



BIRMINGHAM DEVELOPMENT PLAN

Employment Land Availability Assessment (ELAA) 2019

December 2019

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1. Summary of Findings

- 1.1 Birmingham is home to one of the most important employment areas within the UK and contains clusters of to some of the country's most successful industries, including those in engineering, automotive, life and medical sciences, food and drink and logistics economic sectors. Strengthening this position and ensuring the city continues to have a successful and prosperous economy requires the city to provide for a wide range of opportunities for economic development and job creating activity. This is particularly important given the contribution that Birmingham makes to the West Midlands and UK economies.
- 1.2 Birmingham sits at the heart of the West Midlands region which has a long standing association with manufacturing and is located at the heart of the UK's transport network. The region also benefits from the presence of globally leading expertise in engineering and is well supported by its Universities which ensure a strong supply of suitably qualified graduates.
- 1.3 This high demand has resulted in substantial levels of employment land take-up in recent years. This is reflected in the completions on employment land in Birmingham which has averaged 10 hectares per year over the most recent ten year period (2009-19). This high level of completions is to be celebrated and demonstrates the importance of employment land to the health of the wider economy of not just Birmingham, but also the West Midlands. However, while this success is very welcome it does increase pressure on supply of readily available employment land, particularly within the Best Quality and Good Quality sub markets.
- 1.4 In terms of land supply, the average over the last ten years has been 91.97 ha of readily available land and 101.61 ha of not readily available land. The readily available supply has been decreasing in recent years from a high of 138.45 ha in 2010/11 to a low of 41.97 ha in 2018/19. Prior to the adoption of the Birmingham Development Plan (BDP), the not readily available supply had also been decreasing from a high of 132.23 ha in 2011/12 to a low of 63.98 ha in 2015/16. Since the BDP was adopted in January 2017 the not readily available supply has been increasing again, up to 145.53 ha in 2018/19. In large part this is due to the allocation of the 71 ha Peddimore site but there has also been increasing supply of not readily available supply in the Good Quality and Other Quality categories.
- 1.5 The supply of readily available land for Regional Investment Sites meets the requirements set out in Policy TP17 of the BDP. However the supply of readily available land in the Best Quality, Good Quality and Other Quality categories is below the respective requirements. In particular the supply of Best Quality employment land that is readily available has been depleted this year, but it must be noted that Peddimore received planning consent in September 2019. This will lift the readily available supply of Best Quality employment land above that required in Policy TP17. In addition, the adoption of the Bordesley Park Area Action Plan in early 2020 will see the detailed allocation of 16 hectares of Best Quality employment land at the Wheels site and Environs. This will help to maintain a continuing supply of employment land in this category in the medium to long term.

- 1.6 In the Good Quality category there are currently 28.58 hectares of readily available land, which is slightly below the BDP target of 31 hectares and equates to 4.6 years of development land in this category. There are a greater range of sites in the not readily available supply for Good Quality land however this category is likely to face increasing pressure over time due to a number of businesses requiring relocation as they are currently in the area identified for the new HS2 route. The size of many of the affected businesses means that they are more likely to be interested in moving to sites in the Good Quality category. The City Council has secured an assurance from the Secretary of State for Transport that these businesses will be supported to relocate within the Birmingham area, and the City Council will identify and support further opportunities to bring forward additional supply within this sub market across the city.
- 1.7 In addition, HS2 will also generate future demand for employment development land by making the city more attractive to investors. New employment land development opportunities will also arise before the end of the BDP plan period, through the release of land at Washwood Heath which had previously been required for the construction of HS2.
- 1.8 It is also likely that Good Quality sites will continue to become available through the continued churn of existing sites as occupiers relocate and expand. The City Council will continue to proactively identify potential development sites, particularly within the Best Quality and Good Quality categories through measures such as undertaking an annual call for sites, desktop mapping exercises and utilising commercially available databases.
- 1.9 It will also be particularly important for the City Council to continue to work with its partners such as the WMCA, GBSLEP and neighbouring local authorities. This will include supporting the implantation of the West Midlands Local Industrial Strategy which was published in May 2019.

2. Introduction

- 2.1 The ELAA is a study of sites within Birmingham that have the potential to accommodate employment development. Its purpose is to provide evidence to support the Local Development Framework, in particular the Birmingham Development Plan (BDP). Taken together, the ELAA and the SHLAA constitute Birmingham's Strategic Housing and Employment Land Availability Assessment (SHELAA). These are both key components of the evidence base to support the delivery of land to meet the need for development within the city. The main role of these assessments is to:
- Identify sites (and broad locations) with potential for housing and employment development
 - Assess their development potential
 - Assess their suitability for housing and employment uses and the likelihood of development coming forward.
- 2.2 The ELAA is technical document only. It is not a decision making document and it does not allocate land for development. As a technical exercise the ELAA is based on the best information at a given point in time. The inclusion of a site in the ELAA does not mean that it will be developed for employment, it does not mean that employment is the only suitable use for a site, and it does not necessarily mean, where it is not already the case, that planning permission would be granted for employment development. Circumstances may change over time.
- 2.3 Development proposals on sites identified in the ELAA are required to comply with relevant development plan policies. For example, where the site falls outside of a Core Employment Area or there are policies relating to open space or sports facilities.
- 2.4 The core role of the ELAA is to support Policy TP17 of the BDP, which requires the provision of a portfolio of 'readily available' employment land. This portfolio consists of two Regional Investment Sites in addition to a 5 year minimum reservoir of 60 hectares of Best Quality employment land, 31 hectares of Good Quality employment land and 5 hectares of Other Quality employment land (96 hectares in total). Further information about Policy TP17 and the portfolio of sites is provided in Section 3 of this report.
- 2.5 A key element of maintaining an appropriate supply of employment land is regular monitoring and review. A detailed review of employment land in Birmingham was undertaken in 2013 by Warwick Economics and Development through the Employment Land and Office Targets Study, and this was a key component of the evidence base for the BDP. This evidence was updated in 2017/18 and published in last year's ELAA report. This year's ELAA builds on the evidence contained in last year's report, whilst also aiming for closer alignment and consistency with SHLAA. This will ensure that the City Council's evidence in support of the BDP is also consistent with national planning policy which has advocated a move towards shared evidence bases for housing and employment land assessments in recent years.

