

Employment Site Release Topic Paper

Southend-on-Sea Borough Council

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1.0 Introduction

- 1.1 Southend-on-Sea Borough Council (“the Council”) commissioned Lichfields to prepare this Employment Site Release Topic Paper to inform the evidence base for the Council’s emerging Local Plan which will cover the period between 2018 and 2038.

Scope

- 1.2 The purpose of the topic paper is to provide updated evidence on the future growth potential of the Borough’s economy to support the new Local Plan, focusing specifically upon the latest job growth projections as an indicator of future demand, and commercial property market signals.
- 1.3 In addition, the topic paper reviews and updates the supply position to inform how the Local Plan should address the Borough’s future employment land needs.
- 1.4 According to existing evidence, namely the 2017 [South Essex Economic Development Needs Assessment](#) (2017 EDNA) and [2018 Southend Housing and Employment Land Availability Assessment Part 2: Employment](#) (2018 SHELAA), there are several poorer performing employment areas within the Borough where a ‘monitor and manage’ approach was recommended. A detailed review of the evidence base that underpins the preparation of the topic paper is presented in Appendix 1.
- 1.5 On this basis, the topic paper draws together existing employment evidence, and updates some aspects, in order to appraise whether certain employment sites should be managed differently to promote the most efficient utilisation of Southend’s employment land in the context of the future needs identified.
- 1.6 This topic paper has been prepared in line with the [National Planning Policy Framework](#) (NPPF, February 2019) and latest Planning Practice Guidance (PPG) with regards to [Economic Needs Assessment](#) and [Land Availability Assessments](#).
- 1.7 In this context, the scope of this update study consists of the following:
- 1 **Future requirements of employment space:** updating future employment space requirements for employment sectors in quantitative terms, drawing on employment forecasts, past trends and labour supply scenarios together with considering market signals and property trends;
 - 2 **Review of the demand and supply balance:** assessing the balance between current land supply and future needs, in quantitative terms, by comparing forecast requirements with availability of emerging supply; and
 - 3 **Review of specific sites:** updating site assessments for those sites that have been identified by existing evidence as those requiring a “monitor and manage” approach.
- 1.8 This topic paper includes consideration of economic development as defined by the NPPF, with a primary focus upon the typologies set out in the ‘B’ Use Classes and part ‘E’ Use Classes as outlined below:
- **Office:** including offices in Eg(i)– formerly B1(a) – Use Class and research & development in Eg(ii) – former B1(b) – Use Class.
 - **Industrial:** including light industrial in Eg(iii) – formerly B1(c) – Use Class and industrial and manufacturing space in B2 Use Class.
 - **Distribution:** including storage and distribution, warehousing and wholesale uses typically in B8 Use Class.

- 1.9 References to ‘employment uses/space’ and ‘employment sectors’ refer to all the above uses.
- 1.10 It should be noted that there are a variety of factors and drivers to consider when objectively assessing the business context and needs for a local economy. The study uses a combination of quantitative and qualitative analysis to examine these issues in the context of Southend and synthesises this analysis to draw overall conclusions and policy implications for long-term planning across the Borough. A process of consultation with stakeholders involved in the employment space market in the Borough has also been undertaken, as set out in Appendix 2.
- 1.11 An important consideration for any technical work of this type is that the study is inevitably a point-in-time assessment. The timing of preparation means that the impacts of the COVID-19 pandemic and Brexit deal agreed with the European Union have not been included within the econometric forecasts used in this report.
- 1.12 The topic paper has used the latest available data and other evidence available at the time of reporting, while the accuracy of third-party data has not been checked or verified by Lichfields.

Structure

- 1.13 The remainder of this paper is structured as follows:
- **Employment Space Requirements (Section 2.0)** – estimates future employment space requirements for employment sectors in quantitative terms, drawing on employment forecasts, past trends and labour supply scenarios;
 - **Demand/Supply Balance (Section 3.0)** – assesses the balance between current land supply and future needs, in quantitative terms, by comparing forecast requirements with availability of emerging supply;
 - **Review of Specific Sites (Section 4.0)** – presents updated site assessments in combination to qualitative market intelligence commentary with regards to each site’s employment functionality and potential for further utilisation; and
 - **Conclusions and Planning Implications (Section 5.0)** – summarises the implications associated with future planning for employment in Southend and provides overall conclusions with regards to meeting the future needs and managing the portfolio of employment sites.

2.0 Employment Space Requirements

- 2.1 This section considers future economic growth needs in Southend drawing on a number of scenarios. These scenarios are used to inform an updated analysis of the potential economic growth drivers within the Borough and the employment land and planning policy implications that flow from these.

Approach

- 2.2 The [National Planning Policy Framework](#) (February 2019) requires “*planning policies to set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth*” (paragraph 81a).
- 2.3 Following the Planning Practice Guidance (PPG) on preparing [economic development needs assessments](#), a number of potential future economic scenarios which were included in the [2017 South Essex Economic Development Needs Assessment](#) (2017 EDNA) have been updated in this study to provide a framework for considering future economic growth needs and employment space requirements in Southend over the period to 2038. These scenarios draw on:
- 1 **Scenario 1 – Baseline labour demand:** baseline projections of employment growth in the main employment sectors derived from the East England Forecasting Model 2019 (EEFM) (released in August 2020);
 - 2 **Scenario 2 – Combined growth:** adopting the assumptions used in the 2017 EDNA, this scenario presents an updated estimate of the combined scenario forecast;
 - 3 **Scenario 3 – Past trends:** consideration of past trends in completions of employment space based on monitoring data supplied by the Council, and how these might change in the future;
 - 4 **Scenario 4 – Labour supply (1,181 dpa):** estimates of future growth of local labour supply based on the Standard Method Local Housing Need figure of 1,181 dwellings per annum (dpa); and
- 2.4 All these approaches have some limitations and consideration needs to be given as to how appropriate each is to circumstances in the Borough. The demand for employment space in Southend needs to be assessed under different future scenarios, to reflect lower or higher economic growth conditions arising in future. To aid comparison, where possible the same assumptions have been applied as adopted as part of the 2017 EDNA.
- 2.5 There are also a number of qualitative factors, such as commercial market intelligence, that will influence the future employment space requirements that need to be planned for and these are set out later in this section.
- 2.6 Reflecting upon the recent changes in the Use Class Order, the term “employment uses/jobs/sectors” refers to those jobs related to office (Eg(i)/(ii)), light industrial Eg(iii), industrial (B2) and distribution (B8) uses (see paragraph 1.8 to 1.9).

a) Forecasts of Job Growth

- 2.7 Forecasts of employment growth in Southend over the plan period of 2018-2038 have been sourced from the EEFM 2019, which take into account regional and national macro-economic patterns to predict future economic growth at the local authority level.
- 2.8 It should be noted that the August 2020 release of EEFM 2019 is based on assumptions which precede the outbreak of Covid-19 and resulting global pandemic and does not therefore factor in

the economic implications associated with this. As a result, they should be viewed in the context of significant ongoing uncertainty surrounding future economic growth prospects at both macro and local level.

Scenario 1: Baseline labour demand

- 2.9 The forecasts of job growth by sector reflect recent trends and are based on projections at national and regional level, and how economic sectors in Southend have performed relative to these wider comparators in the past.
- 2.10 The EEFM 2019 baseline forecasts indicate an overall growth of 6,198 jobs in full-time equivalent (FTE) terms for the Borough over the 20-year Local Plan period, equivalent to 310 FTE jobs per annum. This is 1,357 FTE jobs below the growth presented in 2017 EDNA, which was based on EEFM 2016 for the 2016-36 plan period. However, in both studies the growth rate represents an increase of 10%.

Table 2.1 Baseline Forecast FTE Jobs Change in Southend-on-Sea, 2018-2038

	Number of Jobs		Change
	2018	2038	2018-2038
Offices E(g)(i)/E(g)(ii)	13,145	14,409	1,264
Manufacturing E(g)(iii)/B2	8,199	7,643	-555
Distribution B8	3,369	3,250	-118
Total Employment Class Jobs	24,712	25,302	590
Jobs in All Sectors	60,765	66,962	6,198

Source: EEFM 2019 / Lichfields analysis

- 2.11 The forecast net increase of 590 employment jobs over the period to 2038, which underpins this estimate of future employment space needs, is equivalent to an average increase of 30 jobs (FTE) per annum. In particular, employment in office-based sectors is expected to increase by 1,264 jobs, while employment in manufacturing and distribution is expected to decrease by 555 and 118 jobs respectively, over the 20-year period.
- 2.12 This forecast compares with a decrease of 238 employment jobs (FTE) on average per annum recorded within Southend for 2001-18 period (data derived from EEFM 2019). As a result, the current forecast suggests that employment sectors are expected to perform stronger over the plan period than historically.
- 2.13 Table 2.2 presents the fastest growing sectors under this scenario, alongside those sectors expected to see a decline in employment. Health and care, accommodation and food services, professional services and retail are expected to drive the majority of employment growth in the Borough up to 2038. This suggests that non-employment class sectors are expected to drive the majority of job growth (97%) over the study period. The employment sectors playing a much less significant role in job growth terms, with the exception of professional services which relate mainly to office space requirements and is expected to grow significantly (21%). It is also noted that the highest decline in employment relates to employment class jobs as presented overleaf.

Table 2.2 FTE Jobs Change by Sector, 2018-2038

Sector	Use Class	Change 2018-2038	Change %
Health and care*		2,638	26%
Accommodation and food services		1,184	27%
Professional services		1,156	21%
Retail		1,056	18%
Construction		831	21%
Public administration		405	13%
Arts and entertainment		271	9%
Wholesale		-113	-4%
Manufacturing - electronics		-122	-28%
Manufacturing - chemicals only		-131	-21%
Finance		-520	-28%
Manufacturing - general		-887	-29%

Source: EEFM 2019 / Lichfields analysis

Key: **GREEN** = Employment sector **ORANGE** = Part Employment sector **RED** = Non-Employment sector

*In accordance to 2017 EDNA – 10% of this sector relates to employment jobs (office and manufacturing)

2.14 These jobs forecasts can then be converted to future employment space requirements assuming typical ratios of jobs to floorspace for the different uses. To estimate space needs, we adopted the same density assumptions with 2017 EDNA¹. These include:

- **Offices:** 1 job per 12 sqm (NIA);
- **Industry:** 1 job per 36 sqm (GIA);
- **Warehousing and Distribution:** 1 job per 70 sqm (GEA).

