

## **Leicester & Leicestershire Authorities - Statement of Common Ground relating to Strategic Warehousing Need (March 2026)**

### **1.0 The Leicester and Leicestershire HMA and FEMA**

- 1.1 The Leicester and Leicestershire Housing Market Area (HMA) and Functional Economic Area (FEMA) covers the administrative areas of eight local planning authorities and two highways and transport authorities. The eight local planning authorities responsible for plan making are:
- Blaby District Council
  - Charnwood Borough Council
  - Harborough District Council
  - Hinckley & Bosworth Borough Council
  - Leicester City Council (Unitary)
  - Melton Borough Council
  - North West Leicestershire District Council, and
  - Oadby & Wigston Borough Council.
- 1.2 The two upper tier authorities in Leicester and Leicestershire (L&L), with statutory responsibilities for highways, transport, education, social care, flooding, minerals & waste planning and public health are:
- Leicester City Council (Unitary), and
  - Leicestershire County Council.
- 1.3 This Statement has been prepared jointly by the eight plan making authorities and Leicestershire County Council as an additional signatory given their statutory responsibilities, hereafter referred to as “the Authorities”. The Map in Appendix 1 shows the location and administrative areas covered by this statement. The [Housing & Economic Needs Assessment 2022](#) (HENA) identifies this area as the Leicester & Leicestershire HMA and FEMA.

### **2.0 Purpose**

- 2.1 In accordance with Paragraph 25 of the NPPF (2024) the key strategic matters addressed in this statement are: the Duty to cooperate and joint working, the L&L strategic warehousing floorspace need to 2046 and the apportionment of strategic warehousing need up to 2046.

### **3.0 Background and Context**

- 3.1 In 2021 the Authorities published Warehousing and Logistics in Leicester and Leicestershire: Managing Growth and Change (2021) which informed an agreed Leicester & Leicestershire Authorities - Statement of Common Ground relating to Strategic Warehousing & Logistics Need (September 2021). The 2021 SoCG set out the L&L need for strategic warehousing at the time and next steps to ensure the needs of the sector are appropriately planned for, including the following:

*“The Authorities remain committed to cooperating on strategic cross boundary matters, including agreeing the distribution of large warehousing need”*

- 3.2 This SoCG (2026) replaces the previous SoCG (2021) capturing the outcomes of the further joint work and agrees the apportionment of strategic warehousing need

across L&L for further testing through plan-making. This Statement will be reconfirmed and updated as necessary.

3.3 Strategic Warehousing facilities are defined as those units with floorspace equal to or greater than 9,000 square metres (sqm) in total.

#### 4.0 **Key Strategic Matters on Which Authorities Agree**

##### Duty to Cooperate and Joint Working

4.1 The Authorities agree there is a long track record of effective joint working on strategic matters across L&L. The authorities have continuously engaged with each other on the strategic matters set out in this Statement and through the preparation of local plans across the area. This commitment is most clearly evidenced through:

- The continued function of the L&L Members Advisory Group and Strategic Planning Group,
- The joint preparation of evidence including Warehousing & Logistics in L&L Managing Growth and Change (2021) and L&L Strategic Distribution Floorspace Need Update and Apportionment (2025),
- The agreement of a Joint Statement of Common Ground relating to strategic warehousing and logistics need (Sept 2021), and
- The preparation of this Statement.

4.2 More information and details of engagement will be set out in individual authorities' Duty to Cooperate Statements (or equivalent) that accompany local plans. Authorities will continue to work jointly on an ongoing basis.

##### L&L Strategic Warehousing Need to 2046

4.3 The Authorities agree the [Leicester & Leicestershire: Strategic Distribution Floorspace Needs Update and Apportionment \(Oct 2025\)](#) (hereafter referred to as 'the Study') is the most up-to-date cooperatively produced evidence on the needs of the strategic warehousing sector to inform planning across L&L.