2.6 The City Council also produces an Authority Monitoring Report on an annual basis which contains headline information regarding the development and supply of housing and employment land in Birmingham, amongst other types of development.

3. Background

Policy Context

- 3.1 There are three key documents in relation to employment land in Birmingham. They are:
- The National Planning Policy Framework (Revised February 2019)
 - The Birmingham Development Plan (January 2017)
 - The Loss of Industrial Land to Alternative Uses Supplementary Planning Document (February 2006)
- 3.2 The role of each document and their relationship to the supply of employment land within Birmingham are explained below.

National Planning Policy Framework (NPPF)

- 3.3 The requirement to produce a ELAA is set out within paragraph 120 of the 2019 NPPF:

“Planning policies and decisions need to reflect changes in the demand for land. They should be informed by regular reviews of both the land allocated for development in plans, and of land availability. Where the local planning authority considers there to be no reasonable prospect of an application coming forward for the use allocated in a plan:

- a) they should, as part of plan updates, reallocate the land for a more deliverable use that can help to address identified needs (or, if appropriate, deallocate a site which is undeveloped); and*
- b) in the interim, prior to updating the plan, applications for alternative uses on the land should be supported, where the proposed use would contribute to meeting an unmet need for development in the area.*

Birmingham Development Plan (BDP)

- 3.4 The BDP was adopted by the City Council in January 2017. The key BDP policies relating to the provision of land for employment development are as follows:
- PG1 – Overall Levels of Growth
 - GA3 – Aston, Newtown and Lozells
 - GA6 – Peddimore
 - GA7 – Bordesley Park
 - GA10 – Longbridge
 - TP17 – Portfolio of Employment Land and Premises
 - TP18 – Regional Investment Site
 - TP19 – Core Employment Areas
 - TP20 – Protection of Employment Land
- 3.5 These policies are summarised below and the full policies and reasoned justification are available to view at <https://www.birmingham.gov.uk/plan2031>

- 3.6 Paragraph 4.8 of the BDP forecasts that over 100,000 new jobs will need to be created from 2013 to 2031 to meet the needs of the city's growing population and help reduce the levels of unemployment and worklessness that currently exist.
- 3.7 Policy PG1 sets out the overall levels of growth to be delivered over the BDP plan period. This includes two Regional Investment Sites (at Aston and Longbridge), a 71 ha employment site at Peddimore and a minimum 5 year reservoir of 96 ha of land for employment use.
- 3.8 Policy TP17 sets out the details of the portfolio of 'readily available'¹ employment land required to provide the 5 year reservoir of 96 ha required under policy PG1. This portfolio is sub-divided into three different categories of employment land to ensure that the needs of all types and sizes of businesses are met and that desirable employment development is not lost due to a lack of site availability by ensuring that size leads demand. These categories are as follows:

Portfolio of land	Land requirements
Best Quality	
High quality attractive sites, of a minimum 10 ha in size suitable to attract clients with an international/national/regional choice of location.	A minimum reservoir of 60 ha of land
Good Quality	
Good quality sites suitable for locally based investment, likely to exceed 0.4 ha in size.	A minimum reservoir of 31 ha of land
Other Quality	
Other sites less than 0.4 ha of average or poor quality likely to be of interest to local companies.	A minimum reservoir of 5 ha of land

- 3.9 Policy TP18 sets out the requirement for the two Regional Investment Sites that are currently being developed at Longbridge (25 ha) and the Advanced Manufacturing Hub in Aston (20 ha). Developments on these sites are restricted to uses falling within Use Classes B1 and B2. This can include standalone B1a office development, but not B8 warehousing. Other uses are acceptable if they are ancillary and complementary to the main B1/B2 use of the site. Further detailed policies for each of these sites are contained within Policies GA3 and GA10 of the BDP, the Longbridge Area Action Plan and Aston, Newtown and Lozells Area Action Plan. These sites are in addition to the 5 year reservoir of employment land required by Policy TP17.
- 3.10 Policy GA6 allocates land to the east of Sutton Coldfield at Peddimore to provide 71 ha of Best Quality employment land. In support of this, the City Council adopted the Peddimore

¹ 'Readily available' sites are defined as committed employment sites with no major problems of physical conditions, no major infrastructure problems and which are being actively marketed.

