



WORTHING LOCAL PLAN 2020- 2036

WBC-E-18

Employment Figures - Note

November 2021

Following discussions at the Hearing Sessions the Council has prepared this short paper to clarify the position relating to the provision of employment floorspace. This should be read in conjunction with the Council’s response to Q71 of the MIQs (Matter 4 - Issue 1). The paper seeks to clarify the position and give the Inspector comfort that the Plan will not be seeking to deliver a surplus of employment land when assessed against identified needs of 32,560sqm of employment space (labour demand scenario).

More specifically the Paper:

- i) Explains figures in table 3.2 (Worthing Employment Land Review (ELR) Focused Update Final Report - September 2020
- ii) Clarifies what employment floorspace we are providing through the WLP
- iii) Clarifies what level of provision was tested in the SA

Evidence Base

The Worthing Employment Land Review (ELR) Focused Update Final Report - September 2020 sets out in Table 3.1 (below) the sources of supply. It comprises monitoring data from West Sussex County Council (Extant Planning Permissions up to November 2018), Extant Allocations (proposed allocations /areas of change as set out in Draft Worthing Local Plan (DWLP) 2018 with indicative capacity updated as at July 2020) and Potential Allocations (these are Omission Sites as set out in the DWLP 2018). Paragraph 3.1 clarifies that it was not considered realistic to factor the Potential Allocations further in this analysis as these sites have been promoted for residential use only.

Table 3.1 Employment Supply in Worthing

Source of Supply	Net Employment Space				
	ha/sqm	B1a/b	B1c/B2	B8	Total
Extant Planning Permissions*	ha	0.08	0.25	0.04	0.37
	sqm	710	985	170	1,865
Extant Allocations	ha	3.72	5.10	3.85	12.67
	sqm	14,890	14,000	9,000	37,890
Potential Allocations	ha	1.68	0.84	0.84	3.36
	sqm	5,040	2,520	2,520	10,080
Supply Position	ha	3.80	5.35	3.89	13.04
	sqm	15,600	14,985	9,170	39,755

Source: Worthing Borough Council and West Sussex County Council Monitoring Data (2020) / Lichfields analysis

*Monitoring data for extant planning permissions up to November 2018

Therefore, at the time of the ELR update the capacity assumptions for each proposed allocation or Area of Change are set out in Appendix 2 of the report. Taking the capacity assumptions at that stage of the plan process, the overall indicative employment capacity was 37,890 sqm and this along with the Extant Planning Permissions indicated a Total Supply Position of 39,755 sqm. It should be noted that the assumptions that sit behind many of the capacity assessments of the ‘Extant Allocations’ were at a point in time and were ‘optimistic’. Further work on the proposed allocations have taken place between the DWLP and the SDWLP stage which further refined both the final proposed uses on sites and the

proposed capacity on each site based on updated evidence and discussions to derive the most appropriate use/mix of uses and capacity. The allocations set out in the SDWLP (subject to a number of modifications) are considered to be the most appropriate and realistic in terms of uses and capacity.

The conclusion of the study was that the Council should seek to plan to accommodate as a minimum the employment space requirements associated with the labour demand scenario (Scenario 1), equivalent to 32,560 sqm or 6.8 ha over the Local Plan period. The original 2016 ELR forecasted an employment land requirement of approximately 14,500 sqm of office space (B1a and B1b) and approximately 40,000 sqm of industrial floorspace (B1c, B2 and B8) over the Plan period and this was reflected in the DWLP version of the Plan.

Table 3.2 from the study (extract below) on the basis of the capacity assessments at that point in time indicates that there would be a surplus of 7,195 sqm when planning to meet recommended space requirements.

Table 3.2 Demand/Supply Balance of B Class Employment Space in to 2036 by Scenario (sqm)

	1. Job Growth (Baseline)	2. Past Take-up	3. Labour Supply (885 dpa)	4. Labour Supply (246 dpa)
Requirement for B Class Space	32,560	61,560	49,295	-49,540
Available Employment Space	39,755			
Surplus (+)/Shortfall (-)	7,195	-21,805	-9,540	89,295

Source: Lichfields analysis

However, since the study update, the assumptions about supply have changed significantly and the Submission Draft Worthing Local Plan (together with a number of recent proposed modifications - M4, M4(a), M11(a), M11(a)1 and M13) set out the most up to date position regarding site allocations and the expected capacity.

