

An investigation into employment figures in warehouses currently using
Witron OPM technology

St Helens application: P/2020/0061/HYBR Omega 8 your ref
PCU/CONS/H4315/3262458

Over the past few years there has been a large increase in the number of distribution centres/warehouses being built nationally on the greenbelt. These applications are usually passed based on employment figures ticking the exceptional circumstances box. Examples of this in the local area are Florida Farm where 2500 FTE jobs were promised and only 320 have materialised. The Omega site itself falls short of the initial 24,000 FTE jobs promised with only around 6500 FTE jobs currently.

This brings into question the optimistic employment figures quoted by the applicant of 1431 FTE jobs when fully functional. The applicant states that 95% of the throughput will be fully automated with only a stacker truck driver required to load pallets onto the input machines.

Witron's OPM technology is impressive and we can understand why the applicant has chosen to use this technology. OPM has been installed in warehouses and distribution centres throughout Europe and North America and has been successful in streamlining businesses in terms of order turnaround, capacity and reductions in costs mainly job reductions. The table below shows similar sites to this application that utilise Witron OPM technology, the size, the capacity and FTE jobs in each warehouse...

Site	Size (ft ²)	Cases packed per day	FTE Jobs
Omega (Home Bargains)	829,000	646,000	1431
AWG - Hernando KC USA	871,900	460,000	590
Plus Retail (OSS - Holland)	473,600	410,000	350
COOP Oslo (Langhus)	904,000	600,000	525

Based on the above figures from near identical warehouses currently in operation we find the employment figures quoted for this application to be overly ambitious. The warehouses identified above utilise the same technology as will be installed in this application and we fail to see where the, close to 1000 extra FTE jobs would be created. Investing £150m in a 95% fully automated system without cost savings based on FTE job reductions seems illogical for a company looking to expand.

At the planning application meeting dated 27.10.2020 Mr Morris spoke proudly regarding this new automated system that would be installed.

“The distribution centre at Omega will have one of the most advanced automated picking systems in the world. No one in the UK not even Tesco, Sainsburys, Asda, Morrisons, Amazon or Ocado has an advanced distribution centre as the one we plan to build.”

“In terms of technology used it is closer to a car manufacturing site than a conventional distribution centre. Instead of assembling cars it AUTOMATICALLY and accurately assembles cages of stock 24 hours a day, 7 days a week.”

The only manual work mentioned by Mr Morris are loading input pallets and unloading completed orders onto trucks.

Mr Morris also mentioned that other sites namely Amesbury and Axis employ around 800 FTE jobs and are similar in size to the Omega application. We fail to see the business sense in spending an extra £150m on a fully automated system that requires extra jobs and therefore increases costs to the business.

Bold & Clock Face Action Group.

References

https://www.nib.int/what_we_offer/agreed_loans/760/coop_norge_sa

<https://www.areadevelopment.com/newsItems/6-4-2020/associated-wholesale-grocers-hernando-mississippi.shtml>

<https://privacy.vakmedianet.nl/logistiek/?ref=https%3A%2F%2Fwww.logistiek.nl%2Fwarehousing%2Fnieuws%2F2019%2F03%2Fkomst-plus-naar-oss-levert-350-nieuwe-arbeidsplaatsen-op-101167501>

<http://moderngov.sthelens.gov.uk/ieListDocuments.aspx?CIId=119&MIId=10945&Ver=4>

<https://www.hsssearch.co.uk/TJMorris-chooses-Witron-automate-WarringtonDC>