Supplementary Planning Document (SPD) on 16 April 2019. This provides detailed guidance for how this strategically important site will be developed. Further information about the SPD can be viewed via the following link: www.birmingham.gov.uk/langleyppeddimorespd

- 3.11 Policy GA7 relates to the Bordesley Park growth area and from early 2020 will be supported by the Bordesley Park Area Action Plan. This policy and the Area Action Plan target the delivery of 3,000 new jobs in the area by 2031. The Wheels site and its environs is identified within the Area Action Plan as the key opportunity to deliver this job growth.
- 3.12 Policy TP19 relates to the city's Core Employment Areas which are to be retained in employment use and are the focus of economic regeneration activities. These are also areas where additional development opportunities for employment uses are likely to come forward over the plan period. The policy defines employment use as B1b (Research and Development), B1c (Light Industrial), B2 (General Industrial) and B8 (Warehousing and Distribution) and other uses appropriate for industrial areas such as waste management, builders' merchants and machine/tool hire centres. Applications for uses outside these categories within the Core Employment Areas are not supported unless an exceptional justification exists.
- 3.13 Policy TP20 relates to the protection of employment land outside the Core Employment Areas and sets out the justification required from applicants who wish to demonstrate that an existing employment use is obsolete and can no longer make a contribution towards the portfolio of employment land. This includes whether the site is considered to be non-conforming employment use or where it can be demonstrated that the site is no longer attractive for employment use, having been actively marketed for a minimum of two years and at a price which accords with other property of a similar type in the area. Viability assessments are required where an applicant argues that redevelopment of sites for new employment uses would be commercially unviable.

Loss of Industrial Land to Alternative Uses Supplementary Planning Document (SPD)

- 3.14 This SPD sets out further information on what is required to demonstrate that an employment site is obsolete and provides guidance on potential circumstances where an exceptional justification is likely to exist for alternative uses on employment sites. This document was originally produced to support policies in the Unitary Development Plan (UDP) that have been replaced by the adoption of the BDP. The general approach to employment land in the BDP is consistent with the approach in the UDP and as such the SPD has been retained. However the City Council proposes to review the SPD to ensure that it remains up to date.

4. Market Commentary

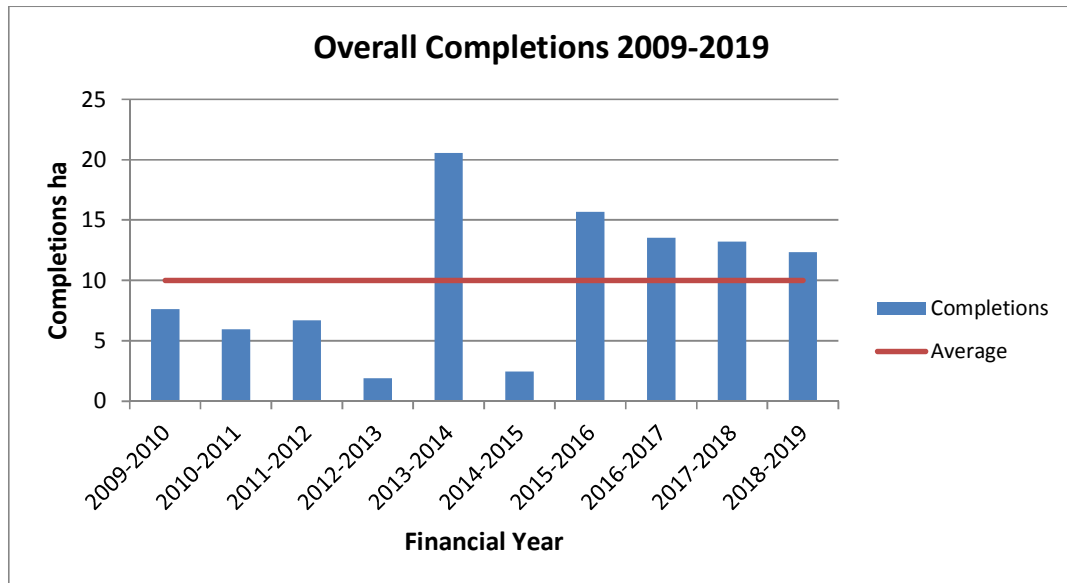
- 4.1 Birmingham sits at the heart of the West Midlands at the centre of the UK's transport network. The region's central location means that 90% of the UK population is within 4 hours travel time. The region also benefits from the presence of globally leading expertise in engineering, automotive, life and medical sciences, food and drink and logistics economic sectors and is well supported by its universities which ensure a strong supply of suitably qualified graduates. These factors mean there is a significant industrial and logistics market in the region.
- 4.2 The latest figures for the first half of 2019² show that the supply of existing and completed industrial and logistics sites in the region was at near record levels of 8.5 million sq. ft. as speculative development on the back of strong take up in previous years came to market. Take-up of new employment floorspace in the first half of 2019 reached 1.48 million sq. ft.; a 6.3% decrease on the same point in 2018 and well down on the levels achieved in 2016 and 2017 (ibid).
- 4.3 Using 5-year average rates there is only 1.6 years of supply left in the market across the West Midlands. The existing pipeline of development in the region stands at 1.25 million sq. ft. which is down by 25% on the previous year.
- 4.4 At a local level within the city the increased speculative development that has been experienced at a regional level is reflected in the development of sites such as Phase 6 of The Hub development in Witton.
- 4.5 Current demand in the market is focused on smaller footprints and high quality spaces; with 63% of deals in the first half of 2019 being within the 100,000 to 200,000 sq. ft. size band and 67% of leased space regionally being Grade A quality (ibid). Within Birmingham the allocation of 71 ha of employment land at Peddimore, which received planning consent in September 2019, provides the City with a site capable of accommodating large Grade A footprints.
- 4.6 There has been a decline in demand for larger units in the region over the last year which is reflective of the political and economic uncertainty around Brexit. The potential impacts of Brexit are a concern, particularly with regards to the automotive sector, which is an important part of the local economy. In particular given its reliance on components and parts which frequently cross the borders between the UK and Europe and which currently benefit from harmonised regulations and a lack of trade barriers. However, while the potential threats of Brexit are apparent there is also the opportunity for the region to increase trade with new and emerging markets.

