

# **Adur District Council Employment Land Review**

**Final Report**

Adur District Council

05 September 2024

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## 1.0 Introduction

- 1.1 Adur & Worthing District Council ('the Council') commissioned Lichfields to prepare an Employment Land Review ('ELR') for the Adur Local Plan Area to inform the new Adur Local Plan which will set planning policies and site allocations for the 2026 to 2041 period. The purpose of the ELR is to update the Council's understanding of the future needs for employment land across the Adur Local Plan Area (i.e. the extent of Adur District that is outside of the South Downs National Park Authority boundary), so that future Local Plan policies can be responsive to market change, key growth sectors, and where appropriate, ensure that employment land and premises are protected to meet business needs.
- 1.2 This report considers market signals and future employment requirements, as well as the employment land supply and demand balance within the Adur Local Plan Area. It provides a series of conclusions along with implications for planning policy.

## Study Scope

- 1.3 The purpose of this ELR is to provide a review of, and update, the Council's existing employment and economic needs evidence base to inform the refresh of the Local Plan. This takes account of the latest economic outlook and national planning policy and guidance in respect of planning for economic development. In particular, it is necessary to consider how recent macro-economic circumstances, including the Covid-19 pandemic, the cost-of-living crisis, and Brexit have impacted economic trends within Adur and how these may affect local growth prospects over the Local Plan period to 2041.
- 1.4 The scope of the study includes the following:
- a Reflect the National Planning Policy Framework ('NPPF') (December 2023) and current Planning Practice Guidance ('PPG') requirement to assess economic needs in relation to relevant functional economic market areas (FEMAs), and considers whether there have been any changes to the spatial extent and nature of Adur's FEMA.
  - b Review economic conditions and recent trends within Adur to identify the key strengths and weaknesses of the local economy that may influence future need for employment space.
  - c Provide an analysis of current market demand and signals including availability and past take up of employment premises and land to identify any gaps or an over-supply of specific employment uses.
  - d Aligned with PPG, assess the scale of future demand and growth potential of the Adur Local Plan Area and quantify the amount and type of floorspace needed for the main employment use classes.
  - e Review the existing portfolio of employment land within the Adur Local Plan Area to ensure that suitable sites are protected, identify sites suitable for either redevelopment or release to other uses, and identify any potential for additional supply if this is required.

- 1.5 It includes consideration of economic development as defined by the NPPF, with a primary focus upon the typologies set out in the business use classes as outlined below:
- **B2 general industrial:** typically comprising factory and manufacturing space.
  - **B8 storage and distribution:** warehouses, wholesale and distribution.
  - Under the new Use Classes Order, “B1 uses” have changed as follows:
    - Former Class B1(a) to **E(g)(i):** office space;
    - Former Class B1(b) to **E(g)(ii):** research and development space; and
    - Former Class B1(c) to **E(g)(iii):** light industrial space.
- 1.6 References to ‘employment space’ refer to all the E(g)/B class elements noted above, as well as Sui Generis and ancillary uses typically found in employment areas similar to the categories referred to above.
- 1.7 An important consideration for any work of this type is that it is inevitably a point-in-time assessment. This study has incorporated the latest data and other evidence available at the time of preparation primarily in late 2023/early 2024. The accuracy and sources of data derived from third party sources has not been checked or verified by Lichfields. The analysis of current market trends, as well of the existing supply of employment land, has been supported by consultation with local commercial property agents, major employers and a local Business Improvement District (‘BID’). A full list of consultees is provided within Appendix 1.
- 1.8 It should also be noted that this study considers the locally-generated employment needs arising from economic and employment growth within Adur. Accordingly, it does not take account of other strategic/inward investment needs or any other specific investment position that may arise from other areas or firms or other LPA areas outside Adur, other than to the extent that these have been accommodated historically and accordingly they are reflected in the trends which inform the various forecasts of the assessment.
- 1.9 At the time of drafting the Government is consulting on proposed changes to the NPPF, which contain some additional considerations in respect of planning for economic needs and commercial development<sup>1</sup>. This includes identifying the needs and suitable locations for ‘modern economy’ land uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics. Some elements of these uses (e.g. logistics) are included within this assessment, but if the proposed changes are adopted, further specific consideration of these uses may be required in future updates to this work and/or as part of sub-regional assessments.

## Structure of the Report

- 1.10 The remainder of this report is structured as follows:
- **Functional Economic Market Area (Section 2.0):** establishes the various functional economic market areas that operate across Adur to provide an understanding of the various economic relationships, linkages and flows which characterise the local economy.

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<sup>1</sup> See [Error! Hyperlink reference not valid.](#)[Error! Hyperlink reference not valid.](#)

- **Economic Context and Trends (Section 3.0):** a review of economic conditions and recent trends in Adur, and the key strengths and weaknesses of the local economy that may influence the future need for employment space.
- **Commercial Property Market Signals (Section 4.0):** an analysis of the current stock and trends in employment space in Adur and how different segments of the market have been performing recently.
- **Future Requirements for Employment Space (Section 5.0):** presents a series of future growth scenarios for Adur and associated employment land requirements over the new Local Plan period.
- **Employment Sites Audit (Section 6.0):** a review of the existing and proposed employment sites within the area to inform Adur's employment supply position.
- **Balance of Demand and Supply (Section 7.0):** compares the employment requirements against the available supply across the area to identify any shortfall or oversupply of employment space.
- **Conclusions and Policy Implications (Section 8.0):** summarises the findings of the study to inform the Council's emerging policy direction regarding planning for employment uses.

## 2.0 **Functional Economic Market Area**

2.1 This section considers the extent of the Functional Economic Market Areas ('FEMAs') that operate across Adur and the wider sub-region to provide an understanding of the various economic relationships, linkages and flows which characterise the local and wider economy.

### **Rationale**

2.2 When planning for economic growth, the PPG states that economic needs should be considered in relation to the most appropriate geographies and relevant FEMAs, that is, the spatial level at which local economies and markets operate<sup>2</sup>. In many cases, these will extend beyond administrative boundaries such as local authority boundaries.

2.3 There is no single source of comprehensive data for identifying appropriate assessment areas, so several factors should be considered when assessing and defining relevant FEMAs. This includes travel to work areas ('TTWAs'), housing market areas ('HMAs'), commercial property market areas ('CPMAs') and service markets for consumers. In order to identify a FEMA for the Adur Local Plan Area, a number of market and catchment areas have been considered and assessed. These themes are considered in turn below.

### **Labour Market Areas**

2.4 Commuting flows data can be used to define TTWAs to consider the relationship between where people live and where they work.

### **Commuting Flows**

2.5 Commuting patterns to and from Adur can be analysed using origin-destination data from both the 2011 and 2021 Census. Table 2.1 and Figure 2.1 and Figure 2.2 summarise several key commuting indicators for Adur.

2.6 Data collection for the 2021 Census was undertaken during the Covid-19 pandemic and a number of travel restrictions remained in place on collection day. As a result, the commuting patterns identified within the 2021 Census vary greatly from the previous 2011 Census. This includes the number of people who said they work from home in Adur increasing from 16 people in 2011 to around 14,700 in 2021, and out-commuting from Adur falling by around 38%. Therefore, for the purposes of this study, commuting data from the 2011 Census has been used due to the unreliability of the 2021 Census data at the local area level, although the latter is also presented for information purposes.<sup>3</sup>

2.7 In 2011, around 7,000 of the 23,400 working residents of Adur also worked locally within Adur, resulting in a relatively low self-containment rate of 29.7%. A total of 9,355 people commuted into Adur for work, the majority of which were from neighbouring Brighton and

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<sup>2</sup> See Planning Practice Guidance, How can functional economic market areas be defined?, paragraph: 019 Reference ID: 61-019-20190315

<sup>3</sup> The Office for National Statistics advises against use of the 2021 Census commuting data for planning purposes as it was collected during the period of Covid-19 national lockdown when working patterns were disrupted and while the Government furlough scheme was in operation. ONS is researching the potential use of aggregate mobile phone data, survey data and modelling approaches to produce more timely measures of travel data. Further information is available at: [https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/traveltoworkenglandandwales/census2021#:~:text=12.5%20million%20people%20travelled%20to,car%20or%20van%20\(3.9%25\)](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/traveltoworkenglandandwales/census2021#:~:text=12.5%20million%20people%20travelled%20to,car%20or%20van%20(3.9%25))



Hove (3,077) and Worthing (2,934). At the same time, 16,465 working residents of Adur commuted outside of Adur. Again, the majority of these out-commuters travelled to Brighton and Hove (6,615) and Worthing (4,237). On this basis, Adur is characterised as a net exporter of labour, with a net out-flow of 7,110 workers at the time of the 2011 Census.

Table 2.1 Commuting data for Adur 2011 and 2021)

Indicator	Adur - 2011 Census	Adur - 2021 Census
Total working residents† (number of people living in Adur that are in work, regardless of where they work)	23,437	29,823
Total workplace workers* (number of people working in jobs based in Adur)	16,327	26,809
Live and work in authority*	6,972	19,676
Number of people who work from home all of / most of the time	16	14,749
Resident self-containment rate*	29.7%	66.0%
In-commuting workers‡	9,355	7,151
Top in-commuting destinations	Brighton and Hove (3,077), Worthing (2,943), Arun (902), and Horsham (836)	Worthing (2,421), Brighton and Hove (2,419), Arun (646) and Horsham (529)
Out-commuting workers	16,465	10,165
Top out-commuting destinations	Brighton and Hove (6,615), Worthing (4,237), Horsham (995), and Mid Sussex (779)	Brighton and Hove (4,128), Worthing (2,801), Horsham (786), and Mid Sussex (541)
Net out-flow of workers	-7,110	-3,014

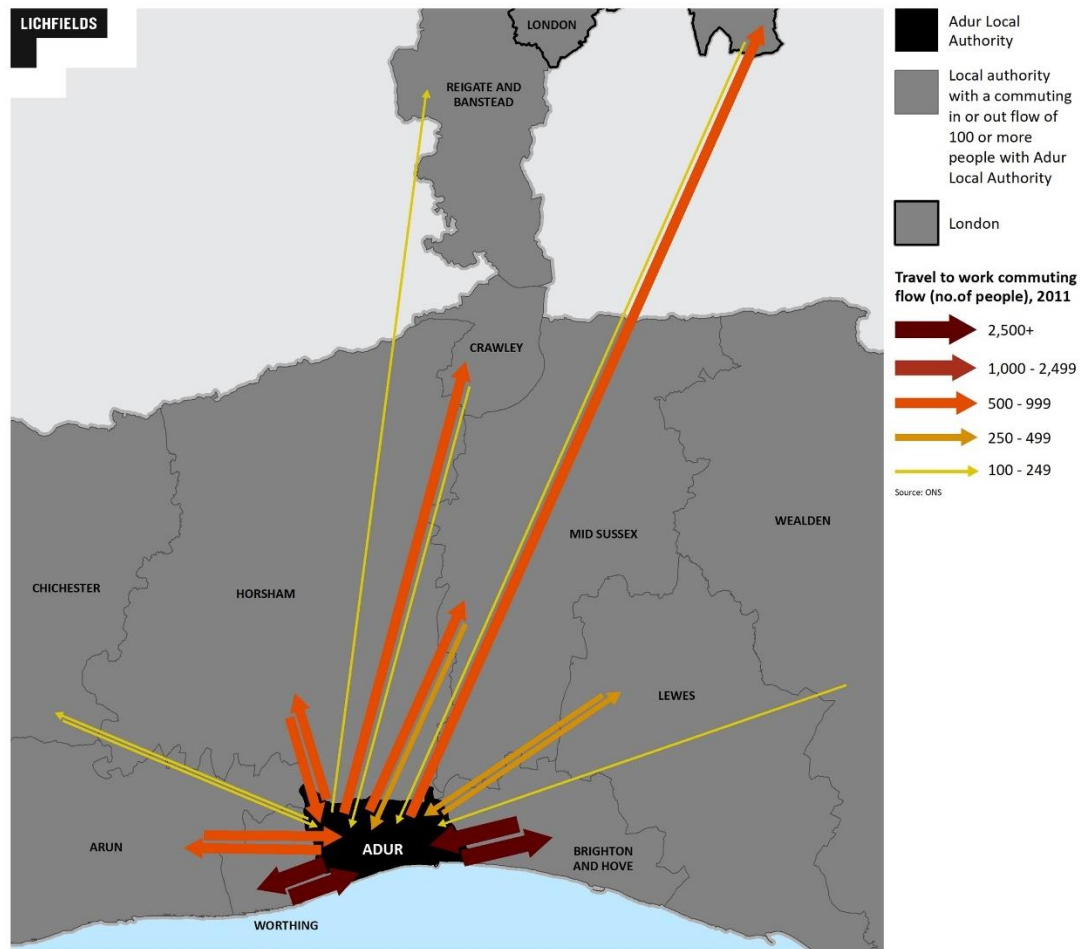
Source: ONS (2011), Census 2011 / ONS (2021), Census 2021 / Lichfields analysis

† Includes those that work mainly at or from home, at an offshore installation, outside the UK, and with no fixed employment location (in line with ONS guidance on defining resident and workplace workforce)

\* Includes Adur residents that work mainly at or from home, at an offshore installation, and with no fixed employment location (in line with ONS guidance on defining resident and workplace workforce)

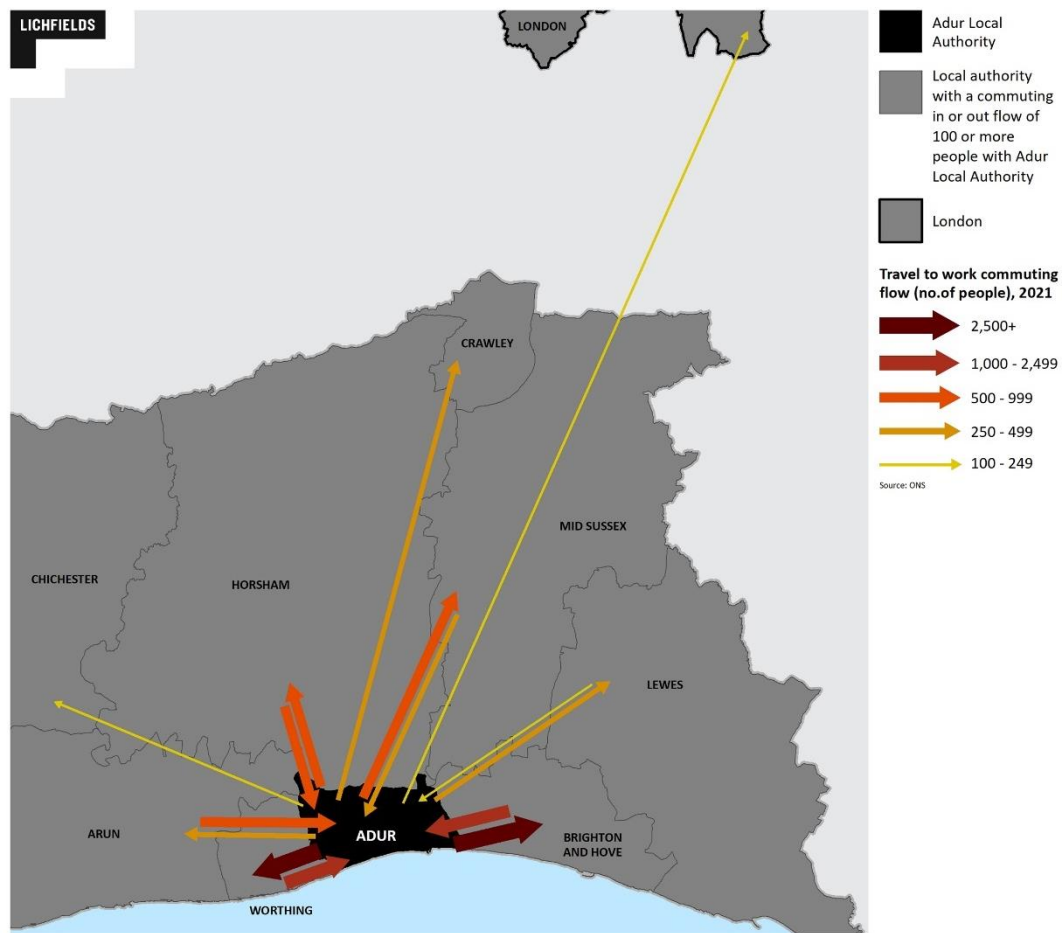
‡ Includes Adur residents that work outside the UK (in line with ONS guidance on defining resident and workplace workforce)

Figure 2.1 Travel to work flow for Adur, 2011



Source: ONS (2011) / Lichfields analysis

Figure 2.2 Travel to work flow for Adur, 2021



Source: ONS 2021 / Lichfields analysis

2.8 It should be noted that, there is an increasing trend of hybrid working within the national economy, with employees (particularly those that work within offices) working from home for at least one working day per week. This typically leads to a higher concentration of commuting midweek, rather than an equal distribution across the week. For example, latest data from Transport for London shows that recovery in passenger numbers is consistently greater on Tuesday, Wednesday and Thursday, compared to Monday and Friday<sup>4</sup>. Therefore, there is a need to accommodate a mid-week peak workday population into future planning policy. This pattern may be less applicable in Adur, where office-based employment makes up a lower proportion of workforce jobs compared to industrial-based jobs and other workforce jobs as outlined in section 3.0.

### ONS Travel to Work Areas

2.9 The Office for National Statistics (ONS) defines labour market areas as those areas where most of the resident population also work in the same area. Defining labour market areas requires analysis of commuting flow data to identify the TTWAs of a local economy. The standard definition of TTWAs adopted by the ONS is that they are the area from which at least 75% of an area’s resident workforce is employed, and at least 75% of the people who

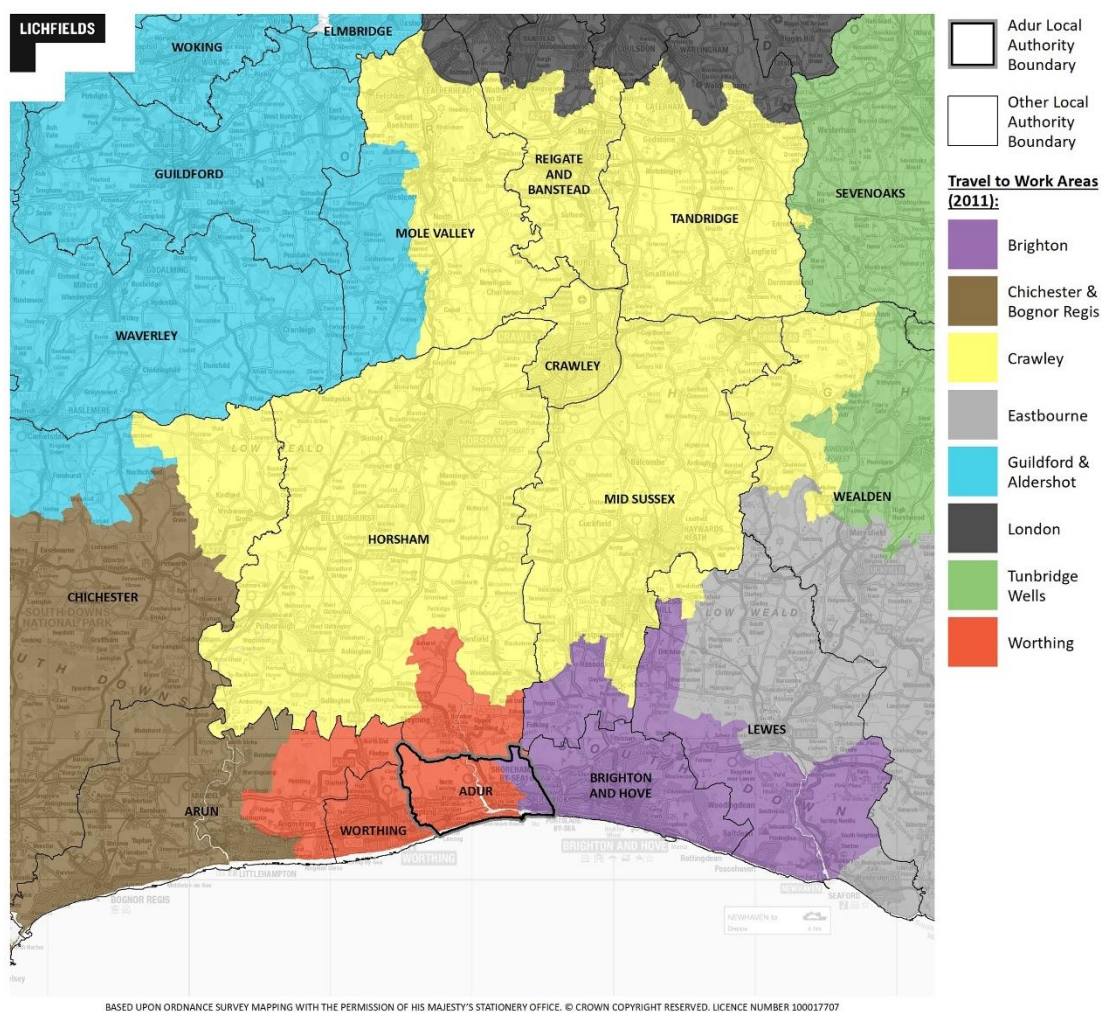
<sup>4</sup> Transport for London (2023), Trends in public transport demand and operational performance.

work in the area also reside. The area must also have a working population of at least 3,500 people.

2.10 In 2015, the ONS used 2011 Census data on home and work addresses to define 228 TTWA's that cover the whole of the UK. This analysis identifies that the Adur Local Plan Area is divided between the Brighton TTWA and the Worthing TTWA as shown in Figure 2.3.

2.11 At the time of drafting, ONS is considering whether to produce updated TTWAs based on the 2021 Census given the issues noted above on the impact of pandemic restrictions on how respondents answered questions related to their workplace.<sup>5</sup>

Figure 2.3 Adur Travel to Work Area, 2011



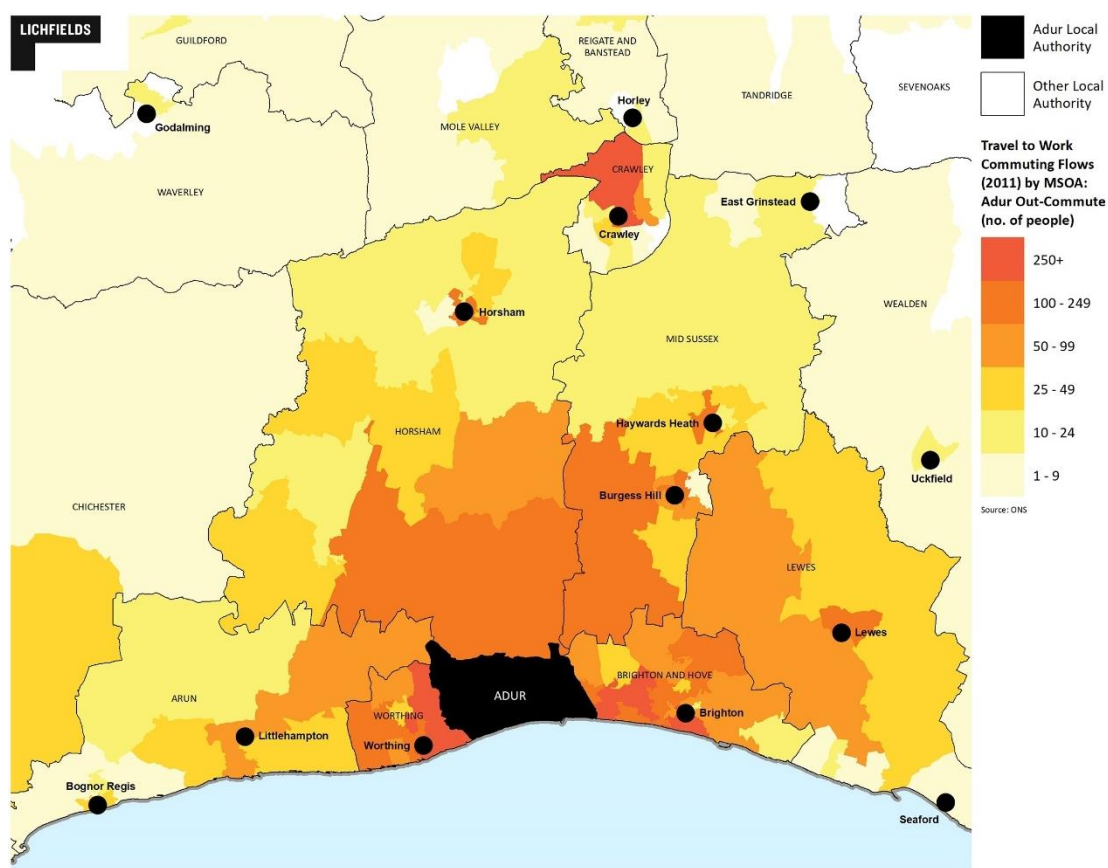
Source: ONS (2011) / Lichfields analysis

<sup>5</sup> See commentary at: <https://www.ons.gov.uk/methodology/geography/ukgeographies/othergeographies>

## Local Travel to Work Areas

- 2.12 Commuting data from the 2011 Census also allows travel-to-work patterns to be examined at the Middle Super Output Area ('MSOA') level<sup>6</sup>. This level of analysis provides a more detailed understanding of the travel-to-work linkages between the various areas across Adur and other centres within the surrounding area.
- 2.13 The most significant destinations for out-commuting residents from Adur include MSOAs across Worthing and Brighton and Hove, as well as MSOAs across the nearby settlements of Crawley (including Gatwick Airport), Horsham, Burgess Hill and Haywards Heath as shown in Figure 2.4.

