



Quod

Economic Benefits Statement

Land West of Courtwick
Lane, Wick, Littlehampton

DECEMBER 2024

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1 Executive Summary

- 1.1 The Proposed Development represents a **significant and long-term investment** in Arun and West Sussex’s economic fabric, delivering on local, regional and national level policy objectives for economic development - increasing the amount, quality and diversity of sustainable local **employment and career development opportunities** for local people while bringing a disused and **out-dated site back into viable use** and generating **spending, wages, GVA and business rates** – all of which contributes to the economic wellbeing of a relatively deprived area.
- 1.2 Overall, the Proposed Development will deliver:
- Average of **74 additional full time equivalent (FTE) jobs** over the 32-week construction period for **Phase 1**¹;
 - Between **122 and 146 net additional full time equivalent (FTE) jobs** directly onsite², with the range based on the range of floorspace proposed, and the different types of potential occupier/activity which may be more or less labour intensive.
 - Between **£9.2 and £10.9 million per year in Gross Value Added (GVA)**³, which measures the economic value of the activity directly enabled by the development;
 - A **business rate revenue** of between approximately **c.£654,000 annually**, a proportion of which may be retained by the Arun District Council to fund local priorities;
 - **Between £386,000 and £459,000** in the form of employee spending⁴ within the local area; and
 - **Between £3.0 and £4.8 million** in the form of wages per year⁵.
- 1.3 As highlighted within the “**Socio-economic Context**” section of the report, the Proposed Development site currently falls adjacent to an area **within the top 10% most deprived areas** in the country, **driven by low earnings, poor employment opportunities and limited access to education and skills**.
- 1.4 **High unemployment rates and low economic activity rates** within the Local Area and Arun District also highlight the need for new economic development to provide stable, long-term and accessible employment opportunities. There is also a **clear disparity in skill levels** of residents,

¹ Construction Industry Training Board (CITB). Labour Forecasting Tool (Accessed online by subscription)

² Based on information from the expected occupiers and the standard employment density guidelines in Homes and Communities Agency, 2015. Employment Density Guide, 3rd Edition.

³ ONS, 2024. Regional gross value added (balanced) by industry: local authorities by ITLJ region: South East/ ONS, 2022. Business Register and Employment Survey.

⁴ This is based on a daily average spend for workers in the local area around their place of employment. Visa Europe, 2014. UK Working Day Spending Report. (Daily spending rate has been adjusted to account for inflation based on Bank of England inflation rate change since 2014).

⁵ Calculated based on Office for National Statistics Annual Survey of Hours and Earnings Data for the South East region.

while both resident-based and workplace-based earnings in Arun are below county, regional and national levels.

- 1.5 The Proposed Development will act to improve this through the provision of a range of roles, at different skill levels, including entry-level roles, low to medium skilled roles and high-skilled roles – providing flexibility of significant opportunities at both ends of the market.
- 1.6 Importantly, the Proposed Development **delivers on local and national policy** in the following ways:
- 1.7 In terms of policy and strategy compliance:

- The **NPPF** highlights the need for “*sufficient land of the right types*” to be “*available in the right places and at the right time to support growth*”, in addition to the need for planning decisions to create “*conditions in which businesses can invest, expand and adapt*” with significant weight places on “*the need to support economic growth and productivity*” to build a strong and competitive economy.

The Proposed Development is situated in the right place, with Local Plan Policy EMP SP1 ‘Strategic Economic Growth’ suggesting that the council will promote sustainable growth of the Arun’s economy to meet needs of various economic sectors. The Proposed Development will also allow Arun to build on its strengths, with the district having a higher concentration of employment in the ‘retail trade’ sector when compared to regional and national averages;

- Arun’s **Draft Local Plan (Direction of Travel Document)** sets out objectives to welcome both inward investment and quality new employers, highlighting key issues and challenges around growing and diversifying the economy, increasing job diversity and skills and boosting wages to overcome housing affordability issues/pressures in Arun.

The Proposed Development will address these issues by providing a range of roles, at different skill levels, including entry-level roles, low to medium skilled roles and high-skilled roles. In addition to this, Aldi have committed to having a starting hourly rate of £12.40 while Costa have committed to paying the minimum wage and also have a bonus scheme, which will contribute positively to the Arun’s objective to boosting wages;

- Arun’s **Economic Development Strategy and Action Plan** highlight the need to promote Arun as a business investment location, provide better jobs for local people, encourage new businesses to move into the area and reduce out-commuting.

*The Proposed Development will contribute to the promotion of Arun as a business investment location through the provision of light industrial units which could appeal to various high value companies, while the **provision of jobs at a range of different skill levels** will cater for the needs of local people that reside in Arun but currently work outside of the District, contributing to a reduction in out-commuting. 2011 Census data on the distance that typical light industrial/retail/trade counter workers travel to work also suggests that these jobs are more likely to go to local people.*

Phase 1

1.8 Phase 1 will bring forward up to nearly 40 net new FTE jobs in retail, food and customer service roles that offer sustainable, entry-level employment and the opportunity for career development and enhancement. It is likely that the employment opportunities will be flexible and offer a mix of full- and part-time roles providing skills and employment for those furthest from the labour market or looking to return to work, maximising the increase in economic activity locally and helping to redress existing deprivation in the local community (which is largely driven by economic factors).

1.9 The headline benefits of Phase 1 are summarised as follows:

- Average of **74 additional full time equivalent (FTE) construction jobs** over the 32-week construction period for **Phase 1**⁶;
- Approximately **£3.2 million** in the form of construction-phase **Gross Value Added (GVA)**⁷ over the 32-week construction period, which measures the economic value of the activity directly enabled by the development;
- **Approximately 110 gross additional full time equivalent (FTE) jobs when operational**, equating to between **60 net additional full time equivalent (FTE) jobs** directly onsite⁸, with the range based on the range of floorspace proposed, and the different types of potential occupier/activity which may be more or less labour intensive;
- A permanent uplift of approximately **c.£4.0 million per year in Gross Value Added (GVA)**⁹, which measures the economic value of the activity directly enabled by the development;
- A **business rate revenue** of between approximately **c.£310,000 annually**, a proportion of which may be retained by the Arun District Council to fund local priorities;
- **Approximately c.£189,000** in the form of net additional employee spending¹⁰ within the local area; and
- **Between c.£891,000 and c.£1,560,000** in the form of net additional wages per year¹¹.

⁶ Construction Industry Training Board (CITB). Labour Forecasting Tool (Accessed online by subscription)

⁷ ONS, 2024. Regional gross value added (balanced) by industry: local authorities by ITLJ region: South East/ ONS, 2022. Business Register and Employment Survey.

⁸ Based on information from the expected occupiers of the units and standard employment density guidelines in Homes and Communities Agency, 2015. Employment Density Guide, 3rd Edition.

⁹ ONS, 2024. Regional gross value added (balanced) by industry: local authorities by ITLJ region: South East/ ONS, 2022. Business Register and Employment Survey.

¹⁰ This is based on a daily average spend for workers in the local area around their place of employment. Visa Europe, 2014. UK Working Day Spending Report. (Daily spending rate has been adjusted to account for inflation based on Bank of England inflation rate change since 2014).

¹¹ Calculated based on Office for National Statistics Annual Survey of Hours and Earnings Data for the South East region.

Phase 2

1.10 Phase 2 will then build on this to deliver employment and economic activity in light industrial and trade counter roles. This is an important step-change in the activity on the Site, which is currently in traditional 'B-class' use but with premises that are out-dated and not serving the market in this area. The sector is growing and changing, and the proposed floorspace meets an identified market demand, delivering against local and national policy aspirations, while also offering high productivity and skilled employment.

1.11 The headline benefits of Phase 2 are summarised as follows:

- Between **108 and 148 gross additional full time equivalent (FTE) operational jobs**, equating to between **63 and 86 net additional full time equivalent (FTE) jobs** directly onsite, with the range based on the range of floorspace proposed, and the different types of potential occupier/activity which may be more or less labour intensive.
- A permanent uplift of **£5.1 and £6.9 million per year in Gross Value Added (GVA)**, which measures the economic value of the activity directly enabled by the development;
- A **business rate revenue** of between approximately **c.£344,000 annually**, a proportion of which may be retained by the Arun District Council to fund local priorities;
- **Between c.£197,000 and c.£270,000** in the form of net additional employee spending within the local area; and
- **Between c.£2.1 and c.£3.3 million** in the form of net additional wages per year.

2 Introduction

- 2.1 This Economic Benefits Statement has been prepared and submitted by Quod on behalf of Morgan Property Consultants to support a hybrid planning application for a commercial development on the land west of New Courtwick Lane, Wick, Littlehampton ('the Application Site') in Arun District ('ADC').
- 2.2 The site for the Proposed Development is 4.7ha and is currently vacant, comprising greenfield space and an existing purpose-built detached distribution/industrial unit of steel portal frame construction. The plans are to provide light industrial (Use Class B1c), a retail food store (Use Class E(a)/E(b)) and two Drive-thru facilities (sui generis), with associated parking and landscaping. This space will cover a total of 15,090 GIA sqm (subject to refinement).

Purpose/Aim of this Report

- 2.3 This Statement aims to provide an assessment of the headline economic benefits that the Proposed Development will provide, confirm how they support local policy ambitions and economic strategy of Arun, and then firmly embed this in the national and local socio-economic context to articulate how the benefits can be enhanced and retained for the advantage of local people.
- 2.4 **Part 1** of the Statement sets the **socio-economic context** for the Proposed Development:
- In terms of the wider benefits of the proposed on-site uses, its anticipated role within the local regional economy, and the local authority policy and strategic direction that a responsible developer should consider in its application; and
 - Considering relevant public datasets for socio-economic characteristics in order to match the benefits of the Proposed Development to the local need/opportunity – including fine-grained consideration of economic activity characteristics, unemployment by age, sought occupation, and relative deprivation (and its drivers).
- 2.5 **Part 2** of the Statement **articulates the socio-economic benefits** – linking the bespoke opportunities created by the Proposed Development to the local socio-economic context by :
- Providing headline economic benefits across a range of indicators from the construction and operation of the Proposed Development;
 - Interrogating those benefits and putting them in the context of local policy, national and regional need, and local social and economic environment, describing how they would meet strategic objectives through appropriate skills, training, employment measures; and
 - Demonstrating how the benefits interact with the potential local labour market by breaking down construction and operational occupational skill level of the employment and matching it to the skill level of local job-seekers and economically inactive.

