

CANNOCK CHASE DISTRICT COUNCIL

EMPLOYMENT LAND STUDY

FUTURE LAND ESTIMATION

SUMMARY REPORT

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1.0 Background to project

- 1.1 As an integral part of the evidence gathering exercise for the Local Development Framework preparation process in Cannock Chase District, a comprehensive review of employment land in the District is being undertaken.
- 1.2 The Employment Land Review is being undertaken following the broad guidelines which are set out in the document “Employment Land Reviews: Guidance Note published by the Office of the Deputy Prime Minister in December 2004, and consists of three main phases:
 - i. An assessment of the existing employment land situation
 - ii. An examination of how much employment land may be required for the future
 - iii. The identification of a portfolio of sites for the future
- 1.3 In particular, the Development Services Directorate Research Unit has been commissioned to provide input into phase 2 of this work for Cannock Chase District. The input takes the form of technical advice and support to help assist in the identification of future employment land requirements in Cannock Chase District. The findings of this work are summarised in this report. An accompanying technical appendix highlights the detailed findings, and outlines the methodologies employed in assessing employment land requirements.
- 1.4 In order to estimate the potential levels of employment land that may be required, 3 approaches to land estimation have been employed, in line with the approaches set out in the ODPM’s Employment Land Guidance note (a further explanation of each of the methods will be presented at the relevant parts of this paper). The 3 methods comprise:
 - i. A “Continuation of past development trends” approach, which analyses employment land completions over recent years to establish average annual building rates for the periods of the past 5 years and past 10 years. Average building rates are then factored forwards to provide estimated land requirements.
 - ii. A “Labour Demand” approach, which focuses on the amount of employment land required, as generated by the demand of forecasted employment change from published employment forecasts.
 - iii. A “Labour Supply” approach, which focuses on the amounts of employment land required, generated by likely changes to the labour force in the district. The labour supply approach allows policy assumptions to be tested, such as the preferred option for

housing development outlined in the revision of the West Midlands Regional Spatial Strategy for Cannock Chase District.

- 1.5 In addition, Cannock Chase District Council have tested a regeneration policy aim of establishing a jobs density ratio of 0.75 (providing 75 employee jobs for every 100 persons aged 16-59/64 (F/M)) in the district.
- 1.6 These approaches to estimation of future employment land requirements should be considered collectively and on the basis of their own strengths and weaknesses. A further examination of each of the approaches is outlined later in this report.

2.0 The Cannock Chase District Context

- 2.1 Cannock Chase District is the second smallest of the district council areas in Staffordshire with an area of 79sq.km. The district is located in the south of the administrative county of Staffordshire. The Registrar General's population estimate puts the population of the District at 94,300 people for mid year 2006. The district is quite unique in the Staffordshire context, with two main urban areas Cannock and Rugeley interspersed by a significant proportion of the Cannock Chase Area of Outstanding Natural Beauty. The Cannock area is composed of the identifiable "town" of Cannock, and several other surrounding towns and villages including Hednesford, Heath Hayes, Norton Canes and Rawnsley. There are also some much smaller settlements between Cannock, Rugeley and nearby Burntwood, including Cannock Wood and Slitting Mill interspersing the wider Cannock Chase AONB.
- 2.2 The town of Cannock developed largely in the 19th century as a centre of coal mining and it is this industry which has shaped much of its modern development. Further to the coal industry, a number of significant manufacturing and industrial businesses have centred in the town, and more recently the collapse of the mining industry in the 1980s and early 1990s have seen the area having to restructure and diversify its economy. Adjacent to Cannock are Hednesford and Huntington (which is actually in South Staffordshire district) forming a continuous urban area, with traditions in the coal mining industry. On the other side of the Cannock Chase AONB the town of Rugeley has a more long standing history, and although also significantly related to the coal mining industry, the town's economic base is more wide ranging.
- 2.3 The two towns have significant links with their surrounding areas with both looking northwards to Stafford as the County town offering a range of higher level services and some employment opportunities. Rugeley has strong relationships with Lichfield and villages such as Armitage and Kings Bromley. There are further relationships into parts of East Staffordshire. Cannock has strong links with parts of the Black Country, and in particular with Walsall. Cannock also shares a close relationship with the town of Burntwood in Lichfield district.
- 2.4 Several major communications routes cut through the district, and these have been important in shaping the local area. The A51 links Rugeley to the west and east and has been recently enhanced following the completion of the Rugeley by-pass negating through traffic in the town. The A460 links Cannock, Hednesford and Rugeley with the M6 motorway and further afield to Wolverhampton. Cannock is at the cross roads of the A34 and A5 primary routes and good access to junctions 11 and 12 of the M6 motorway. The M6 Toll runs through the south of the District providing excellent access to a number of key development sites and existing employment to the south and east of Cannock. Rail links within the District are quite well developed. Rugeley

Trent Valley station being on the West Coast Main Line with a direct peak hour morning service to London Euston. A further line through the district runs between Birmingham-Walsall-Cannock-Rugeley-Stafford. On which an hourly service currently operates. Rugeley town to Birmingham New Street travel times are approximately 50 minutes while Cannock to Birmingham New Street services take approximately 40 minutes

- 2.5 The employment land study will help to identify a range of the locally important factors in Cannock Chase District which may not be borne out by hard quantitative evidence, but are significant in their influence on the local economy, and in particular, how they may relate to the future employment land requirements of the district.
- 2.6 Future employment development in Cannock Chase District is likely to be partially shaped by the revision of the West Midlands Regional Spatial Strategy. Although Cannock Chase has not been identified as a focus for significant growth, the impact of the proposed housing distribution in the revision of the Regional Spatial Strategy will have a sizable impact upon the District, with proposals for 5,800 new dwellings (net) proposed in the Preferred Option of the Phase 2 revision of the West Midlands RSS between 2006 to 2026. In tandem with the housing options set out in the Preferred Option, Cannock Chase district is also expected to accommodate 30,000 sq. m of new office development in the period 2006 to 2026, and also provide a 5 year reservoir of employment land of 28 Ha, and an indicative longer term requirement of 84 Ha.
- 2.7 The identification of a balanced supply of employment land, spread across a portfolio of good quality sites will be a key element to the sustainable development of the area for future years, in particular through its ability to support and drive forward any future growth proposals in the district.

