

# Retail & Leisure Development Proposals: New Courtwick Lane & Norway Lane, Littlehampton

Supplementary Advice on Retail, Leisure &  
Town Centre Planning Policy

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## 1. Introduction

1.1 This report has been prepared by Nexus Planning ('Nexus') for Arun District Council ('ADC') in relation to two planning applications for retail and leisure development in Littlehampton. These applications are:

- a. A hybrid planning application, proposing a Class E(a) retail store, two food/beverage units (a mix of Class E(b) and sui generis uses) and Class E(g)(iii) and B8 uses on land at New Courtwick Lane ('the New Courtwick Lane application').
- b. A full application for the demolition, conversion, refurbishment and re-elevation of existing buildings and the construction of new retail and leisure uses (Class E) and associated development at Norway Lane, Littlehampton ('the Norway Lane application')

1.2 Nexus are instructed by ADC to provide advice on retail, leisure and main town centre planning policy issues associated with both proposals. Our previous advice on these issues is contained in a report dated October 2025 which reached the following conclusions regarding the relationship of the proposals to the sequential and impact policy tests:

- a. New Courtwick Lane:
  1. Further information and analysis is required in relation to the North Littlehampton development and its potential suitability and availability to accommodate the New Courtwick Lane proposal.
  2. We reached the conclusion that the New Courtwick Lane proposal is likely to have a clear adverse impact upon the health of Littlehampton town centre, based upon the scale of trade loss of the centre and the health of the town centre. We also observed that the direct impacts associated with this proposal are likely to fall on a defined part of the town centre economy (the convenience retail and food/beverage sectors), although indirect impacts are also likely to occur due to the contribution made by grocery shopping visits to the centre.
  3. Based upon these forecast impacts, our October 2025 advice stated that whilst there is no certainty that the scale of impact on Littlehampton town centre will be significantly adverse, such a scale of impact cannot be completely ruled out at this stage (due to some uncertainties surrounding the potential effects on the convenience goods sector, due to retailer performance and future store viability issues).
  4. Our October 2025 advice also concluded that there would be a material adverse impact upon Rustington and Wick local centres, although it will be smaller in scale than the impact on Littlehampton town centre.
- b. Norway Lane:
  1. Our October 2025 advice indicated that, in line with the New Courtwick Lane proposal, the Norway Lane proposal had not yet demonstrated compliance with the sequential test, due to the need to consider in more detail the potential suitability and availability of the North Littlehampton development area.
  2. Our advice also reached the conclusion that the Norway Lane proposal is likely to have a significant adverse impact upon the health of both Littlehampton town centre and Rustington local centre, along with a (smaller scale) adverse impact upon Wick local centre. Our advice also highlighted the potential for an adverse impact on existing town centre investment due to the scale of trading overlap associated with the Norway Lane proposal and the potential for relocation of a town centre foodstore: Lidl.

1.3 Following the completion of the October 2025 report, both applicants have submitted additional information on retail, leisure and town centre planning policy issues:

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- a. 4 documents have been submitted for the Norway Lane proposal:
    1. A document titled “Applicant’s Response to Nexus Planning”, dated 31<sup>st</sup> October 2025, prepared by Freeths
    2. An Updated Retail Impact Assessment, dated 14<sup>th</sup> November 2025, prepared by Freeths
    3. A draft heads of terms document for a Section 106 agreement (prepared by Dentons)
    4. A proposed town centre retailer control obligation document
  - b. One document has been submitted for the New Courtwick Lane application: an ‘Additional Retail Response’ document, dated November 2025, prepared by Quod.
- 1.4 Nexus have been instructed to review the additional information from both applicants and prepare this supplementary advice. Based upon the conclusions of our October 2025 advice and the scope of additional information submitted by both applicants, the remainder of this supplementary advice is structured as following:
- a. Section 2 explains the amendments to the Norway Lane application proposal.
  - b. Within Section 3 we provide an update on the current circumstances surrounding the North Littlehampton mixed use development.
  - c. Our updated advice on the New Courtwick Lane proposal, in relation to the sequential test, is contained within Section 4.
  - d. Section 5 provides our updated advice in relation to the Norway Lane proposal and its relationship to the sequential and impact policy tests.
  - e. A summary of our supplementary advice can be found in Section 6, along with our recommendations regarding the compliance of the proposals with the development plan and material planning policy considerations.
- 1.5 It should also be noted that the Ministry of Housing, Communities and Local Government (‘MHCLG’) published a draft version of the new National Planning Policy Framework (‘NPPF’) for consultation in December 2025. Section 8 contains MHCLG’s proposed updated set of national planning policies regarding town centres and proposals for main town centre uses. The consultation on the draft NPPF runs until March 2026. For the avoidance of doubt, apart of being mindful that a new version of national policy is likely to be published later in 2026, we have not placed any weight upon the contents of the draft new NPPF for the purposes of preparing this supplementary advice. Should the final version of the new NPPF be published prior to the determination of these applications we would recommend that consideration is given to whether a re-assessment of all or part of these proposals is required.

## 2. The Amended Norway Lane Proposal

- 2.1 Following the completion of our October 2025 advice, the Norway Lane application has been amended. Table 2.1 below shows the development as originally proposed (columns 1-4), with column No.5 indicating where amendments have been made.
- 2.2 As can be seen, the only material change is the replacement of Units A6-A9 in the original proposal with a single large (Unit A6). The new Unit A6 will be restricted to the sale of certain types of comparison goods: DIY, home improvement, gardening, building materials, electrical and plumbing supplies, furniture, appliances, seasonal items and other household goods.
- 2.3 In relation to Unit A4, the November 2025 information from Freeths indicates a willingness from the applicant to a condition which restricts the unit to the sale of clothing, footwear, outdoor recreation/sports equipment.

Table 2.1: proposed units and uses for Norway Lane proposal

(1) Unit	(2) Use / Use Class	(3) Floor Area (sq m net)	(4) Use / retail goods to be sold	(5) November 2025
A1	Retail / E(a)	1,377sq m)	Condition to control floor areas to: 964sq m comparison goods & 413sq m convenience goods. No further goods controls.	Unit unchanged.
A2	Retail / E(a)	1,858sq m	Condition to control unit to the sale of convenience goods sales only, apart from small amount of comparison goods sales (5% of net sales area). No further goods restrictions.	Unit unchanged
A3	Food & Beverage Use / Class E(b)	140sq m (gross)	Assumed to be café/restaurant use. No hot food take-away use. Assumed to be restricted to a Class E(b) use only.	Unit unchanged
A4	Retail / Class E(a)	929sq m gross / 743sq m net sales	Unit restricted to the sale of clothing, footwear and outdoor sports/recreation equipment, along with a maximum 743sq m net sales area.	Unit unchanged

A5	Retail / Class E(a)	1,476sq m	Control of net sales area to 1,476, with 1,181sq m convenience goods sales & 295sq m comparison goods sales. No further goods restrictions.	Unit unchanged
A6	Retail / Class E(a)	1,632sq m	<i>1,469sq m comparison goods 163sq m convenience goods</i>	Units previously identified as Units A6-A9 to be amalgamated into one Unit A6.
A7	Retail / Class E(a)	822	<i>Unrestricted comparison goods retail use.</i>	
A8	Retail / Class E(a)	806sq m	<i>Unrestricted comparison goods retail use.</i>	Unit to be controlled to a maximum of 4,604sq m gross / 3,683sq m net sales.
A9	Gym / Class E(d)	507sq m (gross)	<i>Assumed that unit will be restricted to a Class E(d) use only.</i>	Goods limited to the sale of specific range of comparison goods: DIY, home improvement, gardening, building materials, electrical and plumbing supplies, furniture, appliances, seasonal items and other household goods

Source: October 2025 Nexus advice report and Updated Retail Impact Assessment, Freeths, November 2025

2.4 In addition to the contents of their November 2025 Updated Impact Assessment, Freeths' October 2025 response suggests that any uncertainties created by the applicant's original submission in relation to the retail profile of the proposed development and how it could change over time *"can be addressed through agreement with ADC officers/Nexus on appropriate and justified retail policy controls as the conditions of any planning permission"*.

2.5 Appendix 3 of the October 2025 response highlights the following controls/restrictions/obligations:

- a. A minimum unit size for the development of 929sq m gross and removal of the ability to sub-divide below that level<sup>1</sup>.
- b. In relation to net sales floorspace and the range of goods to be sold from each of the Class E(a) retail units, Freeths note: *"Floorspace cap and percentage goods restrictions by net sales floorspace based on the convenience and comparison goods profile of each unit including those specifically to be used for DIY/bulky goods. Given the goods in each unit have been set to suit specific retailer requirements, these are user specific (where the tenant is known)"*.
- c. A 'keep open' obligation for either Lidl (where it intends to occupy Unit A5) or for all units in the proposal. This is discussed further below.
- d. A control in relation to Unit A5 to restrict its use to a *"discount food retailer only"* and the removal of the ability to provide a number of in-store services<sup>2</sup>.