3 Socio-economic Context

National Context - The Case for Sustainable Economic Development

- 3.1 National and local policy is clear that planning decisions should take account of local strengths, business conditions, timing, and specific locational requirements in evaluating the suitability of proposals.
- 3.2 In pursuit of sustainable development, paragraph 8 of the **National Planning Policy Framework (NPPF)**¹² states that “*sufficient land of the right types*” should be “*available in the right places and at the right time to support growth, innovation and improved productivity*” in order to achieve the economic objective of “*building a strong, responsive and competitive economy*”.
- 3.3 The Site is situated within the “right place”, as demonstrated by **Arun District Council Local Plan Policy EMP SP1** ‘Strategic Economic Growth’, which suggests that the council will promote sustainable growth of the District’s economy to meet varying needs of different provision economic sectors. Despite the Site not being allocated and not falling within an identified area of growth, the Proposed Development will promote economic growth and regeneration, strengthening the base of the District and providing local job opportunities in an area of acute deprivation.
- 3.4 In order to build a “strong and competitive economy”, NPPF paragraph 85 outlines that planning decisions:
- “should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. This is particularly important where Britain can be a global leader in driving innovation, and in areas with high levels of productivity, which should be able to capitalise on their performance and potential”*
- 3.5 As the site lies unused, granting planning permission for a scheme that is aligned to the market’s needs will create conditions that businesses can invest in, and thus support economic growth and productivity. By focusing this activity on the retail and food services, **redevelopment will allow the area to build on its strengths** - Arun has a higher concentration of employment than the regional and national average in respect of the ‘retail trade sector’.

Regional and Local Policy Context

Coast to Capital LEP Strategic Economic Plan

- 3.6 At the Spring Budget 2023, the government announced that it would be withdrawing all central government support from LEPs from April 2024 and supporting local and combined authorities to

¹² Ministry of Housing, Communities & Local Government, 2024. National Planning Policy Framework (NPPF).

take on the functions currently delivered by LEPs¹³. It is important to note that as a result of this announcement, this policy base may not be around for much longer but still remains as a valid supporting evidence base for new development.

- 3.7 The ‘Gatwick 360’ Coast to Capital (C2C) Strategic Economic Plan sets out the steps that need to be taken to ensure that towns and cities within the Coast to Capital LEP are fantastic places to grow and succeed, in an attempt to become the “*most dynamic non-city region in England*”, highlighting that both Bognor Regis and Littlehampton have the potential to become future economic growth hubs with scope for growth and investment.
- 3.8 The strategy highlights that the following factors (among others) are behind slow economic growth within the Coast to Capital LEP area:
- Pockets of **low skills deprivation** along the coast;
 - **Businesses not growing**, with employment in SMEs being 10% lower when compared to some of the best performing LEPs; and
 - **Businesses not having the space they need to grow**, with approximately 15% of business space being lost to residential conversions.
- 3.9 In order to create the conditions for economic growth the C2C LEP have set out 8 main priorities, with following priorities being of particular relevance to the Proposed Development:
- **Developing business infrastructure and support** – actively supporting the delivery of business space for the area, developing ways to match business growth to long-term investment and prioritising the growth and development of medium-size businesses in the area through active support and promotion; and
 - **Creating skills for the for the future** – boosting productivity of the economy by giving people the skills they need to secure and maintain high quality jobs.

Arun Economic Development Strategy

- 3.10 The **Arun Economic Development Strategy (2020-2025)**¹⁴ suggests that the district is now ready for investment, possessing the businesses, people, heritage, location and room to grow. This investment will be key in tackling low skill levels and pockets of deprivation to ensure that the area continues to attract new businesses and more young people for economic and social renewal.
- 3.11 This strategy sets out a clear vision in order to create a dynamic, competitive and sustainable place to live, work and do business. The three building blocks for economic development in Arun are as follows:

¹³ Department for Levelling Up, Housing & Communities and Department for Business & Trade, 2023. Transfer of Local Enterprise Partnership (LEP) Core Functions to Combined and Local Authorities

¹⁴ Arun District Council, 2020. Economic Development Strategy (2020 – 2025).

- **Future places** – shaping places for people to live, work and visit in order to make Arun a globally connected business location with thriving towns and villages, focusing on town centre regeneration, employment space, housing and infrastructure;
- **A business story** – attracting investment and success by giving businesses the space and support needed to grow and prosper, making Arun a dynamic, diverse and growing business base, focusing on a growing business population, a strong and innovative economy and a diverse and balanced range of sectors; and
- **Prosperous and happy communities** – enabling people to live healthy, happy and prosperous lives by giving people access to skills, qualifications and employment opportunities, focusing on creating a skilled and qualified population, higher disposable household income and encouraging residents to work locally.

3.12 The strategy also suggests that there is still strong demand for employment space, with the business population growing by 15% between 2015 and 2020. There is an overarching aim to **increase local employment opportunities** in an attempt to “*redress the balance between residential development and jobs for local people*”, by ensuring that new residential development is matched by employment space.

3.13 Arun District Council are also keen to capitalise on the opportunity to adapt to “*changes in the retail sector and town centres by supporting the repurposing of former retail units for footfall-led activity such as food and drink, office, leisure, cultural, residential and social destinations*”. The Proposed Development promotes this through the provision of food service and retail, increasing footfall and bringing economic activity back to Wick.

3.14 The strategy also highlights the opportunity to provide more and better jobs for local people to reduce out-commuting, in addition to encouraging new businesses to move into the area and providing business premises that meet the needs of young, innovative businesses. The Proposed Development will capitalise on this opportunity through the provision of commercial uses within Class E(g) and B8.

Arun Economic Development Strategy Action Plan

3.15 This Action Plan is an extension of the Economic Development Strategy, and sets out a detailed summary of how the strategy will be delivered, with actions of relevance to the Proposed Development as follows:

- **Employment Space**
 - Adapting to changes in the retail sector and town centres by supporting the repurposing of former retail units for footfall-led activity such as food and drink
 - Promoting Arun as a business investment location;
- **A Growing Business Population**
 - Providing more and better jobs for local people, reduce out-commuting and attract more young people to the area
 - Encouraging new businesses to move into our area, capitalising on overspill from nearby districts where employment space is in short supply.

- **A Skilled and Qualified Population**
 - Encouraging and helping businesses to employ apprentices
 - Promoting initiatives that deliver education and skills provision to meet employer needs and helps those with the greatest barriers to work
- **Live and Work Locally**
 - Promote initiatives that deliver education and skills provision to meet employer needs and helps those with the greatest barriers to work
 - Engaging with local education and training providers to enlist their help in overcoming barriers to local working and filling skills gaps among learners and reduce out-commuting
- **High Aspirations and Achievement for Young People**
 - Working with priority sectors, including manufacturing and tourism, to promote the provision and take-up of apprenticeships

Arun Local Plan

- 3.16 Arun’s adopted Local Plan sets out a clear vision for the future of Arun and how new development can be guided to meet this vision, in addition encouraging sustainable development and managing future growth while ensuring that change across the district is appropriate meet local need. By 2031, Arun District Council are aiming to have made the area “*safer, more inclusive, vibrant and an attractive place to work and visit*”.
- 3.17 When looking specifically at Littlehampton, Arun are committed to ‘building on its distinctive character’ with local priorities including new housing and employment development that can bring tangible benefits to the town as a whole, improved business facilities and enhanced opportunities and access to services, particularly in the most deprived parts of town.
- 3.18 The main strategic objective set out within the Local Plan of relevance to this economic statement is to “*strengthen Arun’s economic base and provide local job opportunities by increasing, diversifying and improving the quality of employment within the District through the provision of appropriate employment sites, better infrastructure including road access, quality affordable accommodation and the development of business support and partnerships*”.
- 3.19 Policies of relevance within the adopted Local Plan are as follows:
- **Policy EMP SP1 ‘Strategic Economic Growth’** – highlighting the District’s aims to support the growth of the local economy to meet the needs of varying occupiers by promoting regeneration of the District’s main town centres as the focus for retail, office and leisure development, the provision of new high quality employment sites and protecting and enhancing existing and allocated employment sites;
 - **Policy EMP DM1 ‘Employment Land: Development Management’** – states that the Council will seek to protect and enhance existing employment sites and premises to maintain a supply of good quality commercial sites, by supporting measures to upgrade or

modernise existing employment areas/premises which will make a more efficient use of under-used employment sites; and

- **Policy SKILLS SP1 ‘Employment and Skills’** – states that the Council will encourage development proposals that raise skill levels and increase employability, tackle skill shortages in existing or potential business sector clusters and address barriers to employment for economically inactive people.

Arun Draft Local Plan (2023 – 2041)

- 3.20 Arun District Council is currently preparing a new Local Plan that will update the existing Local Plan and will ensure that future development needs are met sustainably to reflect the changing vision for the area. In preparation for the new Local Plan, Arun have prepared a ‘Direction of Travel’ document to set out the proposed priorities for the new Local Plan, allowing local residents to comment and give feedback on current plans.
- 3.21 The Direction of Travel (DOT) document suggests that the new Local Plan will have the following strategic objectives of relevance to the report:
- Regenerating high streets and the towns of Littlehampton and Bognor Regis, the historic attraction of Arundel and the rural economy;
 - Welcoming inward investment and quality new employers; and
 - Focusing economic investment in locations where high skilled networks can flourish.
- 3.22 The ‘Economy, Health & Wellbeing and Telecommunications & Digital Infrastructure’ chapter of the DOT suggests that there is a **need for Arun to boost the local economy including through growth in commercial services and productive distribution.**
- 3.23 When assessing the economic performance of Arun over recent years, despite employment growth increasing at faster rate when compared to regional and national rates, 2019 Gross Value Added (GVA) output for Arun was only 4% of total output for the Coast to Capital LEP. Arun’s slower growth in economic wealth when compared to the rest of West Sussex is partly due to structural weaknesses, including an older population supported by fewer younger workers.
- 3.24 Data from the DOT also suggests that the proportion of individuals with NVQ 4 level and above equivalent qualifications in Arun is significantly lower than the proportion at the Coast to Capital LEP level, suggesting that there is a need to upskill the current working age population.
- 3.25 Key issues and challenges for the ‘Economy, Health & Wellbeing and Telecommunications & Digital Infrastructure’ of relevance to the Proposed Development are as follows:
- Growing and diversifying the economy, with an ageing population supported by a smaller young workforce;
 - Increasing job diversity and skills, through developing economic evidence and strategy to promote higher skilled, knowledge-intensive jobs; and
 - Boosting wages to overcome housing affordability issues / pressures in Arun.