4.4 Based on the Study the Authorities agree that L&L needs to provide for 3,969,400sqm of additional floorspace between 2023 and 2046 (1,349,600sqm rail-served and 2,619,800sqm road-served), after allowing for land recycling, as per Table 1 below:

*Table 1: Supply-Demand Balance (2023-46) (sqm.)*

	Rail-Served	Road-Served	Total
Gross Need	5,256,000		
Land Recycling	-1,286,000		
Additional Floorspace Required	1,349,600	2,619,800	3,969,400
Completions 2023/24	0	112,500	112,500
Commitments April 2024	0	797,700	797,700
Balance	1,349,600	1,709,600	3,059,200

Source: Icenl 2025

- 4.5 The Study has a base date of 1 April 2023. After updating the monitoring to 1 April 2025 (see Appendix 2) the Authorities agree that this updated position leaves a balance of 1,349,600 sqm at rail-served sites and 1,692,174 sqm at road-served sites to be planned for to 2046. Appendix 2 will be updated annually.
- 4.6 To 2046 the Study identifies a (theoretical) maximum floorspace capacity across L&L as a whole of 5,905,500sqm compared to the additional floorspace required to 2046 of 3,969,400sqm.
- 4.7 The Authorities intend that the additional floorspace required of 3,969,400sqm of strategic warehousing floorspace (2023 – 2046) will be met in L&L. The Authorities are not aware of any unmet need from neighbouring areas for strategic warehousing floorspace that should be accommodated in L&L.

#### Apportionment of Additional Floorspace Required to 2046

- 4.8 The Authorities agree that the Study gives strategic guidance on the distribution of future growth and provides a basis and methodology for the apportionment of need which is robust and effective. The study sets out the apportionment by District / Borough as per Table 2 below:

*Table 2: Apportionment by District / Borough (Sqm)*

District / Borough *	Completions + Commitments		Residual Need Apportioned		Total	Apportionment incl. completions + commitments
	Rail	Road	Rail	Road		
North West Leicestershire	-	221,100	240,000	1,093,600	<b>1,554,700</b>	<b>39%</b>
Harborough	-	257,000	-	566,400	<b>823,400</b>	<b>21%</b>
Hinckley & Bosworth	-	327,000	-	428,800	<b>755,800</b>	<b>19%</b>
Blaby	-	105,100	650,000	0	<b>755,100</b>	<b>19%</b>
Charnwood	-	0	-	80,500	<b>80,500</b>	<b>2%</b>
<b>Total</b>	<b>-</b>	<b>910,200</b>	<b>890,000</b>	<b>2,169,200</b>	<b>3,969,400</b>	

Source: Icen analysis

\* District / Borough figures are made up of figures for more than one distinct Area of Opportunity (AO), in some cases.

- 4.9 The Authorities agree the figures in the total column of Table 2 are the agreed apportionment of strategic warehousing floorspace need for each authority for the period 2023-2046. These figures will be tested through each Local Planning Authority's plan making process. The rail served need for Blaby would need to be tested through the DCO process (see para 4.14-4.18 below).
- 4.10 The authorities are preparing plans with different plan periods and agree that the figures in Table 2 will be pro-rated based on the plan period of the relevant authority. Authorities not listed in Table 2 have been apportioned zero floorspace.

#### NWLDC Apportionment

- 4.11 NWLDC is preparing a new Local Plan for the period 2023-2042. Strategic warehousing sites have been identified for allocation in the Regulation 19 version of

the Local Plan<sup>1</sup>. There are sufficient, suitable sites to deliver c756,775sqm of floorspace, meeting the pro-rata apportionment figure for the A/M42 location but not meeting the pro-rata apportionment figures for the M1 J23a & J24/A50 J1 location and for the Bardon area (M1 J22) due to planning constraints and an insufficient supply of available, suitable sites at those locations.

4.12 NWLDC's intended approach is to:

- Allocate suitable sites for strategic warehousing, as described above
- Include a criteria-based policy for proposals on unallocated sites
- Re-evaluate the position when the new Plan is reviewed<sup>2</sup>. This would include an assessment of a) any newly available land in the locations where there is a shortfall; and b) any updated assessment of needs.

4.13 The authorities support and agree NWLDC's approach, which equates to a supply of 12 years (2024 to 2036) based on the pro-rata apportionment figures in Table 2 above. The Authorities agree this is an appropriate way forward in the context of the challenges of planning long-term for this sector, as outlined in para 5.1 below.

#### Hinckley National Rail Freight Interchange (HNRFI)

4.14 The Development Consent Order (DCO) for the HNRFI proposal, mostly located in Blaby District, was refused in March 2025. The DCO application was refused on the basis of most notably insufficient transport modelling evidence assessing the impacts at M1 J21/M69 J3: non-compliance with the road safety requirements; and the highways safety impacts on the village of Sapcote. However, the decision letter agrees that there is a need for the rail-served Proposed Development.

4.15 Whilst not undermining the scale of the issues for refusal, the Study does not dismiss this location and considers that a further application for the Strategic Rail Freight Interchange (SRFI) in the location could be submitted through the DCO process. The proposal could therefore still come forward within the Study period to 2046.