<sup>1</sup> It is notable that a restriction on general sub-division is not offered by the applicant in the October and November 2025 documents.

<sup>2</sup> Fresh meat, fresh fish, deli counters, plus the sale of hot food (apart from items baked on site) and post office services.

- 2.6 With regards to the ‘keep open’ obligation, the proposed town centre retailer control document (24<sup>th</sup> November 2025), indicates that the applicant is willing to enter into an obligation which would require those retailers wishing to occupy the Norway Lane scheme (who meet specific criteria), and also have a town centre presence, to either retain their own presence in Littlehampton town centre for minimum of three years or create the circumstances where an ‘alternative retailer’ maintains an equivalent presence in the town centre.
- 2.7 The proposed ‘keep open’ obligation includes the following characteristics:
- a. The obligation would only apply to retailers within Class E(a) who, at the date of first occupation of a unit in the Norway Lane development (or within 6 months immediately prior to occupation), occupy floorspace within the defined town centre boundary of Littlehampton.
  - b. Whilst the main obligation associated with the proposal would bind the applicant for the development, the proposed obligation requires the ‘relevant retailer’ to also enter into a confirmatory deed.
  - c. The confirmatory deed requires either: (a) the relevant retailer (i.e. the retailer with the existing town centre presence) to remain within the town centre for a period of three years<sup>3</sup>; or (b) an alternative Class E(a) retailer *“acquires an interest that allows it to maintain an equivalent presence within Littlehampton town centre in substitution for the relevant retailer’s operations”*<sup>4</sup>.

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<sup>3</sup> Further information on what form the remaining town centre presence should take is not provided.

<sup>4</sup> It is assumed that this obligation would refer to the same property as formerly occupied by the ‘relevant retailer’ although this should be clarified with Freeths and Dentons.

## 3. The Sequential Test: the Alternative Sites & Premises

### Introduction

- 3.1 Within our October 2025 advice it was concluded that, notwithstanding a number of differences in relation to the approach to flexibility when assessing alternative sites and premises in the local area, the only alternative location which had not been discounted from the sequential test was the North Littlehampton development area.
- 3.2 Our advice recommended that the North Littlehampton development area should be classified as a sequentially preferable location to the Norway Lane and New Courtwick Lane application sites. It also highlighted that the area planned for the new local centre at North Littlehampton (including surrounding land) was potentially available and has previously been granted planning permission for land uses which overlapped with these two current proposals.
- 3.3 The conclusions of our October 2025 advice have led to additional information and analysis being submitted by both applicants. The majority is contained within the Additional Retail Response document prepared by Quod for the New Courtwick Lane application. Alongside this additional information, ADC has also undertaken its own investigation of the potential availability and suitability of the local centre area of North Littlehampton site.
- 3.4 This section of our supplementary advice provides an update on the key characteristics of the North Littlehampton site, whilst Sections 4 and 5 use this updated information to assess the suitability and availability of North Littlehampton in relation to its ability to accommodate each of the proposals.

### Status of North Littlehampton

- 3.5 As a starting point to our additional analysis, it is important to note that the information submitted in support of the New Courtwick Lane proposal disputes the classification of North Littlehampton as a formal local centre in the Arun centre hierarchy. The additional information submitted for Norway Lane does not take this same position. Nevertheless, it is important to assess whether there is substance in the additional analysis put forward by the New Courtwick Lane applicant.
- 3.6 Within its Additional Retail Response, Quod note that North Littlehampton is not listed in the 'town centre' hierarchy in Policy RET SP1 in the adopted Local Plan. This is correct, but the supporting text to the policy notes that 'further centres will be developed in accordance with the site allocations'. In our opinion, the content/wording of RET SP1 has been designed to concentrate on existing 'town centres' only.
- 3.7 Despite the reference to 'site allocations' in the supporting text to RET SP1, Quod's analysis focuses upon the 'strategic housing allocations' in the adopted Local Plan. Based upon the contents of paragraph 9.1.6 of the Local Plan, it is not clear why such a 'filter' of allocations should be applied by Quod (and whether it is reasonable to do so).
- 3.8 Quod go on to note<sup>5</sup> that North Littlehampton is not a strategic housing site as it is not listed in policies H SP1 and / or H SP2 of the adopted Local Plan. Quod acknowledge that North Littlehampton is highlighted as a commitment on the policies map, but suggest that this annotation is not sufficient to allow it to qualify as a new local centre under the supporting text to Policy RET SP1.

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<sup>5</sup> Paragraph 2.15

- 3.9 In our view, there are two points to note: (a) the allocation of North Littlehampton as a commitment is under the sub-heading of “strategic housing allocations” on Policy Map 4; and (b) the supporting text to RET SP1 does not, in any event, specifically restrict new local centres to the strategic housing allocations within the District.
- 3.10 Therefore, we do not agree with the analysis presented by Quod and continue to hold the view that, based upon the contents of the adopted Local Plan, North Littlehampton should be defined as a local centre for the purposes of the sequential test.
- 3.11 In addition to the adopted Local Plan, Quod’s Additional Retail Response document argues that: *“if retail and town centre uses are to be delivered that do not accord with that approved as part of the North Littlehampton Masterplan, it is our view that this does not form a defined centre within the hierarchy”*. This line of argument from Quod appears to be based upon two specific areas. First, it is suggested by Quod that North Littlehampton is to be classified as a local centre based specifically upon the content of the approved masterplan, which Quod assume is the 2013 outline planning permission. Second, based upon Quod’s interpretation of Policy 9 of the Littlehampton Neighbourhood Plan, the New Courtwick Lane proposal (one retail unit and two food/beverage units) would not be policy compliant due to an alleged conflict with Policy 9.
- 3.12 Having considered the issues raised by Quod, we would make the following points. First, Quod interpret the wording of Policy 9 as a ‘conditional classification’ of North Littlehampton as a local centre. In other words, North Littlehampton can only become a local centre if the development is built in accordance with the terms of the outline planning permission. This is a narrow interpretation and is, in our opinion, not necessarily the proper, obvious or logical reading of the policy.
- 3.13 In particular: (a) the other four centres are listed in Policy 9 are existing centres and therefore it would be logical for a new centre to be described in a different manner; (b) reference to the North Littlehampton Masterplan in Policy 9 may simply be an acknowledgement that the masterplan (or outline permission) is the primary (or first) source of identifying a local centre in this location; and (c) whilst Quod appear to place considerable emphasis on the reference to the masterplan as the guiding factor for the new centre, the reference to the masterplan may, instead, simply be a secondary matter (in order to clarify the original source of the principal of the local centre).
- 3.14 Second, and with regard to Policy 9, it would appear counter-productive if the intention of the Neighbourhood Plan was to remove the local centre status from North Littlehampton if Policy 9 was not fully complied with. We consider that the contents of Policy 9 and the definition of the local centre are two separate matters. Policy 9 understandably wishes to ensure a mix of uses to be provided as part of the district centre and allows for specific proposals to be resisted if sufficient weight is afforded to the quantitative proportionate balance indicated in the policy. Moreover, we consider that Policy 9 should be read in relation to both proposals for the establishment of the centre and when the centre has been constructed<sup>6</sup>.
- 3.15 With regards to the specific content and wording of Policy 9, it is also useful to highlight the following:
- a. When discussing the balance between retail and other main town centre uses, it is not clear that the application of the policy should be restricted to the number of individual units (and not other matters such as total floorspace);
  - b. The policy directed at the whole of the local centre. Therefore, if there was a need (as Quod suggest) to judge the suitability of North Littlehampton as a sequentially preferable location then the whole of the existing, proposed, committed or planned centre would need to be taken into account.

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<sup>6</sup> i.e. proposals for change of use of units / floorspace in the centre, following implementation.

- 3.16 A further matter to consider is the content of the current outline planning permission for North Littlehampton and its relationship with Policy 9 of the Neighbourhood Plan. Under Quod's stated logic, the content of the permission would need to conform to the balance of land uses required by the policy, otherwise a formal 'town centre' classification would not be achieved. However, our reading of the outline permission suggests that such a balance is not guaranteed. Therefore, it is possible that the local centre and surrounding area could be built in such a manner which is in conflict with Policy 9. This places a number of question marks over whether significant weight should be placed on the second part of Policy 9 when considering the suitability of North Littlehampton as a sequentially preferable location.
- 3.17 Moreover, a test of whether Quod's argument regarding the relationship of Policy 9 and formal local centre status is reasonable would come after the local centre was constructed/operational and subsequently changed its land use mix. For example, it is possible to change between different parts of Class E, whose elements straddle the former A1 and A2-A5 use classes. Therefore, without recourse to the need for planning permission, the balance between former A1 and A2-A5 uses in the local centre could change and based upon Quod's logic this could stop North Littlehampton being classified as a local centre in the development plan hierarchy. Such a scenario would be illogical and, therefore, it is clear that the contents of Policy 9 of the Neighbourhood Plan should be read in the context of the subsequent changes to the Use Classes Order.
- 3.18 Overall, we do not agree that the specific content of the local centre at North Littlehampton will dictate its status and place in the 'town centre' hierarchy in the District.