Local Socio-economic Context

Summary

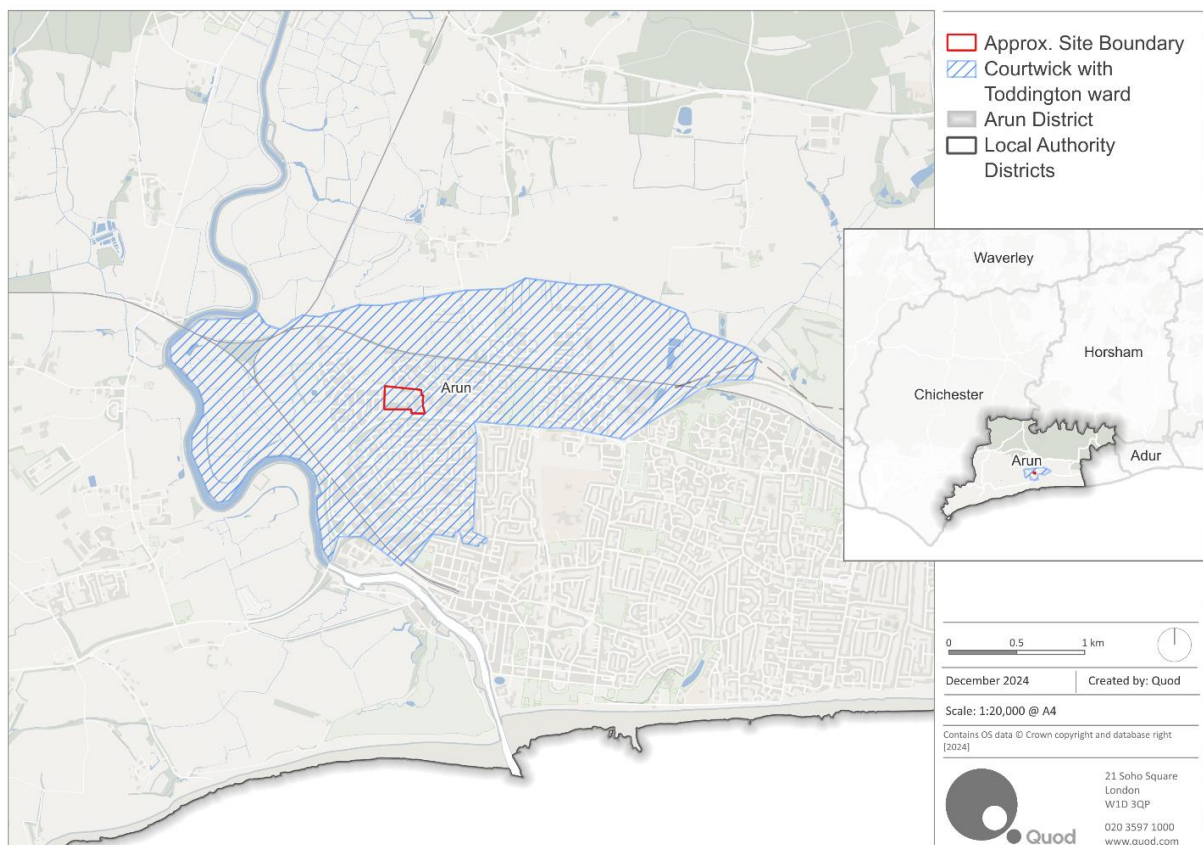
3.26 The Proposed Development site currently falls adjacent to an area within the top 10% most deprived areas in the country, driven by low earnings, poor employment opportunities and limited access to education and skills. High unemployment rates and low economic activity rates within the Local Area and Arun District also highlight the need for new economic development to provide stable, long-term and accessible employment opportunities. There is also a clear disparity in skill levels of residents, while both resident-based and workplace-based earnings in Arun are below county, regional and national levels.

Detailed Context

3.27 The Site is in the Courtwick with Toddington ward which we have defined as the 'Local Area' - as shown in **Figure 3.1**. For the purposes of this report, the baseline demographic profile of the Local Area is considered against the averages for the following geographic areas:

- Arun District (local authority district level);
- West Sussex County (county level);
- South East region (regional level); and
- England (national level).

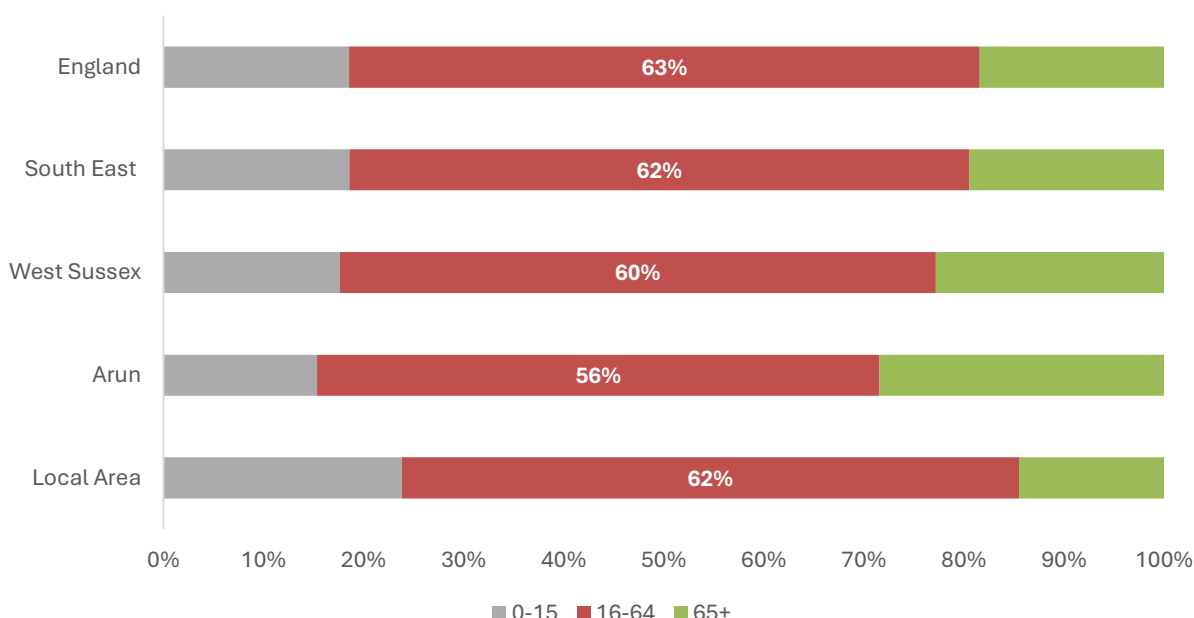
Figure 3.1 - Site Context Map



Population and Age Profile

- 3.28 Arun is one of the **fastest growing areas** in terms of population within the South East region – having grown 3 percentage points faster than the South East and National averages since 2011. This is magnified within the Local Ward area, with the population having grown by over 100% since 2011¹⁵.
- 3.29 In addition to this, Arun is recorded to have **ageing population** – with 28% of the area’s population being over the age 65, which is significantly higher than proportions at the county (23%), regional (19%) and national (18%) levels.
- 3.30 Most coastal areas in and around West Sussex are currently facing the challenge of an ageing population, resulting in lower and decreasing labour productivity and GDP per capita growth¹⁶.

Figure 3.2 - Age Profile (Census 2021)



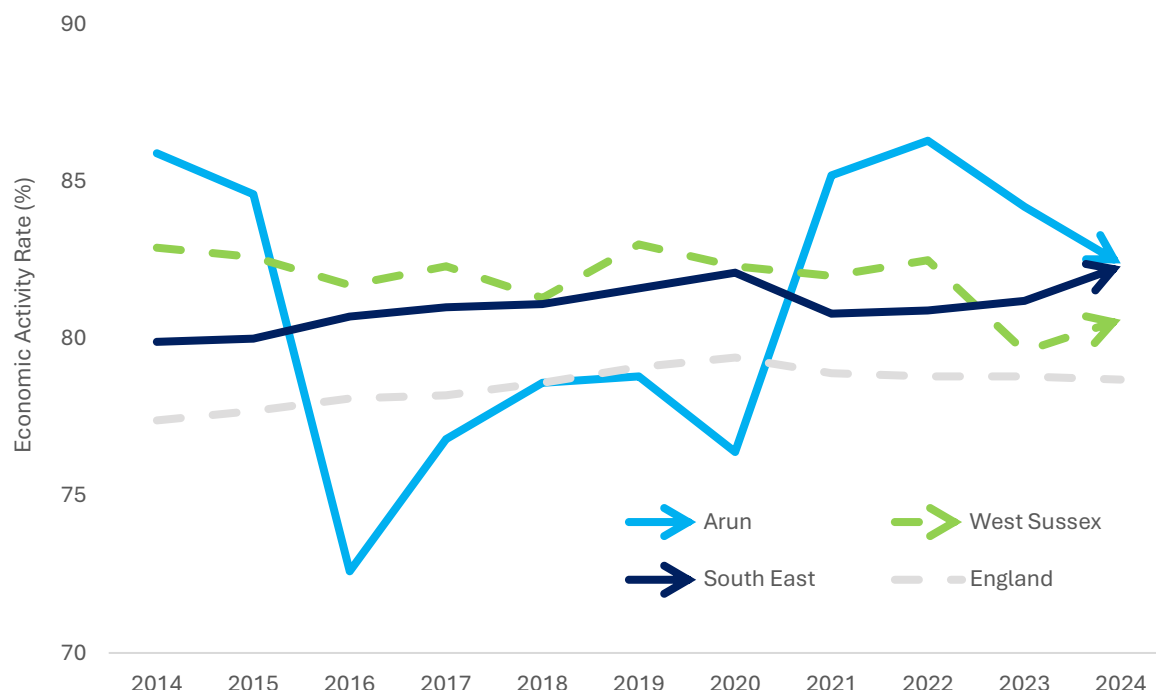
Economic Activity and Unemployment

- 3.31 Rates of economic activity have varied significantly in Arun over the last decade, with (on average) a lower rate of activity than wider scales, and particularly compared to the County and Regional averages. However this has changed in recent years.