3.0 The Current Economic Base of Cannock Chase District

- 3.1 As at 2006¹, Cannock Chase District was home to some 32,800 employee jobs. This means that it has the fifth greatest number of employee jobs of the eight district councils in Staffordshire (after East Staffordshire, Stafford, Newcastle-under-Lyme and Lichfield). Table 1 below highlights the levels of employment by broad industrial group in the district, and how this compares to the situation in Staffordshire County, the West Midlands Region and nationally. The employment situation in Cannock Chase District remains quite robust with a modest increase of around 300 employee jobs in the District between 2001 and 2006, which equates to a 1.2% increase during that period.
- 3.2 Proportionally Cannock Chase District has a greater concentration of employee jobs in the manufacturing sector when compared with averages for Staffordshire and the West Midlands Region. The 5,700 jobs in manufacturing in the District represents 17.3% of all jobs in the District whereas it accounts for only 15.6% and 14.7 in Staffordshire and the West Midlands Region respectively. More significantly the proportion of manufacturing jobs in Cannock Chase is well above the average for Great Britain where only 10.9% of employee jobs are in this sector. The distribution, hotel and restaurant sector has by some margin the highest number of employee jobs in the district with 9,800 jobs. This represents 29.7% of the total jobs in the District and is above the average for Staffordshire, West Midlands Region and Great Britain. The dominance of the distribution, hotels and restaurant sector could pose an element of vulnerability, with the economy being less well balanced than other. Since 2001, the manufacturing sector in Cannock Chase has experienced a decline of around 2,050 employee jobs demonstrating the levels of vulnerability in that sector.
- 3.3 Other employment sectors to see a decline between 2001 and 2006 were Energy and Water (-50 jobs) and transport and communications (-150 jobs).
- 3.4 The banking, finance and insurance sector, which is seen as a key driver for future growth of the service sector in local economies employs proportionally fewer people in Cannock Chase District compared with Staffordshire County, the West Midlands Region and nationally. There is therefore potential for some growth in these sectors although this will require a significant improvement among the skills base of the local working age population. In order to develop its economy further into the future, a growth in the financial and business sector will be important. Evidence suggests that this sector is growing with an additional 500 employee jobs in the banking, finance and insurance sector in 2006 compared with 2001, this equates to a 14% increase during this 5 year period.

¹ Source: Annual Business Inquiry 2006 (provisional). NOMIS

- 3.5 Representing 9.2% of all employee jobs in Cannock Chase District the construction sector employ proportionally much higher levels of people when compared with the comparison areas, suggesting that the current level of development in and around Cannock and Rugeley is in a strong position. With more potential development opportunities in the medium to long term in the district the number of employee jobs in this sector is likely to remain robust. During the period between 2001 and 2006, Cannock Chase District has seen an increase of 600 employee jobs in the construction sector (around a 25% increase). Other sectors to experience growth in the number of employee jobs between 2001 and 2006 include the public administration, education and health sector (+300 jobs) and the other service sector (+100 jobs). By far the greatest increase in employment between 2001 and 2006 has been in the Distribution, Hotels and Restaurants sector (+1,400 jobs or a 16.4% increase in employment in the sector between 2001 and 2006).
- 3.6 A valid employment land study needs to take account of the needs of existing businesses in the local area, as well as the predicted future requirements which may be generated as a result of increased employment, or labour force in the area. The structure of the local economy and its recent fluctuations is therefore a critical consideration for a comprehensive Employment Land Review.

Table 1 – Economic Structure (Employment by Broad Industry Group 2006)

	Agriculture and fishing	Energy and water	Manufacturing	Construction	Distribution, Hotels and restaurants	Transport and communications	Banking, finance and insurance etc	Public administration, education and health	Other services	Total
Cannock District (no.)	100	200	5,700	3,000	9,800	1,800	4,500	6,600	1,200	32,800
Cannock District (%)	0.3%	0.7%	17.3%	9.2%	29.7%	5.4%	13.8%	20.1%	3.5%	100.0%
Staffordshire County (%)	1.1%	0.3%	15.6%	5.4%	24.7%	7.0%	14.9%	25.9%	5.0%	100%
West Midlands Region (%)	0.9%	0.5%	14.7%	5.0%	23.7%	5.6%	17.8%	26.6%	5.1%	100%
Great Britain (%)	0.9%	0.6%	10.9%	4.8%	23.5%	5.9%	21.2%	26.9%	5.3%	100%

Source: Annual Business Inquiry 2006 (provisional), Crown Copyright

4.0 The Future of the Economy

- 4.1 Predictions of how the economy is likely to change over the medium and longer term future form an important part of the basis of identifying the suitability of the existing employment land stock, and for the identification of new employment land into the future.
- 4.2 Forecasts of the extent to which a local economy is expected to change over time can never be exact, and should be considered as more of a likely “direction of travel” but an appreciation of the way in which patterns of employment may change offers a key input to an employment land study, particularly when assessing the level of labour demand. A significant caveat of employment forecasts is that they are based on trends of historical economic performance and predict how these trends are likely to carry on into the future. The forecasts used in this piece of work offer a politically neutral indication of how the economy might change into the future, and don’t include any policy based growth assumptions (for example significant housing development under Regional Spatial Strategy or the promotion of employment growth in a targeted sector).
- 4.3 For the purposes of this study, Staffordshire County Council has sourced “off the peg” employment forecast projections based on the “Local Economic Forecasting Model” as produced by the recognised economic forecasting company “Cambridge Econometrics”. As highlighted above, these forecasts employ a trend based analysis, informed by locally important factors, taking into account historical trend data, and predicting the trend for future economic and employment growth.
- 4.4 “Off the peg” economic forecasting models do not take into account local policy implications which can have significant influence on an area. In the case of Cannock Chase District this could be related to the housing growth proposals set out as part of the revision of the West Midlands Regional Spatial Strategy, or the local regeneration policy of increasing the “job density” in the area.
- 4.5 Staffordshire County Council intends to develop a capacity for undertaking more sophisticated analysis of employment forecasts locally. For the purposes of future employment land reviews, it may be possible to develop alternative employment and economic forecasting approaches, inputting policy assumptions to the forecasting model where and when relevant.
- 4.6 The forecasted employment projections in the Cannock Chase District area are presented below in table 2.
- 4.7 The employment forecasts are based on an input data year of 2004. Any data beyond this date should therefore be treated as a forecast of

the likely direction of travel of the sector, with appropriate caution being applied.