### The existing outline planning permission

- 3.19 When considering the potential suitability of the North Littlehampton site, one factor to consider is the content of the current outline planning permission. Information submitted in support of both current proposals suggest that the local centre element of North Littlehampton is too small to accommodate either of the proposals. Therefore, the first matter to consider is the area of land which should be assessed in terms of its suitability.
- 3.20 Both proposals appear to limit their consideration of North Littlehampton to the 'retail area' as show on the approved land uses parameters plan. On this plan, the 'retail area' is 0.73 hectares, which is the area of land focused upon by the supplementary information provided by Quod for the New Courtwick Lane proposal.
- 3.21 However, in addition to the 'retail area' there are other areas which are proposed to contain main town centre land uses, including the hotel and enterprise centre plots (to the west). Moreover, we are not aware of any specific defined boundary for the local centre which limits the centre to the 0.73ha of retail uses alone. As a consequence, the decision by both applicants to limit their consideration to 0.73ha of land, as shown in the original land use parameters plan, may not be appropriate for North Littlehampton. In addition, even if it were to be proven that the local centre boundary should be restricted to the 'retail uses' area, then available plots of land lying adjacent to that area could continue to form part of sequential site assessment given that these areas will also lie in sequentially preferable locations to the application sites.
- 3.22 Looking beyond the site area(s) which should be assessed, the supplementary information submitted in support of the New Courtwick Lane application also dismisses the North Littlehampton site on the basis of the content of the outline planning permission granted in 2013. Quod suggest that *"the permitted retail floorspace is controlled"*<sup>7</sup> and substantiate this by reference to the illustrative masterplan and the approved land use parameter plan.
- 3.23 Whilst we do not agree with Quod's statement that the floorspace is controlled, it is fair and reasonable to note that the land use areas are subject to formal control. The original land use parameter plan is highlighted by Quod as one of the

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<sup>7</sup> See first bullet point of paragraph 2.1 of Additional Retail Response.

controls which make the site unsuitable. We would agree that based upon that original parameter plan, the ability of the 'retail area' to accommodate the land uses proposed on both current proposals is very constrained. That said, it is important to reiterate that the type of land uses, unit sizes and the amount of floorspace within the 'retail area' (as originally permitted) were not controlled.

3.24 In recent weeks a series of Reserved Matters ('RM') applications, pursuant to the outline planning permission for North Littlehampton, have been submitted. These RM applications cover a number of parts of the North Littlehampton development, with application LU/250/25/RES providing details of the development covering the retail area, community centre, residential uses, public open space and car parking provision. In addition, we understand that a Section 73 application has also been submitted (alongside the RMs which will regularise the original outline consent and accommodate the proposed reserved matters submissions).

3.25 The main characteristics of RM application LU/250/25/RES are as follows:

- a. The provision of 1,472sq m of 'retail floorspace'. The RM submission is not entirely clear over the use class of this floorspace, although, in contrast to the suggestion made in the Planning Statement, the outline permission relates to Class A floorspace. Therefore, we have assumed that a range of Class E and sui generis floorspace could be provided with the RM submissions, so long as they relate to the former Class A use class.
- b. Block C in the RM submission is intended to accommodate the 1,472sq m of 'retail floorspace'<sup>8</sup>. The submitted ground floor plan shows three separate units: 1,039sq m, 148sq m, 47sq m (plus 238sq m storage space associated with the largest of the three units). Block C is located to the south of Anderson Way and to the west of Richardson Way in a location shown on the original land use parameters plan as an 'enterprise centre' use.
- c. Proposed Block B contains a community use, along with residential uses, the civic open space and car parking provision. The community use extends to 418sq m. Block B was originally identified as the 'retail area' in the land use parameters plan.

3.26 The content of Blocks A-D in this RM submission are branded as the local centre for the North Littlehampton development area (also known as Hampton Park). Within Sections 4 and 5 of this supplementary advice, consideration is given to whether the content of the current RM submission provides a suitable alternative for either of the current planning application proposals. However, there is also a requirement to consider whether the other parts of the North Littlehampton development could provide a suitable alternative for either proposal. This would, we understand, need to be achieved via a new full planning application as the time limit for submitting additional RMs (under the extant outline) has now ended.

### The suitability of North Littlehampton beyond the existing outline planning permission

3.27 A further scenario to consider is whether a new planning application in the north-west part of the North Littlehampton development could facilitate the provision of a retail and other main town centre land use floorspace which provides an alternative to either or both current proposals.

3.28 Recent contact between ADC officers and T&L Crawley (the owner/promoter of part of the North Littlehampton development) has identified a potential development proposal on the land originally identified (in the approved land use parameter plan) for community and hotel uses. This indicative proposed includes a circa 1,900sq m gross retail

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<sup>8</sup> Block C is also proposed to accommodate residential uses and car parking provision for the retail and residential uses.

floorspace, plus one food/beverage unit and a 550sq m nursery/creche unit, along with circa 140 surface level car parking spaces.

3.29 Based upon this information, we would highlight the following matters for consideration:

- a. Given that the deadline for submission of RMs has now passed, the indicative proposal from T&L Crawley can now only be achieved via a new planning application.
- b. As we understand it, the indicative development layout provided by T&L Crawley is not subject to a pre-application enquiry with ADC and, therefore, we would classify the proposal as embryonic.
- c. The submission of a new full planning application for retail development on the land originally identified for hotel and community uses raises would prompt the need to consider the compatibility of such an application with the remainder of the North Littlehampton outline permission.

3.30 Therefore, whilst the indicative layout provided by T&L Crawley shows the ability to provide a reasonably large amount of retail floorspace, alongside other land uses, a key factor is the ability to achieve permission for these uses alongside the outline planning permission. In addition, the embryonic stage of the indicative proposal shown to ADC officers is such that it attracts reduced weight when considering its ability to be a suitable alternative to either of the current proposals.

## 4. New Courtwick Lane: Assessment of the Key Policy Issues

### The Sequential Test

- 4.1 Based upon the analysis contained in Section 3, the only parts of the North Littlehampton development area to be considered for the purposes of the sequential test are as follows:
- a. The land which is now subject to a current RM application (LU/250/25/RES); and
  - b. The land surrounding the current RM application area, which has previously been identified for commercial and main town centre land uses in the outline planning permission.
- 4.2 The current RM application proposes 1,472sq m of floorspace. Whilst we have raised some queries in the previous section of this advice over the use classes which could be accommodated, we have assumed that the main town centre land uses in the New Courtwick Lane application could, in principle, be accommodated.
- 4.3 However, whilst the principle of the proposed land uses could be accommodated, the scale of the proposals could not. The proposed retail foodstore in the New Courtwick Lane application is circa 1,900sq m gross, whilst the largest unit in the RM submission is 1,247sq m gross. The other two units in the RM submission extend to 148sq m and 47sq m, whilst the food/beverage units in the New Courtwick Lane application are 356sq m gross and 167sq m gross.
- 4.4 Therefore, whilst the assessment of alternatives should be flexible over the scale of the proposal, we consider that the size the North Littlehampton RM units go beyond reasonable flexibility in relation to their suitability. As a consequence, this element of the North Littlehampton development area, which we branded as the new local centre within the development, can be dismissed from the sequential test for the New Courtwick Lane application.
- 4.5 The other area of land for consideration is adjacent to the current RM application area and which was previously identified for hotel and community uses. If it transpires that the only method for delivering retail and food/beverage uses on this land (which is controlled by T&L Crawley) is via a new full planning application, ADC will need to give consideration to the issue of overlapping planning permissions. That aside, it is to be noted that the indicative development layout prepared by T&L Crawley is able to accommodate the proposed foodstore and one of the food/beverage units. Changes to the (indicative) scheme would be required to accommodate a second food/beverage unit and, on that basis, it would be possible for the T&L Crawley land to provide a suitable alternative to the New Courtwick Lane application site.
- 4.6 In relation to availability, this issue could be considered in two ways. On one hand, the land in question is generally available, given that it is vacant, is being marketed and T&L Crawley have provided indicative development layouts to ADC. On the other hand, availability should be considered in terms of how the land could come forward for retail and food/beverage uses via a new full planning permission. Issues associated with that process may be complicated, due to the nature of overlapping planning permissions, and therefore ADC officers will need to consider whether, if there is a scheme to be proposed, whether it can achieve an implementable planning permission in a reasonable period of time.
- 4.7 Overall, the only part of the North Littlehampton development area which may be suitable and available to accommodate the New Courtwick Lane proposal is the land currently being promoted/marketed by T&L Crawley. Without any formal defined boundary for the North Littlehampton local centre, this area has the potential to lie in a sequentially preferable location to the application site. However, at the present time, we would question whether this land comprises a genuinely suitable and available alternative given: (a) the embryonic nature of the proposal; (b) the need to consider how permission for a retail and food/beverage development could be achieved via a new full planning permission; and (c) the lack of a current pre-application submission for the proposal.