¹⁵ Important to note that as the ward boundaries between the 2011 and 2021 Censuses have changed, Courtwick with Toddington ward covers a wider area when compared to Wick with Toddington ward. As a result of this, the population growth within the Local Area between 2011 and 2021 may be overestimated.

¹⁶ Cylus, J., & Al Tayara, L. (2021). Health, an ageing labour force, and the economy: Does health moderate the relationship between population age-structure and economic growth?. *Social science & medicine* (1982), 287, 114353. <https://doi.org/10.1016/j.socscimed.2021.114353>

Figure 3.3 - Economic Activity Rates between 2014 and 2024 (APS, 2024)



3.32 2021 Census¹⁷ suggests that the main economic reason for economic inactivity is retirement, with this reason recorded to account a particularly high proportion of economically inactive residents in Arun (71%) when compared to county, regional and national levels (67%, 60% and 55%, respectively). Family/home carer commitments and long term sickness/illness were also recorded to driving economic inactivity within the Local Area – accounting for 14% and 16% of total economic inactivity, respectively.

3.33 Despite a recent reduction in economic inactivity in Arun as shown by Annual Population Survey data, claimant count data¹⁸ from October 2024 reveals a **claimant rate (as a proportion of all working age residents aged 16 to 64 claiming employment-related benefits) of 3.7% for Arun**, which is greater than the West Sussex (3.1%) and regional (3.3%) averages.

3.34 The **claimant rate for the Local Area is even more acute at 5.1%**, while 2021 Census data also shows the Local Area to have a higher unemployment rate (5.4%) when compared to county (4.8%) and regional (4.9%) rates, highlighting the severity of the unemployment problem within the area surrounding the Proposed Development.

3.35 According to jobseekers allowance data from the ONS, a higher proportion of people claiming jobseeker's allowance (JSA) and national insurance credits at Jobcentre Plus local offices that are

¹⁷ ONS, 2021. 2021 Census - TS066 - Economic activity status.

¹⁸ Claimant count data provides the most recent information on the number of people claiming unemployment-related benefits in a particular spatial area, which includes Jobseekers' Allowance and Universal Credit. The count is calculated for all working age residents aged between 16 and 64 years. This dataset is unable to capture all unemployed individuals as some local residents may not claim these benefits or may be ineligible

seeking jobs in lower skilled occupations¹⁹ within the Local Area (75%) and Arun (59%) when compared to county (56%), regional (52%) and national (55%) averages.

- 3.36 As these are the types of jobs that the retail (Class E(a)/E(b)) components of the Proposed Development are set to provide, it is clear that proposals will assist in reducing unemployment and providing jobs in the occupations that are in most demand, both locally and within the wider district area.
- 3.37 In Arun, there are 15,500 working age residents (16-64) who are economically inactive, equating to 1 in 6 of the borough's working age population. A further 1,800 residents (16 to 64) are **unemployed and actively seeking work**, according to the Annual Population Survey suggesting new employment opportunity is needed to address a significant issue in the labour market.

Current Use at the Site

- 3.38 According to a **Marketing Summary report** prepared by Flude²⁰ the existing building at the site is not currently viable in terms of general market demand relating to its energy efficiency, quantum of office and warehousing floorspace, location (for strategic logistics) and design standards including height. For these reasons, despite active marketing, the site has **been vacant for over 2.5 years and is unlikely to fulfil current or future market needs**.
- 3.39 The existing building currently comprises a detached warehouse/office building, configured as approximately c.43% offices and c.57% warehousing which does not align with the high majority of modern occupiers' requirements where buildings are required to have no more than 5-10% office space. As a result of this, over 30% of the current accommodation could be viewed as obsolete, which together with occupiers being sensitive to cost and the additional cost to take on office content and 'consider options later' is likely to be a cause of low interest in the building.
- 3.40 Most occupiers now take into account the volume metric for storage, brought into play with sought-after buildings generally offering higher clear eaves of 6m – 10m plus for increased operational efficiency and as such, many older units such as this are in need of substantial investment or in many cases re-development to make them viable.
- 3.41 It is also important to note that administration, accounting and IT functions have all been downsized across businesses, with many of these roles now being automated. The Covid-19 pandemic has also resulted in a significant shift in the demand for offices, with the 'hybrid' and 'work-from-home' models now appealing to businesses as a cost saving benefit.
- 3.42 In addition to this, the current gas heating system will have a negative long-term impact on the energy efficiency of the building, and with no solar, EV charging points or renewable energy sources, there would be a substantial cost to replace the current heating system with an upgraded energy efficient system.
- 3.43 As a result of this, it can be concluded that the site lends itself to wider redevelopment with modern, sustainable and efficient units. In addition to this, the Retail Impact Assessment

¹⁹ Sales and customer service occupations, process, plant and machine operatives and elementary occupations

²⁰ Flude, 2024. Marketing Summary Report – Former Parker Building, New Courtwick Lane, Littlehampton.

prepared by Quod²¹ also demonstrates that no sequentially preferable site exists that is available, suitable and viable to accommodate the retailer proposed, with the likely trading effects of the proposal not expected to be significantly adverse (as per the policy test) on planned future investment or vitality and viability of neighbouring centres (including Littlehampton and Rustington).

Wider Employment and Sectors in the Area

- 3.44 BRES data shows there to have been **high recent growth rates in jobs between 2015 and 2023** within the Local Area (30%, or 920 jobs) and Arun (13%) when compared to rates at the county (7%), regional (5%) and national (9%) levels.
- 3.45 This high local growth may be misleading – it has predominantly been driven by net change in transport and storage (+325), which has helped to offset a net *decrease* in retail and wholesale jobs (-225). As more locally-focused sectors decline, there is likely to be a localised regression in economic activity, employment and access to entry-level opportunities with sustainable careers that retail offers.

Figure 3.4 - Absolute Change in Jobs within the Local Area between 2015 and 2023 (BRES, 2015 and 2023)



- 3.46 Despite recent decline in numbers, the retail sector is recorded to be dominant in both the Local Area (19%) and Arun (12%) – with the sector accounting for lower proportions of total county, regional and national level employment. This dominance is shown by the Local Area and Arun

²¹ Quod, 2024. Former Parker Building, New Courtwick Lane, Littlehampton - Retail Impact Assessment

having a higher concentration of employment than the national average in respect to the **retail sector**, with location quotients²² of 2.3 and 1.7, respectively.

- 3.47 The **‘accommodation and food services’** sector is recorded to be second largest sector within Arun, accounting for 15% of total employment and having a higher concentration of employment when compared to the national average – with a location quotient of 1.9.
- 3.48 The **transport & storage sector** is also recorded to have a higher concentration of total employment within the Local Area when compared to the national average – with a location quotient of 1.7.
- 3.49 Arun currently has a relatively low jobs density²³ at (0.65 jobs per working age resident) compared to jobs density in West Sussex (0.86 jobs per working age residents), the South East (0.87 jobs per working age residents) and England (0.88 jobs per working age residents), highlighting the need for increased employment within the district area.

Drivers of Deprivation

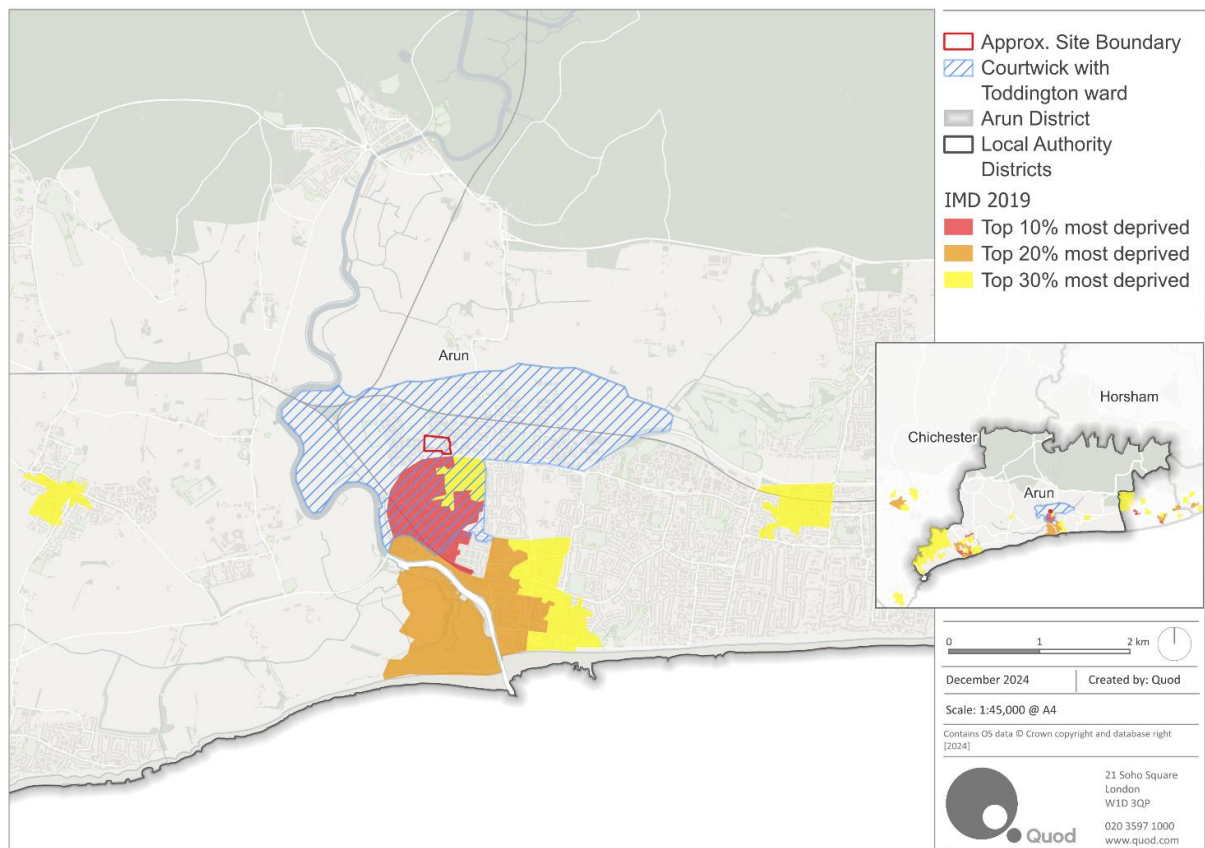
- 3.50 **Figure 3.5** below shows the relative levels of deprivation surrounding the Site. The area immediately adjacent the Proposed Development site experiences some of the highest relative deprivation levels in the country, with some areas amongst the top 10% and the top 20% most deprived in England²⁴.

