



WORTHING LOCAL PLAN 2020- 2036

**TOPIC PAPER -
ECONOMY**

SUBMISSION

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**WORTHING BOROUGH
COUNCIL**

Economy Topic Paper

1 Introduction

- 1.1 The purpose of this topic is to summarise the conclusions of the various evidence studies that underpin and justify the policy approach proposed in the Submission Draft Worthing Local Plan which seek to support the local economy.
- 1.2 Worthing faces a particularly difficult challenge of how to plan for the identified needs of the local community in a sustainable way against the backdrop of a significant lack of available land.
- 1.3 The Council recognises that the identified need for new homes is exceptionally high but sustainable and balanced communities do not only need homes, they need the jobs and services and facilities that create communities. The Council also recognises the importance of nurturing and growing the local economy for the town's economic wellbeing and to offer opportunities for the younger population to be able to study and work within their own community rather than having to move out of the locality.
- 1.4 It is considered that the Submission Draft Worthing Local Plan offers the most sustainable and realistic option in balancing the needs of the community with significant land constraint issues that the borough faces.
- 1.5 In terms of the economy, the Local Plan proposes the following policies that specifically seek to support the local economy:

SS3 – Town Centre - this policy sets out the overarching development principles for the Town Centre and associated seafront. In conjunction with other key policies it will ensure that the types of uses and activities that best meet the aspirations and vision for the Town Centre are realised.

DM10 – Economic Growth and Skills – this sets out how the plan will support, promote and enable the continued development of a strong, sustainable and diverse local economy. It seeks to ensure that there are sufficient sites and premises to meet the identified needs of local business. It also seeks to help create the right environment including ensuring that the local workforce has the right skills set and that the right infrastructure including digital infrastructure so that local business can thrive.

DM11 – Protecting and Enhancing Employment Sites – given the significant land constraints and therefore the lack of new sites specifically available for employment use the local plan seeks to both protect and encourage more efficient use of the employment land within the borough.

DM12 – The Visitor Economy – this policy acknowledges the important role that tourism continues to play within the local economy and sets out how the local plan can support this sector and the wider corporate aspirations.

DM13 – Retail and Town Centre Uses – the policy sets out how the town centre and the hierarchy of local centres play a key role in the local economy and in ensuring local communities have the services and facilities they need within easy reach of their homes and workplaces. It recognises the significant changes that town centres have undergone and will continue to undergo but at the same time tries to set

out a vision and direction as to how the centres should grow to meet local identified needs.

DM14 –Digital Infrastructure – the policy supports the governments intended aims of ensuring that new development has the physical infrastructure to support gigabit capable connections. It recognises that digital connectivity is critical to societal resilience and business continuity business continuity as demonstrated through the Covid -19 pandemic.

DM15 –Sustainable Transport and Active Travel –the policy seeks to meet wider government objectives of achieving sustainable travel across the borough whilst also promoting economic growth, tackling climate change providing access to services and improving safety, security and health.

- 1.6 Underpinning these policies are a variety of evidence studies that have considered the various components that make up the local economy and those elements that support it together with assessments of the what is required to support the local economy over the local plan period.

2 Regulation 19 Consultation responses

- 2.1 In total there were a total of 103 representations made on the plan of which a total of 22 related to the economic policies listed above. The Sustainable transport & active travel Policy (DM15) received the highest number of representations being 9 but 3 of those were in support of the policy. Officers have considered the representations received and made comments on what they consider is the most appropriate response. Of the 22 comments made on the Economic Policies only 2 have resulted in minor amendments to the relevant policy and none of which have changed the substance of any of the policies.

- 2.2 The following table sets out the number and nature of the representations received for each of the economic policies and the full set of representations together with officer response can be found on the Council’s website.

Policy	Number of Reps	Summary of Reps
SS3 Town centre	3	One highlighted that the policy fails to acknowledge importance of biodiversity, the others raised concerns that the policy needs to be more flexible to respond to uncertainty and consider the impact in not meeting local housing need on the competitiveness of the town centre.
DM10 Economic growth and skills	2	One suggests the policy hasn’t considered the effects of housing shortfall and consequently more employment land is allocated than would be required. The other recommends referencing statutory tests in NPPF for planning obligations and conditions.

