

REF: P1354

ECONOMIC DEVELOPMENT STATEMENT

Location: 57 River Road, Littlehampton, BN17 5DD

Applicant: Brownfield Estates

Date: August 2025

QUALITY ASSURANCE

Status	Issue	Date	Prepared By	Checked By
Final	1	August	AR	-

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1.0 INTRODUCTION

Overview

- 1.1 This Economic and Development Statement has been prepared by Planning Insight on behalf of Brownfield Estates ('the Applicant') to accompany a planning application to Arun District Council in respect of the proposed development at 57 River Road Littlehampton BN17 5DD (the 'Application Site'). The description of the development is as follows:

"Construction of flats with associated car parking and landscaping as well as partial demolition of the boundary wall, pedestrian access & floating pontoon with residential mooring."

- 1.2 This planning application follows various permissions on the site, which have established residential use. The applicant seeks to optimise the design proposal to bring the site forward through this planning application.

The Proposal

- 1.3 Planning permission is sought for the redevelopment of the site, whilst retaining the front façade of the existing warehouse structure to provide 9 residential units. The site is located in a sustainable location and would facilitate no.2 3-bedroom dwellings, no.4 2-bedroom dwellings, a 1-bedroom unit and no.2 studios. The scheme would facilitate the regeneration of a site that has been vacant for an extended period, a short distance from the centre and train station. The applicant has reviewed the previous scheme with a new design team to ensure improvements in the design and deliverability.

Previous Scheme

- 1.4 This scheme follows a previously granted permission for a parallel scheme (LPA Ref: LU/251/21/PL), which involved partial demolition and redevelopment to provide 6 flats. The scheme was approved in 2021, and whilst the permission has only just lapsed, the Development Plan remains consistent. In terms of the design approach, the scheme remains consistent in terms of scale and massing as well as materiality and architectural approach. The applicant has engaged a new design team to provide an uplift in units to make the most efficient use of the site, this has prompted the subject planning application.
- 1.5 This statement provides an assessment of the economic prospects of the site being used for commercial use.

2.0 SITE LOCATION AND ECONOMIC CONTEXT

- 2.1 The application site is strategically positioned within the Littlehampton Economic Growth Area, a designated zone specifically established to facilitate and promote viable regeneration initiatives throughout the locality. This designation reflects the local planning authority's commitment to encouraging appropriate development that contributes positively to the economic vitality of the area while respecting the existing character and constraints of individual sites.
- 2.2 Currently, the application site accommodates a substantially dilapidated garage/workshop structure that has fallen into severe disrepair over recent years. As documented in the Marshall Clark marketing report, the building comprises approximately 225.6 square metres (2,428 square feet) of floor space arranged over ground and first floors, with an additional 47.4 square metres (550 square feet) at second floor level. The building has been arranged over ground, first and second floors but *"is not in a good state of repair"* as confirmed by the professional building survey.
- 2.3 Historically, this building has been utilised by a private individual operating under a licence arrangement, rather than through any formal commercial lease or ownership structure. The Marshall Clark report confirms that the site contained *"open storage and car parking on the south side with a single building on the northern side"*, with the arrangement primarily involving basic storage activities on the existing hardstanding areas rather than any intensive commercial or industrial operations that would constitute meaningful employment generation.
- 2.4 It is particularly significant to note that since the grant of the previous planning permission, all activities associated with the historical use of the site have entirely ceased. The cessation of use has been complete, with no ongoing storage, maintenance, or any other activities taking place on the premises. The conclusion of any economic activity for an extended period further demonstrates that it is unviable.
- 2.5 The current state of the site can only be described as poor quality, presenting substantial challenges for any potential future use without significant investment in remedial works. The existing structures are not suitable for occupation or use in their present condition, requiring extensive renovation, structural improvements, or complete redevelopment to achieve any viable commercial or residential function. Consequently, the redevelopment of this site would not result in the loss of any existing employment opportunities, as no current employment activities are taking place, nor would there be any displacement of workers or businesses.