² Big Shed Briefing July 2019, Savills

5. The Assessment – Site Supply

Overall Completions

- 5.1 Over the last ten years (2009-2019) there have been 99.97 ha of employment land completions averaging just under 10 ha per annum. Completions were lower prior to the adoption of the BDP, apart from an exceptionally high year in 2013-2014 when 20.56 hectares were completed. Since the BDP was adopted there has been an average of 13 hectares per annum completed, although there has been a progressive reduction in completions over this period. This may reflect the reducing supply of readily available employment land over this same period but it is anticipated that this trend will be reversed in future years as development progresses on the strategically important Peddimore and Wheels sites.



Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council.

Regional Investment Sites (RIS) Completions

Longbridge RIS

- 5.2 The BDP and the Longbridge AAP identify a 25 hectare Regional Investment Site on part of the former MG Rover Works. This incorporates a Technology Park that has been designed specifically to attract a nucleus of high technology businesses to the Longbridge area. 1.73ha was completed in 2007/8 delivering over 400 permanent jobs at Longbridge Technology Park and over 5,700m² of high-quality office space. Over 60 businesses are now accommodated across two buildings: The Innovation Centre and 2 Devon Way.

- 5.3 In May 2018 planning approval was granted for a new building for offices and/or research & development at Plot 3 Longbridge Technology Park, Devon Way. Construction is now on site.
- 5.4 Phase 1 of Longbridge RIS, known as Longbridge West has yet to come forward. In October 2018, St Modwen secured planning approval for infrastructure works (roads and environmental works) to service West Works site and create development ready plots.
- 5.5 Planning approval has also been granted in September 2018 for the erection of four employment units (use classes B1, excluding offices, and / or B2) on the RIS site (2018/02549/PA – split in to two sites under reference numbers 007720305 and 007720800 within this ELAA).
- 5.6 A prior notification application for demolition has also been submitted for part of the Nanjing site. A significant part of the site is vacant with Nanjing's occupation reducing towards the Lowhill Lane part of the site.
- 5.7 Alongside the main landowner, St Modwen, the City Council are currently exploring options for land assembly to bring forward the RIS proposal.

Aston RIS

- 5.8 The 20 hectare Aston RIS within the Aston, Newtown and Lozells Area Action Plan (AAP) is one of six economic zones in Birmingham, and is an important area for the advanced manufacturing sector in the wider West Midlands. The site is more commonly known by its brand name the Advanced Manufacturing Hub, or AMH. The AMH is a joint initiative between the City Council and the Homes England (HE). A Local Development Order (LDO) for the area was adopted by the council in January 2014 and amended in October 2016. The LDO introduced a simplified planning permission (including a prior approval process) for certain uses on key sites in order to stimulate new investment, economic growth and job creation.
- 5.9 To expand on the Area Action Plan policy, a development framework for this area has been prepared and was adopted in July 2016. This highlights the importance of high quality design and place making to create an attractive business environment for both new businesses and the wider community.
- 5.10 The first occupier to be operational within the site was Hydraforce (2.82 ha completed in 2015-2016) which comprises a new 120,000 sqft (11,150 sqm) facility. Two further developments were completed in 2016-2017: a 50,000 sqft (4,645 sqm) unit occupied by Guhring a precision engineering company and a 94,500 sqft (8,780 sqm) industrial unit built on a speculative basis by Trebor (developer) and Aviva Investors which has been let to Salts Healthcare. Together these units amount to total completions in 2016-2017 on 3.52 ha. These developments are a major success story for Birmingham and demonstrate that there is a need to provide high quality industrial accommodation in the City to meet the requirements of the growing advanced manufacturing sector.

Best Quality Completions

- 5.11 There were no completions on Best Quality land this year. This reflects the limited supply of sites of over 10 ha in the city. Over the past ten years completions on Best Quality land has fluctuated, with a high of 15.9 ha in 2013-2014 and no completions in 2009-2010, 2010-2011, 2012-2013 and 2018-2019.
- 5.12 The nature of these very large employment sites in the Best Quality category means that they are often major developments undertaken for specific end users. This type of development occurs as required by an end user and not on a regular basis, so this fluctuating pattern is not surprising. The two recent peaks in the years 2013/14 and 2015/2016 are attributed to Midpoint and JLR. In 2016-2017 completions in the Best Quality category included 10.92 ha for JLR, while in 2017-2018 a further 9.46 ha was completed at the Hub in Witton which included the 8 ha Wholesale Markets development. This latter development has allowed the City Council to commence its proposals for the mixed use Smithfield development in the City Centre.