²² Location quotients are used to quantify how concentrated a particular industry or occupation is in an area when compared to a larger area.

²³ Job density can be defined as the number of jobs per resident aged 16-64. The total number of jobs is a workplace-based measure and comprises employees, self-employed, government-supported trainees and HM Forces.

²⁴ The Government’s Indices of Multiple Deprivation measures deprivation by combining a number of indicators which include social, economic and housing factors to give a single deprivation score for each small area across England. All areas across England are then ranked relative to one another according to their level of deprivation

Figure 3.5 - Indices of Multiple Deprivation

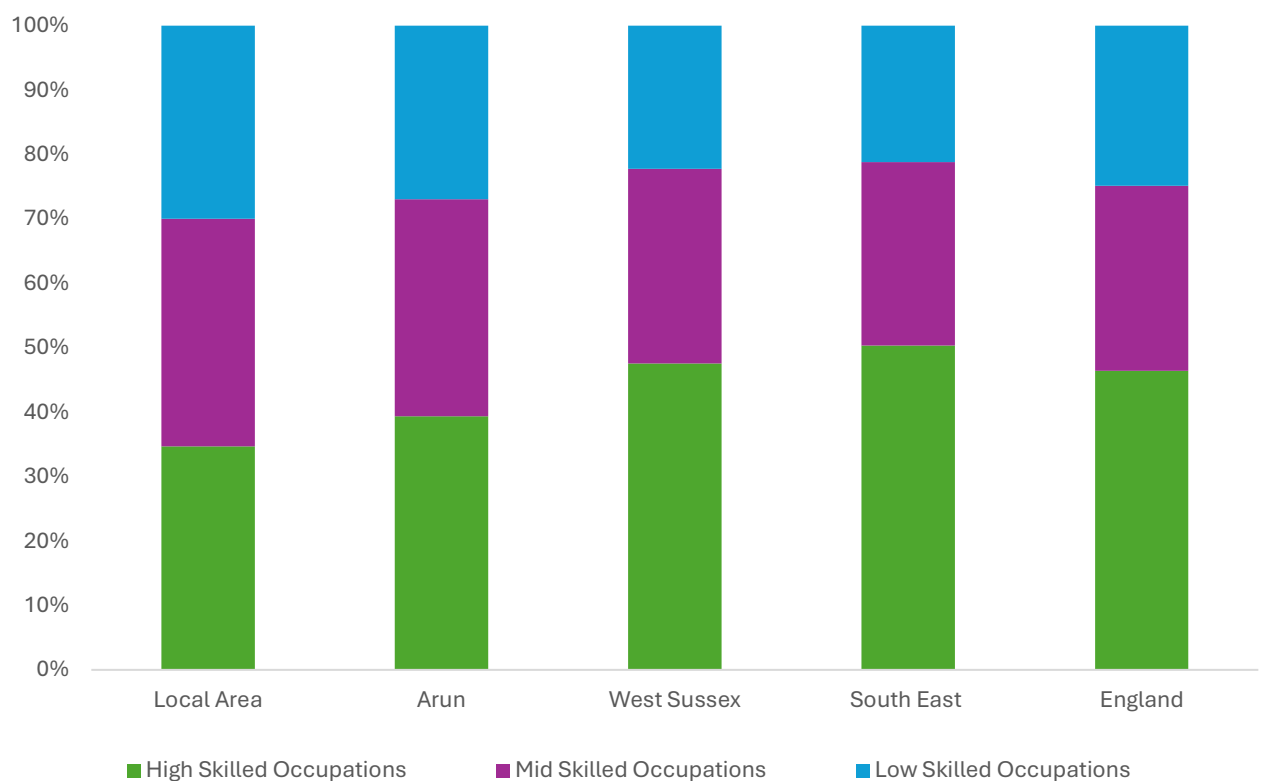


3.51 Deprivation in this area is **driven by sub-domains of income (i.e. low earnings), employment, access to education and skills, and health and wellbeing.**

Skills, Qualifications and Income

3.52 Data from the 2021 Census suggests that there is a **disparity in skill levels** of residents within the Local Area and Arun compared to wider averages, with the Local Area's residents more likely to be working in lower and mid-skilled roles.

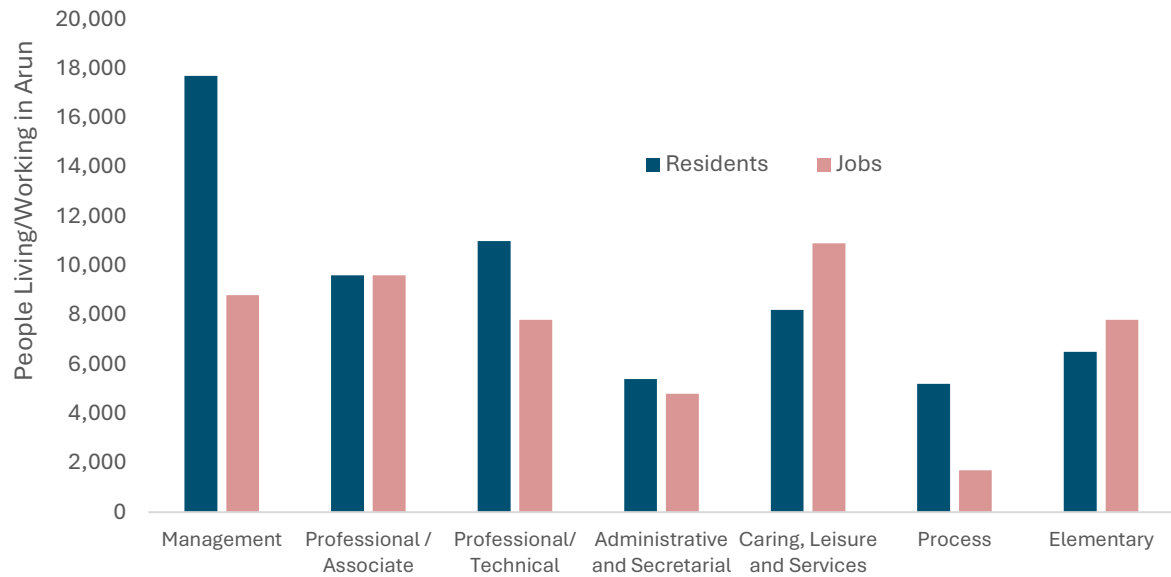
Figure 3.6 - Occupational Skills Profile (Census 2021)



3.53 When considering the balance of jobs and residents by skill level, data from the Annual Population Survey suggests that **Arun exports 12,100 management/professional level residents to jobs outside the Borough, in addition to 3,500 process, plant and machine operatives jobs and 600 administrative and secretarial jobs – these workers could advantage of more accessible opportunities locally.**

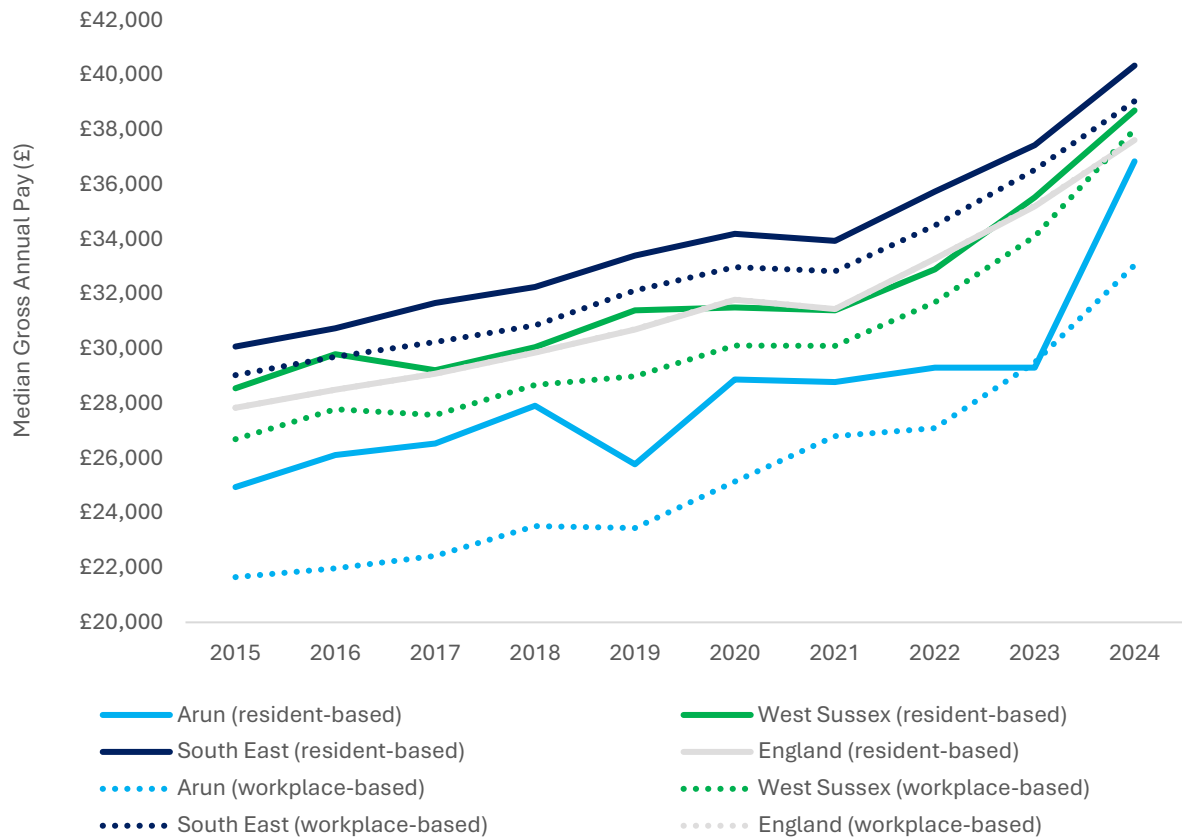
3.54 The Proposed Development would provide a range of roles in skill types that encourage more local residents into work, and into work locally.