3.0 COMMERCIAL VIABILITY ASSESSMENT

- 3.1 The comprehensive assessment undertaken as part of the previous planning application included detailed supporting documentation that thoroughly examined the commercial viability of the site. This assessment comprised two key technical reports: a professional marketing report and a structural engineering report, both of which provided compelling evidence regarding the site's limitations and constraints.
- 3.2 The marketing report, prepared by Marshall Clark LLP (commercial property specialists), conducted an extensive analysis of market conditions, comparable properties, and potential demand for commercial premises in this specific location. The professional assessment examined three distinct commercial options for the site, each demonstrating the fundamental challenges facing any continued commercial use.
- 3.3 The detailed analysis revealed that even with a substantial investment of approximately £148,000 to bring the building into a usable condition, the site would only achieve modest rental returns of £13,500-£16,500 per annum for industrial/workshop use, or potentially £6,500-£7,500 for basic storage. The marketing report specifically noted that "*the building has relatively low floor to ceiling height on the ground floor of around 1.9 metres*" which significantly limits its commercial utility and competitiveness compared to modern industrial units.
- 3.4 For office use, despite requiring an investment of around £245,000 for refurbishment, the report concluded that the location "*is not a recognised office location and the building would be in the middle of what is now a residential area*". The assessment noted that changes in working patterns post-pandemic have further reduced demand for office space in such locations, making it "*virtually impossible to see any purchaser/investor wanting to create offices in this sort of location*".
- 3.5 The structural assessment, referenced in the Marshall Clark report and prepared by building surveyor Wayne Gosden (dated 08.07.21), confirmed that the existing building "*is totally dilapidated and in need of major repairs and significant expenditure to put it into a state of repair where it would be possible to carry out marketing to see whether a new occupier could be found*".
- 3.6 Both reports reached the unanimous conclusion that the application site would not represent an appropriate or viable location for office space or alternative commercial premises. The Marshall Clark assessment was particularly clear in this regard, stating that the property "*is reasonably well located close to Littlehampton town centre and means of communication. If the existing building has to remain on the site we find it difficult to see any economic use for it at the moment other than making it safe and boarding up*".



- 3.7 The report identified that the substantial costs required to bring the building into usable condition *"is not reflected by any form of realistic return"* that could be achieved from commercial letting. Even the most optimistic scenario for workshop/storage use would require a three-year lease arrangement to achieve modest returns. At the same time, the report noted that *"due to the age of the building even in a refurbished condition we feel it is unlikely that the tenant will take on the liability for maintenance of the structure"*.
- 3.8 This conclusion was primarily based on the recognition that River Road has not been established as a commercial corridor and lacks the infrastructure, accessibility, and supporting services typically required for successful commercial operations. The marketing assessment specifically noted that the building's location within a residential context would limit potential uses, stating that operators would prefer *"established estates within a short distance"* which offer *"much more usable facility"*.
- 3.9 Furthermore, the site's integration within a predominantly residential context presents additional constraints on the types of commercial activities that could be appropriately accommodated. The residential character of the surrounding area would naturally limit the scale, intensity, and operating hours of any potential commercial use, thereby restricting the range of viable commercial typologies that could be successfully established.

4.0 LOCAL PLANNING AUTHORITY POSITION

- 4.1 Following their comprehensive evaluation of the submitted application and supporting evidence, the Local Planning Authority (LPA) provided clear confirmation that the proposed residential use of the site was supported in principle. This support was given based on a thorough assessment of all relevant planning considerations, including policy compliance, site constraints, and the broader planning merits of the proposal.
- 4.2 In reaching their decision to grant planning permission, the LPA explicitly acknowledged the strength of the evidence presented regarding the site's commercial limitations. In their formal decision notice, the LPA specifically stated that "*it has therefore been satisfactorily demonstrated that the site does not have a reasonable prospect of employment use in the short term*". This statement represents a clear and unequivocal acceptance by the planning authority that the site is not viable for employment-generating uses.
- 4.3 Since the grant of the previous planning permission, there have been no material changes to the development plan context that would alter this assessment. The relevant planning policies, both at the local and national level, remain consistent with those that informed the original decision. Similarly, no new material considerations have emerged that would indicate a different conclusion regarding the site's suitability for employment use.
- 4.4 The planning policy framework continues to support the principle of residential development in appropriate locations, particularly where such development would result in the beneficial reuse of previously developed land that is not viable for its previous or alternative commercial uses. The conclusion that this site does not represent a viable location for employment use remains as relevant and accurate today as it was at the time of the original assessment.
- 4.5 The principle of residential development on this site has been firmly established through the grant of planning permission reference LU/251/21/PL. This previous consent provides important precedent for the current proposal and demonstrates that the local planning authority has already accepted the appropriateness of residential development in this location.
- 4.6 The granting of the previous permission followed a thorough evaluation process that considered all relevant planning considerations, including the loss of the previous commercial use, the site's development potential, and compliance with relevant planning policies. The positive outcome of that process confirms that residential use represents the most appropriate and beneficial form of development for this particular site.