2.15 Adopting the same methodology as the 2017 EDNA and without making any allowances for windfall losses or churn, the base forecast estimates the following net employment floorspace requirements up to 2038 (Table 2.3).

Table 2.3 Net Employment Space Requirements based on Baseline Labour Demand, 2018-2038

Use Class	Net Floorspace Requirement (sqm)
Office E(g)(i)/E(g)(ii)	15,165
Manufacturing E(g)(iii)/B2	-20,000
Distribution B8	-8,285
Total Employment Requirements	-13,120

Source: EEFM 2019 / Lichfields analysis

Scenario 2: Combined Growth Forecast

2.16 This section presents the employment requirements derived from the combined growth scenario as initially estimated in the 2017 EDNA. The assumptions that formed these estimates are the same as those adopted in the 2017 EDNA, including:

- an adjustment of 1.5% per annum in creative industries sectors, which has been applied directly in the forecasting model. Publishing sector activities are used as a proxy for the

¹ 2017 EDNA, paragraph 8.34, pages 170-1

creative industries in this context, with arts activities translating into non-employment activity in the forecasting model.

- an adjustment of 1.4% per annum growth rate is used as the employment multiplier to reflect the 'London Southend Airport Impact' scenario, which is split evenly between office and industrial use classes, resulting in 0.7% office growth and 0.7% industrial growth per annum (see 2.17). No adjustment is applied to warehousing floorspace.
- to reflect increasing activity and boost growth in health and care sector, a potential growth rate of 2% per annum has been applied. Approximately 10% of jobs within this sector fall within the employment category (methodology adopted from 2017 EDNA). This compares to a 1.2% annual growth suggested in the baseline EEFM 2019 forecast for this sector.

2.17 According to the 2017 EDNA, the London Southend Airport Impact scenario is based upon a previous assessment of undertaken in the [Rochford District Council Employment Land Study 2014](#).² This indicated 400 additional indirect jobs as a result of growth of the Airport. These are in addition to the jobs assumed in the adopted [Joined Area Action Plan for the London Southend Airport area](#) (JAAP) (this area falls within Rochford administrative boundary). The additional 400 jobs constitute the supply chain and related service jobs expected to be created at Southend Airport Business Park and should be assumed half in Rochford and half in Southend. The EDNA 2017 suggested that this equated to a c.30% uplift in employment jobs or 1.4% employment growth per annum in Southend.

2.18 Table 2.4 presents the jobs growth (FTE) estimates based on the above assumptions.

Table 2.4 Combined Growth Forecast FTE Jobs Change in Southend-on-Sea, 2018-2038

Use	Including Creative Industries and Health and Care Combined uplifts	Airport Impact (2017 EDNA approach)	Combined Growth Scenario (2017 EDNA approach)	Airport Impact/ Indirect jobs (updated approach)	Combined Growth Scenario (updated approach)
Office E(g)(i)/E(g)(ii)	1,377	1,840	3,218	100	1,477
Manufacturing E(g)(iii)/B2	-442	1,148	706	100	-342
Distribution B8	-118	-	-118	-	-118
Total Employment Jobs	817	2,988	3,805	200	1,017

Source: EEFM 2019, GVA / Lichfields analysis

2.19 The employment growth derived by the combined growth scenario totals 3,805 jobs (FTE). This increases the employment by 3,215 jobs compared to the EEFM 2019 baseline estimates. This comprises 1,954 additional jobs in offices, and 1,261 additional industrial jobs for the period to 2038.

2.20 The combined growth scenario in the 2017 EDNA resulted in a total employment of 1,931 jobs³. As a result, there are 1,874 additional jobs in this updated estimate. The difference mainly arises from the estimation of the Airport Impact Scenario. In particular, when applying the Airport Impact multipliers of 1.4% per annum (in line with the 2017 EDNA's approach) there is a total of 2,766 additional jobs compared to those estimated in the 2017 EDNA (i.e. 222 additional jobs⁴).

2.21 This is a result of the variation in the baseline figures and the jobs growth rates across the different EEFM releases. The baseline growth in manufacturing jobs in EEFM 2016 was related to a decrease of 1,306 jobs (-14%) across the plan period, while the equivalent in EEFM 2019 is -

² Paragraphs 6.29 to 6.42, p.87-89

³ 2017 EDNA, Table 73, p.194

⁴ 2017 EDNA, Table 70, p.192 against baseline position in para 8.99, p191

555 jobs or a halved rate at -7%. In addition, the office growth in the EEFM 2016 was 2,571 jobs relating to a growth rate of 13% across the plan period, while the equivalent in EEFM 2019 is 1,264 jobs (10%).

- 2.22 In order to realistically reflect the Airport's impact, the absolute figure of indirect/ supply chain jobs as presented in paragraph 2.17 relating to 200 jobs (100 jobs in office and 100 jobs in industrial) have been factored in. This growth level is similar to that added in the 2017 EDNA, where the resulting absolute employment growth related to the multiplier of 0.7% and 0.7% was 222 jobs which were distributed to 167 jobs in office and 55 jobs in industrial employment.
- 2.23 As a result, the combined growth scenario increases the number of jobs expected in employment classes from 590 jobs (baseline position) to 1,017 jobs as presented in Table 2.4. This level of employment is then translated to floorspace requirements based on the same density assumptions as presented above and the results are presented in Table 2.5.

Table 2.5 Net Employment Space Requirements based on Combined Growth Forecast (sqm), 2018-2038

Use	Creative Industries and Health and Care Combined (sqm)	Airport Impact/ Indirect jobs (sqm)	Combined Growth Scenario (sqm)
Office E(g)(i)/E(g)(ii)	16,525	1,200	17,725
Manufacturing E(g)(iii)/B2	-15,910	3,600	-12,310
Distribution B8	-8,285	-	-8,285
Total Employment Requirement	-7,670	4,800	-2,870

Source: EEFM 2019, GVA / Lichfields analysis

b) Past Development Rates

- 2.24 Because they provide an indication of market demand and record actual patterns of development that has been delivered, long term completion rates of employment floorspace can provide a reasonable basis for informing future land needs.

Scenario 3: Past Trends

- 2.25 The Council's data on past completions for employment space between 2010 and 2019 have been analysed. This data incorporates development involving change of use to non-employment uses, including prior approvals from office to residential uses. Therefore, this analysis includes the period since the introduction of office to residential permitted development rights in 2013 (PDRs). However, it should be noted that Airport Business Park is located within Rochford's administrative area and, therefore, development activity at this site is not captured in the monitoring data for Southend.
- 2.26 Table 2.6 shows the net total and annual completions recorded since 2010. The vast majority (71%) of this net figure relates to loss of office space. This is reflective to the fact that the area was historically an office centre and a public administration centre for the South Essex sub-region but with a legacy of relatively dated office stock much of which was coming to an end of its 'functional life'.

Table 2.6 Net Completions by Use Class in Southend, 2010-19

Sector (Use Class)	Net Total Completions (sqm)	Net Annual Completions (sqm)
Office (former B1a/B1b)	-72,035	-8,004
Industrial (former B1c/B2)	-10,769	-1,197
Warehousing (B8)	-18,758	-2,084
All Employment Uses	-101,562	-11,285

Source: Southend-on-Sea Borough Council / Lichfields analysis

- 2.27 Since PDRs were introduced in 2013, the redundant and underused office stock has gradually been removed from the market with much converted to residential. It is evident through the monitoring data that a total of 49,800 sqm of office space has been lost in this way since 2013, which represents 69% of the total office losses recorded since 2010.
- 2.28 It is considered that the scale of office floorspace losses that have occurred within the Borough since 2013 as a result of PDRs is unlikely to continue at the same pace in the future given that a significant proportion of the redundant and underused office stock has now been removed from the local market.
- 2.29 Based on this analysis, one view of future growth in Southend could be to assume that the office past development rates revert to those that preceded the introduction of PDRs (i.e. the trend seen in the 2010/11-2012/13 period), together with the historic development rates for industrial and warehousing as monitored for the 2010-19 period. This approach has some limitations as it does not capture the remaining redundant office stock that could be converted to residential in the future, although still implies an overall contraction in office space but at a slower rate.
- 2.30 Taken together, this would imply a decrease in employment floorspace of 149,975 sqm during the Local Plan period as presented in Table 2.7.

Table 2.7 Net Employment floorspace requirements based on past trends scenario in Southend (sqm), 2018-38

	Annual Rate (sqm)	Total Change (sqm)
Office (former B1a/B1b)	-4,220	-84,360
Industrial (former B1c/B2)	-1,200	-23,930
Warehousing (B8)	-2,085	-41,685
Total Employment Requirement	-7,505	-149,975

Source: Southend-on-Sea Borough Council / Lichfields analysis

c) Future Labour Supply

- 2.31 It is also important to consider how many jobs, and hence how much employment space, would be needed to broadly match forecast growth of the Borough's resident workforce. In contrast to the preceding approaches, this is based on the future supply of labour rather than labour demand arising from economic change. It then indicates the amount of new jobs needed to take-up this future supply of workers and minimise local unemployment, and how much employment space would be needed to accommodate these jobs.

Scenario 4: Labour Supply (1,181dpa – Standard Method)

2.32 There is an estimated local housing need of 1,181 dwellings per annum (dpa) for Southend based on the Standard Method 2019 which is in accordance to the Planning Practice Guidance (PPG) for [Housing and Economic Development Needs Assessments](#). The increase in local labour supply and consequently in the number of jobs that this is expected to occupy has been estimated as below:

- 1 **Population change** over the Local Plan period 2018-38, drawing on the 2014-based Sub National Population Projections (SNPP) and equivalent Sub National Household Projections (SNHP). This has been applied to provide consistency with the basis for the standard methodology for the calculation of local housing need as set out in the PPG⁵.
- 2 **Economic activity rates for 2019** and anticipated future changes in **economic activity rates** for males and females over the age of 16. These were estimating by using the ONS's Annual Population Survey, and 2019 Mid-Year Population estimates (MYE), then projected forward using the projection rates published by the Office for Budget Responsibility (OBR) in January 2017.
- 3 An **unemployment rate** of 3.1% for 2019, taken from the ONS Annual Population Survey (APS) Model-based Unemployment rate for that year, with an assumption that by 2038 there will have been a modest re-adjustment to the longer-term (i.e. 2011-19) with an average of 5.6% taken forward to 2038. Whilst the unemployment rate may increase over the next few years in the aftermath of the COVID-19 pandemic, this assessment is considering the longer term which might typically takes into account a number of economic cycles.
- 4 **Labour Force Ratio** calculated based on the APS (the number of economically active), unemployment rates and the EEFM 2019 projections. The Labour Force (LF) Ratio used equated to 1.4 (this is the average LF for 2012-18 period), i.e. there were more residents in employment living in the Borough than there are jobs based in the Borough, resulting in net outward commuting patterns. This aligns with the 2011 Census Travel to Work data, albeit in a higher out-commuting level. The LF ratio is held constant over the plan period to 2038.