Figure 3.7 - Balance of Jobs and Residents by Skill Levels (APS, 2024)



- 3.55 In addition to this, the proportion of individuals with **higher qualifications** within the Local Area (23%) and Arun (26%) is considerably lower than proportions at the county (33%), regional (36%) and national (34%) levels. Both the Local Area and Arun have **higher proportions of individuals with no qualifications** (20% in both areas) and GCSE/A-level equivalent qualifications (at 49% and 44%, respectively) when compared to proportions at the county, regional and national levels.
- 3.56 This suggests that retail jobs that the Proposed Development is set to generate will fit well with the current skills profile of the area, supporting local residents with low or no qualifications into sustainable careers with the opportunity to progress and gain technical and management skills.
- 3.57 Data from the Annual Survey of Hours and Earnings suggesting that Arun has **lower-resident based and workplace-based earnings** when compared to earnings at the county, regional and national levels. Both resident-based and workplace-based earnings for Arun have been recorded to be lower than earnings across all other spatial scales since 2015.

Figure 3.8 - Resident-based and Workplace-based Median Earnings (ASHE, 2024)



4 Delivering Socio-economic Benefits

Construction Employment (Information available for Phase 1 only)

- 4.1 **Phase 1 of the Proposed Development would generate temporary, short term but productive employment during its 32-week construction period. Construction employment is highly mobile, supporting local firms and a high proportion of self-employed residents.**
- 4.2 The Construction Industry Training Board (CITB) Labour Forecasting Tool provides an estimate of monthly labour requirements based on the estimated construction cost and projected duration by assessing the output of each occupation and trade within the construction sector. This figure has been used to estimate the quantum of employment generated by the Development within the sector as a whole.
- 4.3 When calculating construction jobs, the Labour Forecasting Tool assumes that there are 20 occupations²⁵ that are of direct relevance to the on-site element of the construction phase of development. Direct, on-site full time equivalent (FTE) construction jobs are calculated by summing the generated monthly labour requirement for the 20 occupations identified as being directly relevant to the construction phase and dividing this figure by the duration of construction in months.
- 4.4 **It is estimated that the Phase 1 of the scheme would support the employment of a gross average of 74 direct, on-site FTE construction roles over the duration of construction (around 32 weeks).**
- 4.5 The figure above only considers direct, on-site construction employment, with occupations that are expected to be off-site being taken out of the Labour Forecasting Tool when generating this figure. **When considering the occupations that are likely to be offsite, it is estimated that Phase 1 of the scheme could generate a total average of over 152 FTE construction roles over the construction period, including 78 offsite roles.** These roles are likely to be based over a wide area, in some cases nationally, and have therefore not been included within the consideration of local benefits.
- 4.6 Construction employment is highly mobile, with travel to work patterns being wider than average. This is demonstrated within Construction Industry Training Board (CITB) surveys, with a third of workers in the UK having travelled more than 50 miles away from their permanent homes²⁶. According to CITB research, approximately 40% of construction workers working between 21 and

²⁵ Construction occupations include (HSC05) Construction trades supervisors, (HSC06) Wood trades and interior fit-out, (HSC07) Bricklayers, (HSC08) Building envelope specialists, (HSC09) Painters and decorators, (HSC10) Plasterers, (HSC11) Roofers, (HSC12) Floorers, (HSC13) Glaziers, (HSC14) Specialist building operatives not elsewhere classified (nec*), (HSC15) Scaffolders, (HSC16) Plant operatives, (HSC17) Plant mechanics/fitters, (HSC18) Steel erectors/structural fabrication, (HSC19) Labourers not elsewhere classified (nec*), (HSC20) Electrical trades and installation, (HSC21) Plumbing and heating, ventilation and air-conditioning trades, (HSC22) Logistics, (HSC23) Civil engineering operatives not elsewhere classified (nec*), (HSC24) Non-construction operatives

²⁶ CITB, 2023. Workforce Mobility and Skills in the UK Construction Sector 2022 – UK-wide Report

50 miles away from their place of residence. As a result, the construction employment effects should be considered at the regional (or wider) scale.

- 4.7 The gross totals above should be considered in terms of their ‘additionality’ – i.e. the extent to which the employment supported would be subject to leakage, displacement and multiplier effects.
- 4.8 The nature of construction is that employees move from project-to-project and site-to-site but remain with a single employer who would be sub-contracted to work on a specific project. Survey data from CITB²⁷ suggests that in South East, 32% of construction workers are employed on a temporary basis. As a result of this, displacement has been assumed to be zero as all construction employment supported would be additional, and without the project, no work would be generated.
- 4.9 According to CITB research, approximately 24% of construction workers working in South East reside outside of this region. As a result of this, a leakage factor of 24% has been applied to account for some of the employment being taken up by people residing outside of the area and commuting in or staying locally for short periods.
- 4.10 The production of materials, in addition to goods and labour closely related to construction activity, will result in positive indirect economic effects which would be determined by where contracts for materials are procured. As we expect there to be limited local supply linkages and induced or income effects, we have assumed that the multiplier level is low. As construction is considered at the regional level, we have used a the regional composite multiplier of 1.3 as referenced in the Additionality Guide.
- 4.11 **Applying the deadweight, displacement, leakage and multiplier to the gross construction employment figures results in a total of 73 FTE net additional construction jobs.**

Productivity Benefits

- 4.12 In 2021, the construction sector generated Gross Value Added (GVA) in the region of £19.9bn in the South East region in 2021, resulting in an estimated GVA per construction worker of around £72,331 (applied to the estimated figure of construction jobs in the South East from CITB). **The on-site net additional construction employment within Phase 1 would generate around £3.2 million in GVA within the regional construction economy (based on average GVA per head in the construction industry).**

Operational Employment in Phase 1

- 4.13 **Once operational, the Proposed Development will provide space for a range of national and local firms with established track records in local employment and skills, providing opportunities for sustainable career pathways.**
- 4.14 The operational floorspace within Phase 1 will comprise a retail store (Use Class E(a)/E(b)) and two Drive-thru facilities (sui generis) , delivering a range of different types of jobs and skills.

²⁷ CITB, 2023. Workforce Mobility and Skills in the UK Construction Sector 2022 – South East Report

- 4.15 The exact number of operational jobs, and the nature and skill required of these jobs, will be determined by the end-user occupiers. Avant Homes have provided us with employment information for the expected occupiers of the new units.
- 4.16 As highlighted in Section 2 of this report, both the Local Area and Arun district are recorded to have larger proportions of individuals with GCSE/A-level equivalent qualifications when compared to county, regional and national averages. As a result of this, it is believed that local people will be well placed to take the entry-level retail roles that are generated by the Proposed Development.
- 4.17 Avant Homes expect Aldi, McDonald's (drive-thru) and Costa Coffee (drive-thru) to occupy the retail units that are set to be delivered as part of the Proposed Development. The following employment information was received by the expected occupiers:
- Aldi stores deliver **approximately 40 full-time equivalent jobs** per store;
 - A typical Costa Coffee outlet will provide **15 full/part time jobs with flexible shifts** - this is typically the equivalent of **8 full-time equivalent jobs**; and
 - The McDonalds unit is expected to provide up to **120 jobs**, equating to **62 full-time equivalent jobs**.
- 4.18 **Overall, the proposed floorspace could support approximately 110 gross full-time equivalent jobs.**
- 4.19 The employment uses that could come forward at the Site vary in how they are occupied by employees based on the activity taking place.
- 4.20 Similarly to the construction period, the deadweight within the operational period of development will be 0% as if the project were not come forward, there would no operational jobs generated.
- 4.21 As a result of the prevailing conditions in the labour market, displacement is likely to be at the medium level. Where displacement is assessed as medium, a figure of 50% is appropriate according to the HCA Additionality Guide.
- 4.22 As the majority of benefits from scheme are expected to go to residents of the local area, leakage for the operational period of development is expected to be low. Where leakage is assessed as being low, a figure of 10% is appropriate according to the HCA Additionality Guide.
- 4.23 This will result in a net direct employment figure which can be applied to a multiplier to estimate the direct and indirect effect of the operational period of the proposed development on the labour market.
- 4.24 The size of this multiplier would vary according to a range of factors including the extent to which companies on-site buy supplies or services from companies in the surrounding area and how much of the additional income generated by the extra employment is spent in the local area. The HCA Additionality Guide suggests a composite multiplier of 1.21 for Class E(a)/E(b) development.
- 4.25 **Applying the deadweight, displacement, leakage and multiplier to the gross employment figure generates approximately 60 net additional operational jobs.**

Operational Employment in Phase 2

- 4.26 **Once operational, the Proposed Development will provide space for a range of national and local firms with established track records in local employment and skills, providing opportunities for sustainable career pathways.**
- 4.27 The operational floorspace within Phase 2 will comprise B1c (light industrial space) and B8 (storage and distribution).
- 4.28 A common misconception about light industrial and trade counter businesses is that they employ only low-skilled workers, working in manual roles, at a reasonably low job density. However, these types businesses are becoming more complex, and more IT-driven, and the required skills and expertise to work in these businesses is changing and diversifying. Today, and looking to the future, there is a reduced need for more manual skills, such as picking and packing, and an increased need for higher skilled roles.
- 4.29 Technology advances mean that higher skilled jobs are now the norm, requiring expertise and skills across automation, data analysis, IT, robotics and engineering, at both more junior and senior levels. This upskilling transition has ushered in increased productivity, higher value jobs, and higher pay (which has knock on benefits for spending in the local economy).
- 4.30 The exact number of operational jobs, and the nature and skill required of these jobs, will be determined by the end-user occupiers. Some are known, but others have been estimated using standard job density guidelines²⁸ published by the Homes and Communities Agency (HCA). The HCA recommends a density of between 70 and 95 sqm of floorspace per B8 job, and 47 sqm of floorspace per B1c job.
- 4.31 As highlighted in Section 2 of this report, both the Local Area and Arun district are recorded to have larger proportions of individuals with GCSE/A-level equivalent qualifications when compared to county, regional and national averages. As a result of this, it is believed that local people will be well placed to take the entry-level retail roles that are generated by the Proposed Development.
- 4.32 **Overall, the proposed floorspace could support between 108 to 148 gross FTE jobs.**
- 4.33 This range is down to the flexibility in the level of floorspace that could come forward and the range of employment requirements that different light industrial companies and trade counter companies. The employment uses that could come forward at the Site vary in how they are occupied by employees based on the activity taking place.
- 4.34 Similarly to the construction period, the deadweight within the operational period of development will be 0% as if the project were not come forward, there would no operational jobs generated.

