

Prosperity for All

4.1 Introduction

The 'Prosperity for All' policies of RSS11 encourage a step change in the performance of the regional economy. To achieve this aim a number of key policies are developed to encourage the diversification of the regional economy and also the modernisation of existing industries. RSS11 identifies six Regeneration Zones to act as a focus for development and investment over the next 20 years. Three High Technology Corridors have also been identified to encourage the diversification of the regional economy. These policies mirror the approach advocated in the Regional Economic Strategy. RSS11 also advocates the provision of a portfolio of employment land across the West Midlands (PA6). The portfolio of employment land is intended to ensure that desirable employment investment is not lost due to the lack of site availability. The AMR will consider the progress made towards the implementation of the 'prosperity for all' policies.

The need to modernise the West Midlands economy has been reinforced by events in the car industry over the last year. In September 2004, Jaguar announced the closure of the Brown's Lane plant in Coventry. This was followed in April 2005, by the closure of the MG Rover works in Longbridge. The Rover crisis had major implications for the Region with 6,000 jobs being lost. The closure also seriously affected the numerous companies who supplied MG Rover. The impact, although significant, has however, been less than the worst-case scenarios. By August 2005, 1,832 former MG Rover staff were back in employment, while 164 companies have received cash through the wage replacement scheme, safeguarding the short-term future of 2,983 supply chain workers. The number of suppliers with a significant level of dependency in the UK on MG Rover had also fallen sharply from 161 firms in 2000 to 74 firms in 2005. Nanjing Automobile, who acquired MG Rover after its closure, has also signalled its intention to resume car production at Longbridge. The positive response to the Rover crisis has illustrated the improvements made to the regional economy since the original Rover Crisis in 2000. However, as illustrated below much work still needs to be done.

The figures contained in the first part of this chapter relate to all land committed for an industrial/employment use in excess of 0.4 hectares (gross developable area) and falling within use classes B1b (research and development), B1c (light industrial), B2 (general industrial), and B8 (warehousing and distribution). The figures also include

B1a office developments outside City and Town centres. B1a uses within City and Town centres are monitored as part of the centres section of this chapter. The results contained in the first part of this chapter will be considered in greater detail in the 2005 Regional Employment Land Study which will be published in Spring 2006.

The second part of this chapter relates to employment policies focussing on tourism (policy PA10) and town centres (PA11 onwards). RSS11 identifies a network of strategic town and city centres to be the focus for major retail, office and cultural, tourist, social and community venues. The AMR considers the effectiveness of the implementation of this strategy in terms of development completed or committed under these development headings.

The figures contained in the AMR relate to all retail development of 1,000 sq.m. gross or over and office B1a development of 500 sq.m. Baseline information on major recreation and leisure facilities has been sought over the last two years with improving responses that have enabled this aspect of development to be included in this year's monitor. Leisure developments/proposals incorporating more than 1,000 sq.m. gross of built development and hotel developments providing more than 5 bedrooms are covered. Brief qualitative information has been gathered in relation to the enhancement of Birmingham as a World City and broader matters regarding tourism and culture across the region.

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PA1 – Prosperity for all
PA6 – Portfolio of Employment Land

Statement of Purpose

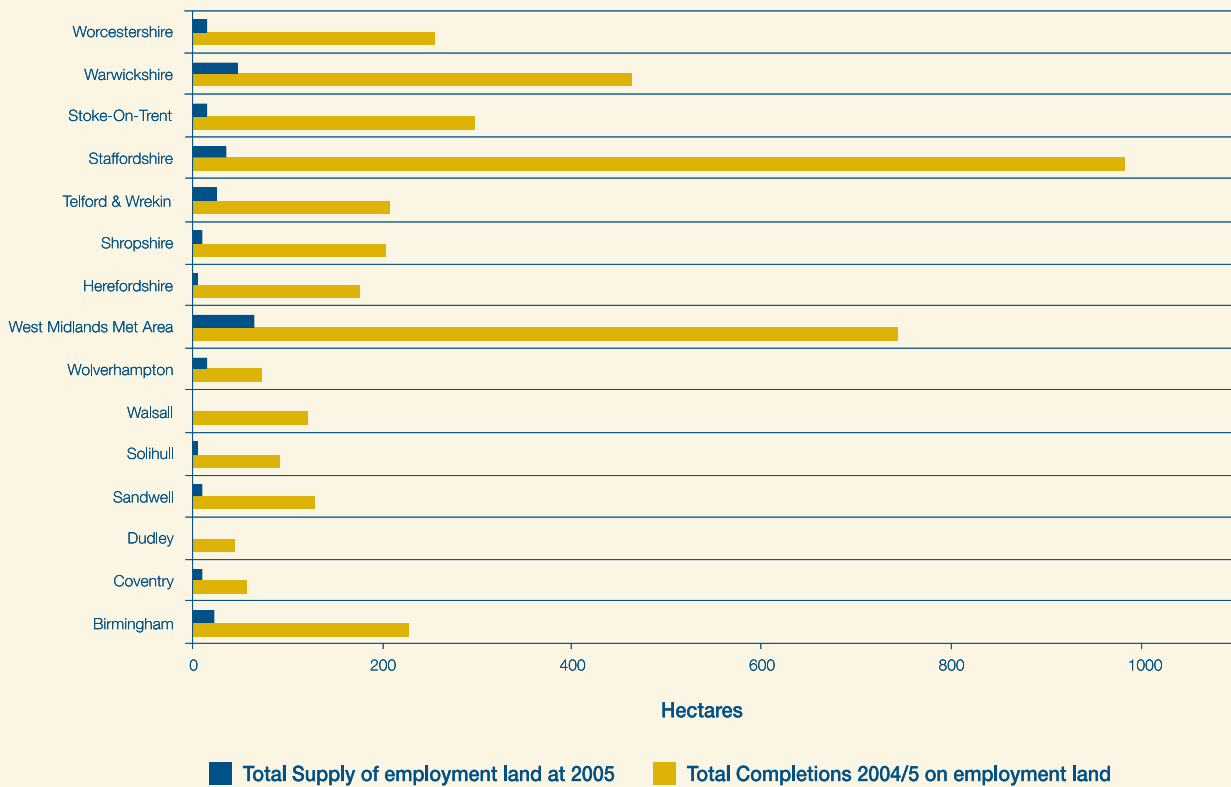
The amount of employment land developed gives a general indication of the performance and growth of the regional economy. Policy PA1 favours the use of previously development land over greenfield sites. The amount of development land on brownfield sites illustrates the success of the Region in recycling former industrial sites and other types of brownfield land. An adequate supply of employment land is essential to achieve the objective of policy PA6 that no desirable investment should be lost due to the lack of a suitable site.

Relevant Indicators

Employment land completions by greenfield/brownfield sites/the supply of employment land by greenfield/brownfield sites.