2.33 The 2014-SNPP indicates an additional 29,090 persons living in Southend between 2018 and 2038, of which 25,877 will be over the age of 16. Applying the adjusted OBR economic activity rates for Southend and factoring in an unemployment rate of 5.6% results in a projected labour force increase of 11,508 people. As can be seen in Table 2.8, applying the LF ratio of 1.4 equates to a net job growth of 5,836 over the 20-year plan period.

Table 2.8 Projected population and labour force change associated with 2014-based SNPP, 2018-38

	2018	2038	Difference
Total population	183,540	212,630	29,090
Over 16 population	148,182	174,059	25,877
Economically active population	94,658	106,167	11,508
Labour supply (less unemployed)	92,008	100,220	8,212
Jobs (with a LF ratio of 1.0536)	65,394	71,230	5,836

Source: Lichfields analysis, based on 2014 SNPP and OBR economic activity projections

2.34 The District's Local Housing Need (LHN) based on the Standard Methodology figure incorporates an affordability uplift from the 2014-based SNHP equivalent to 40% (as of September 2020). This increases the LHN for Southend to 1,181 dwellings per annum (dpa) from 843 households per annum over the period 2020-2030. The implication of this will be that the delivery of the LHN would support a greater level of population growth than would

⁵ Reference ID: 2a-005-20190220

otherwise be associated with the 2014-based SNHP figure. Furthermore, we are planning for a Plan period of 20 years, from 2018-38, which is greater than the 10-year plan period used to calculate the standard method. Over this period, the 2014-based SNHP projects that Southend's households will grow by 16,733, or 837 hpa. A modest adjustment has also been made to the baseline to factor in a suitable allowance for empty/second homes of 2.56% for 2018⁶. This translates the 837 hpa to 859 dpa.

- 2.35 In order to test the implications of the LHN figure, the SNPP population change for Southend has been uplifted in accordance with the extent to which the dwelling growth diverges from the 2014-based SNHP baseline. This rate of increase is then applied to the population growth for 2038. This level of increase has been applied equally to each age/gender cohort and evenly across the plan period, with all other inputs held constant.
- 2.36 This assumption is applied on the basis that the additional houses will support an increased local population. Whilst some of the houses may be occupied by existing residents that are presently in concealed households (and therefore within the local labour force already), the SM uplift is also intended to improve affordability which could help retain working-age people within the Borough.
- 2.37 The estimate of job growth associated with a local housing need figure of 1,181 dpa is set out in Table 2.9.

Table 2.9 Employment Growth in Southend – Labour Supply: Standard Method: 1,181 dpa, 2020-2038

Demographic Scenario	Jobs in 2018	Jobs in 2038	Jobs needed to meet projected population growth
2014-based SNHP	65,394	71,230	5,836
Standard Method (including uplift): 1,181dpa	65,394	75,922	10,528

Source: ONS, OBR / Lichfields analysis

- 2.38 Applying the existing and forecast share of employment jobs to total jobs in the Borough from the EEFM 2019 baseline employment forecast data (presented in Scenario 1), a total of 2,093 employment class jobs would arise from the increased population. The resulting job numbers have been translated into estimated requirements for employment floorspace by applying the same approach as the 2017 EDNA, including the employment densities used above and not applying any further allowances. Table 2.10 presents the findings.

Table 2.10 Net Employment and Floorspace Required from Labour Supply Growth – Standard Method: 1,181 dpa, 2020-2038

Use	Employment – No of Jobs	Net Floorspace Requirement (sqm)
Office	2,190	26,280
Industrial/Light Industrial	-157	-5,660
Distribution	60	4,190
Total	2,093	24,810

Source: ONS, OBR / Lichfields analysis

Net and Gross Employment Requirements

- 2.39 In a location such as Southend that is characterised by a constrained land supply, and strong development pressures from other higher value uses, there is a need to ensure a reasonable allowance that provides for some flexibility but also avoiding over-provision of land. Therefore,

⁶ Source: MHCLG (2018): Calculation of Council Tax Base October 2018

adopting the same approach as the 2017 EDNA, which utilised the ‘net’ change from the last five years as a loss allowance (in this case covering the period 2014-19), would result in a total of 74,045 sqm allowance that is considered too high to reflect the Southend’s context.

- 2.40 The appropriate level of vacancy allowance, losses and margin that should be included within the gross employment requirements is outlined below.

Vacancy

- 2.41 An allowance of 8% is added to all positive floorspace requirements to reflect a normal level of market vacancy.⁷ This is required to support the efficient operation of a ‘normal’ market, to give choice and allow for movement of firms (e.g. expansion, relocation etc) in the marketplace.

Losses

- 2.42 The net requirements identified above are translated into gross requirements to determine how much employment land needs to be provided. To arrive at this gross requirement, we need to add to the net requirement a further quantity of land that equals the expected future loss and will replace that loss.
- 2.43 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 high proportion of this space will need to be replaced. The issue here is that there is no robust or scientific 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 authority 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 may be based on a fairly broad assumption.
 - 3 Monitor the loss of employment space through regular reviews in the local plan. This would avoid the need to make assumptions about the future loss of employment space and base it on robust data. 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.
 - 4 As part of the employment evidence the Council reviews through a qualitative assessment the existing employment sites and areas, to identify those which could or should 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.
- 2.44 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. 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 it may be desirable to be kept for employment. Conversely, they also risk protecting sites which do not merit protection, because

⁷ For example, the Greater London Authority cites an industrial vacancy rate of 8% for this purpose. See Land for Industry and Transport Supplementary Planning Guidance, Greater London Authority (2012), pg 31 <https://www.london.gov.uk/file/5275/download?token=2kudYJzP>

they are no longer suitable or commercially attractive for employment and should be replaced by better sites in the interest of sustainable economic growth.

- 2.45 This is the approach that has been adopted for the purposes of this paper. The qualitative assessment of the poorly performing sites is presented in Section 4.0. This results in a potential loss of 9,587 sqm of currently occupied and designated employment space to be re-provided in Southend (**Error! Reference source not found.**).

Table 2.11 Loss Allowance in Southend-on-Sea (sqm)

Use Class	Losses Allowance (sqm)
Office E(g)(i)/E(g)(ii)	834
Manufacturing E(g)(iii)/B2	7,254
Distribution B8	1,499
Total	9,587

Source: Southend-on-Sea Borough Council / Lichfields analysis

Margin

- 2.46 Whilst no specific guidance or recommendations are provided by the PPG, an allowance that is equivalent to the average time for a site to gain planning permission and be developed, typically up to about two years, is a broadly acceptable margin that provides flexibility and enhance options of choice across the market. However there has been a loss of employment space across the monitoring period and therefore no further allowance has been applied in this case.

- 2.47 As a result, Table 2.12 and Table 2.13 show net and gross employment requirements related to the four scenarios analysed above.

Table 2.12 Net Floorspace Requirements in Southend, 2018-38

Use Class	Scenario 1 – Baseline Labour Demand	Scenario 2 – Combined Growth	Scenario 3 – Past Trends	Scenario 4 – Labour Supply (1,181 dpa)
Office E(g)(i)/E(g)(ii)	15,165	17,725	-84,360	26,280
Manufacturing E(g)(iii)/B2	-20,000	-12,310	-23,930	-5,660
Distribution B8	-8,285	-8,285	-41,685	4,190
Total Employment Requirement	-13,120	-2,870	-149,975	24,810

Table 2.13 Gross Floorspace Requirements in Southend, 2018-38

Use	Scenario 1 – Baseline Labour Demand	Scenario 2 – Combined Growth	Scenario 3 – Past Trends	Scenario 4 – Labour Supply (1,181 dpa)
Office E(g)(i)/E(g)(ii)	17,200	19,980	-83,530	29,220
Manufacturing E(g)(iii)/B2	-12,740	-5,060	-16,680	1,590
Distribution B8	-6,790	-6,790	-40,190	6,030
Total Employment Requirement	3,460	8,130	-140,390	36,840

- 2.48 The above floorspace requirements can be translated to land requirements by applying appropriate plot ratio assumptions, consistent with the 2017 EDNA. This includes:

- To calculate the land requirements both the office and manufacturing/industrial floorspace need figures have been adjusted to convert from NIA (office – 20% adjustment) and GIA

(manufacturing/industrial – 5% adjustment) to GEA which is the basis for the land conversion. Warehouse figures are already provided as GEA⁸.

- The plot ratios used by 2017 EDNA, which are adopted herein are: 1.3 for office, 0.9 for industrial and 0.4 for warehousing uses.

2.49

These assumptions related to land requirements per scenario as presented in Table 2.14 (net land requirements) and Table 2.15 (gross land requirements) below.

Table 2.14 Net Land Requirements in Southend, 2018-38 (ha)

Use	Scenario 1 – Baseline Labour Demand	Scenario 2 – Combined Growth	Scenario 3 – Past Trends	Scenario 4 – Labour Supply (1,181 dpa)
Office E(g)(i)/E(g)(ii)	1.40	1.64	-7.79	2.43
Manufacturing E(g)(iii)/B2	-2.33	-1.44	-2.79	-0.66
Distribution B8	-2.07	-2.07	-10.42	1.05
Total Employment Requirements	-3.00	-1.87	-21.00	2.81

Table 2.15 Gross Land Requirements in Southend, 2018-38 (ha)

Use	Scenario 1 – Baseline Labour Demand	Scenario 2 – Combined Growth	Scenario 3 – Past Trends	Scenario 4 – Labour Supply (1,181 dpa)
Office E(g)(i)/E(g)(ii)	1.59	1.84	-7.71	2.70
Manufacturing E(g)(iii)/B2	-1.49	-0.59	-1.95	0.19
Distribution B8	-1.70	-1.70	-10.05	1.51
Total Employment Requirements	-1.60	-0.44	-19.70	4.39

Sensitivity Testing

2.50

Given the range of potential requirements implied by these different scenarios, it is important to test how reasonable each appears against other factors. On this basis, it is useful to compare the employment growth implied by the identified net employment space requirements (Table 2.16) against historic employment growth within the Borough over the period 2001-18⁹ (Figure 2.1).

