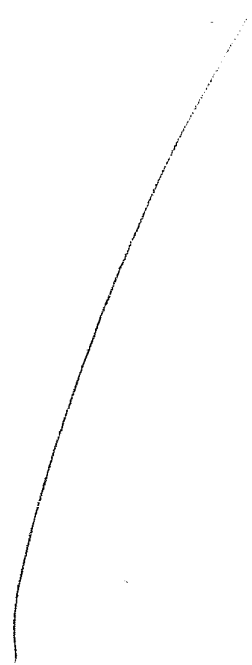
2.1 Kilbride welcomes the continuing recognition of the importance of the warehousing and distribution sector to the regional economy and, in particular, the need to make specific provision for rail served sites. Notwithstanding this, Kilbride objects to the revised Policy PA9 on the following grounds, by reference to parts A to D of the policy, as follows:

- A. The policy lacks clear definition of the role of RLS in relation to Government policy objectives of encouraging the transfer of freight to rail.
- B. Whilst Kilbride support some of the amendments to the criteria, these require further clarification to reflect the location and assessment criteria recommended by other studies and guidance, specifically the West Midlands Regional Logistics Study (WMRLS) and the advice of the Strategic Freight Association (SFA) in the Strategic Rail Freight Interchange Policy report.
- C. The land requirements are too conservative and do not reflect the views of the WMRLS and SRA, nor are they sufficiently ambitious in relation to Government policy objectives.
- D. The priority order for the provision of additional RLS land is inappropriate. In addition, policy should provide clearer and more specific guidance on the location for RLS, and the reference to the potential for new rail service facilities to serve the needs of the Black Country located in southern Staffordshire should refer to South Staffordshire and more clearly identify the location set out in the WMRLS.

The mechanism for meeting RLS provision, referred to "*as discussions between the relevant local authorities and key partners*" lacks clarity and robustness.

2.2 A brief overview of relevant policies and studies is set out in the next section before each of these objections is addressed in detail. Proposals for addressing the policy deficiencies are then set out. This submission is also supported by technical reports in respect of the suitability of the location at Four Ashes, Stretton in South Staffordshire which is located along the Wolverhampton to Penkridge Corridor of the West Coast Main Line (WCML). These are appended to this representation and include a Scoping Report prepared by Intermodality; a Transportation Assessment by Scott Wilson; a Sustainability Appraisal by Environ; and various environmental reports prepared by Environ.

662



662



### 3. RELEVANT POLICY AND STUDIES CONTEXT

- 3.1 Current WM RSS PA9 sets out a need for provision of regional logistics sites to be made as part of the portfolio of employment sites, to be identified in development plans based on identified criteria. The supporting text states that a study will be undertaken in order to ensure an adequate supply of RLS land and to identify the number, size and broad location of such facilities (paragraph 7.46).
- 3.2 In June 2004 King Sturge completed stage 1 of a Regional Logistics Study on behalf of Advantage West Midlands (WM RLS 1). The purpose of the study was to identify the factors influencing the logistics industry and identifying robust criteria for selecting RLS locations and sites.
- 3.3 Stage 2 of the study was undertaken by MDS Transmodal in 2005 (WM RLS 2). The purpose of this study was to review potential regional logistics locations and site criteria and amend them as necessary; to recommend the number, size and broad location of RLS up to 2021; and to provide advice on future development of RLS policy.
- 3.4 The study identified four "best" regional logistics locations of which the North Black Country and South Staffordshire location was identified as one. It also identified the Wolverhampton to Penkridge Corridor as a potential area for supporting a RLS.
- 3.5 This study underpinned the draft RLS policy PA9 and is therefore highly relevant to these representations. Further and more detailed reference is made to this study later in these representations and in Appendix 3, Four Ashes: A Regional Logistics Site for the West Midlands, Scoping Report (Intermodality, December 2008).
- 3.6 A range of other policy guidance, studies and strategies have influenced the WM RLS and the proposed amendments to policy PA9. These include:-
- **PPG 13 Transport: PPG13 (2001).** One of the key priorities of the government's planning guidance is to promote more sustainable transport choices for both people and moving freight. PPG13 recognises that land use planning can help to promote sustainable distribution including, where feasible, the movement of freight by rail and water. It encourages LPA's to protect sites and routes which could be critical in developing infrastructure for the movement of freight (such as major rail freight interchanges) in the future. It is recommended that where possible development

662

generating substantial freight movement should be located away from congested areas and residential areas and ensure that it has adequate access to trunk roads. It also encourages LPAs to promote opportunities for freight generating development to be served by rail by influencing the location of development and identifying and where appropriate protecting realistic opportunities for rail (paragraphs 45-46).

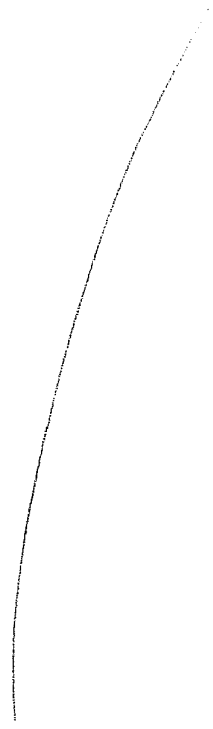
- **Freight Strategy, Strategic Rail Authority 2001.** The strategy is designed to deliver growth, specifically 80% growth over the period of the Government's 10 year plan by encouraging modal shift from road to rail. Achievement of this objective will increase rail's market share from 7% to 10%.
- **Sustainable Distribution Strategy 2003 – Department of Transport.** This strategy provides a framework for modern efficient freight transport system across all modes. Its objectives include minimising congestion, making better use of the transport infrastructure, minimising pollution and reducing greenhouse gas emissions, managing development pressures and reducing noise and disturbance from freight movements. Section 5 states that better utilisation of railway, ports, shipping services has a vital role to play in building a sustainable distribution system. The Government wants to see more freight moved by rail and is working with the rail freight industry in a joint effort to achieve this.
- **Strategic Rail Freight Interchange Policy, SRA March 2004.** This policy document establishes a clear framework to promote and facilitate the delivery of SRFI in the context of the Government's wider economic and environmental objectives. The purpose of the strategy is to facilitate the development of a network of commercially viable rail freight interchanges with the right facilities in appropriate locations to support the growth of freight on rail.
- **West Midlands Regional Freight Strategy 2007.** This was issued in Spring 2007 by the WM Regional Assembly and builds upon the recommendations made by MDS Transmodal Ltd and Mott MacDonald in the study entitled 'A Recommended Regional Freight Strategy for the West Midlands' issued in 2005. The strategy promotes modal shift from road to rail where appropriate and subject to a number of factors. In terms of key actions, the Regional Assembly propose to facilitate the establishment of a Regional Freight Advisory Group (RFAG) to co-ordinate the implementation of the Regional Freight Strategy. It relies upon the WM RLS as regards identifying appropriate locational criteria for RLS.

3.7 In addition, further more recent studies and policies provide relevant context considering the logistics needs of the Black Country.

- **Black Country Study, Logistics Technical Report October 2005.** This concluded, amongst other things, that no suitable land exists within the Black Country urban area to accommodate the logistics needs of the Black Country and that provision should be made for the Black Country on land in the South Staffordshire sub-region.
- **Black Country Study May 2006.** This technical report fed into the RSS Phase 1 Review which related specifically to the Black Country. This again indicated that a RLS to serve the Black Country would be needed outside the Black Country in South Staffordshire but the issue of location would be a matter for the RSS Phase 2 revision.
- **Employment Land Study 2008.** GVA Grimley has recently completed an Employment Land Study to inform preparation of the Joint Core Strategy for the Black Country. This has also confirmed that land for a major logistics site would be needed outside of the Black Country to meet its needs.

3.8 These documents are referred to in this representation and are also explained in greater detail in the technical studies that support this submission.

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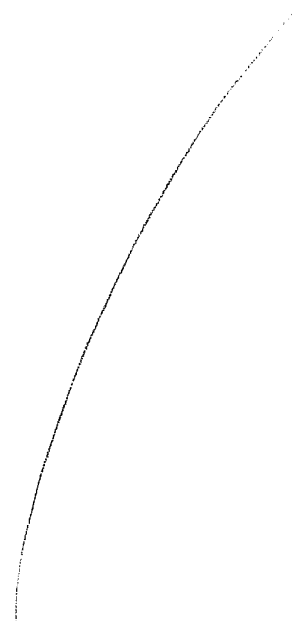


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## 4. A – LACK OF DEFINITION OF RLS

- 4.1 The purpose of RLS is described in draft RSS policy PA9 as *“to provide opportunities for the concentrated development of warehousing and distribution uses”*. This does not reflect what we understand to be the role of RLS having regard to Government policy and the findings of the Regional Logistic Studies (Stage 1 and Stage 2 reports) that underpin this policy.
- 4.2 It is our view that the purpose of RLS should be clearly stated as *“to provide opportunities for the concentrated development of warehousing and distribution uses of national, regional and sub-regional significance in locations that support the movement of freight by rail”*.
- 4.3 This definition of purpose is consistent with the WMRLS which confirms (page 4, paragraph 1) that RLS should assume the role of delivering wider national policies aimed at supporting major rail interchanges and transferring freight to rail.
- 4.4 The supporting text to this policy should clarify what the term RLS embraces. This should explain that the term includes different types of facilities including, firstly, the provision of Strategic Rail Freight Interchanges (SRFI), which the SRA describe as major interchanges with significant inter-modal facilities and warehousing, located at nationally strategic sites approximate to major conurbations, typically having a site size of 100-400 hectares. These fulfil a national and regional role. DIRFT and Hams Hall are cited as examples of SRFI. Secondly, the definition of Regional Logistic Sites may also embrace “sub-regional” facilities that provide larger interchanges with significant inter-modal facilities and warehousing, located at important sites within regions and typically have a site size of between 20 and 250 hectares. These facilities play a complementary role to the SRFI, but serve a smaller catchment providing sub-regional provision rather than national and regional logistic centres. An example of a sub-regional facility is Birch Coppice, Tamworth.
- 4.5 It is important that these differing roles are understood within planning policy as they have varying locational site and operational needs and therefore have implications for consideration of land requirements and appropriate assessment criteria.