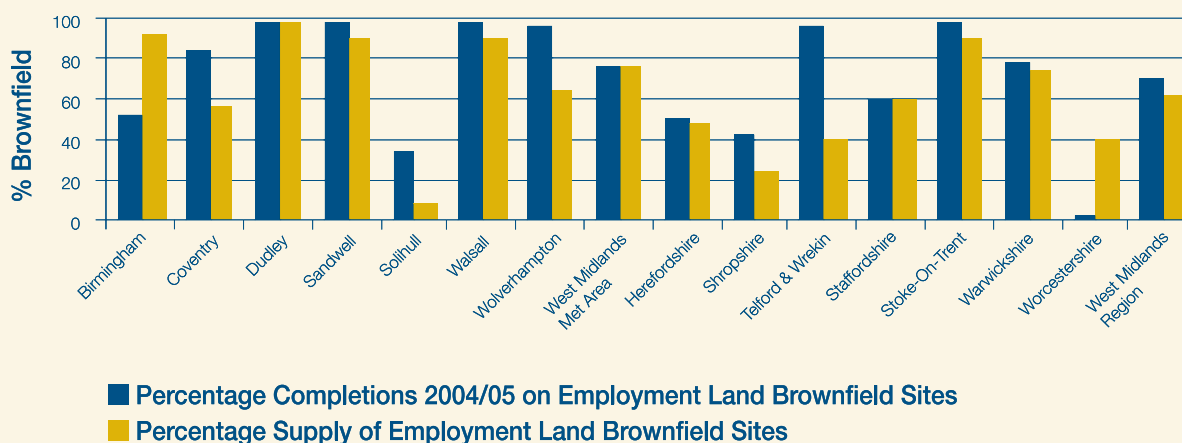
Key Data

FIGURE PA1: COMPLETIONS AND SUPPLY OF EMPLOYMENT LAND AT 2005



Footnote: Staffordshire data includes no completions for East Staffordshire, and East Staffordshire supply figures relate to 2004.

FIGURE PA2: PERCENTAGE OF BROWNFIELD LAND - COMPLETIONS AND SUPPLY



Footnote: Staffordshire data includes no completions for East Staffordshire, and East Staffordshire supply figures relate to 2004.

Analysis and Interpretation

Completions during 2004/05

The total amount of employment land developed during 2004/05 was 216.9 hectares, a large decline from the previous year when 281.4 hectares were completed. Completions during 2004/05 were also below average, during the period 1997/98 to 2003/04 the average rate of completions was 234.91 hectares. During 2003/04, the majority of completions had occurred in Warwickshire (166.6 ha). Completions in Warwickshire declined during 2004/05, to 46.9 ha which represents 21.6% of completions in the Region. This decline was partly offset by increasing completions elsewhere in the Region. Completions in both the Metropolitan area and

Staffordshire increased from the previous year. However, Telford and Wrekin saw the biggest increase with 24.21 hectares of completions as compared to two hectares in 2003/04.

71.2% of the Region's employment development took place on brownfield sites as compared to 62% the previous year, although the actual amount of brownfield development decreased from the previous year. As noted in previous surveys, greenfield sites remain an important component of employment land development in the West Midlands.

The Supply of Employment Land

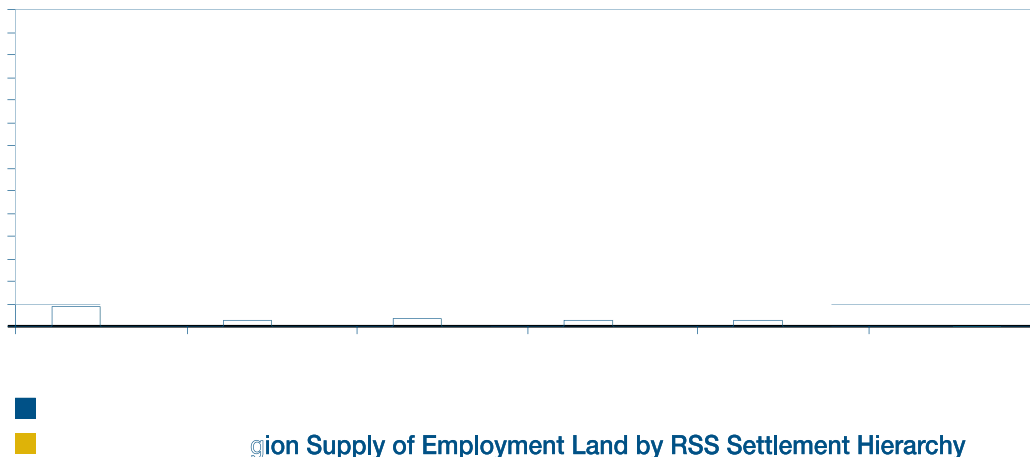
Maintaining an adequate supply of employment land is essential for the Region's economic prosperity. The supply of employment land within the West Midlands decreased from 3,509 hectares in 2003/04 to 3,328 hectares in 2004/05, as shown in Figure PA1 and table APP. PA2 of the Appendix. The decline in supply noted in the 2003/04 survey has, therefore, continued this year. The

Metropolitan area and Staffordshire contain the largest areas of employment land in the Region but in both areas supply declined from the previous year. In contrast supply in Warwickshire increased to 464 hectares. A more detailed analysis of supply will be contained in the 2005 RELS.

Progress Towards Implementation

Although the land supply is reducing and completions have fallen again this year, completions remain at an acceptable rate given that there is always likely to be

considerable year on year variation, and the percentage of development on brownfield land has increased, suggesting progress is being made on these policies.



Footnote: Staffordshire data includes no completions for East Staffordshire, and East Staffordshire supply figures relate to 2004.

Analysis and Interpretation

During 2003/04, the amount of completions within the MUAs declined while the number of completions outside of the hierarchy increased. The MUAs, therefore, did not act as the main focus for development, contrary to the policy objectives of the RSS. Encouragingly, 2004/05 saw a reversal of this trend with completions outside of the hierarchy falling significantly to 27.2 hectares. Staffordshire accounted for the majority of completions outside of the hierarchy. Completions within the Major Urban Areas increased from 62 hectares to 87.2 hectares. The MUAs therefore returned to being the main focus for employment development in the West Midlands. Development within sub-regional foci and other large settlements also increased as compared to 2003/04, with the sub-regional foci of Telford and Wrekin a significant source of completions.

Ensuring an adequate supply of employment within the hierarchy of settlements will be essential in achieving the RSS objectives of focusing development within these areas. Table APP PA4 of the appendix shows that 39% of employment land supply is located within the MUAs, a high proportion of total supply. Land within the sub-regional foci, other large settlements and market towns account for 46% of the Region’s employment land supply. In contrast, land outside of the hierarchy accounts for only 15% of supply. These figures suggest that over time completions outside of the hierarchy of settlements will continue to gradually decline as supply decreases.