Figure 2.4 Out-commuting flows at MSA level for Adur, 2011



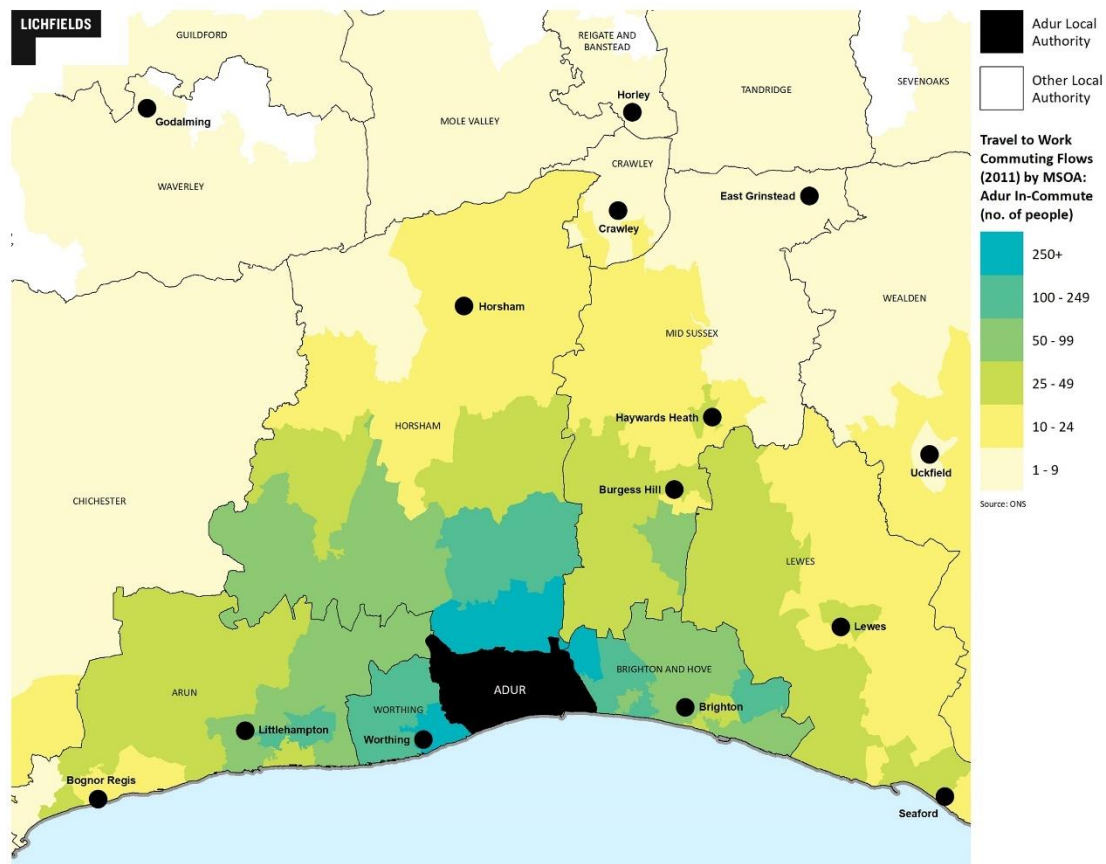
Source: ONS (2011) / Lichfields analysis

- 2.14 The origins of in-commuting workers to Adur are less geographically dispersed, with high inflows of workers commuting from MSOA's in neighbouring local authorities including Worthing, Brighton and Hove, and Horsham as shown in Figure 2.5. The majority of these MSOAs are located within either the Brighton or Worthing TTWAs outlined above.

<sup>6</sup> The comparable position from the 2021 Census has been omitted from the analysis due to the reliability concerns outlined in paragraph 2.6, and because the smaller areas of analysis, such as MSOAs, are more likely to be affected by anomalous results within the dataset.



Figure 2.5 In-commuting flows at MSOA level for Adur, 2011



Source: ONS (2011) / Lichfields analysis

2.15 MSOA level commuting flows data underlines the strong functional economic and labour market linkages between Adur and its surrounding local authorities, and in particular within the Brighton and Hove and Worthing TTWAs. Despite this, Adur maintains strong out-commuting flows to other settlements across the wider West Sussex area, including Crawley, Horsham, Burgess Hill and Haywards Heath.

## Housing Market Area

2.16 Close economic relationships typically occur between the boundaries of sub-regional housing markets and sub-regional labour markets. Many workers will typically look for somewhere to live within the same TTWA as their place of work to minimise commuting time and costs. Therefore, housing market areas (HMAs) are a useful input for considering the spatial extent of FEMAs.

2.17 It should be noted that since the Covid-19 pandemic, there have been increased patterns of home working and hybrid working which may influence housing market choices and travel-to-work patterns. This pattern is slightly more pronounced in the South East due to the higher prevalence of office-based workforce jobs. Between September 2022 and January 2023, 19% of the population worked exclusively at home and 28% of the population hybrid worked in the South East, compared to 16% and 28% respectively nationally<sup>7</sup>. Although data

<sup>7</sup> ONS (2023), Opinions and Lifestyle Survey (Great Britain, September 2022 to January 2023).

regarding hybrid working is not available at the Adur level, hybrid working is likely to be less prevalent than across the rest of the South East due to the lower proportion of workforce jobs which are office-based compared to the rest of the region. However, at the writing of this study it is too early to know whether these current trends will remain permanent or may change further over time.

- 2.18 Based on the latest published housing evidence study, namely the Greater Brighton and Coastal West Sussex ‘Defining the HMA and FEMA’ report (2017)<sup>8</sup>, the Adur Local Plan Area is assessed to be located within an HMA encompassing a coastal stretch of East and West Sussex extending from Newhaven in the east to Littlehampton in the west. The HMA also extends to the southern extents of Burgess Hill in the north and includes the settlements of Brighton, Hove, Worthing, Arundel, Steyning and Lewes. There are also strong linkages to the HMAs identified to the north including Horsham, Crawley and Burgess Hill, as well as to the west including Chichester and Bognor Regis.

## Commercial Property Market Area

- 2.19 The geographical extent of economic markets can be defined by the location of customers, supply chains, competitors (including competing employment schemes) and enquiries, as well as the proximity to key transport infrastructure. Much of the activity occurring within a commercial property market represents the gradual churn of occupiers, as a company’s location can often be dictated by the need to be located in proximity to where most of their staff reside.
- 2.20 The Adur industrial market (i.e., including light industrial and distribution uses) is considered to be midsized submarket of the wider Greater Brighton market which stretches from Seaford in the east to Bognor Regis in the west<sup>9</sup>. Due to the limited availability of employment land within Brighton and Hove, demand for industrial space spills over to the west into Adur and Worthing. The industrial market within Adur also has strong linkages to neighbouring Worthing and to a lesser extent to Horsham and Burgess Hill to the north and northeast respectively.
- 2.21 In terms of offices, Adur forms a small submarket within the wider Brighton market described above. A combination of the strength of demand for office space in Brighton along with the limited supply of office buildings within Adur, acts to suppress demand for offices within the Adur submarket. Consequently, the office market within Adur is largely self-contained and locally facing.

## Transport and Connectivity

- 2.22 Transport accessibility and connectivity has a strong influence on the geography of FEMAs, with the strategic transport network playing a key role in shaping commercial property, labour and housing market flows.
- 2.23 Adur is served by strategic road links including the A27, which runs to the north of Shoreham-by-Sea and Sompting, and provides connections to Brighton and Eastbourne to the east and Chichester to the west. The A259 runs through Shoreham-by Sea and Lancing

<sup>8</sup>Greater Brighton and Coastal West Sussex Strategic Planning Board (2017), Defining the HMA and FEMA.

<sup>9</sup> CoStar (2024), Adur Industrial Submarket Report.

along the coast. Its route through urban areas restricts the speed and volume of traffic along it.

2.24 The Adur Local Plan Area benefits from strong rail linkages with direct trains into London Victoria, Brighton and Southampton. There are four train stations within Adur, all located on the same Southern Rail operated line.

2.25 Adur is located within 30 minutes' drive of London Gatwick Airport to the north. The airport provides significant employment opportunities across the surrounding areas as well as national and international flight connections.

## Summary

2.26 Based on the assessment of various market areas operating within and across the Adur Local Plan Area including labour, housing and commercial property markets alongside transport and connectivity, it is possible to consider the spatial extent of the FEMA relevant to Adur.

2.27 The analysis in this section suggests that the core FEMA most relevant to Adur extends across **Adur, Brighton and Hove, and Worthing**. However, there are also strong economic relationships with Horsham to the north, Arun to the west, and to a lesser extent Burgess Hill to the north east. This is largely consistent with earlier analysis on behalf of Greater Brighton and Coastal West Sussex Strategic Planning Board<sup>10</sup> which placed Adur as a sub-section of the Coastal Urban Area FEMA. This FEMA was centred on Brighton and therefore extended further east to Newhaven and Lewes than the Adur FEMA identified within this report.

2.28 These conclusions are based on existing data and evidence about the economic geographies and flows of labour, residents and businesses across the Adur Local Plan Area and West Sussex as a whole. It does not take account of policy positions or approaches that may or may not be adopted by local planning authorities across West Sussex and neighbouring areas. Through the Duty to Cooperate process, the Council will need to determine how the conclusions from this study are taken forward in practical planning policy terms.

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<sup>10</sup> Greater Brighton and Coastal West Sussex Strategic Planning Board (2017), *Defining the HMA and FEMA*.

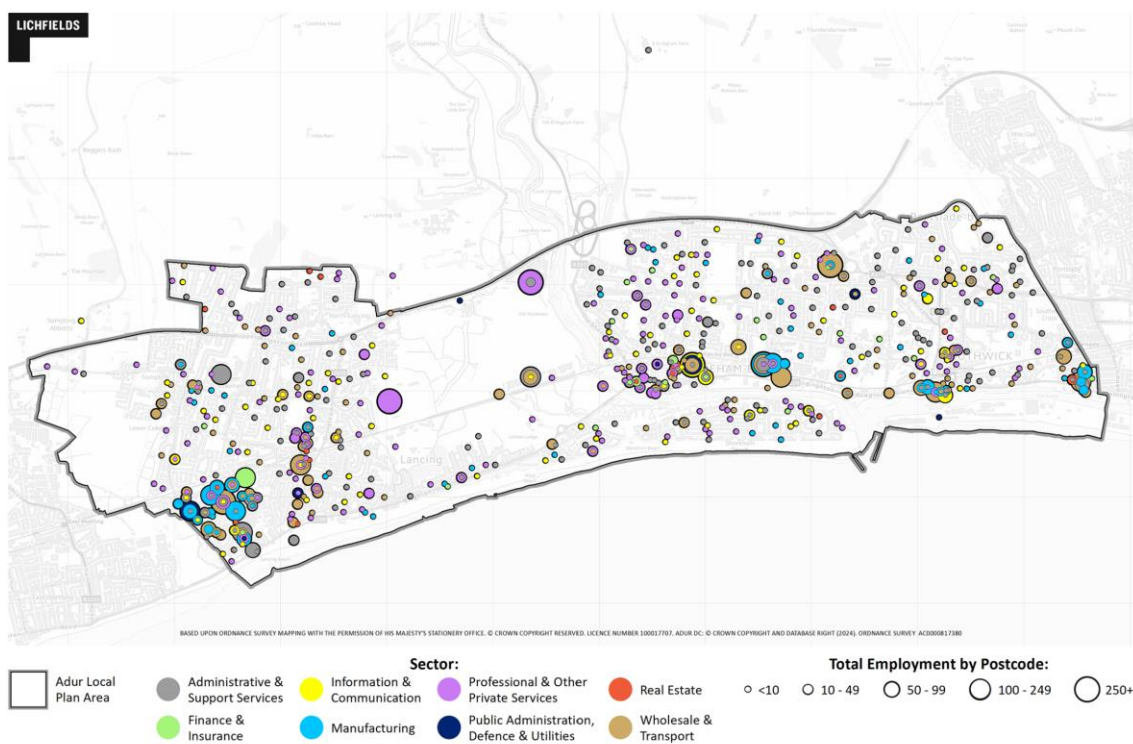


### 3.0 Economic Context and Trends

3.1 This section summarises recent economic conditions and trends across the Adur Local Plan Area, focusing on key economic indicators.

3.2 The northern part of Adur District lies within the South Downs National Park Authority (SDNPA) and therefore lies outside of the Adur Local Plan Area. However, for the purpose of this study, the data for the whole of Adur District has been presented, due to the very small proportion of the Adur District population living within the National Park and the very limited level of employment within the National Park. As such, references to ‘Adur’ within this section relate to the Adur District Area. The latest available data from 2011 indicates that only 1.3% of Adur’s population live in rural areas which includes the National Park. In addition, the very limited data points lying to the north of the Adur Local Plan Area in Figure 3.1 highlights the very small proportion of employment located within the National Park compared to the rest of the District.

Figure 3.1 Employment by postcode and sector within the Adur Local Plan Area



Source: IDBR (2024) / Lichfields analysis

### Spatial Overview

3.3 Adur is located on the south coast of West Sussex, east of Worthing and west of Brighton and Hove. The primary settlements within Adur are Shoreham-by-Sea, Lancing, Southwick, and Sompting. The part of Adur District north of the A27 falls within the South Downs National Park.

3.4 Adur benefits from good access to the strategic road network via the A27 which provides direct connections to Portsmouth and Eastbourne, and interchanges with the A23 and A24,

enabling access to the M23 and M25 motorways. Brighton City Airport (known locally as Shoreham Airport) sits at the centre of the Adur Local Plan Area and offers facilities for domestic and international charter flights, including Air Alderney flights to the Channel Islands.

## **Population and Labour Market**

### **Population**

- 3.5 In 2021, Adur had a resident population of 64,500, an increase of 5.5% since 2011<sup>11,12</sup>. This growth was lower than that observed in the South East (6.6%) and across England (7.5%) over the same period.
- 3.6 The proportion of the population of working age in Adur (i.e. those aged between 16 and 64) has decreased over the period between 2011 and 2021, from 60.7% to 58.4%. This decline mirrors the regional and national trends; in the South East, 62.0% of the population were of working age in 2021, compared to 63.8% in 2011, while in England 63.0% of the population were of working age in 2021, compared to 64.8% in 2011. Adur had the 9<sup>th</sup> lowest proportion of working age residents in the South East in 2021 out of 64 districts.
- 3.7 Population projections produced by the ONS suggest the declining trend in the working age population in Adur may continue over the next two decades, falling to 57.2% of the total population by 2030 and further to 54.6% in 2040<sup>13</sup>. This trend is mirrored both regionally and nationally, with the working age population of the South East falling to 57.5% of the total by 2040.
- 3.8 Data from the 2011 Census, the latest available for this purpose, shows that 98.7% of Adur's population lived in urban city and town settings, while the remaining 1.3% (800 individuals) lived in rural hamlets and isolated dwellings. This is a higher level of urbanisation compared to the South East (79.6%) and across England (82.4%) and despite the South Downs National Park comprising a large area of Adur District.

### **Employment**

- 3.9 Data from Experian shows that Adur accommodated 24,600 workforce jobs in 2023, representing an increase of 9.8% (or around 2,200 jobs) since 2013<sup>14</sup>. This growth rate is higher than the averages for West Sussex (8.9%) and the South East (8.7%) but lower than the UK national average of 13.1% over the same period.
- 3.10 As shown in Figure 3.2, Adur's employment base has demonstrated steady growth between 2013 and 2023. Workforce jobs in Adur peaked at 24,900 in 2019 before experiencing a decline during the Covid-19 pandemic, however, this has since recovered to near pre-pandemic levels in 2023.

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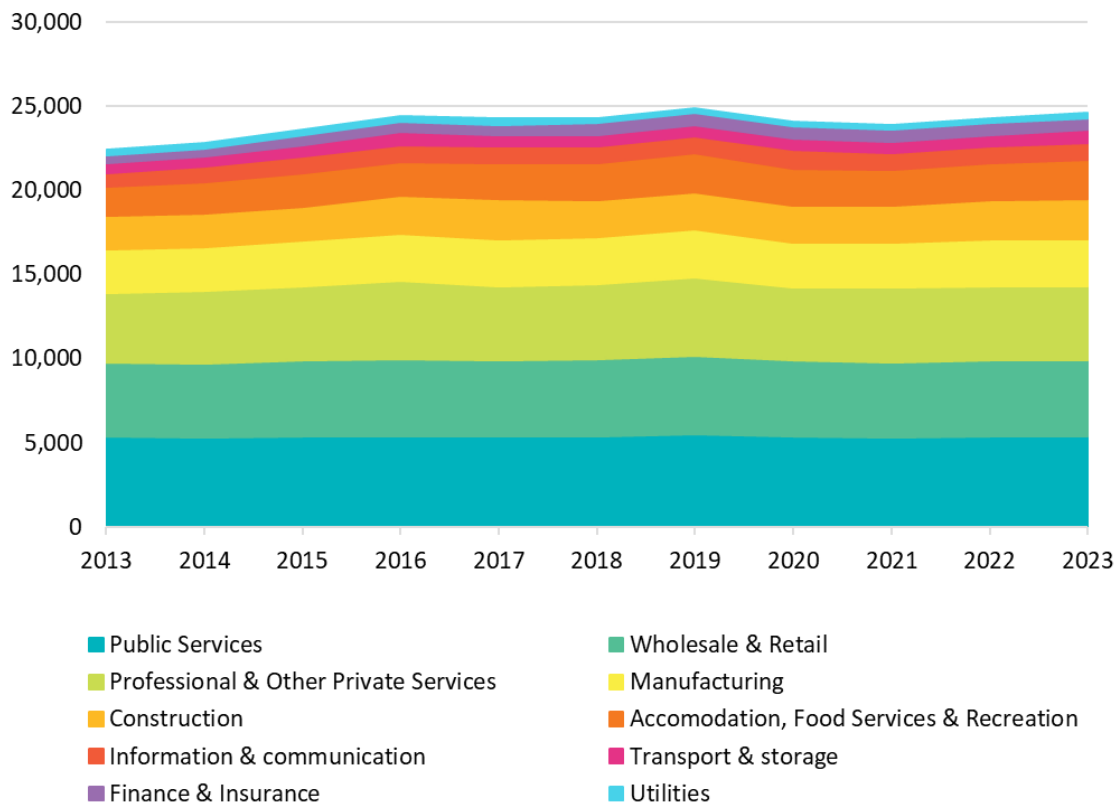
<sup>11</sup> Office for National Statistics ('ONS') (2021), Census 2021.

<sup>12</sup> ONS (2011), Census 2011.

<sup>13</sup> ONS (2020), Population Projections, 2018-based.

<sup>14</sup> Experian (2023), Employment by sector.

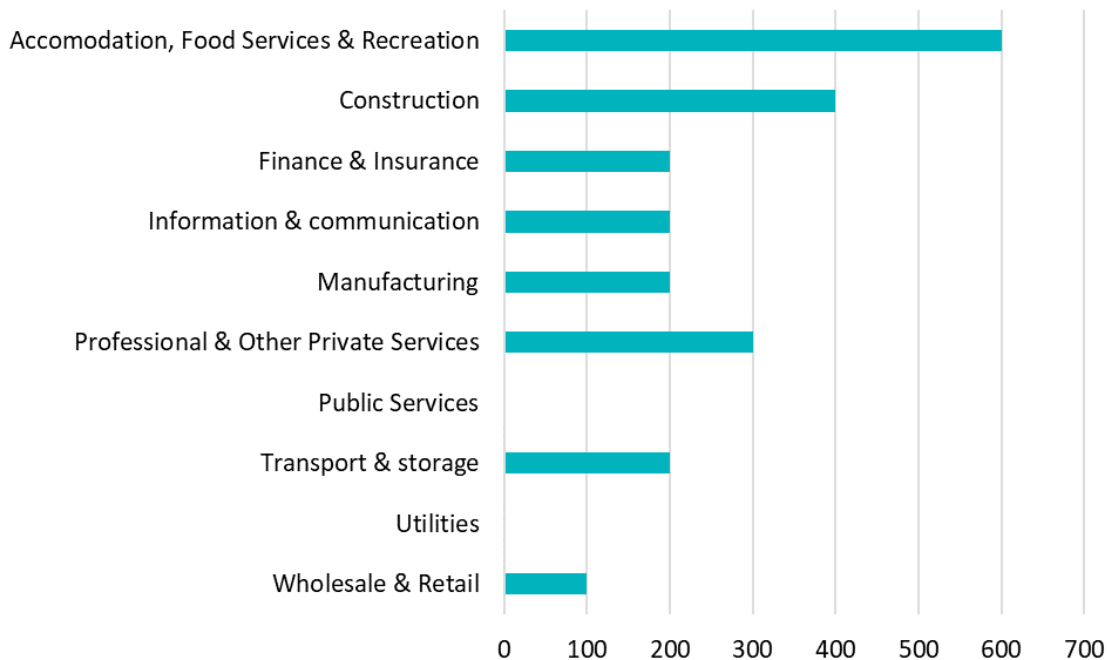
Figure 3.2 Number of workforce jobs in Adur by broad sector, 2013-2023



Source: Experian (2023) / Lichfields analysis

3.11 The single largest sector by the number of workforce jobs in Adur was public services (5,400 jobs), followed by wholesale and retail (4,500 jobs) and professional and other private services (4,400 jobs); together, these three sectors have consistently provided in the region of 60% of workforce jobs in Adur over the last decade. No sectors experienced a decline over the period, however the number of workforce jobs in public services and utilities was unchanged between 2013 and 2023, despite fluctuations in the intervening period; this is shown in Figure 3.3.

Figure 3.3 Change in the number of workforce jobs by sector in Adur, 2013-2023

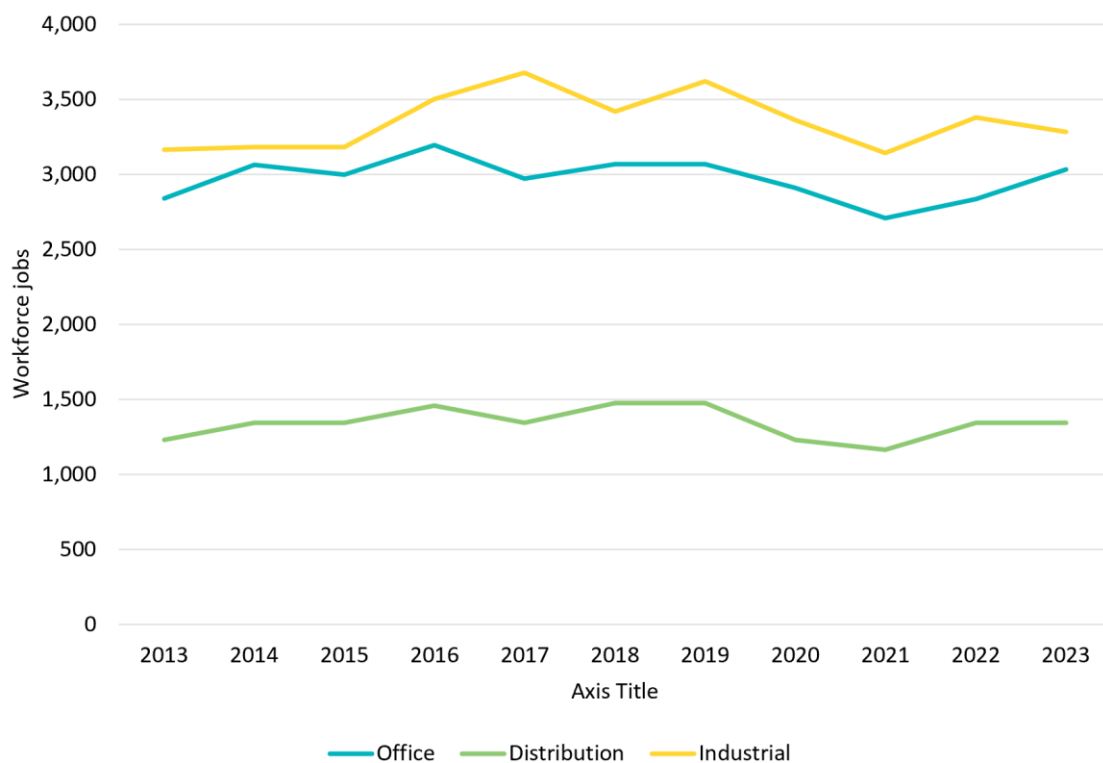


Source: Experian (2023) / Lichfields analysis

3.12

In 2023, 20.4% of workforce jobs in Adur were industrial-based (use class E(g)(iii) and B2), while 18.8% were based in office-based occupations (use class E(g)(i)/(ii)) and a further 8.3% were in storage and distribution-based occupations (use class B8). Over the period 2013-2023, the number of office-based jobs and storage and distribution-based jobs in Adur fluctuated but increased by 6.8% and by 9.2% respectively. Industrial-based jobs displayed more moderate growth of 3.8% over the same period and also fluctuated over the ten-year period. Workforce jobs across all industries in Adur decreased in 2020 and 2021 due to the effects of the Covid-19 pandemic, before recovering in 2022. This is shown in Figure 3.4.

Figure 3.4 Workforce jobs in Adur by land use, 2013-2023



Source: Experian (2023) / Lichfields analysis

3.13 The overall change in employment across Adur over the past decade is summarised in Table 3.1.

Table 3.1 Summary of workforce jobs in Adur by land use, 2013-2023

	2013	2023	Change	
			Total	%
Employment jobs	7,230	7,655	425	5.9%
<i>Office jobs</i>	2,838	3,030	192	6.76%
<i>Industrial jobs</i>	3,162	3,281	119	3.77%
<i>Distribution jobs</i>	1,230	1,344	114	9.24%
Non-employment land jobs	8,370	8,445	75	0.9%
<b>Total workforce jobs</b>	<b>15,600</b>	<b>16,100</b>	<b>500</b>	<b>3.2%</b>

Source: Experian (2023) / Lichfields analysis

### Workforce Productivity

3.14 The productivity of the workforce in Adur can be measured using Gross Value Added ('GVA') generated per job. This indicator suggests that in 2023 average workforce productivity across Adur was £42,939 per job; this was appreciably lower than the West Sussex average of £53,499 per job and the average for the South East of £60,041 per job. This is shown in Table 3.2 overleaf. This is likely to primarily be a function of Adur's sectoral make up, which has a comparatively high share of workforce jobs in lower output

sectors, such as manufacturing (accounting for 11.4% of workforce jobs in Adur in 2023, compared to 6.7% in West Sussex and 5.5% in the South East), as well as a comparatively lower share of workforce jobs in higher output sectors such as professional and private services (accounting for 17.9% of workforce jobs in Adur in 2023, compared to 20.9% in West Sussex and 22.4% in the South East<sup>15</sup>).

- 3.15 Adur recorded a decline in workforce productivity over the five-year period 2018-2023, falling from £43,469 per job to £42,939 per job – a contraction of 1.2%. This decrease is less than that experienced across West Sussex (-3.4%) and within the UK as a whole (-2.1%). It should be noted that this period was impacted by the Covid-19 pandemic.

Table 3.2 Change in workforce productivity, 2018-2023

	Total GVA (£ bn)		GVA per workforce job (£)		
	2018	2023	2018	2023	Change (%)
Adur	1.1	1.1	43,469	42,939	-1.2
West Sussex	25.0	24.6	55,387	53,499	-3.4
South East	290.7	297.9	59,970	60,041	0.1
UK	1,966.3	2,013.8	56,084	54,909	-2.1

Source: Experian (2023) / Lichfields analysis

## Labour Market

- 3.16 Table 3.3 presents key labour market characteristics for Adur, West Sussex, the South East and England. It can be seen that the labour market in Adur is characterised by a high economic activity rate (73.5%) among the working age population (those aged 16 to 64) and a low share claiming out-of-work benefits (2.6%) compared to averages for the South East (72.0%, 2.8%) and England (68.9%, 3.8%); however, this is similar to the overall trends observed in West Sussex (73.9%, 2.6%).

Table 3.3 Key labour market characteristics

Indicator		Adur	West Sussex	South East	England
Economic activity rate (2021) <sup>16</sup>		73.5%	73.9%	72.0%	68.9%
Claimants as a proportion of residents aged 16 to 64 (2023) <sup>17</sup>		2.6%	2.6%	2.8%	3.8%
Residents' highest level of qualification (2021) <sup>18</sup>	NVQ Level 4+	27.9%	32.7%	35.8%	33.9%
	NVQ Level 3	17.1%	17.5%	17.4%	16.9%
	NVQ Level 2	15.0%	15.2%	13.9%	13.3%
	NVQ Level 1	19.5%	15.8%	15.4%	18.1%
Residents' occupations (2021) <sup>19</sup>	SOC 1-3	44.6%	47.6%	50.4%	46.4%
	SOC 4-6	32.7%	30.2%	28.5%	28.7%
	SOC 7-9	22.7%	22.2%	21.2%	24.9%
	Resident	£567.30	£639.20	£685.30	£645.80

<sup>15</sup> Experian (2023), Employment by sector.