DM11 Protecting and enhancing employment sites	3	One representation requests amending the boundary of Broadwater Business Park Employment Area. Others suggest 'employment use' is defined by Use Classes and that the policy should allow for loss of employment land where a more beneficial use is proposed to aid economic recovery.
DM12 The visitor economy	1	Raised concerns that enhancement of the night time economy should not be at the expense of local residents.
DM13 Retail and town centre uses	3	Concerns raised that the policy hasn't considered the effects of housing shortfall and is overly restrictive in terms of town centre uses and doesn't acknowledge the recent changes to the Use Classes Order. One representation recommended that the Montague Shopping Centre should be reclassified as Secondary Retail.
DM14 Digital infrastructure	1	Recommend the removal of requirements relating to non-telecommunications infrastructure proposals be removed.
DM15 Sustainable transport & active travel	9	3 supporting the policy. Concerns raised by Highways England that further work still needs to be undertaken and by others regarding the status of A27 improvements, inclusion of equestrians, and whether all policy requirements are justified and consistent with the NPPF.

3 Key studies relating to the Economic Policies

Employment Land Review

- 3.1 An [Employment Land Review was published in May 2016](#) had its focus on the more traditional employment uses (B class uses), but did also consider, to some extent, the needs of other employment generating uses.
- 3.2 However, as the new plan progressed it became apparent that for the evidence to remain relevant and robust a focused update to the 2016 evidence was required. The update provided updated evidence on the future growth potential of the borough's economy to support the new Local Plan and to review the 2016 Economic Research and Employment Land Review (ERELR) study findings and to confirm that the approach being taken by the Council is justified. The update therefore reviewed the emerging policy approach to the local economy in light of changes to national planning policy that had occurred since the previous study.

- 3.3 The update also acknowledged that it was being undertaken during a period of significant economic uncertainty associated with the Covid-19 pandemic and the potential impacts of Brexit. Whilst some emerging implications have been considered, due to the timing of the analysis the updated economic growth scenarios do not specifically reflect the outbreak of Covid-19 and associated short, medium, or longer-term implications for growth within the borough. In addition, due to the timing of this update study and its analysis, no specific consideration has been given to the impact of emerging planning reform, including the more immediate changes to the Use Classes Order which came into force from 1st September 2020. However, some of the key potential implications have been identified in the study and have been considered in the review of the local plan. The [Worthing Employment Land Review Focused Update Final Report](#) was published in September 2020.
- 3.4 In line with the requirements of the NPPF, the study looked positively and proactively at how to encourage sustainable economic growth within the borough. In compliance with the guidance set out in the Planning Practice Guidance a number of potential future economic scenarios which had originally been assessed in the 2016 study were revisited to provide a framework for future economic growth needs and the B class employment space requirements in Worthing to 2016. The three scenarios that have been considered are:
1. Projections of employment growth in the main B class sectors (labour demand) derived from economic forecasts produced by Experian (March 2020 release);
 2. Consideration of past trends in completions of employment space based on monitoring data supplied by Worthing Borough and West Sussex County Council, and how these might change in the future; and
 3. Estimates of future growth of local labour supply based on both the demographic and housing assumptions applied in the Adur and Worthing SHMA; and the emerging housing target as consulted in the Draft Worthing Local Plan Spatial Strategy 2018.
- 3.5 In considering the most appropriate level of growth to plan for the study considered the limitations of each scenario. It noted that the growth scenarios implied by the Experian job growth forecasts and the local housing need figure of 885 dpa are based on the most up-to-date (albeit pre Covid-19) demographic and macroeconomic assumptions and therefore provide the most up-to-date objective assessment of needs. The dwelling-led scenario (labour supply of 246 dpa Draft Worthing Local Plan), in contrast to the rest of the scenarios, results in negative employment requirements. This is not considered to support positive and proactive plan-making for future economic development in accordance with NPPF paragraphs 80 to 82.
- 3.6 In conclusion, the study recommends that in the context of the National Planning Policy Framework requirement to plan positively for growth, the Council should consider planning to accommodate at least the labour demand (job growth) based requirement to ensure that business growth potential is not constrained by lack of spatial capacity in future. The requirements derived from this scenario reflect recent trends (up to March 2020) in both economic and property market terms, and appear to provide the most appropriate balance between positive planning and significant capacity constraints that exist in Worthing.
- 3.7 The plan therefore seeks to meet this requirement through any new employment development opportunities (particularly the sites allocated for employment) and also through ensuring existing sites are protected and that they are only released to other