Site	DWLP	Update ELR 2020	SDWLP
Decoy Farm	Allocation A4 - 28,000 sqm Employment Space	Estimated 18,000 sqm commercial floorspace.	Allocation for 18,000 sqm Industrial /Warehousing (Proposed modification to state Employment Floorspace and mod to reduce to 14,000 sqm).
HMRC	AOC 5 - 250 dwellings (+ employment)	Estimated 2,500 sqm commercial floorspace as part of mixed use site with 250 residential units.	Now Allocation A8 - Residential site 250 residential units including care home /sheltered housing
Land Adj to Martlets Way	AOC 6 Martlets Way Employment uses	Estimated 10,000sqms commercial floorspace.	Now Allocation A10 with 10,000sqm of Industrial/ Warehousing (Mod proposed to refer to Employment

			floorspace).
Union Place	A6 128 dwellings (+ leisure / employment)	Proposed mixed use scheme - 2,390 sqm commercial	Now Allocation A14 Mixed Use site 150 residential units and 700sqm commercial / 90 room hotel/ cinema extension.
Centenary House	AOC1 Centenary House 100 dwellings (+ employment)	Current Capacity: 11,000 sqm - Office use and Police Custody Suite. It is proposed to re-provide the facilities for Sussex Police and WSCC (approx. 5,000 sqm) and additional employment space (approx. 5,000 sqm)	Now Allocation A3 Mixed use site 250 residential units and 10, 000 sqms of part re-provided office space. Therefore not counted as a new employment allocation. The Council are proposing modifications to this allocation - M11(a) and M11(a)1. M11(a)1 specifically updates the text to reflect the most recent position regarding the demands of current occupiers and therefore that the level of reprovided office is likely to decrease significantly.

Updated Supply Position at November 2021

Site /Allocation in SDWLP	Approximate Net Floorspace	Proposed Use	Comment
A5 Decoy Farm	18,000 sqm	Employment	Proposed Mod M13 reduces this to 14,000sqms
A10 Martlets Way	10.000 sqm	Employment	
Total Supply from Sites	28,000 sqm		Total has been revised down to 24,000sqm due to proposed reduction of proposed floorspace for A5 Decoy Farm.

If the total supply from proposed allocations in the SDWLP 28,000 sqms (24,000 sqms as amended) is added to the Extant Planning Permissions (1,865 sqm) as set out in table 3.1 above the total proposed supply = 29,865 sqm (25,865 sqm as amended). Therefore, this would mean a 4,560 sqm (8,560 sqm) shortfall when considered against the most up to date supply position.

Whilst the two sites set out in the Table above are the only two allocations specifically identified to deliver a significant proportion of the identified 'traditional' B class employment floorspace. In terms of 'other windfalls' it should be noted that whilst there are a number of mixed use site allocations in the SDWLP these are not expected to deliver 'traditional' B class employment floorspace. There may of course be additional 'employment' floorspace

beyond the two allocated sites but the Council considers that this is likely to be more than offset by the potential loss of employment through PD rights and other exceptions.

Sustainability Appraisal

In terms of the Sustainability Appraisal, as explained in the Council's response to the Initial Letter from the Inspector (IL01) the Council's view was that aiming to meet the Labour Demand Scenario was the only reasonable alternative to balancing the significant need for housing whilst positively planning for economic growth in accordance with the NPPF. For this reason no other options for employment requirements were tested as reasonable alternatives through the SA.

Notwithstanding this, the SA did as part of testing the total effects of the Local Plan appraised the individual policies. This was done at the Regulation 18 stage through the policies contained in the Draft Local Plan within the DIIA and the Regulation 19 stage through the policies contained in the Submission Draft Local Plan within the Submission SA Report. As part of these the following employment requirements were tested:

Draft Local Plan Policy SP3:

4,182 dwellings, 50,000sqm employment and 11,957sqm commercial.

Submission Draft Local Plan Policy SS2:

3,672 dwellings, 28,000sqm employment and 10,000sqm commercial.

The reduction in employment requirements between these two versions of the Local Plan was due to site characteristics and emergings development proposals around what individual sites could accommodate. Both aimed to meet the Labour Demand Scenario (although it should be noted that the floorspace requirement for this scenario changed between the 2016 ELR and the update) and so the policy approach remained unchanged. Therefore, these were not appraised as options.

The SA did however consider the policy option of continuing to protect key employment areas.

Conclusion

In conclusion, the most up to date employment supply position clarifies that there will not be an oversupply when considered against the identified need. The Plan actually seeks to allocate 24,000 sqms of employment space (subject to a modification). When taken together with the Extant Planning Permissions would result in a supply of 25,865 sqm. Therefore, there is actually a shortfall in supply when assessed against the identified need (labour demand scenario).

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



WORTHING BOROUGH
COUNCIL