4.16 The Authorities agree that apart from this location and land around East Midlands Airport there are no further rail-served opportunities within the Study area. Given this and the continuing national policy support for SRFI's and the role they play in transferring freight from road to rail, the ability of this site to be rail-served needs to be retained and safeguarded for the future. Proposals for solely road-based strategic B8 floorspace through the Local Plan or speculative planning applications in this location would undermine the identified need for rail-based strategic B8 floorspace and will not be supported.

4.17 However, the Authorities agree that any fresh DCO application must overcome technical challenges, for a strategic rail-served facility meeting the definition of a SRFI, to be an appropriate approach in this location.

4.18 This Statement does not infer support from the relevant Local Authorities for a future rail-served strategic B8 proposal in this location. Each authority will respond to any proposal, through the NSIP/DCO process as appropriate.

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<sup>1</sup> North West Leicestershire DC's Local Plan Committee 19 November 2025

<sup>2</sup> In accordance with NPPF (Dec 2024) Para 34 reviews should be completed no later than 5 years from the adoption date of the plan.

## Transport

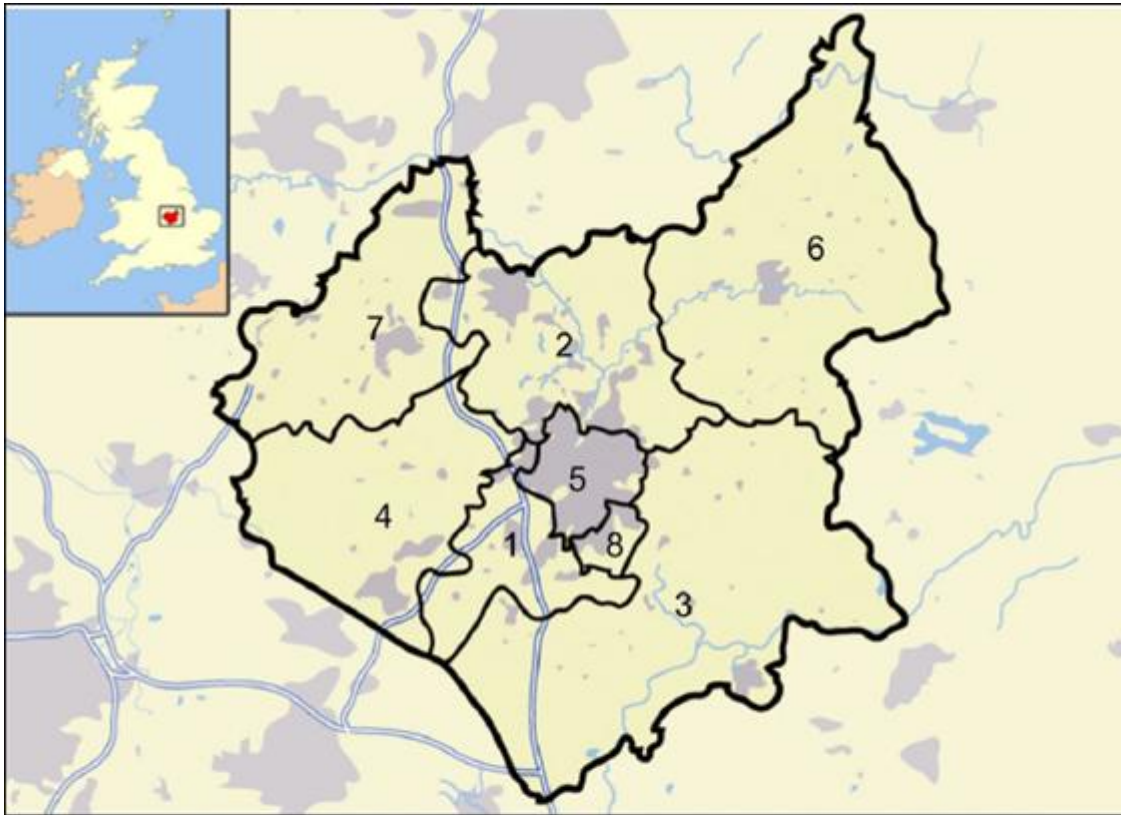
- 4.19 Leicestershire County Council, as the Local Highway Authority, has raised concerns about the ability of the County's road network, and in particular the Strategic Road Network (for which National Highways is the Highway Authority), to accommodate the quantum of strategic warehousing identified. However, it does not wish to frustrate the completion of this SoCG and instead reserves its right to pursue those concerns as appropriate if and when specific sites are brought forward through plan-making and/or as planning applications (including as Nationally Significant Infrastructure Projects - NSIP). The other authorities note and accept the County Council's position.
- 4.20 The authorities agree the ability of the county's road network, and particularly the Strategic Road Network, to accommodate the quantum of need will be challenging. The figures in Table 2 will therefore need to be tested through each Authority's local plan making process (and DCO process, as appropriate) with the involvement of the relevant transport authorities.