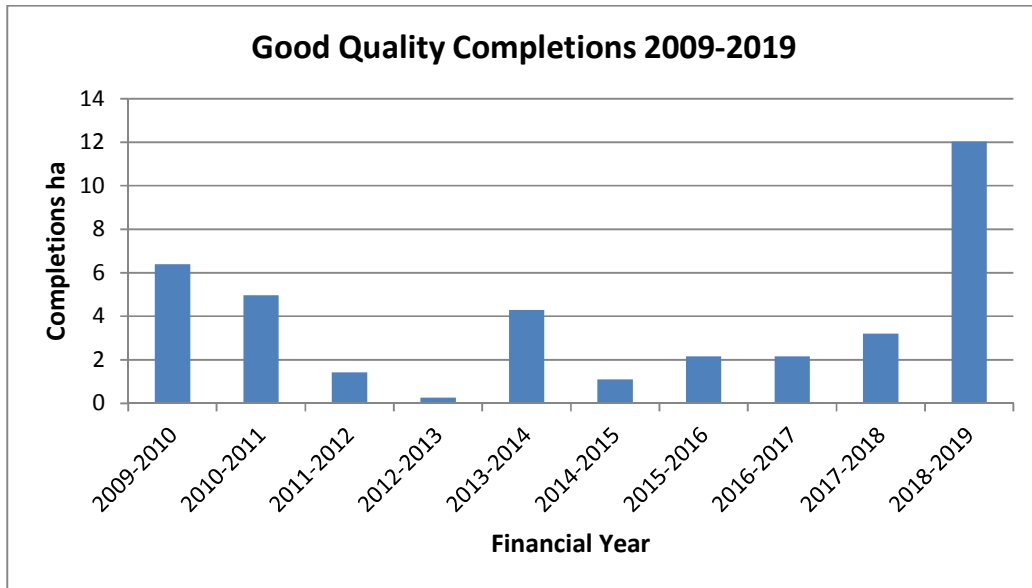


Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council.

Good Quality Completions

- 5.13 There were 12.02 ha of completions on Good Quality land in 2018-2019, a much higher completion figure than during any of the preceding 10 years. Last year's ELAA report anticipated that annual completions on Good Quality employment land will rise as opportunities in the Best Quality category become more limited, and this situation now appears to be realised.
- 5.14 Four developments contributed to the very high completion figures over the past year;
- The Hub (Phase 6), Witton Road = 8.74 ha
 - 144 Dunlop Way = 1.75 ha

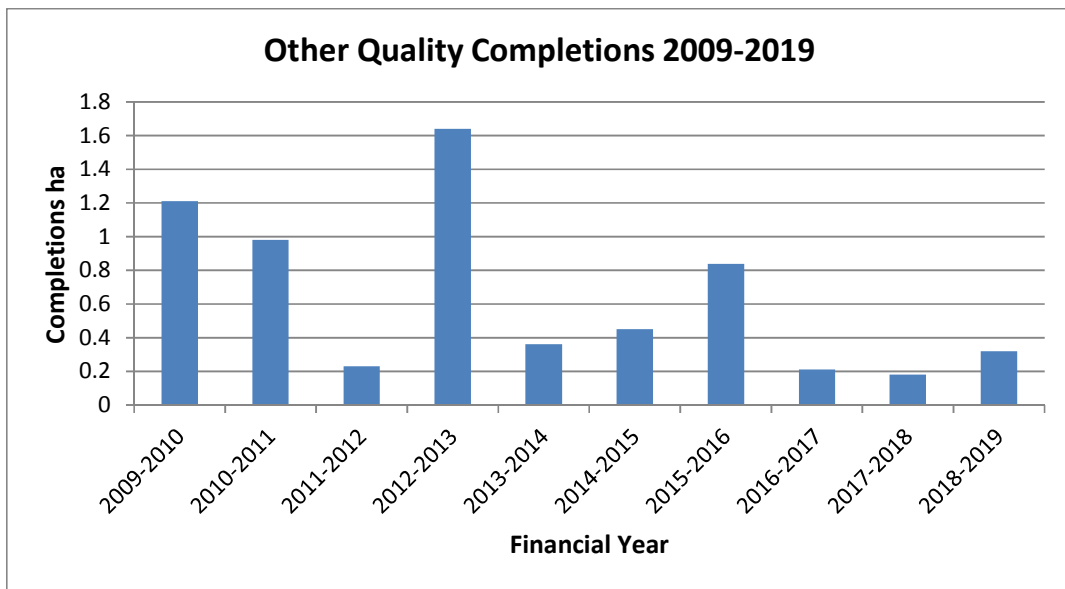
- Wharfdale Phase 2, Tyseley Wharf = 0.96 ha
- Phase 3, Yardley Brook Industrial Estate = 0.57 ha



Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council.

