DONCASTER LOCAL PLAN EXAMINATION

Matter 2 – Quantity of Development Needed within the Borough

In respect of

Inland Port (iPort), Rossington

on behalf of

Troy Verdion
Representor ID: 05177
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1 INTRODUCTION

1.1 This statement seeks to address the Inspector’s questions that relate to the representations made previously by RPS on behalf of Troy Verdion to the Regulation 19 Pre-submission Local Plan, in relation to the Inland Port site in Rossington, known as iPort.

1.2 The Inland Port benefits from outline planning permission (LPA ref: 09/00190/OUTA) for a rail freight terminal served by rail and road, 562,000m$^2$ of warehouses and over 100 hectares of ecological enhancements. Verdion commenced construction in 2015 and to date eight major buildings have been built together with the rail terminal that has been operational since September 2018. The site access roads, drainage infrastructure and building plateaux for the remaining proposed buildings have all been constructed.

1.3 iPort is a Strategic Rail Freight Interchange (SRFI) which is a large multi-purpose rail freight interchange and distribution centre linked into both a rail and trunk road system. It is connected to the rail network via the line of the former South Yorkshire Joint Railway.

1.4 The implementation of the SRFI at iPort enables the diversion of freight from road to rail and plays a vital role in achieving the Government’s commitment to sustainable development. The transfer of freight from road to rail has a vital role to play in a low carbon economy and helps to address climate change thus contributing to the Government’s economic, strategic and environmental objective’s.

1.5 This statement specifically responds to the following matters and issues raised by the Inspector set out in the Schedule of Matters, Issues and Question for the Examination (Inspector’s Note 4, 11th June 2020). These are:

**Q2.1. Is the strategic aim in policy 3 to facilitate the delivery of at least 481 hectares of land for business (B1), general industry (B2) and storage and distribution (B8) uses over the plan period (2015 to 2035) justified and positively prepared?**

1.6 Our response to the above matter and issue will be set out within the next section.
2 MATTER 2: QUANTITY OF DEVELOPMENT NEEDED IN THE BOROUGH

Q2.1. Is the strategic aim in policy 3 to facilitate the delivery of at least 481 hectares of land for business (B1), general industry (B2) and storage and distribution (B8) uses over the plan period (2015 to 2035) justified and positively prepared?

2.1 At a national level, planning’s economic role includes contributing to building a strong, responsive and competitive economy by enabling a supply of land of the right type in the right place and at the right time, so to support growth, innovation and improved productivity.

2.2 As set out by Strategic Policy 3, the Local Plan’s strategic aim is to facilitate the delivery of at least 481 hectares of employment land over the plan period (2015-2035). We consider that the Local Plan’s designation of employment sites as shown on the Policies Map, unsound. This judgment has been made on the basis that in its current form, the scale and quantity of designated employment sites is not justified within the Local Plan and the Local Plan cannot be effective in delivering those sites in a sustainable manner.

2.3 In the 2018 version of the draft local plan, DMBC had previously justified their figure of 407 hectares by stating that it was derived within the Economic Forecasts and Housing Needs Assessment (Peter Brett Associates, May 2018). Within the Employment Land Needs Assessment (ELNA) Update 2019 this number has now risen to 481 hectares of employment land. It is argued that this is required because the plan period has now been extended by 3 years from 2032 to 2035, and is based on the following calculation:

- Land requirement for 17 years (2015-2032) = 409 ha.
- Three additional years (pro-rata) = (409/17) X 3 = 72 ha.
- Revised land requirement (2015-2035) = (409 + 72) = 481 ha.

2.4 The assumption that an additional 72 ha will be needed for those three years has not been based on clear evidence of need. The Council have taken a “job led” scenario in order to establish the employment land requirement despite official government forecasts predicting a lower job growth of only 0.6% per annum over the plan period, which in fact, translates into a very low land requirement. Therefore, we consider that the employment land requirement is not justified and that it is a basic calculation that utilises present circumstances to determine what will be needed years into the future, well beyond the plan period. The Employment Land Supply Buffer Note (SDEB9) acknowledges at paragraph 2.5 that this approach is ambitious.

2.5 Within DMBC’s Employment Land Needs Assessment (ELNA) Update 2019 it is stated, “whilst it is accepted that warehousing/logistics has helped boost the economy over the last few years, there is now a recognition at the regional and local level that there is a need to diversify the economic offer in the borough such as ensuring that high value jobs are created in areas such as engineering, digital and creative, and advanced materials. This will require other employment uses being provided in the borough, so the right sites need to be delivered at the right time as stated in national guidance. (7.2)

2.6 There are several weaknesses facing the borough as identified within the Local Plan including:

- Relatively low proportion of jobs in creative industries and the knowledge economy.
- The town centre has lost ‘critical mass’ as investments across the Borough draw people and jobs away from the centre.
- Relatively low job/business density.
- The borough has a higher than average carbon footprint, mainly due to transport uses.
2.7 We consider that this aim of diversifying the local economy is not followed through in the draft policies and allocations, and an issue with the Local Plan’s approach to employment is its designation of too many sites for warehousing and logistics. The land allocated for employment uses in the current draft of the Local Plan may be unviable for Doncaster’s long-term economic growth and will not contribute to planning’s national economic role in creating a competitive economy.