## **5.0 Maintaining and Updating this Statement**

### Planning for Future Needs to 2046

- 5.1 Planning for the future needs of this sector is particularly difficult because it is dynamic and operates on a much wider scale than L&L. Opportunities for development are linked to investment in the Strategic Road Network (SRN), with often limited long-term visibility of sites and it also involves sites that come forward through the separate NSIP/DCO process. All this means it can be challenging to make extended forecasts about long-term need.
- 5.2 The Authorities remain committed to cooperating on a plan-led approach to meet need (as set out in para 4.4). The Authorities agree:
- To test their respective apportionment figures (pro-rated) through their Local Plan preparation,
  - To continue to jointly monitor progress in site allocation, consents and delivery at the L&L level, annually,
  - That they, or successor authorities, will review and update the L&L strategic warehousing wide need and apportionment evidence as appropriate.
- 5.3 A new local planning system will be introduced early in 2026 together with the introduction of Spatial Development Strategies (SDS) through which growth related to strategic matters, such as strategic warehouses, will be distributed across a geography that is yet to be determined. The formal duty to produce a SDS is expected in Spring 2026 through secondary legislation, following royal assent of the Planning and Infrastructure Act.
- 5.4 Government is seeking full coverage of up-to-date local plans, and the local plans scheduled for submission by 31 December 2026 are at an advanced stage of preparation. The Authorities agree that the figures set out in Table 2 (pro-rated) will be tested through each Local Authority's local plan process.
- 5.5 The Authorities agree the Duty to Cooperate and joint working is an ongoing process. The process for updating and maintaining this Statement is outlined in Paragraph 5.2 and will be managed through ongoing joint work between the Authorities.

## Appendix 1 – Location and Administrative Areas



### Key to Map Two

- |  |   |
|--|---|
| 1. Blaby District Council                | 5. Leicester City Council                     |
| 2. Charnwood Borough Council             | 6. Melton Borough Council                     |
| 3. Harborough District Council           | 7. North West Leicestershire District Council |
| 4. Hinckley and Bosworth Borough Council | 8. Oadby and Wigston Borough Council          |

**Appendix 2 – Updated Monitoring Data**

**Table A: Supply-Demand Balance (2023-2046) at 1 April 2025**

	Rail-Served	Road-Served	Total
Gross Need	5,256,000		
Land Recycling	-1,286,000		
Additional Floorspace Required	1,349,600	2,619,800	3,969,400
Completions 2023/24	0	112,536	112,536
Completions 2024/25	0	18,580	18,580
Commitments April 2025	0	796,510	796,510
Balance	1,349,600	1,692,174	3,041,774

Source: Icenl, updated by LPA Monitoring 2024/25.

**Table B: Supply by District / Borough (2023-2046) (sqm) at 1 April 2025**

District / Borough*	A	B		C		D		E		F		G	
	Total (from Table 2)	Completions 23/24		Completions 24/25		Commitments at 1 April 2025 project for delivery to 2046		Allocations in an adopted Plan #		Emerging allocations in a Reg19 plan #		Balance	
		Rail	Road	Rail	Road	Rail	Road	Rail	Road	Rail	Road	Rail	Road
NWLDC	1,554,700	0	0	0	18,580	0	203,047	0	0	0	0	240,000	1,093,073
HDC	823,400	0	59,342	0	0	0	197,696	0	0	0	340,000	0	226,362
H&BBC	755,800	0	53,194	0	0	0	273,767	0	0	0	0	0	428,839
BDC	755,100	0	0	0	0	0	122,000	0	0	0	0	650,000	-16,900
CBC	80,500	0	0	0	0	0	0	0	0	0	0	0	80,500
Leicester	0	0	0	0	0	0	0	0	0	0	0	0	0
MBC	0	0	0	0	0	0	0	0	0	0	0	0	0
O&WBC	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	3,969,400	0	112,536	0	18,580	0	796,510	0	0	0	340,000	890,000	1,811,874

\* District / Borough figures are made up of figures for more than one distinct Area of Opportunity (AO), in some cases.

# Without planning consent