<sup>16</sup> ONS (2021), Census 2021.

<sup>17</sup> ONS (2023), Claimant count.

<sup>18</sup> ONS (2021), Census 2021.

<sup>19</sup> Ibid.

Indicator		Adur	West Sussex	South East	England
Median gross weekly earnings (2022) <sup>20</sup>	Workplace	£541.70	£613.30	£664.30	£645.60

Source: ONS | Lichfields analysis

3.17 The proportion of residents with qualifications equivalent to degree level (National Vocational Qualification (‘NVQ’) Level 4) or higher (27.9%) is lower than the county, regional and national averages. The proportion of residents working in occupations in higher-skilled Standard Occupational Classification (‘SOC’) groups 1 to 3, comprising managerial, professional and associate or technical occupations, is 44.6%. This is also lower than the county and regional averages, but in line with the national trend across England (46.4%).

3.18 The proportion of residents with qualifications at NVQ Level 3 and higher markedly improved in the decade between 2011 and 2021 from 33.2% to 45.0%. The proportion of residents with no qualifications fell from 25.6% to 19.5% over the same period. This is shown in Figure 3.5.

Figure 3.5 Change in qualification levels in Adur, 2011-2021



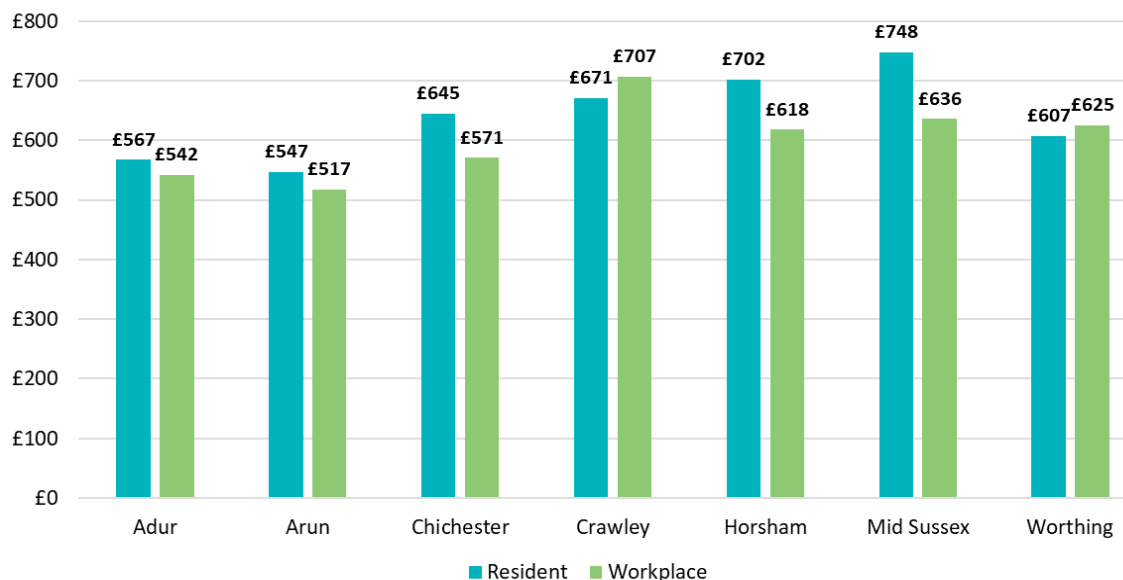
Source: ONS (2011, 2021) / Lichfields analysis

3.19 Earning levels for residents of Adur mirrors the relatively low proportion of residents with higher-level qualifications and occupying higher-skilled jobs. Resident median gross weekly earnings in Adur in 2022 were £567.30, compared to West Sussex (£639.20) and the South East (£685.30). Workplace median gross weekly earnings in Adur were also relatively low at £541.70 in 2022, compared to West Sussex (£613.30) and the South East (£664.30). As shown in Figure 3.6, median gross weekly earnings, both resident and workplace, in Adur in 2022 were the second lowest out of all districts in West Sussex; neighbouring Arun’s

<sup>20</sup> ONS (2023), Annual Survey of Hours and Earnings.

median gross weekly earnings were the lowest, while Mid Sussex and Crawley had the highest resident and workplace earnings, respectively.

Figure 3.6 Median gross weekly earnings by local authority in West Sussex, 2022



Source: ONS (2023) / Lichfields analysis

## Business Base

3.20 As shown in Table 3.4, the distribution of businesses by size in Adur is comparable to the county, regional and national figures<sup>21</sup>. The majority of businesses are micro enterprises with fewer than 10 workers (2,125 firms, or 89.7%), while just 5 businesses in Adur employ more than 250 workers.

3.21 In 2023, Adur had a lower rate of business births per 10,000 working age population (68.9) than the averages for West Sussex (71.2), the South East (76.8) and England (84.4). However, it had a higher proportion of economically active, working age residents who were self-employed (20.3%) compared to the county (18.8%), regional (17.9%) and national averages (16.3%).

Table 3.4 Key business characteristics for Adur and comparative geographies

Indicator		Adur	West Sussex	South East	England
Number of enterprises (2023)		2,370	37,380	412,650	2,408,040
Business size (2023)	Micro (0 to 9)	89.8%	90.0%	89.6%	89.2%
	Small (10 to 49)	8.5%	8.2%	8.5%	8.8%
	Medium (50 to 249)	1.4%	1.4%	1.5%	1.6%
	Large (Over 250)	0.3%	0.4%	0.4%	0.4%
Business births per 10,000 working age population (2022)		68.9	71.2	76.8	84.4

<sup>21</sup> ONS (2023), UK Business, activity, size and location.

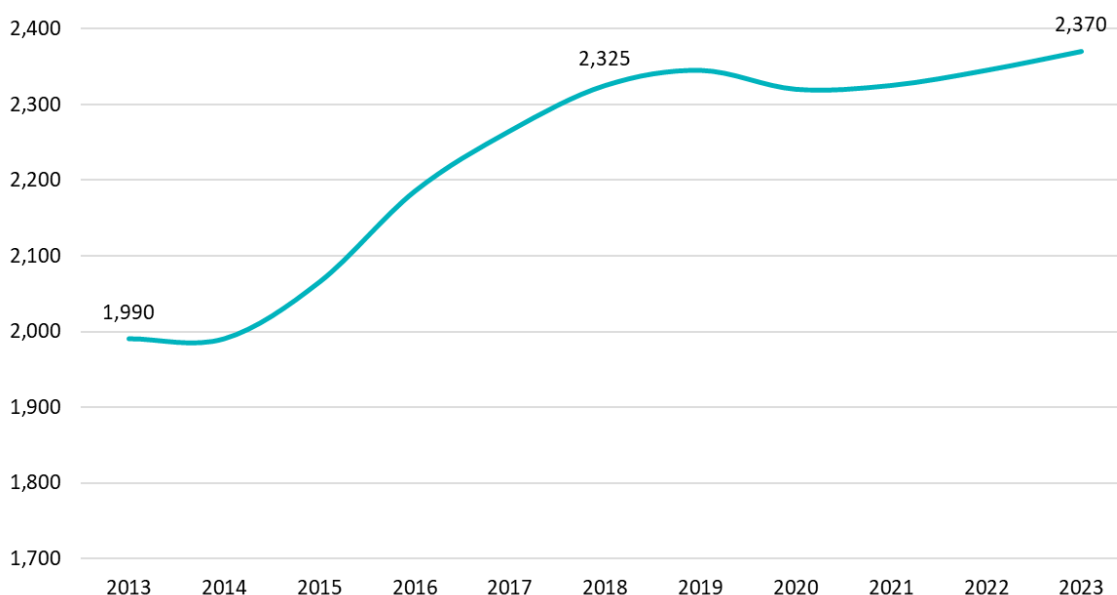


Indicator	Adur	West Sussex	South East	England
Self-employed workers as a proportion of economically active population (2021)	20.3%	18.8%	17.9%	16.3%

Source: ONS / Lichfields analysis

3.22 There were 2,370 recorded enterprises in Adur in 2023, representing an increase of 1.9% on 2018. As shown in Figure 3.7, Adur’s business base experienced strong growth between 2014 and 2019. However, the number of enterprises declined in 2020, most likely due to the Covid-19 pandemic, before recovering and surpassing the 2019 figure in 2023.

Figure 3.7 Adur enterprise count, 2013-2023



Source: ONS (2023) / Lichfields analysis

3.23 The continual increase in the enterprise count in Adur over the past decade relates, in part, to the survival of newly born enterprises in Adur. Of the local enterprise births in 2017, 47.3% survived (i.e. were still operating) after five years, compared to an average of 43.9% in the South East and average of 39.4% across England. The figure for Adur is comparable to the West Sussex average of 47.0%. The best performing districts in West Sussex were Arun and Chichester where the five-year survival rate was 50.0%, while the worst performing was Crawley where just 37.6% of 2017 enterprise births were still operating after five years.

### Spatial Distribution

3.24 Using Inter Departmental Business Register (IDBR)<sup>22</sup> data from the ONS, it is possible to map where employers are located within Adur by their sector and size.

3.25 Figure 3.8 overleaf illustrates the sectoral distribution across Adur. It highlights that the largest employment centre in Adur is located around Lancing Business Park. This area is characterised by a large proportion of medium to large businesses which primarily operate

<sup>22</sup> ONS (2024), Inter-Departmental Business Register

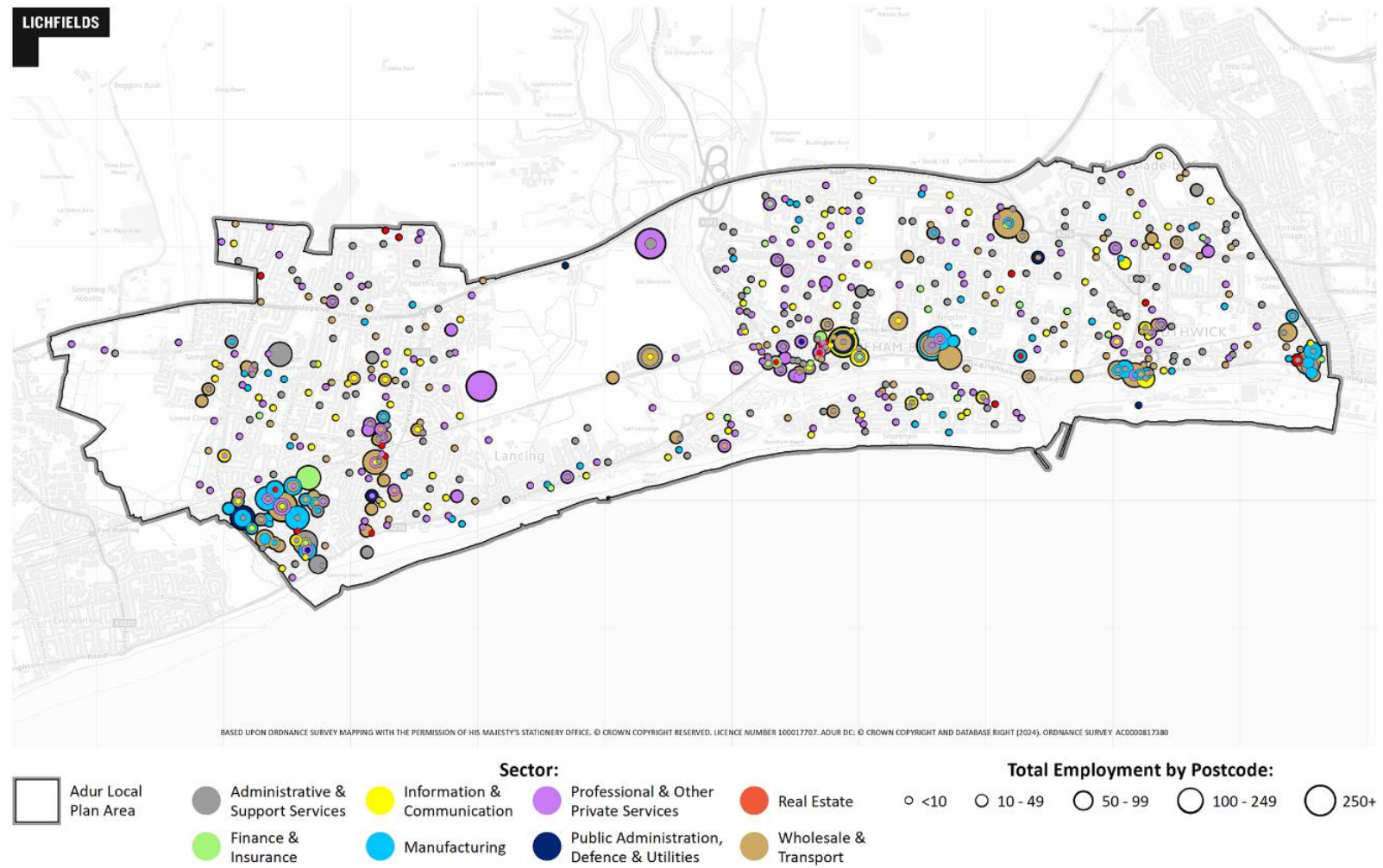
in the manufacturing, wholesale and transport, and the administration and support services sectors. Other clusters of large manufacturing firms are located around Dolphin Industrial Estate, Southwick Train Station (including Grange Industrial Estate), and South Quayside<sup>23</sup>.

- 3.26 Shoreham-by-Sea Town Centre supports a large number of small professional and private services employers. Large professional and private services firms are located at the Elite Football Performance Centre in Lancing and at Shoreham Technical Centre to the north of Brighton City Airport.

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<sup>23</sup> Employment related to South Quayside in Figure 3.8 is denoted by points at the south eastern corner of the Adur Local Plan Area due to the size of the postcode in which South Quayside is located.

Figure 3.8 Adur employment sectoral distribution (2024)



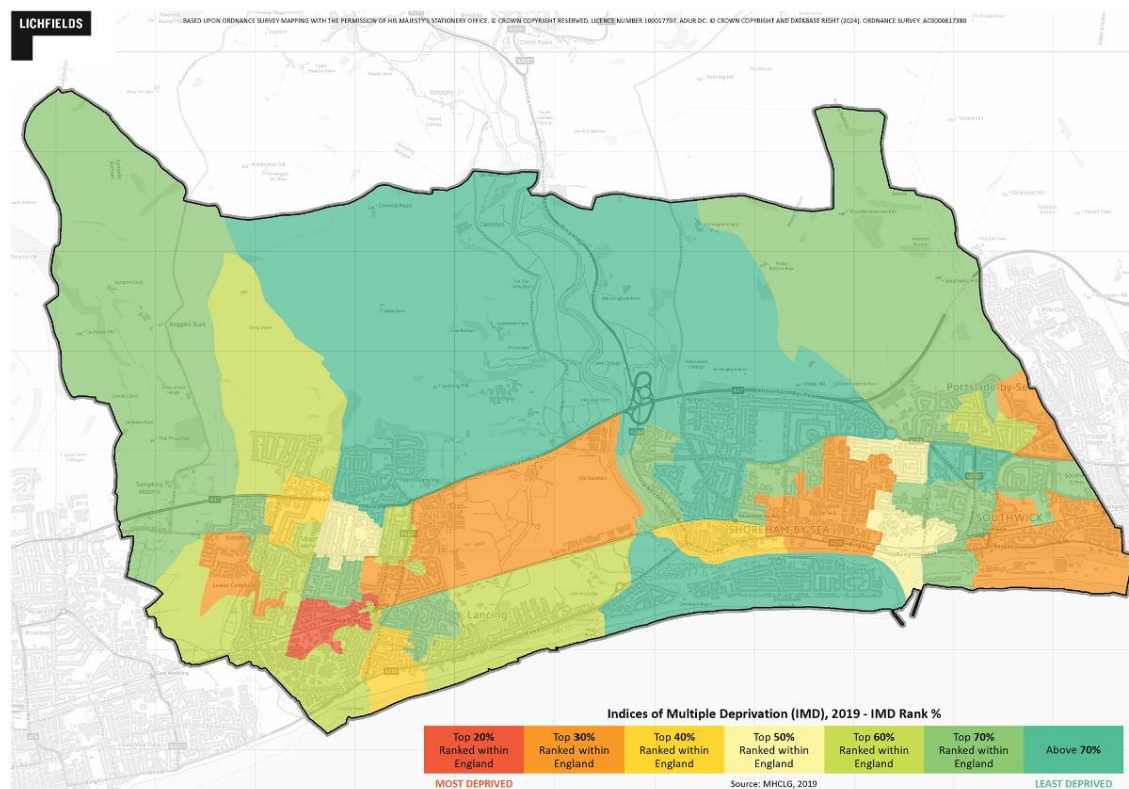
Source: ONS (2024) / Lichfields analysis

## Socio-Economic Deprivation

3.27 The Indices of Multiple Deprivation<sup>24</sup> (‘IMD’) provide a set of relative measures of deprivation for local authority and Lower-Layer Super Output Areas (‘LSOAs’) across England. In 2019, Adur was ranked as the 164<sup>th</sup> most deprived out of 317 local authority areas across England (where 1<sup>st</sup> is the most deprived). This is a slight improvement on Adur’s rank in 2015, when it was the 150<sup>th</sup> most deprived out of 326 local authority areas.

3.28 In 2019, 24% of LSOAs within Adur fell within the top 30% most deprived across England in terms of overall deprivation. However, a further 21% were within the 30% least deprived areas in England, with three LSOAs ranking within the least deprived decile; this shows there is diversity in socioeconomic outcomes across Adur, as illustrated in Figure 3.9.

Figure 3.9 Multiple deprivation in Adur, 2019



Source: MHCLG (2019) / Lichfields analysis

3.29 Within the domains of deprivation, Adur is relatively more deprived in education, skills and training domain, where 21% of LSOAs fall within the worst two deciles for deprivation in England. Conversely, Adur performs relatively well in the crime as well as barriers to housing and services domains.

## Summary

3.30 Based upon the analysis in this section, the key findings are summarised in the form of a SWOT analysis for Adur’s economy set out in Table 3.5.

<sup>24</sup> Ministry of Housing, Communities and Local Government (‘MHCLG’) (2019), English indices of deprivation 2019.

Table 3.5 Adur economic characteristic summary – SWOT analysis

Strengths	<ul style="list-style-type: none"> <li>• Strong employment growth compared to the rest of the South East region.</li> <li>• Employment growth across most sectors, including high value sectors such as information and communication and professional and private services.</li> <li>• Higher economic activity rate and a lower proportion of claimants compared to the regional and national averages.</li> <li>• Strong growth in the number of enterprises locally and an above average survival rate indicates the local economy is conducive to fostering start-ups.</li> <li>• Relatively low levels of deprivation, particularly in the crime and housing and services domains.</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>• Lower productivity than the rest of the South East.</li> <li>• Productivity as measured by GVA per job has declined in recent years.</li> <li>• Relatively low educational attainment compared to neighbouring areas, and relative deprivation in terms of education, skills and training.</li> <li>• A lower proportion of the workforce working in higher-skill occupations.</li> <li>• Lower proportion of medium to large businesses within the business base than the South East and nationally.</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>• Strong economic opportunities based on Adur's geographic linkages to Brighton and London.</li> <li>• The educational attainment within the population has increased over the past ten years with a higher proportion of the population now holding a degree level qualification.</li> <li>• Deprivation relative to other local authorities in England has improved between 2015 and 2019.</li> <li>• Strong transport links via road and rail to London, Brighton and Portsmouth, as well as air links from Shoreham Airport.</li> <li>• High proportion of the workforce are self-employed workers indicating that small businesses are thriving.</li> </ul>
Threats	<ul style="list-style-type: none"> <li>• An aging population base and a decreasing working age population.</li> <li>• Low wages locally compared to surrounding areas.</li> <li>• High prevalence of the public sector within the local employment base.</li> <li>• Uncertain economic environment and high interest rates may impact future investment levels.</li> </ul>

## 4.0 Commercial Property Market Signals and Intelligence

4.1 This section provides an overview of the local commercial property market signals, including recent trends in demand and supply for office and industrial space. The analysis draws on data from the following sources:

- Latest commercial floorspace data from the Valuation Office Agency (VOA);
- Planning monitoring data on commercial floorspace from West Sussex County Council (WSSC);
- CoStar commercial property market data; and
- Interviews with local commercial property agents.

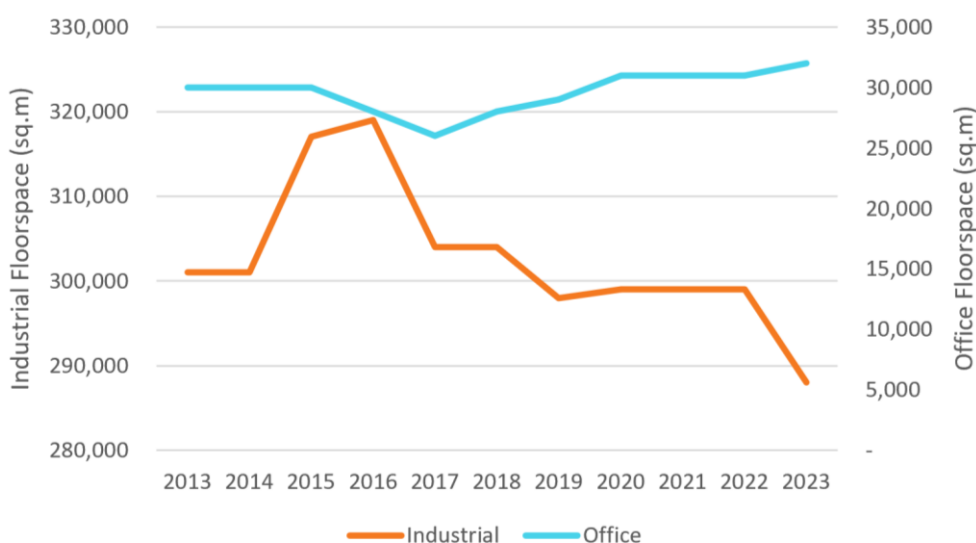
### Stock of Employment Space

4.2 Adur contained around 320,000 sq.m of employment floorspace in 2023 according to the latest VOA data<sup>25</sup>. The majority of employment floorspace (90.0%) is in industrial uses (manufacturing and distribution) with the remaining 10.0% in office use.

4.3 VOA data suggests that Adur’s stock of employment floorspace decreased by 3.3% over the ten years between 2013 and 2023, and by 4.1% between 2003 and 2023. During the most recent ten-year period (2013 to 2023), a decrease in total employment space was also recorded across the South East (-0.5%) as a whole, while England and Wales saw an increase in total floorspace of 1.3%.

4.4 As shown in Figure 4.1, the loss of employment space across Adur in recent years has been driven by industrial floorspace which decreased by 4.3%. Conversely, office floorspace saw an increase of 6.7% over the ten-year period to 2023 despite decreases in 2015 and 2016.

Figure 4.1 Change in industrial and office floorspace in Adur (2013-2023)



Source: VOA (2023) / Lichfields analysis

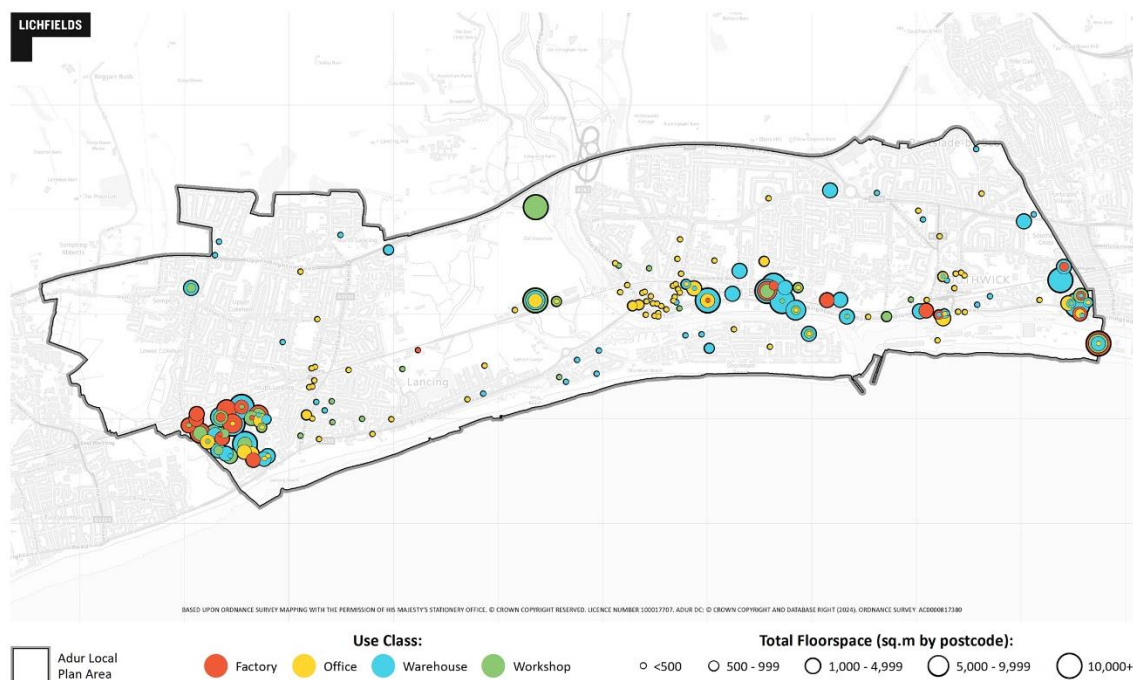
<sup>25</sup> Valuation Office Agency (2023), Non-domestic rating: stock of properties including business floorspace.



## Spatial Distribution

4.5 The spatial distribution of employment space across Adur is illustrated in Figure 4.2 below using the latest available property data from the VOA.

Figure 4.2 Spatial distribution of employment space across Adur (2021)



Source: VOA Business Floorspace Data (2021) / Lichfields analysis

4.6 Lancing Business Park is the primary centre for all types of employment space across Adur, accounting for 34.2% of the total employment space, including 35.2% of the factory and workshop space. There is also a large cluster of office space in and around Shoreham Town Centre, accounting for 15.0% of the total office space within Adur. The Shoreham Harbour area along with Shoreham Airport also account for large proportions of Adur’s employment space, accounting for 12.0% and 10.0% respectively as shown in Table 4.1.