Progress Towards Implementation

During 2004-05, completions outside the hierarchy of settlements have fallen, which points towards the urban

areas successfully attracting development, but more time has to pass before this policy can be judged as successful.

PA2 – Urban Regeneration Zones RR2 – The Rural Regeneration Zone

Statement of Purpose

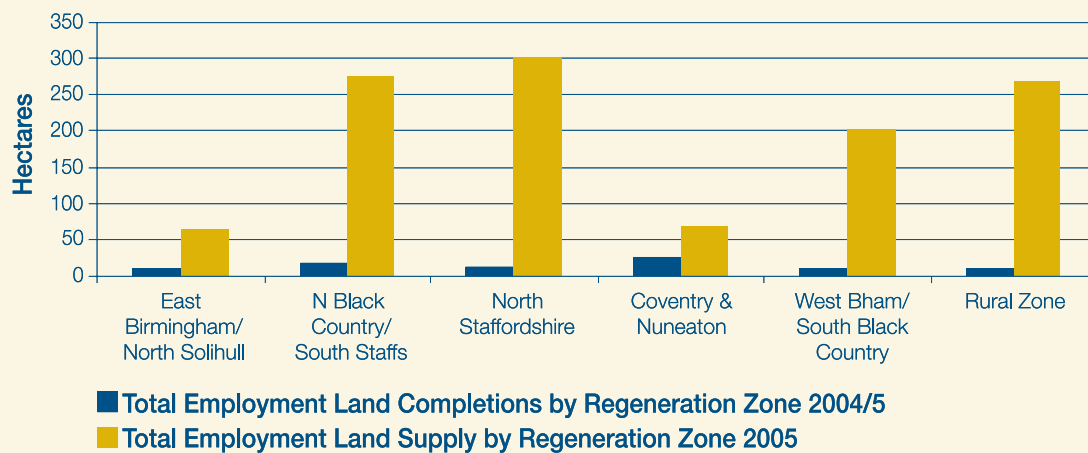
The five urban and one rural Regeneration Zone identified in the RSS will act as a focus for development and investment in line with the Regional Economic Strategy. The Zones are intended to encourage urban/rural renaissance and reverse longstanding trends such as the decentralisation of economic activity.

Relevant Indicators

Rate of completions within Regeneration Zones / the supply of employment land within Regeneration Zones

Key Data

FIGURE PA4: EMPLOYMENT LAND COMPLETIONS AND SUPPLY BY REGENERATION ZONE



Footnote: Staffordshire data includes no completions for East Staffordshire, and East Staffordshire supply figures relate to 2004.

Analysis and Interpretation

Increasing the rate of development within the Regeneration Zones is an important objective of the RSS. The 2001/02 RELS showed that 104.9 hectares of completed employment development took place within a Regeneration Zone. During 2002/03, completions within the Regeneration Zones increased slightly to 106.4 hectares. However, the figures for 2003/04 showed a notable decline to 73.3 hectares. Completions in the Regeneration Zones increased slightly to 84.3 hectares during 2004/05. The increase in completions is welcome, although the figures are still short of those achieved during the 2001 to 2003 period. Performance varied significantly between the Zones. Encouragingly, the North Black Country and South Staffordshire Regeneration Zone continued to increase its rate of completions. 16.6 hectares were completed in this zone as compared to 11.5 hectares in 2003/04 and 0.7 hectares in 2002/03. North Staffordshire also saw an increase in completions from 5.1 hectares to 12.2 hectares. Other Zones however, saw completions decline. For example, completions in the East Birmingham and North Solihull Regeneration Zone fell from 16.8 hectares in 2003/04 to 10.7 hectares in 2003/04.

Progress Towards Implementation

Progress varies between Regeneration Zones with some successes but completions and land availability are

The success of the Regeneration Zone policy will depend on increasing the rate of completions and encouraging diversification within the Zones. Various initiatives are currently being progressed by the Regeneration Zone Partnerships and these should begin to take effect in future years.

The supply of land within the Regeneration Zones declined from 1,300 hectares in 2003/04 to 1,184 hectares in 2004/05. Supply varies significantly between the Zones. The East Birmingham and North Solihull Regeneration Zone has only 64 hectares of land as compared to 76 hectares in 2004/05. In contrast, the North Staffordshire Regeneration Zone has 303 hectares of land. The work of the West Midland Employment Land Advisory Group on future employment land guidance will need to consider the adequacy of supply within the various Regeneration Zones.

reducing in the East Birmingham and North Solihull Regeneration Zone.

PA3 – High Technology Corridors

Statement of Purpose

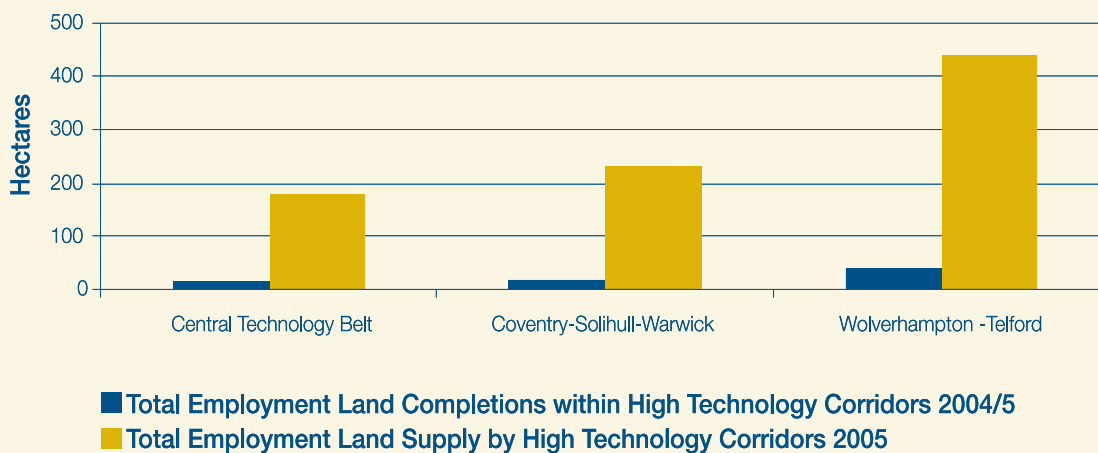
The High Technology Corridors are intended to encourage the diversification of the regional economy by promoting the development of key technology drivers such as nano-technology. Three High-Technology Corridors have been identified in the RSS – Central Technology Belt (Birmingham to Worcestershire), Coventry-Solihull-Warwickshire, and Wolverhampton to Telford.