Table 2.16 Net Employment Growth across all Scenarios in Southend, 2018-38 (jobs)

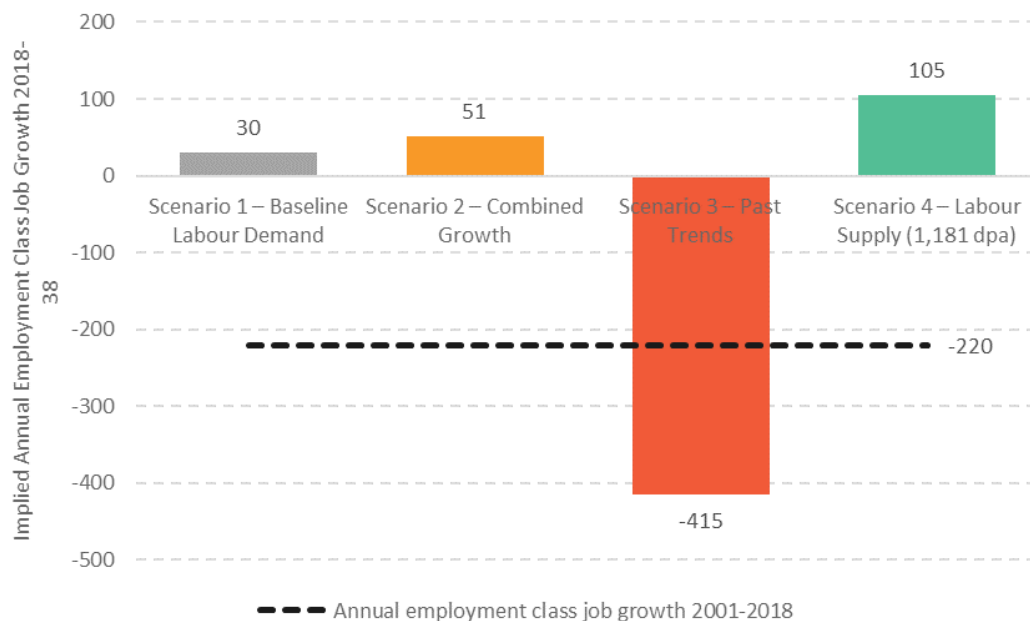
Use	Scenario 1 – Baseline Labour Demand	Scenario 2 – Combined Growth	Scenario 3 – Past Trends	Scenario 4 – Labour Supply (1,181 dpa)
Office E(g)(i)/E(g)(ii)	1,264	1,477	-7,030	2,190
Manufacturing E(g)(iii)/B2	-555	-342	-665	-157
Distribution B8	-118	-118	-596	60
Total Employment Jobs	590	1,017	-8,290	2,093
Annual Employment Jobs	30	51	-415	105

Source: EEFM 2019, GVA, Southend-on-Sea Borough, ONS, OBR / Lichfields analysis

⁸ 2017 EDNA, paragraph 8.45, p176

⁹ Longest available historic period in EEFM 2019

Figure 2.1 Net Annual Employment Growth Implied by Scenarios (jobs)



Source: Lichfields analysis

- 2.51 The lowest requirement is based on the past trend scenario, which implies a decrease of 415 employment jobs per annum during the period to 2038, across all employment use classes. The highest estimate is based on the labour supply scenario, which implies an increase of approximately 105 employment jobs per year during the plan period.
- 2.52 This compares with an average annual decrease of about 220 employment jobs within Southend between 2001 and 2018 (according to EEFM 2019 data). This means that all scenarios, except for past trends, estimate higher employment growth than historic levels.

Qualitative factors and market intelligence

- 2.53 It is important to take into account qualitative factors alongside quantitative forecasts when considering planning requirements. These include having regard to:
- The quality, functionality and attractiveness of the existing stock;
 - The locational requirements of different occupiers;
 - The condition of the current supporting infrastructure including parking and road network;
 - Views on the performance of individual employment areas;
 - Market trends, signals and intelligence; and
 - Latent demand that might exist due to constrained supply.
- 2.54 These factors are explored further below based on consultation undertaken with a range of commercial property agents and developers active in the Southend area (see **Error! Reference source not found.**).

Office market

- 2.55 Southend's office market is perceived as being relatively weak with limited levels of demand and take-up in recent years. The market is mainly localised, with most demand arising from local SMEs or self-employed people. Notwithstanding a significant proportion of stock being

converted or redeveloped for other uses in recent years, the existing office stock is still predominantly old and in poor condition with limited attractiveness for potential occupiers. The average office rental level in Southend is up to £10 per sqft, but high-quality, new space would likely be higher than this at around £21 per sqft, but might still not be viable given increased construction costs currently and in the context of uncertain demand to support pre-lets.

- 2.56 Demand for large office space has not been evident within Southend's market at least across the last five years, with some minor exceptions of local businesses that have seen growth and required upsizing. The market feedback points to no real demand for larger office space, and this constrains the potential for investment to upgrade and modernise the remaining stock or to speculatively build modern, higher specification space. In addition, agents suggested that issues such as the congested local road network across Southend, combined with the relatively poor public realm in some employment areas, impact further on the attractiveness of these locations for office investment.
- 2.57 However, there has been increasing demand for small and flexible office space (even before the pandemic). Agents reported that the office market is now orientating towards new, more flexible office accommodation, as seen in other parts of the country. This includes office hubs and centres with an adjustable layout that can accommodate separate private, semi-private and open space desks, meeting rooms and communal space. Apart from access to efficient broadband, a key requirement is flexibility in leasing terms and affordability in rental costs. The 'Hive' in Southend town centre (in Victoria Avenue, adjacent to Southend Victoria station) was cited as a good example of such a product.
- 2.58 Freelancers and start-up businesses from a variety of sectors that used to work from home are those driving the demand for such a product. There is also potential demand arising from employees working currently from home due to the pandemic seeking options of working in a local office environment. The pandemic has led to some suggestion that regional office hubs outside of London could emerge, that provide a local base for employees to co-work with their colleagues without the need for daily commuting into central London. If this trend starts to gain traction, agents considered that Southend could have potential to tap into this market. It was suggested potential could exist to refurbish vacant high street shops with a cafeteria or restaurant frontage and rear or upper floors as office space to cater for this demand.

Industrial and warehousing market

- 2.59 Demand for industrial space in Southend is much stronger compared to offices and comes from a wide range of industrial sectors. Agents reported an increasing demand across all size bands with particular emphasis on the localised demand for smaller industrial premises of up to 10,000 sqft (up to c. 1,000 sqm) derived from a variety of sectors including warehousing and small logistics businesses, small manufacturers and engineering firms, construction businesses, online retailers and trade/contractor businesses (i.e. electricians, plumbers etc).
- 2.60 Development of new industrial space in Southend has been very limited for the last twenty years, with much of the Borough's existing stock being dated and now in need of refurbishment. These low levels of development activity coupled with the shortage of availability means that existing firms within Southend struggle to accommodate any expansion plans in the Borough. This is particularly relevant to those with medium to large spatial requirements. In addition, limited availability of industrial supply locally makes it difficult to encourage new businesses to relocate in the Borough.
- 2.61 There was consistent feedback that speculative industrial development, particularly around 3,000 sqft to 10,000 sqft, is viable based on current demand even though employment land costs are increasing due to supply constraints and the construction costs currently being raised.

- 2.62 Rental values for second-hand space, which relates to most of the existing stock, are around £6.5 per sqft with variations (from £4.5 to £10 per sqft) based on the location, the size and the age of the premises. However even the higher end of the price range is more competitive in terms of affordability compared to the rest of the sub-regional industrial market.
- 2.63 The market feedback suggested very limited demand currently for medium to large warehouses (i.e. 75,000 sqft and over) due to the Borough's location and the supporting road infrastructure that is congested. Southend Airport has some air cargo activity and has recently attracted international interest for commercial investment in proximity to the airport, but there is currently no significant logistics space demand associated with this. On the other hand, 'last mile' and smaller scale warehouses of up to 10,000 sqft are in some demand in the greater urban area of Southend.
- 2.64 Looking ahead, agents expect the Airport Business Park could have a significant role in the commercial market of Southend, although the majority of the land falls within Rochford's administrative area. This emerging industrial supply at this site could accommodate much of the need for larger premises locally and sub-regionally.
- 2.65 Industries including aviation, logistics and their supply chains, together with manufacturing, high technologies and life science engineering and research are key sectors that are expected to grow further in Southend and the sub-region in general. This is evident through the recent enquiries for the Airport Business Park.
- 2.66 The Airport Business Park will effectively provide the only source of higher specification, modern commercial space to serve Southend. This contrasts with the existing employment space in the area, and has significantly higher rental values compared to the older, secondary space that dominate much of the rest of the local industrial market. Freehold industrial premises are particularly in demand across Southend. Rents for second-hand stock could reach up to £80 per sqft currently while new stock is expected to reach up to £165 per sqft. However, these price levels are still below those in other industrial markets sub-regionally such as Basildon where values are up to £200 per sqft for modern stock.
- 2.67 Demand also exists for small, flexible and hybrid industrial/warehousing space for SMEs, and which is currently increasing associated with online retail. In addition, SMEs in sectors such as creative industries, high tech technologies and research and development have also increased demand for this type of space.
- 2.68 The Seedbed Business Centre in Vanguard Way, Shoebury is cited as a successful example of such an offer which is reported to have a significant waiting list. The centre offers over 40 small business units of up to 2000sqft (190 sqm) with flexible leasehold arrangements. Other services include broadband, parking, gated facilities with security and reception/administration service for the occupiers. Agents indicated that levels of demand justify the viability of small, flexible and hybrid speculative schemes in Southend.

Conclusions

- 2.69 In interpreting the outputs of this section, regard should be had to guidance from the PPG, which states that local authorities should develop an understanding of the future economic needs of their area based on a range of data and forecasts of quantitative and qualitative requirements. In this respect, planning for growth should avoid relying upon using single sources of data or forecasts which tend to rely on a number of different variables that are inevitably subject to change.
- 2.70 It is also important to recognise that there are inevitably uncertainties and limitations related to modelling assumptions under any of the future scenarios of growth considered in this study. For

example, there are some inherent limitations to the use of local level economic projections, particularly within the context of significant economic uncertainty at both macro and local level. Employment forecasts are regularly updated, and the resulting employment outputs will change over the plan period for Southend.