## Impact

- 4.8 Given that the Additional Retail Response prepared by Quod deals with the sequential test, our conclusions and advice on the likely impact of the New Courtwick Lane proposal, as set out in Sections 6 and 8 of our October 2025 advice, remain applicable.

## 5. Norway Lane: Assessment of the Key Policy Issues

### The Sequential Test

- 5.1 Much of the analysis of the North Littlehampton development area in Section 2 and 4, including the current Persimmon RM application and adjacent T&L Crawley land, is equally as relevant to the sequential test for the Norway Lane proposal. This includes the content of the current RM application, the changes shown in the current RM application from the original land use parameter plan, along with the various issues surrounding the ability to secure approval for retail and food/beverage uses on the T&L Crawley land.
- 5.2 In the interests of consistency, the same conclusions as New Courtwick Lane should also be reached for the Norway Lane proposal, although we can be firmer with our conclusions regarding the suitability of North Littlehampton as an alternative to Norway Lane. In particular, it is clear that the scale and content of the current version of the Norway Lane proposal cannot be accommodated on the available parts of the North Littlehampton local centre area. Therefore, we consider that the Norway Lane proposal meets the provisions of the sequential test.

### Impact

- 5.3 Following the completion of our October 2025 advice, Freeths (on behalf of the applicant at Norway Lane) have submitted two sets of information regarding 'impact' issues: the 31<sup>st</sup> October 2025 'Applicant's Response to Nexus Planning' and THE 14<sup>th</sup> November 'Updated Retail Impact Assessment'. The October document provides a detailed response to parts of our advice on the likely impact of the Norway Lane proposal along with a 'sensitivity test' of the financial assessment contained within our advice. The November document from Freeths provides a further financial impact assessment which reflects the change in the content of the Norway Lane proposal.
- 5.4 Whilst it would appear that the October 'sensitivity test' took account of the changes in the proposal, we have concentrated our review upon the updated analysis dated 14<sup>th</sup> November 2025. Paragraph 6 of the November document confirms the main basis for the changes between Freeths original assessment and the November assessment:
- a. An increase in the level of trade diversion from the Lidl store in Littlehampton town centre<sup>9</sup>
  - b. An increase in the level of trade diversion from the Waitrose store at Rustington<sup>10</sup>
  - c. Revisions to the levels of trade diversion for both convenience and comparison goods based upon the revised profile of the Norway Lane proposal, based upon Freeths' view of the level of trading overlap with Rustington local centre and Littlehampton town centre.
- 5.5 Table 5.1 below provides a summary of Freeths' original assessment of trade diversion from stores in Littlehampton town centre and Rustington local centre and compares this to the latest (November 2025) trade diversion estimates.

<sup>9</sup> To a mid-point of the Nexus (October 2025) estimate and Freeths' original estimate

<sup>10</sup> To match the level of diversion forecast by Nexus in October 2025

Table 5.1: comparison between original and updated convenience goods trade diversion estimates, Freeths, for Norway Lane proposal

Store / Centre	ORIGINAL ASSESSMENT £m Convenience Goods Trade Diversion	UPDATED ASSESSMENT £m Convenience Goods Trade Diversion
Morrisons, Hawthorn Road	3.27	3.06
Iceland, Surrey Street	0.24	0.13
Lidl, New Road	1.30	4.07
Sainsburys, High Street	0.87	0.8
Tesco Extra, Wick	7.61	6.82
Iceland, Rustington	0.1	0.06
Tesco Express, Rustington	0.21	0.13
Waitrose, Rustington	0.83	1.87
ALDI, Manor Retail Park	3.02	2.98
Sainsburys, Rustington Retail Park	6.82	5.71
ASDA, Littlehampton Road	3.10	2.19
Tesco Extra, West Durrington	0.82	0.68
Farmfoods, Wick	0.12	0.11

Source: Freeths impact assessments – 19<sup>th</sup> August 2025 and 14<sup>th</sup> November 2025).

- 5.6 Whilst there has been an increase in the applicant’s forecast level of convenience goods trade diversion from Littlehampton town centre and Rustington town centre, it remains below our previous forecast. That forecast, contained within our October 2025 advice report, will not change given that the absence of any material change in the amount of convenience goods floorspace within the proposal<sup>11</sup>.
- 5.7 Whilst we note that Freeths has continued with its ‘sensitivity test’ of financial impact, which brings the level of diversion from these centres closer to our October 2025 estimates, we remain of the opinion that the amount of trade diversion from the Lidl store in Littlehampton town centre and the Waitrose store in Rustington local centre is being underestimated by Freeths.
- 5.8 Table 5.2 below provides a summary of Freeths original and updated comparison goods trade diversion forecasts.

<sup>11</sup> The only change being the loss of 163sq m of convenience goods floorspace from the former Unit A6.

Table 5.2: summary Freeths original and updated comparison goods trade diversion estimates for Norway Lane proposal

Store / Centre	ORIGINAL ASSESSMENT £m Comparison Goods Trade Diversion	UPDATED ASSESSMENT £m Comparison Goods Trade Diversion
Littlehampton town centre	1.43	1.17
Tesco Extra, Wick	1.04	0.89
Arun Retail Park	4.7	4.89
Rustington local centre	2.86	1.79
Manor & Rustington Retail Parks	2.00	4.78
Sainsburys, Rustington	0.97	1.99
Haskins Garden Centre	0.45	0.45
Outside Study Area	14.30	11.6
<i>Bognor Regis</i>	<i>0.77</i>	<i>0.78</i>
<i>Arun Retail Park</i>	<i>0.51</i>	<i>0.60</i>
<i>Chichester city centre</i>	<i>2.52</i>	<i>1.59</i>
<i>Portfield Retail Park, Chichester</i>	<i>1.51</i>	<i>1.29</i>
<i>Worthing town centre</i>	<i>3.93</i>	<i>3.35</i>
<i>Lyons Farm Retail Park, Worthing</i>	<i>1.11</i>	<i>1.10</i>

Source: Freeths, May and November 2025.

5.9 In order to inform the updated financial impact assessment, Table 3a of the Freeths assessment has updated the total turnover of the Norway Lane proposal. Overall, the change from largely unrestricted comparison goods floorspace to restricted comparison goods floorspace has led to a small reduction in the total comparison goods turnover of the proposal (from £30.10m to £29.94m)<sup>12</sup>.

5.10 Whilst there has not been a significant change in the overall comparison goods turnover of the proposal the change from three separate retail units selling unrestricted comparison goods (plus a gym) to a single large (restricted) goods unit has led to change in the applicant's forecast pattern of trade diversion. In general terms, the changes can be summarised as:

- a. reductions in the level of diversion from Rustington local centre and Littlehampton town centre;
- b. a small reduction in diversion from Tesco at Wick;
- c. a doubling of the amount of trade diversion from the Sainsburys store at Rustington;
- d. a small increase in the level of diversion from Arun Retail Park;
- e. twice as much diversion from Manor and Rustington Retail Parks; and
- f. a reduction in the amount of trade diversion from stores outside of Arun District.

<sup>12</sup> There is also an equally small reduction in the forecast total convenience goods turnover of the proposal, from £32.36m to £31.38m

- 5.11 Freeths do not provide any explanation for the revised levels of trade diversion within its November 2025 assessment. Therefore, we have undertaken our assessment of whether the removal of three unrestricted comparison goods units from the proposal, and their replacement with a single large restricted comparison goods unit, justifies the changes summarised above. As part of this assessment we have also borne in mind the observations and conclusions of our own October 2025 trade diversion assessment which forecast considerably higher levels of trade diversion from Littlehampton town centre and Rustington local centre.
- 5.12 As a starting point for the re-examination of the comparison goods trade diversion, it is useful to rehearse the comparison goods floorspace content of the proposal. This can be split into two parts:
- a. The elements where there have been no amendments to the proposal:
    1. A mixed goods retailer in Unit A1, which includes an unrestricted range of comparison goods. There is no change in the size and content of this unit from the original application submission.
    2. Large foodstores within Units A2 and A5. The A5 foodstore will have a slightly large proportion of comparison goods sales than Unit A2. Neither unit has changed since the original submission.
    3. Whilst the applicant has indicated that Mountain Warehouse, an outdoor clothing and equipment retailer, is the preferred occupier for Unit A4, it remains the case that this unit will comprise reasonably unrestricted clothing, footwear and outdoor equipment comparison goods sales.
    4. There is no change in Unit A3, which will comprise a small food/beverage land use.
  - b. The amendments the proposal relate to:
    1. The removal of Units A6-A8 which were proposed to see unrestricted comparison goods.
    2. The removal of Unit A9 which was assigned a gym use.
    3. Replacement of Units A6-A9 with a new single large Unit A6 selling DIY, home improvement, gardening, building materials, electrical and plumbing supplies, furniture, appliances, seasonal items and other household goods.
- 5.13 This suggests that the Norway Lane proposal which has three retail types / groupings: large grocery store units, units selling unrestricted comparison goods (sometimes in combination with convenience goods), plus a large format unit selling restricted comparison goods.
- 5.14 It is also important to re-visit the trading profile of the comparison goods element of the proposal. The potential offer in Units A1, A2, A4 and A5 remains the same as the original submission, including a reasonably wide offer in Unit A1 (which is likely to be a mixed goods store) and a unrestricted range of goods in Unit A4 (which is intended to be a sports and outdoor clothing and equipment store, but not restricted to these goods alone). Whilst the change from three separate unrestricted units to one single unit selling a restricted range of goods suggests a more defined trading profile, a number of possibilities for Unit A6 still exist. A large single unit of 4,600sq m gross / 3,600sq m net suggests that the unit will be occupied by the DIY store although cannot be guaranteed and different occupational scenarios may lead to different sources of trade diversion between town centre and out of centre retail stores<sup>13</sup>.
- 5.15 Based upon the updated floorspace and turnover of the Norway Lane proposal we have updated our financial assessment in order to assess its revised trading effects. A summary of our updated assessment for convenience goods, comparison goods and overall Class E(a) impacts is contained in Table 5.3 below. Further detail of the assessment can be found at Appendix A to this advice report. The figures in brackets comprise our previous proportionate financial impact forecasts.