uses where the evidence is robust and justified. Furthermore, it is important that opportunities are taken to use existing sites more efficiently and effectively

Retail and other Town Centre Uses Study

- 3.8 To help inform the emerging Worthing Local Plan the Council commissioned consultants to undertake a borough-wide retail and commercial leisure study. The purpose of the study was to provide the Council with an up-to-date understanding of the current health and performance to the borough's retail and leisure offer within the existing network of town centres and set out current and future needs for additional floorspace for the town over the Plan period to 2033. It also provided recommendations regarding the suitability of the Council's existing policy approach (as set out in the current Core Strategy) in respect of retail and town centre uses. The [Worthing Retail & Town Centre Uses Study](#) was first published in August 2017.
- 3.9 As the new plan review progressed the Council considered that in light of the rapidly changing evolution of national market trends and in response to government policy/guidance evolution the Council needed to commission consultants to prepare an update to the 2017 Study focusing specifically on Worthing Town Centre.
- 3.10 The [Worthing Town Centre Retail Study Update study](#) update was published in March 2020 and has informed the policy approach taken in the Submission Draft Local Plan. The update reviewed the previous evidence base and outputs and assessed the implications of change on the previous conclusions and recommendations.
- 3.11 It should be noted that this report was finalised at the start of the UK's response to the Covid-19 global pandemic (March 2020). Although reference is made to the pandemic and how it is contributing substantially to economic uncertainty the full implications for local economies and town centres are yet to be realised and its impacts will be carefully monitored. In addition, the potential impacts of Brexit and changes to national policy are yet to be experienced.
- 3.12 The retail study considered the town centre and the hierarchy of centres to assess their continued suitability for designation and also considered the role of the frontages within them in line with national policy and local circumstances. Whilst the overall conclusion was that the hierarchy of centres remained relevant and justified a number of changes to centre boundaries and frontages were recommended.
- 3.13 When considering new floorspace requirements the study concluded that there was only a small residual comparison goods need and that rather than planning to build substantial additional retail floorspace, the focus should be on accommodating this residual comparison goods need within an improved trading performance of existing floorspace. It was considered that this could be achieved through the preparation of a town centre investment prospectus/town centre strategy, continued investment in the environment and public realm, a growing collaboration between town centre partners, businesses and the local community, and consequent enhanced footfall. The Council have pro-actively responded to the challenges presented on the high street, building on the success of the [2016 Investment Prospectus](#). Change and investment takes time but these are beginning to be realised, evidenced in the number of town centre residential units being granted planning permission through key site redevelopment.

- 3.14 The proposed local plan policies acknowledge the rapid changes in town centres including the changes in planning and planning use classes and the market trend and visitor expectations for multi-dimensional town centres but still recognise that retail still has a valid and important role to play. The comparison goods category in Worthing town centre has experienced a substantial decline, and national multiple operators have been leaving the town for a number of years. The evidence has identified a number of positive trends in recent months, most notably the introduction of a strong selection of good quality independent and small business café and restaurant operators, micro-breweries and gin distilleries, exercise hubs and art shops/galleries drawn to the attractive range of lanes and seaside location. Two Escape Room entertainment leisure venues have also opened, and a re-branded night-club has invested in an existing facility on Chatsworth Road. The Council in collaboration with the County Council have also been proactive with improvements to the town centres public realm with the first of a number of projects about to commence.
- 3.15 The study recognised that whilst local authorities should respond to national trends and local circumstances, it would be premature to introduce a far-reaching laissez-faire overhaul of town centre policy in Worthing. Continued monitoring and future evidence base studies should keep this under review, but in the meantime, the need for a sound policy framework, frontage and centre policies, and a clear and robust statement of permitted uses in different locations will be required over the Local Plan period. As such it is considered that the policies provide a clear strategy and vision in line with the NPPF whilst actively supporting the change required, encouraging a flexibility of uses in a managed way to ensure that the right uses are directed to the right locations.