- 2.71 This assessment considers four different scenarios of future employment space requirements in Southend based on approaches that reflect forecast economic growth, past development patterns, and potential housing supply factors. The overall gross employment floorspace requirements related to these different scenarios range from **-140,390 sqm to 36,840 sqm** during the period 2018-2038, which implies in broad terms **between a surplus of 19.70 ha and a need for 4.39 ha** of employment land.
- 2.72 The labour demand scenarios present a more moderate growth position compared to labour supply scenario that are driven by the local housing need figures. Scenarios 1 and 2 based around the EEFM 2019 generally reflect recent macro-economic and demographic data, albeit they precede the COVID-19 pandemic and the resulting period of national recession.
- 2.73 The past trends scenario has limitations, as it is influenced by Southend's land constraints but also the widespread losses of employment space that have occurred in recent years, notably for offices. In addition, the monitoring data of Southend does not include the development activity in the Airport Business Park area, which constitutes almost the entire recent commercial activity across the market and will, effectively, be a significant element of future employment space supply for the Southend industrial market. As such, this scenario does not appear to be a representative projection of the future requirements in Southend. Moreover, preparing policy based on a negative growth requirement is not in line to NPPF requirement to plan positively for growth.
- 2.74 The qualitative analysis in this section based on market feedback provides an important perspective on how the quantitative scenarios should be interpreted. Although the labour demand forecast suggests a further reduction in the industrial space, the industrial and warehousing market remains strong in Southend and there is demand for space driven by indigenous business activity.
- 2.75 The combined gross employment requirements for manufacturing and distribution, excluding the past trends scenario (Scenario 3), vary between -19,530 sqm under Scenario 1 to 7,620 sqm under Scenario 4. Based on the analysis and the market feedback, it is considered that the upper end of this range better reflects the requirements for the Plan period, which is expected to be even higher.
- 2.76 With regards to gross office employment requirements, there is a range (once Scenario 3 is excluded) from 17,200 sqm under Scenario 1 to 29,220 sqm under Scenario 4. However, the commercial market has not reported any particular office activity in recent years and the market is characterised overall as being currently fairly weak. It should be highlighted, however, that the forecast relates to longer term growth rather than the current market dynamics that are just a snapshot in time, and there are sectors such as creative industries which Southend is seeking to support and grow. In this context, the lower end of the above range reflects better the office planning requirements.

3.0 Demand/Supply Balance

- 3.1 This section draws together the forecasts of future employment land needs in Section 2.0 and estimates of land available on the Borough's existing and allocated employment sites to identify any need for more provision of employment space, or surpluses of it, in quantitative terms.

Quantitative Balance

- 3.2 The previous section identified a need for employment space between -140,390 sqm to 36,840 sqm of employment space up to 2038. The land requirements associated with these amounts of employment floorspace were estimated at between -19.7 ha and 4.39 ha.

Emerging Supply

- 3.3 The emerging supply of employment space in the Borough comprises sites potential for allocation for employment development considered by the [2018 HELAA](#) (i.e. Table 28, p 101) and the 2020 HELAA (emerging), extant planning permission (as at April 2019) for employment floorspace (including non-commenced prior approvals from office to residential) and intensification of existing employment areas where capacities have been assessed within the above HELAA report. Appendix 3 presents the sites¹⁰ that comprise the emerging supply position, together with their associated employment capacities.
- 3.4 Shoebury Garrison Phase 2 where there is extant permission for the development of 14,130 sqm of office space (15/02053/OUTM decided in April 2016) has not been included within the emerging supply. The main reason is that this permission will soon expire, and a reserved matters application has not yet been submitted. In addition, since April 2016 there have been various application submissions for the site including a pending decision (since 2018) for the erection of nine commercial units with ancillary trade counter (Use Class B1/B8), one retail unit (Use Class A1) and one unit (Use Class Sui Generis) for use as Vets (18/01975/FUL), together with a more recent submitted application (in July 2020) with pending decision for the erection of 250 dwellings and a health centre (20/01227/OUTM). There is also a recent decision for the north part of the site (i.e. opposite Phase 1) with permission granted for the development of a retail store (i.e. Aldi) (19/00834/FULM). This planning activity suggests that there is limited prospect of the site providing significant new office floorspace in line with the original outline consent.
- 3.5 The Airport Business Park could provide a total supply of over 81,000 sqm.¹¹ Southend-on-Sea Borough Council (in a joint venture with Henry Boot Developments) is the applicant of the Airport Business Park, with the site is located outside the Borough boundary within the Rochford administrative area. Although not within Southend, half of this strategic employment site (i.e. 40,600 sqm) will accommodate the employment needs of Southend, in particular those requirements relating to large size units that cannot currently be accommodated within the Borough itself due to land constraints. This assumption is set out within the [London Southend Airport & Environs Joint Area Action Plan](#) (see paragraphs **Error! Reference source not found.** to **Error! Reference source not found.**).
- 3.6 Based on this data, Table 3.1 summarises the emerging employment supply position. For the purposes of this assessment, the demand/supply balance position is considered under two supply scenarios, namely Supply Position 1 that excludes the provision of the Airport Business

¹⁰ with an employment net impact of 500 sqm and above

¹¹ 17,500sqm of B1 use class and 4,800sqm of hotel floorspace (phase 1) together with 3,700sqm of innovation centre and 60,000 sqm of industrial/warehousing (phase 2), available at <https://www.southeastlepp.com/app/uploads/2018/07/Southend-Airport-Business-Park-Phase-2-Full-Business-Case.pdf>

Park and totals -9,770 sqm and Supply Position 2 that includes the Airport Business Park contribution to Southend's supply (i.e. 50% of the site's capacity) and totals 30,830 sqm.

Table 3.1 Emerging Supply in Southend

Source of Supply	Office (sqm)	Industrial (sqm)	Distribution (sqm)	Total (sqm)
Extant Permissions*	-29,820	-3,060	220	-32,660
Allocations	10,000	-	-	10,000
Intensification	9,930	1,330	1,630	12,890
Supply Position 1	-9,900	-1,720	1,850	-9,770
Airport Business Park, 50% Provision (Outline Permission/JAAP)	10,600	30,000		40,600
Supply Position 2**	700	30,130		30,830

*excludes Shoebury Garrison Phase 2 – See Appendix 1 and paragraph 3.4 **Error! Reference source not found.**

** includes 50% of Airport Business Park's provision – see paragraph 3.5

Source: Southend Council, 2018 HELAA (Table 28, p101), 2020 HELAA, [Southend Business Park Business Case 2018](#) and [Airport Business Park Brochure](#) – Lichfields analysis (Rounded figures)

3.7 Reviewing in detail the emerging supply position, there are 14 extant permissions of which six relate to extant prior approvals resulting in a potential loss of 27,450 sqm of office space. For the purposes of the assessment these have been factored into the emerging supply position, but consideration should be taken on how these impact the spatial distribution of supply as the majority of these prior approvals are in central locations within Southend.

3.8 Table 3.2 provides a comparison of estimated demand for employment space against the identified supply in quantitative terms. This implies that there would not be sufficient space to accommodate the labour demand and supply scenarios against the employment supply position 1 which excludes the provision at the Airport Business Park. If the Airport Business Park is included, then there would be sufficient supply against all the scenarios, apart from Scenario 4 (labour demand). This underlines how critical the Business Park is to Southend's future employment land supply.

Table 3.2 Demand/ Supply balance of employment floorspace to 2038 by Scenario (sqm)

	Scenario 1 – Baseline Labour Demand	Scenario 2 – Combined Growth	Scenario 3 – Past Trends	Scenario 4 – Labour Supply (1,181 dpa)
Gross requirements for employment space	3,460	8,130	-140,390	36,840
Supply Position 1	-9,770			
Surplus (+)/Shortfall (-) 1	-13,220	-17,900	130,620	-46,610
Supply Position 2	30,830			
Surplus (+)/Shortfall (-) 2	27,370	22,700	171,220	-6,010

Source: Lichfields analysis

3.9 Table 3.3 and Table 3.4 present in quantitative terms how the demand and supply balance is distributed by office and industrial/distribution uses.

Table 3.3 Demand/ Supply balance of office floorspace to 2038 by Scenario (sqm)

	Scenario 1 – Baseline Labour Demand	Scenario 2 – Combined Growth	Scenario 3 – Past Trends	Scenario 4 – Labour Supply (1,181 dpa)
Office requirements	17,200	19,980	-83,530	29,220
Supply Position 1	-9,900			
Office Surplus (+)/Shortfall (-) 1	-27,100	-29,870	73,640	-39,110
Supply Position 2	700			

Office Surplus (+)/Shortfall (-) 2	-16,500	-19,280	84,230	-28,520
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Source: Lichfields analysis

Table 3.4 Demand/ Supply Balance of industrial and distribution floorspace to 2038 by Scenario (sqm)

	Scenario 1 – Baseline Labour Demand	Scenario 2 – Combined Growth	Scenario 3 – Past Trends	Scenario 4 – Labour Supply (1,181 dpa)
Industrial and distribution requirements	-19,530	-11,850	-56,870	7,620
Supply Position 1	130			
Industrial and Distribution Surplus (+)/Shortfall (-) 1	19,660	11,980	57,000	-7,490
Supply Position 2	30,130			
Industrial and Distribution Surplus (+)/Shortfall (-) 2	49,660	41,980	87,000	22,510

Source: Lichfields analysis

- 3.10 The demand/supply balance of different employment uses indicates that:
- Office: there would not be sufficient supply available, purely in quantitative terms, to meet office requirements arising from all scenarios apart from the past trends scenario.
 - Industrial and distribution: a surplus of supply is identified for industrial and distribution uses under all comparisons, apart from Scenario 4 against Supply Position 1.
- 3.11 This demand/supply balance analysis assumes that all outstanding planning permissions and identified potential intensification opportunities will come forward in full during the plan period. Any deviation from this assumption could potentially have an effect on the balance of space within Southend up to 2038.