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<sup>13</sup> Including which out of centre stores are impacted upon.

Table 5.3: summary of updated Nexus assessment of convenience goods impact on Littlehampton town centre and Rustington local centre

Centre	Nexus Impact Forecast (New Courtwick Lane Survey)	Nexus Impact Forecast (Norway Lane Survey)
<b>Convenience Goods</b>		
Littlehampton town centre	-28.04% (-28.9%)	-26.74% (-27.6%)
Rustington local centre	-14.33% (-14.8%)	-9.35% (-9.6%)
<b>Comparison Goods</b>		
Littlehampton town centre	-10.60% (-16.6%)	-11.41% (-14.4%)
Rustington local centre	-6.95% (-12.1%)	-7.28% (-11.9%)
<b>Total Class E(a) Retail Sector</b>		
Littlehampton town centre	-19.10% (-22.6%)	-19.25% (-21.2%)
Rustington local centre	-9.14% (-12.9%)	-8.07% (-11.0%)

Source: Appendix A and October 2025 advice report

- 5.16 The above summary shows that there is very little change in the overall forecast impact upon the convenience goods retail sectors in Littlehampton and Rustington. It remains our view that the convenience goods sector in Littlehampton has the potential to lose between 27% and 28% of its annual turnover (excluding any retailer relocations / closures), whilst the forecast reduction for Rustington is between 9% and 14%.
- 5.17 Our updated assessment does, however, show a reduced level of direct financial impact on the comparison goods sectors in these two centres. For Littlehampton, the forecast reduction in turnover is circa 11%. This is lower than the 14%-17% reduction forecast for the previous version of the proposal. The forecast impact on the comparison goods sector in Rustington local centre is now circa -7%, which can be compared with our previous forecast of circa -12%.
- 5.18 These reductions in the level of comparison goods diversion filter through into the overall direct impact on the Class E(a) retail sectors in Littlehampton and Rustington. The updated assessments indicate a -19% impact for the retail sector in Littlehampton and a -8%/-9% impact for Rustington. By way of comparison, our previous forecasts for -21%/-23% and -11%/-13% respectively.
- 5.19 In our opinion, these updated financial impact forecasts continue to show large levels of trade reduction in Rustington and Littlehampton. The replacement of Units A6-9 (some of which were proposed for unrestricted comparison goods sales) with a larger Unit A6 selling restricted comparison goods will have a lower effect upon these two centres. However, trading overlaps will remain, particularly as the new Unit A6 is only one part of the overall proposal. As such, whilst there is a requirement to consider the impact on these centres as a whole, the individual component impacts remain large and, in some cases, unchanged.
- 5.20 These updated direct financial impacts will need to be compared against the wider basket of indicators regarding town centre health which were covered in our October 2025. Many of these have not changed, including: the health of the defined 'town centres', the scale of trading overlap between the proposal and the convenience goods sectors in these centres and how grocery shopping trips interact with other parts of these centres.

- 5.21 In terms of the trading overlap between the comparison goods, the changes in the proposal will reduce this overlap, as Units A6-8 have moved from unrestricted comparison goods to restricted comparison goods<sup>14</sup>. This will lead to a lower intensity of impact due to the loss of the original A6, A7 and A8 comparison goods units. However, it should be noted that: (a) the removal of the unrestricted retail units will be replaced by a large unit whose retail offer will still have some trading overlap with the town centre; (b) the impacts and trading overlap associated with the remainder of the scheme will remain unchanged. Therefore, whilst it is important to acknowledge the change in the level of impact between the original and revised versions of the Norway Lane proposal, we consider that the current version of the proposal retains many of the characteristics of the original submission.
- 5.22 A further factor to note is that the introduction of a substantial amount of new bulky comparison goods floorspace (at Norway Lane) will also offer the opportunity for the reorganisation of existing retailer provision in the Littlehampton area. This has previously been discussed in relation to the potential for Lidl to relocate from Littlehampton town centre, but there is also the potential for reorganisation/relocation of retailers elsewhere. The relocation of a retailer from one out-of-centre location to another (such as the application site) would free-up existing floorspace space. Where that existing floorspace is subject to the same or similar controls as the Norway Lane site then there would be no net change. However, where the existing unit (to be vacated) has lower (or no) restrictions then an indirect impact may be to allow re-occupation by a different style of retailer. This eventuality is by no means certain or even likely, but nevertheless should be borne in mind.
- 5.23 Having (a) reviewed the applicant's updated assessment and (b) conducted our own updated assessment of financial impact, we remain of the view that there is likely to be a significant adverse impact upon the health of Littlehampton town centre. This is based on the same suite of factors as outlined in paragraph 7.56 of our October 2025 advice and the changing levels of direct financial impact and trading overlap do not materially alter our views regarding the likely impact of the whole proposal on the health of, or existing investment within, Littlehampton town centre.
- 5.24 In line with the above observations, our previous (October 2025) conclusions regarding the likely impact on Rustington local centre remain the same. Whilst there has been a reduction in the forecast level of comparison goods impact on the local centre, it remains the case that there will be a considerable level of trading overlap between the centre and the Norway Lane proposal resulting in a large level of trade loss from the centre.
- 5.25 In addition, given that the changes to the Norway Lane proposal do not affect the main areas of trading overlap with Wick local centre, we also continue with the conclusion that there will be an adverse (but not significant adverse) impact upon this local centre.
- 5.26 In order to provide further guidance on the areas of agreement, use of the same baseline area, plus areas of disagreement / difference, please find attached at Appendix C a summary of the key issues associated with the assessment of impact for the Norway Lane proposal.

### The Applicant's Proposed Mitigation Measures

- 5.27 When considering the likely scale of impact on Littlehampton town centre and Rustington local centre, it is also important to consider whether any mitigation measures have the potential to reduce or remove these impacts. As a consequence, we have given consideration to the package of draft planning obligations suggested by the applicant.
- 5.28 At the time of our October 2025 advice, the applicant had not suggested any mitigation measures. Therefore, it is important that the proposals recently put forward in November 2025 are taken into account.

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<sup>14</sup> We do not, however, agree with the emphasis which Freeths place upon the clothing/footwear in relation to the superseded content of Units A6-8, given that permission was sought for a much wider range of comparison goods in these units.

- 5.29 Based upon the planning obligations document prepared by Dentons, those which relate to the potential impact on defined 'town centres' are:
- a. An unspecified financial contribution towards unknown works and / or initiatives in both centres;
  - b. A 'keep open' obligation directed at retailers within Littlehampton town centre.
- 5.30 With regards to the proposed financial contribution, no details are provided by Dentons or Freeths. As a consequence, it is not possible for us to provide any advice on this aspect of the proposed obligations package, due to uncertainty over the type of mitigation for the centre which is aspired to<sup>15</sup>. Therefore, at the present time, we recommend that no weight is given to this part of the obligations package.
- 5.31 The proposed 'keep open' obligation is directed a Littlehampton town centre only and has arisen due to concerns, expressed in our October 2025 advice report, regarding the potential loss of Lidl from the centre (due to relocation to the Norway Lane proposal). The draft obligation which has been suggested by the applicant is not intended to be restricted to Lidl and would apply to any Class E(a) retailer in the town centre which meets the criteria in the proposed obligation<sup>16</sup>. These criteria are described in paragraph 2.4 of this document and we have given consideration to the level of mitigation which the obligation could offer to the health of, and investment within, Littlehampton town centre.
- 5.32 Should a retailer, who are already present in Littlehampton town centre, occupy a unit at Norway Lane then the obligation requires them to keep the town centre unit open for 3 years following the date of occupying the Norway Lane development. The proposed obligation suggests that the three years of continued (town centre) trading can be either: (a) by the existing retailer subject to the obligation; or (b) via an alternative Class E(a) retailer. The obligation would also bite if the retailer in question had occupied a town centre unit within six months of first occupying a unit at the Norway Lane development.
- 5.33 The scope of the proposed obligation raises three points:
- a. Aside from the other queries and observations, which are outlined below, the length of the proposed mitigation is short, at only 3 years. Therefore, if Lidl were to occupy a unit at the Norway Lane development towards the end of 2027 (say November 2027), then their town centre store would only be obligated to remain open until November 2030. As a consequence, the impact forecasts for 2030 provided by Freeths and ourselves could be viewed as being temporary maximum units (until 2030) but then may rise further following any subsequent store closures.
  - b. It is important to note that the obligation will not be activated if Lidl (or any other town centre retailer(s)) leave before 6 months (prior to occupation of Norway Lane).
  - c. If, for example, Lidl left their existing unit in Littlehampton town centre within those six months prior to the occupation of Norway Lane, the draft obligation is unclear as to how they would be obligated to re-commence trading in the town centre.
- 5.34 As a consequence, we consider that the proposed 'keep open' obligation is unlikely to offer any medium to longer term mitigation for the town centre, as it would still allow for the loss of an important existing town centre retailer (such as Lidl) by the end of the timeframe of the applicant's impact assessment. Therefore, whilst it will be important for ADC to