2.8 Peter Brett’s economic forecast (2018) also outlined potential issues with an oversupply of employment land, “if land is to be over-allocated over and above the expected demand, the quantum of over-allocation is a matter of judgment. A typical choice seems to be an uplift of around 30%. But the right answer will depend on local circumstances. It is important to avoid excessive oversupply, because if supply is too far above demand individual sites may not have a reasonable prospect of being taken up, which would go against para 22 of the NPPF. Also, if the land concerned is in demand for alternative uses or requires infrastructure investment, then it will be inefficient to reserve it for employment uses which may not materialise.

2.9 In contrast to the above statements, many of the employment sites that are identified in the Policies Map (2019) are in locations that would be primarily appropriate for warehousing/logistics (Use class B8); a use that is already dominant in the borough.

2.10 Within Doncaster’s publication Local Plan (2019), large, well-located brownfield land in urban areas and empty buildings are noted as an opportunity, as well as the re-development opportunities in and around Doncaster, including the town centre (page 12).

2.11 There is minimal evidence that Doncaster’s aspirations for a diverse economy has guided the employment land allocations. At present the designated employment allocations follow a pattern of development that is based on the site requirements of the logistics and warehousing industry and it is important to point out that there is 2.8m sq ft of warehouse space remaining at iPort. The remaining land area to be developed is set out in the table below:

<table>
<thead>
<tr>
<th>Site area</th>
<th>Acres</th>
<th>Hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>312.81</td>
<td>126.59</td>
</tr>
<tr>
<td>Total</td>
<td>184.6</td>
<td>74.71</td>
</tr>
<tr>
<td>Remaining</td>
<td>128.21</td>
<td>51.88</td>
</tr>
</tbody>
</table>

2.12 We consider that successful completion of the iPort scheme, which has 51.88 hectares of land available for warehouse development will be hindered if there is an over-allocation of B8 employment land. The land requirement proposed within the Local Plan is a very substantial scale of provision and we believe the land needs to be phased so as not to harm successful completion of the iPort scheme.

2.13 The Employment Land Availability Report 2019 (SDEB7.1) shows that in the 2005-2019 period, the take up for large ‘Big Shed’ warehouses and distribution centres was 15.5 hectares per annum. We consider that there is potential risk of oversupply if planning permission is granted for the 24 hectares per annum of employment land proposed within the Local Plan, as there is a risk developers will try to pursue it for B8 use. Furthermore, the market analysis letter provided by CBPE within Appendix 1, demonstrates that there is circa 20.2 hectares of land available on the market, within Doncaster, which highlights the particular need of phasing for B8 use land in the short term.

2.14 An annual review of new job creations (looking at sector, location and required floor space) could be utilised by DMBC in order to effectively guide and justify the Local Plan. This approach is advocated by the NPPF in which paragraph 120 states planning policies need to reflect changes in the demand for land and should be informed by regular reviews of both land allocated for development in plans and of land availability.

2.15 In conclusion there is a disparity between DMBC’s vision for the borough as an economically diverse and balanced economy and the allocations the plan makes. DMBC should remove some of the
employment allocated sites and allocate employments sites within, or closer to the existing town centres for employment use, and/or adopt a phased approach to the release of land suitable for B8 development. We consider that this approach will promote a mix of uses in the borough and will assist potential developers and businesses in finding locations for B1 and B2 uses.
3 CONCLUSION

3.1 Overall Verdion support the ambitions of Doncaster to become a “more important economic hub with a stronger, more balanced and productive economy”, however this balance can only be achieved through a deliverable and sustainable plan that allocates employment land appropriately.

3.2 The Council’s Employment Land Availability studies show that there is already a significant amount of land potentially available for purely road-based distribution facilities. Additional land releases for such facilities in the short to medium term are unnecessary and would harm the implementation of the Inland Port project, which has of employment land available.

3.3 The Local Plan should contain a section which invokes a scheme of phasing for employment land. Sites should be released gradually, in order to meet demand, avoiding excess supply of employment land as overallocation of land is unsustainable in the long term.

3.4 A Local Plan that designates employment sites in a hierarchal fashion, applying practicality alongside regional vision will promote sustainable development, whilst guarding against the locality becoming dependent on one type of industry or business.