662



667

## 5. B - RLS LOCATIONAL AND ASSESSMENT CRITERIA

- 5.1 The criteria set out in Part B of Policy PA9 require further clarification and expansion. In assessing appropriate criteria for RLS we have had regard to the following:
- The advice of the SRA in their SRFI policy document (March 2004) as regards the characteristics and criteria for SRFI. Whilst it is acknowledged that SRA policy is not a statement of Government policy, the Government has supported provision of major rail freight interchanges in their policy document "Sustainable Distribution" and has accepted that most of the SRA policy document (Chapters 4, 5, 6 and 7) remains relevant. This was confirmed in the recent SRFI appeal decision at Slade Green, Bexley (the "Howbury" decision). The SRA Policy stated that regional policy should set out locational assessment criteria and advice is provided in Section 7 of their policy document.
  - The advice of the WMRLS as set out in Stage 1 and Stage 2 Reports (2004 and 2005 respectively) regarding appropriate characteristics of RLS, and the Regional Freight Strategy published by the West Midlands Regional Assembly in Spring 2007. It is noted that the latter draws upon the Regional Logistics Study in referring to appropriate locational criteria for RLS.
- 5.2 The criteria set out in Policy PA9 reflect some of the factors set out in the above documents, but these require further clarification and addition to adequately provide the basis of assessment for RLS that comprise major freight interchanges including SRFI.
- 5.3 The following additional clarification is proposed:
- (i) **Site Size:** The site size of 50 hectares would be too small to accommodate a strategic rail freight interchange, although we note that the criterion permits development in excess of 50 hectares. In addition, the potential for expansion is regarded as an important criterion by the SRA for SRFI and therefore we consider that (i) should be amended to read "*in the order of 50 hectares or more and have the potential for expansion.*"
  - (ii) It is not clear whether the reference to **good quality public transport links** in this criterion relates to the provision of rail access itself. Nevertheless, the reference in the preamble to existing or potential dedicated access to the regional rail requires

662

further explanation of what is required. We consider that rail access should be defined as follows by the insertion of a further criterion that states *"good quality rail access is defined in terms of a generous loading gauge which is capable of accommodating inter modal units on standard platform wagons, the ability to handle full length trains, available capacity to run freight train services and permit full operational flexibility"*. This wording is consistent of the advice of the WMRLS (page 74).

In addition, the following clarification should be added: *"For SRFI in the West Midlands this means at least a WS10 gauge, an ability to accommodate train lengths of 775m and accommodate 9ft 6 inch units on standard platform units."*

- (vi) **Suitable configuration;** We support the addition of this criterion which we note is taken from the WMRLS study.
- (vii) We support the addition of the criterion related to **24 hour operations**. Again, this reflects the advice in the WMRLS and the SRA policy document.

5.4 The SRA also state that **proximity to commercial customers**, both existing and potential, is extremely important in securing the transfer of freight from road to rail and identify this as a key factor in considering site allocation. They also identify **fit with primary freight flows** in the area and, for SRFI, **the ability to contribute to the national network by filling gaps** in the network as important criteria.

5.5 Bearing in mind that there are two identified gaps in the West Midlands for SRFI (see Section 7), it is important that these additional criteria are set out within Part B, particularly for the identification of SRFI.

5.6 The clarification of these criteria is important to ensure the few additional major freight interchanges, including SRFI, that are identified are able to:-

- Make the best use of the rail network's capacity;
- Achieve maximum density of use of the site;
- Offer maximum flexibility for users; and
- Ensure terminals can accommodate port traffic which is the driver for growth in the rail freight market.

The application of such criteria will also ensure that the West Midlands RLS play their full role in meeting the Government's freight policy objectives.



## 6. C – THE LAND REQUIREMENT FOR RLS

6.1 Part C states that at least 150 hectares of land could be required on RLS-type locations to serve the West Midlands in the period to 2021. We consider that this policy threshold is too low and too cautious for the following reasons:-

(i) The WMRLS2 (the study of future demand for logistics within the region which is referred to in Part C), considered three options to forecast the likely land supply requirement for RLS. In brief, these were as follows:

- Option 1 – Continuation of existing trends. This was based on recent locational behaviour of warehouses over 25,000m<sup>2</sup> on rail linked sites and on the assumption that recent trends would continue. This forecast a requirement of between 161 to 176 hectares. This implied a need for 3 RLS assuming a mean site size of 75ha.
- Option 2 – Sustainable distribution. This directed all warehousing development over 25,000m<sup>2</sup> to rail linked sites and led to a forecast requirement of 455 to 492 hectares, equivalent to 7 additional RLS, assuming a mean site size of 75ha.
- Option 3 – Sustainable distribution taking account of existing planning consents. This option led to a forecast of 309 to 366 hectares land requirement. This implied as need for a further 5 RLS, assuming a mean site size of 75ha.

Having regard to these study findings, the minimum policy requirement should be 160 hectares and the wording should be more positive referring to 'will be required' rather than 'could be required' on RLS location.

- (ii) The policy should be aiming to positively contribute to Government objectives to transfer more freight to rail, rather than just continue existing trends. A more ambitious minimum figure should be adopted based on Option 3 of the study.
- (iii) The SRA SRFI policy document identifies a need in the West Midlands for "*new capacity equivalent to two strategic facilities together with significant new capacity for metals, aggregate and minerals*". (Reference paragraph 6.11 on page 17). This would indicate a minimum requirement of 200 hectares, assuming SRFI size of 100 hectares plus.

662

- 6.2 Taking account of these factors, the minimum threshold for additional RLS should be at least 200 hectares with a specified target of 300 hectares by 2021, consistent with the conclusions of the WMRLS2 in respect of the scale of need (p56).

662

## 7. D – THE IDENTIFICATION OF ADDITIONAL RLS REQUIREMENTS

7.1 In this section, we comment on several aspects of policy that are unacceptable as drafted. These elements are:

- (i) The proposed priority order.
- (ii) The reference to the needs of the Black Country and southern Staffordshire and the need for clearer locational direction to guide the search for regional logistic sites; and
- (iii) The mechanism for delivering RLS.

### The Proposed Priority Order

7.2 Kilbride fully supports the need to have a choice of RLS at any one time, but profoundly disagrees with the priority order.

7.3 It is acknowledged that Government policy in Sustainable Distribution encourages the full and efficient utilisation of existing interchanges in preference to their expansion. It is also noted, however, that in the recent 'Howbury' appeal decision, the view was taken that Sustainable Distribution does not rule out new interchanges being developed alongside expansion of existing facilities (paragraph 15.8 of Inspector's Report).

7.4 We consider that the priority afforded to Birch Coppice, Tamworth and its promotion to RLS status followed by DIRFT is misplaced for the following reasons:

#### Birch Coppice

7.5 Birch Coppice currently operates as a sub-regional facility with limitations on its potential to perform as a national or regional site. Expansion of the site is constrained by a number of factors including:

- The rail layout is constrained by a relatively short 340m length headshunt which impacts on train length and the design of the intermodal terminal itself which is bounded by the handling siding and reception sidings. It also has only a W8 gauge and has no electrification.

662

- The road infrastructure is inadequate to support expansion.
- It lies within the eastern/south-eastern part of the West Midlands in a location that is already well served by DIRFT, Hams Hall and Prologis Park.

Thus, whilst this site may operate as a RLS within the terms of draft Policy PA 9, it does not and will not perform the role of a SRFI to serve the gap in provision in the West Midlands.

#### Extension of Existing RLS Including DIRFT

- 7.6 It is noted that draft Policy PA9 recognises the issue of proximity of Hams Hall and Birch Coppice and the need to avoid over concentration in one broad location. This is a key point and a major factor against prioritising further expansion in the east and south-east of the region.
- 7.7 There are a number of reasons why the expansion of Hams Hall and DIRFT should not be prioritised ahead of a site to serve the north of the conurbation and Black Country. These include the following:

##### *Hams Hall*

- 7.8 The potential expansion of the Hams Hall facility is restricted by its limited capacity, the restricted size of its inter modal terminal, poor rail configuration and lack of electrification. Perhaps more importantly, however, the market in this part of the region is already well served and is not the location where the market now wants to be in respect of further growth.

##### *DIRFT*

- 7.9 The potential expansion of DIRFT is likely to be constrained by the limited spare capacity at the existing terminal and by issues arising from over development in terms of line numbers and congestion. It is understood that there are labour supply issues arising out of the scale of development. The market is well served in this area and further expansion of DIRFT would create an over-concentration of facilities in this location which would not promote choice or create a proper RLS network for the West Midlands region.

#### The Strategic RLS Priority Requirement

- 7.10 The main reason for changing the priority order is, however, that the priority should be the need to fill the gap in the strategic network identified to the north and west of the conurbation. This need has been identified in the SRFI strategy and acknowledged in the West Midlands

662

Regional Freight Strategy following the extensive study work and findings of the WMRLS. As the Inspector at the recent Howbury appeal noted, the Sustainable Distribution policy does not rule out the possibility of creating new facilities where they are required (reference APP/T2215/A/05/1185897 and APPD51 20/A/05/1198457).