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<sup>15</sup> The applicant has not provided any information on the projects/initiatives which could receive financial contributions, or the scale of the financial contributions.

<sup>16</sup> For example, it could relate to Sainsburys or another mixed goods or comparison goods retailer.

take the proposed obligation into account as a material consideration for the determination of this application we recommend that:

- a. Little weight should be given the obligation in terms of its ability to mitigate the forecast impacts upon Littlehampton town centre; and
- b. Our conclusions regarding the likely scale of adverse impact on Littlehampton town centre should remain unchanged – i.e. the ‘keep open’ obligation will only ensure that the direct financial impact levels forecast by the applicant and ourselves will not rise any further for the first three years after opening, a safeguard which is then removed (allowing higher levels of impact to occur if town centre stores close).

## 6. Summary and Conclusions

### Introduction

- 6.1 This supplementary advice on retail, leisure and town centre planning policy issues has been prepared by Nexus Planning for Arun District Council in relation to two current planning applications (at New Courtwick Lane and Norway Lane) for retail and leisure development in Littlehampton. It follows our original advice to the Council dated October 2025 and considers a range of additional information submitted by both applicants in relation to the sequential and impact planning policy tests.
- 6.2 Our previous advice to the Council indicated that further information and analysis was required in relation to the North Littlehampton development for the sequential test. In relation to the impact policy test, our advice indicated that
- a. the Norway Lane proposal is likely to have a significant adverse impact upon Littlehampton town centre and Rustington local centre.
  - b. the New Courtwick Lane proposal is likely to exhibit a clear adverse impact upon the health of Littlehampton and Rustington. In relation to Littlehampton town centre, we advised that whilst there is no certainty that the scale of impact on the town centre will be significantly adverse, such a scale of impact cannot be completely ruled out at this stage (due to some uncertainties surrounding the potential effects on the convenience goods sector, due to retailer performance and future store viability issues)..
- 6.3 At the same time as submitting additional information and analysis in support of its proposal, the Norway Lane applicant has amended the scope and content of its proposal. In summary, whilst there is no change to Units A1-A5, Units A6-A9 have been replaced with a single large Unit A6 which is intended to be used for the sale of a restricted range of comparison goods<sup>17</sup>.

### The Sequential Test

#### New Courtwick Lane

- 6.4 Our supplementary assessment has focuses upon two elements of the North Littlehampton development: an area of land which is now subject to a Reserved Matters application (by Persimmon) for a local centre, along with an adjacent area of land which is being promoted by T&L Crawley. Overall, the only part of the North Littlehampton development area which may be suitable and available to accommodate the New Courtwick Lane proposal is the land currently being promoted/ marketed by T&L Crawley. Without any formal defined boundary for the North Littlehampton local centre, this area has the potential to lie in a sequentially preferable location to the application site. However, at the present time, we would question whether this land comprises a genuinely suitable and available alternative given: (a) the embryonic nature of the proposal; (b) the need to consider how permission for a retail and food/beverage development could be achieved via a new full planning permission; and (c) the lack of a current pre-application submission for the proposal.
- 6.5 Therefore, we consider that, on balance, there is no available evidence at this time to indicate that the New Courtwick Lane proposal conflicts with the sequential test.

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<sup>17</sup> DIY, home improvement, gardening, building materials, electrical and plumbing supplies, furniture, appliances, seasonal items and other household goods

## Norway Lane

- 6.6 The same factors also apply to the Norway Lane proposal, although there is clearer evidence that neither of these parts of the North Littlehampton development area will be able to accommodate the current version of the Norway Lane proposal. As a consequence, we consider that the Norway Lane proposal has met the provisions of the sequential test.

## Impact

### New Courtwick Lane

- 6.7 No further information has been submitted in relation to the New Courtwick Lane proposal. Therefore, our conclusions on the likely impact of this proposal, as set out in [tbc] of our October 2025 advice, remain the same.

### Norway Lane

- 6.8 The amendments to the Norway Lane proposal have led to a re-assessment of the likely impact of this proposal on the health of, and investment within, Littlehampton town centre and Rustington local centre. As part of this re-assessment we have reviewed additional information submitted by the applicant and also updated our own impact assessment.
- 6.9 Our updated assessment has found that the revised Norway Lane scheme will have a slightly lower impact upon Littlehampton and Rustington. No material change has been forecast in relation to the likely impact on Wick local centre. Despite this smaller level of direct financial impact, along with a less intensive level of trading overlap with Littlehampton and Rustington, we remain of the opinion that the Norway Lane proposal is likely to have a significant adverse impact upon the health of Littlehampton town centre and Rustington local centre. The likely impact on Wick local centre remains adverse (but not significantly adverse).
- 6.10 Despite the change in part of the proposal, many of the characteristics of adverse impact remain, including: a large scale of trading overlap; a large direct financial impact for both the convenience and comparison goods sectors; plus, the potential for the closure/relocation of grocery retailers in Littlehampton town centre. In addition, the change in the Norway Lane proposal does not affect the characteristics and health of the defined 'town centres' at Rustington, Littlehampton and Wick, which have been taken into account within our assessment.
- 6.11 We have also taken into account the town centre related draft planning obligations suggested by the applicant. We cannot place any weight upon the proposed financial contribution towards town centres in the local area given the absence of a proposed sum of money and an understanding of how it is intended to be used / how it is intended to mitigate the likely impact of the Norway Lane proposal. The applicant has also proposed an obligation which would require any town centre retailer (trading at the time of it opening a store at Norway Lane<sup>18</sup>) to retain its presence in the town centre for a period of three years<sup>19</sup>. Having considered the scope of this potential mitigation measure, we consider that it would only offer a short term and limited benefit to the town centre and which would merely replicate the impact scenario set out in the applicant's own assessment. As a consequence, we do not consider that this proposed mitigation measure changes our conclusions in relation to the trading effects on Littlehampton town centre.

<sup>18</sup> Or within six months prior to that date.

<sup>19</sup> Or secure a replacement Class E(a) retailer.

## Appendix A: Updated Nexus Financial Impact Assessment for Norway Lane Proposal

**TABLE 6a: CONVENIENCE GOODS IMPACT OF NEW COURTWICK LANE**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NEW COURTWICK LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<b>Littlehampton Town Centre</b>				
Iceland, Surrey Street	£1.84	£0.03	£1.81	-1.82%
Lidl, New Road	£14.51	£2.90	£11.61	-19.98%
Sainsbury's, High Street	£5.85	£0.26	£5.59	-4.38%
Other	£0.06	£0.00	£0.06	-1.80%
Sub-total	£22.26	£3.19	£19.07	-14.33%
<b>Rustington Local Service Centre</b>				
Iceland, Churchill Parade	£0.62	£0.001	£0.62	-0.16%
Waitrose, Broadmark Lane	£10.62	£0.38	£10.24	-3.53%
Other	£0.20	£0.00	£0.20	-0.11%
Sub-total	£11.44	£0.38	£11.06	-3.29%

**TABLE 6b: CONVENIENCE GOODS IMPACT OF NORWAY LANE**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NORWAY LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<b>Littlehampton Town Centre</b>				
Iceland, Surrey Street	£1.84	£0.10	£1.74	-5.55%
Lidl, New Road	£14.51	£5.70	£8.81	-39.25%
Sainsbury's, High Street	£5.85	£0.44	£5.41	-7.57%
Other	£0.06	£0.00	£0.06	-2.50%
Sub-total	£22.26	£6.24	£16.02	-28.04%
<b>Rustington Local Service Centre</b>				
Iceland, Churchill Parade	£0.62	£0.03	£0.59	-4.74%
Waitrose, Broadmark Lane	£10.62	£1.61	£9.01	-15.14%
Other	£0.20	£0.00	£0.20	-0.86%
Sub-total	£11.44	£1.64	£9.80	-14.33%

**Notes:**

Trade diversion levels taken from Tables 3 and 5. Pre-impact turnover levels taken from Quod impact assessment.