Other Quality Completions

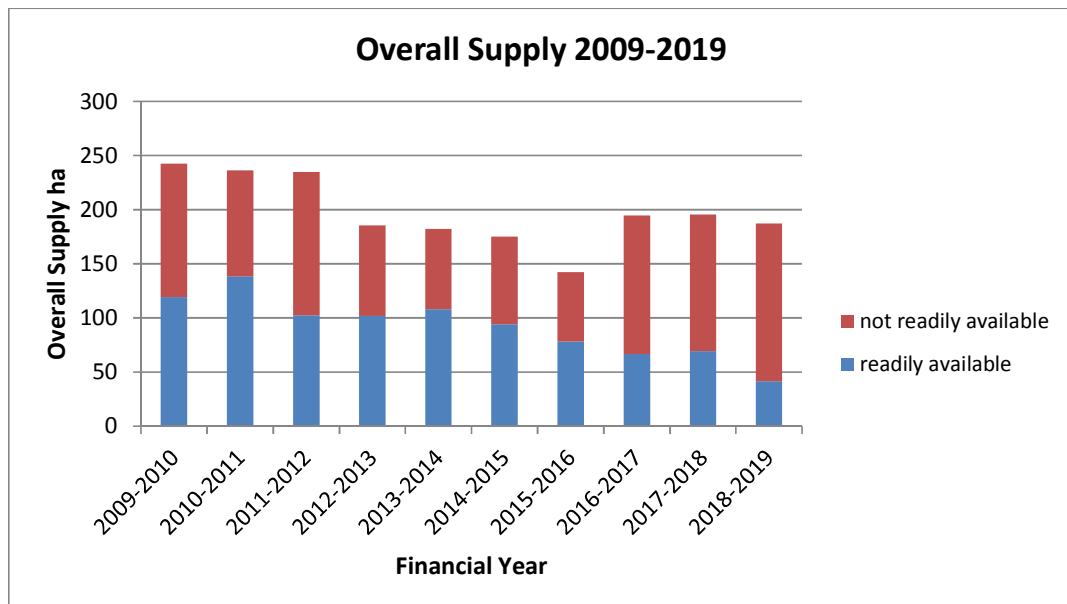
5.15 Completions within the Other Quality were 0.32 ha in 2018-2019. Completions within this category have been low for most of the past six years, although they have increased this year. Two sites contributed to the completion figure this year; 10 Parliament Street (0.18ha) and 32 to 48 Cato Street North (0.14 ha).



Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council

Overall Supply

- 5.16 The bar chart below illustrates readily and not readily available employment land for all categories. On average over the last ten years there have been 92 ha of readily available land and 106 ha of not readily available land. The supply of readily available land has progressively been decreasing in recent years from a high of 138.45 ha in 2010-2011 to a low of 41.57 ha in 2018-2019. This represents 2.16 years of supply as opposed to the BDP Policy TP17 requirement of a five year reservoir of 96 ha. Although this is less than half of the policy requirement, this must be considered in the context of the wider regional supply of employment land (see Section 4) where there is just 1.6 years of employment land supply.
- 5.17 The supply of not readily available has land fluctuated between 2009 and 2012 but it then progressively increased from a low of 83.65 ha in 2012-2013 to a high of 145.53 ha in 2018-2019. The larger proportion of the land supply that is not readily available is largely attributable to the allocation of the 71 ha Peddimore site within the BDP. The approval of a planning application for Peddimore in September 2019 will ensure that readily available land provides a greater proportion of the overall supply from next year onwards. The not readily available supply will also be boosted by the detailed allocation of the Wheels site and its environs from when the Bordesley Park Area Action Plan is adopted in early 2020.

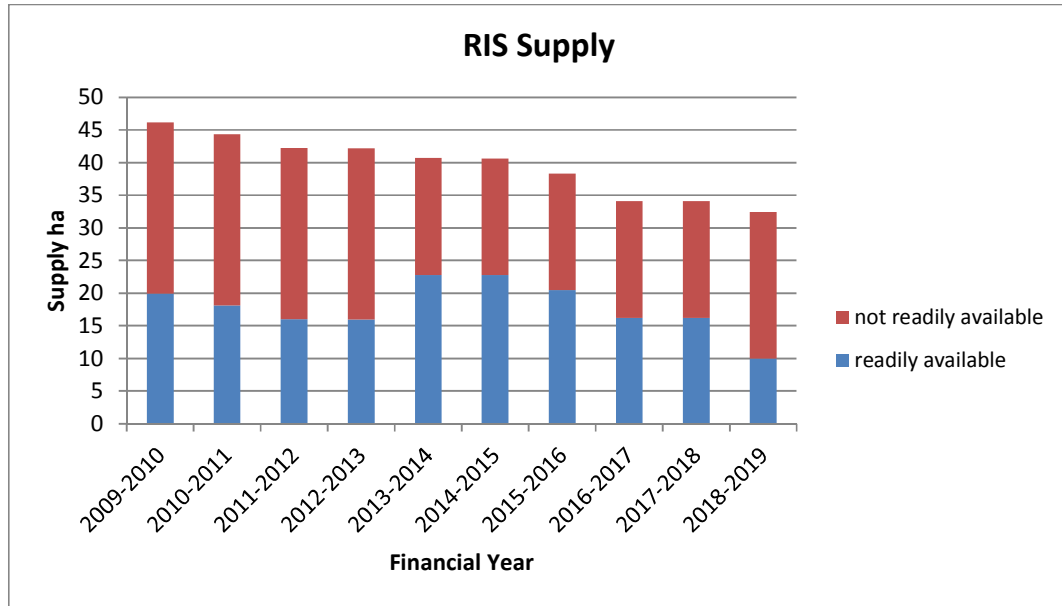


Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council.