- 4.8 Table 2 highlights employment in Cannock Chase District for each 5 year period between 2001 and 2026. The projection identifies a quite significant increase in the overall levels of employment between 2001 and 2006, some 1,760 jobs over the 5 year period. A significant loss of manufacturing employment of 2,359 jobs between 2001 and 2006 is mainly offset by projected additional jobs in the construction, distribution NES, hotels and catering, financial and business and health and education sectors during this period. For the purposes of this report employment change between 2006 and 2026 will be considered in the greatest levels of detail – the period over which the Cannock Chase District Local Development Framework will be based. Over the 2006 to 2026 period employment in Cannock District is predicted to grow by 3,514, equating to a positive increase of 9.1%.
- 4.9 In 2006, the largest industry in Cannock District is forecast to be the health and education sector with 6,582 employees, closely followed by the manufacturing sector, with 5,989 employees. There is a projected 14.6% increase in the number of employees in the health and education sector by 2026, an increase of 961 jobs on 2006. The number of jobs in the financial and business sector is forecast to see the most rapid growth - an increase of 3,514 jobs between 2006 and 2026, the equivalent of a 63.4% increase in this sector.
- 4.10 It is not until 2026 that the financial and business sector is forecast to become the most important in Cannock Chase District with a forecasted total of 8,124 jobs in this sector which would account for around 19% of all jobs in the district. This is a common pattern throughout the Staffordshire area, and nationally, with the financial and business sector expected to become one of the biggest areas of growth.
- 4.11 The decline of the manufacturing sector in the district is highlighted by the employment forecast. A decrease in the manufacturing sector of some 2,359 jobs is forecast between 2001 and 2006. This pattern of decline is predicted to continue up to 2026 at which point the manufacturing sector is forecast to employ around 4,742 people. The overall predicted decline between 2006 and 2026 is some 1,247 jobs or a 20.8% decline in employment in the sector.
- 4.12 Employment forecasts do suggest that there will also be increases in the numbers of jobs in the construction, retailing and distribution sectors. In contrast, the forecast indicates declines in a range of sectors including the primary and utility sectors, transport and communications and other service activities sectors.
- 4.13 The findings of these employment forecasts are the key component used to inform the labour demand approach to establishing a future

employment land requirement, which will be examined in further detail in section 5.

Table 2 – Forecasted Employment by Industry in Cannock Chase District – Local Economic Forecasting Model 2001-2026

	2001	2006	2011	2016	2021	2026	Change 2001-26	% Change 2001-26	Change 2006-26	% Change 2006-26
Primary and Utility	1,619	1,009	883	761	658	571	-1,048	-64.7%	-438	-43.4%
Manufacturing	8,348	5,989	5,683	5,356	5,044	4,742	-3,606	-43.2%	-1,247	-20.8%
Construction	3,376	3,847	3,951	4,038	4,230	4,459	1,083	32.1%	612	15.9%
Retailing	4,013	4,652	4,832	4,937	5,090	5,254	1,241	30.9%	602	12.9%
Distribution NES	2,899	4,041	4,319	4,427	4,553	4,679	1,780	61.4%	638	15.8%
Hotels and Catering	1,941	2,676	2,705	2,736	2,747	2,753	812	41.8%	77	2.9%
Transport	1,415	1,416	1,251	1,097	957	836	-579	-40.9%	-580	-41.0%
Communications	448	556	537	517	510	505	57	12.7%	-51	-9.2%
Financial and Business	4,335	4,971	5,600	6,303	7,160	8,124	3,789	87.4%	3,153	63.4%
Public Administration	1,443	1,202	1,220	1,234	1,245	1,258	-185	-12.8%	56	4.7%
Health and Education	5,682	6,582	6,996	7,195	7,375	7,543	1,861	32.8%	961	14.6%
Other Service Activities	1,362	1,702	1,656	1,580	1,505	1,434	72	5.3%	-268	-15.7%
TOTAL	36,883	38,643	39,633	40,179	41,074	42,157	5,274	14.3%	3,514	9.1%

Source: Cambridge Econometrics, Local Economic Forecasting Model. Data has been extrapolated by the Research Unit to 2026. These forecasts are consistent with Regional Economic Prospects. July 2006.

5.0 Identifying a future employment land supply

- 5.1 This report follows the advice set out in the document – “Employment Land Reviews: Guidance Note”, published by the Office of the Deputy Prime Minister in December 2004.
- 5.2 In this report, three different approaches have been used for the calculation of a potential future employment land supply in Cannock Chase District. The three methods are:
- i. A continuation of past development trends approach.
 - ii. A labour demand led approach – based on likely employment land requirements as a factor of forecasted employment change.
 - iii. A labour supply approach – based on the likely employment land requirements generated by projected labour force change. This method has also included the land requirements borne out of a policy aim to increase “job density” in Cannock Chase District.
- 5.3 The three approaches differ quite significantly in both their methodologies and the results that they yield. It is important to recognise that no single approach should be classed as preferable to another, rather the three approaches should be considered together. Likewise, the suggested land requirement results generated from the three approaches should be seen only as a starting point for the identification of employment land requirements rather than a definitive statement of future needs. Cannock Chase Council should consider each of the 3 approaches alongside the further issues to take into account to establish whether the quantity and quality of employment land in the district is appropriate.
- 5.4 An indication of the potential land requirements generated under each of the land forecasting approaches is presented below, alongside a brief commentary on the implications of each approach. For further more detailed explanation of the methodology used in each of these approaches, and the technical data which sits behind them, please see the accompanying technical appendix document.

Continuation of past trends approach

- 5.5 The continuation of past trends approach is a relatively straight forward land estimation exercise which considers the levels of B Class employment land development in the district over recent years to create an average building rate. This building rate is then factored forwards over the period of interest to calculate a potential land requirement.

5.6 For the purposes of this project, past development rates have been calculated for the past 5 years (2002/03 to 2006/07) and the past 10 years (1997/98 to 2006/07). Table 3 overleaf highlights total employment land completions in Cannock Chase District over the past 10 years.

5.7 The average building rate over the past 5 years in Cannock Chase District was 6.03 hectares per annum, while the average build rate over the past 10 years was 5.40 hectares per annum. These average build rates are shown below as part of table 4. The high levels of employment land development in certain years (such as 2002/03 and 2005/06) may be skewed in part by the significant levels of distribution and warehousing development which have been coming forward in Cannock Chase District following the completion of the M6 Toll.

Table 3 – Employment Land Completions in Cannock Chase District 1996/97 to 2005/06 (Hectares)

	1997 /1998	1998 /1999	1999 /2000	2000 /2001	2001 /2002	2002 /2003	2003 /2004	2004 /2005	2005 /2006	2006 /2007
Total Employment Land Completions	2.76	1.72	4.22	8.63	6.56	8.79	1.44	7.6	10.27	2.03

Source: Staffordshire Employment Land Survey 2007

Table 4 – Total and Average Employment Land Building Rates in Cannock Chase District for past 5 and 10 years (Hectares)

	2002 - 2007	Average Build Rate (5 years)	1997 - 2007	Average Build Rate (10 years)
Total Land	30.13	6.03	54.02	5.40

Source: Staffordshire Employment Land Survey 2007

5.8 The average build rates are then factored forwards over the period of interest (20 years) to provide an indication of the future employment land requirements for the District. Using the average build rates of the past 5 years a total of 121 hectares of land would be required, while the development trends of the past 10 years would generate a new employment land requirement of 108 hectares. These requirements are highlighted below in Table 5.