- 7.11 The SRFI policy, 2004 sets out the importance of having a network of Strategic Rail Freight Interchanges (SRFIs) to increase the carriage of freight by rail. It suggests, as indicated above, that two new SRFIs are required in the West Midlands. It adds *"the major conurbation of the West Midlands primarily lacks capacity in the northern and western quadrants (it should be noted that the West Midlands region is also supplied by the DIRFT facility at Daventry, which is in the East Midlands region)"*. (Reference paragraph 6.11)
- 7.12 The need for facilities in the north and west is considered and supported further in the WMRLS, the Black Country studies and the employment land studies. Additional warehousing on rail linked sites generally, but particularly to the north and west of the conurbation, is identified as a means of attracting greater volumes of rail freight.
- 7.13 The Regional Employment Land study of 2005 identifies Hams Hall as the only RLS in the West Midlands with any land remaining and that this is running out with only about 30 hectares available.
- 7.14 The WMRLS (2) assesses existing provision and notes that this is heavily centred around the south and east of the region at Hams Hall and Birch Coppice (North Warwickshire), ProLogis Park at Coventry and at DIRFT at Daventry. The WMRLS analysis of potential regional logistics locations identifies the north Black Country and South Staffordshire sub-region as one of four sub-regions providing the "best" opportunities to meet the need for further RLS.
- 7.15 The need for a RLS to serve the north of the conurbation is therefore clearly established through the various studies as necessary to fill a strategic gap in the national SRFI network.
- 7.16 Moreover, the work undertaken for the Black Country Study to support the Black Country Phase 1 Review of the Regional Spatial Strategy identifies the need for a RLS to meet the needs of the Black Country and South Staffordshire. It was acknowledged that no suitable location for a RLS was available in the urban area and consideration was given to the suitability of the sites in the north Black Country and South Staffordshire sub-region to meet the needs the Black Country.
- 7.17 This confirms that in our view the strategic need of the national freight network and the sub-regional need to meet the requirements of the Black Country combine to demonstrate a clear

requirement for the location of a major RLS to the north of the conurbation. Moreover, as a strategic gap, this should be filled as the regional RLS priority.

- 7.18 We therefore consider that the priority order of the draft Policy PA9 should be revised to reflect the strategic need to serve the north of the Birmingham conurbation as top priority.

### Reference to "southern Staffordshire"

- 7.19 It is considered that the RSS should provide a clearer indication of where the RLS should be located. The identified sub-regions are unnecessarily broad and could, and should, be refined.

- 7.20 The policy refers to the "Black Country and southern Staffordshire" area. It is not clear why the reference is made to southern Staffordshire as the locational analysis of the WMRLS that underpins the RLS policy clearly identifies North Black Country and South Staffordshire as the sub-region. At the very least, therefore, the policy should more accurately reflect the sub-regions of the WMRLS and refer to "Black Country and South Staffordshire".

- 7.21 The analysis of the WMRLS specifically addressed locations in greater detail, but falls short of specifying any sites. It acknowledges (paragraph 7.4) that the sub-regional locations are broad in scale and that in practice there are only a few areas in each location that would be suitable for large scale logistics activity, given the geography of transport networks and other factors. The purpose of undertaking the further analysis demonstrated that it was possible to identify broad locations (within the recommended RLS locations) at a smaller scale than sub-regional level but above the site specific level.

- 7.22 As regards the north Black Country and South Staffordshire area, the WMRLS recognised that the only suitable location to meet RLS requirement is the West Coast Main Line (WCML) and its various links. The Black Country Study Logistics Technical Report reaches the same conclusion (page 64). The conclusion is that the RLS should be located in the Wolverhampton to Penkridge Corridor defined as:-

*"The area to the north of Wolverhampton, covering the Wolverhampton to Stafford Railway line corridor, between Wolverhampton and Penkridge (W10 loading gauge), an area served by the M6, M54 and M6 Toll". (Page 71, Table 15.)*

- 7.23 The identification of this location was made to assist policy makers to focus future work in terms of identifying suitable sites carrying forward this identification into the RSS would be consistent with government guidance in PPS11 Regional Spatial Strategies that confirms that

667

the broad location for regionally significant development may be identified in RSS (para 1.17). This would assist in providing as much clarity at the regional level as possible in identifying the area of search for a RLS to serve the north of the conurbation.

- 7.24 Accordingly, Kilbride consider that in identifying the potential for new rail served facilities to serve the needs of the Black Country and South Staffordshire sub-region the Wolverhampton to Penkridge Corridor should be identified as the appropriate area of search (similar information could be provided for the reference to North Staffordshire). Moreover, this area of search could be narrowed down even further to identify an appropriate location at Four Ashes as described below.

### The Four Ashes Location

- 7.25 Within the Wolverhampton to Penkridge Corridor, a location at Four Ashes, Stretton has been identified that meets the RLS criteria. This location is considered briefly below, and in greater detail in the reports attached as appendices. This section demonstrates that Four Ashes is a suitable location that meets RLS criteria, and would deliver the strategic rail freight terminal that is required to serve the north West Midlands conurbation. It would also meet the RLS requirement to serve the Black Country, as recognised in draft Policy PA9.
- 7.26 The compatibility of the Four Ashes location to the criteria set out in Policy PA9 B is summarised below:
- B i) be in the order of 50 hectares or more
- 7.27 The Four Ashes location is some 200 ha in size and includes the SI Group chemical works along with additional land to the west. The area is bounded by the A5 to the north, Junction 12 of the M6 to the east and the A449 Stafford Road to the west. The boundary is illustrated on Appendix 1 attached to this representation.
- 7.28 A large part of the site is already developed and operational for employment uses as a strategic employment site. The chemical works operated by SI Group occupies part of the site. In March 2008, SI obtained an outline planning approval for employment development on land adjoining the works site. The approval is for 84,000 sq m of B8 development with ancillary office, parking and servicing. There is, therefore, an established employment site in this location together with a planning permission for a significant amount of new warehousing and distribution space which offers the potential for expansion to provide a regional logistics facility of around 325,000 sq m of B8 uses.

662

7.29 Overall, the site complies with the size indicated for regional logistics sites, already accommodates a critical mass of employment development, and has outline planning permission for further B8 development. Moreover, it offers the size of site necessary to support a SRFI, including expansion land. The Four Ashes location therefore meets this criteria of policy.

**B ii) possess good quality public transport links, or be capable of having such links provided**

7.30 The Four Ashes location has good road accessibility and is well situated in relation to the north West Midlands conurbation and the motorway network which consists of the M6, M6 Toll and M54.

7.31 There is an existing rural bus service running hourly along the A449 between Wolverhampton and Stafford which passes alongside the Four Ashes location. There is currently a public transport study considering improvements to bus infrastructure between Wolverhampton City centre Ring Road and Stafford Road to the M54 motorway and there could be the possibility of extending improved services to Four Ashes. Public transport accessibility would be improved as part of the Regional Logistic Site proposals though the development of a suitable Travel Plan that would improve journey times for those travelling to this area, particularly from the Black Country. A Transport Statement has been prepared by Scott Wilson to accompany this representation and is attached at Appendix 2.

**B iii) be served or proposed to be served by multi – modal transport facilities and broadband IT infrastructure**

7.32 The West Coast Main Line passes through this location and a strategic rail freight terminal is proposed to service the warehouse units on the development. This will assist in transferring freight traffic from road to rail as explained in greater detail in the Appendices.

7.33 The type of development proposed would utilise road and rail transport facilities. The area is highly accessible to the local, regional and national highway network. Four Ashes is close to Junction 12 of the M6 and has direct access to the A5 and A449.

7.34 It is essential that rail serviced RLS are identified in locations where they can deliver the most effective network of sites to serve the region. Four Ashes is one such location. Specialist rail industry consultants 'Intermodality' have been appointed by the Kilbride Group to prepare a scoping report which examines the need for a strategic rail freight interchange at Four Ashes. The report concludes that the existing leading rail freight facilities in the West Midlands are



approaching capacity and that there is significant demand for additional facilities (refer to report attached at Appendix 3). There is a particular need in the north west area of the West Midlands.

- 7.35 The strategic rail freight interchange proposed at Four Ashes is considered an attractive development opportunity to the market (according to initial discussions with rail freight operators). A particular advantage would be its ability to service both the Midlands and the North West from a single site. The facility would provide direct access to the West Coast Main Line north and south and enable an integrated site with intermodal terminal and rail linked warehousing to be developed. The West Coast Main Line with electrification and W10 gauge in both directions of travel along with direct access to Washwood Heath and Bescot Yards create further connectional opportunities. The facility would provide at least 4 reception sidings and accommodate full length freight trains of 775m in length.
- 7.36 The proposal has been discussed with Network Rail (refer to Appendix 4) and has their support as set out in their letter of 15<sup>th</sup> April 2008;
- "Network Rail has agreed to take the project forward through the GRIP process and will be forwarding a formal Basic Services Agreement (BSA), which will involve a commitment to develop the scheme as an option in connection with the Wolverhampton area signalling renewals. The project is supported by Network Rail in the context of the current GRIP stage in that the outputs will determine the next stage of involvement. The proposed location is on an existing W10 gauge cleared route, with good links to both the north and south. Subject to strategic fit with other rail infrastructure developments (which will become clear as the scheme is developed we would support the further development of the location as a Regional Logistics Site / Strategic Rail Freight Interchange and look forward to developing the detailed proposals for the scheme".*
- 7.37 It is clear that the Four Ashes location can be adequately served by multi-modal facilities and this would be a key advantage of the site in attracting potential occupiers.
- B iv) have easy access to an appropriate labour supply and education and training opportunities
- 7.38 The RLS at Four Ashes would generate a substantial number of jobs including direct permanent employment, direct temporary employment (ie during construction) and indirect employment effects arising through the supply chain. A development proposal of 325,000 sq m of B8 employment space would generate in the region of 4,000 jobs based on an assumption of 80 sq m of floorspace per full time employee.