**TABLE 12a: COMPARISON GOODS IMPACT OF NEW COURTWICK LANE**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NEW COURTWICK LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<i>Littlehampton Town Centre</i>	£23.43	£0.31	£23.12	-1.33%
<i>Rustington Local Service Centre</i>	£27.22	£0.00	£27.22	-0.01%

**TABLE 12b: COMPARISON GOODS IMPACT OF NORWAY LANE**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NORWAY LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<i>Littlehampton Town Centre</i>	£23.43	£2.48	£20.95	-10.60%
<i>Rustington Local Service Centre</i>	£27.22	£1.89	£25.33	-6.95%

**Notes:**

Trade diversion levels taken from Tables 9 and 11.

Pre-impact turnover levels taken from Quod retail assessment.

**TABLE 13a: OVERALL CLASS E(a) IMPACT OF NEW COURTWICK LANE**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NEW COURTWICK LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<i>Littlehampton Town Centre</i>	£45.69	£3.50	£42.19	-7.67%
<i>Rustington Local Service Centre</i>	£38.66	£0.38	£38.28	-0.98%

**TABLE 13b: OVERALL CLASS E(a) IMPACT OF NORWAY LANE**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NORWAY LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<i>Littlehampton Town Centre</i>	£45.69	£8.73	£36.96	-19.10%
<i>Rustington Local Service Centre</i>	£38.66	£3.53	£35.13	-9.14%

**Notes:**

Pre-impact turnovers, and trade diversion levels, taken from Tables 6 and 12.

**TABLE 24a: CONVENIENCE GOODS IMPACT OF NEW COURTWICK LANE (NORWAY LANE SURVEY)**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NEW COURTWICK LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<b>Littlehampton Town Centre</b>				
Iceland, Surrey Street, Littlehampton Town Centre	£2.99	£0.06	£2.93	-2.02%
Lidl, New Road, Littlehampton Town Centre	£12.99	£2.80	£10.19	-21.54%
Sainsbury's, High Street, Littlehampton Town Centre	£10.50	£0.39	£10.11	-3.68%
<i>Littlehampton Town Centre Sub-Total</i>	£26.48	£3.24	£23.24	-12.25%
<b>Rustington Local Centre</b>				
Iceland, Churchill Parade, Rustington Town Centre	£1.77	£0.03	£1.74	-1.58%
Tesco Express, The Street, Rustington Town Centre	£3.71	£0.06	£3.65	-1.69%
Waitrose, Broadmark Lane, Rustington Town Centre	£17.05	£0.90	£16.15	-5.29%
Rustington Local Service Centre Other Stores	£1.11	£0.02	£1.09	-1.53%
<i>Rustington Local Service Centre Sub-Total</i>	£23.64	£1.01	£22.63	-4.27%

**TABLE 24b: CONVENIENCE GOODS IMPACT OF NORWAY LANE (NORWAY LANE SURVEY)**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NORWAY LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<b>Littlehampton Town Centre</b>				
Iceland, Surrey Street, Littlehampton Town Centre	£2.99	£0.13	£2.86	-4.42%
Lidl, New Road, Littlehampton Town Centre	£12.99	£6.11	£6.88	-47.01%
Sainsbury's, High Street, Littlehampton Town Centre	£10.50	£0.84	£9.66	-8.02%
<i>Littlehampton Town Centre Sub-Total</i>	£26.48	£7.08	£19.40	-26.74%
<b>Rustington Local Centre</b>				
Iceland, Churchill Parade, Rustington Town Centre	£1.77	£0.06	£1.71	-3.45%
Tesco Express, The Street, Rustington Town Centre	£3.71	£0.14	£3.57	-3.69%
Waitrose, Broadmark Lane, Rustington Town Centre	£17.05	£1.98	£15.07	-11.58%
Rustington Local Service Centre Other Stores	£1.11	£0.04	£1.07	-3.35%
<i>Rustington Local Service Centre Sub-Total</i>	£23.64	£2.21	£21.43	-9.35%

**TABLE 25a: COMPARISON GOODS IMPACT OF NEW COURTWICK LANE (NORWAY LANE SURVEY)**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NEW COURTWICK LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<i>Littlehampton Town Centre</i>	£25.29	£0.48	£24.81	-1.88%
<i>Rustington Local Service Centre</i>	£37.96	£0.59	£37.37	-1.55%

**TABLE 25b: COMPARISON GOODS IMPACT OF NORWAY LANE (NORWAY LANE SURVEY)**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NORWAY LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<i>Littlehampton Town Centre</i>	£25.29	£2.89	£22.40	-11.41%
<i>Rustington Local Service Centre</i>	£37.96	£2.76	£35.20	-7.28%

**TABLE 26a: OVERALL CLASS E(a) IMPACT OF NEW COURTWICK LANE (NORWAY LANE SURVEY)**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NEW COURTWICK LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<i>Littlehampton Town Centre</i>	£51.77	£3.72	£48.05	-7.19%
<i>Rustington Local Service Centre</i>	£61.60	£1.60	£60.00	-2.60%

**TABLE 26b: OVERALL CLASS E(a) IMPACT OF NORWAY LANE (NORWAY LANE SURVEY)**

STORE / CENTRE	PRE-IMPACT TURNOVER (£m)	DIVERSION TO NORWAY LANE	RESIDUAL TURNOVER (£m)	IMPACT (%)
<i>Littlehampton Town Centre</i>	£51.77	£9.97	£41.80	-19.25%
<i>Rustington Local Service Centre</i>	£61.60	£4.97	£56.63	-8.07%

## Appendix B: Site Layout Plans for North Littlehampton Reserved Matters Application LU/250/25/RES



Notes:  
To scale for planning purposes only. Do not scale for construction.  
All dimensions to be confirmed on site. This drawing is to be read in conjunction with other drawings in this series and all relevant consultants drawings and documentation where applicable.  
This drawing has been produced for the specific client and project identified below and is not intended for use by any other person or for any other purpose other than indicated on this drawing.  
Please report any discrepancy on this drawing to SHW for clarification.

**Proposed Ground Floor Plan scale 1:100 @A1**

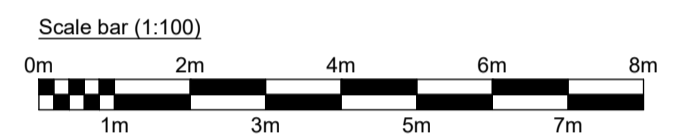
**ACCOMMODATION SCHEDULE**  
**Ground Floor**  
UNIT 01- RETAIL [1039 sq m]  
UNIT 02 - A1 unit [148 sq m]  
UNIT 03 - A1 unit [47 sq m]  
Ancillary / Storage to Retail [238 sq m]  
  
TOTAL = 1472 sq m

**First Floor**  
UNITS C01 to 11  
1 Bed 2 Person Flats = 4  
2 Bed 3 Person Flats = 2  
2 Bed 4 Person Flats = 5

**Second Floor**  
UNITS C12 to 22  
1 Bed 2 Person Flats = 4  
2 Bed 3 Person Flats = 2  
2 Bed 4 Person Flats = 5

**Total Residential Units [22]**  
1 Bed 2 Person Flats = 8  
2 Bed 3 Person Flats = 4  
2 Bed 4 Person Flats = 10

**NDSS Standards - met**  
Built in storage min 2.0 sq m for each flat (see plans)  
Flat gross floor areas shown on plans  
  
Each Flat has a min 3 sq m balcony or amenity space



Rev	Date	Description	Dm	Chk
Revision History:				

Site Address: Local Centre  
Hampton Park  
Littlehampton

Project Name: Hampton Park Local Centre

Drawing Title: BLOCK C Proposed Ground Floor

Client: Persimmon Homes [Thames Valley]

Status:	PLANNING	Rev. -
Scale:	1-100 @ A1 1-200 @ A3	Project No. 011042 Dwg No. PL - 203
Date:	19.11.2025	Drawn By. ST Chk. AS



## Appendix C: summary of key impact assessment considerations for the Norway Lane proposal

## Appendix C: main differences between Freeths (Norway Lane) and Nexus (Arun District Council) impact assessments for the Norway Lane development proposal