3.5 The Local Plan can be made sound through providing a mechanism for phasing the release of further land for strategic warehousing to give priority to rail-served sites in line with national policy. This would be achieved through the suggested changes to the wording of Policy 3 Level and Distribution of Growth as set out below (additional wording in bold):

“At least 481 hectares of employment land over the plan period (2015-2035) to help grow and diversify the Sheffield City Region economy, increase productivity and widen access to learning and training opportunities. The identified land will accommodate business, light industry, and manufacturing and distribution and warehouse uses to meet future employment needs on sites that are attractive to market investment and can be accessed via a range of transport modes. A number of sites are allocated which help meet the regeneration needs of the Borough. In releasing new land for strategic warehousing, priority will be given to sites at the Strategic Railfreight Interchange at Rossington”

Following adoption of the Local Plan, the council will continue to monitor the potential phasing of sites through the Employment Land Needs Assessment (ELNA). Sites will be assessed through the ELNA to assess their suitability, availability and achievability to examine whether circumstances have changed and whether they are still deliverable and developable.
Appendix 1

Market analysis letter from CBRE
Dear Mr Tilley

South Yorkshire & Doncaster Industrial & Logistics Take Up

Further to our recent discussions I write to give you an overview of the take up rates for large scale industrial and logistics buildings in the Yorkshire region.

We have analysed take up of over 100,000 sq ft and considered the Yorkshire region, but looked specifically at rates in the South Yorkshire and Doncaster. We have also looked at current speculative development availability in South Yorkshire.

The table below highlights take up of “Grade A stock” since 2015 across the whole Yorkshire region.

<table>
<thead>
<tr>
<th>Region</th>
<th>2015 (sq ft)</th>
<th>2016 (sq ft)</th>
<th>2017 (sq ft)</th>
<th>2018 (sq ft)</th>
<th>2019 (sq ft)</th>
<th>2020 (H1) (sq ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yorkshire</td>
<td>1,824,000</td>
<td>2,211,500</td>
<td>685,000</td>
<td>2,498,621</td>
<td>1,440,388</td>
<td>3,544,000</td>
</tr>
<tr>
<td>W Yorkshire</td>
<td>1,440,000</td>
<td>556,000</td>
<td>0</td>
<td>1,259,810</td>
<td>578,388</td>
<td>2,546,000</td>
</tr>
<tr>
<td>S Yorkshire</td>
<td>384,000</td>
<td>1,655,500</td>
<td>685,000</td>
<td>1,238,811</td>
<td>862,000</td>
<td>998,000</td>
</tr>
<tr>
<td>Doncaster</td>
<td>384,000</td>
<td>1,655,500</td>
<td>685,000</td>
<td>623,811</td>
<td>731,000</td>
<td>998,000</td>
</tr>
</tbody>
</table>

As is outlined above the average annual take up for the region (based on 2015-2019) is circa 1.5M sq ft. H1 2020 has seen a significant increase in take up, mainly due to a 2M sq ft acquisition Amazon have completed in Leeds.

The South Yorkshire region has had some very active years, such as 2016 and 2019, again driven by a number of large scale Amazon deals. Generally speaking the South Yorkshire market attracts slightly more take up than West Yorkshire, however more recently West Yorkshire seems to have been the focus for demand. This has led to a situation where there is currently no “Grade A” existing space in the West Yorkshire region available.
The table below covers the existing space available in the region.

<table>
<thead>
<tr>
<th>Site</th>
<th>Size (Sq ft)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Nimbus Park, Doncaster</td>
</tr>
<tr>
<td>B</td>
<td>i2g, iPort, Doncaster</td>
</tr>
<tr>
<td>C</td>
<td>i2e, iPort, Doncaster</td>
</tr>
<tr>
<td>D</td>
<td>Nimbus Park, Doncaster</td>
</tr>
<tr>
<td>E</td>
<td>G Park Doncaster</td>
</tr>
</tbody>
</table>

As can be seen there is currently 859,060 sq ft currently available in the region, all of which located in the South Yorkshire and 100% in the Doncaster area. This is equivalent to circa 50 acres of development land, assuming a 45% development ratio.

When we consider the level of lettings and sales of land and industrial and logistics space in South Yorkshire, again assuming a 45% land take for development, it can be seen that over the last 5 years there has been a range of take up equivalent to circa 21 - 92 acres per annum.

The average land take over the last 5 years in South Yorkshire has been circa 53 acres per annum, the Doncaster figure drops to circa 45 acres per annum.

I trust the above overview is sufficient for your purposes at present, please let me know if you need any further clarification or detail.

Yours sincerely

Mike Baugh - Senior Director
Industrial Agency