

Ford Airfield Vision Group (FAVG) Final Submission

Ford Eco-Town - Employment Prospects

Introduction

1. One of the critical elements of the proposed Eco-Town development at Ford is the creation of a significant number of new, high value jobs. The whole Eco-Town concept turns on the principle of a community in which residents can afford to live, play and work. Without this, it is simply a proposal for a large, dormitory, commuter housing estate.

Background

2. Two demographic factors are relevant. The first is that 38% of the local population are aged over 55 compared to the national average of 26%. Arun is a District that attracts those nearing retirement and who have the purchasing power to keep house prices relatively high. The second is that average earnings for those employed in Arun District are low by UK standards at just £390 per week. Despite the age profile, Arun has an oversupply of low and semi-skilled labour (otherwise average wages would be higher), making it difficult for many of those who live in Arun to purchase property unless they commute to locations offering higher value employment. Much of the local Arun manufacturing industry has declined and, although there has been some growth in local service industries, a visit to the existing industrial parks shows the high proportion of empty units. There is a pressing need and scope for regeneration in both Bognor Regis and Littlehampton.

3. There has been no lack of effort to attract new business to the area, but the underlying shortcomings are the rural and coastal location and very poor local transport infrastructure. Together, these limit the size of the local customer base and limit access to customers elsewhere throughout the UK. Proximity and access to customers are key investment considerations, as marketing and distribution costs are rarely irrelevant even in the age of the internet. The Submission cites the Atkins Study as an endorsement for the Ford site as a business location. The Atkins report was a comprehensive review of all the possible locations for new business development in the Arun and Chichester Districts. The locations were ranked according to a number of criteria relating to accessibility, sustainability and marketability, and because of its poor accessibility; Ford ranked only 17th out of 18 sites in Arun; hardly a glowing endorsement for the location.

4. The original proposal for the Eco-Town was based on the idea that Ford could be a science and technology enterprise centre providing new high value employment in Arun. These types of business opportunity would complement rather than compete with those

in Littlehampton and Bognor Regis. 4,000 new jobs were promised. The flaws in the proposal were however readily apparent, as was shown in the evidence to the Arun District Council Ford Eco-Town Select Committee Inquiry. Ford has no distinctive advantages as a location, and has no relevant science or technology base on which new businesses could build.

The Submission Employment Proposal

5. The Submission still promises 4,000 new jobs, effectively tripling the current employment levels, and includes an Employment Strategy as an annex. This Strategy has 6 components:

- a. Growth of the existing businesses on the existing industrial estates at Ford, taking advantage of new markets created the Eco-Town itself both during construction and once it is built. This is seen as an opportunity for the existing owners to invest.
- b. Construction of some speculative business premises as the Eco-Town develops.
- c. Community, amenity and retail service employment in the Eco-Town.
- d. A focus on what is described as the Eco-Town “niche” as a location for *eco*-related technology businesses or *eco*-products, for ecologically responsible businesses, and for those seeking secure energy supplies.
- e. Extensive home-based working.
- f. Enterprise starter and incubator units.

6. The Strategy acknowledges that many types of B category businesses may not be suited to Ford, such as corporate headquarters offices, city centre/regional offices, corporate complexes in rural locations such as mixed offices and research facilities, businesses specific to coastal towns/seaside resorts, science parks, one-off rural manufacturing sites (such as Rolls Royce), warehousing and distribution and, interestingly the enterprise and starter units, which are described as more suitable for established towns such as Littlehampton or Bognor Regis. However, in some of these “unsuitable” sectors, market research is nevertheless recommended!

Employment Issues Raised by the Submission

7. The employment proposal has weakened considerably over that originally proposed by FAVG. It finally recognises that there is little FAVG can do directly to deliver 4,000 new jobs. In fact, it is becoming very clear that 4,000 is simply an aspiration. There is no basis for linking the numbers of possible new jobs to the categories of work being highlighted; it is simply unknowable at this stage. FAVG and the whole Ford Eco-Town

project appears to be totally dependant on the willingness of others to invest there, or for the self employed to choose to live there. In fact, the Submission contains no specific commitments or expressions of interest to invest in Ford if it is built. Indeed, the Submission contains no credible market analysis to demonstrate that there is any business demand for locating to either an Eco-Town or to Ford specifically.