- 4.7 For these compelling reasons, the proposed residential use, which directly builds upon the established principle confirmed through the previous planning application, represents an entirely acceptable and appropriate form of development that should be supported by the planning authority.

5.0 POLICY COMPLIANCE

- 5.1 Assessment of the Littlehampton Neighbourhood Development Plan reveals strong policy support for the proposed development. Policies 1 and 2 of the Neighbourhood Plan explicitly prioritise new residential development within the established settlement boundary, recognising that such locations represent the most sustainable and appropriate areas for growth.
- 5.2 The proposed development demonstrates full compliance with this policy approach, as the application site is clearly located within the defined settlement boundary of Littlehampton. This positioning ensures that future residents will have good access to existing services, facilities, and transport links, thereby supporting the sustainable development objectives that underpin the neighbourhood planning framework.
- 5.3 Policy 1 of the Neighbourhood Plan also emphasises the importance of ensuring compliance with the broader policy framework established by the Arun Local Plan. This requirement has been comprehensively addressed through detailed policy analysis contained elsewhere within the Planning Statement, which demonstrates that the proposal aligns with the strategic objectives and detailed policies of the adopted Local Plan.
- 5.4 The alignment between the proposed development and both neighbourhood and local plan policies reinforces the planning merits of the scheme and provides additional support for the principle of residential development in this location. This policy compliance, combined with the established precedent and the demonstrated lack of commercial viability, creates a compelling case for the acceptance of the current proposal.

6.0 COMMERCIAL VIABILITY ASSESSMENT SUMMARY

- 6.1 The comprehensive professional assessment undertaken by Marshall Clark LLP provides clear and compelling evidence that the continued commercial use of 57 River Road is fundamentally unviable as an employment use. This conclusion is the same reached as by the LPA in the previous planning application. The analysis demonstrates that regardless of the scale of investment undertaken, the site cannot generate sufficient returns to justify commercial retention.

Key findings establishing non-viability:

- 6.2 **Financial impossibility:** Even with substantial capital investment of £148,000-£245,000 for building refurbishment, the maximum achievable rental income ranges from just £6,500-£16,500 per annum. These returns are wholly inadequate to justify the required investment, representing a poor financial proposition that no rational commercial operator or investor would pursue. Fundamentally, this demonstrates there is no prospect of commercial use.
- 6.3 **Structural constraints:** The building surveyor's professional assessment confirms the structure is "*totally dilapidated and in need of major repairs and significant expenditure*" before any marketing could commence. The building's low ceiling height of 1.9 metres further limits its commercial utility compared to modern industrial alternatives.
- 6.4 **Locational disadvantages:** The site's position within a residential area, remote from established commercial corridors, fundamentally undermines its commercial appeal. As the marketing report concludes, operators consistently prefer "*established estates within a short distance*" offering superior facilities and commercial environments.
- 6.5 **Market reality:** The professional assessment recognises it is "*virtually impossible to see any purchaser/investor wanting to create offices in this sort of location*" given current market conditions and changing business practices post-pandemic.
- 6.6 The LPA's previous acceptance that "*it has therefore been satisfactorily demonstrated that the site does not have a reasonable prospect of employment use in the short term*" remains entirely valid. No material changes in policy or market conditions have occurred that would alter this professional conclusion.
- 6.7 The proposed residential use represents the only viable and beneficial form of development for this site, delivering housing within the settlement boundary while removing a dilapidated structure that contributes nothing to the local economy or community. Crucially this assessment has been confirmed by the LPA by virtue of the grant of the previous planning application.



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