Relevant Indicators

Assessing the rate of development within High-Technology Corridors will be important in determining the success of this strategy. However, it is also important to distinguish between the types of development taking place within the Corridors and the contribution of these developments towards the corridor strategies. For example, B1(b) research and development facilities will be contributing to the Corridor Strategy whereas B8 warehousing is unlikely to provide economic diversification unless ancillary to a B1(b) type use. Maintaining an adequate supply of employment land within the High-Technology Corridors will also be essential in delivering the objective of economic diversification.

Key Data

FIGURE PA5: EMPLOYMENT LAND SUPPLY BY HIGH TECHNOLOGY CORRIDORS



Footnote: Staffordshire data includes no completions for East Staffordshire, and East Staffordshire supply figures relate to 2004.

TABLE PA1: LAND DEVELOPED BY HIGH TECHNOLOGY CORRIDOR (HECTARES)

| High Tech Corridors | B1 Office | B1 R & D | B1 Light | B1 Combined | B1 Total | B2 | B8 | B1/2/8 Combined | Total |
|-----------------------------|-------------|------------|------------|-------------|-------------|-------------|-------------|-----------------|--------------|
| Central Technology Belt | 5.4 | 0.0 | 0.3 | 0.0 | 5.7 | 1.0 | 0.0 | 6.0 | 12.6 |
| Coventry-Solihull-Warwick | 5.3 | 0.3 | 0.0 | 0.0 | 5.6 | 0.0 | 9.3 | 2.6 | 17.5 |
| Wolverhampton-Telford | 4.4 | 0.0 | 0.3 | 0.0 | 4.7 | 11.8 | 16.2 | 6.9 | 39.5 |
| Sub-Total | 15.1 | 0.3 | 0.6 | 0.0 | 16.0 | 12.7 | 25.5 | 15.5 | 69.6 |
| Not in a Corridor* | 13.0 | 0.1 | 2.1 | 5.2 | 20.3 | 24.4 | 38.2 | 64.3 | 147.2 |
| West Midlands Region | 28.0 | 0.4 | 2.7 | 5.2 | 36.3 | 37.1 | 63.7 | 79.8 | 216.9 |

* No completion figures provided by East Staffordshire.

Analysis and Interpretation

The 2004 AMR noted some significant milestones in the implementation of the High-Technology Corridor Strategy. Within the Central Technology Belt, for example, outline planning permission had been granted for the redevelopment of Pebble Mill and parts of the former MG Rover works at Longbridge for high-technology industrial uses. These sites will play a major role in the implementation of the Corridor Strategy. Progress has continued during 2004/05, with for example, a detailed planning consent now being granted for the phase 1 works (1.48 hectares) at Longbridge. In Bromsgrove, planning consent has been granted on a 23 acre brownfield site for B1/B2 uses to promote innovative technology. The first development activity is planned for Spring 2006 with the first occupation in Autumn 2006.

The supply of employment land within the High-Technology Corridors shows little change from the previous year's survey. 848 hectares of the Region's employment land supply is located within a corridor as compared to 921 hectares the previous year.

69.6 hectares of completions took place within the High-Technology Corridors. However, as with previous years the amount of land developed for high-technology uses remains very low at only 0.4 hectares. The rate of completions for R&D uses will need to increase in future years to achieve the successful implementation of the strategy. The progression of the sites identified above will clearly have a key role in achieving this objective.

Progress Towards Implementation

Completions of high technology use in the Corridors remains low and the overall effectiveness of this policy will need to be reviewed.

- PA6 – Portfolio of Employment Land**
- PA7 – Regional Investment Sites**
- PA8 – Major Investment Sites**
- PA9 – Regional Logistic Sites**

Statement of Purpose

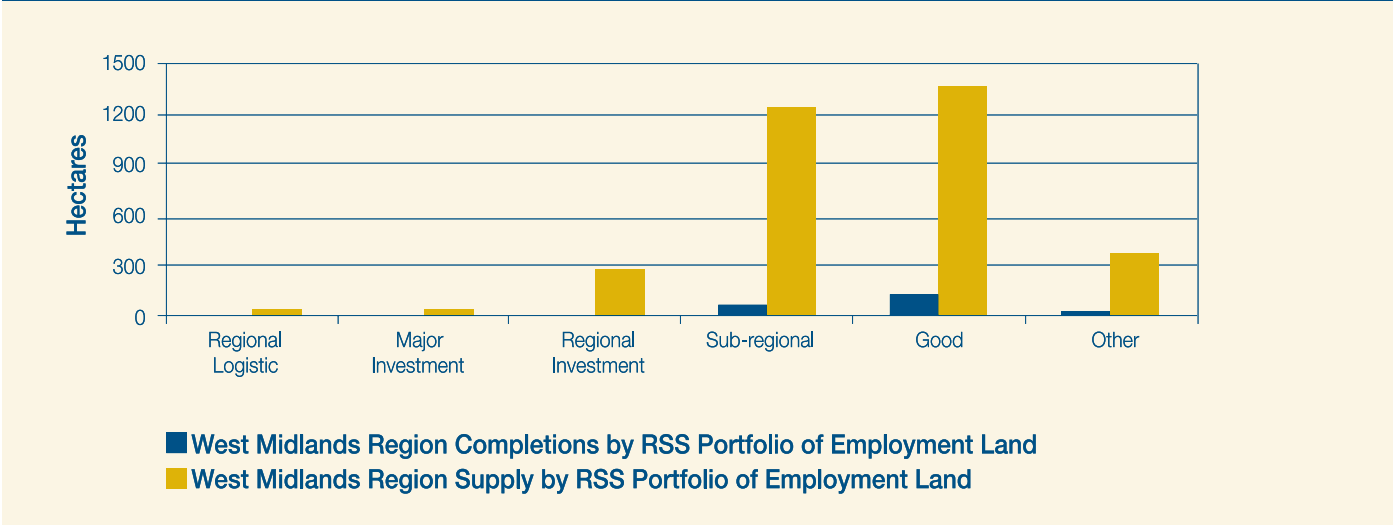
RSS encourages the development of a portfolio of employment land across the Region with the aim of ensuring that no desirable investment is lost for the want of a suitable site. The portfolio follows a hierarchy of sites and includes a first tier of regionally significant sites (Major Investment Sites, Regional Investment Sites and Regional Logistics Sites) and a second tier of locally significant employment sites (sub-regional employment sites, good quality employment sites and other employment sites). The portfolio of sites enables an accurate assessment of the quality of land across the Region.

Relevant Indicators

Monitoring the rate of completions by the portfolio of employment land will indicate the success of the Region in attracting employment land development. The rate of development on these sites needs to be monitored to ensure an adequate supply and address any deficiencies in the portfolio. Completions will also indicate the success of the Region in attracting large scale investment to Major Investment Sites and high quality B1-type users to Regional Investment Sites. Maintaining an adequate supply of employment land across the portfolio is essential to the Region’s economic prosperity.