662

- 7.39 ... Clearly, new logistics developments can generate significant levels of new employment. The West Midlands Regional Logistics Study – Stage 2 (September 2005) states that employment densities at logistics facilities are comparable to those at traditional large high volume manufacturing sites (p7). It goes on to state that the wage rates enjoyed by logistics sector employees are similar to wages rates in the manufacturing sector and in many cases are higher than wage rates in the service sector (p8). The final point made relates to the commonly held perception that the logistics sector create low value/low skill employment, the report states that this perception is incorrect, and many positions in this sector now require a variety of skill levels, including the ability to use IT systems. Therefore, RLS are likely to involve high technology multi-modal methods of working and will be utilised by significant regional or indeed national employers. The report concludes that an expanding logistics sector will be able to make an important contribution to the future prosperity of the regional economy.
- 7.40 On a similar point, the Black Country Study Logistic Report states that the larger the scale of logistics operation in general tends to involve proportionately more knowledge based, better paid employment. On this basis, it is suggested that large sites for extensive space users have a number of advantages.
- 7.41 The Four Ashes location is approximately 2.7 miles (4.3 km) from the north of the Wolverhampton City Council border and 4 miles (6 km) north of the northern boundary of the densely populated West Midlands conurbation. The site is 7.2 miles (11.7 km) north of Wolverhampton City Centre, Cannock town centre is 6 miles (9.7 km) to the east and Walsall town centre is 13 miles (20.7km) south east.
- 7.42 Employees for the RLS are likely to be drawn from the local area and the Black Country including Wolverhampton, Walsall and Cannock where unemployment levels and other indicators of deprivation are higher than the national average. In the 2001 census, Wolverhampton had an unemployment rate of 5.32%, Walsall 4.36% and Cannock 3.14% compared to a national average of 3.35%. In terms of educational attainment, the 2001 census identified that 319,685 people in the Black Country had no qualifications. Similarly, the '*Long Term Economic and Employment Strategy for the Black Country*' (2005) identifies that Walsall and Wolverhampton have approximately 40% of the working age population with no qualifications or only NVQ Level 1. The siting of an RLS at Four Ashes would be able to draw on the labour supply available in the Black Country.
- 7.43 There are a number of warehousing and/or logistics courses currently available at colleges in the north Black Country including:

- *Exchange Group, Wolverhampton and Walsall Business Centre (LearnDirect Centre)* – provide courses in supply chain management; operations and process management; productivity improvement; materials; delivering value through the supply chain and setting the vision of lean thinking.
- *City of Wolverhampton* - Courses in warehousing and distribution are available leading to an NVQ Level 2/3 qualification.
- *Walsall College* - There is a part-time course in Performing Manufacturing Operations, which leads to an NVQ Level 2 in Storage, Warehousing and Distribution.
- *Cannock Chase Technical College* - Adult apprenticeships in warehousing and logistics are available which lead to an NVQ Level 3 qualification.

7.44 The existing Four Ashes Industrial Estate employed approximately 1,265 people in 2001. The estate draws heavily on the labour supply from the Black Country. An analysis of the existing commuting patterns using 2001 Census data shows that 35% of the total workforce, over a third travel from the Black Country to work at Four Ashes Industrial Estate. Of the 434 people who travel from the Black Country, 257 were from Wolverhampton, 123 from Walsall, 33 from Dudley and 21 from Sandwell. This clearly demonstrated that a substantial proportion of the labour supply to serve the Regional Logistics Site could be drawn from the nearby Black Country conurbation.

7.45 The Black Country Economic Strategy recognizes that there is a need to change the occupational structure of the area, creating jobs in the manufacturing/logistics sector, and upgrading the skills of the workforce. The courses outlined above will help to achieve such objectives and would provide training to support the jobs generated at the Four Ashes RLS. Kilbride would work to develop a dedicated skills/reinvestment programme with the Colleges and Black Country Consortium to ensure access to these job opportunities was maximised for Black Country residents.

B v) aim to minimise environmental impact

7.46 The transfer of freight from road to rail would have beneficial environmental impacts. The Transport Assessment sets out a calculation of the environmental benefits generated by the Four Ashes project, based on Dept for Transport models used for the rail freight industry. This shows that the gross notional environmental value of HGV mileage savings per annum achieved through the use of rail would be in the order of £3.4m in the short term increasing to £10.9m in the longer term. This provides a net saving in HGV mileage per annum of between

662

7.3million miles (short term) and 26million miles (long term) which translates to a net value of £2.7m (short term) and £9.1m (long term) per annum.

- 7.47 Environ have been appointed by Kilbride to conduct a number of environmental studies of the proposed Regional Logistic Site. The studies have considered the potential ecological value of the location, potential contamination constraints, opportunities for landscaping and matters associated with sustainable development. A high level Sustainability Appraisal has also been prepared.
- 7.48 The initial ecological report found no evidence of bats, otters, water vole, hazel dormouse or great crested newt within the study area although parts of the area have features considered to be potential habitat for these species. Badger activity was found and a number of bird species were found on site. Further surveys are required and appropriate mitigation measures would need to be implemented to ensure that the proposals do not adversely affect any protected species. The Phase 1 ecological report is attached at Appendix 5.
- 7.49 Given the chemical works activity in this area, a contamination report has been prepared. The report concludes that there are no contamination issues to fundamentally preclude the proposed development of the subject site. However, on-site contamination is a significant factor which requires detailed consideration and a remediation strategy in relation to the proposed RLS. A review of the potential contamination issues is provided at Appendix 6.
- 7.50 The landscape and visual appraisal (Appendix 7) recommends a number of measures to improve the landscape of the area through development of a landscape strategy for the proposed RLS. This would include:
- Canal corridor: a coherent landscape solution providing sequence of woodland and open space that partly screens the development, whilst enhancing recreational access;
  - A449 frontage: scope for a bold treatment of the A449 frontage comprising distinctive buildings set within and partly behind a woodland belt;
  - Building mass/design: creative colour/cladding treatments should be encouraged;
  - A high proportion of tree cover, reflecting the site's location within a Landscape Improvement Area and the Forest of Mercia.
- 7.51 The work undertaken to date demonstrates that there will be significant environmental benefits arising at a strategic level as a consequence of transferring road freight to rail; and that at the local level, a comprehensive environmental strategy will be put in place to ensure

appropriate mitigation measures are implemented. A high level Sustainability Appraisal is attached to this report (Appendix 8).

B vi) have a suitable configuration which allows large-scale high bay warehousing, inter-modal terminal facilities, appropriate railway wagon reception facilities and secure parking facilities for all goods vehicles

- 7.52 A concept plan for the RLS at Four Ashes has been prepared to ensure that all the above factors can be accommodated on site. A concept plan is included at Appendix 1. This confirms that a suitable configuration that meets these RLS requirements can be achieved.

B vii) be located away from incompatible neighbours allowing 24 hour operations and no restrictions on vehicle movements.

- 7.53 The closest sizeable residential development is in the settlement of Coven approximately 4km from the site. A small number of residential properties lie in Croft Lane. The Four Ashes site lies close to junction 12 of the M6 with direct access to the A5 so there is only a short distance for vehicles to travel between the site and the strategic highway network. This would minimise disruption and only affect a very small number of residential properties en route. The proposed development would have minimal impact on residential amenity and should be able to operate 24 hours without causing adverse effects.

### Green Belt Considerations

- 7.54 Part of the site at Four Ashes lies within Green Belt. In accordance with Green Belt policy set out in PPG2, exceptional circumstances would need to be demonstrated to justify a revision to the Green Belt boundary through the development plan process. Very special circumstances would need to be shown to justify the grant of planning permission for such development if progressed outside the development plan process. It is evident that both the current and emerging RSS for the West Midlands recognise the importance of diversifying the region's economy and that there may be a need for an adjustment of Green Belt boundaries in the interests of urban regeneration. The following references and objectives of the statutory RSS are relevant:

- *Paragraph 3.8e. "...resisting peripheral expansion to the housing, but, in certain circumstances, allowing regionally important employment where this supports the urban renaissance".*
- *Objective 3.14d "... to retain the Green Belt, but to allow an adjustment of boundaries where this is necessary to support urban regeneration."*

662

- *Objective 3.14f "...to support the diversification and modernisation of the regional economy, while ensuring the opportunities for growth are linked to meeting social needs and reducing social exclusion."*
- *Paragraph 4.9 "...to be successful, urban renaissance must create the conditions for employment growth... this means making adequate land, in appropriate locations, available for expanding local businesses and inward investment...."*
- *Paragraph 7.31 "... should there be insufficient sites on previously developed land of sufficient size, quality and location, to support the diversification and modernisation of the region's economy, some greenfield development for employment development may be required".*

7.55 These paragraphs clearly establish the importance of diversifying the region's economy, and that strategically important employment development can constitute the exceptional special circumstances needed to justify an adjustment of Green Belt boundaries.