Table 5 – Average Employment Land Building Rates in Cannock Chase District for past 5 and 10 years, and Future Employment Land Requirements (Hectares)

	Average Build Rate (5 years)	Land Supply 2006-26 (based on 5 year build rate)	Average Build Rate (10 years)	Land Supply 2006-26 (based on 10 year build rate)
Total Land	6.03	120.52	5.40	108.04

- 5.9 The land requirements provided by this approach are likely to be towards the “upper end” of the expected employment land requirements in Cannock Chase District between 2006 and 2026. This approach uses recent development trends to calculate requirements for the future. In Cannock Chase District, development trends may have been skewed by the high levels of B8 type distribution and warehousing developments that have been completed in some of the recent years. The extent to which these land requirements will be reflective of the situation of land development in Cannock Chase District will be somewhat shaped by the types of development that the area is likely to accommodate, and willing to attract into the future. The most land hungry distribution and warehousing type developments may become less important to the local economy as a whole in the future, however, consideration must be given to the land required to accommodate any future growth needs for B8 type distribution and warehousing developments.
- 5.10 As with all approaches to land estimation, an element of caution should be applied to these findings. However, they do offer a useful at a glance approach estimate to the levels of employment land which may be required if Cannock Chase District was to experience sustained levels of growth similar to those which have taken place over recent years.

Labour Demand led approach

- 5.11 The labour demand led approach uses forecasted employment change to identify potential future land requirements in the district over the next 20 years. Forecasted employment change for each of the 5 year periods between 2006 and 2026 is taken into account. Employment change is then attributed to employment densities for different sectors to create an employment floor space requirement. This floor space requirement is then multiplied by a plot ratio factor to give an allocation of total employment land to accommodate the required level of floor space, and an overall employment land requirement is the final result.
- 5.12 The labour demand approach is useful, in that it takes account of the likely changes to employment in the area into the future. The approach uses the employment forecasts from Cambridge Econometrics as highlighted in tables 6 and 7 below as its starting point.

Table 6 – Employment Forecasts 2000-26 (absolute jobs)

	2006	2011	2016	2021	2026
1 Primary and Utility	1,009	883	761	658	571
2 Manufacturing	5,989	5,683	5,356	5,044	4,742
3 Construction	3,847	3,951	4,038	4,230	4,459
4 Retailing	4,652	4,832	4,937	5,090	5,254
5 Distribution NES	4,041	4,319	4,427	4,553	4,679
6 Hotels and Catering	2,676	2,705	2,736	2,747	2,753
7 Transport	1,416	1,251	1,097	957	836
8 Communications	556	537	517	510	505
9 Financial and Business	4,971	5,600	6,303	7,160	8,124
10 Public Administration	1,202	1,220	1,234	1,245	1,258
11 Health and Education	6,582	6,996	7,195	7,375	7,543
12 Waste Treatment and Other Service Activities	1,702	1,656	1,580	1,505	1,434
Total	38,643	39,633	40,179	41,074	42,157

Source: Cambridge Econometrics.

Table 7 – Employment Forecasts 2006-26 (change in absolute jobs)

	2006-11 change	2011-16 change	2016-21 change	2021-26 change	2001-26 change	2006-26 change
1 Primary and Utility	-127	-122	-103	-87	-1,048	-438
2 Manufacturing	-306	-327	-312	-302	-3,607	-1,247
3 Construction	104	86	192	229	1,083	612
4 Retailing	180	105	152	165	1,241	602
5 Distribution NES	278	108	126	126	1,780	638
6 Hotels and Catering	29	31	11	7	812	77
7 Transport	-165	-154	-140	-121	-579	-580
8 Communications	-19	-20	-7	-5	56	-51
9 Financial and Business	629	703	857	964	3,788	3,153
10 Public Administration	18	14	12	13	-185	57
11 Health and Education	414	199	180	167	1,860	961
12 Waste Treatment and Other Service Activities	-46	-77	-74	-72	72	-268
Total	991	546	895	1,084	5,275	3,515

Source: Cambridge Econometrics

- 5.13 The employment change highlighted in Table 7 forms the basis of employment land demand in each of the 5 year periods. Sectors which yield a forecasted negative employment change will not generally form a need for additional employment land so are discounted from further calculation. An allowance is made however for relocations from the important manufacturing sector.
- 5.14 An assumption is then made as to the expected proportions of forecasted employment change that will require the development of new B class industrial land. This assumption has been made using data from Staffordshire County Council's Research Unit, Industrial

Estates Survey. The detailed background to these assumptions is highlighted in step 3 (page 8) of the accompanying technical appendix report.

- 5.15 To develop a floor space requirement, resulting from expected employment change, employment densities are applied as set out in table 8 below. Floor space is then factored by “plot ratios” (which are also highlighted in table 8) to create an overall employment land requirement. The sectors highlighted in bold in Table 8 are those which are likely to require development of B class employment land.

Table 8 – Sector to Use Class (Best Fit), Floor Space Density and Plot Ratio Factors

Employment by industry	Use Class (Best Fit)	Floor space Density (sq m required per job)	Plot Ratios (Factor of additional land required to accommodate floorspace)
1 Primary and Utility	B2	Unknown	0.4
2 Manufacturing	B2	30	0.4
3 Construction	B2	30	0.4
4 Retailing	A1 or Sui Generis	20	0.4
5 Distribution NES	B8	65	0.4
6 Hotels and Catering	C1	15	
7 Transport	B1 or Sui Generis	20	0.6
8 Communications	B1(c)	20	0.4
9 Financial and Business	B1(a)	20	0.6
10 Public Administration	B1(a)	20	0.6
11 Health and Education	D1 and B1 (a)	20	0.6
12 Waste Treatment and Other Service Activities	B2	20	0.4

Source: 1) “Densities – A Simple Guide” – English Partnerships. 2001

2) Plot Ratios – Atkins Staffordshire Moorlands Employment Land Study August 2005.

- 5.16 Using a preferred methodology, which takes into account assumptions on the amounts of new employment taking B class employment land, and including a factor for relocations from manufacturing, a total expected land requirement between 2006 and 2026 would be in the region of 28 hectares.

Table 9 – Indicative land requirements from labour demand approach (hectares)

	2006-11	2011-16	2016-21	2021-26	2006-26
Total (HA)	9.32	6.26	6.47	6.32	28.37

- 5.17 For further information on the methodologies and assumptions used in the development of the labour demand land requirement please see page 11 of the accompanying technical appendix document. The technical appendix also includes details of the potential land requirements generated by alternative development scenarios to this preferred method, including a scenario where all positive employment

change would be catered for by B class land. This scenario which could be seen as an “upper end” estimate using the labour demand approach generated a requirement of around 45 hectares of employment land over the period 2006 to 2026.