Table 4.1 Spatial distribution of employment space across Adur (2021)

Location	Office	Factory/Workshop	Warehouse	Total Employment Space
Lancing Business Park	19.4%	35.2%	35.6%	34.2%
Shoreham Harbour	8.8%	23.6%	2.1%	12.0%
Shoreham Airport	6.3%	19.2%	2.4%	10.0%
Shoreham Town Centre	15.0%	5.8%	10.5%	8.8%
Rest of District	50.5%	16.2%	49.4%	35.0%

Source: VOA (2021) / Lichfields analysis

## Office Market Signals and Trends

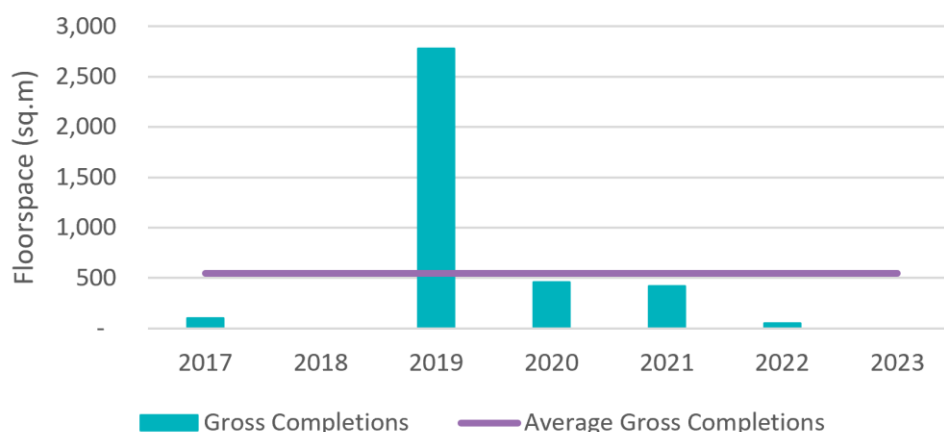
4.7 Monitoring data provided by WSCC covering the period 2017 to 2023 can be used to provide an overview of the scale of office development that has occurred within Adur over recent years.

### Gross Completions

4.8 Over the seven-year monitoring period from 2017 to 2023, there were six completed office developments in Adur, which collectively delivered around 3,800 sq.m. This is equivalent to an annual average gross completion rate of 544 sq.m.

4.9 As shown in Figure 4.3 the delivery of office floorspace in Adur peaked in 2019 where 2,780 sq.m of office floorspace was delivered, equating to 73.0% of the total office floorspace delivered over the monitoring period. This is associated with the development of the Focus Group building in Shoreham-by-Sea. In all other years over the monitoring period, gross completions of office space remained below 500 sq.m, and there were no completions of office space in Adur in 2018 and 2023.

Figure 4.3 Gross completions of office floorspace in Adur 2017 to 2023



Source: WSCC (2023) / Lichfields analysis

### Gross Losses

4.10 Over the monitoring period, only one office premise was lost from Adur's stock. This was 65 sq.m and located at 106-112 Brighton Road, Shoreham-by-Sea. It was lost in 2022 to light industrial uses.

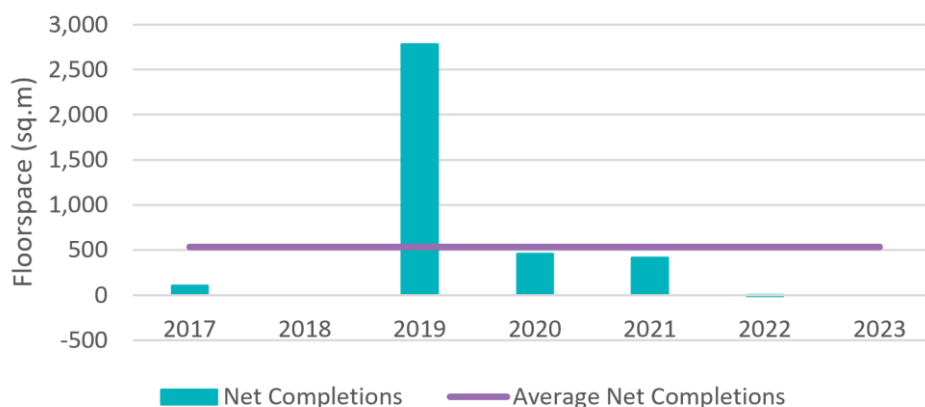
### Net Completions

4.11 Across the monitoring period as a whole, net completions of office floorspace in Adur were positive, with gains of floorspace exceeding losses. During this period, Adur recorded a net gain of about 3,750 sq.m of office floorspace, which is equivalent to an annual average net gain of 535 sq.m. This broadly aligns with the trend implied by VOA data analysed earlier in this chapter (see Figure 4.1). The only year in which there was a net loss of office space was in 2022 where 15 sq.m was lost. Conversely, there was a large net gain in office space in 2019 due to the delivery of the Focus Group building in Shoreham-by-Sea. Other notable completions over the monitoring period include Unit 1, Technology House, Shoreham-by



Sea in 2020 (459 sq.m) and 19 Peter Road, Lancing Business Park in 2021 (338 sq.m). There were no completions or losses in 2018 and 2023 as shown in Figure 4.4.

Figure 4.4 Net completions of office floorspace in Adur 2017 to 2023



Source: WSCC (2023) / Lichfields Analysis

- 4.12 It is assumed that sites with extant planning permission for employment use floorspace (including those under construction) as recorded by WSCC monitoring data (at December 2023) will be implemented prior to the new Local Plan period's commencement in 2026. Collectively, the extant permissions would deliver an additional 3,183 sq.m of office space, driven largely by the delivery of 2,276 sq.m of office floorspace at the Kingston Wharf mixed-use development within the Western Harbour Arm.

### National Trends

- 4.13 The national office vacancy rate has continued to increase over recent years, with space released onto the market continuing to outweigh new leasing. The office vacancy rate reached a nine year high of 7.9% in Q4 2023, at which point there was 10.2 million sq.m of vacant office space across the UK, an 80% increase on the amount vacant when the pandemic struck and the highest figure in 10 years. Some segments of the market are continuing to perform well. Best-in-class buildings are attracting tenants seeking sustainable space and good amenities, even if many firms are shrinking their office footprints when signing new deals. Demand for life science uses is also thriving.
- 4.14 Annual net absorption<sup>26</sup> remains in negative territory at -292,000 sq.m, as ongoing structural change in the office sector combined with weak economic conditions act to depress demand. However, leasing recorded in the final months of 2023 did start to increase again.

### Regional Trends

- 4.15 The Brighton office market extends along the South Coast from Seaford in the East to Bognor Regis in the West and contains the Adur office submarket. It has become an attractive destination for new and growing businesses, with Brighton emerging as a startup hub, particularly in the creative industries. However, Brighton has not escaped the demand

<sup>26</sup> Net absorption rate is a measure of total space occupied ('move-in') less the total space vacated ('move-out') over a given period of time.

losses seen across the UK since the Covid-19 pandemic struck. Net absorption has been consistently negative in recent years, with a further 22,300 sq.m of lost demand over the past 12 months alone. Accordingly, the market's vacancy rate has moved upwards, from just 2.4% prior to the pandemic to 9.2% at the end of 2023.

### **Local Office Market**

- 4.16 The office market in Adur is considered to be small, containing around 66,000 sq.m of office inventory<sup>27</sup>, and largely serves small local businesses. Approximately half of the office stock is located in town centres, with Shoreham-by-Sea town centre accommodating the largest cluster. The remaining stock is located in business parks and a small number of dedicated office buildings, including the Riverside Business Centre, the Focus Group building (which is occupied exclusively by the Focus Group) and Lady Bee Enterprise Centre which provides flexible light industrial / office units. These dedicated buildings provide good quality office space and are all generally well occupied. Office buildings located within industrial estates, including Mill Road / Chapel Road and Lancing Business Park, is of varied quality and some vacancy is observed.
- 4.17 The vacancy rate has risen sharply over the past 12 months, and at 5.9%, the rate is as high as it has been since 2016. However, this rate remains well below the national average of 7.9%, and below the 8.0% vacancy rate generally assumed to be required for a market to function normally. The net absorption rate over the past year was -3,200 sq.m, however it was positive (+60 sq.m) in the final quarter of 2023. The picture is more optimistic over a longer timeframe, with the submarket posting a net absorption of about 400 sq.m per year, on average over the past five years. Office rents have increased by around 4.4% over the last year to £16.70, which is slightly above the annual average increase over the past 10 years of 4.1%.
- 4.18 Consultation with local commercial property agents reaffirmed the picture of a slow local office market, characterised by both low supply and demand<sup>28</sup>. Demand for office space within Adur is constrained by its location next to the region's primary office hub, Brighton, which is both more attractive to prospective tenants and also offers a broader range of and higher quality office stock. Where there is demand for office space in Adur, this is often for very small units to accommodate one to three people.
- 4.19 The loss of office space to residential use through Permitted Development has been reported to be limited within Adur. Where it has occurred at smaller office units, it has largely been seen to remove obsolete stock from the market.
- 4.20 There were no new deliveries of office space recorded in the CoStar database in 2023 which is in line with the WSCC monitoring data presented above. Where there has been office developments over the past ten years, this has either been by part funded by Adur and Worthing District Council, in the case of the Focus Group building, or by Shoreham Port Authority, in the case of Lady Bee Enterprise Centre. High building costs and the limited demand have deterred speculative office schemes locally.
- 4.21 Table 4.2 summarises some key market signals for the Adur office sub-market compared to the wider Brighton market at Q4 2023.

<sup>27</sup> CoStar database (2024)

<sup>28</sup> A full list of consultees is provided within Appendix 1.

Table 4.2 Market Signals for the Brighton Office Market and Adur Submarket from Q4 2023

Market Signals	Adur	Brighton
Rent per sqft	£16.70	£23.15
12 month rent growth	4.4%	6.5%
Vacancy levels	5.9%	9.2%
12-month net absorption (sq.m)	-3,200	-22,300
12-month deliveries (sq.m)	0	15,800

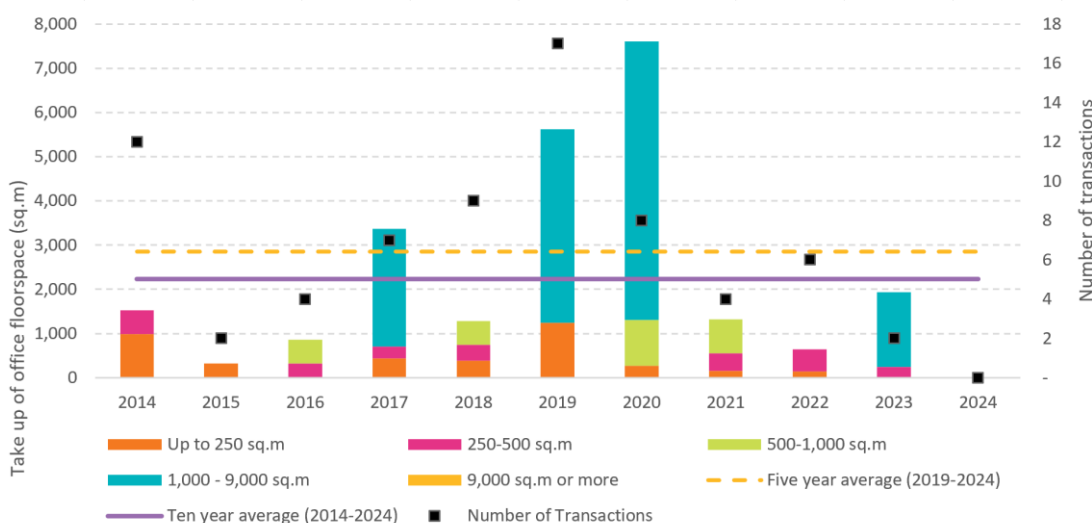
Source: CoStar Database (2023) / Lichfields analysis

### Take-Up by Size

4.22 According to latest CoStar property data, total office take-up (i.e. sales and leases across Adur) between 2014 and 2024 amounted to just under 24,500 sq.m<sup>29</sup>. In recent years office take-up has remained below the high point of 7,603 sq.m in 2020 prior to the Covid-19 pandemic, however take up began to increase again from 2022 to 2023. Of this space, 61.3% was attributed to large offices sized between 1,000 sq.m and 9,000 sq.m, however there was no take-up of properties greater than 9,000 sq.m. A more detailed breakdown of office take-up in Adur is presented in Figure 4.5.

4.23 Offices in the smallest size band of less than 250 sq.m accounted for 16.3% of take-up, as shown in Figure 4.5 below.

Figure 4.5 Office take-up by size across Adur (2014-2024)



Source: CoStar Database (2024) / Lichfields analysis

4.24 Figure 4.5 also shows the number of office leases and sales by size; in total 71 leases and sales were recorded over this period, an average of 8 per year (excluding 2024), of which 70.0% were attributed to small offices of up to 250 sq.m.

<sup>29</sup> Costar database (2024)

## Stock Age and Quality

4.25 Table 4.3 summarises the age and quality of existing office stock in Adur according to the latest CoStar data<sup>30</sup>. This shows that over half of Adur's office stock is rated 2 stars or below (out of 5) by CoStar's star rating system. Only 1.4% of Adur's office stock was rated as being 4 or 5 stars, indicating the existing stock of office stock is of poor quality.

Table 4.3 Age and quality of office stock in Adur

	Properties		Floorspace (sq.m)	
	Number	% of Total	Number	% of Total
<b>Age of Stock</b>				
Pre-1940	12	21.1%	3,698	6.5%
1940-1979	21	36.8%	25,721	45.1%
1980-1999	11	19.3%	10,797	18.9%
Post-2000	13	22.8%	16,825	29.5%
<b>Total</b>	<b>57</b>	<b>100%</b>	<b>57,041</b>	<b>100%</b>
<b>CoStar Star Rating</b>				
1-2 Stars	38	52.8%	25,098	40.7%
3 Stars	33	45.8%	31,813	51.5%
4-5 Stars	1	1.4%	4,816	7.8%
<b>Total</b>	<b>72</b>	<b>100%</b>	<b>61,727</b>	<b>100%</b>

Source: CoStar Database (2024) / Lichfields analysis

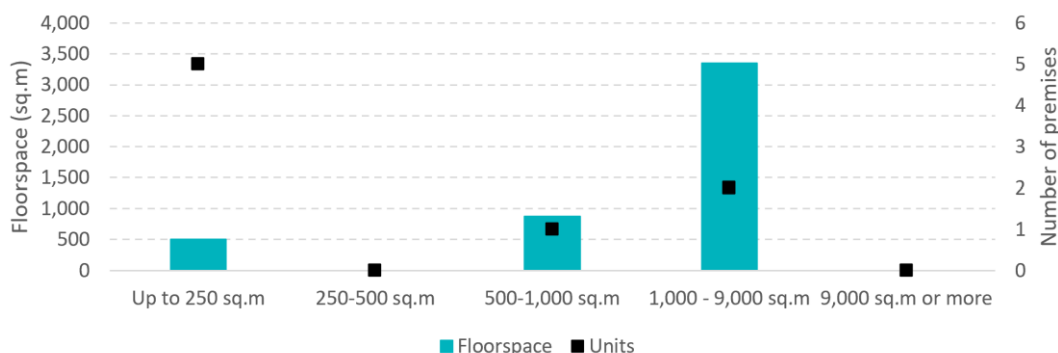
4.26 Table 4.3 also indicates that Adur's stock of office floorspace is aging. The majority of the office floorspace in Adur (57.9%) was built before 1980, which in conjunction with the low star ratings indicates that there is a need to modernise the office stock in Adur.

## Office Availability

4.27 CoStar data indicates that current availability of office floorspace in Adur equates to around 4,700 sq.m across a total of eight available office premises. Figure 4.6 highlights the size bands of available office floorspace in Adur. It shows that the majority of available offices (62.5%) were small, sized below 250 sq.m. Two of the eight available offices were sized between 1,000 and 9,000 sq.m and accounted for 70.8% of the total available office floorspace.

<sup>30</sup> Of the 72 current office premises recorded in CoStar, 57 properties contained information on when the premise had been built.

Figure 4.6 Availability of office floorspace in Adur (2024)



Source: CoStar Database / Lichfields analysis

4.28 Table 4.4 shows available office supply set against the 10-year (2014-2024) and 5-year (2019-2024) average take-up rates in Adur. Based on this, there is a 2.1 years’ supply of office floorspace when set against the 10-year average take-up, compared with a 1.7 years’ supply when set against the 5-year average take-up.

Table 4.4 Years of available office supply in Adur

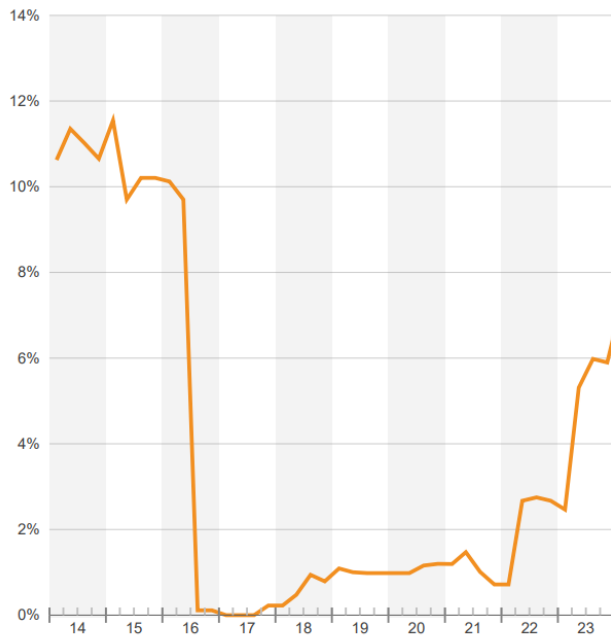
	Office
Annual Average Take-Up (2014-2024)	2,226 sq.m
Available Supply	4,731 sq.m
<b>Years of Available Supply</b>	<b>2.1</b>
Annual Average Take-Up (2019-2024)	2,854 sq.m
Available Supply	4,731 sq.m
<b>Years of Available Supply</b>	<b>1.7</b>

Source: CoStar Database (2024) / Lichfields analysis

### Vacancy Trends

4.29 Figure 4.7 illustrates the latest office vacancy trends in Adur since 2014 and a forecast for future vacancy levels to 2028 according to CoStar. The trend indicates very low vacancy rates between 2016 and 2022 which subsequently rose slightly in 2023 to the current position at 5.9%. The recent spike in vacancy is likely to reflect the ongoing effects of the Covid-19 pandemic and its impacts on national and local office markets. The highest vacancy rate over the last 10 years was in Q1 2015, where vacancy levels reached 11.5%.

Figure 4.7 Office vacancy rate in Adur (2014-2023)



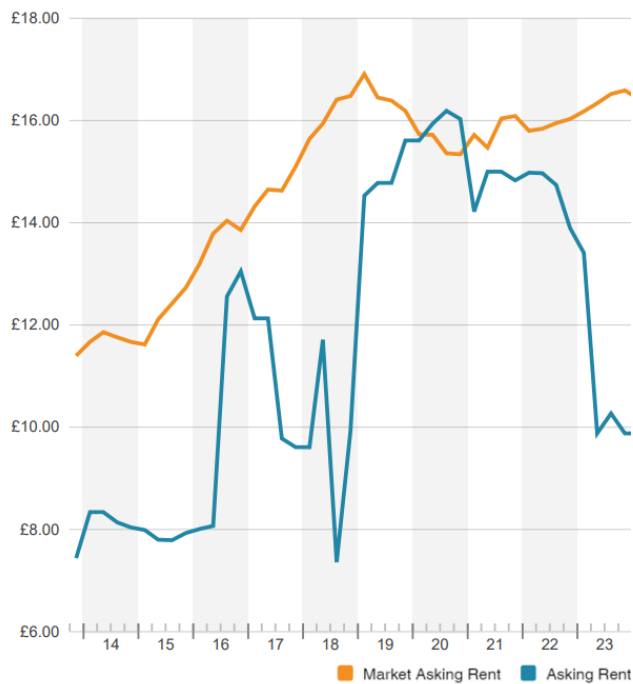
Source: CoStar Database (2024)

### Office Rents

4.30

Office rents in Adur are slightly more affordable when compared to the wider Brighton market. Average office rents across Adur stood at £16.70 per sqft in Q4 2023, compared with £23.15 per sqft in Brighton.

Figure 4.8 Office market rent and asking rent (per sqft) in Adur (2014-2023)



Source: CoStar Database (2024)

- 4.31 The asking rent represents the monetary value the leaser is asking for to lease their premises. The market rent has outpaced the asking rent over the last ten years with the exception of 2020 where the asking rent for offices rose above the market rent for three consecutive quarters. Over the past year, the asking rent for offices has fallen sharply, while the market rent has increased slightly, widening the disparity between the two. Although there are many possible reasons for this trend, when assessed in conjunction with vacancy rates, it is likely to be a result of the ongoing effects of the Covid-19 pandemic on the office market and may reflect leasers' willingness to accept lower rents to ensure their properties remain occupied.

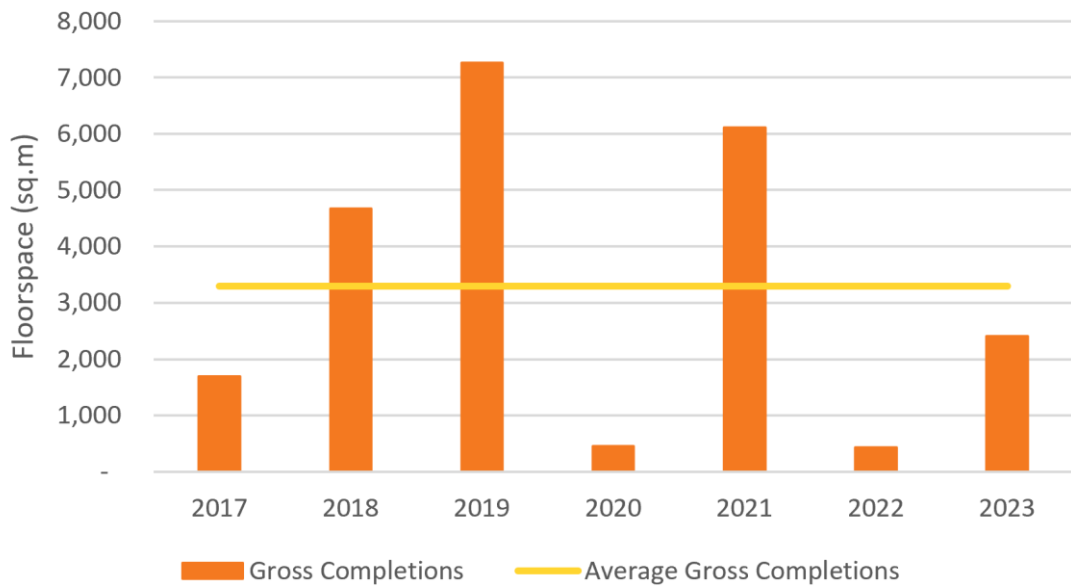
## **Industrial Market Signals and Trends**

- 4.32 Monitoring data provided by WSCC covering the period 2017 to 2023 can be used to provide an overview of the scale and nature of industrial development that has occurred within Adur over this period.

### **Gross Completions**

- 4.33 Over the seven-year monitoring period from 2017 to 2023, there were 18 completed industrial developments in Adur. The total amount of industrial floorspace developed in Adur equated to around 23,000 sq.m, which is equivalent to an annual average gross completion rate of 3,288 sq.m.
- 4.34 As shown in Figure 4.9, the delivery of industrial floorspace in Adur has fluctuated over the monitoring period. The delivery of industrial floorspace peaked in 2019 when around 7,300 sq.m was delivered. The three largest completions across the monitoring period were at 46 Dolphin Road, Shoreham-by-Sea (6,106 sq.m in 2021), 32 Chartwell Road, Lancing (5,988 sq.m in 2019), and 6 Commerce Way, Lancing Business Park (4,562 sq.m in 2018). However, all three of these developments either changed the use from an existing industrial use or were located on existing industrial sites, and they all resulted in a net loss of industrial floorspace. In 2023, around 2,400 of sq.m of industrial space was delivered, which was below the average annual delivery rate over the monitoring period.

Figure 4.9 Gross completions of industrial floorspace in Adur 2017 to 2023



Source: WSCC (2023) / Lichfields analysis

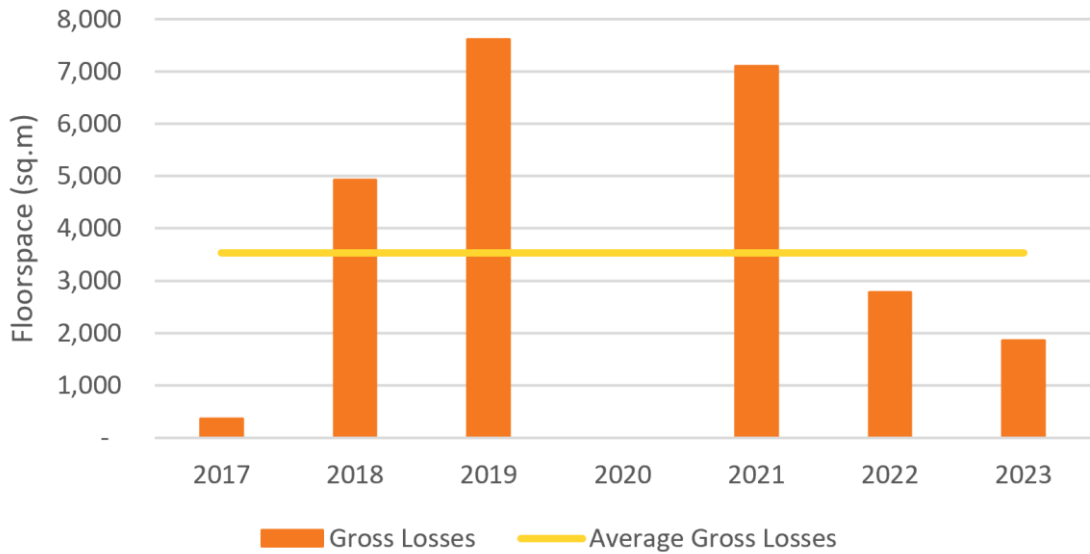
**Gross Losses**

4.35

Losses of industrial floorspace in Adur over the period 2017 to 2023 equated to around 24,500 sq.m, which is equivalent to an average loss of 3,521 sq.m per year. As illustrated in Figure 4.10, the most notable year for the loss of industrial floorspace was in 2019 where 7,615 sq.m of floorspace was lost, accounting for 30.9% all lost industrial floorspace over the past seven years. The majority of this floorspace is associated with the redevelopment of 32 Chartwell Road, Lancing, where 6,800 sq.m of general industrial space (B2) was lost, albeit with 5,988 sq.m of storage and distribution space (B8) being re-provided in its place. Other notable years for industrial space losses include 2021 and 2018 where around 7,100 sq.m and 4,900 sq.m were lost respectively. In 2023, 1,860 sq.m of industrial floorspace was recorded as being lost from the stock within Adur, which is below the annual average for the seven-year monitoring period.