Conclusions

- 3.12 According to the PPG¹², the analysis of the supply and demand position is intended to allow policy makers to identify whether there is a mismatch between quantitative and qualitative supply of and demand for employment sites. This enables an understanding of which market segments are over-supplied to be derived and those which are undersupplied.
- 3.13 As analysed above, the emerging supply position totals -9,770 sqm within the Borough's administrative area. However, some of the capacity in the Airport Business Park effectively forms part of the emerging supply as set out in the adopted Joint Area Action Plan. Therefore, the emerging employment supply position could be up to 30,830 sqm. Compared to an office demand of 17,200 sqm (scenario 1) and an industrial/distribution demand of 7,620 sqm (scenario 4), there would be sufficient supply resulting to over 6,000 sqm surplus.
- 3.14 It should be highlighted that a supply position that concentrates the majority of floorspace at one site does present risks if that site were to be delayed or fail to be delivered, and gives less choice to the market to meet different sector or location needs of businesses. The Council should aim to maintain a broad portfolio of better-performing sites that have a geographical coverage to therefore seek to maintain diversity and choice of sites where possible. In addition, the commercial market feedback highlighted the difference in values between new and second-hand stock, which suggests diversity of stock will be helpful in meeting a range of business needs.

¹² Paragraph: 029 Reference ID: 2a-02920190220

4.0 Review of Specific Sites

- 4.1 This section presents the findings of a detailed assessment of the employment sites that have been identified as poorly performing by previous employment evidence (see Section 1.0).
- 4.2 These include sites identified by the 2017 EDNA for a ‘monitor and manage’ approach, namely Terminal Close, Grainger Road and Prince Close. The 2018 HELAA (Part 2: Employment) further identifies that Shoebury Garrison (Phase 1) has seen piecemeal loss to residential, and further recommends this is added as a site for ‘monitor and manage’. In addition, the emerging Settlement Study considers three more sites for potential redevelopment, including Vanguard Way, Towerfield and Campfield Road in Shoeburyness. Finally, recent developments within the former Prittle Brook Industrial Site necessitates the site to be assessed also for potential release.

Assessment Approach

- 4.3 The approach to undertaking this detailed employment land assessment considers the characteristics and quality of the sites and their suitability to meet future needs based on the following:
- (1) **Review of existing evidence:** the existing evidence that has been used to identify the site as requiring further assessment.
 - (2) **Site visits:** Southend-on-Sea Borough Council undertook site visits in August 2020¹³ to record existing land uses of each unit, the occupiers, vacancy rates, age and quality of buildings, on-site amenities and neighbouring uses and environment. For the purposes of calculating the total number of premises falling in a ‘B’ Use Class (including former B1 Use Class), all vacant premises were assumed to be a conforming ‘B’ Use Class.
 - (3) **Desk-based analysis:**
 - (a) By using GIS, the site boundary was defined and the building footprint of each premises was measured based on Ordnance Survey data. This calculation does not reflect total employment floorspace, i.e. it does not consider the number of floors, but instead provides a broad estimate of the footprint of built development.
 - (b) Review of wider site constraints and opportunities, including the strategic and local road and rail networks, other employment areas, neighbouring uses, public transport, cycling network and walking routes.
 - (c) Collation of information on business occupiers (as recorded by the site visits and supplementary resources such as Council’s data) mapped to employment use classes and business sectors.
 - (d) Analysis of building/site typologies (e.g. light industrial workshops/studio space, small, medium, large industrial, bespoke industrial), number of storeys, existing plot ratios (estimation), densities and employment capacities (estimation) as appropriate.
 - (4) **Qualitative assessment:** Consultation with stakeholders to understand any site-specific strengths and weaknesses where known.

Site Assessments

- 4.4 The following sections present the findings of the individual site assessments.
-

¹³ There will be discrepancies between this 2020 survey and the 2017 and 2013 surveys, where units have been sub-divided; demolished or new units have been created.

Campfield Road

- 4.5 Campfield Road is a 6.13 ha employment area located in Shoeburyness Cluster. The estate consists of three large premises located next to Towerfield Road Industrial Estate. Each building is within employment use (mainly B2 with ancillary storage) with a combined footprint of approximately 29,000 sqm.

Figure 4.1 Camfield Road



Source: Southend-on-Sea Borough Council

- 4.6 The buildings and premises are of good quality in general. The individual businesses are enclosed and gated and there is no public access. Table 4.1 lists the occupiers of the site together with their associated footprints and Table 4.2 presents the employment footprint calculations.

Table 4.1 Occupiers footprint – August 2020

Occupier	Footprint (sqm)
EDM Information Solutions	7,810
EGL Homecare	12,360
Cumberland Packaging	8,955

Source: Southend-on-Sea Borough Council

Table 4.2 Employment footprint – August 2020

Total Footprint	29,125 sqm	100%
Employment Footprint	29,125 sqm	100%
Vacant Footprint	-	0%
Employment Footprint - Occupied	29,125 sqm	100%

Source: Southend-on-Sea Borough Council

- 4.7 The private nature of the premises, all being freehold, leaves no immediate opportunity for occupation by other business besides those currently located on site. This also restricts any potential intensification of the employment area.
- 4.8 Policy KP1 of the Core Strategy considers Shoeburyness as an area where appropriate regeneration and growth will be focused, including the regeneration of existing industrial estates for continued employment use.
- 4.9 The 2018 HELAA Part 2 states that, given the location and limitations in terms of transport infrastructure, the employment sites are not ideally located for many of the warehouse/

distribution uses that are currently located within them. However, the comparatively low land costs could continue to encourage successful employment use. The site appears to function adequately and to meet the needs of its occupiers. The HELAA concludes that Campfield Road is considered appropriate for the employment activity it accommodates and should be protected as such. It is recommended that the site should continue being designated as 'protect and maintain'.

Grainger Road Industrial Estate

- 4.10 The site is located at Sutton Road adjacent to the west of Greyhound retail park, bounded by residential uses to the north and south and the Short Street employment area to the east. The total area of the site is 2.76 ha. The site is within 300 metres distance from Southend Victoria train station.
- 4.11 The site's condition is very poor with a mix of old brick-built one- and two-storey units, with the exception of Travis Perkins premises in Greyhound Way that are more modern. The combined premises footprint is approximately 13,280 sqm. There is a total of 46 units within the site with 40 premises (87% - including vacant) being of employment uses and mainly Class B2. In particular, 21 units are currently occupied for employment (excluding vacant units), representing 50% of the estimated total premises footprint. There is a high percentage of vacant premises with 20 units (43%) being currently vacant, representing 37% of the estimated total business footprint.
- 4.12 The poor quality of the old stock and the lack of attractiveness for investment has led to these units remaining vacant. The site is underutilised and combined with its poor environment, it has attracted antisocial behaviour and the area has limited sense of safety. This encourages the remaining businesses to seek options for moving out and will result in a further deterioration of the area. Indeed, local agents report increasing enquiries from the site's occupiers to relocate outside of this employment area in recent years.
- 4.13 Figure 4.2 overleaf provides an illustration of the site's area accompanied by recent buildings' photographs.

Figure 4.2 Grainger Road Industrial Estate



Source: Southend-on-Sea Borough Council

4.14

Table 4.3 shows the occupiers and the premises footprint in Grainger Road Industrial Estate. These include businesses in a variety of sectors including distribution, auto repairs, engineering and utilities, auto hiring, printing and postage and various retailers.

Table 4.3 Occupiers footprint – August 2020

Occupiers	Footprint (sqm)	Occupiers	Footprint (sqm)
Southend Furniture Warehouse	404	Bees Knees Marquees	29
Southend Country Store	170	Bees Knees Marquees	143
3d Filaprint	73	Bees Knees Marquees	296
Travis Perkins	1,283	Nicholson's Raw Animal Foods	576
Hamstel Auto Repairs	192	Nicholson's Raw Animal Foods	286
Seal Glaze Sprays Body Specialists	456	Southend Combat Academy	466
TK Autofinishers	92	The Grange Social Club	401
County Car Sprays	329	SAS Gym	293
Bush Welding & Engineering	110	Myles Hire	53
Hockley Enterprises	476	Myles Hire	786
Hockley Enterprises	307	Myles Hire	98
Unknown	316	K9 Aquacare	117
Postage Solutions Packaging	173	Vacant Units x 20	4,966
L&P Automotive	386		

Source: Southend-on-Sea Borough Council

4.15

Table 4.4 summarises the employment footprint provided across the site. Occupied employment floorspace represents 50% of the site, with 37% being vacant and the rest occupied by non-employment uses.

Table 4.4 Employment footprint – August 2020

Total Footprint	13,280 sqm	100%
Employment Footprint	11,172 sqm	84%
Vacant Footprint	4,966 sqm	37%
Employment Footprint - Occupied	6,630 sqm	50%

Source: Southend-on-Sea Borough Council

- 4.16 The 2018 HELAA, stated that the employment area has poor quality stock which requires improvement. The general condition of the site seems to have deteriorated further since with an increase of 18% in the vacancy rates compared to 2018 HELAA where 17 units were vacant.
- 4.17 The site is constrained by the adjacent residential and retail uses, and the poor road network that services the site with limited access for heavy vehicles combined with limited circulation and parking space. All these characteristics limit the current employment offer and the site's attractiveness for business investment. The South Essex EDNA (2017) concluded that due to these factors this site is unlikely to be appropriate for new business occupiers.
- 4.18 The site was suggested in the 2018 HELAA to be designated as 'monitor and manage' with potential for mixed-use redevelopment to provide a better relationship with surrounding residential uses. This designation related to sites which were identified as being of poor quality and/or not functioning adequately as employment sites. The designation was based on the following parameters: poor stock condition, lack of investment, non-employment uses evident on site, location in areas with poor accessibility and amenity levels, and/or location in a context that does not support employment activity. It was suggested that the sites in this category should be kept under review over time and decisions on their future employment role be taken as and when they begin to experience significant vacancies and dilapidations.
- 4.19 The site falls within the [Southend Central Area Action Plan](#) (2018) policy PA9 that supports to maintain the area for employment uses in line with the Development Management Policy DM11 for Employment Areas (adopted Local Plan).
- 4.20 However, the site is not currently functioning adequately as an employment site, having high vacancy rates, which have further increased over the last three years, and poor stock condition that does not support reoccupation. The site will need significant investment to retain existing and attract any future business occupiers. Local estate agents suggested that any refurbishment of the current stock would not be viable and there is no demand to justify it. The agents also reported that the only enquires received recently about this site relate to occupiers seeking to move out from the area. Taking these factors together, it is considered that this site justifies release to other uses as part of a comprehensive approach to redevelopment.

Prince Close

- 4.21 Prince Close is a small employment area of 0.9 ha located directly off the A127 near Thanet Grange. The employment area is located adjacent to a large food store (Tesco Extra) to the west and residential dwellings to the south and east. Located to the north of the employment area is a fenced vacant plot with a portacabin on site for JSPEC Roofing Technology.