7.56 In considering a RLS in the location of Four Ashes, the exceptional circumstances needed to justify development in the Green Belt would be established having regard to the following:

- The evidence base that supports Draft Policy PA9 clearly establishes that a RLS is required to meet both a national need (SRFI) and a regional/sub-regional need to serve the Black Country. A RLS is an integral part of the employment land portfolio and contributes to meeting the urban regeneration needs of the West Midlands.
- A RLS in this location would be located on the edge of the "Future Foundations" Regeneration Zone which covers the areas of Wolverhampton, Walsall and parts of South Staffordshire. It would therefore make a significant contribution to this RZ by offering substantial employment benefits, in the order of 4,000 jobs. These would be linked to areas of employment need in the conurbation through a Travel Plan, incorporating measures to enhance public transport access. Measures would also be put in place to deliver bespoke training programmes to provide better access to warehousing jobs for residents of the Black Country.
- The nature and the scale of RLSs generally require locations that are peripheral to the urban area. In the West Midlands, the Green Belt is drawn so tightly around the existing urban area that some Green Belt land take will be necessary to deliver RLS that meet the policy criteria.
- The Black Country Study and Regional Logistics studies demonstrate that there are no suitable sites within the Black Country to meet the RLS need.

66

- The Four Ashes location contains a substantial area of previously developed land, for which planning permission already exists for development. A RLS in this location would, therefore, be developed from a brownfield core.
- The existing consent is for a substantial amount of B8 floorspace. The proposed RLS development in this location offers the opportunity to build upon that critical mass and to significantly enhance that warehousing development through providing a multi-modal facility, incorporating rail-served warehousing.
- A RLS in this location would satisfy the RLS criteria of Policy PA9, as demonstrated by this report.

7.57 The combination of these exceptional economic and regeneration circumstances lend substantial weight to the identification of a RLS in this location, incorporating an element of Green Belt land in addition to the brownfield land.

7.58 The Four Ashes location therefore satisfies the RLS criteria in draft Policy PA9. It also satisfies the locational preference for a RLS in the 'Wolverhampton – Penkridge Corridor' serving the Black Country and South Staffordshire area. It should therefore be identified as an appropriate location for an RLS in the RSS Phase Two Revision.

### **Mechanism for Delivering RLS**

7.59 This paragraph should be amended to include consultation with the landowners at each stage to verify the deliverability and timetables for the proposed schemes.

### **Comments on Paragraph 7.46**

7.60 This paragraph should be expanded to include clarification of what the term 'RLS' embraces to provide clarity as regards the differing roles of RLS as referred to in Section 3.

### **Conclusions – Proposed Alterations and Amendments**

7.61 As a result of this representation, the Kilbride Group propose a number of alterations and amendments to the proposed text of policy PA9 and changes to the priority afforded to the Four Ashes location. The proposed additions and deletions are illustrated below, the new text shown in red and deleted text is shown with a line through.

662

**"Policy PA9 Regional Logistics Sites**

Within the portfolio of employment sites, provision should be made for Regional Logistics Sites (RLS) the purpose of which will be ~~to provide opportunities for the concentrated development of warehousing and distribution uses.~~ to provide opportunities for the concentrated development of warehousing and distribution uses of national, regional and sub-regional significance in locations that support the movement of freight by rail.

RLS with existing or potential for dedicated access to the regional rail and highway networks will be identified within development plans. The RPB should be consulted on such proposals. Sites should also:

- be in order of 50 hectares or more and have the potential for expansion.
- possesses good quality public transport links, or be capable of having such links provided.
- be served or proposed to be served by multi-modal transport facilities and broadband IT infrastructure. Good quality rail access is defined in terms of generous loading gauge which is capable of accommodating inter modal units on standard platform wagons, the ability to handle full length trains, available capacity to run freight train services and permit full operational flexibility
- have easy access to an appropriate labour supply and education and training opportunities
- aim to minimise environmental impact
- have a suitable configuration which allows large-scale high-bay warehousing, intermodal terminal facilities, appropriate railway wagon reception facilities and secure parking facilities for all goods vehicles (see also policy T10) and
- be located away from incompatible neighbours allowing 24-hour operations and no restrictions on vehicle movements
- For RLS that perform a national/regional function as a Strategic Rail Freight Interchange, additional criteria should be considered including proximity to existing and potential customers, fit with primary freight flows and ability to fill gaps in the National network.

Based on a study of the future demand for logistics within the Region it is estimated that ~~at least 150 hectares of land could be required on RLS type locations to serve the West Midlands in the period up to 2021.~~ the minimum land requirement for additional RLS to serve the West Midlands Region should be 200 hectares with a target of 300 hectares by 2021.

662



*The Region should have a choice of RLS available at any point in time and priority should be given to bringing forward additional land ~~taking account of the following in priority order~~ in the following order:-*

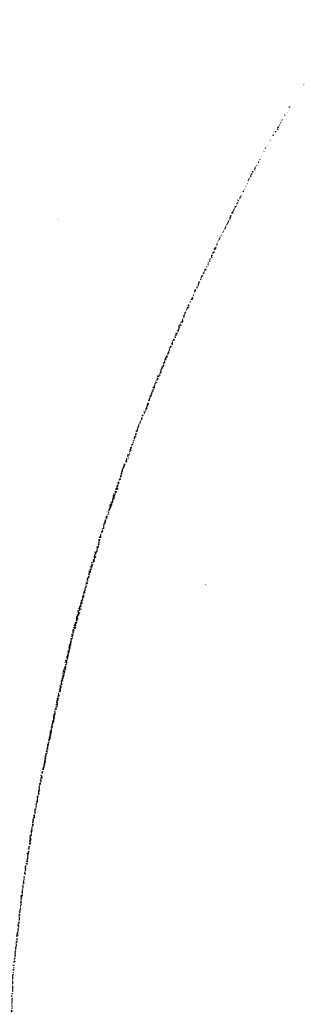
- *~~the potential for~~ new rail-served facilities to serve (a) the needs of the Black Country located in Southern Staffordshire in the Wolverhampton to Penkridge Corridor in the vicinity of Four Ashes, Stretton and (b) to serve the North Staffordshire conurbation (more specific location for north Staffordshire RLS required)*
- *to upgrade the existing rail-connected logistics facility at Birch Coppice near Tamworth to a RLS serving a sub-regional role;*
- *the scope for the realistic extension of existing RLS within the region and DIRFT which adjoins the regional boundary near Rugby, subject to local environmental and other constraints and recognising the proximity of Hams Hall and Birch Coppice and the need to avoid an over-concentration of RLS development within the same broad location.*

*Discussion between the relevant local authorities, and key partners including AWM and landowners in the areas identified above should identify how RLS provision will be met and subject to agreement by the RPB the sites should then be taken forward through the relevant Core Strategy.*

*Annual monitoring will be important to ensure that there is adequate provision for this sector throughout the plan period".*

- 7.62 On behalf of our client the Kilbride Group, we commend these changes to the WMRSS Phase 2 Revision.

662



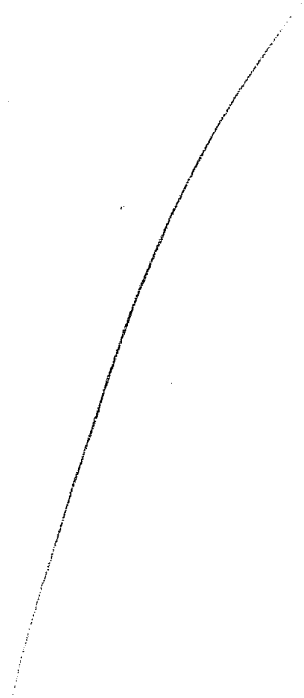
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## Appendix 1

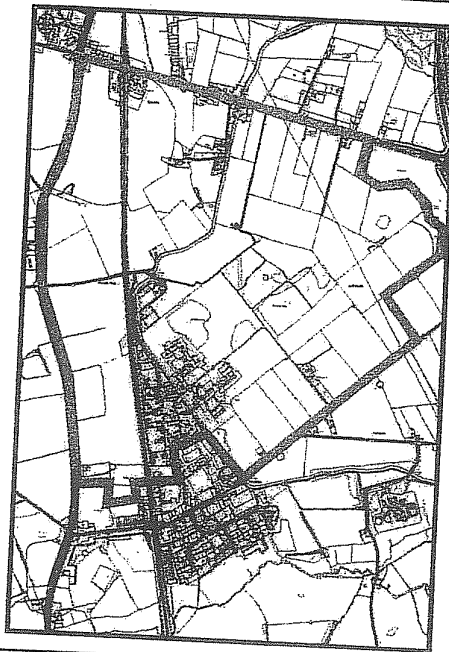
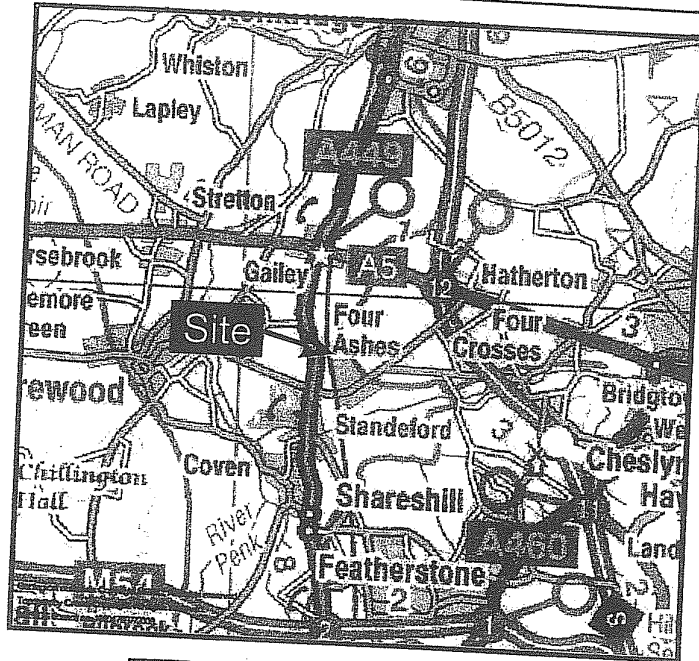
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Site Location Plan (including concept plan)

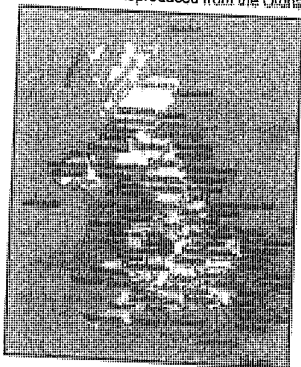
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**ENVIRON**

**Figure 1**  
Site Location Plan

Client: Kilbride Group	Project No.: 68-C13132
Scale: Not to Scale	Date: April 2008

662



**20015438 Appendix 2**

**Four Ashes - Crackmore Kilbride web-site July 2015**



## Four Ashes



### Introduction

The West Midlands has a shortage of suitable quality development land for large scale rail linked logistics warehousing. Kilbride has selected the 465 acres site at Four Ashes site following a review of the region and has signed up land options over the site. The project is being taken through a major National Infrastructure planning application for 6 million square feet of warehousing and a large scale intermodal rail terminal. The rail infrastructure has GRIP 3 approval from Network Rail.