- 5.18 The labour demand led approach gives a good indication of the likely levels of land required under a trend based growth in the local economy. It is by nature a rather conservative approach as it does not take into account the influences on the local economy of planning policy led growth scenarios, and takes into account the economic trends of the past 25 years to predict what may happen into the future.
- 5.19 As with any estimation of employment land of this kind, assumptions are required in terms of employment densities to use, plot ratio factors and in the case of this piece of work, the expected levels of employment growth to be accommodated on B Class employment land. These all need to be taken into account when attaching any weight to the figures discussed above.

Labour Supply led approach

- 5.20 The labour supply approach to land estimation uses forecasted changes in the local labour force (labour supply), and then goes on to suggest the potential levels of employment land that may be required to service such levels of labour force growth.
- 5.21 A key benefit of the labour supply approach in comparison to other methods of employment land estimation is that it allows an element of policy led growth scenarios to be tested rather than being purely reliant on historical development patterns, or purely trend based models. This is an important implication in Cannock Chase District as the revision of the West Midlands Regional Spatial Strategy which is currently at the Preferred Option Stage has proposed a significant amount of housing throughout the plan period, up to 2026.
- 5.22 In the case of Cannock Chase District three potential scenarios have been tested which might in turn influence local labour force growth.
- i. An unconstrained labour force projection taking into account expected natural levels of population growth in the district over the period 2006 to 2026
 - ii. Constrained to the West Midlands RSS Preferred Housing Option for Cannock Chase District – 5,800 dwellings (net) to be built in the period 2006 to 2026
 - iii. Constrained to the local regeneration policy aim of increasing “job density” in the district from 0.64 to 0.75 and thus improving the sustainability of the district.

* *Note – Both the unconstrained labour force projection and the preferred option proposal from the RSS revision yield a negative change in labour force between 2006 and 2026.*

5.23 Population projections were created for each of these development scenarios using the “Popgroup” modelling software, which were then fed into a labour force projection model (Labgroup). For further information on this modelling work please see the accompanying technical appendix (page 12 onwards of the technical appendix).

5.24 A factor of commuting has been added to the labour force projection to establish a more realistic indication of the likely labour force patterns in the district. The favoured approach was to use a “net commuting” factor which takes into account the difference between those coming in to the district to work and those travelling out of Cannock Chase District for work – this equates to a net out commuting factor of -20.5%. Further details on the commuting factors used in the calculations can be found in the accompanying technical appendix (pages 12 and 13).

5.25 In order to quantify an appropriate employment density to translate to land requirements, an assumption is made as to which sectors people in the increased labour force will be employed. For consistency the proportion of employment identified by Cambridge Econometric employment forecasts for each of the 5 years between 2006 and 2026 have been applied to the labour force projection. This then establishes the potential labour force increase for each sector for each of these 5 years. The proportions are set out in table 10 below.

Table 10 – Forecasted proportion of overall employment (%) between 2006 - 26

EMPLOYMENT PROPORTIONS	2006	2011	2016	2021	2026
1 Primary and Utility	2.6%	2.2%	1.9%	1.6%	1.4%
2 Manufacturing	15.5%	14.3%	13.3%	12.3%	11.2%
3 Construction	10.0%	10.0%	10.0%	10.3%	10.6%
4 Retailing	12.0%	12.2%	12.3%	12.4%	12.5%
5 Distribution NES	10.5%	10.9%	11.0%	11.1%	11.1%
6 Hotels and Catering	6.9%	6.8%	6.8%	6.7%	6.5%
7 Transport	3.7%	3.2%	2.7%	2.3%	2.0%
8 Communications	1.4%	1.4%	1.3%	1.2%	1.2%
9 Financial and Business	12.9%	14.1%	15.7%	17.4%	19.3%
10 Public Administration	3.1%	3.1%	3.1%	3.0%	3.0%
11 Health and Education	17.0%	17.7%	17.9%	18.0%	17.9%
12 Waste Treatment and Other Service Activities	4.4%	4.2%	3.9%	3.7%	3.4%
Total	100%	100%	100%	100%	100.0%

Source: Cambridge Econometrics

Sectors highlighted in **BOLD** have been summed to calculate the total levels of employment land required for each of the relevant periods

5.26 Using the labour supply methodology, indicative land requirements were calculated for the two different growth scenarios highlighted in paragraph 5.22. These employment land requirements under the net commuting assumption as set out in table 11 below. In addition the regeneration policy aim of increasing the job density to 0.75 has been tested alongside the more traditional labour supply methods. These 2 requirements involve a population projection, rather than a labour force projection, and require a significantly greater proportion of land than the 2 labour force projections also considered.

Table 11 – Labour Supply led employment land requirements 2006-26 (Hectares)

Scenario	Land Required (Hectares)
Unconstrained – natural growth	-4.1
RSS Preferred Housing Option	-2.8
Regeneration Policy Aim – unconstrained	33.1
Regeneration Policy Aim - constrained to RSS Preferred Housing Option	30.7

5.27 One of the key benefits of the labour supply approach is its ability to take into account policy led growth assumptions rather than the trend based analysis of the other two approaches.

Conclusions – Identifying future land requirements

5.28 The three approaches to quantifying new employment land requirements used in this study have yielded significantly different results. The continuation of past trends approach, which looks to roll forward historical development patterns to establish a predicted land requirement yields a much greater indicative land requirement than the 2 approaches which seek to predict levels of land needed to serve predicted future growth in employment and the labour force.

5.29 It is not the purpose of this report to provide a definitive employment land requirement in Cannock Chase District over the next 20 years. Rather the indicative figures should be seen as a starting point to stimulate the further investigation of both the suitability and availability of the existing stock of employment land in the district, and how appropriate this will be for the future development vision of the area.

5.30 In the simplest terms, if Cannock Chase District continues to develop its employment land along the lines of recent years, with a significant focus on development in the distribution and warehousing sector it is likely that new sites for employment land will need to be identified, above and beyond the portfolio of land currently identified (the total current land

portfolio extends to 89 hectares at April 2007). The exact amount of land will be subject to a detailed market testing of the employment land portfolio to assess its fitness for purpose for the range of likely future uses.