RIS Supply

- 5.18 As of April 2019 there were 9.97 ha of readily available land and 22.45 ha of not readily available land across the two RIS areas. In Longbridge, St Modwen secured planning approval in October 2018 for infrastructure works (roads and environmental works) to service the West Works site and create development ready plots that can be considered as part of the readily

available supply. The chart below shows that, as to be expected, overall supply has fallen in recent years due to completions at Aston RIS.



Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council.

Best Quality Supply

- 5.19 The supply of readily available land in the Best Quality category has reduced to zero this year. The reason for this drop is that sites which were previously within this category and formed part of a larger site have now been reclassified within the Good Quality category. This is because these sites now fall below the 10 hectare threshold for Best Quality land classification.
- 5.20 However, the recent approval of a planning application for the development of the 71 ha Peddimore site will bring the supply of readily available land to a level above that required under BDP Policy TP17. Furthermore, the detailed allocation of 16 hectares of land at the Wheels site through the adoption of the Bordesley Park Area Action Plan will help to maintain the not readily available supply in the medium to longer term, from next year onwards.
- 5.21 The other main potential contributor to longer term future supply in this category is land currently within the HS2 safeguarding zone at Washwood Heath. A significant amount of this land will be required for the Rolling Stock Maintenance Depot (RSMD) to serve the entire currently proposed HS2 network and the HS2 National Control Centre, which jointly are expected to employ up to 500 people. The City Council has an assurance from the Secretary of State for Transport that requires that the detailed design of this area should further reduce the amount of land permanently required for the RSMD and the Control Centre. It is anticipated that the development land available at the end of construction will equate to approximately 24 ha. The timing of when this land will become available is not yet known, although it is likely to be before the end of the BDP plan period in 2031. This capacity has not

been included within the not readily available supply at this time but when the details about the delivery of this site become clearer the capacity will be added to the supply.



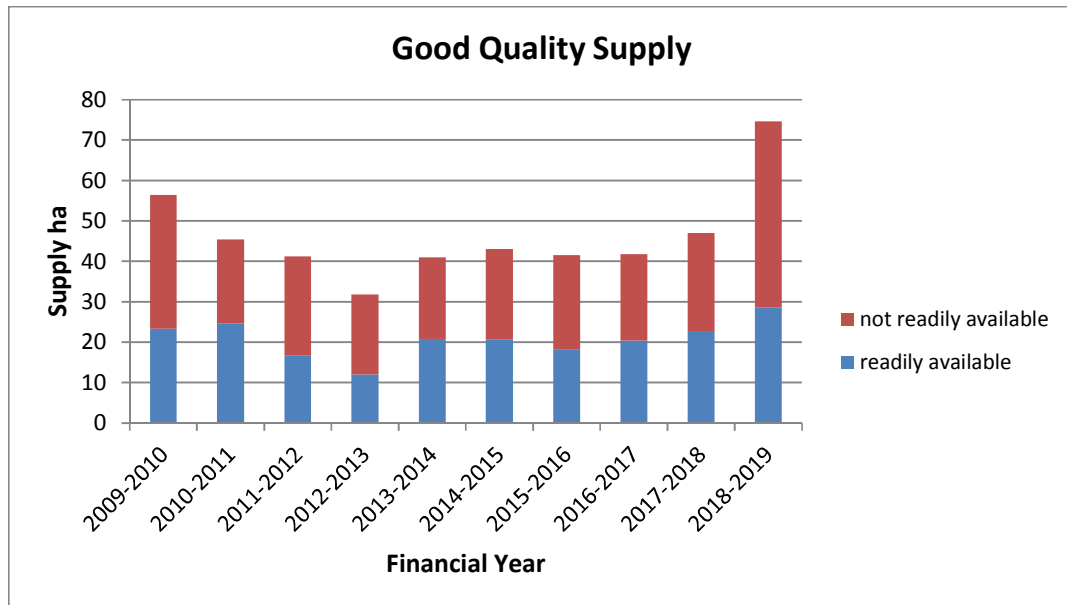
Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council.

5.22 In the longer term there may be a need to identify further supply of Best Quality land. Ongoing monitoring and review of the supply of Best Quality employment land will provide greater certainty on whether or not additional supply is required as the plan period progresses.

Good Quality Supply

5.23 The Good Quality sub-market is primarily intended to provide for the needs of local Birmingham firms for expansion and for new businesses starting up. There are currently 28.58 hectares of readily available Good Quality land compared to the BDP target of 31 hectares. Despite this being lower than the BDP requirement, it must be noted that the supply of land of both readily available and not readily available land in this category has been increasing each year since the BDP was adopted in 2017. There has been a particularly large increase in the supply of land in this category this year due to the recategorisation of former Best Quality sites which now fall below 10 hectares in to the Good Quality supply.