Visitor Economy

- 3.16 The [Adur & Worthing Hotel & Visitor Accommodation Futures Study](#) published December 2013 and the [2016 Update](#) provide an objective and evidence-based assessment of the opportunities and requirements for the future development of all forms of hotel and visitor accommodation across Adur & Worthing.
- 3.17 Whilst the latest study was undertaken in 2016 many of its findings remain relevant. In addition work undertaken by the council within the Economy and Place teams in connection with initiatives such as 'Time for Worthing' (a new place brand for the town) and 'Discover Worthing' (a new website to improve the visitor experience) confirm that there is an ongoing market demand for a variety of visitor accommodation types. However, it is acknowledged that there have been significant shifts in the types of accommodation provider such as the Airbnb type accommodation and that greater flexibility may need to be given to those providers such as the smaller B&B's that may struggle to compete against them. Providing a choice of types of accommodation will be key in attracting the different type of visitor to the town.
- 3.18 These studies together with work undertaken by the Council's place and economy team have been used to inform emerging policy. This includes an economic strategy and it has helped to identify other interventions that the Councils can make to support and encourage hotel and visitor accommodation development and improvement and build market demand for overnight stays in the area.

- 3.19 A significant amount of work has already been undertaken by the council to improve the wider offer across the town. This has include amongst others work to promote the seafront experience for visitors; improvements to the towns theatre and museum; 'extend the day' type activities such as the Worthing Observation Wheel and the Donkey bike; there has also been a significant increase in the number of concessions with a particular focus on the seafront. Further opportunities are the enhancement of the town's evening/night time economy and to further develop active tourism given the town's proximity to the South Downs National Park.
- 3.20 The Plan acknowledges the uncertain times facing the economy with the impacts of the Covid -19 pandemic, Brexit and changes to national planning policy in the short, medium and long term being played out. It is therefore considered that the proposed policies achieve the right balance of protection and flexibility to respond to change within this sector of the local economy.

4 Digital Infrastructure

- 4.1 The proposed policy builds on the requirements set out in the NPPF recognising the important role digital infrastructure plays in economic growth and social well-being. The policy also has regard for the governments stated intention to amend the Buildings regulations to require all new build to have the physical infrastructure to support gigabit-capable connections.
- 4.2 The Council works closely with West Sussex County Council (WSSCC) to install full fibre technology to Adur and Worthing Council assets as part of the Gigabit Coast Project. WSSCC is also keen that the proposed policy requirement to ensure gigabit-capable broadband is available in all new build development at the point of occupation should remain. The government has started talking about its New Build Act again, therefore it is likely to become law.

5 Conclusion

- 5.1 Despite all the uncertainty that the country and more specifically the local economy is faced with, it is considered that the Economic Policies set out in the Local Plan, when read in conjunction with other policies set out in the plan, provide the most appropriate strategy for the local economy to flourish and balance the competing land use needs even with the significant constraints faced by the borough.
- 5.2 The policies acknowledge that the updated evidence that underpin many of them were undertaken during a period of significant economic uncertainty associated with the Covid 19 pandemic and Brexit. At the same time there have been significant shifts in national planning policy and further changes are mooted. The plan has tried to mitigate against many of these uncertainties by providing a clear strategy and framework to direct the right type of development to the most appropriate locations and create a supportive environment for local business. Therefore, the Council are confident that the policy position is fit for purpose sufficiently flexible to respond to change and in line with national policy expectations. However, the key to the success of the plan and the effectiveness of these policies will be regular monitoring and review.

Worthing Borough Council
Planning Policy
Portland House
44, Richmond Road
Worthing
West Sussex
BN11 1HS



WORTHING BOROUGH
COUNCIL