Key Data

FIGURE PA6: COMPLETIONS AND SUPPLY BY RSS PORTFOLIO OF EMPLOYMENT LAND



Footnote: Staffordshire data includes no completions for East Staffordshire and East Staffordshire supply figures relate to 2004.

Analysis and Interpretation

Regionally Significant Employment Sites

PA7 - Regional Investment Sites

5.8 hectares of employment development took place on Regional Investment Sites (RIS) during 2004/05. This figure is higher than the 1.1 hectares recorded during 2003/04 but still lower than the 17.2 hectares completed during 2002/03 and 19 hectares completed during 2001/02.

Policy PA7 requires that at least one RIS should be available to serve each High-Technology Corridor and Regeneration Zone. However, there are a number of gaps

in existing provision with no sites currently identified to serve the Central Technology Belt, the West Birmingham and South Black Country Regeneration Zone or the Coventry and Nuneaton Regeneration Zone. There are also questions over the adequacy of provision within the East Birmingham/North Solihull Regeneration Zone. The position will be examined as part of the forthcoming partial Revision of the Regional Spatial Strategy.

PA8 - Major Investment Sites

During 2004/05, no land was developed for Major Investment Site (MIS) uses. MIS will only be developed if a single large industrial user requires such a site. The implementation of the policy therefore depends on the success of the Region in attracting such large-scale investment and ensuring that sites are available to meet such a demand should it arise.

The MIS identified in Figure PA6 is at Ansty in Rugby, although the RSS states that its designation as a MIS should be reviewed should a proposal for major new investment by Marconi not be forthcoming. The MIS at Ansty is considered readily available. A further MIS will become available at Wobaston Road in Staffordshire, although this site requires infrastructure investment and land contamination treatment. The site at Wobaston Road

is not included in Figure PA6 as no site boundary has been defined, although the principal of developing an MIS is supported in the Staffordshire County Structure Plan.

As Ansty is the only readily available MIS, the Region is currently unable to meet the requirement of policy PA8 to have two sites readily available for development at all times. The role of Major Investment Sites within the portfolio of employment land will need to be considered as part of the forthcoming partial Revision of the Regional Spatial Strategy. Advantage West Midlands have commissioned a study which will consider the demand for MIS in the context of the Region and past and future market trends for large scale inward investment projects. The outcomes of the study will be relevant to the review.

PA9 - Regional Logistic Sites

Hams Hall is the only Regional Logistic Site in the West Midlands. During 2004/05, no completions took place on the Hams Hall site. The supply of land at Hams Hall is now running out and only 34 hectares remain available on the site.

The RSS identifies the need for a study to identify the number, size and broad location of additional logistic facilities. The study has been undertaken in two stages. Consultants King Sturge were appointed by Advantage West Midlands in 2004 to undertake Stage 1 of the study. The purpose of Stage 1 was to identify the factors influencing the logistics industry in the short, medium and long term at both the national and regional level, and identify robust criteria for assessing and choosing Regional Logistics Locations and Regional Logistics Sites. The stage 1 report was completed in June 2004.

Consultants MDS Transmodal in association with Savills and Regeneris undertook the second stage of the study. The study built on the King Sturge work by identifying the level of need and the number, size and broad location of additional logistics facilities for the Region. The study also provided advice on drafting future RSS policy and reviewed the criteria identified in the Stage 1 study. The Stage 2 study was completed in September 2005. The conclusion of the study noted the strong potential demand for future Regional Logistic Sites and identifies a number of broad locations where such demand could be accommodated. The study also highlights the importance of genuine modal choice for logistic sites and as such advocates that future sites should have access to the rail network. A copy of the study is available on the RPB website.

Locally Significant Employment Sites

211.1 hectares (87%) of employment land completions in the Region took place on locally significant employment sites. 58.8 hectares of completions took place on sub-regional employment sites, a decline from the previous year when 120.6 hectares were completed. This decline was, however, offset by growth within the good quality market. Completions in this sector increased to 125 hectares in 2004/05. This category has shown consistent growth over recent years with completions rising from 76.5 hectares in 2003/04 and 63.9 hectares in 2002/03. The

strong rate of completions in the good quality category reflects growth and investment by local companies which is encouraging. Completions in the other local market increased slightly from 25 hectares in 2003/04, to 27 hectares in 2004/05.

Locally significant employment sites account for 89.5% of employment land supply in the West Midlands. The majority of locally significant sites are considered either sub-regional or good quality (87.4%).

Progress Towards Implementation

The Region is failing to meet the requirements of Policy PA8 because it does not have two Major Investment Sites readily available for development and there are also gaps

in relation to the provision of Regional Investment Sites. These issues will be considered as part of the partial Revision of RSS.

Policy PA10

Statement of Purpose

To encourage both the improvement of existing tourism & culture provision as well as the creation of new facilities.

Relevant Indicators

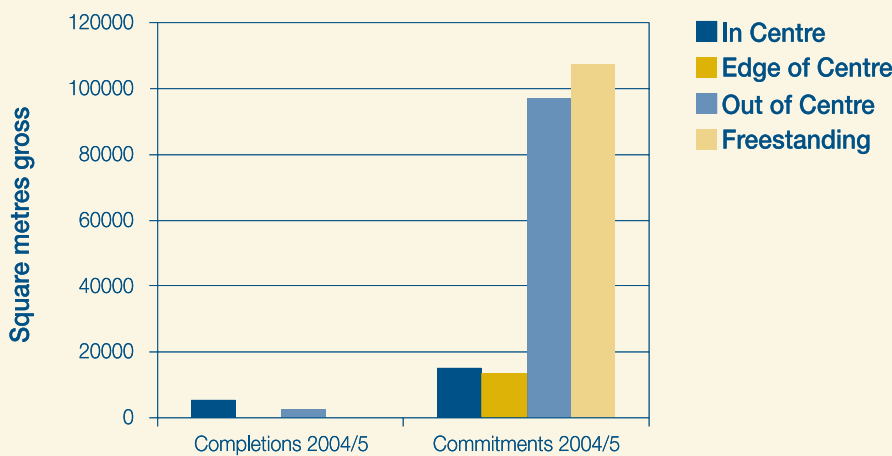
Uses which attract large numbers of people including major cultural, tourist, social and community venues. Large scale recreation and leisure developments (of 1,000 sq.m. or more).

Key Data

While still in a developing state, data has been collected both to establish a baseline for major recreation and leisure facilities and to record development in the past year and development in the pipeline. The following graph

shows completions and commitments for leisure use. It excludes hotel developments and these resulted in 250 additional bedrooms completed in the year with a further 3,490 committed.