Figure 4.3 Prince Close



Source: Southend-on-Sea Borough Council

- 4.22 The large factory building to the east is vacant and has recently granted planning permission for residential dwellings. The loss of the large factory building to residential uses will leave the Marden Homes offices as the only B Class use on site, representing an employment footprint of just 6%. This remaining employment facility relates to two units adjacent to residential premises to the south.

Table 4.5 Occupiers footprint – August 2020

Occupier	Footprint (sqm)	Occupier	Footprint (sqm)
Marden Homes Ltd	126	Bleeding Ear Music Studios	268
Marden Homes Ltd	29	Vacant Units x2	1,992
SPT Fitness	247		

Source: Southend-on-Sea Borough Council

Table 4.6 Employment footprint – August 2020

Total Footprint	2,662 sqm	100%
Employment Footprint	2,147 sqm	81%
Vacant Footprint	1,992 sqm	75%
Employment Footprint - Occupied	155 sqm	6%

Source: Southend-on-Sea Borough Council

- 4.23 It is clear that the size and the functionality of this employment area has significantly decreased. The poor quality of the stock, the restricted road access passing through residential areas in combination to the surrounding residential properties all impact the attractiveness of the site's potential for employment development.

- 4.24 The site has attracted some other community uses including gym and music studios (within former Class D2), due to comparatively low rents. In addition, there has been the recent granting of permission for redevelopment to 12 flats and 8 houses (19/01924/FULM and 19/00086/FULM).
- 4.25 The 2018 HELAA recommended that the boundary of the estate be amended to remove the area of open space to the north, particularly if this is further considered as a housing opportunity site. The HELAA suggested that the Council monitor the occupation of the site and consider its potential for release unless there is a continued requirement for industrial uses and the retention of the existing occupiers.
- 4.26 The site performs poorly in terms of employment uses and its context and access means it is unlikely to be attractive for future employment development. It is therefore recommended that the site is released from its employment designation.

Prittle Brook Industrial Estate

- 4.27 Prittle Brook Industrial Estate was part of a former employment area, namely Stock Road (P4e). A planning permission was granted in 2015 (14/00943/FULM) to develop 230 residential units, 3,900 sqm of hospice facility (Class C2) and 5,600 sqm of office floorspace (Former Class B1a). The proposed office development (office park) included two buildings of 4 floors each to be located at the south east edge of the site.

Figure 4.4 Prittle Brook Industrial Estate



Source: Imagery@2020 Google, Imagery@2020 Getmapping plc, Infoterra Ltd & Bluesky, Maxar Technologies, The GeoInformation group, Map data @2020

- 4.28 The residential development is nearing completion. The office park originally proposed, called Ekco Business Centre, will not come forward. The office site had been advertised since 2016 as a [Design and Build](#) opportunity. However, a new Aldi supermarket opened in September 2020 within the area where the Ekco Business Park was proposed to be located.
- 4.29 On this basis, the site should now be excluded from the Stock Road employment area boundary.

Shoebury Garrison (Phase 1)

- 4.30 Shoebury Garrison is a small site of 0.94ha. The wider area was identified in the 2007 Core Strategy as a priority urban area where appropriate regeneration and growth will be supported.
- 4.31 However, since the construction of the first three office buildings on this site, the area has attracted residential investment. The middle building was converted into residential after being vacant for a significant period and the western building (Unit 4) is currently in retail use (as a Sainsbury's Local), with only the eastern building being in office use occupied by Onecom and Pier Insurance. The land parcel to the west (previously permitted for offices) remains vacant and has recently been granted permission for five dwellings and the land parcel to the east, which is also vacant, has an extant and a pending permission, each for four residential units.

Figure 4.5 Shoebury Garrison



Source: Southend-on-Sea Borough Council

- 4.32 The Shoebury Garrison employment area has seen a significant loss of office to residential uses in recent years and this trend will continue with further permissions for residential having been granted. Only one of the buildings with a footprint of 436 sqm, representing 4.6% of the site's area, is currently in employment use.

Table 4.7 Occupiers footprint – August 2020

Occupier	Footprint (sqm)
Sainsbury's	267
Onecom	218
Pier Insurance	218

Source: Southend-on-Sea Borough Council

Table 4.8 Employment footprint – August 2020

Total Footprint (developed)	703 sqm	100%
Employment Footprint	436 sqm	62%
Vacant Footprint	-	-
Employment Footprint - Occupied	436 sqm	62%

Source: Southend-on-Sea Borough Council

- 4.33 The 2018 HELAA suggested that the site should be released, and the remaining employment uses should continue to be protected through existing employment policies.

- 4.34 The site has been gradually seen conversion and development for residential and will continue with the development of more residential units in the edges of the site. In addition, an Aldi foodstore will be erected to the west of the site (north parts of the Garrison Phase 2) and a planning application for the erection of 214 new homes and some community and retail uses has been submitted for the remainder of the Phase 2.
- 4.35 All these suggest that the site now serves limited function for employment uses. Accordingly, it is recommended that the area is released from employment and promoted for a residential-led mixed use development safeguarding the existing employment uses.

Terminal Close

- 4.36 Terminal Close is a 1.49 ha employment site located in Shoeburyness, directly north of the train station. The site is adjacent to the rail line at the south and surrounded by residential uses. The road access is very limited through Shoebury Avenue with no access through the High Street.

Figure 4.6 Terminal Close



Source: Southend-on-Sea Borough Council

- 4.37 The site includes 15 premises with a combined footprint of 4,560 sqm. Only six of the units are currently in employment use, with two units occupied by a dance studio and seven units are currently vacant. Since 2018 HELAA, vacancy rates have increased by 21% as only three units were vacant in 2017.

Table 4.9 Occupiers footprint – August 2020

Occupier	Footprint (sqm)	Occupier	Footprint (sqm)
Estuary Automation Ltd	317	Unknown, no signage	455
Ballantyne Edwards	341	Essex Stars Dance Studio	382
World Range	498	Essex Stars Dance Studio	416
The Garage	316	Vacant Units x 7	1,661
Shoebury Confectionery Ltd	171		

Source: Southend-on-Sea Borough Council

- 4.38 As a result, the remaining occupied employment space relates to 46% of the overall footprint (Table 4.10).

Table 4.10 Employment footprint – August 2020

Total Footprint	5,557 sqm	100%
Employment Footprint	3,759 sqm	82%
Vacant Footprint	1,661 sqm	36%
Employment Footprint - Occupied	2,098 sqm	46%

Source: Southend-on-Sea Borough Council

- 4.39 The overall condition of the buildings in Terminal Close is characterised as being poor. In addition, there is restricted access for large vehicles and limited yard and circulation space.
- 4.40 The 2018 HELAA suggested that the site could be redeveloped for an employment led mixed-use scheme, to provide modern good quality small scale provision in the centre of Old Shoebury. It was considered that a mixed-use proposal, whilst resulting in a loss of employment land would enable similar levels of employment due to the increased job density. The site's proximity to the railway station could provide a better relationship with residential properties to the north. The HELAA concluded that the Council should continue to monitor the occupancy rates of the estate and if appropriate consider for potential mixed-use provision in the future. Limited enquiries for the site generally related to non-employment uses have been reported by local agents.
- 4.41 The site is currently underutilised with half of the site being vacant and will require significant investment that is unviable currently. The employment uses now occupy less than half of the site capacity, while other uses have moved onto the site due to its location and comparatively low rents. Based on this analysis, it seems unlikely the site will play a long-term employment role and therefore it is recommended that the site be released.
- Towerfield Road**
- 4.42 Towerfield Road is an employment area of 7.25 ha located in Shoeburyness, directly south of the rail depot. The area is adjacent to Campfield Road Industrial Estate to the south and bounded by residential premises to the west.
- 4.43 There are 62 units in both modern and older post-war buildings. There are currently six vacant units (10%) representing 5% of the estimated combined footprint, which totals approximately 28,000 sqm. A total of 59 premises (including vacant units), representing 97% of the combined footprint, relate to employment uses, with only three premises occupied by non-employment and particularly leisure uses.

Figure 4.7 Towerfield Road



Source: Southend-on-Sea Borough Council

Table 4.11 Large Occupiers footprint – August 2020

Large Occupier	Footprint (sqm)	Large Occupier	Footprint (sqm)
EGL Homecare	1,391	Towerfield Plating (2 units)	1,281
Sovereign Timber	1,193	Advanced Protective Packaging Ltd	1,084
EWO Media	2,110	Microtech EDM Ltd	745
RPK Print Services Ltd	1,188	Secure Box Services	876
Three Way Paint Finishers	1,031	La Riche Beauty Supply Store (2 units)	1,169
Mulberry & Pier Protective Coatings Ltd	832	Three Way Precision Sheet Metal Ltd	831
Fabricators World	865	Ipeco Holdings	600
Herve Engineering Ltd	830	Vacant Units x 6	1,189

Source: Southend-on-Sea Borough Council

4.44

There is limited scope for intensification, as any available land on-site is mainly used for open storage, parking and circulation. The low vacancy rates in combination to the site's context and characteristics indicates that this is a well-established employment location that should continue be protected. The 2018 HELAA concluded that the site is considered appropriate for the employment activities that accommodates and it is recommended that it should be protected and maintained as such.

Table 4.12 Employment footprint – August 2020

Total Footprint	28,015sqm	100%
Employment Footprint	27,313 sqm	97%
Vacant Footprint	1,436 sqm	5%
Employment Footprint - Occupied	25,877 sqm	92%

Source: Southend-on-Sea Borough Council

4.45

Discussions with local agents confirmed the strong levels of commercial activity and the well-established employment role of the site. However, agents suggest that the stock is relatively dated and would require modernisation over time.

- 4.46 Based on this evidence, the site should continue being designated as a ‘protect and maintain’ employment area.

Vanguard Way

- 4.47 Vanguard Way is a well-established industrial estate located in Shoeburyness with an area of 10.7ha. The estate consists of 92 industrial premises primarily used for industrial uses and distribution uses that cover about 50% of the total footprint.
- 4.48 The stock condition varies with most of the premises aged between 30-50 years old. The environment is characterised as good, however this varies across different parts of the site with the central area and the premises enclosed by Vanguard Way requiring modernisation.