	Norway Lane Assessment (Freeths)	Nexus Planning Assessment	Overall Comments
Base data for financial impact assessment	<p>The financial impact assessment provided by Freeths adopts the study area and base data (population, per capita retail expenditure, market share, proposed development turnover) which they have obtained for the purposes of the Norway Lane proposal.</p> <p>An alternative assessment, utilising the separate data from the New Courtwick Lane impact assessment, has not been provided by Freeths. For the avoidance of doubt, Nexus have not requested that Freeths should undertake such an assessment (and no criticism has been suggested).</p> <p>Freeths do not appear to provide any views over the quality / robustness of the New Courtwick Lane data, or criticise its use in the Nexus impact assessment.</p>	<p>Two assessments of financial impact provided. One assessment is based on New Courtwick Lane base data. The other assessment is based upon the same population, per capita expenditure, proposed development turnover, market share data used by Freeths.</p> <p>This approach provides a range of impact forecasts, given that both sets of data (from Norway Lane and New Courtwick Lane) have not been criticised in terms of their robustness.</p>	<p>There is common ground (regarding baseline data) between the assessment provided Freeths and one half of the assessment provided by Nexus.</p> <p>No preference is afforded by Nexus to either the Norway Lane or New Courtwick Lane base data.</p> <p>Freeths do not criticise the New Courtwick Lane data and do not adopt it.</p> <p>Nexus advice enables the Norway Lane proposal to be assessed against both sets of baseline data.</p>
Convenience goods trade diversion assessment	<p>The convenience goods trade diversion assessment provided by Freeths shows a lower level of trade diversion from Littlehampton town centre and Rustington local centre. Whilst the overall content of the Norway Lane proposal has changed composition there have no changes to the scale and type of proposed convenience goods floorspace.</p> <p>Freeths have, however, amended some aspects of their original trade diversion assessment. The amended trade diversion from Waitrose (Rustington) has been increased to match part of Nexus assessment. The amount of forecast diversion from the Lidl store in Littlehampton TC has also been increased, although this remains lower than Nexus diversion/impact estimate.</p> <p>Freeths have forecast the impact on Littlehampton's convenience goods sector to be -17%, with a -8% impact on Rustington local centre's convenience goods sector.</p> <p>When placing weight on the amount of trade diversion from stores in the A259 corridor, Freeths note: <i>"Proximity and ease of movement through A259 corridor supports basis of trade diversion and competition. Location differentiates from Town Centre and underpins judgement on diversion"</i>.</p>	<p>Nexus have forecast an impact of between -27% and -28% on the convenience goods sector in Littlehampton town centre. The forecast impact on the convenience goods sector in Rustington local centre is between -9% and -14%</p> <p>The main area of difference between Nexus and Freeths is that Nexus have forecast a much higher level of trade diversion from the Lidl in Littlehampton town centre. This is based upon Lidl intending to operate a store from the Norway Lane development and having an existing store in the town centre. Nexus consider that the overlapping catchments between the proposal and the town centre will lead to a significant level of trade diversion from the smaller town centre store to the larger modern out of centre store.</p> <p>Nexus also consider that due to the scale of trade diversion from the town centre, there are concerns over the future trading position of the Lidl store (and which may result in closure). Concerns are also expressed over the trading position of the convenience goods sector generally, due to the poor performance of other stores including Sainsburys.</p>	<p>There are some notable broad areas of common ground between Freeths and Nexus in relation to the assessment of convenience goods trade diversion. In particular, it is common ground that the majority of convenience goods trade diversion will be derived from out of centre stores in the Littlehampton, Wick and Rustington area.</p> <p>The difference between Nexus and Freeths lies in the balance between in-centre and out-of-centre diversion. The basis for this difference lies, in part, in the characterisation of the catchments of the town and local centres when compared to the A259 corridor. Both parties accept that there is an overlap in the catchments, but Freeths suggest that the overlap is more limited, with Littlehampton town centre able to continue to serve a localised catchment.</p> <p>The difference of opinion is focused upon the scale of diversion from the town centre Lidl store and the general effects of having two large foodstores within the Norway Lane proposal.</p> <p>Also important to note that both Nexus and Freeths trade diversion assessments show all main stores in defined 'town centres' (e.g. Lidl and Sainsburys in Littlehampton town centre) remaining open.</p>

<p>Comparison goods trade diversion assessment</p>	<p>Freeths forecast that the direct financial impact upon the comparison goods sectors in Littlehampton town centre and Rustington local centre will be -4% apiece.</p> <p>Freeths consider that this level of diversion is reflective of the low levels of trading overlap between the proposal and these two centres.</p> <p>Freeths consider that the Norway Lane scheme will compete like with like with out of centre supermarkets in the Littlehampton area (including Tesco and Sainsbury's, given overlap in comparison offer, along with the type of proposed scheme and A259 corridor position.</p> <p>Apparent from paragraphs 6 and 11 (3<sup>rd</sup> bullet) of October 2025 Freeths document that original assessment assumed that the three comparison goods units removed from scheme were clothing/footwear/health&amp;beauty operators.</p>	<p>The Nexus financial impact assessments provide a range of forecast impacts upon the comparison goods sectors in Littlehampton town centre and Rustington local centre:</p> <p>Littlehampton town centre: -10.6% and -11.4% Rustington local centre: -7.0% and -7.3%</p> <p>Nexus consider that when the trading profile of the whole of the Norway Lane proposal is taken into account, the scale of trading overlap with these two defined 'town centres' is higher than suggested by Freeths. The proposal will provide two units will sell a wide range of largely non-bulky comparison goods, along with a large unit which is characterised as a bulky goods unit (but will also sell products currently found in the town and local centres) plus a smaller comparison goods offer in the two foodstores.</p>	<p>There are some notable broad areas of common ground between Freeths and Nexus in relation to the assessment of comparison goods impact.</p> <p>In particular, it is common ground that, in terms of the three broad groupings of trade diversion ((1) Littlehampton/Rustington; (2) out of centre stores in Littlehampton/Rustington/Wick; and (3) stores elsewhere (Bognor Regis, Worthing, Chichester etc) the amount of trade diversion from categories (2) and (3) is much higher than the forecast diversion from defined 'town centres' in Rustington and Littlehampton (category (1)).</p> <p>The differences lie in the balance of diversion between Littlehampton/Rustington and categories (2) and (3). These differences are based upon the individual views of Freeths and Nexus regarding the scale of trading overlap between the proposal and in-centre and out-of-centre stores in the local area. Freeths place considerable weight upon the 'A259 catchment' and an opinion that this is largely separate to the catchments of defined centres, particularly Littlehampton. In contrast, Nexus consider that there will be notable competition with the town and local centres across a range of comparison goods categories (whilst also acknowledging significant competition with other stores in the A259 catchment/corridor).</p>
<p>Town centre health information</p>	<p>Littlehampton town centre is considered, by Freeths, to be vital and viable. Freeths acknowledge that the town centre has an important convenience goods role, but this is primarily for the immediate surrounding area (which can be separated from the proposal).</p> <p>Freeths consider that the zone of influence of the town centre curtailed by the influence of stores along the A259 corridor.</p>	<p>Nexus do not take issue with the factual baseline data provided by Freeths in relation to Littlehampton town centre and Rustington local centre (in terms of land use diversity, number of vacancies and market share information). However, the analysis undertaken by Nexus has found that the proposal, the A259 corridor and these two defined town centres have largely overlapping catchment areas.</p> <p>In addition to the assessment provided by Freeths, the assessment provided by Nexus has highlighted the potentially poor trading performance of the Sainsburys store in Littlehampton town centre. Nexus have also undertaken an assessment to demonstrate that the Norway Lane proposal is likely to have a large level of trading overlap with both defined centre.</p>	<p>There is not a significant difference of opinion over the health of Rustington town centre. However, a difference is likely to occur in relation to Littlehampton town centre. Whilst the land use and vacant data for the town centre is not disputed, Nexus consider that the market share information shows a convenience good sector which is vulnerable. This is based upon a wider market share assessment than Freeths, given that the New Courtwick Lane household survey information has been taken into account.</p>

<p>Linked trips</p>	<p>Freeths appear to place a lower emphasis on linked trips in the overall assessment of impact. This impression is given on the basis of no mention of linked trips in Freeths' original retail impact assessment, although the available household survey information does provide data on this issue.</p> <p>Following the original Nexus advice report, Freeths have noted that linked trips between grocery stores and the town/local centres exist, but it is not a "particularly strong existing relationship" between grocery shopping and remainder of Littlehampton town centre. Freeths suggest that there is a stronger linked trip relationship between Waitrose and Rustington local centre.</p> <p>Freeths also note that shoppers at out-of-centre grocery stores still use town centres as part of linked trip.</p>	<p>The advice provided by Nexus contains additional information and analysis on linked trips associated with Rustington local centre and Littlehampton town centre. This utilises the available data from both household surveys.</p> <p>Nexus consider that there is a strong relationship between grocery shopping (in town/local centre stores) and the usage of other facilities in the same centre.</p> <p>This has been given considerable weight by Nexus in the overall assessment of impact on town centre health and investment.</p>	<p>Both Freeths and Nexus take into account the contribution that linked trips make to the health, role and function of nearby defined 'town centres' including the role of grocery stores in these centres.</p> <p>However, the difference appears to lie in the weight which is given to the role of linked trips in relation to the health of defined 'town centres' and the likely impact of the Norway Lane proposal on the health of, and investment within, Littlehampton and Rustington.</p>
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