- 5.31 At the other end of the development scale, if Cannock Chase District's future employment development pipeline follows the lines of those forecast by employment and labour force projections, the existing portfolio of land could quite possibly accommodate expected levels of growth. Once again, this would be subject to the detailed market testing of the portfolio of land to ensure sites are suitable both in type and quality and their location.
- 5.32 The key consideration for identification of employment land in Cannock Chase District will therefore be linked to the development vision of the district, and how this vision will relate to employment land requirements. A high growth vision, such as that expressed by the regeneration policy aim of increasing the level of "job density" would therefore intimate much higher employment land requirements and potentially the need to identify new land, whereas a conservative development approach may see employment growth accommodated by the existing supply, albeit subject to the testing of the suitability and quality of sites.
- 5.33 An investigation of some of the issues which are not necessarily highlighted by the quantitative land identification approach is considered in further detail in section 6 below.

6.0 Further issues to take into account

- 6.1 In addition to the issues drawn out in earlier sections of this report, there are a number of other important local factors which need to be taken into account as part of this employment land study. The three methods of land estimation provide a good starting point for the investigation of the needs of future employment land requirements. However, finer details of interest which are not necessarily picked up by examining quantitative evidence, form an important basis to the study. These issues will be considered in some part below, and while these issues are by no means exhaustive, they do offer an additional insight to the employment land situation in Cannock Chase District.

The Economic Structure of Cannock Chase District

- 6.2 Cannock Chase District's economic structure at 2006 was skewed towards the distribution, hotel and restaurant, public administration, education and health and manufacturing sectors, with 29.7%, 20.1% and 17.3% of total employee jobs in the District respectively in each sector. The manufacturing sector has seen a decline in employee jobs of around 2,000 jobs over the past five years, while the other two sectors have shown some signs of growth (more so in the distribution, hotels and restaurant sector). The decline in the number of employee jobs in the manufacturing sector has not been matched in other sectors, with the next biggest decrease recorded in the transport and communication sector (-150 jobs). Employment forecasts to 2026 suggest that there is likely to be further loss of employee jobs in the manufacturing sector (around 1,200 jobs in the period 2006-26 or -20.8%) and in the transport sector (around 600 jobs or a -41.0% decrease).
- 6.3 It is difficult for an employment land review to predict how, when and where the economy may haemorrhage such a large number of manufacturing jobs. Such losses do present opportunities to restructure the employment base and redevelop land away from manufacturing to other employment uses. However, such land may be more appropriate to be released for housing or other potential uses. The employment land review must consider the possible weakness in the manufacturing sector and the potential issues and opportunities that may present themselves in the future as a result of this vulnerability.
- 6.4 One of the most important implications for the identification for the location and type of future employment land supply in Cannock Chase District will be the extent to which new development will be concentrated among the different types of property which will be suited to office, general industrial and distribution/warehousing style premises. The employment forecasts provided by Cambridge Econometrics suggest that the greatest levels of growth in employment in the area will be experienced in the financial and business sector and the health and education sector, and therefore appropriate accommodation

should be provided for these. The financial and business sector is forecast to grow by 63.4% (3,200 jobs) in the period between 2006 and 2026 and the health and education sector by 14.6% (1,000 jobs) over the same period in Cannock Chase District. Employee jobs within these sectors are likely to have specific requirements, and are possibly more likely to be demanding office style accommodation. Office accommodation is more likely to be sited at town centre locations through policy and market influences, the sequential test proposes that town centres should act as the primary focus for office development. Edge of centre development in areas accessible to good public transport links should form the next most suitable locations for office development, with out of centre development the next level of the sequential approach to development.

- 6.5 The employment forecasts provided by Cambridge Econometrics predict a 15.8% (+600 jobs) increase in the number of employee jobs in the distribution and warehousing sector between 2006 and 2026. This is a relatively modest growth and represents a cooling of the development in the sector between 2001 and 2006. However, the floor space densities in this sector means that projected growth in the sector could have the impact of raising employment land requirements in the district. The availability of land at sites such as Kingswood Lakeside and Mill Green with excellent access to the A5, A34 and M6 Toll and on to the M6 and wider motorway network, could help promote levels of development in this sector, requiring identification of employment land towards the upper end of those identified by the 3 methodologies of land estimation in section 5 of this report. The completion of the Rugeley By-Pass has also made Towers Business Park in Rugeley a much more attractive location investment. Additionally, as the distribution and warehousing sector becomes ever more sophisticated and technologically advanced, operators may require new and updated premises which may introduce the need for relocation. It would be pertinent to allow for such possibilities when investigating the future portfolio of employment land for Cannock Chase District.

Economic Activity Rates used in the Labour Supply methodology

- 6.6 The underlying data for the Labour Supply methodology approach to employment land forecasting uses a labour force projection which was calculated in house by the Research Unit. One of the most important factors influencing the projected labour force in these projections is the economic activity rates which have been used to calculate the proportion of the overall population who are forecasted to be feeding into the labour market.
- 6.7 For the purposes of this project, economic activity rates into the future forecasted at the national level have been adjusted using a factor of economic activity for the relevant age groups for Cannock Chase District as at the time of the 2001 Census of Population. These factors

have been used to calculate the indicative land requirements based on the labour supply method as highlighted in section 5.

- 6.8 While this approach offers the most logical method of calculating the labour force into the future, it should only be seen as an assumption of the potential labour force. Structural changes to the labour market and the wider economy overall in Cannock Chase District could have significant implications for economic activity rates in the District (for example, cyclical changes in the labour force since those experienced at 2001 are likely to have increased the overall levels of economic activity in the working age population over the past 6 years). It is also very possible that the demographic structure of the District could change over time, with potentially significant levels of new development taking place in the area, and the possibility of attracting in migration of younger age groups.
- 6.9 Changing the economic activity assumptions used in the labour force projections can have a small but potentially significant effect on the need to identify new employment land. Using a very crude calculation methodology it is estimated that by increasing the economic activity rate assumptions used in the labour supply model by a factor of 1%, an additional 2 hectares of employment land would be required over the 2006 to 2026 period. Whilst this is not a huge increase in the predicted land requirements, this issue highlights the need to allow for elements of flexibility in the calculations when interpreting both employment land predictions and labour force forecasts.

Commuting patterns

- 6.10 The influences of commuting patterns in the area have been considered as an integral part of the labour supply employment land calculation process. 3 different assumptions of commuting have been taken into account which may have impacts on the levels of the labour force who will service expected development in Cannock Chase District.
- 6.11 The 3 different scenarios take into account: a “base projection”, which considers only the labour force projection with no account for commuting, an “out commuting scenario” which corrects the labour force by taking away an element of the predicted labour force growth which may be expected to commute out of Cannock Chase District for work purposes, and a “net commuting scenario” which takes into account the balance of in and out commuting, by calculating those people who live and work in the district, those who live in the district but work outside, and those who live outside and work in Cannock Chase District.
- 6.12 The most reliable source of data for commuting patterns comes from the Journey to Work analysis which was undertaken for the 2001 Census of Population. This analysis, however, is now some 6 years old

and although the overall patterns of movement to and from work are likely to be broadly similar, there will have undoubtedly been some significant changes to the journey to work dynamics of the area over this period of time. At the time of the 2001 Census of Population Cannock Chase District had a greater proportion of people working in the District compared with the number of economically active residents travelling out of the District for employment purposes. The net out commuting factor of Cannock Chase district is a factor of -20.5%.