FIGURE PA7: LEISURE COMPLETIONS AND COMMITMENTS



Footnote: Leisure data in the graph excludes hotel developments.

Analysis and Interpretation

The Regional Visitor Economy Strategy has continued to be implemented at a regional, sub-regional and local level within the West Midlands.

Tourism West Midlands, the Strategic Tourism Body for the West Midlands appointed its first Chair, Brian Summers, formerly Chief Executive Birmingham International Airport. The Board will set the overall tourism policy in the West Midlands in addition to championing the delivery of the

West Midlands Visitor Economy Strategy.

The regeneration of Trentham Gardens has continued with new attractions within the site opening over the past 12 months. Work on implementing the masterplan for the Waterfront area of Stratford-upon Avon has commenced. This is intended to complement the Royal Shakespeare Company's emerging proposals for refurbishing its main theatre. In addition, The Public in West Bromwich is nearing completion. Plans for additional development are

planned for Alton Towers and the West Midlands Safari Park. Proposals in the Trent Valley in Staffordshire including Byrkley Park, Hoar Cross Hall and Barton Turns Marina will add to the regional tourism offer. Many hotel developments have been submitted within the Region, for example Bescott Stadium in Walsall, in addition to a number of new hotels opening, including Telford

International Centre, Junction 10/ M6, with many more being discussed.

Issues that will impact on Tourism over the next 12 months will be the debates on a Regional Casino in the West Midlands and how tourism can be a part of it and the delivery of the 'Planning for Tourism' Good Practice Guide.

Progress Towards Implementation

Without specific measurable targets, it is difficult to assess the success of this policy, although progress is clearly being made.

Policy PA11

Statement of Purpose

To develop a network of strategic town and city centres across the Region.

Relevant Indicators

Retail developments (of more than 1,000sq.m. gross floorspace).
 Uses which attract large numbers of people including major cultural, tourist, social and community venues.
 Large scale leisure and office developments (of 500sq.m. or more).
 Development plan polices for other centres.

Key Data

Annual information is gathered on new development proposals for major retail developments, hotel leisure and office developments. The following graphs summarise the

information and the full data is shown in Tables APP.PA12 to APP.PA15 of the Appendix.