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### Location

The site is unique in that has excellent road and rail infrastructure together with the scale of developable land capable of delivering warehouse units of between 200,000 square feet and over 1m square feet. Four Ashes is one of very few sites in the UK with good road access and where the rail access is the necessary W10 gauge that will enable the largest sized containers to be moved on the rail network to the rail terminal.

The site is located on Junction 12 of the M6 and is bounded by the A5 to the north and the A449 dual carriageway to the west.



Creating Energy and Rail Infrastructure at a Local Level

Menu



## The Planning Inspectorate

### Planning

The site has been promoted through the West Midlands RSS and through the South Staffordshire Local Plan, but the project qualifies as a Nationally Significant Infrastructure Project and so will require a submission to be made via the Planning Inspectorate.



### Rail

The project has received approval to GRIP 3 from Network Rail.





Creating Energy and Rail Infrastructure at a Local Level

☰ Menu

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## Awards

Green Apple Environment  
Award 2003  
National Rail Awards 2003  
Award for Freight Transport  
2001

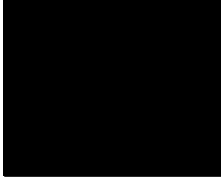


**20015438 Appendix 3**

**WMI Consultation Flier Issued 12 April 2016**



To the Occupier



321

12 April 2016

To the Occupier

## West Midlands Interchange

I am writing to you on behalf of Four Ashes Limited to introduce our project, the West Midlands Interchange. The project is a strategic rail freight interchange which will feature a rail terminal for freight distribution, with rail served warehousing and other commercial development. This will be an important proposal for your area and as a local resident we will be asking you to tell us what you think to help us shape the proposals as they develop.

Four Ashes Limited is made up of Kilbride Holdings, a specialist developer of rail related infrastructure projects which is leading the project, Grosvenor Group, a privately owned international property group providing funding, and Piers Monckton, the majority landowner.

### The need for the project

The West Midlands has long been identified as needing rail freight capacity to help secure the future prosperity of the region. Studies indicate that the region's strong manufacturing and logistics industries need faster, more reliable transport links to stay competitive, grow and attract global business and investment.

This kind of facility is an important part of the distribution chain; ensuring goods can reach companies, shops and customers promptly; as well as supporting the manufacturing industry to transport raw materials and finished product. The project would also create thousands of new high quality jobs in South Staffordshire.

The Government has backed the creation of strategic rail freight interchanges, like the West Midlands Interchange, and strongly encourages the transport of goods from road to rail to help reduce carbon emissions and provide economic benefits. Tonne for tonne, rail freight produces 70% less carbon dioxide than road freight, up to 15 times less nitrogen oxide emissions and nearly 10 times less particulates, as well as reducing congestion on the nation's roads.

We believe the West Midlands Interchange will boost the West Midlands' economy by strengthening businesses, connecting local markets to ports and rail served distribution centres, creating jobs and it will increase the sustainability and efficiency of moving freight around the country.



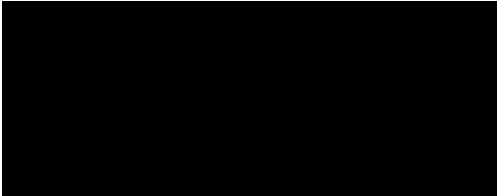
# West Midlands Interchange

We will be holding our first round of consultation soon, after which we will use the feedback we receive to help draw up a more detailed proposal, which will be the subject of a second round of consultation in 2017.

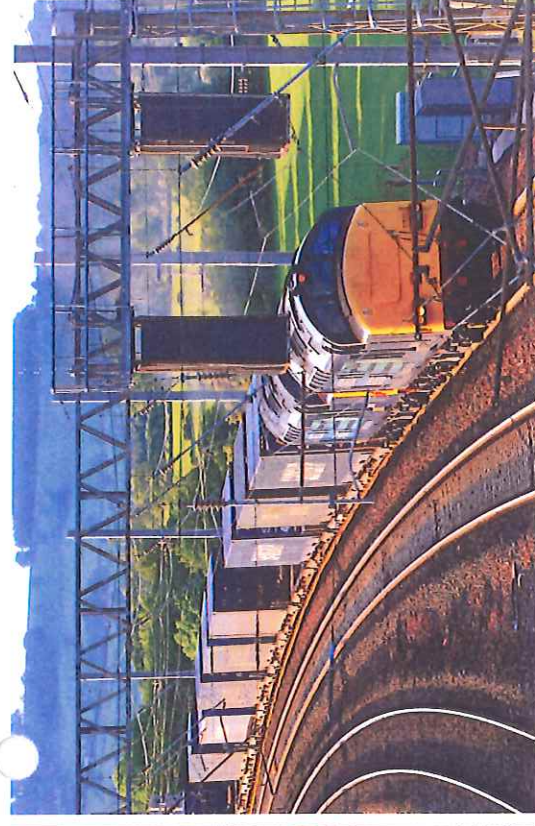
## Contact us

In the meantime you can find more information on our project website at [www.westmidlandsinterchange.co.uk](http://www.westmidlandsinterchange.co.uk). You can also contact our community relations team at [contactus@communityrelations.co.uk](mailto:contactus@communityrelations.co.uk) or on our free dedicated project helpline 0800 377 7345 which operates Monday to Friday, between 9am to 5.30pm. Please note that outside these times, you will be prompted to leave a voice message, which the team will respond to on the following working day.

Yours sincerely,



Peter Frost  
Managing Director, Four Ashes Limited

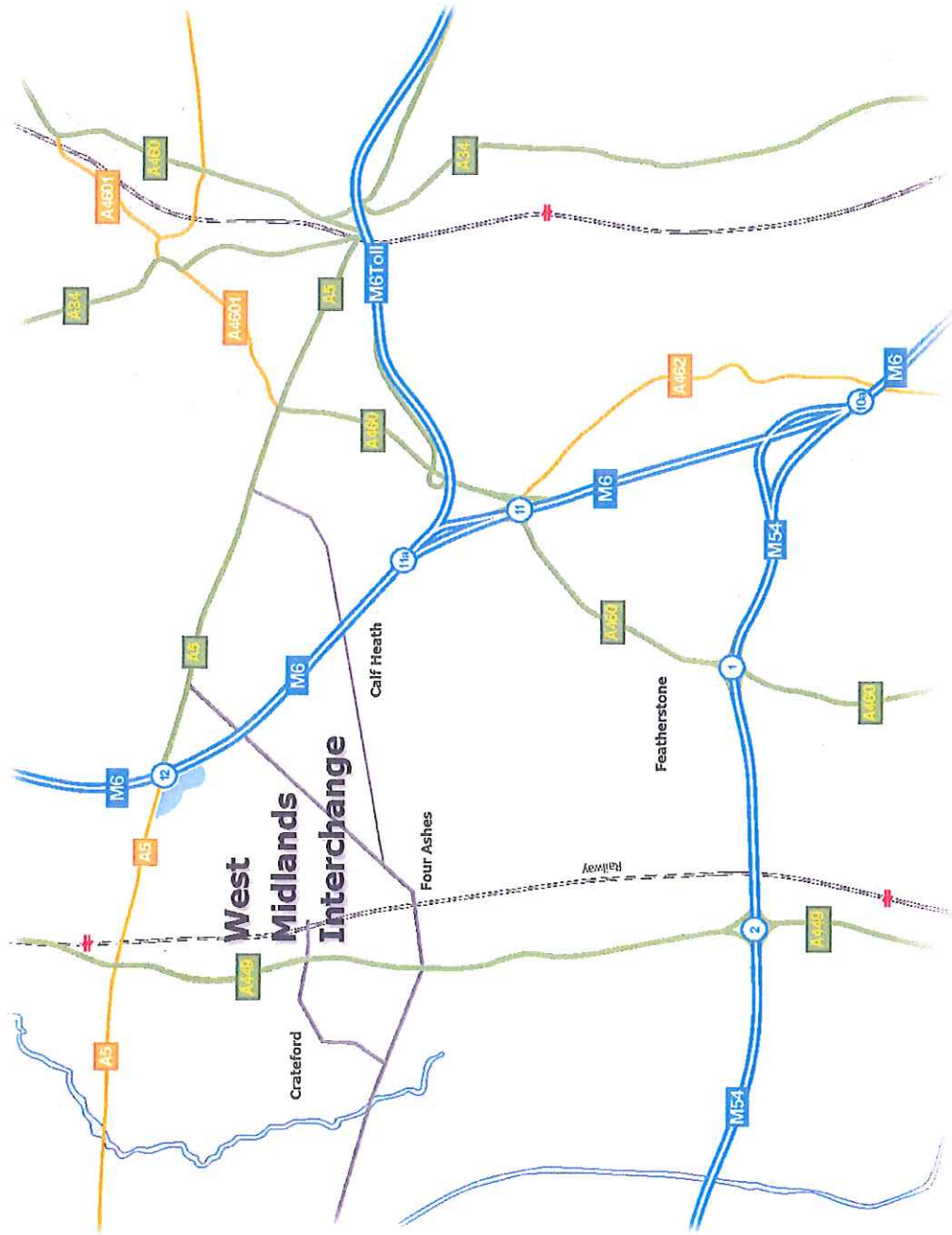


## **West Midlands Interchange: Illustrative examples**

These images are examples of some of the elements proposed for the West Midlands Interchange. These pictures are only a guide; masterplan options and indicative visuals will be available for our first stage of public consultation in the summer.