- 6.13 The most up to date information available on economic activity and the working age population suggests that Cannock Chase District has a district “job density” of 0.63 (meaning that there are 0.63 employee jobs for every person of working age in the district). This is the third lowest job density of the Staffordshire districts after South Staffordshire and Staffordshire Moorlands (which are the two least industrially developed districts in the County). This is significantly below the average for the West Midlands Region at 0.82 and Great Britain which has a job density of 0.84. The regeneration policy aim of Cannock Chase District Council is to increase this job density to a ratio of 0.75. In taking account of the projected population at 2026, increasing this job density will require the significant development of new employment opportunities in the district, and thus the identification of new employment land. Table 16 on page 17 of the technical appendix report highlights the issues involved in increasing the job density ratio in further detail.
- 6.14 It is difficult to predict with any certainty how the commuting patterns of Cannock Chase District may have changed over time since the publication of the 2001 Census of Population. The levels of development in the district since 2001 suggest that there are a greater number of employee jobs in the District at present than 5 years ago, and as such there may be slightly different commuting dynamics in place, however the job density ratio is still low as highlighted above, suggesting a continuing need for local residents to travel out of the district for work – largely towards Stafford and the Black Country.
- 6.15 Recent, and potential planned improvements to the rail network mean that it is now easier to commute by rail from Cannock Chase District. The fastest train to London Euston now completes the journey from Rugeley Trent Valley station in just over 1 hour 30 minutes offering the potential to commute to the capital, in addition a new hourly stopping service to London from December 2008 will further improve links to the capital. The potential further investment in the Chase Line may also improve the linkages to the West Midlands conurbation from all parts of the district. While these improved links may mean greater levels of out commuting than in 2001, they also offer the opportunity to capitalise on the links attracting people to work in Cannock Chase District.
- 6.16 The road network of Cannock Chase District offers good links to other towns in the area and to further afield, offering the chance to commute

both into and out of the district. Travel to work patterns from the 2001 Census for the towns of Cannock and Rugeley display very different characteristics. Cannock has a much greater number of local jobs in the area and although more people travel out of the town for work, than those people who both live and work in the district, a significant proportion (43% travel into the town for employment). Rugeley is a much smaller employment centre with significantly more people travelling out from the town to their place of employment than those travelling into the town to their place of work (who constitute around 60% of the town's residents who are in employment).

- 6.17 Although the levels of in commuting into the district do not suggest that these would create significant additional demand for employment land based on the unadjusted labour force projection or preferred option for housing of the RSS revision, commuting issues should be considered with some importance in the preparation of the employment land review. The development of a comprehensive portfolio of land can have the potential to help in the development of sustainable local growth where expected housing development and employment development are considered in parallel.

The Impact of Migrant Workers

- 6.18 The impact of migrant workers to the local economy is a further potential consideration for this employment land study. In common with the majority of localities in Staffordshire, Cannock Chase District has a relatively small proportion of its population made up from Black and Minority Ethnic groups, with less than 1.4% at the time of the 2001 Census. More recently, the area has seen some increases in migrants, largely from the Accession 8 countries which joined the European Union in May 2004, although not quite as significant an amount of migrants as other districts in Staffordshire.
- 6.19 Between April 2004 and September 2006, 142 people registered to the workers registration scheme as being employed in Cannock Chase District. A significant proportion of these people (70%) coming from Poland. The figures represent the smallest number of migrant workers of all the districts in Staffordshire and Stoke-on-Trent. With the majority being employed in the administration, business and management sector (although this category does include people working for employment agencies which can incorporate a wide variety of different industries).
- 6.20 This data only offers a snap shot of the current labour market situation in the Cannock Chase District area, but highlights that at present the reliance and importance of migrant worker groups to the local labour market is not especially strong. This may however change over time as the dynamics of the labour market in the area move forwards. Nevertheless, the influence of migrant workers on the local labour market and more widely the local economy could have some impact on

the future land requirements, especially if their numbers continue to rise significantly.

Portfolio of Employment Land

- 6.21 Using a base situation as at April 2007, Cannock Chase District's portfolio of employment land extended to a total of around 89 hectares of employment land. Of this total, some 67.1 hectares of land had the benefit of full or outline planning permission, with around 22 hectares having no planning permission. At April 2007, 11.95 hectares was under construction, with 74.9 hectares of land classed as being readily available for development and a further 2.40 hectares being suitable for development within the next five years. There is no identified land which is classed as being constrained beyond five years for development purposes.
- 6.22 At April 2007 a total of 74.1 hectares of land was identified on sites above 5 hectares in size. The remaining 15.1 hectares of land being identified on 8 smaller sites which range in size from 0.09 hectares up to 2.00 hectares.
- 6.23 In considering the portfolio of employment land against the range of categories identified in the Regional Spatial Strategy and Regional Employment Land Study, Cannock Chase District has no employment land in the category of Regional Logistics Site, Major Investment Site or Regional Investment Site. Kingswood Lakeside and Towers Business Park Phase 2 between them provide 57.3 Ha of land which can be designated as "sub-regional employment site" (although Former Mid Cannock Coal Disposal Point falls just below this category with a site area of 9.20 Ha). The remaining land classed as either "good" or "other local employment sites".
- 6.24 The suitability of this portfolio of employment land to accommodate the potential levels of growth suggested in this paper will be an important element of the examination of the existing stock of employment land in Cannock Chase District, and the market testing of these sites (as identified by stage 1 of the ODPM's Employment Land Review Guidance). This element of the employment land review, combined with an identification of future requirements, will go towards the stage 3 objective of identifying the suitable portfolio of employment land for the future.
- 6.25 It is quite possible that the existing portfolio of employment land in Cannock Chase District will not be entirely suitable for the expected levels and types of economic growth in the area (for example with regard to the office sector). In this respect, there is a possibility that new employment land allocations may need to be identified, while the existing portfolio is tested for its fitness for purpose, especially in the light of office allocations proposed by the preferred option of the RSS.