FIGURE PA8: RETAIL COMPLETIONS 2001-2005 AND COMMITMENTS AT 2005

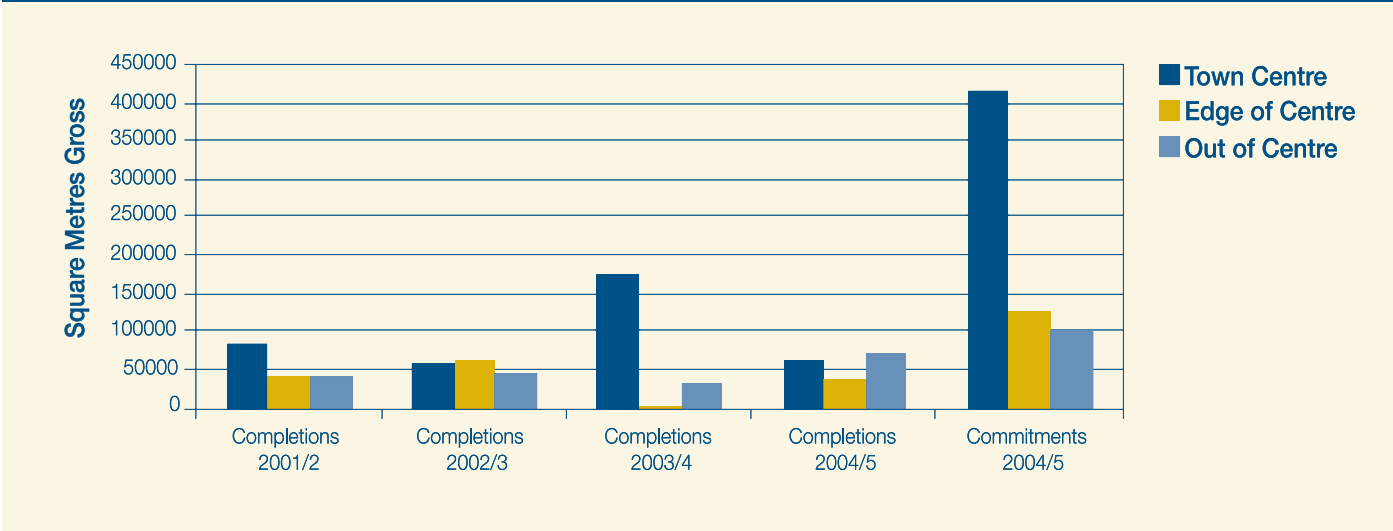


FIGURE PA9: RETAIL COMPLETIONS AND COMMITMENTS WITHIN AND OUTSIDE THE MUAS

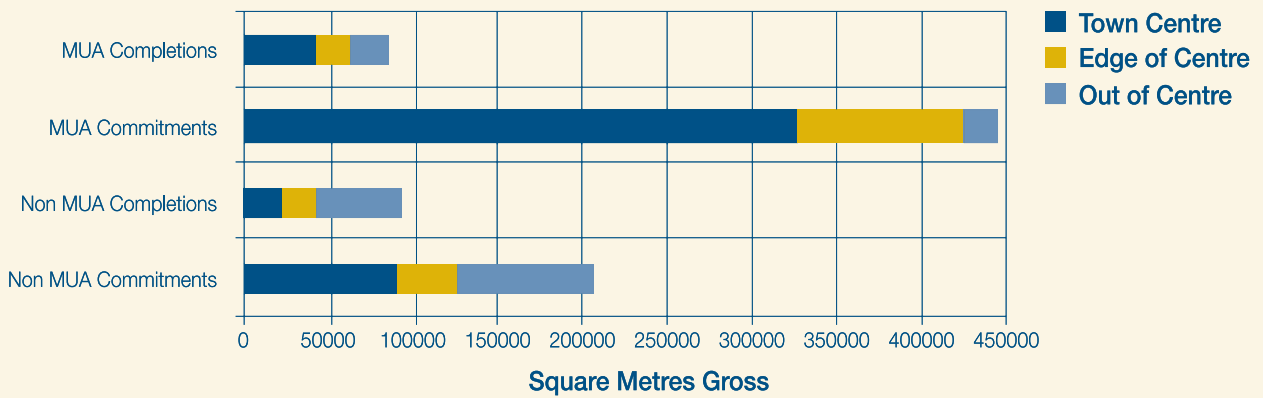


FIGURE PA10: OFFICE COMPLETIONS 2001-2005 AND COMMITMENTS AT 2005

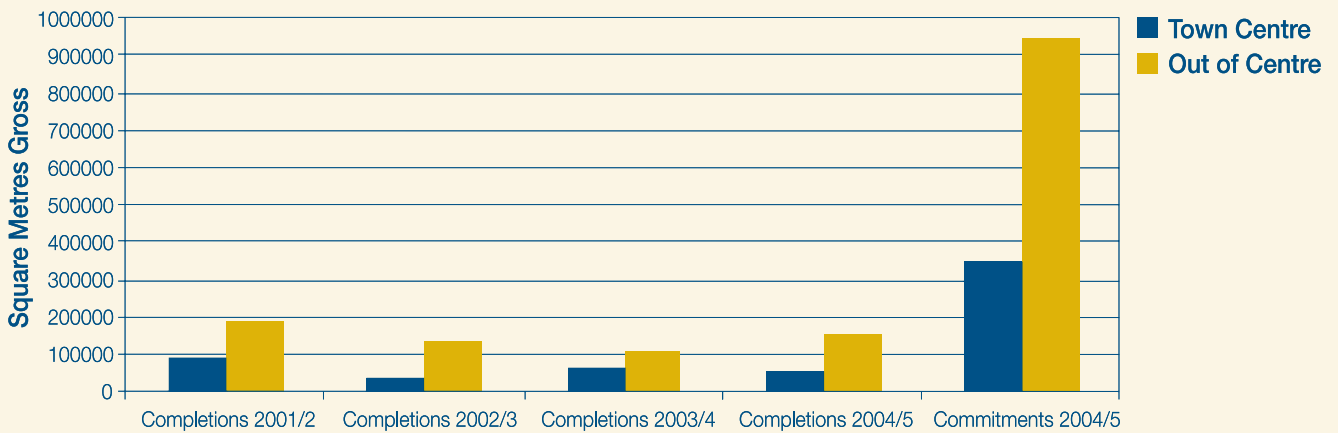
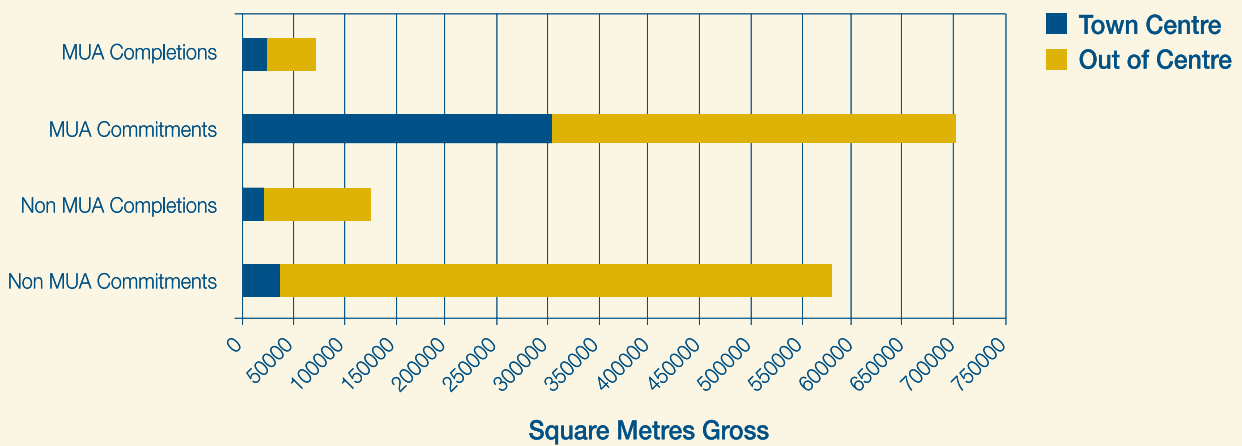


FIGURE PA11: OFFICE COMPLETIONS AND COMMITMENTS WITHIN AND OUTSIDE THE MUAS



Analysis and Interpretation

The last year, 2004-05, has seen a return to the development levels of 2003 and 2002 following the substantial new development that took place in Birmingham in 2003-04, particularly at the Bull Ring. Telford saw the greatest development in the past year (17% of all development), Birmingham, Coventry (Arena Park), Wolverhampton, Nuneaton and Herefordshire have also seen significant new development.

With respect to centres defined in Development Plans, 36% of the 176,876 sq. m of new retail development 2004-05 has been in centre, a further 22% on the edge of centres and 42% in out of centre locations. The larger part of this in centre development (25%) has taken place in Telford, in the form of a new Beatties (now owned by House of Fraser). Significant edge of centre development has occurred at Nuneaton and Wednesfield (in Wolverhampton MBC). The split between in, edge and out of centre development shows an increase in out of centre development to a level higher than generally recorded since 2001.

43% of the in centre development has taken place in centres within the strategic network of centres identified in Policy PA11. 24% of all development in the Region took place in or on the edge of strategic centres.

Conversely, significant out of centre development has occurred at Telford (mezzanine floors for retail development at Wellington Park), Birmingham (B&Q Chester Road) and Herefordshire.

Retail floorspace currently under construction/committed confirms last years preponderance of in centre development with 64% in centre, and only 16% out of centre. 27% of all commitments are in Birmingham with 16% each in Sandwell and Stoke-on-Trent. 38% of in centre commitments arise in Birmingham.

Committed development in Birmingham continues to be focussed on the Arena Central development, under construction and the permitted second phase of Martineau Galleries. Other major commitments across the Region include the redevelopment of West Bromwich town centre, permitted development at Oldbury, permitted development in Walsall town centre, the Rope Walk town centre development under construction in Nuneaton, permitted redevelopment of the East and West Precincts and New Century Street in Hanley, and a permitted factory outlet development in Tunstall, both in Stoke-on-Trent.

Office development in the past year has increased by 18% over the previous year. The proportion of development in centres has reduced to 24%. 43% of this in centre development took place in Birmingham (including Edmund Street) with a further 30% taking place in Warwick (Corunna Road).

Outside of Birmingham (16% of regional total), substantial office development has taken place in Nuneaton and Bedworth (19%) primarily at the out of centre Bermuda Park Business Park.

Other major office development locations were in Rugby (Coton Park Business Park) and at Stafford Park out of centre in Telford.

Office development in the pipeline, particularly sites with planning permission, continue to show a significant in centre element (32%) albeit 85% of development under construction is outside of centre.

Major office developments under construction include Baskerville House in central Birmingham, Tipton Road/Birmingham Road in Dudley, Solihull Business Park in Solihull, Spa Park on the edge of the centre at Warwick and Coton Park Business Park at Rugby.

Birmingham continues to dominate with 87% of in centre development with planning permission being within the city, including Priory Queensway and Snow Hill Station. The only other centre with permitted development of 10,000 sq.m. or above is Telford (Hadley Park).

