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Planning Policy
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Dear Chichester Planning Policy Department,

Consultation on Main Modifications to the Chichester Local Plan 2021 - 2039

Representations made on behalf of Wates Developments Limited

Vail Williams LLP has been instructed by Wates Developments Limited to make representations to the consultation on Main Modifications to the Chichester Local Plan on the matter of employment provision. This representation follows attendance by Vail Williams at the public examination hearings on behalf of Wates Developments Limited.

These representations focus on Chapter 7 of the Local Plan titled Employment and Economy. The representations are in respect to main modification 56 covering Policy E1 titled Meeting Employment Needs.

Main Modification 56 - Policy E1

Housing and Employment Development Needs Assessment – Correct Employment Need Baseline

We maintain our view that whilst Policy E1 is clearly written and unambiguous it is not considered robust in terms of meeting the identified need in the Housing and Employment Development Needs Assessment (HEDNA) and then current market need. In the Chichester area the current market need for industrial and logistics land is understood to be circa 20ha greater than supply.

Starting with the HEDNA figures, the Council has continued through Main Modification 56 to place reliance on the 2022 HEDNA quantum of employment need of 23 hectares (115,000 sq m) rather than the 2020 HEDNA which identifies an employment need of 25.6 hectares. This is slightly below that stated in the Council's 2019 background paper titled Economic Development and Employment where the employment need is identified as 27.7 hectares. The reasoning is explained below.

Whilst the 2020 and 2019 figures are dated, they are in a pre-COVID environment and considered more robust on that basis. The 2022 figure of 23 hectares is within a COVID environment and whilst it may be appropriate from that point in time to state that office use need may be lower, other employment needs such as storage and distribution and logistics are considered to be in higher demand as societal shifts have led to an increase, for example in home deliveries.

Whilst these comments are not new information post the public examination hearings, the Local Plan Inspector will recall that during the hearing session on employment the Local Plan figures were questioned by Vail Williams and at the time Chichester District Council were not able to provide a response beyond stating that the figures within the 2022 HEDNA were considered to be correct. That the 2022 HEDNA is correct is not disputed, however, the question is whether it is an appropriate baseline for calculating a robust policy

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requirement on employment need, relevant to current and potential future demand. Vail Williams considers that Chichester District Council should address the questions raised and provide an adequate response to our hearing statements (verbal and written).

National Planning Policy Framework (NPPF) (Dec 2024) Change Since Hearings – Logistics Site Identification

Further to the revised NPPF, Vail Williams and Wates Developments continue to hold specific concerns that the Local Plan is silent on the provision of demand for space for the logistics industry, which is contrary to the recent NPPF changes. Paragraph 86 states that ‘planning policies should [amongst other items] pay particular regard to facilitating development to meet the needs of a modern economy including by identifying suitable locations for uses such as...freight and logistics’.

This is considered to be a significant change in policy wording since the Local Plan Examination Hearings and presents an argument towards the case of identifying additional land for employment needs.

In April 2022 the ONS published a report entitled “The Rise of The UK Warehouse and The Golden Logistics Triangle” which identifies that the number of premises used for B8 storage and distribution uses has almost doubled in the last decade, with this rise accelerating in the last two years (to 2022) due to Brexit and the COVID-19 pandemic. These findings are further supported by the June 2022 report by Frontier Economics “The Impact of Logistics Sites in the UK” which highlights in Chapter 2 that logistics has been the fastest growing sector across the UK in terms of jobs since 2012 (Table 3 p.27).

The Council’s reliance solely on employment projections fundamentally underestimates the performance of the logistics sector and using those as the only base for determining land requirements, will always lead to a misunderstanding of sector needs and therefore land allocations that will not fully address needs.

The Local Plan should be meeting the market needs for the logistics sector and allocating sites accordingly.

The Council’s reliance solely on outdated employment projections fundamentally underestimates the performance of the logistics sector and therefore it is considered that the current land allocations do not fully address the freight and logistics sector needs.

Current Market Need for Industrial and Logistics

The Inspector’s attention is drawn to a live planning application (reference 24/02918/OUTEIA) which is an outline application for the construction of industrial/warehousing floor space on land at Temple Bar Junction, Stane Street, Strettington, Boxgrove. Chichester District Council received this application on 20th December 2024 and validated it on 15th January 2025. This is after the Public Examination Hearings and is of significant relevance to the provisions within Policy E1 of the Chichester Local Plan and Main Modification 56 as it includes a report by Savills titled Industrial And Logistics Needs Assessment and also a letter of support from Chichester District Council’s Economic Development Service.

The Savills report assesses the national and local industrial and logistics market and critiques the methodology used in the HEDNA. It concludes that:

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- industrial and logistics constitutes critical national infrastructure and is one of the strongest sectors in the UK economy¹;
- there is a quantitative and qualitative shortage of industrial and logistics floorspace nationally and locally that is constraining economic growth, particularly in the medium, large and very large size categories²;
- total supply in Chichester amounts to only 12.04ha, short of the need identified in the HEDNA and far short of the true level of need identified by Savills³;
- There may be further helpful information in Part 2 of the Savills Industrial & Logistics Needs Assessment but this has been redacted from public view.

The Savills Report independently advises that there is a lack of suitable employment space supply in Chichester. Crucially, there is a lack in both quantitative and qualitative terms. Supply does not meet the need and there is a severe lack of opportunities to provide the modern, high-quality facilities increasingly sought by the market for which there is clear evidence of demand. Modern logistics operators, and the investors that fund the properties they operate from, increasingly demand the highest standards of energy efficiency, sustainable design and staff welfare. Chichester currently does not offer any opportunities for such development and the site allocations in the draft Local Plan will not address this issue.

On 28th February 2025 comments were received to the aforementioned outline planning application from Karen Rowlings the Economic Development Officer at Chichester District Council supporting the proposals at Temple Bar Junction for construction of industrial/warehousing floor space. The comments reiterate that there is a need for a greater supply of logistics hubs to support the distribution of goods since Covid 19 and the emerging local plan does not account for this.

Identified Delivery Route of Future Supply – Lacking Allocations

Vail Williams and Wates Developments maintain significant concerns that the alterations to Policy E1 under Main Modification 56 remain reliant that this is to be delivered through completion commitments which includes sites within the 2015 Local Plan and the Site Allocations DPD such as Land West of Chichester and Kingsham Road both of which do not meet need for industrial or storage and distribution let alone logistics and freight.

The second concern relates to completions to date which it is Vail Williams' understanding do primarily relate to specific end users rather than being for the open market.

It is disappointing to see that additional sites are not being allocated within the Local Plan Main Modifications and such an approach is considered unsound .

¹ Industrial & Logistics Needs Assessment (Savills), paragraph 2.1.2

² Industrial & Logistics Needs Assessment (Savills), section 2.1

³ Industrial & Logistics Needs Assessment (Savills), Table 5.4

Summary

The provision of employment space to meet current market needs in Chichester is lacking from Policy E1 and therefore under Main Modification 56 additional sites should be allocated, particularly in respect of the logistics sector – a requirement specifically referenced for policy making in the 2024 National Planning Policy Framework.

Should the Council maintain their current position, they are not considered to meeting current or future employment needs therefore contributing to making the draft plan unsound.

We trust that the above is self explanatory and look forward to receiving confirmation that these representations have been duly made.

Yours faithfully

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