# WEST MIDLANDS INTERCHANGE

# Location Plan





**20015438 Appendix 4**

**JLL West Midlands Interchange report 25<sup>th</sup> March 2019**

25 March 2019

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Our ref      Insert JLL ref

Dear Tom

## **Market Report into land proposed for West Midlands Interchange**

### **Background**

JLL have been instructed to provide comment on Inglewood Investment's land holding in context to the proposed West Midlands Interchange, a scheme being proposed by Four Ashes Limited – a consortium led by Kilbride Holdings in partnership with among others Grosvenor Group and Piers Monckton (majority landowner).

The West Midlands Interchange is a proposed new Strategic Rail Freight Interchange (SRFI) to include approximately 800,000 sq m of rail served warehousing comprising of approximately 297 hectares of land within the South Staffordshire District Council and the wider Stafford County Council borders.

The West Midlands Interchange proposals are being promoted as a Nationally Significant Infrastructure Project by Development Consent Order and associated Compulsory Purchase Order.

### **Instructions**

Inglewood Investments own approximately 15% of the proposed land identified for the above scheme. JLL have been appointed to provide market information with regard to the following areas;

- Estimated Rental Values (ERVs) of the proposed development indicated in the masterplan. In addition, provide considered views on likely lease terms and yields together with supporting evidence should these properties be developed and let.
- Advice as to land values one could expect to achieve in the open market supported by market evidence. Any assumptions to also be clearly set out.
- Comments on the overall scale of the proposed development with emphasis in addressing whether Inglewood's land is wholly necessary to ensure the commercial viability of the proposed scheme.



## Location

The West Midlands Interchange comprises of some 297 hectares situated in the South Staffordshire area bounded by the A449 to the west and the A5 to the north where it meets the M6 at junction 12.



The location has been identified as suitable for a SRFI as it provides access to the strategic road network with access to both the M54 (junction 2) and M6 (junction 12) being in close proximity, whilst it is intersected by the strategic rail freight network of the West Coast mainline.

## Proposed Development



The above masterplan shows the proposed development covering the West Midlands Interchange. Outlined in red is the land in Inglewood's ownership where the following buildings are depicted;

Unit 4040 – A 661,818 sq ft (61,485 sq m) cross dock facility (as drawn)

Unit 5020 – A 586,902 sq ft (54,525 sq m) single side facility (as drawn)

### Institutional Specification

Development of logistics / warehouse buildings often follow what we refer to as an institutional specification. This is a guideline of salient features which both occupiers and institutions alike seek when funding / acquiring / leasing buildings. In order to ensure the properties are universally appealing to occupiers allows the developers / investors to maximise the returns on such properties. For buildings of the scale of Unit 4040 and Unit 5020 these specifications would include;

- Proposed eaves height of between 20-30m (reference to this is made in the West Midlands Interchange document 6.2; Description of building parameters.)
- 5% office content as a % of the total Gross Internal Area
- Min 50m yard depth (single sided) and 2 x 50m yard (cross docked)

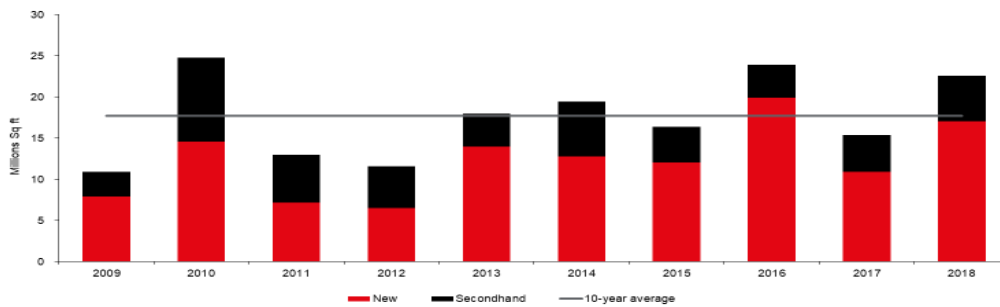
- Ratio of 1:10,000 sq ft loading doors (Predominantly dock level doors)
- Ratio of 1:1,000 sq ft car parking
- Power supply in the order of 2-5+ MVA
- In addition for new build an EPC rating of A and BREEAM “very good “ would be expected

### Market Conditions

The industrial market in 2018 was very buoyant with strong take up equating to approximately 22.6 million sq ft which equates to the third highest take up on record and 28% up on the historical 10 year annual average (2009-2018)

### 2018 was one of the highest years on record for take-up

Grade A take-up involving units of 100,000 sq ft and over



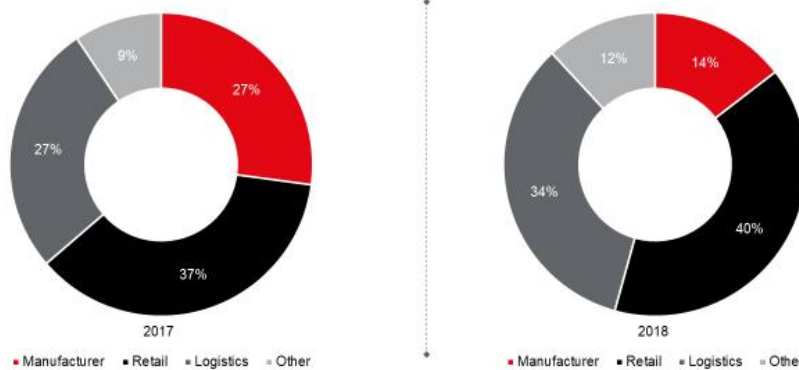
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3

The demand has been underpinned by the retail and logistics sectors which represent 74% of the take up whilst E commerce, a sector which is predicted to continue to grow, responsible for 27% of all Grade A logistics take up. This is those facilities dedicated to internet fulfilment.

### Grade A take-up by sector

Retailers accounted for the highest share of demand in 2018



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4

In terms of Midlands region this accounted for roughly 50% of the total UK take up in 2018 and year on year represents a significant proportion of the total UK take up.

### Grade A logistics take-up in the Midlands and GB



Involving units of 100,000 sq ft and over



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2

We expect the industrial / logistics sector to continue to thrive in 2019 in spite of wider macro political events, namely Brexit, as the strength of E commerce should ensure demand is still strong and this is showing no signs of arresting.

#### Proposed ERV

With regard to the above buildings should they be constructed as drawn on the masterplan and assuming they would adhere to an institutional specification we would expect the buildings to achieve **£6.25 psf** if they were available on the open market today.

This would be on the assumption of a minimum 10 year lease but typically 15 year lease terms are sought.

We would expect a tenant incentive package of approximately one month rent free per year term certain would be necessary in order to attract an occupier.

Finally for the avoidance of doubt we have assumed the buildings would **not** be rail connected with regard to the figures we have provided.

## Comparable Evidence

Given the size of the proposed units @ West Midlands Interchange it is necessary to widen the geographic scope in order to source suitable comparable deals. This is a direct result of the lack of significant development sites capable of accommodating units in the order of 500,000 sq ft.

Address	Tenant	Size	Lease / Rent	Comment
Magna Park, Lutterworth	Wayfair	1,000,000 sq ft	15 year lease @ £5.95 psf	Off market acquisition Similar scale to some of the proposed developments at West Midlands Interchange
Hams Hall J9 M42	JLR	414,000 sq ft	15 year lease @ £6.50 psf	Off market acquisition under NDA 6MVA of power
Midlands Logistics Park, Corby	Eddie Stobart	844,000 sq ft	20 year lease @ £5.25 psf	Built to Suit Forward funded by Tritax. East Midlands location therefore softer rents than prime.
East Midlands Gateway, M1 / M42 interchange	XPO obo Nestle	637,000 sq ft	15 year lease @ £6.65 psf	Built to suit Rail freight interchange
Altitude Magna Park, Milton Keynes	Amazon	574,258 sq ft	15 year lease @ £7.00 psf	Speculatively built 21 m eaves Milton Keynes commands higher rents than Midlands
Sheffield 615 Shepcote Lane J34 M1	Clipper Logistics obo Pretty Little Things	614,497 sq ft	10 year lease @ £5.00 psf	Existing building Refurbished 15m eaves 3MVA

## Assumed Yield

If the above properties were up and let we would expect them to achieve the following capital value should they be marketed as an investment. For the avoidance of doubt the following yields assume a covenant equivalent to a 5A1 rating;

Tenant	Term	Yield
Assume 5A1	10 years	5.25%
Assume 5A1	15 years	5%
Assume 5A1	20 years	4.75%

It should be noted that in the current political climate, specifically with regard to BREXIT, the effects have been more acute in the capital markets. Furthermore, given the overall scale of the properties and therefore the subsequent lot size, the market for buyers of this product is relatively thin. Both of these factors have a softening effect on yields in comparison to the comparable evidence listed in the below table.