Out of centre permitted development of 10,000 sq.m. or more exists at Solihull (Solihull Business Park, Blythe Valley and Monkspath), Wolverhampton Business Park, Stratford (Gaydon Proving Ground), Bromsgrove (Whithall Green Business Park), Stafford (Prime Point), Telford, Hams Hall in North Warwickshire and Rugby (Ansty Airfield).

Ten hotel developments have taken place over the last year across the Region providing some 250 new bedspaces. The largest development being an edge of centre scheme in Telford providing 102 new bed spaces. Only two developments were in centre at Warwick and Coleshill (North Warwickshire) providing a total of just 18 new bed spaces. Two other schemes were out of centre but within the built up area with the remainder being free standing outside the built up area.

All the recorded significant leisure developments took place within the built up area with three of the four schemes occurring in town centres but only two in centres within the strategic network of centres.

There are substantial new hotel proposals in the pipeline either under construction or approved amounting to almost 3,500 new bedspaces. 36% of this capacity is proposed within Birmingham, largely on edge of centre sites. Elsewhere, new development is primarily in free standing locations outside the built up area (42% of all proposed new capacity) including major hotel

Progress Towards Implementation

The return to an overall lower level of retail development and an increasing proportion of out of centre development can to some extent be related to the disjointed pattern of development in this sector. The pipeline provides reason for optimism and supports the continuation of the existing policy approach.

development related to Alton Towers in Staffordshire Moorlands and new hotels related to the redevelopment of Trentham Gardens in Stafford Borough, south of Stoke on Trent.

Leisure development in the pipeline shows only a limited proportion (12%) in or on the edge of established centres. 46% of development in the pipeline is freestanding outside the built up area. A variety of new facilities for gaming (casinos and bingo), cinemas and sporting activities are proposed.

The continued development and construction of offices out of centre, notwithstanding the somewhat more encouraging pattern of planning permissions, suggests a reassessment of office policy would be appropriate to consider ways in which it could be made more effective.

Policy PA12

Statement of Purpose

To continue the development of Birmingham as a major Regional capital of European and international standing.

Relevant Indicators

None currently specified.

Key Data

Currently, no specific data is collected to assess the European and international standing of the city over and

above the current retail and office data and the major leisure and recreation data.

Analysis and Interpretation

There have been no major new developments during the year - but progress has continued in bringing forward the Eastside proposals which will represent the next phase of the city centre's expansion. Trading at the Bullring has now matured and it has strengthened the city centre's retail ranking. On some rankings (e.g. the CACI 2005 Retail Footprint Ranking), Birmingham is now ranked second in the UK after the West End of London.

The City's entertainment venues have continued to attract world class performers in very different fields, varying from Britney Spears at the National Indoor Arena to the Chicago Symphony Orchestra at Symphony Hall.

The City's hotel sector continues to perform very strongly with occupancy rates remaining at just below 70%

(source: L.J. Forecaster). The completion of the Etap and SAS Radisson hotels will further enhance choice in this sector.

The SAS Radisson will be located within Beetham Tower, a landmark tower, which will add to the city's stock of high quality buildings.

The year has also seen the emergence of the 'Cube' proposals. Designed by Ken Shuttleworth (designer of the 'gherkin',) this will provide an extension to the Mailbox and a new 'iconic' building for the city.

Progress Towards Implementation

Although there are no specific indicators for this policy, the quantity and quality of recent developments suggest this policy is being implemented.

Policy PA13

Statement of Purpose

To limit the provision of further large scale (10,000 sq.m.) out-of-centre retail developments or extensions and limit smaller scale out-of-centre retail proposals.

Relevant Indicators

Retail developments (of more than 10,000 sq.m. gross floorspace).

Key Data

Annual information is gathered on new development proposals for major retail developments.

Analysis and Interpretation

Annual completion data has revealed that developments of 10,000 sq.m. or more have taken place out of centre at Chester Road, Birmingham (B&Q Warehouse), Corporation Street Nuneaton (M&B Carpets), and Wellington Park, Telford (mezzanine floors for retail units).

Edge and out of centre committed development of 10,000 sq.m. or more exists at Waterloo Road/New Century Street, Hanley, and at Tunstall, Stoke-on-Trent.

The original factory outlet approval at Tunstall has, since April 2005, been superseded by Secretary of State approvals for a B&Q Warehouse and Retail Warehouse Park. The Secretary of State considers these sites and the Lear Management site at Waterloo Road/New Century Street as out-of-centre.

Progress Towards Implementation

The return to an overall lower level of retail development and an increasing proportion of out of centre development can to some extent be related to the disjointed pattern of development in this sector. The pipeline provides reason for optimism and supports the continuation of the existing policy approach.

The continued development and construction of offices out of centre, notwithstanding the somewhat more encouraging pattern of planning permissions, a reassessment of office policy would be appropriate to consider ways in which it could be made more effective.

Conclusions – Prosperity for All

Completions during 2004/05 remained above average which is encouraging and demonstrates the continued success of the Region in attracting investment and new employment development. The last year has also seen continued progress on key high-technology corridor sites which will have a major role to play in diversifying the regional economy. These sites, once released for development, should enable the rate of R&D completions to increase in future years, a key objective of the 'prosperity for all' policies. Encouragingly, the rate of completions outside of the hierarchy of developments declined during 2004/05 while completions in the major urban areas increased. This trend accords with the objective of the RSS. The amount of completions within the Regeneration Zones also increased as compared to 2003/04. Completions within the Regeneration Zones do, however, remain lower than during the 2001 to 2003 period and it would be desirable for completions to increase further in future years.

There are also a number of issues in relation to regionally significant employment sites. The Region is failing to meet the requirements of Policy PA8 by having two Major Investment Sites readily available for development. This policy will need to be considered as part of the partial review of the RSS. There are also a number of gaps in relation to the provision of Regional Investment Sites and again this will need to be considered as part of the partial Review.

Implementation of the Regional Visitor Economy Strategy is continuing. A number of the Region's attractions continue to develop with some additions to the Region's leisure and tourism offer either under construction or approved.

Over the last year, the focus of retail and office development has moved away from town centres and Birmingham. Retail development has returned to the levels of 2003 and 2002 and out of centre development to the higher levels of 2001. However, the retail development pipeline continues to show the preponderance of in centre development across the Region. Conversely, within the office development pipeline, capacity under construction is predominantly out of centre. Permitted office development suggests a somewhat more encouraging in centre bias. Leisure and hotel development over the last year has been limited. A significant proportion of the hotel development pipeline relates to Birmingham and edge of centre sites.

Birmingham has continued to improve its offer as a supra regional centre most notably in terms of city centre development including retail, offices and hotels. The city continues to attract world class entertainment. Significant new buildings are also under construction or proposed.

Instances of large scale out of centre retail developments (of more than 10,000 sq.m. gross floorspace) are limited and in the pipeline amount to only one current commitment.