8. More than just the number of jobs, the quality of the jobs should be of concern. The focus on light and general industry on the existing industrial estates, and on community, amenity and retail services within the Eco-Town is more of the same for Arun. It provides little prospect of raising average local earnings, and there is no evidence that these earnings levels will be sufficient to enable people to buy homes and live at Ford.

9. There will also therefore be direct competition to attract investment in light and general industry, and service and retail activities between Ford, Littlehampton and Bognor Regis. This will be competition for limited investment funds, and to the extent that Ford is successful, it must be to the detriment of the existing towns or vice versa.

10. The Submission presents the Eco-Town as a distinctive and attractive location for *eco*-conscious businesses, either as a centre for *eco*-technology or for image and reputation. It portrays the Eco-Town as a valuable “brand”. However, the choice of waste/wood combustion as the primary energy source, together with the exclusion of other alternative and new low carbon energy routes, might well undermine this completely. Wood/waste combustion may not be important in the future overall UK energy mix and, whilst it may be seen as a worthy route for some specific locations, it is more probably seen as a technology back-water and a disincentive. *Eco*-reputation will only be a deciding factor if the location is appropriate and the costs of operating are competitive with alternatives. Much is made of long term energy security, but this is only of real interest to energy intensive manufacturing industries, and none are suggested for Ford. Most companies would see this as an economic dependency and may be more concerned about being bound long-term to a single supplier. There is no evidence to suggest that the proposed energy supply would be more reliable on a daily basis than the national grid. If other Eco-Towns are built, then Ford will be competing with them for investment by *eco*-conscious businesses.

11. Also, the proposal is dependant on people living and working in Ford. To the extent that high value jobs are created, it is presumably illegal to discriminate against applicants on the basis that they choose to live elsewhere.

12. A major concern is phasing. Potential residents need secure jobs in order to raise mortgages to buy property at Ford. Other than construction, all the job categories outlined as possibilities in the Employment Strategy assume that the Eco-Town is substantially completed. By then, the commuting patterns of the residents will have been established. Construction jobs and construction supply are temporary. Ford would need to be established as the vibrant “*Eco-park*” (as the Submission calls it) first if this exercise in social engineering is to have a chance of succeeding. The suggestion that houses might be discounted to people choosing to work at Ford is also dependant on jobs being available

first. Indeed, cheaper housing as a condition of employment in the Eco-Town might not be as attractive as at first sight; it might even be considered a taxable benefit.

13. The creation of an “eco-park” for eco-conscious investment is not dependant on the housing development; only the reverse is true. The average wage data shows there would be no shortage of people searching for high value jobs in Arun District.

14. Linked to this, no thought has been given to the steps that would be needed to mitigate the damage to existing businesses or the attractiveness of Ford to investors by up to two decades of construction disruption and construction traffic, allied to the congestion on the inadequate local roads.

15. At least some of the existing businesses are located away from residential locations specifically to avoid nuisance and the inevitable complaints of residents. They will now find themselves in the middle of a housing estate.

Conclusion

16. The employment proposals weaken the FAVG Submission for the Ford Eco-Town. The Submission shows that the delivery of new jobs is totally dependant on the willingness of others to invest, but it contains no such commitments. The only certainty seems to be house building. Ford would therefore just become a giant housing estate. To succeed as a sustainable new town, the “eco-park” and its new jobs have to be delivered first in order to provide the basis for residents to secure their mortgages. Unfortunately, the whole tone of the Submission is the reverse; grudging commitment to encourage business investment once the town is established or at least advanced. In this lie the roots of failure.

17. A key weakness of Ford is the lack of any distinctive competitive advantage to offset its disadvantages as a business location. The Submission seeks to establish this through its *eco* credentials, but undermines this by selecting an energy option of little national or international relevance or interest.

18. The Submission provides no credible basis to support the claim of creating 4,000 new jobs. The Employment Strategy for the Ford Eco-Town is simply an aspiration.