Figure 4.10 Gross losses of industrial floorspace in Adur 2017 to 2023



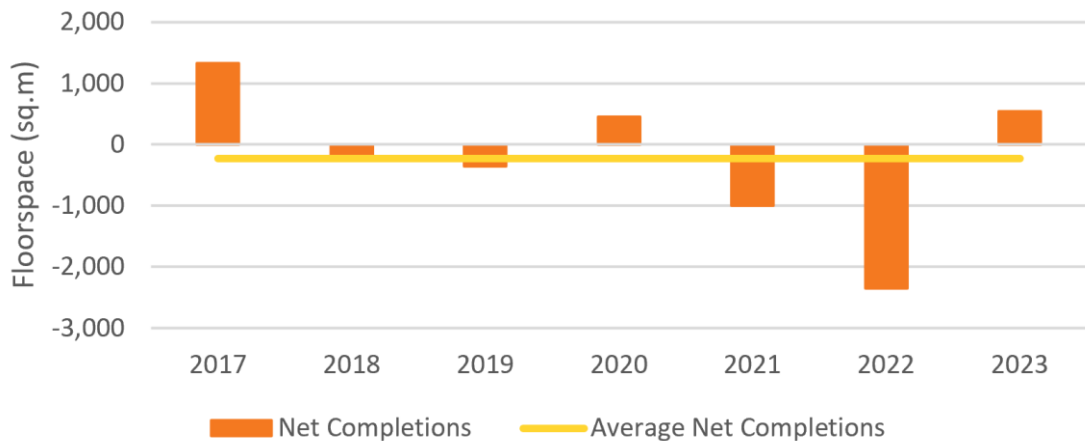
Source: WSCC (2023) / Lichfields analysis

### Net Completions

4.36

Across the monitoring period as a whole, net completions of industrial floorspace in Adur were negative, with losses of floorspace exceeding gains. During this period, Adur recorded a net loss of about 1,600 sq.m of industrial floorspace, which is equivalent to an annual average net loss of 233 sq.m. This broadly aligns with the trend implied by VOA data analysed earlier in this chapter (see Figure 4.1), albeit less significant. As shown in Figure 4.11, the most notable year for net losses was in 2022, which recorded only 432 sq.m of new industrial space compared to 2,786 sq.m of lost space driven largely by the loss of 2,416 sq.m of industrial space for the redevelopment of the Riverbank Business Centre in Shoreham-by-Sea. There was a net gain of 544 sq.m in 2023, which was one of three years within the seven-year monitoring period to record a net gain along with 2017 and 2020.

Figure 4.11 Net completions of industrial floorspace in Adur 2017 to 2023



Source: WSCC (2023) / Lichfields analysis

4.37 It is assumed that sites with extant planning permission for employment use floorspace (including those under construction) as recorded by WSCC monitoring data (at December 2023) will be implemented prior to the commencement of the new Local Plan (which for the purpose of this assessment is assumed to be in 2026). Collectively, the extant permissions would deliver an additional 29,877 sq.m of industrial space, driven largely by the delivery of 25,000 sq.m of industrial floorspace at Panattoni Park, Shoreham Airport which is due to be completed and occupied in 2024.

### **National and Regional Trends**

4.38 The heightened levels of demand for industrial floorspace witnessed nationally during the height of the Covid-19 pandemic reduced over the course of 2023 following an extended period of high inflation and elevated interest rates. However, the sector continues to benefit from the growth of e-commerce and the push towards net-zero carbon emissions, which should continue to support demand for the sector in the short to medium term.

4.39 Vacancies within industrial units have begun to rise nationally, but remain relatively low at 4.0%, having been as high as 6.1% in the past decade. Rising vacancies have as much to do with increased supply as the slowdown in demand, and although construction activity has begun to ease, it remains elevated with 4.3 million sq.m underway across the UK.

4.40 Within the Brighton industrial market, the vacancy rate has risen in the past year to 5.0%, the highest rate since 2014. The market rent for industrial space within Brighton has also continued to increase over the past decade, with an annual average increase of around 6.5%. As of Q4 2023, average rents for industrial properties in the market sit at £10.69 per sqft.

### **Local Industrial Market**

4.41 Adur contains around 344,000 sq.m of industrial space which represents a sizable proportion of the industrial inventory across the wider Brighton industrial market. Commercial property data from CoStar indicates that the industrial vacancy rates increased to 1.5% in Q4 2023, an increase of 1.3% from the previous year (0.2% in Q4 2022). However, this rate remains well below the 8.0% vacancy rate generally assumed to be required for a market to function normally. Net absorption over the past year was around 3,500 sq.m which contrasts the longer-term trend of a negative net absorption of around -750 sq.m on average per year over the past five years.

4.42 The demand for industrial floorspace is further evidenced by a 6.3% increase in rental values for industrial floorspace over the past year. This continued a long-term trend of rising rental values in Adur over the past decade, with rental values reaching £10.84 in Q4 2023, up from £6.17 in 2014. Local demand within Adur is strengthened by the lack of available space in neighbouring Brighton, which has a small stock of industrial premises and a lack of medium to large units. Demand is greatest for small to medium sized units which can provide flexibility for local businesses, however the lack of supply has kept vacancies low with local firms 'making do' with the space that is available.

4.43 Most of the industrial stock within Adur is small to medium in size, and ranges in use from storage and distribution to light and heavy industrial. The majority of industrial premises in Adur are aging and of low quality. Where there is newer stock, this is often in high demand

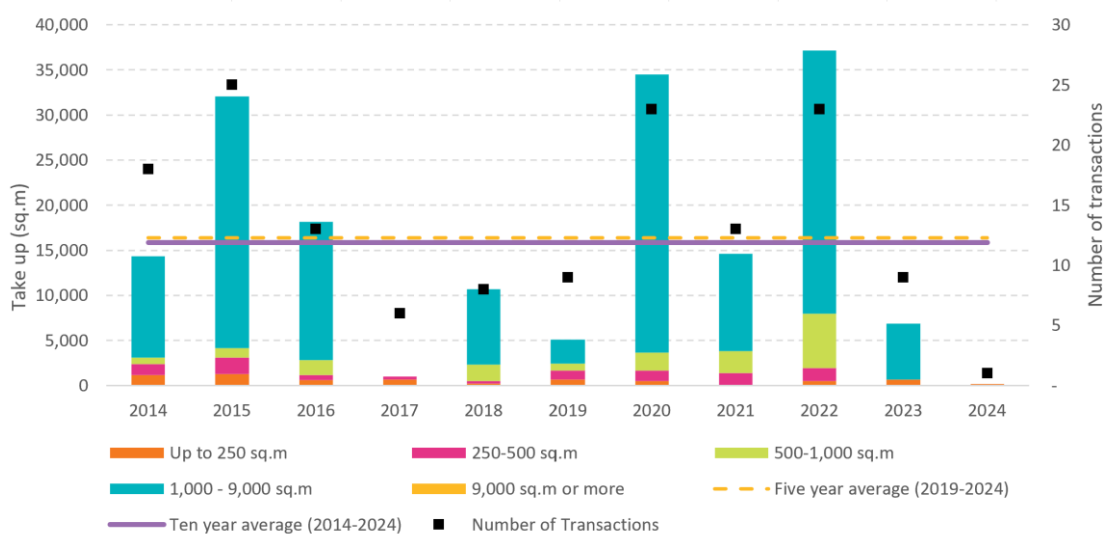
due to the desire for higher EPC ratings within the market. However, the large gap in quality between the existing aging stock and the newer builds has driven up the price of newer build units resulting in some latent demand in the market as local firms are priced out of premium space.

- 4.44 There is also concern from local property agents that new build units do not serve the needs of local businesses. Consultation with agents suggested that newer developments such as Panattoni Pak at Shoreham Airport provide units which are too large for local firms and that future developments should be designed to be flexible to the needs of smaller local businesses. There is also a perceived lack of grow-on space in Adur for local firms seeking to expand their operations.
- 4.45 Another feature of the local market is the lack of owner-occupied units. A large proportion of the stock of industrial premises within Adur is owned and let by a small number of landowners. This means that freehold plots are at a premium, particularly with businesses seeking to redevelop units to suit their own needs rather than lease out the older existing units.
- 4.46 The pressure from residential uses on industrial land has grown in recent years. A number of key local employment sites, including Lancing Business Park and Dolphin Industrial Estate, as well as some of the smaller sites, are now bordered on multiple sides by housing. Furthermore, a large area of the Western Harbour Arm is due to be redeveloped for a mix of uses including housing and some employment floorspace. There has also been reported interest in converting office spaces located within large industrial sites, such as Lancing Business Park, into residential use. There are concerns that the introduction of residential uses to these areas would risk further encroachment of residential uses into employment sites and result in restrictions on the operation of heavy industry operations. This would risk undermining the industrial function of the site and the displacement of local businesses.

### **Take-Up by Size**

- 4.47 Total industrial take-up (i.e. sales and leases across Adur between 2014 and 2024) amounted to around 175,000 sq.m according to the latest CoStar data. Of this space, 81.6% was attributed to large properties sized between 1,000 sq.m and 9,000 sq.m, however there was no take-up of properties in the largest size band of over 9,000 sq.m. A more detailed breakdown of take-up in Adur is presented in Figure 4.12 below.

Figure 4.12 Industrial take-up by size in Adur (2014-2024)



Source: CoStar Database (2024) / Lichfields analysis

4.48 The total quantum of take-up has fluctuated over the monitoring period, peaking in 2022 at around 37,000 sq.m. Take-up of industrial floorspace then fell to around 7,000 sq.m in 2023.

4.49 Figure 4.12 also shows the number of transactions by size of industrial premise over the monitoring period. In total 49 sales and 98 leases were recorded over this period, with an average of 15 lease and sales per year (excluding 2024). Over one third of all transactions (35.8%) were attributed to small sized industrial units of less than 250 sq.m, with a further 30.4% attributed to medium to large industrial space sized between 1,000 and 9,000 sq.m.

**Stock Age and Quality**

4.50 Table 4.5 summaries the age and quality of existing industrial premises in Adur according to the latest CoStar data<sup>31</sup>. This shows that one third (33.3%) of premises were built before 1980, and 75.9% of the industrial floorspace in Adur was built before 2000. This suggests that the existing industrial stock in Adur comprises a large proportion of older premises compared to its newer stock built post-2000, which only accounts for around a quarter (24.1%) of the total existing industrial premises.

Table 4.5 Age and quality of existing industrial premises in Adur

	Properties		Floorspace (sq.m)	
	Number	% of Total	Number	% of Total
<b>Age of Stock</b>				
Pre-1940	2	1.3%	5,640	2.0%
1940-1979	37	24.8%	88,715	31.3%
1980-1999	71	47.7%	120,804	42.6%

<sup>31</sup> Of the 171 current industrial premises recorded in CoStar, 149 properties contained information on when the premise had been built.

	Properties		Floorspace (sq.m)	
	Number	% of Total	Number	% of Total
Post-2000	39	26.2%	68,423	24.1%
<b>Total</b>	<b>149</b>	<b>100%</b>	<b>283,581</b>	<b>100%</b>
<b>CoStar Star Rating</b>				
1-2 Stars	98	57.3%	162,311	49.9%
3 Stars	73	42.7%	162,973	50.1%
4-5 Stars	0	0.0%	0	0.0%
<b>Total</b>	<b>171</b>	<b>100%</b>	<b>325,284</b>	<b>100%</b>

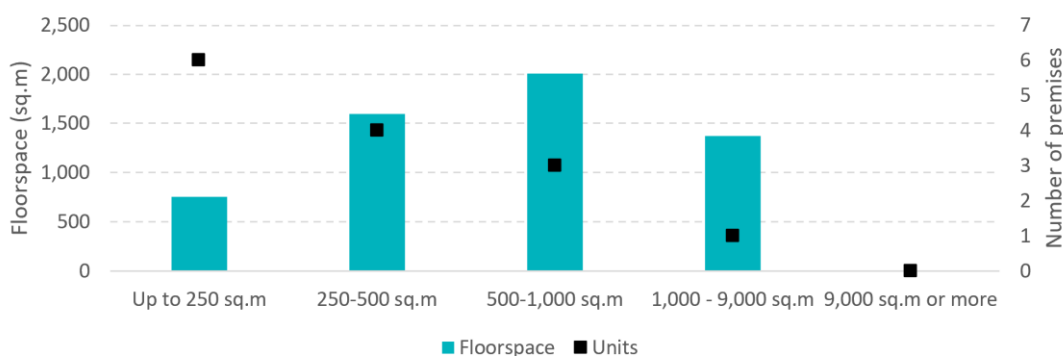
Source: CoStar Database (2024) / Lichfields analysis

4.51 In terms of quality, CoStar’s star rating system uses market-tested criteria to analyse the quality of existing industrial premises. As shown in Table 4.5, all of the industrial premises in Adur are rated as 3 star or less (out of 5) indicating a lack of higher quality industrial floorspace in Adur.

### Industrial Availability

4.52 CoStar data indicates that current availability of industrial floorspace equates to 1.8% of Adur’s total industrial stock, at around 5,700 sq.m. Figure 4.13 highlights available industrial floorspace by size band, indicating that a large proportion of available units are sized below 250 sq.m (42.9%), with a further 28.6% of available premises sized between 250 and 500 sq.m. There is one premise sized above 1,000 sq.m (1,371 sq.m) which is currently available, and which individually accounts for 23.9% of the total available industrial floorspace in Adur.

Figure 4.13 Availability of industrial floorspace in Adur (at January 2024)



Source: CoStar Database (2024) / Lichfields analysis

4.53 Table 4.6 compares the available industrial supply set against the ten-year (2014-2024) and five-year (2019-2024) average take-up rates across Adur. Based on this, there is estimated to be just 0.4 years’ supply when set against the ten-year take up average, and 0.3 years’ supply when set against the five-year take-up average. This indicates that there is an insufficient existing supply of available floorspace to fulfil recent levels of industrial demand.

Table 4.6 Years of available industrial floorspace in Adur (2024)

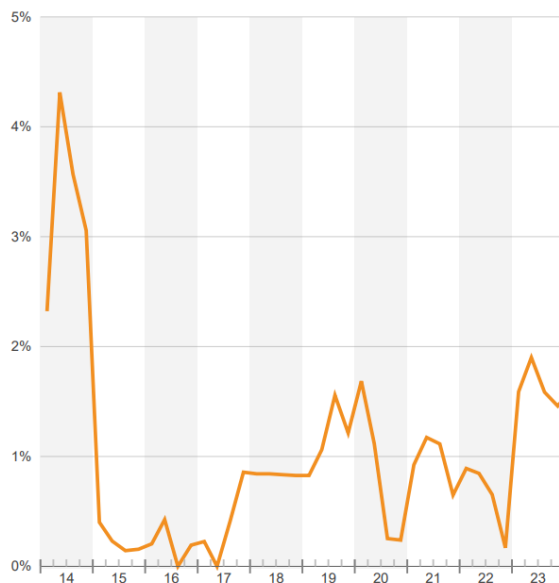
	Industrial
Annual Average Take-Up (2014-2024)	15,868
Available Supply	5,734
<b>Years of Available Supply</b>	<b>0.4</b>
Annual Average Take-Up (2019-2024)	16,391
Available Supply	5,734
<b>Years of Available Supply</b>	<b>0.3</b>

Source: CoStar Database (2024) / Lichfields analysis

### Vacancy Trends

4.54 Figure 4.14 illustrates the latest industrial vacancy trends in Adur, including forecast vacancy rates to 2028 according to CoStar. Overall, the trend shows very low levels of industrial vacancy between 2014 and 2023, during which vacancy rates largely remained at or below 2.0%. Vacancy rates for industrial premises across Adur peaked in Q2 2014 at 4.3% before falling below 2.0% in 2015.

Figure 4.14 Industrial vacancy rates in Adur (2014-2023)

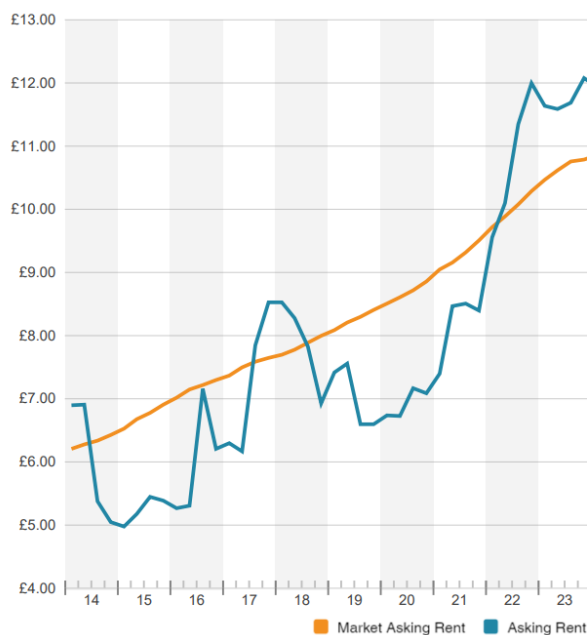


Source: CoStar Database (2024)

### Industrial Rents

4.55 Industrial market rents in Adur have increased by around 74% over the past decade, from a low of £6.20 per sqft in 2014 to £10.78 per sqft by the end of 2023. This average is relatively inexpensive when compared against West Sussex and the South East region as a whole, where rents for industrial floorspace are £12.10 and £11.99 per sqft respectively. Market rents for industrial premises in Adur are forecast by CoStar to continue increasing up to £12.38 per sqft by Q4 2028, as illustrated in Figure 4.15 below.

Figure 4.15 Industrial market rent and asking rent (per sqft) in Adur (2014-2023)



Source: CoStar Database (2024)

- 4.56 The asking rent represents the monetary value the leaser is asking for in order to lease their building/premises; Figure 4.15 shows that the asking rent has largely remained below the market rent, however since Q2 of 2022 it has increased sharply and remained above the market rent at the end of 2023. There are many possible reasons for this, but when assessed in conjunction with the vacancy trends, asking rents may have increased due to the low availability of space and upward demand pressures.

## Summary

- 4.57 The commercial property market within Adur has tightened in recent years, driven by a loss of industrial floorspace and limited increases in the amount of office space. The constriction of industrial space has increased the demand for the remaining space, maintaining a low vacancy rate and pushing up rental values.
- 4.58 Adur has a small stock of offices split between the town centres and across business parks. The majority of the offices are very small and serve small local businesses. Vacancy rates have risen in recent years, albeit they still remain below the average for the wider Brighton and Hove office market and reflect a good balance between supply and demand. It is estimated that there is 1.7 years of available office supply in Adur when assessed against the five year average take-up.
- 4.59 The majority of demand for industrial premises is for small to medium sized units that provide flexibility in both size and use. The majority of this demand comes from small local businesses, although it is boosted by the overspill of demand for industrial space in Brighton and Hove. The vacancy rate for industrial floorspace within Adur has remained below 2.0% since 2015, reflecting the high demand for the constrained supply. This has also acted to push up rental values, especially for more modern units.

- 4.60 The stock of industrial units is generally aging, and a number of employment sites are constrained by their proximity to residential uses. There is an identified lack of grow-on space for local businesses to expand their operation in the local area. Only a small proportion of the industrial land within the Adur Local Plan Area, with the exception of Shoreham Port, is owner occupied. This has limited the flexibility of the market, with local firms locked into leasing aging stock rather than redeveloping space to fit their own needs.



## 5.0 **Future Requirements for Employment Space**

5.1 This section assesses future economic growth needs in the Adur Local Plan Area drawing on an expanded range of forecast approaches that reflect different methodologies. These result in a range of scenarios that are used to inform the potential economic growth needs within Adur, and consequently, future employment land requirements and planning policy implications to inform an updated Local Plan covering the period between 2026 and 2041.

5.2 The assessment follows an NPPF-compliant approach in developing a number of potential future economic scenarios to provide an updated framework for considering future economic growth needs and employment space requirements in the Adur Local Plan Area up to 2041, drawing upon:

- 1 Projections of employment growth in office, industrial and distribution-based sectors (labour demand) derived from economic forecasts produced by Experian in December 2023;
- 2 Consideration of past trends in completions of employment space based on detailed WSCC monitoring data over a reasonable time period; and
- 3 Estimates of future growth of local labour supply based on the Council's latest housing evidence.

5.3 The outputs from these updated scenarios are presented and discussed below. All these approaches have some limitations and consideration needs to be given as to how appropriate each is to circumstances in Adur.

### **Scenario 1 - Forecasts of Job Growth (Labour Demand)**

5.4 Employment growth forecasts for Adur were obtained from Experian's December 2023 release (the latest available at the time of drafting). These take account of regional and national macroeconomic assumptions prevailing at the time, as summarised briefly below.

### Experian Forecast Assumptions: December 2023

Data from the ONS shows that GDP growth has fluctuated between expansion and contraction over the past year with an overall trend of a flatlining economy. It is estimated that there was a 0.1% fall in GDP in Q3 2023, from an increase of 0.2% in Q2. GDP growth is forecast to slow to just 0.1% in 2024 due to lingering high inflation and tax band freezes dampening expenditure.

The Consumer Price Index (CPI) indicates that inflation fell more sharply than expected in November 2023, to 3.9%, down from 6.7% in September. With inflation beginning to decrease it is expected that the Bank of England will begin to start cutting interest rates in 2024.

The labour market remains tight, with the unemployment rate estimated to have stood at 4.2% in the three months to October 2023. However, pay growth is slowing with total pay (including bonuses) increasing by 7.2% in the three months to October, down from 8.5% for the three months to July.

- 5.5 Given the uncertainty in the longer term macroeconomic picture, these assumptions may need to be reconsidered closer to the Local Plan examination stage depending on how the economic situation changes in the intervening period, particularly as the base year of the plan is not until 2026.

### Implied Employment Change

- 5.6 Table 5.1 below summarises the employment change implied by the latest Experian forecasts by office, industrial and distribution uses as well as total employment change over the forthcoming Local Plan period. This includes an allowance for jobs in other sectors that typically use office, industrial or warehousing space.

Table 5.1 Forecast employment change in Adur, 2026 to 2041

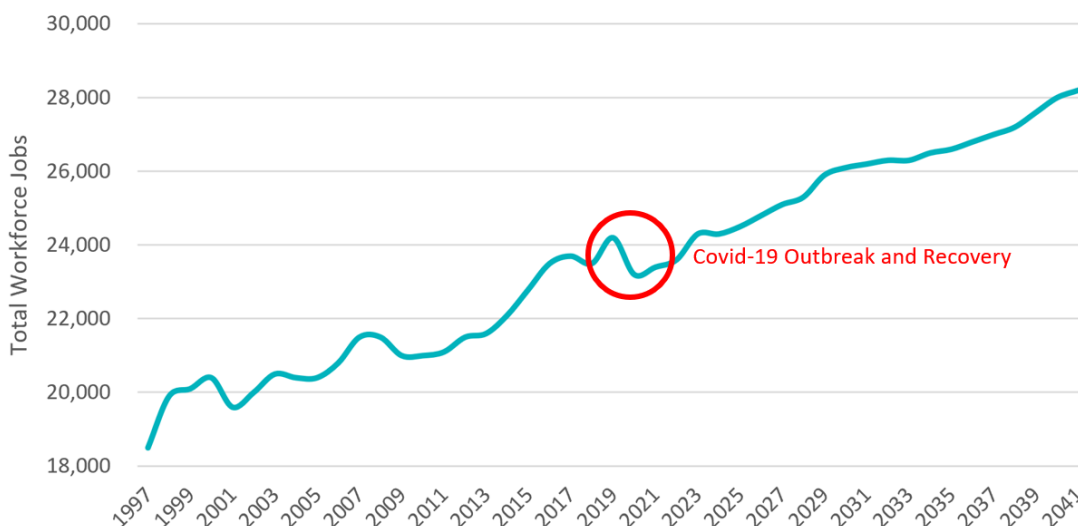
Use	Number of Workforce Jobs		Change (2026-2041)
	2026	2041	
Office E(g)(i)/(ii)	4,636	5,404	+ 768
Light Industrial E(g)(iii)	2,416	2,950	+ 534
General Industrial B2	2,537	2,927	+ 391
Distribution B8	1,656	1,789	+ 132
Total Office, Industrial and Distribution Jobs	<b>11,245</b>	<b>13,071</b>	<b>+ 1,826</b>
Total Workforce Jobs	<b>24,800</b>	<b>28,200</b>	<b>+ 3,400</b>

Source: Experian (December 2023) / Lichfields analysis. Totals may not sum due to rounding.

- 5.7 Under this scenario, total workforce jobs are expected to increase by 13.7% across the Local Plan period, resulting in an additional 3,400 workforce jobs between 2026 and 2041. Just over half (53.7%) of all job growth is expected to be within office, industrial and distribution sectors (i.e. sectors that typically use B / E(g) space), with the office and light industrial sectors driving the majority of growth.

5.8 Figure 5.1 below illustrates the trajectory of total job growth implied by the Experian forecasts for Adur. Under this scenario, steady growth in workforce jobs is forecast from 2024 to the end of the forthcoming Local Plan period in 2041, having recovered and risen back above pre-pandemic levels during 2020 and 2021.

Figure 5.1 Forecast Employment Growth in Adur to 2041



Source: Experian (December 2023) / Lichfields analysis

5.9 Table 5.2 identifies the fastest growing and declining sectors in Adur in employment terms during the forecast period (2026 to 2041). Some of those sectors forecast to see the highest job growth typically fall within office-based sectors including, administrative and support services and professional services. The forecasts also suggest that wider sectors (i.e. those falling outside the B/E(g) uses) such as accommodation and food services and specialised construction activities will play an appreciable role in driving local job growth in the future. Only the ‘other private services’ sector is forecast to see a decline in employment within Adur over the plan period from 2026 to 2041, albeit at modest levels.

Table 5.2 Fastest growing and declining employment sectors in Adur, 2026 to 2041

Sector	Forecast Change in Workforce Jobs 2026-2041	
	No.	%
<b>Fastest Growing Employment Sectors</b>		
Accommodation & Food Services	400	24%
Administrative & Supportive Services	400	24%
Specialised Construction Activities	400	22%
Professional Services	300	15%
<b>Fastest Declining Employment Sectors</b>		
Other Private Services	-100	-14%

Source: Experian (December 2023) / Lichfields analysis

### Converting to Employment Space Requirements

5.10 The office, industrial and warehousing component of these employment growth forecasts are converted to future employment space requirements by applying the latest published

job density figures for employment space which take account of recent trends in occupancy for the different employment uses. The following average ratios have been applied:

- **Offices (E(g)(i)/(ii)):** 1 workforce job per 12.5 sq.m and a plot ratio of 2.0 for town centre uses (assumed to account for 50% of total office stock) and 0.4 for lower density business park style office space (assumed to account for 50% of total office stock);
- **Light industrial (E(g)(iii)):** 1 workforce job per 47 sq.m and a plot ratio of 0.4;
- **General industrial (B2):** 1 workforce job per 37.1 sq.m and a plot ratio of 0.4; and
- **Warehousing (B8):** 1 workforce job per 65 sq.m for smaller scale warehousing (assumed to account for 93% of warehousing stock in Adur based on analysis of properties within the CoStar database), 1 workforce job per 71 sq.m for medium scale, units (assumed to account for 3% of total stock), and 1 workforce job per 87.5 sq.m for large scale lower density units (assumed to account for 4% of total stock). A plot ratio of 0.4 is applied to all warehousing sizes.

5.11 These assumptions are based on the latest HCA guidance on job density ratios produced in 2015. This guidance takes some account of trends in terms of changing utilisation of employment space, including more efficient use of office floorspace due to a higher frequency of flexible working and hot-desking. They all relate to Gross External Area (GEA). These trends have increased further since the Covid-19 pandemic as working patterns have changed, but there is limited robust evidence currently available at what level office densities might stabilise over the longer-term, particularly where traditional desk space is effectively being substituted with more collaborative spaces or meeting spaces as firms seek to attract workers back to office-based working.

5.12 An allowance of 8.0% is added to all positive floorspace requirements to reflect ideal levels of market vacancy in employment space. A vacancy rate of around 8.0% is typically considered to represent a 'normal' market equilibrium whereby supply and demand are broadly in balance, but there is also sufficient availability and choice for the market to function and churn<sup>32</sup>. On this basis, Table 5.3 presents the net employment floorspace requirements in relation to the labour demand scenario over the forthcoming Local Plan period between 2026 and 2041.