²⁸ Homes and Communities Agency, (2015). Employment Density Guide.

- 4.35 As a result of the prevailing conditions in the labour market, displacement is likely to be at the medium level. Where displacement is assessed as medium, a figure of 50% is appropriate according to the HCA Additionality Guide.
- 4.36 As the majority of benefits from scheme are expected to go to residents of the local area, leakage for the operational period of development is expected to be low. Where leakage is assessed as being low, a figure of 10% is appropriate according to the HCA Additionality Guide.
- 4.37 This will result in a net direct employment figure which can be applied to a multiplier to estimate the direct and indirect effect of the operational period of the proposed development on the labour market.
- 4.38 The size of this multiplier would vary according to a range of factors including the extent to which companies on-site buy supplies or services from companies in the surrounding area and how much of the additional income generated by the extra employment is spent in the local area. The HCA Additionality Guide suggests a composite multiplier of 1.29 for B2/B8 development.
- 4.39 **Applying the deadweight, displacement, leakage and multiplier to the gross employment figures set out a range of 63 – 86 net additional operational jobs.**

Total Operational Employment

- 4.40 **In summary, applying the deadweight, displacement, leakage and multiplier to the gross employment figures set out a range of 122 – 146 net additional operational jobs.**

Local Opportunity – Employment and Skills Benefits

Local Employment

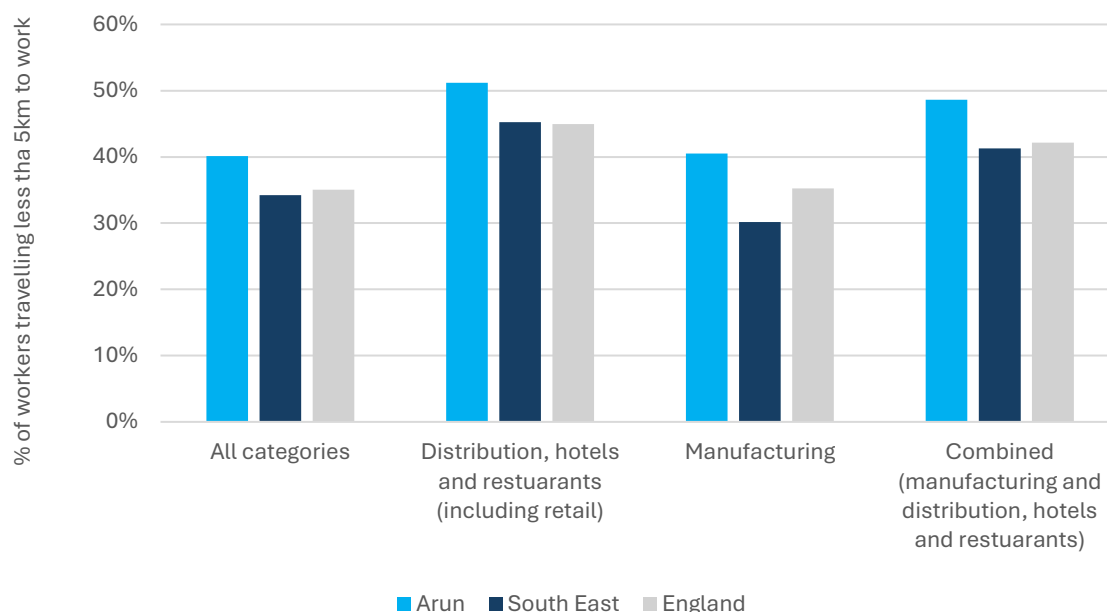
- 4.41 Data from the 2011 Census²⁹ suggests that ‘distribution, hotels and restaurants’ jobs³⁰ are more likely to be taken by local residents – just over a half (51%) of workers within this sector travel less than 5km to get to work which is higher than proportions at the regional and national levels (both at 45%), with over half of these workers in Arun travelling less than 5km to get to work, which is also higher than regional and national proportions (both at 45%).
- 4.42 When looking both the manufacturing sector and the distribution, hotels and restaurant sector³¹, 49% of workers within these sectors also travel less than 5km to get to work, exceeding proportions at the regional and national levels (41% and 42%, respectively).

²⁹ ONS, 2011. Census 2011 - WP7606EW - Distance travelled to work by industry (Workplace population).

³⁰ Proxy for individuals that will work within the retail (Class E(a)/E(b)) space within Phase 1.

³¹ Proxy for individuals that will work in light industrial and storage space within Phase 2.

Figure 4.1 - Proportion of workers travelling less than 5km to work (2011 Census)



4.43 As such, the type of jobs created in both phases of the Proposed Development will be more likely to go to local people, as a result of the trend in travel-to-work patterns for these types of roles, but also due to the mixed range of skills that would be required for these roles.

4.44 These jobs will provide a range of roles, at different skill levels, including entry-level roles, low to medium skilled roles and high-skilled roles. The scheme therefore presents a range of opportunities for local people including:

Entry Level Opportunities

4.45 For school and training leavers, providing a first step into work that could lead to high-skilled work in the future.

4.46 Based on public datasets (Census 2021) - which provide detail on the occupational skill breakdown by industry, and the level of qualification attainment for each of those occupational skill brackets - for the wider retail, food & drink sector and the light industrial/trade counter sector in Arun it is possible to know the type of skills that generally make up the workforce, and the qualifications gained on average by those workers who gained the jobs.

4.47 Looking specifically at the bracket with school-leaving level qualifications gives us an idea of the opportunity that this development can bring.

4.48 Using ONS data from the 2021 Census on industry by highest level of qualification to consider routes to employment (from either unemployment i.e. actively seeking work and claiming benefits, of economic inactivity) means that we can expect:

- a) around **63% of the Class E(a)/E(b) and sui generis** jobs supported by **Phase 1** to be accessible by school leavers; and

- b) around **53% of the light industrial and trade counter** jobs supported by **Phase 2** to be accessible by school leavers.

Apprenticeship Opportunities

- 4.49 Data from the ONS suggests that the 'wholesale and retail trade' sector (which reflects the majority of all jobs within Phases 1 and 2) was recorded to be **the second biggest industry in terms of apprenticeship starts across the UK, accounting for 11% of all apprenticeship starts**³².
- 4.50 In addition to this, all potential occupiers that are set to occupy retail units within Phase 1 run well established apprenticeship schemes³³ which could offer apprenticeship opportunities to local people.

Lower Skilled Opportunities

- 4.51 According to ONS data from the 2011 Census on industry by highest level of qualification, we expect the proportion of jobs for individuals with limited qualifications to be in line with the following:
 - a) around 13% of the **Class E(a)/E(b) and sui generis** jobs supported by **Phase 1** are expected to be accessible to individuals with no formal qualifications; and
 - b) around 13% of the **light industrial and trade counter** jobs supported by **Phase 2** are expected to be accessible to individuals with no formal qualifications.
- 4.52 With both the Local Area and Arun having higher proportions of individuals with no qualifications when compared to regional and national rates, the Proposed Development will provide these individuals with a path to employment, a platform to progress and an opportunity to develop customer service, communication, business understanding and problem solving skills.

Higher Skilled Opportunities

- 4.53 The Proposed Development will provide opportunities for local people to up-skill and train into new roles. ONS data on occupation by industry suggests that **29% of retail, trade counter and light industrial**³⁴ **manufacturing, distribution, hotel and restaurant jobs will be in high skilled occupations** while typical warehouse data suggests that **at least 20% of roles would be “back office” type roles, half of which would be management level.**
- 4.54 Jobs in light industrial sectors (defined as Manufacturing, Distribution, Hotels and Restaurants by the ONS Standard Industrial Classification) and retail sectors (defined as Distribution, Hotels and

³² <https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships-in-england-by-industry-characteristics>

³³ Aldi offer stores, warehouse operations and driver apprenticeships, Costa offer people, supply chain, and property apprenticeships and McDonald's offer Crew Member, Customer Care Assistant, Customer Experience Leader or Shift Leader apprenticeships.

³⁴ The dataset we have used to when looking at occupation by industry only looks at the following industrial categories: (A, B, D, E) Agriculture, energy and water, (C) Manufacturing, (F) Construction, (G, I) Distribution, hotels and restaurants, (H, J) Transport and communication, (K, L, M, N) Financial, Real Estate, Professional and Administrative activities, (O, P, Q) Public administration, education and health and (R, S, T, U) Other. We have used 'Manufacturing' as a proxy for the light industrial jobs and distribution, hotels and restaurants as a proxy for retail and trade counter jobs. 'G, I Distribution, hotels and restaurants' includes the SIC 07 groups 'G Wholesale and retail trade; repair of motor vehicles and motor cycles' and 'I Accommodation and food service activities'.

Restaurants by the ONS Standard Industrial Classification) create a range of occupations (defined by skill).