## Comparable Evidence

Property / Size	Tenant	Term	Yield	Comment
Fradley Park, Lichfield  211,000 sq ft	Annixter	20 years to expiry	4.45%	Similar quality in terms of location. Smaller than subject properties Better market Q2 2018.
The Hub, Birmingham 250,000 sqft	Kitchencraft	15 years to expiry	4.63%	Superior location Poorer covenant than assumed 5A1 Better market Q2 2018
Hickling Road Cannock  541,134 sq ft	Unilever	9.67 years to expiry	5%	Similar location Strong Covenant Reasonably historic as traded Dec 2017

## Land Values

Should the subject property be available in the open market as development land we would expect there to be strong interest. There is a real dearth of available plots which can accommodate units of the scale being proposed at West Midlands Interchange and in the case of the subject land, units of 661,818 sq ft and 586,902 sq ft respectively.

Land values very recently have spiralled due to the lack of available plots and in prime locations we have seen up to £1 million per acre paid for industrial land in the West Midlands. The Four Ashes location would not be considered a prime industrial location however given the scale of the opportunity together with its connectivity we would expect demand irrespective of the additional potential of the rail freight interchange.

We would suggest with reference to the comparable evidence that if the development land of the subject property was placed on the open market it would reach in the order of **£450,000 per acre**. \* This assumes that the land is free from onerous development costs and would have the necessary infrastructure in place (fully serviced plot) suitable for industrial uses. Furthermore this is on the basis of B8 planning uses.

We would not apply a discount to the quantum of the land as whilst it could be argued that a reduction would be merited for the lot size in question, it could be equally argued that development plots which could house the scale of development in question could merit a premium, especially given the scarcity of their availability. These two arguments effectively have a contra effect and cancel each other out.

\*With regard to the value mentioned above clarification is required given the reference to the Four Ashes land in the comparable evidence table below which cites an achieved land value of £514,000 per acre. This was acquired by a very active developer who acquired the site from an existing developer with a view to speculatively build. As such we would need to discount this value to account for the additional “developer profit” they would have paid the vendor to not realise this profit should they have built a unit themselves.

### Comparable Evidence

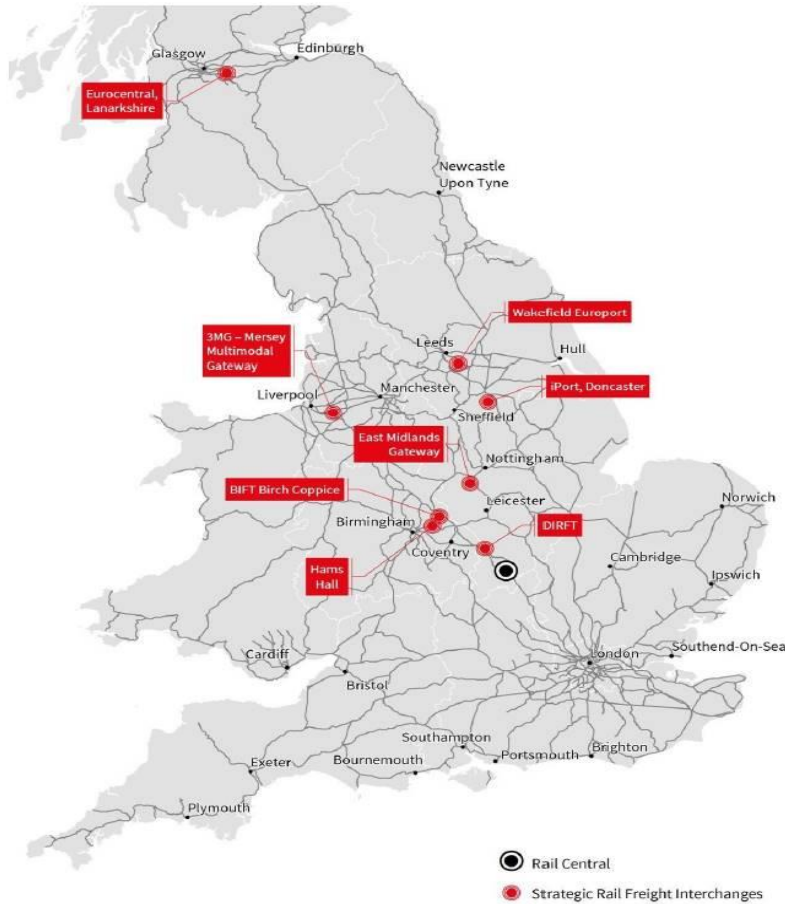
Address	Size	Price £'000 per acre	Comment
Pantheon Park, Wednesfield	11.5 acres	£368,000 per acre	Similar location to subject property Currently industrial units being speculatively developed.
Four Ashes Park Wolverhampton	24.5 acres	£514,000 per acre	Land sold with detailed planning consent for 448,000 sq ft with B1/ B2 / B8 consent Developer acquired from developer therefore additional developer profit likely to have been built into value. Exact same location as subject property
Former USP site St Georges Way Nuneaton	10.25 acres	£978,000 per acre	Prominent logistics site at Bermuda Park Prime location Currently being spec developed for 230,000 sq ft
Seven Stars Road Oldbury	7 acres	£400,000 per acre	Black Country Location Currently being spec developed for 120,000 sq ft
Crewe Commercial Park	24.9 acres	£516,000 per acre	Acquired by a developer from a developer Fully service site ready for immediate development with planning consent

## Development Viability

The Compulsory Purchase Order associated with the Development Consent Order effectively asserts that in order for the scheme to be commercially viable the proposed 8 million sq ft would be required.

The following map illustrates the main strategic rail freight terminals currently in operation within the UK

**Map 4.3: The current network of Strategic Rail Freight Interchanges in GB<sup>58</sup>**



With reference to the map, the following table details the current warehouse / industrial provisions currently provided by the above aforementioned SRFI(s).

SRFI Location	Planning allowance in terms of Sq Ft
DIRFT	Phase 1 – planning permission for circa 4 million sq ft Phase 2 – 2.26 million sq ft developed Phase 3 – planning permission for 7.8 million sq ft
Hams Hall	Planning permission granted in 1994 for C5.6 million sq ft (Additional 900,000 sq ft to be developed at Prologis Hams Hall)
Birch Coppice	Provides over 4 million sq ft over 3 phases
Logistics Park East Midlands Gateway	Planning permission for upto 6 million sq ft
Iport Doncaster	Planning permission for C 6 million sq ft



The following evidence in the table demonstrates that it is wholly possible to have a commercially viable SRFI where the total logistics / warehouse provision is less than 8 million sq ft. All of the above are commercially operational and only DIRFT exceeds 8 million sq ft. As such this demonstrates that 8 million sq ft of warehouse / logistic provision is certainly not a requirement for commercial viability.

### **Planning Act 2008**

The above act covers current legislation with regard to (strategic) rail freight terminals. I have listed below the various criteria by which the act defines SRFI in Appendix 1, however of particular note would be that it states that such terminals need to be at least 60 hectares (148 acres) in size which equates to a site area of 6.447 million sq ft

Most new developments of logistics / warehouse property adopt a site density of circa 40% in order to adhere to the institutional specification we referred to above. Adopting this percentage 40% of 6.447 million sq ft would give a total floorspace development potential of 2,578,800 sq ft.

It would be fair to accept that there are benefits in increasing the critical mass from the minimum floorspace (by definition within the Act of 2,578,800 sq ft) to benefit from larger scale we do not believe that a SRFI has to be 8 million sq ft in order to be commercially viable and as illustrated above there are plenty of operational cases which support this assertion.

I hope that the above sufficiently covers the points you had queries upon however should you have any further questions or if you would like further detail on any of the points mentioned we would happily arrange to meet accordingly.

Kind regards

Yours sincerely \_\_\_\_\_



**Richard James-Moore**  
**Director**

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Mobile \_\_\_\_\_

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## Appendix 1

### **The Planning Act 2008 : Rail freight interchanges**

- (1) The construction of a rail freight interchange is within section 14(1)(l) only if (when constructed) each of the conditions in subsections (3) to (7) is expected to be met in relation to it.
- (2) The alteration of a rail freight interchange is within section 14(1)(l) only if—
- (a) following the alteration, each of the conditions in subsections (3)(a) and (4) to (7) is expected to be met in relation to it, and
  - (b) the alteration is expected to have the effect specified in subsection (8).
- (3) The land on which the rail freight interchange is situated must—
- (a) be in England, and
  - (b) **be at least 60 hectares in area.**
- (4) The rail freight interchange must be capable of handling—
- (a) consignments of goods from more than one consignor and to more than one consignee, and
  - (b) at least 4 goods trains per day.
- (5) The rail freight interchange must be part of the railway network in England.
- (6) The rail freight interchange must include warehouses to which goods can be delivered from the railway network in England either directly or by means of another form of transport.
- (7) The rail freight interchange must not be part of a military establishment.
- (8) The effect referred to in subsection (2)(b) is to increase by at least 60 hectares the area of the land on which the rail freight interchange is situated.
- (9) In this section—
- “goods train” means a train that (ignoring any locomotive) consists of items of rolling stock designed to carry goods;
  - “military establishment” means an establishment intended for use for naval, military or air force purposes or for the purposes of the Department of the Secretary of State responsible for defence.
- (10) The following terms have the meanings given by section 83(1) of the Railways Act 1993—
- “network”;
  - “rolling stock”;
  - “train”.