Table 5.3 Net employment space requirement: Scenario 1 - Labour Demand

Types of Space / Use Class	Net Employment Floorspace 2026 to 2041 (GEA sq.m)
Office E(g)(i)/(ii)	10,371
Light Industrial E(g)(iii)	27,114
General Industrial B2	15,650
Distribution B8	9,451
<b>Total</b>	<b>62,585</b>

Source: Experian (December 2023) / Lichfields analysis

5.13 Scenario 1 implies that a total of around 62,600 sq.m of employment floorspace is required over the forthcoming Local Plan period. The greatest need is estimated to be for light

<sup>32</sup> Benchmark used in the GLA Land for Industry and Transport Supplementary Guidance and London Plan (2021)

industrial floorspace (E(g)(iii)) (around 43% of the total floorspace requirement) and general industrial (B2) (around 25% of the total floorspace requirement).

## Scenario 2A – Past Development Trends

- 5.14 Past development rates reflect actual development patterns and provide an indication of market demand. Therefore, they can provide a reasonable basis for informing future space needs where supply has not been unduly constrained in the past. Whilst forecasts show job growth in net terms, past trend-based analysis takes account of historic patterns of employment development and the role that recycling of sites can play in terms of supporting employment uses in an economy.
- 5.15 An analysis of monitoring data on past completions of employment space between 2017 and 2023 has been provided by WSCC. The accuracy of this data has not been verified by Lichfields. As noted in section 4.0, during this period average annual net completions for industrial uses in Adur amounted to 233 sq.m. Gross completions were appreciably higher at an average of 3,288 sq.m per year. It should be noted that the “Net” completion figure is calculated by subtracting losses from the gross completions, hence the disparity between the two figures. Table 5.4 summaries the gross and net annual completions of employment space by use class over the period of analysis.

Table 5.4 Annual completion rates of employment space in Adur 2017 to 2023

Types of Space / Use Class	Net Annual Completions (sq.m)	Gross Annual Completions (sq.m)
Office E(g)(i)/(ii)	535	544
Light Industrial E(g)(iii)	-229	257
General Industrial B2	-964	353
Distribution B8	960	2,678
<b>Total</b>	<b>301</b>	<b>3,832</b>

Source: WSCC (2023) / Lichfields analysis

- 5.16 One view of future growth in Adur could assume that these past development trends continue on the same basis in the future. Over the Local Plan period, this would imply an overall increase of 4,530 sq.m employment space as shown in Table 5.5.

Table 5.5 Net employment floorspace requirements: Scenario 2A - Past Development Trends

Types of Space / Use Class	Net Employment Floorspace 2026 to 2041 (GEA sq.m)
Office E(g)(i)/(ii)	8,025
Light Industrial E(g)(iii)	-3,435
General Industrial B2	-14,460
Distribution B8	14,400
<b>Total</b>	<b>4,530</b>

Source: WSCC (2023) / Lichfields analysis

- 5.17 Given its small size and location between the English Channel and South Downs National Park, the availability of land in Adur is highly constrained. The 2014 Adur Local Plan allocated two new employment sites (New Monks Farm and Panattoni Park, Shoreham

Airport) however, neither site was delivered during the monitoring period (2017 to 2023) and therefore are not captured within the development rates presented above<sup>33</sup>. Therefore, this scenario reflects the delivery rates which can be achieved largely through development on existing employment land within Adur alone. As such, Scenario 2A may underestimate the true demand for employment space within Adur due to high levels of latent demand remaining unfulfilled by the constrained supply of employment land.

## Scenario 2B – Past Development Trends (including Extant Permissions)

5.18 Scenario 2A presented above also does not account for extant permissions within the planning system which are likely to be delivered before the beginning of the new Local Plan period in 2026. Therefore, a second scenario based on past trends is presented which includes extant permissions. This assumes that all extant permissions will be all delivered in 2024. It includes the delivery of 25,000 sq.m of industrial floorspace at the Panattoni Park site, which was allocated within the 2017 Adur Local Plan for 15,000 sq.m of employment floorspace. At the time of drafting, the Panattoni Park site is being constructed and is due to be occupied in 2024. Table 5.6 summaries the gross and net annual completions of employment space by use class over the period 2017 to 2024, assuming that all extant permissions are delivered in 2024.

Table 5.6 Annual completion rates of employment space in Adur 2017 to 2024 (including extant permissions in 2024)

Types of Space / Use Class	Net Annual Completions (sq.m)	Gross Annual Completions (sq.m)
Office E(g)(i)/(ii)	866	874
Light Industrial E(g)(iii)	1,012	1,469
General Industrial B2	94	1,366
Distribution B8	2,424	3,959
<b>Total</b>	<b>4,396</b>	<b>7,667</b>

Source: WSCC (2023) / Lichfields analysis

5.19 Assuming the annual net completion rates presented in Table 5.8 continue over the forthcoming the Local Plan period, this would imply an overall increase of 65,943 sq.m employment space as shown in Table 5.9.

Table 5.7 Net employment space requirements: Scenario 2B - Past Development Trends (Extant Permissions)

Types of Space / Use Class	Net Employment Floorspace 2026 to 2041 (GEA sq.m)
Office E(g)(i)/(ii)	12,985
Light Industrial E(g)(iii)	15,184
General Industrial B2	1,414
Distribution B8	36,361
<b>Total</b>	<b>65,943</b>

Source: WSCC (2023) / Lichfields analysis

<sup>33</sup> It should be noted the New Monks Farm allocation received outline planning permission for a retail led development which has now lapsed. The allocation at Panattoni Park is currently being developed to deliver 25,000 sq.m of industrial floorspace. Further information on New Monks Farm and Panattoni Park is provided in paragraphs 6.22 and 6.30.

- 5.20 The large disparity between the floorspace requirements in Scenario 2A (4,530 sq.m) and Scenario 2B (65,943 sq.m), and particularly industrial floorspace (-3,495 sq.m in Scenario 2A compared to 52,959 sq.m in Scenario 2B) serves to illustrate the effect of new developments such as Panattoni Park being brought forward when land is provided through the local plan process.

### Scenario 3 – Labour Supply

- 5.21 It is also useful to consider how many jobs, and hence how much employment space, would be necessary to broadly match forecast growth of the resident workforce in Adur over the period to 2041. This approach estimates the number of new jobs needed to match the future supply of working-age, economically active population in Adur, and how much employment space would be needed to accommodate the office, industrial and distribution component of these jobs.
- 5.22 Therefore, two labour supply scenarios have been considered based the Adur Local Plan Area's Strategic Market Housing Assessment (SHMA) (2020) housing target of 248 dwellings per annum (dpa), as well as a higher housing target of 448 dpa derived from the Standard Method (2023).

#### Scenario 3A – Baseline Labour Supply (Adur SHMA)

- 5.23 There is an estimated local housing need of 248 dpa for the Adur Local Plan Area based on the Adur District SHMA (2020). The SHMA considers demographic change up to the year 2036, therefore for the purpose of this scenario, population change and job growth assumptions have been made for the forthcoming Local Plan period from 2026 to 2041. This is based on the average household size in Adur District and economic activity rate at the time of the 2021 Census as well as a forecast proportion of core working age residents (aged 16-64) in 2041 from the ONS<sup>34</sup>. Table 5.8 presents the estimated job growth and floorspace requirements under Scenario 3A.

Table 5.8 Employment and floorspace requirements: Scenario 3A - Labour Supply Growth (Adur SHMA 248 dpa)

Types of Space / Use Class	2026 to 2041	
	Employment (No. of Jobs)	Employment Floorspace (GEA sq.m)
Office E(g)(i)/(ii)	630	8,500
Light Industrial E(g)(iii)	440	22,200
General Industrial B2	320	12,800
Distribution B8	110	7,800
<b>Total</b>	<b>1,500</b>	<b>51,300</b>

Source: Lichfields analysis. Totals may not sum due to rounding.

#### Scenario 3B – Baseline Labour Supply (Standard Method)

- 5.24 An alternative scenario is presented here to test the implications of a higher level of housing delivery in the Adur Local Plan Area over the forthcoming Local Plan period, than is presented in the SHMA (2020).

<sup>34</sup> ONS (2018), Population Projections.

- 5.25 This scenario is based on a housing delivery rate of 448 dpa calculated by the Council using the Standard Method in May 2023. The same average household size, economic activity rate and forecasted core-working age population assumptions as outlined for scenario 3A have been applied. Table 5.9 presents the estimated job growth and floorspace requirements under Scenario 3B.

Table 5.9 Employment and floorspace requirements: Scenario 3B - Labour Supply Growth (Standard Method 448 dpa)

Types of Space / Use Class	2026 to 2041	
	Employment (No. of Jobs)	Employment Floorspace (GEA sq.m)
Office E(g)(i)/(ii)	1,140	15,300
Light Industrial E(g)(iii)	790	40,100
General Industrial B2	580	23,200
Distribution B8	200	14,000
<b>Total</b>	<b>2,700</b>	<b>92,600</b>

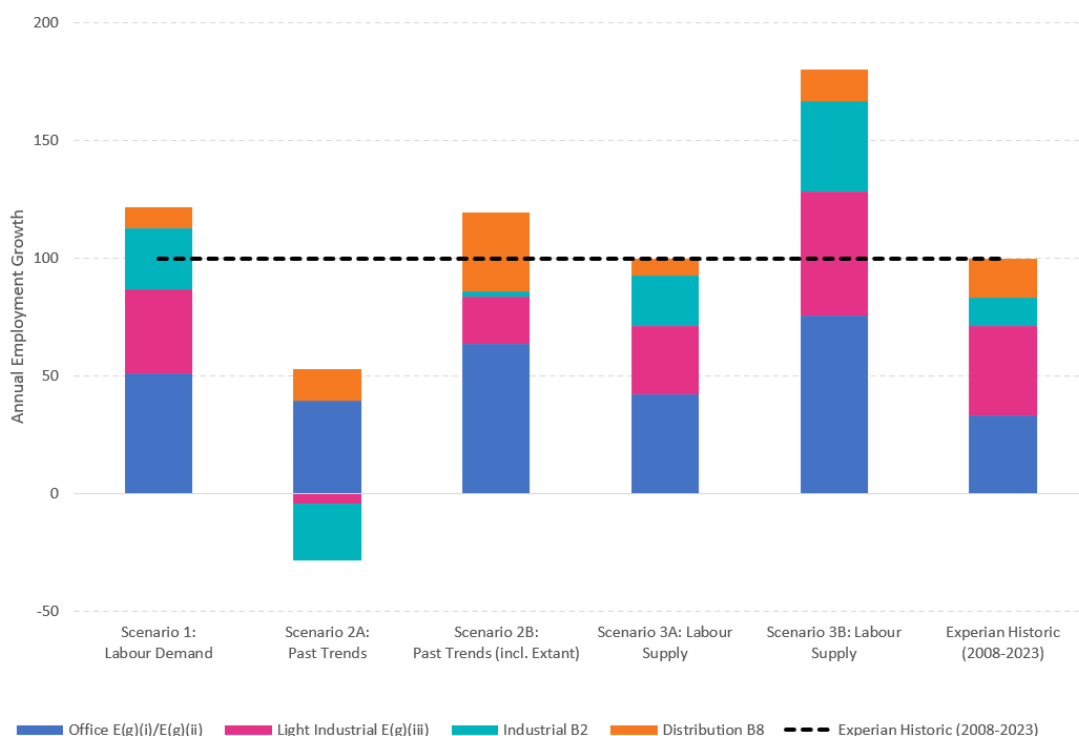
Source: Lichfields analysis. Totals may not sum due to rounding

## Employment Growth Comparisons

- 5.26 Given the range of potential requirements implied by these different scenarios, it is important to test how reasonable each appears against other factors and how sensitive they are to different assumptions. Therefore, it is useful to compare the employment growth implied by the above scenarios against the historic employment growth in Adur as recorded by Experian for 2008 to 2023 (i.e., a period equivalent to the length of the forthcoming Local Plan period).
- 5.27 Figure 5.2 shows the forecast annual job growth per scenario. In this context, the lowest estimate is Scenario 2A - Past Trends, which estimates 24 employment jobs per annum over the forthcoming Local Plan period. The highest growth estimate is based on Labour Supply (Scenario 3B (448 dpa)) and implies an annual growth of 180 jobs. When compared against the historic trend from Experian between 2008 and 2023, Scenario 3A - Labour Supply (248 dpa) is the most closely aligned. With the exception of Scenario 2A - Past Trends, the other scenarios estimate an annual job growth which is in line with or higher than the historical trend.



Figure 5.2 Annual employment growth comparison with gistoric growth



Source: Experian (2023) / Lichfields analysis

### Net to Gross Employment Requirements

5.28

Drawing together the results from each of the future economic scenarios together with the sensitivity testing scenario considered above, Table 5.10 summarises the net employment floorspace requirements across the forthcoming Local Plan period between 2026 and 2041.

Table 5.10 Net employment floorspace requirements in Adur, 2026 to 2041 (GEA sq.m)

Type of Space / Use Class	Scenario 1: Labour Demand	Scenario 2A: Past Trends	Scenario 2B: Past Trends (incl. Extant)	Scenario 3A: Labour Supply (248 dpa)	Scenario 3B: Labour Supply (448 dpa)
Office E(g)(i)/(ii)	10,371	8,025	12,985	8,493	15,342
Light Industrial E(g)(iii)	27,114	-3,435	15,184	22,204	40,111
General Industrial B2	15,650	-14,460	1,414	12,816	23,152
Distribution B8	9,451	14,400	36,361	7,739	13,981
<b>Total</b>	<b>62,585</b>	<b>4,530</b>	<b>65,943</b>	<b>51,253</b>	<b>92,586</b>

Source: Lichfields analysis

## Safety Margin

5.29 To estimate the overall requirement of employment floorspace that should be planned for in allocating sites, and to give some flexibility of provision, it is normal to add an allowance as a safety margin for factors such as delays in some sites coming forward for development. There is a need to ensure a reasonable, but not over-generous, additional allowance that provides for some flexibility but avoids over-provision of land through policy.

5.30 It is usually acceptable to use two years of average net completions to include flexibility of provision. But in the case where it is negative, it would produce a negative margin. Therefore, an allowance related to the two-year average gross completions for light industrial (E(g)(iii)) and general industrial (B2) uses has been applied. For offices (E(g)(i)/(ii)) and distribution (B8) uses, the net figure has been utilised. Overall, this safety margin appears an appropriate level relative to the estimated scale of the net requirement. Table 5.11 presents the margin applied in this assessment drawing on the completions' assumptions presented above.

Table 5.11 Safety margin allowance (sq.m)

Types of Space / Use Class	Net Annual Completions (2017-2023)	Gross Annual Completions (2017-2023)	Safety Margin
Office E(g)(i)/(ii)	535	n/a	1,070
Light Industrial E(g)(iii)	-229	257	514
General Industrial B2	-964	353	706
Distribution B8	960	n/a	1,920
<b>Total</b>	<b>301</b>		<b>4,210</b>

Source: WSCC (2023) / Lichfields analysis

## Losses

5.31 To translate the net requirement of employment space into a gross requirement, an allowance is typically made for the replacement of losses of existing employment space that may be developed for other, non-employment uses. This allowance ensures that sufficient space is re-provided to account for employment space that is anticipated to be lost across Adur.

5.32 There are typically four approaches to calculate the level of this allowance, including:

- 1 Forecast the quantity of floorspace that will be lost in future and assume that a proportion of this space will need to be replaced. The issue here is that there is no definitive way of forecasting how much space will be lost, and the future may be very different from the past. If this method is used, the Council needs to look carefully at past losses and use local knowledge to make a judgement on how the future might compare with the past;
- 2 Make an overall adjustment to the preferred scenario to give an allowance for replacement. This is a simple approach but is likely to rely on making a fairly broad assumption;
- 3 Monitor the loss of employment space through regular reviews in the Local Plan thereby avoiding the need to make assumptions about the future loss of employment

space. If these periodic reviews indicate a loss of high quality, occupied floorspace and vacancy rates continued to be low, the Council could take steps to replace this space by increasing the floorspace requirement accordingly. However, any Local Plan review reflecting the monitoring findings would take some years to come forward; and

- 4 As part of the employment evidence the Council undertakes a qualitative assessment of existing employment sites, to identify those which could be lost to non-employment uses, either because they are no longer suitable or viable for employment, or because they are judged as being needed for an alternative use, such as housing. Based on this assessment the employment land calculation can develop different scenarios to illustrate possible futures, and plan for new sites accordingly.

5.33 The fourth approach, in which the Council specifically identifies employment sites and areas that may be lost to other uses, is generally the most robust way of dealing with losses. The qualitative assessment of existing employment areas is an essential element of the planning evidence base (see section 6.0). As well as policies and decisions regarding new development sites, it informs policies on the safeguarding or release of existing employment sites. Without such policies, there is a risk of losing employment land to other uses which may be desirable to safeguard. Conversely, they also risk protecting sites which do not merit protection, because they are no longer suitable or commercially attractive for employment.

5.34 Therefore, no further allowance for losses is applied. On this basis, Table 5.12 and Table 5.13 present the gross employment floorspace and land requirements in Adur across the forthcoming Local Plan period between 2026 and 2041.

Table 5.12 Gross employment floorspace requirements in Adur, 2026 to 2041 (GEA sq.m)

Type of Space / Use Class	Scenario 1: Labour Demand	Scenario 2A: Past Trends	Scenario 2B: Past Trends (incl. Extant)	Scenario 3A: Labour Supply (248 dpa)	Scenario 3B: Labour Supply (448 dpa)
Office E(g)(i)/(ii)	11,441	9,095	14,716	9,563	16,412
Light Industrial E(g)(iii)	27,628	-2,921	15,698	22,718	40,625
General Industrial B2	16,356	-13,754	2,120	13,522	23,858
Distribution B8	11,371	16,320	41,209	9,659	15,901
<b>Total</b>	<b>66,796</b>	<b>8,740</b>	<b>73,743</b>	<b>55,462</b>	<b>96,796</b>

Source: WSCC (2023) / Lichfields analysis

5.35 The above floorspace requirements can be translated to land requirements by applying appropriate plot ratio assumptions. These assumptions include:

- Offices (E(g)(i)/(ii)): a plot ratio of 2.0 for town centre uses (assumed to account for 50% of total office stock) and 0.4 for lower density business park style office space (assumed to account for 50% of total office stock); and
- Light industrial (E(g)(iii)), general industrial (B2), and distribution (B8): a plot ratio of 0.4 is applied across all these uses.

Table 5.13 Gross employment land requirements in Adur, 2026 to 2041 (ha)

Type of Space / Use Class	Scenario 1: Labour Demand	Scenario 2A: Past Trends	Scenario 2B: Past Trends (incl. Extant)	Scenario 3A: Labour Supply (248 dpa)	Scenario 3B: Labour Supply (448 dpa)
Office E(g)(i)/(ii)	1.7	1.4	2.2	1.4	2.5
Light Industrial E(g)(iii)	6.9	-0.7	3.9	5.7	10.2
General Industrial B2	4.1	-3.4	0.5	3.4	6.0
Distribution B8	2.8	4.1	10.3	2.4	4.0
<b>Total</b>	<b>15.6</b>	<b>1.3</b>	<b>17.0</b>	<b>12.9</b>	<b>22.7</b>

Source: Lichfields analysis. Totals may not sum due to rounding.

## Summary

- 5.36 This section considers five different scenarios to inform employment land provision within the forthcoming Local Plan from 2026 to 2041. The employment requirements vary from around 8,700 sq.m (Scenario 2A) to 96,800 sq.m (Scenario 3B). Scenarios 1, 2B and 3A lie within this range at around 66,800 sq.m, 73,700 sq.m and 55,500 sq.m respectively.
- 5.37 Looking at the requirements for individual uses more specifically, the range requirements for offices is reasonably narrow, ranging from 9,100 (Scenario 2A) to 16,400 sq.m (Scenario 3B).
- 5.38 The range of potential positive requirements for industrial and distribution uses is wider, ranging from around 45,900 sq.m (Scenario 3A) to around 80,400 sq.m (Scenario 3B). Scenario 2A (past monitoring trends) points to an appreciable negative requirement for light industrial and general industrial floorspace resulting in a total industrial floorspace requirement of -355 sq.m once accounting for distribution space. However, as noted above, this scenario appears to have been influenced by the constrained supply of employment land within the Adur Local Plan Area.
- 5.39 Scenario 2B (past trends incl. extant permissions) indicates that market potential exists to support up to around 73,700 sq.m, including 14,700 sq.m of office space and 59,000 sq.m of industrial floorspace. However, following the delivery of Panattoni Park, there would appear to be limited potential for additional employment land to be allocated post-2026 to maintain these elevated development rates (particularly for B8) for the entirety of the future Local Plan period.
- 5.40 Therefore, it is suggested that the slightly lower total presented by Scenario 1 (labour demand) of 66,796 sq.m (or 15.6 ha) is a reasonable starting point as the *minimum* employment space requirement that the Local Plan should seek to provide for between 2026 and 2041. This is further divided between 11,441 sq.m of office space (1.7 ha) and 55,355 sq.m (13.8 ha) of industrial and distribution space. These figures are slightly higher than the requirements arising from Scenario 3A (labour supply – 248 dpa); therefore the Council will need to have regard to the extent to which planning for the lower level of housing growth would potentially cause any imbalance between future labour supply growth and employment growth, and the outcomes that might arise (e.g. reduced out-commuting, increased in-commuting) if job growth were to exceed labour supply growth.

- 5.41 The requirement presented in Scenario 1 is slightly higher than the overall total amount of employment floorspace identified in the 2014 Adur ELR of between 40,000 sq.m and 50,000 sq.m. However, the previous ELR estimated a surplus of 10,000 sq.m of industrial floorspace and a higher requirement for office floorspace (15,000-20,000 sq.m) and storage and distribution floorspace (35,000-40,000 sq.m). It should be noted that the estimates from the 2014 Adur ELR were based on 2013 Experian baseline forecast, and since that time, significant macro-economic changes have occurred.
- 5.42 It should also be noted that this study considers the locally generated employment needs associated with economic and employment growth in Adur to 2041. It does not take account of wider 'footloose' or other inward investment needs outside of the Adur FEMA, other than to the extent to which Adur has accommodated a share of this need historically, and accordingly, they are now reflected in the trends which inform the various forecasts.

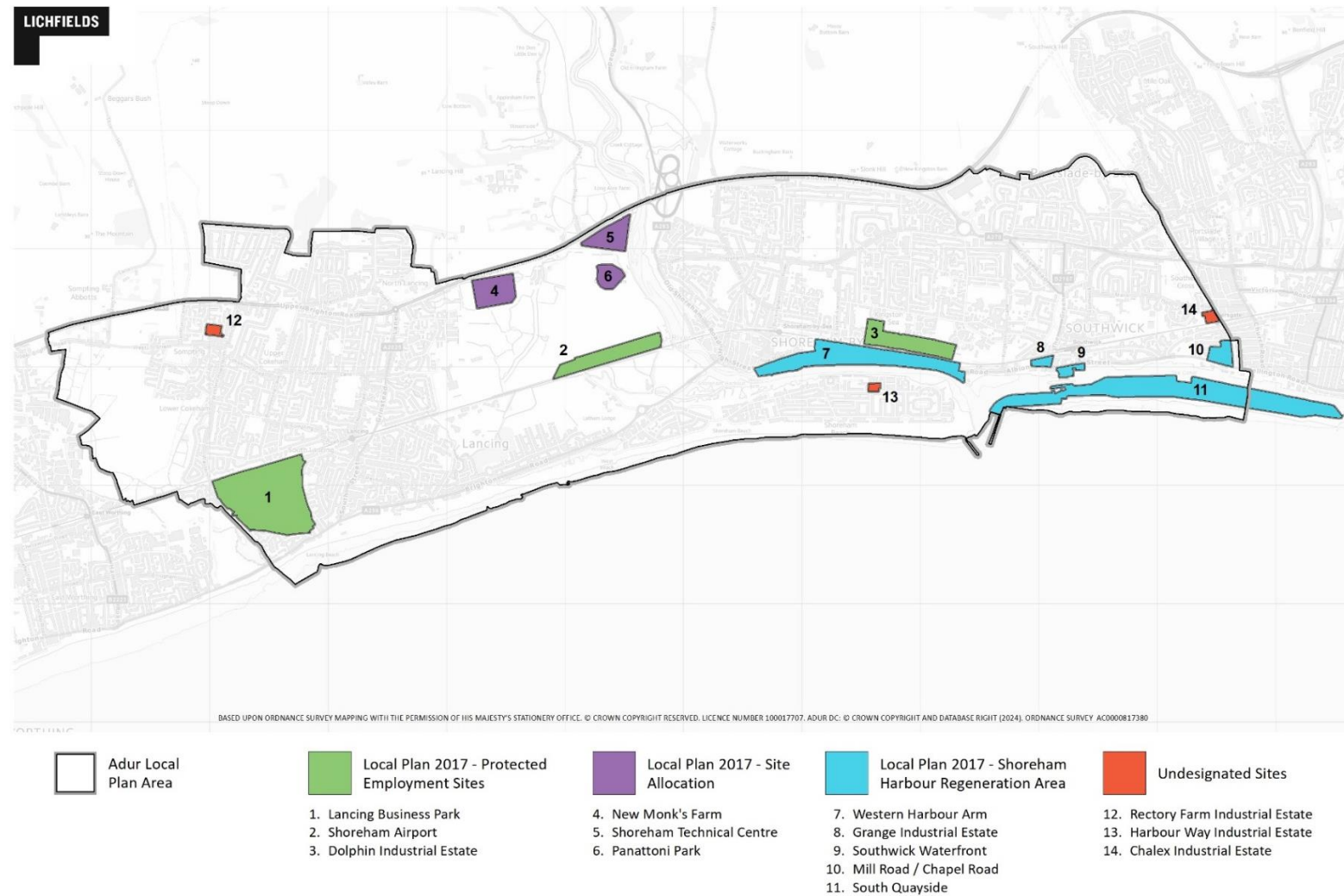
## 6.0 Employment Sites Audit

- 6.1 This section presents the findings of an assessment of employment land supply in the Adur Local Plan Area. It considers the characteristics and quality of existing employment sites in the Adur Local Plan Area, as well as their suitability to meet future employment development needs.
- 6.2 In consultation with the Council, it was agreed that the assessment should focus on 14 sites consisting of existing protected employment sites, strategic site allocations within the 2017 Adur Local Plan, or other unallocated existing employment sites in the Adur Local Plan Area. The assessment of employment sites was conducted in February 2024 by Lichfields. The location of the assessed sites is shown on the map in Figure 6.1 overleaf.
- 6.3 Each of the 14 identified sites were inspected and assessed by Lichfields in accordance with applicable planning practice guidance<sup>35</sup>, considering the following criteria:
- a Strategic and local road access;
  - b Proximity to labour and services;
  - c Compatibility of adjoining uses;
  - d Site size, characteristics and potential development constraints; and
  - e Attractiveness to the market, including vacancy and market activity on sites.
- 6.4 In addition to the above site criteria, the assessment also considered other site factors such as their policy status, planning constraints, suitability for specific uses, and any key barriers to delivery of undeveloped sites. Details of specific criteria used to assess sites is provided in Appendix 2.
- 6.5 It should be noted that the assessment process in itself does not necessarily provide a complete picture of the local significance of certain sites. For example, a site could be assessed to have the potential to satisfy particular business and sector needs (i.e. which can be important reasons for retaining the site) even if it does not perform well against conventional site assessment criteria.
- 6.6 It is also important to note that the assessment is based on current conditions and intrinsic qualities of sites, and that the associated scoring has been derived on this basis. It is possible that the scoring and relative rankings of sites could change in the future if measures were put in place to enhance their functionality as employment sites, for example through new infrastructure and servicing.
- 6.7 Although the assessed sites vary in size and quality, they are largely found to be well occupied. Sites that are underperforming include those that contain a large proportion of aging units, are in highly constrained locations, or are subject to the introduction of residential uses. In the case of Shoreham Airport, it is reported that restrictions on the type of uses on site has limited demand and led to some long term vacancies. The best performing sites benefit from strong strategic locations, higher quality buildings and can provide flexibility in the size of units and use classes on site.