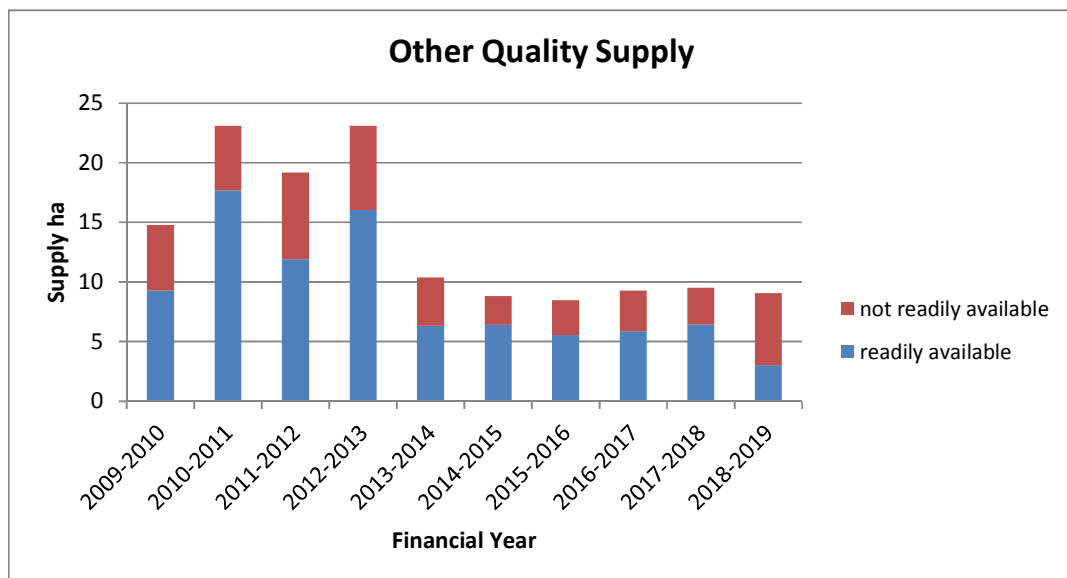
5.24 This means that although the readily available supply currently falls below that required by Policy TP17, there is a large amount of land which can be brought forward from the not readily available supply for the remainder of the plan period.



Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council.

Other Quality Supply

5.25 There are currently 3.02 ha of readily available land and 6.02 ha not readily available land in the Other Quality supply. The current supply of readily available land in this sub-market is below the BDP target of 5 ha, however there is typically a continual churn of this type of site with new approvals and completions regularly coming forward. Therefore, although the readily available supply is below target this year there is confidence that this can recover to the levels required next year and in future years.



Source: BLADES (Birmingham Land Availability and Development Enquiry Service), Birmingham City Council.

6. Conclusions

- 6.1 Overall completions on employment land in Birmingham have been at a high level since 2015. Before then completions were generally at much lower levels (with the exception of 2013-2014), reflecting the economic circumstances at that time. Completions have been steadily reducing year on year since 2015 as more of the city's employment land supply has been taken up. This is reflected in the overall employment land supply which has been progressively decreasing since 2016.
- 6.2 This does present challenges in the short term in regard to maintaining a sufficient portfolio of readily available employment land, as required by Policy TP17 of the BDP. However in the medium to longer term the outlook is a lot more positive. Firstly, the 71 hectare employment site at Peddimore received planning consent in September 2019 and so this will boost the supply of readily available land in the Best Quality category from next year onwards. Secondly, whilst the Peddimore site currently provides most of the not readily available supply in the Best Quality category, the allocation of the Wheels and environs site in the Bordesley Park Area Action Plan from next year will ensure that there continues to be a supply of Best Quality employment land for the remainder of the BDP plan period. There will therefore be a recovery in the supply of land in the Best Quality category from next year onwards. In the longer term, but before the end of the BDP plan period in 2031, it is anticipated the supply of Best Quality employment land can be maintained through the release of land at Washwood Heath which is currently required for the construction of HS2.
- 6.3 In regard to Good Quality employment land, whilst the readily available supply has been below the 31 hectares required since the BDP was adopted in 2017, it has been progressively increasing year on year and in April 2019 it was just 3 hectares below the requirement in Policy TP17. It is anticipated that this will continue to increase to levels above requirement in the short to medium term. In addition, this year's ELAA has reconsidered the categorisation of sites that were previously constituent parts of larger Best Quality employment land but which, due to completed development on these wider areas of land, are now stand alone sites that fall below the 10 hectare threshold required for inclusion in the Best Quality category. As a result, many of these sites have now been moved to the Good Quality supply and will continue to provide a contribution to this element of the employment land portfolio for the remainder of the plan period.
- 6.4 Land in the Other Quality category has seen greater fluctuation than the other categories, both in terms of completions and in the readily available supply. 2018-2019 is the first year in which the readily available supply has fallen below the level required by Policy TP17, but this may be in reflection of the higher completions that have been experienced in this year. The reasons behind this will be explored further but it is recognised that this category is driven more by the day to day requirements of small and medium enterprises than it is by major regeneration and development initiatives. In this respect, this category is similar to windfall development in the housing land supply and so the most important actions that the City Council can take to support this category is to continue to monitor land supply and

completions, continue to engage and respond with small and medium enterprises to understand their development needs and to proactively seek any further opportunities for land which may be suitable development within this category.

- 6.5 In summary, whilst the supply of readily available land is currently below that required for all categories defined by Policy TP17 of the BDP, representing 2.16 years of supply, this is only considered be the situation in the immediate term. Next year the Best Quality employment land supply will be boosted due to the Peddimore planning consent and the detailed allocation of the Wheels and environs site. Longer term trends in the Good Quality category will see its supply approach or exceed the BDP requirement, and the City Council will continue to support the delivery of land in the Other Quality category. This year's land supply should also be considered in the context of the wider West Midlands which currently only has 1.6 years of supply of employment development land³.

³ Big Shed Briefing July 2019, Savills

Appendices