4.55 Using Standard Industrial Classification (SIC) by Standard Occupational Classification (SOC) data produced within the 2011 Census for Arun³⁵ to consider the proportion of ‘higher skilled’, ‘mid-level’ and ‘lower-skilled’ jobs set to be generated by the Proposed Development, we can expect:

- a) for the **Class E(a)/E(b) and sui generis** jobs supported by **Phase 1**, around 26% of jobs in the **retail** sector are in higher skilled occupations such as management and professional roles, 23% are in medium skilled occupations (including skilled trades and sales), and over half (51%) are in lower skilled occupations.
- b) for the **light industrial and trade counter** jobs supported by **Phase 2**, around **29% of jobs in manufacturing, distribution, hotels and restaurants are in ‘higher’ skilled occupations**, with 25% in ‘mid-level’ roles and 46% in lower skilled occupations (such as process and elementary roles).

Occupational Skills Summary

4.56 Applying the above breakdown to the estimated the minimum **60 jobs supported in Phase 1** and **86 jobs supported in Phase 2** net of the Proposed Development implies that the jobs provided can provide a diverse range of skills from entry-level and return-to-work roles to higher-level, higher earning positions:

Table 4.1 – Net Additional Jobs by Estimated Occupational Skill Level

Jobs by Skill Level	Net additional jobs supported by Phase 1	Net additional jobs supported by Phase 2
TOTAL JOBS	60	86
Management	16	25
Professional / Associate		
Professional/ Technical		
Administrative and Secretarial	13	22
Skilled Trades		
Caring, Leisure and Services		
Sales and Customer Services	31	39
Process		
Elementary		

4.57 This development therefore provides the flexibility of significant opportunities at both ends of the market – providing much needed employment opportunity for those in economic inactivity /

³⁵ ONS, 2011. 2011 Census – Occupation (full) by industry (full)

unemployment or seeking to enter the workplace for the first time (or re-enter it), as well as responding to the high-end skills and qualifications also prevalent in the district's workforce.

4.58 This Proposed Development offers a significant opportunity to provide a range of jobs in sectors that pay relatively well and support different skill levels and productivity rates, and critically will support the delivery of a step-change in employment in strong and growing sectors in that exploit the Local Area's and Arun's existing competitive advantage. The retail (Class E(a)/E(b)) jobs created within the process and elementary occupations will also good career progression, enabling local employees to develop new skills and gradually increase earnings with experience – shown by Costa's high internal promotion rate³⁶.

4.59 The occupied scheme will offer a range of occupations and skills to match the range of jobs sought by local residents. This demonstrates that the Proposed Development will be in line with the following local policy and strategy objectives:

- Policy EMP SP1 'Strategic Economic Growth' of the Arun Local Plan which highlights the need for development to promote economic growth and regeneration, provide local jobs and strengthen the economic base of the district;
- The aim to increase local employment opportunities in an attempt to “*redress the balance between residential development and jobs for local people*” as highlighted within Arun's Economic Development Strategy; and
- The aim to provide more and better jobs for local people and to reduce out-commuting, while also encouraging new businesses to move into the area as highlighted within Arun's Economic Development Strategy.

Wider Economic Contribution of Employees (Wages and Spending)

Phase 1

4.60 The net-additional operational jobs within Phase 1 would support **wages in the region of c.£891,000 to c.£1,560,000, which would contribute to additional spending within Arun**, supporting more employment and economic activity at other businesses. It is not possible to quantify these effects as they are induced, but they will be beneficial.

4.61 In addition to this, Aldi who are potential occupiers of the some of the retail space with the first phase of the Proposed Development ensure that all staff will have a starting hourly rate of £12.40, while Costa (who are potential occupiers) have also committed to paying at least the minimum wage for 25+ year olds regardless of age and currently operate a bonus scheme for all employees. The Direction of Travel document for the new Arun Local Plan highlights the need for a boost in Arun's wages to allow for housing affordability, which the Proposed Development will contribute positively to.

4.62 The net-additional operational employees will spend a portion of their wages in the local economy, such as picking up items before or after work, or going for lunch. Workers in the UK spend an estimated £14.31 per day in the local area around their place of employment³⁷. On this

³⁶ Savills, November 2024.

³⁷ Visa Europe, 2014. UK Working Day Spending Report. (Daily spending rate has been adjusted to account for inflation based on Bank of England inflation rate change since 2014).

basis, the jobs created within Phase 1 of the Proposed Development could **generate approximately c.£189,000 per year per year in local spending.**

Phase 2

- 4.63 The net-additional operational jobs within Phase 2 would support **wages in the region of £2.1 million to £3.3 million, which would contribute to additional spending within Arun**, supporting more employment and economic activity at other businesses. It is not possible to quantify these effects as they are induced, but they will be beneficial.
- 4.64 The net-additional jobs created within Phase 2 of the Proposed Development could **generate up to between £197,000 and £270,000 per year per year in local spending.**

Productivity (GVA) and Business Rates

Phase 1

- 4.65 The increase in employment will make an economic contribution in terms of Gross Value Added (GVA). **Using data on regional level GVA , the new operational jobs are estimated to generate approximately c.£4.0 million per year.**
- 4.66 Business rates are a tax on non-domestic properties. Rates are levied on business properties on the basis of their rateable value and the national multiplier. The amount payable may then be subject to a number of reliefs or exemptions.
- 4.67 Research through the Valuation Office Agency provides information on the rateable value of similar uses within the local area surrounding the site. Applying these values to the proposed uses indicates that Phase 1 could generate approximately **£310,000** in the form of business rates revenue annually.

Phase 2

- 4.68 The increase in employment will make an economic contribution in terms of Gross Value Added (GVA). **Using data on regional level GVA , the new operational jobs are estimated to generate between £5.1 million and £6.9 million per year.**
- 4.69 Phase 2 could generate approximately **£344,000** in the form of business rates revenue annually.
- 4.70 When combined, phases 1 and 2 of the Proposed Development could generate approximately **£655,000** in the form of business rates revenue annually – **a proportion of which can be retained by local authorities to spend on identified priorities. This equates to 2% of total business rates collected by Arun in 2023.**

Meeting Wider Market Needs

Phase 1 – Retail and Food Service

- 4.71 **Phase 1** of the Proposed Development directly responds to local market demand for retail and food service – as set out further within the **Retail Impact Assessment** as part of the application. It will allow Arun to build on its strengths, with the district having a higher concentration of

employment in the ‘retail trade’ sector when compared to regional and national averages, and as demonstrated above, meet short-term and longer, sustainability objectives providing for local employment at well over 50%.

- 4.72 The Proposed Development will address these issues by providing a range of roles, at different skill levels, including entry-level roles, low to medium skilled roles and high-skilled roles. In addition to this, Aldi have committed to having a starting hourly rate of £12.40 while Costa have committed to paying the minimum wage and also have a bonus scheme, which will contribute positively to the Arun’s objective to boosting wages.
- 4.73 **Phase 1** will bring forward up to nearly 40 net new FTE jobs in retail, food and customer service roles that offer sustainable, entry-level employment and the opportunity for career development and enhancement. It is likely that the employment opportunities will be flexible and offer a mix of full- and part-time roles providing skills and employment for those furthest from the labour market or looking to return to work, maximising the increase in economic activity locally and helping to redress existing deprivation in the local community (which is largely driven by economic factors).

Phase 2 – Light Industrial and Trade Counter

- 4.74 **Phase 2** will then build on this to deliver employment and economic activity in light industrial and trade counter roles. This is an important step-change in the activity on the Site, which is currently in traditional ‘B-class’ use but with premises that are out-dated and not serving the market in this area. The sector is growing and changing, and the proposed floorspace meets an identified market demand, delivering against local and national policy aspirations, while also offering high productivity and skilled employment.
- 4.75 As highlighted within the Flude Marketing Report³⁸, the development site does not currently align with the requirements from modern occupiers which supports the need for redevelopment. The main factors which make the available property unsuitable for businesses who require accommodation in the current market are based around there being too much office content, limited service yard depth, the cost of strip out/refurbishment works and the need for investment into increasing sustainability the sustainability of the building.
- 4.76 Research from Flude suggests that there is currently demand in the market for both smaller and larger units with the supply of modern, energy efficient units being low. It is clear that if supply is not increased in the near future, existing businesses in Arun and businesses interested in relocating to Arun will be forced to locate outside of the district, resulting in Arun missing out on key business activity that could contribute positively to future economic and employment growth.
- 4.77 It is important to note that the logistics market has grown significantly since the pandemic, resulting in the development of a number of schemes to boost stock levels - including a 250,000 sqft logistics park in Brighton by Panattoni and multiple schemes in Crawley/A23 and Hampshire. Market data suggests that despite smaller units (1,500 – 10,000 sqft) remaining in good demand, there is currently limited availability of these units within a 10/15 mile radius from the Proposed

³⁸ Flude, 2024. Marketing Summary Report – Former Parker Building, New Courtwick Lane, Littlehampton

Development site, in addition to a limited pipeline for development of high-quality logistics schemes.

- 4.78 Market analysis from Flude suggests that there has been limited warehouse development for units above 2,000 sqft within 10 Miles of the Proposed Development site, with both Worthing and Bognor & Littlehampton not having seen speculative development of this size for over 20 years. There is also recorded to be clear shortage of warehouse space within Brighton & Hove, with many former industrial estates being transformed into residential development, including Portland Road (Hove), Sackville Trading Centre and Longley Industrial Estate.
- 4.79 When looking slightly further to the west of Littlehampton, Chichester has seen some speculative development over the last two years (including Chichester Business Park in Tangmere, St James Industrial Estate and Maudlin Mill), with the success of these schemes all coming forward within a two-year period. This highlights the repressed demand that exists within the local market for warehouse space.
- 4.80 **Phase 2** of the Proposed Development is set to provide **5,544 sqm of light industrial/storage floorspace**, split into smaller units (between 400 – 900 sqm). This suggests that Proposed Development will be able to cater for the high demand and scarce supply of these smaller sized units, filling a gap in local market supply and ensuring that long-term businesses are not forced to relocate.
- 4.81 It is also important to note that warehouse/distribution occupiers seeking accommodation below 3,000 sqft require units that are located near major road links and can offer eaves height of up to 6 metres and upwards, which the Proposed Development site will provide.
- 4.82 As a result of this, there is a strong case to make for the current site being redeveloped to cater meet the evolving needs of modern occupiers and create optimal market conditions for local business growth.