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<sup>35</sup> See Planning Practice Guidance on housing and economic land availability assessments, in particular paragraph: 012 Reference ID: 3-012-20190722 and paragraph: 018 Reference ID: 3-018-20190722.

Figure 6.1 Assessed employment sites in the Adur Local Plan Area



Source: Lichfields

## **Protected Employment Sites**

- 6.8 Within the 2017 Adur Local Plan, three employment sites are allocated as protected employment sites where planning applications for uses other than B1, B2 and B8 uses will be resisted. This includes Lancing Business Park, Shoreham Airport and Dolphin Industrial Estate.

### **Lancing Business Park**

- 6.9 Lancing Business Park is the second largest employment site in the Adur Local Plan Area by area (37 ha) and is a major source of employment locally, housing over 230 businesses and playing an important role in the local economy. The business park also has an active Business Improvement District ('BID') which acts to ensure the park remains well maintained, offers free paper and card recycling, and facilitates networking and discount schemes between businesses on the site to help strengthen local supply chains.
- 6.10 The industrial park contains a wide range of premises varied in size and employment use. This includes a number of large units in storage and distribution or light industrial use which are in limited supply elsewhere in Adur. These units are generally in good condition although are beginning to age. One large unit occupied by Bidfood is modern and in very good condition. Smaller industrial units vary more in their quality, with some of the stock beginning to age and in a worse condition relative to other industrial sites in the Local Planning Area. A number of industrial units have also been lost to non-industrial uses including a go-karting facility and South Coast Gym. There are a number of small, dedicated offices located within the business park which also vary in condition.
- 6.11 The site is located away from strategic road access provided by the A27 to the north but is well served by the smaller A259 to the south. Although the site is surrounded by residential uses, these are well screened by vegetation. Due to the large number of businesses located on the site, it is heavily trafficked and parking is constrained, with a large number of vehicles parked on the road side. Consultation with commercial property agents indicates that Lancing Business Park contains plots where the freehold is available to purchase. This is rare within Adur where the majority of other employment sites are either under leasehold or owned by a single landowner. This means that prospective tenants have been able to purchase plots and redevelop them for their own needs. This includes the Bidfood unit described above.
- 6.12 Despite the mix in building quality and the recent interest from sui generis uses, Lancing Business Park is very well occupied, with around a 99% occupancy reported by Lancing BID and currently has a waiting list of businesses wishing to find space within the business park. It offers a range of unit sizes, including large units unavailable elsewhere in the Local Plan Area, as well as the opportunity to purchase freehold plots which is likely to be attractive to local businesses looking to expand. There is opportunity to intensify or redevelop some of the older units within the business park, including office buildings which are in poor condition. There has been reported interest in converting some of the office buildings into residential use through Permitted Development. However, occupancy for these premises remains strong, and introduction of residential uses would risk undermining the function of heavy industrial businesses operating on the site. Therefore, it is considered to be unsuitable for the co-location of residential and industrial uses.



## **Shoreham Airport**

- 6.13 The employment site as Shoreham Airport is located along the southern boundary of the airfield. It is a large site containing predominantly medium to large industrial units ranging from two to three-storeys, although there are also a small number of dedicated office buildings at the western end of the site. The industrial uses range in quality but most are in good condition and are well occupied. The airport building itself is grade II\* listed in an art deco design, while a hanger building to the west of the airport building is grade II listed. The hanger is now in very poor condition and faces into the airfield which limits access; however, it remains in employment use and includes KB Aviation and Bonner Engineering amongst its occupiers. Shoreham Airport supports a range of light engineering businesses operating within the aviation sector.
- 6.14 The site is very well located, with easy access to the A27 to the north, however the access road which runs through the centre of the site is in poor quality and may not be suitable for the largest heavy goods vehicles (HGVs). Furthermore, a low bridge limits access for larger vehicles from the south. There is ample parking within the site and the quality of the environment is good.
- 6.15 The 2017 Adur Local Plan allocated all airside locations, including the Shoreham Airport site, for aviation-related B1, B2 and B8 / hanger uses, thereby precluding non-aviation related uses. This aimed to ensure that aviation related uses which benefit from close proximity to the airfield have the opportunity to locate there. Engagement with commercial property agents indicates that this has resulted in some long-term availability at the Airport, with limited demand from the aviation sector not able to be filled by interest from non-aviation sectors.
- 6.16 Overall, the site is found to be underperforming despite its strategic road access to the A27 and the favourable size and quality of its units. This is largely a function of the existing restrictions of use types which has led to some long-term vacancy. There is limited potential for intensification or redevelopment of older buildings due to their heritage designations. The western end of the site, which includes the most modern stock, is found to be performing more strongly and there is limited opportunity to further intensify or further modernise the building stock. It should be noted that an employment site has been allocated at the northern end of the airfield and is currently being built out (Panattoni Park). This site is described in more detail in paragraph 6.30 below.

## **Dolphin Industrial Estate**

- 6.17 Dolphin Industrial Estate is located to the north of the Western Harbour Arm and covers an area of 10.3 ha. The site is located away from the A27 in the north of the Local Plan Area, but is proximate to the smaller A259, albeit access from this route is impacted by a level crossing along Eastern Avenue which can cause delays. The site is also a short distance from Shoreham-by-Sea's town centre and train station, as well as Shoreham Port. The site is bounded by the railway line to the south as well as a residential area and allotments to the north.
- 6.18 The site itself contains a range of small to mid-sized industrial units in a variety of uses ranging from light industrial, wholesale retail, automotive services and trade counters. The buildings range in age and quality, with buildings in the west of the site generally in better

condition than the east of the site. The western portion of Dolphin Industrial Estate features a newly redeveloped site at 26 Dolphin Road which includes five units and associated loading areas ranging from 175 to 300 sq.m in size. This area also includes a large building operated by consumer product manufacturer Paladone, which contains a mix of storage, light industrial and ancillary office floorspace and is in good condition.

- 6.19 The centre of the site around Evershed Way includes a number of small to medium sized, one-storey units. These are in good condition including one more modern unit built in 2012. The east of the site features the largest buildings including 42-46 Dolphin Road and 47 Dolphin Road which are currently used for automotive services. Both these buildings are beginning to appear tired. This area also includes a number of smaller units dating from the 1960s and 70s and are now in poor condition. The east of the site is also neighboured by an area of unused land which provides some opportunity for intensification and redevelopment of the aging building stock through the division and retrofit of the existing buildings.
- 6.20 Dolphin Industrial Estate is found to be performing well on most of the assessment criteria and is found to be very well occupied. There is some opportunity to intensify the site, including the intensification of Unit 23 which has become outdated, as well as an underused yard area to the east of the site.

## **Allocated Strategic Sites**

- 6.21 As well as the protected sites outlined above, the 2017 Adur Local Plan also allocates areas at Shoreham Airport (now referred to as Panattoni Park) and at New Monk's Farm for new employment uses. In addition, the Local Plan identifies Shoreham Technical Centre<sup>36</sup> as a site where further employment generating development will be supported, subject to impact on the countryside and the Local Gap.

### **New Monk's Farm**

- 6.22 The New Monk's Farm site was allocated within the 2017 Adur Local Plan for a mix of uses including residential, employment and community uses. The allocation for employment uses includes up to 10,000 sq.m for B1, B2 and B8 uses. At the time of writing, the area to the south and west of the employment allocation is being redeveloped into residential use as part of the New Monk's Park development. Planning permission for employment uses including a new IKEA store on the site was previously granted in 2017 but was not implemented and has now lapsed. The permission was for retail, rather than employment use, and was for more floorspace than the 10,000 sq.m employment allocation.
- 6.23 The site allocation is located to the south of the A27 at the northern boundary of the Adur Local Plan Area. Therefore, it has excellent strategic access which has been further improved by the construction of a new junction to the A27 to serve the New Monk's Park development. The location also benefits from its proximity to other key employment sites within Adur including Shoreham Technical Centre, Panattoni Park and Shoreham Airport, however the immediate surrounding area lacks amenities and public transport connections. This strategic location along with the opportunity for clustering with neighbouring employment sites will make the site attractive for potential future tenants. Any employment

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<sup>36</sup> The Shoreham Technical Centre is referred to as the 'Ricardo' site within the 2017 Local Plan after the site's long-term occupier.

space on the currently vacant site will also be new build which can therefore be designed to cater for market demand which will further improve the attractiveness of the site.

6.24 However, the construction of new residential properties around the employment site allocation, as well as the location of the SDNP to the north of the A27, may constrain which employment uses are appropriate on the site, for example any heavier industrial uses.

6.25 The opportunity to build high quality employment space and tailor the design to meet demand trends within the local market along with the site's strategic location will make it highly attractive to potential future tenants.

### **Shoreham Technical Centre**

6.26 Shoreham Technical Centre is the headquarters of the advanced engineering firm Ricardo. The site accommodates a range of advanced manufacturing, research and development uses, and also includes some associated office space which accounts for approximately one fifth of the site's floorspace. In 2022, Ricardo announced a new green hydrogen research facility had been founded on the site.

6.27 The technical centre benefits from excellent access to the A27 which lies immediately to the north as well as close proximity to another advanced manufacturing cluster at the neighbouring Shoreham Airport. The site is located away from incompatible uses such as residential properties, however it lacks public transport access and other amenities.

6.28 The buildings within the site are largely one to two-storeys in height and are in good condition. Some of them have also been redeveloped within the last 10 years. The quality of the environment is good and there is a dedicated car park.

6.29 The site is well functioning and plays an important role in the local economy by supporting a major local employer. Therefore, protection of employment uses on the site should continue to be sought. There is little opportunity to expand or intensify the Technical Centre.

### **Panattoni Park**

6.30 The site now known as Panattoni Park is located at Shoreham Airport and was first allocated for up to 15,000 sq.m of employment space within the 2017 Adur Local Plan. The site is currently being developed into a 25,000 sq.m industrial and logistics park, larger than has been allocated, comprising seven small to medium sized units to accommodate either light industrial (E(g)(iii)) or storage and distribution (B8) uses along with ancillary offices. These units are due to be completed and occupied in 2024 and are built to BREEAM 'excellent' standard. The units also benefit from desirable strategic access to the A27 located to the north of the airport, with an improved access junction currently being constructed. However, Panattoni Park has poor public transport access and is located across the River Adur from Shoreham-by-Sea town centre and associated amenities.

6.31 Overall, the high quality of the buildings, as well as the strong connectivity to the A27, should make the site desirable to prospective tenants, especially when considered relative to the aging industrial stock across the rest of Adur. However, their sizing and price may mean that take-up of units is drawn from only the largest local companies and/or with companies from outside the Adur FEMA.

## **Shoreham Harbour Regeneration Area**

- 6.32 The Adur Local Plan identifies the Shoreham Harbour Regeneration Area as a broad location for change and revitalisation in order to maximise the opportunities offered by its waterfront location. This designation was followed by the Shoreham Harbour Joint Area Action Plan (JAAP) which was published in 2019. This document sets out the strategy to guide the regeneration of the harbour and the surrounding area. There are five employment sites which fall within the Shoreham Harbour Regeneration Area which provide a broad range of employment uses and functions within the Adur Local Plan Area.

### **Western Harbour Arm**

- 6.33 The Western Harbour Arm is a large site of 22 ha which runs along the northern bank of the River Adur from the Adur Ferry Bridge in the west to the RNLI lifeboat station in the east. The A259 coastal road runs through the middle of the site providing good vehicular access, although the site is located away from the A27 which is the primary access route to the Adur. The site is also well located close to Shoreham Town Centre including the train station and other town centre amenities.
- 6.34 New residential uses have been introduced to the site within the last five years, most notably a large apartment building called Mariners Point at the western end of the site. A large portion of the site to the south of the A259 is now also planned for redeveloped into residential use with some accompanying commercial spaces. This includes 540 residential units and over 2,750 sq.m of commercial space at Free Wharf on Humphrey's Gap. A planning application for 250 homes at Kingston Wharf at the eastern end of the site has also been accepted. The Kingston Wharf development also includes a commercial element comprising c.4,200 sq.m of B8 space for a self-storage business and c.2,300 sq.m of office space (E(g)(i)). Local commercial property agents have noted difficulty in finding tenants for ground floor office units in similar residential-led developments close to the Western Harbour Arm due to the lack of market demand for larger office units in the Adur area as indicated in Figure 4.5 in Section 4.0 of this report.
- 6.35 The introduction of residential uses into the site will mean that heavy industrial uses on the remainder of site may no longer be appropriate. This includes a scrap metal dealer and a concrete manufacturer, although neither business is located directly adjacent to the future residential uses. The leases on a number of retail properties on the northern side of the A259 are due to end in the next few years, including units currently occupied by B&Q and Halfords. The owner of the site is considering the option of redeveloping the buildings into residential use along with ground floor light industrial or distribution uses which would provide new employment space in the Adur Local Plan Area.
- 6.36 Other industrial businesses on the southern side of the A259 include two food wholesalers which are located in large, corrugated buildings and are in good condition with ample parking space. The northern side of the site, including the Malthouse Industrial Estate, is largely dominated by retail uses but does include some quasi-retail trade counters, a recycling centre, automotive repair businesses, and a steel company. The buildings housing these businesses are largely in a good condition with on-site parking.
- 6.37 The Western Harbour Arm also contains the Riverside Business Centre, a collection of two storey buildings built in 2005 which provide small sized offices. The business centre is

located on the waterfront in the west of the site and the offices are largely occupied by small local companies. Although the offices are beginning to appear aged, they are still in good condition and appear to be well occupied. There is a large amount of parking onsite although the high density of spacing does cause some congestion.

- 6.38 Overall, the potential for future employment uses on the site have been heavily impacted by the introduction of residential uses along the waterfront on areas of previously disused land. The remaining employment uses on the site may in time be restricted by the residential properties, particularly the scrap metal yard, concrete manufacturer, and food wholesalers. There is some potential to introduce employment uses on the ground floor of the residential developments, as indicated by the introduction of the self-storage facility. However, these uses should be appropriate for the neighbouring residential properties and consultation with property agents indicates that there is greater demand for light industrial or storage and distribution floorspace than offices in this area.

### **Grange Industrial Estate**

- 6.39 Grange Industrial Estate is located on the northern boundary of the JAAP area directly to the north of the A259 as it passes through Southwick. Its access road is wide enough to accommodate larger vehicles although it is heavily trafficked which causes some congestion.
- 6.40 The buildings were constructed in the 1980s but are largely in good condition and some have been renovated in the past ten years. They range in height from one to two-storeys, with the largest buildings accommodating loading bays to support distribution uses. Current on-site uses include light industrial, storage and distribution, as well as sui generis uses such as trade counters and showrooms. Most of the tenants are small to medium sized with the exception of Tool Station which occupies one of the trade counters.
- 6.41 There are a small number of houses located to the east of the site, however the site is predominantly bounded by other industrial sites and the railway line which runs to the north.
- 6.42 Grange Industrial Estate is found to be performing well, with limited vacancies and a range of occupants and unit sizes. Although there is limited opportunity to intensify the site due to the existing high density, a 3,200 sq.m vacant site lies to the west which provides opportunity for redevelopment or expansion of the existing uses. An application for a self-storage warehouse on this site was rejected in 2023 (application reference: AWDM/1856/21) but has subsequently been approved via appeal in December 2023.

### **Southwick Waterfront**

- 6.43 Southwick Waterfront is a small site containing a mix of small industrial units alongside the recently developed Lady Bee Enterprise Centre containing small offices. The entire site is owned by Shoreham Port Authority who are also the landlord for all of the units within the site. Units 1 to 7 are primarily in industrial or sui generis uses including sheet metal manufacturing and automotive services. These units are small, dating back to the 1980s, and their brick structures and metal roofing is now of poor quality. There are a number of other very small industrial units located to the east which accommodate a Chandler and a

furniture restoration business amongst others. These small units are in better condition than the neighbouring units described above.

- 6.44 Lady Bee Enterprise Centre was constructed in 2019 and includes three two-storey buildings providing flexible light industrial and office floorspace. It accommodates 14 individual business units with flexibility in the size of their floorspaces. The units are built to a high standard and include a number of environmental measures such as electric vehicle charging points and solar panels on the rooves. The units appear to be popular and well occupied, and tenants include environmental consultants, electrical engineers, and professional services amongst others. Consultation with the Port Authority indicates that the majority of the tenants are from the local Shoreham-by-Sea area or from Brighton. A smaller flexible light industrial / office building called Lady Bee Studios has also recently been developed by the Port Authority outside of the site boundary to the East. This provides additional small, flexible units for local businesses.
- 6.45 There is limited on-site parking, however the Enterprise Centre is located in close proximity to Southwick Train Station. There are some local amenities including an on-site café and the nearest town centre is Shoreham-by-Sea located to the west.
- 6.46 The flexibility in the floorspace offering and the use of the units, alongside the environmentally friendly design and waterfront location, has made the Lady Bee Enterprise Centre popular with local businesses and provides a unique offering in the local area. There is some opportunity to further redevelop the site and provide additional flexible light industrial / office floorspace where the Chandler buildings are currently located. There are currently no plans to redevelop this area.

### **Mill Road / Chapel Road**

- 6.47 Within the context of Adur, this is a medium-sized employment site which supports a range of uses including light industrial, self-storage, trade counters, and offices. It is located to the north of Shoreham Port and the A259 and to the south of Fishergate Train Station. The largest unit on the site is occupied by StorageMart, an international self-storage provider. The two-storey building is in good condition and includes ancillary office space. The other occupiers within the site are predominantly small, local facing businesses including a carpet retailer, a catering company, a flooring company and a printing company amongst others. The remaining industrial buildings vary in condition but are largely of below average quality. In particular, the units along Mill Road to the east of the site are in worse quality than the larger units located along Chapel Road.
- 6.48 There is one office building, the Tungsten Building, located in the south west corner of the site. This was built in the early 2000s and remains in good condition although there is some observed vacancy. Occupiers include professional service businesses, an engineering firm, a drinks business and a training provider. The building also includes ample parking facilities.
- 6.49 The Mill Road / Chapel Road site is located away from the A27 but lies directly off the A259 providing good vehicular access. It is also located a short walk to Fishergate Train Station, however it is away from the nearest town centre and associated amenities in Portslade. The site is also bordered on three sides by a residential area.
- 6.50 The Mill Road / Chapel Road site is found to be below average compared to the other employment sites in Adur due to the generally poor condition of the buildings and

constrained location. Nonetheless, the industrial units are generally well occupied. There is limited opportunity to intensify the site due to its density and the neighbouring residential uses.

### **South Quayside**

- 6.51 South Quayside is the largest employment site within the Adur Local Plan Area, encompassing 39 ha. It is located on the south side of Shoreham Port and extends into neighbouring Brighton and Hove Unitary Authority to the east. This situates it away from strategic road access from the A27, but it has direct access off the A259. The access road is in a poor condition with large potholes and sharp turns which are difficult for HGVs to navigate. The site is largely self-contained and located away from residential properties, however it does border Portslade-by-Sea beach and Hove Lagoon which provide amenity value to local residents. It is also set away from the nearest town centre and public transport links.
- 6.52 The whole site is owned by Shoreham Port Authority, and a large proportion of the site is a functioning port used for loading and unloading goods on to / from ships. Shoreham Power Station is also located as the western end of the site. The remainder of the site is largely in heavy industrial use, including a construction company, a number of aggregates firms, as well as two steel fabricators. There are a number of smaller businesses which operate out of the site including two haulage companies and a blind manufacturer. The site appears to be fully occupied and performs a unique function in the local area, providing port functions as well as large premises suitable for heavy industrial uses.
- 6.53 The majority of buildings on the site are very large but vary in quality. There are some more modern units including a large warehouse associated with Barrett Steel, however other premises date back from the 1980s and 1990s and are in a poor condition. The nature of the on-site uses result in some pollution to the local environs including a large amount of dust.
- 6.54 South Quayside provides a unique function in the local area, providing large heavy and light industrial facilities and port infrastructure. Despite the poor access road and poor quality of some buildings, the site is found to be operating well and there is little opportunity to intensify its uses.

### **Other Employment Sites**

- 6.55 In addition to the sites allocated or protected in the 2017 Adur Local Plan listed above, three other sites in employment use were also surveyed. These are all small sites comprising of mostly light industrial or storage uses.

### **Rectory Farm Industrial Estate**

- 6.56 Rectory Farm Industrial Estate is located in the north west of the Adur Local Plan Area with very good access to the A27 which runs to the north. Despite its strategic road access, the site is bounded on all sides by residential uses and is located away from the nearest town centre, Sompting, to the south. The neighbouring residential uses necessitate restrictions on the hours of use on the site, which make it unsuitable for some tenants. The nearest train station is located in Lancing, approximately 1.4km to the south east.

- 6.57 The site includes three small buildings which are currently all occupied and are used for light industrial and automotive services. The buildings date from the 1970s and 1990s but are still in good condition, which along with the strategic location will make the site attractive to potential tenants. The site features ample parking, although its small size makes the loading and unloading of HGVs difficult. The immediate local access routes are along small, residential roads which may also be unsuitable for larger vehicles.
- 6.58 The site is found to be performing well despite the constraints created by the neighbouring residential uses, constrained access routes and its size. However, these constraints mean that there is limited potential for further intensification on the site.

### **Harbour Way Industrial Estate**

- 6.59 Harbour Way Industrial Estate is the smallest of the assessed employment sites within the Adur Local Plan Area. It is located to the south of the River Adur in Shoreham-by-Sea, although access to the town centre is limited by bridge access which is located some distance to the west. This also impacts strategic road access, with the site located away from both the A27 and the A259 which runs through Shoreham-by-Sea town centre.
- 6.60 The site contains a small number of two-storey buildings which are mostly in good condition dating from the 1980s. The units all contain loading bays suitable for distribution uses and there is ample parking, however the site is not suitable for HGVs due to its small size. The occupiers of the site are all local businesses and uses include wholesale retail and distribution.
- 6.61 Overall, the site is below average compared to other local sites due to its small size and peripheral location. However, the site is fully occupied, and the buildings are in above average condition, indicating that it is performing well.

### **Chalex Industrial Estate**

- 6.62 The site is located to immediately to the north of Fishergate Train Station between Southwick and Portslade-by-Sea. It is small but is high in density, supporting a range of occupiers which largely provide light industrial or automotive services. The majority of the businesses which occupy the site are local businesses, reflecting the small size of the units offered on the site. There are also a small number of sui generis uses on site including a recording studio. The buildings are all one to two-storeys and vary in their condition. The brick buildings to the east of the site date from the year 2000 but their condition is now poor. The remaining buildings are in better condition, including some modern units built in 2014. The units on the site are fully occupied and the small size of the units appear to provide an important function for local businesses which is poorly accommodated elsewhere in the Adur Local Plan Area.
- 6.63 The site's high density generates a large amount of traffic for its size, causing congestion between the units and on the neighbouring roads. On-site parking is also constrained which exacerbates congestion issues. The site is neighboured by residential properties to the north and east, and borders an electrical substation to the west. It has excellent access to Fishergate train station which lies to the south, but strategic road access is limited by its proximity away from the A27 and A259 relative to the other employment sites assessed.



These constraints, along with the existing high density make the site unsuitable for further intensification of industrial uses.

- 6.64 The site is assessed to be below average due to its highly constrained location and varied building quality. However, like other smaller industrial sites in Adur, it is found to be performing well, with the small sized units providing valuable start-up space for local businesses. It is unsuitable for intensification due to the existing congestion issues and its small size.

## **Summary**

- 6.65 In general, strong demand for employment space is observed across the assessed sites. This is despite a number of sites being heavily constrained by their location or neighbouring residential uses. The sites that are assessed to be functioning most strongly vary in size and function. Larger sites including Dolphin Industrial Estate, Shoreham Technical Centre and Panattoni Park benefit from their strategic location and above average building quality. A number of smaller sites are also found to be performing well including Grange Industrial Estate and Southwick Waterfront. The former is well located and provides room for expansion, while the latter provides a unique offer focused on high quality units with flexibility between uses and sizes.
- 6.66 Sites that score less well include Harbour Way Industrial Estate and Chalex Industrial Estate which are both constrained by their location and small sizes. Shoreham Airport has observed vacancy derived from restrictions in the uses allowed on site, the orientation of buildings away from access routes, as well as poor quality stock. Finally, the Western Harbour Arm has been heavily disrupted by plans to introduce residential uses onto the site. While there are opportunities to add new employment uses alongside the residential developments, this must be carefully managed to maintain their long-term sustainability.
- 6.67 Through the review of employment land within Adur, the existing employment land allocation at New Monk's Farm is the only identified available supply for future employment land development. No new space suitable for employment allocations has been identified to meet future supply. Equally, no sites have been identified as clear candidates for release to other uses, given the generally high levels of occupancy observed and the wider limitations on new employment land supply in the Adur Local Plan Area.

## 7.0 **Balance of Demand and Supply**

7.1 This section draws together the forecasts of future employment land needs estimated in section 5.0 and the identified supply position to identify any need for more provision of employment space, or potential surpluses of it, in quantitative terms.

### **Potential Sources of Supply**

7.2 For the purposes of this assessment, the future employment land supply position in the Adur Local Plan Area comprises sites with identified development capacity. This includes additional supply which could be delivered on undeveloped or under-utilised / redeveloped land within existing employment sites, having regard to emerging masterplans and capacity assessments where these are available, or other information provided by site owners / promoters.

7.3 From the analysis of existing employment sites within the Adur Local Plan Area presented in section 6.0, there is the opportunity to provide additional floorspace as part of the New Monk's Farm site which was allocated within the 2017 Adur Local Plan. The area was allocated for a mix of uses including up to 10,000 sq.m for B1, B2 and B8 uses. The residential components of the allocation are currently being delivered, however the previously granted planning permission for the employment component has not been implemented and has now lapsed. Therefore, there remains capacity to deliver up to 10,000 sq.m of employment floorspace on the New Monk's Farm site. In the absence of more detailed information, it is assumed that the floorspace will be divided evenly between office (E(g)(i)/(ii)), light industrial (E(g)(iii)), general industrial (B2), and storage and distribution (B8) uses.