Constraints to the development of sites

- 6.26 While existing employment land allocations in Cannock Chase District are not subject to a great degree of physical constraint (the portfolio does not contain any sites which have been identified as being available beyond 5 years), constraint issues need to be considered when bringing forward employment land over the medium to longer term future, and in the light of an employment land review which tests the suitability of the use of sites for employment and whether more appropriate uses could be identified.
- 6.27 Looking some distance into the future (beyond the next 5 years and longer into the horizon), the significant proportion of land in the district designated as either Green Belt or part of the Cannock Chase Area of Outstanding Natural Beauty may limit the choice of potential employment locations in the district, particularly when considering the need to identify appropriate housing land in tandem from the allocation of the phase 2 revision of the West Midlands Regional Spatial Strategy. While this is not a major consideration at present, these issues need to be considered when looking at the need to develop sites beyond the next 5 years.
- 6.28 There will need to be careful consideration applied to the designation of employment land into the future to ensure the flexibility and development of sites, whilst still maintaining an element of control on their final use class category. This principle is reinforced by the recently published consultation of PPS 4 "Planning and Sustainable Economic Development" which encourages against the designation of large scale single use class sites. Such a degree of flexibility will enable sites to develop under the relevant market conditions as time goes by.
- 6.29 Cannock Chase district's legacy as a former mining community presents its own set of constraints to the future development of the area. In some circumstances this can restrict the use of land completely or limit use to a certain type of development. The structural integrity of land and potential cost implications of reclamation need to be considered when identifying a future employment land portfolio. The Poplars land fill site, is an example where both the former and current uses of the site would make it unsuitable for consideration as an employment site.
- 6.30 Access issues in the district have been recently improved following the opening of the M6 Toll. However, the existing issues of congestion of the A5 corridor means that potential future employment development identified along that corridor may be resisted by the Highways Agency.
- 6.31 In common with several other local authority districts in Staffordshire, the skills base of the local working age population is relatively poor and well below national averages. The current skills base of the district means that there are issues of out migration of skilled workers to

surrounding areas and in migration from other areas to fill the need for higher level skilled work in the district. Improvements to the skills base of the working age population will take some time to come to fruition, but will be critical in helping to ensure the longer term prosperity aims of Cannock Chase District.

- 6.32 As well as the physical and infrastructural constraints to a particular site, ownership issues of a site can provide some additional barriers to development. Some sites may have remained dormant for long periods of time as developers and other owners may prefer to hold on to their land banks (especially if they have significant other land banks in their own portfolios) to speculate on whether a site may be re-allocated for a more profitable land use in the future.
- 6.33 The lack of intent to develop identified land is a key constraint, and a combination of other physical and infrastructural factors will be key considerations for investigation during stages 1 and 3 of the employment land study. Information gleaned during the assessment of existing employment land can then be tested alongside the findings of section 5 of this study to identify whether new employment land should be allocated, with the ultimate aim of establishing a deliverable and sustainable portfolio of employment land.

Phasing of employment land and identifying a “buffer” of land

- 6.34 In order to establish a sustainable supply of employment land in Cannock Chase District over the next 20 years, it may be pertinent to establish a phasing policy, which will help to manage the release of land over the full plan period, rather than seeing significant spikes of development during particular periods of market strength.
- 6.35 Any phasing policy would also ideally be tied into the possible phasing of housing development proposed for Cannock Chase District as part of the revision of the West Midlands Regional Spatial Strategy.
- 6.36 An additional element to the phasing of employment land is the concept of providing a “buffer” of employment land which attempts to resolve some of the issues related to landowners “stock piling” land, and not bringing forward their sites for development, as well as to take into account the problems associated with those sites which although they have been identified for employment development, are less likely to come forwards for development as a result of infrastructural and other constraints as identified above. For this reason it is sensible to identify an additional “buffer” of employment land additional to the indicative requirements identified in section 5 to help alleviate some of these problems.
- 6.37 It is difficult to accurately estimate the extent of land to be included in this buffer for future requirements. An Employment Land study in South

Derbyshire undertaken by Roger Tym and Partners suggested that the equivalent of an additional 10% of the existing employment floor space in the district should be identified as “buffer” land, which can help to satisfy the ongoing churn of the property market. This part of the Cannock Chase District employment land study (which is primarily based around identifying a future supply of land) has not assessed the existing property market in detail. In order to quantify a buffer of employment land under the same approach used by Roger Tym and partners, a 10% element of the existing B1 office, B2 general industrial, and B8 distribution and warehousing floor space stock of the district is calculated – this floor space is then factored by the relevant plot ratios to establish an overall land requirement. To meet the methodology adopted by Roger Tym and Partners, this additional buffer of land should then be added to the predicted land requirements, as identified in section 5 above.

- 6.38 While these approaches will not necessarily alleviate the problems associated with land banking, and related to infrastructural problems, they do offer some potential for helping to ensure that an adequate supply of land is made available. The prudent identification of future employment land requirements should incorporate some element of phasing and land buffers. These issues will need to be taken into account when considering the future portfolio of employment land in stage 3 of the employment land study.

The need to match housing development with complementary growth in employment land

- 6.39 Cannock Chase District has been identified as the potential location for some significant levels of housing growth in the revision to the West Midlands Regional Spatial Strategy. Between 2006 and 2026, under the preferred option of the revision to the West Midlands RSS, the District has been identified to accommodate 5,800 dwellings. This clearly has significant implications for the future development across the District as a whole.
- 6.40 It will be important to ensure that the location, scale and phasing of this potential development will be considered in harmony with the findings of the employment land review to promote the sustainable development of both Cannock and Rugeley and the wider Cannock Chase District area as a whole.
- 6.41 This report provides an initial indication of the potential additional employment land requirements of the area based on identifying historic development trends, using predicted forecasts of employment in the area (which don't take into account policy growth assumptions in the area), through labour force forecasts (which take into account the policy led growth assumptions) and through a policy aim of increasing the “job density” of the district.

7.0 Overall Summary

- 7.1 This report has consistently highlighted the need to interpret future land requirements cautiously, and to appreciate that the findings of section 5 of the report represent the very first steps towards the identification of a future portfolio of employment land.
- 7.2 The 3 methods of land forecasting have yielded quite different results, with the lowest levels of requirement being identified through using the labour force projection led approach. The recent buoyancy experienced in the distribution and warehousing sector (particularly following improved road links in the area) has led the continuation of past development trends approach to yield the greatest future land requirement.
- 7.3 For the identification of the future portfolio of employment land in Cannock Chase District, it will be important to establish the development vision of Cannock Chase District Council for the district over the next 20 years. Such a development vision will ultimately shape the future land requirements of the district. The regeneration policy aim of increasing job density in the district is one step towards establishing this vision. A vision focusing on the predicted growth of the financial and business sector (which employment forecasts suggest will be a key growth sector over the next 20 years) is likely to require a lower level of land take than a vision which includes a significant element of development in the distribution and warehousing sectors.