7.4 There is also further potential for employment uses to be located at Shoreham Cement Works which lies within the South Downs National Park (SDNP) planning authority area on the border with the Adur Local Plan Area. Consultation on the Shoreham Cement Works Area Action Plan (AAP) took place in 2022, which included consultation on a number of development options including potential employment uses. Subsequently, the SDNP has agreed to incorporate the AAP work into the South Downs Local Plan review<sup>37</sup> which is currently scheduled to reach Regulation 18 stage in early 2025. Should the site be allocated for employment uses as part of the SDNP Local Plan Review, then it has the potential to make a significant contribution to meeting the employment land requirements in the area. Collaboration between the relevant local planning authorities would be required to ensure that the nature and scale of any potential employment allocation is appropriate to meeting local employment needs. However, pending work on the South Downs Local Plan Review, it is assumed for the purposes of this study that there will be no future provision of employment land at Shoreham Cement Works.

7.5 It is assumed that sites with extant planning permission for employment use floorspace (including those under construction) as recorded by WSCC monitoring data (at December 2023) will be implemented prior to the new Local Plan period's commencement in 2026. Therefore, extant planning permissions are not included within the potential sources of

<sup>37</sup> South Downs National Park Authority (2022), *Shoreham Cement Works Area Action Plan – Feedback and next steps*. [Online] Available at: <https://www.southdowns.gov.uk/wp-content/uploads/2023/01/Shoreham-Cement-Works-Area-Action-Plan-update.pdf>.

supply. Table 7.1 sets out key extant planning permissions for employment floorspace based on WSCC monitoring data as of December 2023.

7.6 Around 90% of these consents relate to light industrial (29.4%) general industrial (22.7%) and storage and distribution (38.3%) uses. As noted earlier in the report, this is largely driven by the Panattoni Park development at Shoreham Airport delivering 25,000 sq.m of flexible industrial floorspace, and the Kingston Wharf mixed-use development within the Western Harbour Arm which will deliver 4,188 sq.m of storage floorspace. The remaining floorspace is attributed to office uses.

Table 7.1 Extant permissions in the Adur Local Plan Area (December 2023)

Key Extant Permissions	Planning Reference	Proposal	Total Consented Supply
Panattoni Park, Shoreham Airport, Cecil Pashley Way, Shoreham	AWDM/1093/17	Outline planning permission for the erection of new commercial buildings to provide up to 25,000 sq.m of floorspace for Light Industrial (Use Class B1c), General Industrial (Use Class B2) and Storage and Distribution (Use Class B8).	Net gain of 25,000 sq.m of E(g)(iii), B2 and B8 floorspace.
Unit 2 Chartwell House, 40 Chartwell Road, Lancing Business Park Lancing	AWDM/1084/22	Proposed warehouse extension at rear, roof extension at front and recladding of the existing roof and first floor rendered section of the existing building.	Net gain of 404 sq.m of B8 floorspace.
Garage Block north of St Peters Place, Western Road, Sompting	AWDM/1202/21	Demolition of existing garages and construction of a two-storey commercial building (Use Class E(g)) comprising 6 units with associated car parking, visitor parking and cycle spaces.	Net gain of 926 sq.m of employment floorspace, assumed to be split evenly between E(g)(i) and E(g)(iii) uses.
Pyroban Endeavour Works, 51 Dolphin Road, Shoreham-By-Sea	AWDM/0597/21	Change of use from light industrial (E(g)(iii)) to industrial (B2) for use as a brewery.	The change of use between industrial uses results in no net gain or loss of employment space.
Garage Compound, rear of Kingston Broadway, Hawkins Road, Shoreham-By-Sea	AWDM/0607/22	Demolition of existing buildings (B1c and B8) (502 sq.m) and construction of 5 two bedroom Live/Work mews dwellings	The demolition of 502 sq.m of employment floorspace (assumed to be split evenly between E(g)(i) and B8 uses) and the development of 240 sq.m of employment floorspace (assumed to be E(g)(iii) use) results in a net loss of 262 sq.m of employment floorspace.

Key Extant Permissions	Planning Reference	Proposal	Total Consented Supply
Kingston Wharf, Brighton Road, Shoreham-By-Sea	AWDM/0204/20	Mixed-use redevelopment comprised of three blocks of residential dwellings (4 to 8 storeys) and mixed-use business centre, including office (2,276 sq.m), storage (4,188 sq.m) and cafe uses.	Net gain of 6,464 sq.m of employment land, including 2,276 sq.m E(g)(i) use and 4,188 sq.m B8 use.
Land North of Stills Yard, 15 Riverside Road, Shoreham-By-Sea	AWDM/0313/21	Construction of a single storey workshop.	Net gain of 84 sq.m of employment space in E(g)(iii) use.
The Old Town Hall, 142 Albion Street, Southwick	AWDM/1633/21	Erection of a new three storey office building, with ground floor parking.	Net gain of 324 sq.m of employment space in E(g)(i) use.

Source: WSCC Monitoring Data / Lichfields analysis

7.7 Therefore, assuming all extant planning permissions are delivered before the forthcoming Local Plan period in 2026, the only emerging supply position totals 10,000 sq.m arising from the identified capacity at New Monk's Farm. This is assumed to be further distributed between around 2,500 sq.m of office/R&D and 7,500 sq.m of industrial and distribution uses as presented below.

Table 7.2 Consented supply position – extant permissions and proposed allocations (at December 2023)

	Net Extant Permissions (sq.m)	Proposed Allocations (sq.m)	Total (sq.m)
Office and R&D E(g)(i)/(ii)	0	2,500	2,500
Industrial / Distribution E(g)(iii)/B2/B8	0	7,500	7,500
<b>Total</b>	<b>0</b>	<b>10,000<sup>38</sup></b>	<b>10,000</b>

Source: WSCC (2023) / Lichfields analysis

## Quantitative Balance

7.8 Table 7.3 compares the Adur Local Plan Area's supply position with the range of scenarios of future needs set out in section 5.0. This indicates that there would not be sufficient employment space to meet the majority of scenarios apart from Scenario 2A - Past Trends because this generates a negative employment needs requirement.

7.9 Against the recommended minimum requirement of around 66,800 sq.m (under Scenario 1), there is an undersupply of around 56,800 sq.m.

<sup>38</sup> The employment allocation at New Monk's Farm is assumed to be delivered evenly between office, light industrial, general industrial, and storage and distribution uses (2,500 sq.m per use).

Table 7.3 Demand-supply of employment space in the Adur Local Plan Area, 2026-2041 (sq.m)

	Scenario 1: Labour Demand	Scenario 2A: Past Trends	Scenario 2B: Past Trends (incl. Extant)	Scenario 3A: Labour Supply (248 dpa)	Scenario 3B: Labour Supply (448 dpa)
Employment Requirements	66,796	8,740	73,743	55,462	96,796
Employment Supply/Capacity	10,000				
<b>Surplus (+)/Shortfall (-)</b>	<b>-56,796</b>	<b>+1,260</b>	<b>-63,743</b>	<b>-45,462</b>	<b>-86,796</b>

Source: WSCC (2023) / Lichfields analysis

- 7.10 Beyond the headline demand-supply balance, the ability to choose from a range of sites in the market is also important for meeting the needs of different employment sectors, alongside providing flexibility in the market. Therefore, the identified supply of employment space for office, industrial and distribution uses has been compared with the estimated need arising for these uses under each of the scenarios as shown in Table 7.4.

Table 7.4 Demand-supply of different employment uses in the Adur Local Plan Area, 2026-2041 (sq.m)

	Scenario 1: Labour Demand	Scenario 2A: Past Trends	Scenario 2B: Past Trends (incl. Extant)	Scenario 3A: Labour Supply (248 dpa)	Scenario 3B: Labour Supply (448 dpa)
<b>Office E(g)(i)/(ii)</b>					
Employment Requirements	11,441	9,095	14,716	9,563	16,412
Employment Supply/Capacity	2,500				
<b>Surplus (+)/Shortfall (-)</b>	<b>-8,941</b>	<b>-6,595</b>	<b>-12,216</b>	<b>-7,063</b>	<b>-13,912</b>
<b>Industrial/Distribution E(g)(iii)/B2/B8</b>					
Employment Requirements	55,355	-355	59,027	45,899	80,384
Employment Supply/Capacity	7,500				
<b>Surplus (+)/Shortfall (-)</b>	<b>-47,855</b>	<b>+7,855</b>	<b>51,527</b>	<b>38,399</b>	<b>72,884</b>

Source: WSCC (2023) / Lichfields analysis.

- 7.11 This analysis indicates that:

- **Offices:** there would not be sufficient supply to accommodate the office requirements under any of the scenarios presented, with a shortfall of around 9,000 sq.m under Scenario 1. It should be also noted, that based on discussions with commercial agents, office demand is currently very low and is shifting to smaller-sized premises which suggests that the available floorspace space could be distributed to smaller units in order to meet the market demand.
- **Industrial/Distribution:** there would not be sufficient supply to accommodate industrial and distribution requirements across Scenarios 1, 2B, 3A and 3B with

shortfalls ranging from around 38,400 sq.m to 72,900 sq.m. In the case of Scenario 2A, there is a surplus for industrial floorspace, but this scenario is based on a very low past development rate and does not account for the development of Panattoni Park which will provide an additional 25,000 sq.m of industrial floorspace before 2026.

## **Summary**

- 7.12 According to the PPG, analysis of the supply and demand position is intended to allow policy makers to identify whether there is a mismatch between the quantitative and qualitative supply of, and demand for, employment uses. This enables an understanding of which market segments are potentially over-supplied and which are under-supplied.
- 7.13 Based on the analysis of the demand and supply position, the Council currently has insufficient supply to meet any of the scenarios of future need set out in section 5.0, with the exception of Scenario 2A. Against the recommended minimum requirement of 66,796 sq.m (under Scenario 1) there is an undersupply of around 56,800 sq.m (13.3 ha). There would be a higher deficit of around 51,500 sq.m if the Council were to plan for a higher level of employment needs in line with past development rates (when Panattoni Park is included), which demonstrates market demand over the past 8 years (under Scenario 2B).
- 7.14 This tightness of potential supply indicates that the Council should seek to identify opportunities to provide some additional land to allow for more flexibility and choice to both existing and future businesses, and to ensure that the local economy is not unduly constrained by an ongoing shortage of land.

## 8.0 Conclusions and Policy Implications

8.1 This section draws together the overall conclusions considering the economic development need arising in the Adur Local Plan Area across the Local Plan period from 2026 to 2041.

### Functional Economic Market Area

8.2 Based on the assessment of various market areas operating in and around Adur including labour, housing and commercial property markets alongside transport and connectivity, it is possible to consider the spatial extent of the FEMA relevant to Adur.

8.3 The analysis suggests that the core FEMA relevant to Adur extends across Adur, Brighton and Hove, and Worthing. However, there are also strong economic relationships with Horsham to the north, Arun to the west, and to a lesser extent Burgess Hill to the north east.

### Meeting Future Employment Needs

8.4 Five different scenarios of future needs are considered in section 5.0. These give an indication of the broad scale and type of growth arising from different approaches to modelling Adur's future employment space needs. The overall employment floorspace requirements related to these scenarios range, in quantitative terms, from 8,740 sq.m (under Scenario 2A - Past Trends) to 96,796 sq.m (Scenario 3B - Labour Supply) during the period from 2026 to 2041.

8.5 **Scenario 1 – Labour Demand** utilises macro-economic forecasts provided by Experian (December 2023) for Adur, indicating a growth of around 1,800 jobs in office, industrial and distribution-based sectors across the Local Plan period. This represents a growth of 16.0% against a job base of around 13,100 jobs in office, industrial and distribution space in 2026. Across all economic sectors (i.e., including those occupying space outside of the employment areas) the growth is expected to total 3,400 jobs, which relates to a growth of 14.0% between 2026 and 2041. It should be noted that, in overall terms, the accommodation and food services, administrative and support services, and specialised construction sectors are all expected to see the highest growth in jobs (+400 jobs) across the Local Plan period.

8.6 This forecast employment growth is translated to a net employment space requirement of 62,585 sq.m and by applying the appropriate flexibility margin it totals 66,796 sq.m of gross employment requirements. This is further distributed between 11,441 sq.m of office and R&D floorspace and 55,355 sq.m of industrial and warehousing floorspace (including light industrial). This level of future floorspace requirements across the 15-year Local Plan period is equivalent to 20.9% of the current (i.e., at 2024) office and industrial stock across Adur based on records from the VOA (i.e., 320,000 sq.m).

8.7 **Scenario 2A – Past Development Trends** is based on historic development rates provided by WSCC from 2017 to 2023, but excludes extant planning permissions which are likely to be delivered prior to the Local Plan period beginning in 2026, including the large employment land allocation at Panattoni Park. This scenario suggests a net employment requirement of 4,530 sq.m over the forthcoming Local Plan period. By applying the appropriate flexibility margin, it totals 8,740 sq.m of gross employment floorspace

requirements, which is further distributed between 9,095 sq.m of office and R&D floorspace and a surplus of 355 sq.m of industrial and warehousing floorspace.

- 8.8 The monitoring data included within this scenario does not include the delivery of any employment land allocations such as Panattoni Park which is due to be completed and occupied in 2024. Therefore, it effectively represents the delivery rate of employment floorspace that has been achieved on existing employment land within the Adur Local Plan Area. The comparatively low floorspace requirements presented in this scenario reflect the constrained supply of employment land in Adur (in the absence of new allocations being developed) and the difficulty in delivering net additional employment floorspace on this land.
- 8.9 **Scenario 2B – Past Development Trends (incl. extant permissions)** is based on the same historic development trends presented in Scenario 2A but also includes extant planning permissions which are likely to be delivered prior to the commencement of the new Local Plan period in 2026. This then includes the delivery of 25,000 sq.m of industrial floorspace at the Panattoni Park employment land allocation at Shoreham Airport which is due to be completed and occupied in 2024. This scenario suggests a net employment requirement of 65,943 sq.m over the forthcoming Local Plan period. By applying the appropriate flexibility margin, it totals 73,743 sq.m of gross employment floorspace requirements, which is further distributed between 14,716 sq.m of office and R&D floorspace and 59,027 sq.m of industrial and warehousing floorspace.
- 8.10 The large discrepancy between the two past development trend scenarios provides some indication of the level of latent demand within the market which can be unlocked when new land is made available (in this case the large Panattoni Park site) reflected in Scenario 2B.
- 8.11 **Scenario 3A – Labour Supply (248 dpa)** is based on the growth in the demand for jobs estimated from an annual housing delivery figure of 248 dpa over the Local Plan period as outlined in the Adur SHMA (2020). This indicates that the economically active population will grow by 3,971 people across the 2026-2041 period. This scenario results in a total (gross) requirement of 55,462 sq.m, comprising 9,563 sq.m of office and 45,899 sq.m of industrial and distribution space.
- 8.12 **Scenario 3B – Labour Supply (448 dpa)** estimates employment floorspace need from a higher housing delivery figure of 448 dpa derived from the Standard Method in 2023. This indicates that the economically active population will grow by 7,174 people across the Local Plan period to 2041, and results in a higher total (gross) requirement of 96,796 sq.m, comprising 16,412 sq.m of office and 80,384 sq.m of industrial and distribution space.
- 8.13 Table 8.1 provides a summary of the gross employment requirements for the five employment needs scenarios across the Plan period.



Table 8.1 Gross employment requirements in Adur, 2026 to 2041

Type of Space / Use Class	Scenario 1: Labour Demand	Scenario 2A: Past Development Trends	Scenario 2A: Past Development Trends (incl. extant)	Scenario 3A: Labour Supply (248 dpa)	Scenario 3B: Labour Supply (448 dpa)
Office E(g)(i)/(ii)	11,441	9,095	14,716	9,563	16,412
Industrial and Distribution E(g)(iii)/B2/B8	55,355	-355	59,027	45,899	80,384
<b>Total</b>	<b>66,796</b>	<b>8,740</b>	<b>73,743</b>	<b>55,462</b>	<b>96,796</b>

Source: Lichfields analysis

- 8.14 In the context of the NPPF and PPG, the Council's policy approach should aim to plan positively to meet the indigenous employment space needs, which as a minimum should relate to Scenario 1 (i.e., 66,796 sq.m or 15.5 ha). These figures are slightly higher than the requirements arising from Scenario 3A (labour supply – 248 dpa); therefore the Council will need to have regard to the extent to which planning for the lower level of housing growth would potentially cause any imbalance between future labour supply growth and employment growth, and the outcomes that might arise (e.g. reduced out-commuting, increased in-commuting) if job growth were to exceed labour supply growth.

## Review of Supply Portfolio

- 8.15 A detailed appraisal has been undertaken of 13 local employment sites, as well as the allocated employment site at New Monk's Farm, to consider their current and future capacity to support the economic and business development needs of the local economy.
- 8.16 In general, all of the employment sites reviewed appeared to be well occupied and predominantly support local businesses across a range of sectors. Both office as well as industrial premises are generally aging, and a large proportion of the stock is of poor quality. There is a limited supply of high quality, newly constructed industrial units within Adur. Exceptions include Shoreham Technical Centre which has benefited from continued investment over recent years, a number of large modern units on Lancing Business Park and South Quayside, as well as the soon to be delivered Panattoni Park at Shoreham Airport.
- 8.17 Most of the sites are found to be performing well despite a generally aging supply of premisses and buildings. Sites that are performing well vary in size and function. Larger sites including Dolphin Industrial Estate, Shoreham Technical Centre and Panattoni Park benefit from their strategic location and above average building quality. A number of smaller sites are also found to be performing well, including Grange Industrial Estate and Southwick Waterfront. The former is well located and provides room for expansion, while the latter provides a unique offer focused on high quality units with flexibility between uses and sizes.
- 8.18 Sites that are performing less well against the assessment criteria include Harbour Way Industrial Estate and Chalex Industrial Estate which are both constrained by their location and small sizes. Shoreham Airport has observed vacancy derived from restrictions in the

uses allowed on site, the orientation of buildings away from access routes, as well as poor quality stock. Finally, the Western Harbour Arm has been heavily disrupted by plans to introduce residential uses onto the site. While there are opportunities to add new employment uses alongside the residential developments, this must be carefully managed to maintain their long-term sustainability.

## **Balance of Demand and Supply**

- 8.19 An analysis of undeveloped employment land allocations from the 2017 Adur Local Plan identified a total of 10,000 sq.m of employment space across the Local Plan period arising from the employment land allocation at New Monk's Farm. This is further split between 2,500 sq.m of office and R&D floorspace and 7,500 sq.m of industrial and distribution floorspace<sup>39</sup>. For the purpose of this assessment, it is assumed that all extant permissions will be delivered prior to the commencement of the forthcoming Local Plan period in 2026, including the delivery of the employment land allocation at Panattoni Park which will deliver 25,000 sq.m of industrial floorspace and is due to be completed and occupied in 2024.
- 8.20 When set against the scenarios of future need set out in section 5.0, there is currently insufficient supply to meet any of the scenarios, with the exception of Scenario 2A. Against the recommended minimum requirement of 66,796 sq.m (under Scenario 1) there is an undersupply of around 56,800 sq.m (13.3 ha). There would be a higher deficit of around 63,700 sq.m if the Council were to plan for a higher level of employment needs in line with the past development trends (under Scenario 2B).
- 8.21 When the analysis is focused on the different employment types, there is insufficient supply to meet the office floorspace requirements under all scenarios, with a shortfall of 8,941 sq.m under the minimum requirement (Scenario 1). With regards to industrial floorspace, the requirement is met only under Scenario 2A (a surplus of 7,855), while there is a shortfall of 47,855 sq.m against the minimum requirement (Scenario 1).
- 8.22 Overall, the tightness of potential supply indicates that the Council should seek to identify opportunities to provide some additional land to allow for more flexibility and choice to both existing and future businesses, and to ensure that the local economy is not unduly constrained by an ongoing shortage of land.

## **Policy Implications**

- 8.23 In the context of the demand and supply position for employment land within the Adur Local Plan Area presented above, the following planning policy recommendations are made for the forthcoming Local Plan period:

### **Protection of Key Employment Sites**

- 8.24 As identified in section 5.0, there is a large shortfall of employment floorspace in Adur when set against the minimum requirement (Scenario 1). This is particularly acute for industrial floorspace, where there is an identified shortfall of around 47,900 sq.m. Therefore, there is a need for the Council to protect existing areas of employment land,

<sup>39</sup> This is assumed to be divided evenly between E(g)(i/ii), E(g)(iii), B2 and B8 uses (2,500 sq.m each).

particularly those which have been found to be performing most strongly or provide an important function in the local economy. This includes Lancing Business Park, Shoreham Technical Centre, Dolphin Industrial Estate and South Quayside which provide a unique supply offering within the Adur Local Plan Area. Protection measures may include the use of Article 4 Directions to prevent the conversion of some units into residential uses on these sites where they can be linked to clear and justifiable site boundaries.

### **Managing Small Industrial Sites**

- 8.25 Consideration should be given to how smaller sites can be provided to meet local demand from businesses. This could include protecting and making best use of existing employment areas and promoting their renewal and upgrade overtime.
- 8.26 This could be encouraged through a specific policy which supports proposals for the upgrading and refurbishment of these existing sites and premises so that they meet modern standards required by business, are more resource efficient and capable of meeting latest energy efficiency standards and improve the environment or townscape of the site or premises.

### **New Monk's Farm**

- 8.27 New Monk's Farm was allocated for a range of uses, including residential, community and employment, within the 2017 Adur Local Plan. The residential component of the allocation is currently being built, however the employment component remains undeveloped after planning permission for an Ikea store on the site expired.
- 8.28 Given the large shortfall of employment floorspace identified within Adur and the lack of available land to deliver new space, the re-allocation of employment land uses on the New Monk's Farm site should be considered. This is particularly important given the large amount of latent demand within the market and the effects of the constrained supply of employment land on delivery trends, as shown by the large discrepancy in the gross floorspace requirements between Scenarios 2A (8,740 sq.m) and Scenario 2B (73,743 sq.m) presented in section 5.0.
- 8.29 There is, however, opportunity to ensure that any employment space on the site is targeted towards local businesses by allowing flexibility between office, light industrial and storage and distribution uses, as well as flexibility in the size of the plots offered.

### **Shoreham Airport**

- 8.30 The airside area of Shoreham Airport is allocated in the 2017 Adur Local Plan for aviation-related employment uses. Consultation with local commercial property agents indicates that the lack of demand from the aviation sector has led to some long-term availability at the site, and interest from non-aviation related sectors that has not been able to be fulfilled. Consideration should be given to the allocation of aviation-related uses at Shoreham Airport and whether this could be relaxed (in full or in part) to enable non-aviation related companies to use this space and to reduce long-term vacancy at the site.
- 8.31 However, relaxation of this policy is unlikely to result in a large amount of vacant space coming back into use, such that it would not in itself be likely to make a material impact on the Adur Local Plan Area's employment land supply position or addresses the identified

shortfall of employment land. Therefore, if the Council were minded to maintain the allocation for aviation-related uses, it would need to be on the basis of the specific economic justification for supporting aviation-related sectors and the long-term operation of the airfield.

- 8.32 Either way, there does appear to be an opportunity for policy to support greater investment in Shoreham Airport and harness the existing heritage assets to improve its attractiveness to the market.

### **Co-location of Uses**

- 8.33 A number of the sites assessed in section 6.0 are coming under increasing pressure from residential uses, most notably the Western Harbour Arm where planning applications for large residential developments have already been approved.
- 8.34 There is potential for policy to support the co-location of residential and employment uses, where feasible, to maintain employment uses on sites that would otherwise be lost to residential use. This may include the provision of employment uses on the ground floor of residential developments. Given the lack of identified demand for office uses and the lack of supply for light industrial and storage and distribution uses within Adur, policy should seek to allow flexibility between employment uses within such developments.

## Appendix 1 List of Consultees

Consultation was conducted with a range of local commercial property agents and local employers was conducted by Lichfields between March and April 2023. Consultees were approached by the Council and consultation was conducted either via phone call or Microsoft Teams as set out in Table 1.

Table 1 List of Consultees

Consultee	Date of Consultation	Mode of Consultation
Flude	19/03/24	MS Teams
Graves, Son & Pilcher	19/03/24	MS Teams
Hargreaves	15/04/24	MS Teams
Shoreham Port Authority	17/04/24	MS Teams
SHW	10/04/24	MS Teams
Warwick Baker	13/03/24	Phone Call
Lancing BID	30/07/24	Phone Call

Source: Lichfields

## Appendix 2 Site Assessment Criteria

<b>(1) Strategic Accessibility</b>
<p>Adequacy of existing infrastructure</p> <p>Proximity and ease of access to a strategic road/motorway junction</p> <p>Future infrastructure or accessibility improvements</p> <p><b>Scoring:</b></p> <p>5 = Very good: within 2km of strategic road / motorway junction via good unconstrained (this will include consideration of road widths, quality of road surface etc) which are typically A roads or motorway.</p> <p>1 = Poor: over 5km from strategic road / motorway junction/access, and/or through constrained/ local roads, and/or where access to the nearest strategic junction is through town centre or residential areas etc.</p>
<b>(2) Local Accessibility</b>
<p>Adequacy of road infrastructure within and surrounding the site (road width/quality, level of congestion etc)</p> <p>Proximity to train station/frequency of public transport infrastructure servicing the site</p> <p><b>Scoring:</b></p> <p>5= Very good: high quality road infrastructure servicing the site; wide and uncongested access; frequent public transport service in close proximity to the site</p> <p>1 = Poor: low quality road infrastructure servicing the site; narrow and/or congested access; lack of/infrequent public transport infrastructure servicing the site</p>
<b>(3) Proximity to Urban Areas</b>
<p>Review of proximity to urban areas and access to local labour and services</p> <p><b>Scoring:</b></p> <p>5= Very good: within or near town or local centre with a wide range of services and access to labour nearby</p> <p>1= Poor: remote isolated site, lack of local services and access to labour nearby</p>
<b>(4) Proximity to Incompatible Uses</b>
<p>In proximity/adjacent to residential areas or other sensitive uses and dependent on the type of employment use, and the effects of activity in terms of noise and air pollution, car and HGV traffic</p> <p><b>Scoring:</b></p> <p>5= Well-established employment area/no incompatible adjoining land use</p> <p>1= Industrial/light industrial/warehouse units (E(g)ii/B2/B8) adjoining residential/other sensitive uses</p>
<b>(6) Market Attractiveness</b>

Occupancy rate, vacancy rate/number of vacant units, quality and age of building stock, quality of local environment

**Scoring:**

5= Very good: high profile/high quality appearance, managed site; good local environment and high-profile occupiers; low vacancy rates

1= Poor: lower quality and ageing stock; run down/unoccupied units; high vacancy; poor quality of local environment/unmanaged site





the 1990s, the number of people with a university degree has increased in all countries, but the increase has been most pronounced in the Netherlands.

There are two reasons why the increase in the number of people with a university degree is important. First, the number of people with a university degree is an indicator of the level of human capital in a country. Second, the number of people with a university degree is an indicator of the level of income inequality in a country. The number of people with a university degree is an indicator of the level of income inequality because the number of people with a university degree is positively correlated with the level of income inequality. The more people with a university degree, the more income inequality.

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