Figure 4.8 Vanguard Way



Source: Southend-on-Sea Borough Council

- 4.49 IMS is a key occupier of the area holding the two large buildings at the west and north of the site representing half of the overall site's footprint. Other large occupiers related to mainly mainstream industrial uses (Class B2). Table 4.13 below shows some of the large occupiers on-site.

Table 4.13 Large Occupiers footprint – August 2020

Large Occupiers	Footprint (sqm)	Large Occupier	Footprint (sqm)
Industrial Metal Services (IMS) (3 Units)	15,960	E and B Motors Ltd (2 units)	2,709
Bright Steel	1,133	South Essex Stockholder (SES) & IMS	1,622
Cookie Design & Print Ltd	1,003	Unitruc Automotive Logistics	815
General Engineering Treatment Ltd (3 units)	1,851	Vacant Units x 9	1,038

- 4.50 The combined footprint of all the buildings in the area is approximately 35,400 sqm. There are currently 9 vacant units relating to c. 1,000 sqm of space (3%). Over the last three years vacancy rates have remained broadly unchanged.

Table 4.14 Employment footprint – August 2020

Total Footprint	35,400 sqm	100%
Employment Footprint	35,218 sqm	99%
Vacant Footprint	1,038 sqm	3%
Employment Footprint - Occupied	34,180 sqm	97%

Source: Southend-on-Sea Borough Council

- 4.51 Vanguard Way is also home of Seedbed Business Centre, a successful small business centre which offers 41 business units ranging from very small workspaces of just 2 sqm to hybrid workspace and storage of 190 sqm. This is a modern small business centre that offers parking, security, broadband and administration services to the occupiers. It should be noted that the centre is currently running at full capacity, with a waiting list of around a third of its total provision. This is one of the only dedicated small, flexible and hybrid workspaces on offer across the Borough.
- 4.52 Much of the demand at this site is reportedly driven by residents in this part of Southend or nearby areas. There is an increasing demand from retailers that have changed their business product to online retailing. There is also demand from a wide range of industries from creative industries up to mainstream utilities engineers such as electricians. There are also businesses operating in the R&D sector that occupy some of the units.
- 4.53 The 2018 HELAA suggested that given Shoebury's location and limitations in terms of transport infrastructure, it is not ideally located for many of the warehouse and heavy industrial uses currently located within the area. However, it was suggested that the available land and the low rental levels could continue to encourage successful employment use. Therefore, the 2018 HELAA concluded that the site is appropriate for the employment activity and should be protected as such.
- 4.54 The local agents indicated that the site is a well-established employment area with sustained high occupancy levels. In particular, the Seedbed Business Centre is a thriving flexible workspace centre with high demand and is over-subscribed.
- 4.55 There are some areas of the site that are used for open storage that could potentially be available for intensification. However, the current occupiers actively use this land (a retrospective application (in 2018) for the south east land area as a storage open area was granted) which may limit opportunities for accommodating additional development.
- 4.56 Based on the evidence, Vanguard Way should continue being designated as a "protect and maintain" employment area, with potential for further intensification and redevelopment in the form of incremental improvement over time. This could be implemented in stages, starting from the central section, which is enclosed by Vanguard Way, and requires fairly immediate modernisation.

5.0 Conclusions and Planning Implications

- 5.1 This section draws together the overall conclusions of the topic paper and considers potential policy approaches to delivering appropriate levels of employment space in Southend for the emerging Local Plan to 2038.

Meeting future needs

- 5.2 The scenarios considered in Section 2.0 indicate the broad scale and type of growth arising from different approaches to modelling the Borough's future employment space needs. The overall employment floorspace requirements related to these four different scenarios range from -140,390 sqm to 36,840 sqm during the period 2018-2038, which implies in broad terms between a surplus of 19.70 ha and a need of 4.39 ha of employment land.
- 5.3 In the context of the NPPF and PPG, the Council's policy approach should aim to plan positively to meet Southend's employment space needs, so the Borough's economy is not constrained, but recognising the Borough has constraints in terms of land supply and competing pressures from other land uses.
- 5.4 The future employment potential of Southend will be influenced by a number of factors. In particular, there is currently reported to be a shortage of available industrial land and floorspace in the Borough to meet the indigenous growth requirements of the commercial market, as well as enable the necessary level of churn and upgrading of existing sites required to sustain a functioning industrial and warehousing property market.
- 5.5 Southend has seen a significant contraction of its office space during recent years, as legacy office buildings vacated over the past few decades have been converted and redeveloped. This process has largely helped to 'right size' the stock to some degree by removing older, out-dated space. Demand for office space is fairly modest and locally-based, but there is interest in small, flexible accommodation and this could increase in the future in line with shifting working practices.
- 5.6 Southend is a very constrained area where employment land has seen significant losses in recent years, however the planning requirements should be in line with a positive plan-making process and should not overlook any potential opportunities for growth. On the other side, they should support the most efficient distribution of land. Therefore, the analysis in this topic paper has considered these factors and concluded that:
- In terms of office employment requirements, these are more likely to be around 17,200 sqm reflecting Scenario 1 (baseline labour demand) estimates which comprise the lowest positive projection across the scenarios tested in this analysis. Although, the office market is relatively weak and very localised currently, the Plan should provide for the long-term and seek to accommodate a modest scale of future growth to help encourage and sustain a diversified economy and allow local service sectors to grow.
 - With regards to the industrial and distribution requirements, it is estimated that the combined figure should be around 7,620 sqm reflecting Scenario 4 (labour supply). This level of demand reflects better the past and emerging trends that have been recorded by the market, allows for some flexibility and can cater for any latent demand.
- 5.7 Once these requirements are compared against the latest employment land supply position of 30,830 sqm (incorporating half of the Airport Business Park's capacity), there is an identified surplus of 6,010 sqm of employment space. Even though outside the Southend boundary, the Airport Business Park is functionally part of the Southend market and therefore forms an important source of supply.

- 5.8 These estimates are based on the assumption that all the allocated sites, extant planning permissions and the identified intensification opportunities will be delivered within the plan period. Any deviation from this assumption could potentially have an effect on the balance of space within Southend up to 2038.
- 5.9 The presence of the Airport Business Park has the implication of concentrating a significant proportion of the Borough's emerging supply at one location. Therefore, it is also important that the Council maintains a wider portfolio of better-performing employment areas with a good geographical spread to fulfil different business needs and across a range of accommodation types and value points. This should include policies to support investment in employment sites to be retained, and applying protection for those sites being retained (in the context that a number are considered appropriate for release).

Office uses

- 5.10 The demand for office space within the Borough is largely related to smaller occupiers that operate across a range of business sectors and require good quality modern premises. There is no reported demand for larger office space to support investment to upgrade and modernise the remaining stock or to speculatively build space for office business purposes.
- 5.11 The town centre is considered as the most attractive location for such an investment however there is currently a lack of demand to justify a viable development. Other factors such as a congested road network combined with the relatively poor public realm in the central urban area also limits appeal to potential office occupiers.
- 5.12 According to market feedback, there is some demand for small scale flexible office space. Small office schemes could fulfil the local office demand, and may see additional demand over time from freelancers or home-workers seeking more formal working environments. For these reasons, it is recommended that the Council focus the policy approach in the emerging Local Plan on supporting the growth requirements of local businesses, start-ups and small-medium enterprises (SMEs) requiring small-scale, high quality space where demand exists. Development of new office space is most likely to come forward through mixed use schemes that offer the opportunity to overcome known viability issues through the financial return from higher value uses such as residential. Office activity should mainly be concentrated within the town centre and the central areas.
- 5.13 Going forward, there is expected to be some demand for office floorspace in Southend over the plan period, with EEFM 2019 forecast implying a reversal in the historic office-based job losses recorded over recent years, with growth of sectors such as professional services creating new job opportunities locally. In quantitative terms, it would appear that the Borough needs some additional office space of up to 17,200 sqm to meet future needs associated with the baseline labour demand (Scenario 1).
- 5.14 Against the identified emerging office floorspace supply, this requirement results in a shortfall of 16,500 sqm of office space in Southend. This supply comprises an estimated total of 700 sqm that includes a loss of 27,450 sqm from extant prior approvals (from office to residential) together with other committed schemes, including allocated land at Nestuda Way, the Airport Business Park and intensification opportunities of 9,930 sqm (Appendix 3).
- 5.15 As noted above the need for office space in Southend in the future is primarily related to better quality, modern space that caters for start-up and SME firms. The provision of higher quality office accommodation could help to develop the Borough's base of higher value occupiers and employers; this could also contribute to retaining some of the highly skilled residents that currently travel outside the Borough for their employment. In doing so, this could have important implications for the types of jobs that are available to local population in future and

generate a range of positive economic impacts to the Borough more generally (e.g. growth in productivity and enterprise levels), particularly if measures are put in place to support local population to start-up and grow businesses.

- 5.16 With office premises in the town centre primarily characterised as older and outdated spaces, the main challenge for the Council is to seek to manage a shift to providing new space in the town centre that meets a range of modern business needs with emphasis on small and flexible office spaces for SMEs and start-ups. The flexibility introduced as a function of the new Use Class Order may also offer some potential, for example vacant retail units switching to become co-working or flexible office spaces, which now fall within the same E use class. Providing new office space could be combined with wider regeneration activity across the town centre in order to enhance the attractiveness of the area for commercial investment.
- 5.17 If the office provision at the Airport Business Park (i.e. 21,200 sqm) and Nestuda Way (i.e. 10,000 sqm) is not delivered during the Plan period, then there would be an increased shortfall of office space between 16,500 sqm to 37,100 sqm against the estimated office requirements. In that situation, the Council would need to consider identifying potential alternatives. This would include supporting new office provision as part of mixed-use developments within the town centre and other central locations.

Industrial and distribution uses

- 5.18 The industrial and distribution market in Southend is characterised by relatively strong levels of demand and low levels of vacancy, reflecting the limited supply of industrial space in the Borough, particularly of a good quality, modern space.
- 5.19 The development of new industrial space in Southend has been limited in recent years, resulting in an ageing and increasingly dated stock that requires modernisation. The strong demand for industrial space, particularly to fulfil requirements for up to 10,000 sqft (c930 sqm), coupled with a severe shortage of good quality units in the Borough, means that existing local businesses struggle to find suitable space to accommodate their needs locally.
- 5.20 The limited supply of modern industrial floorspace in Southend is constraining industrial activity and has likely resulted in some industrial occupiers being displaced from the Borough or choosing to locate elsewhere. Market intelligence suggest that there is scope for speculative industrial schemes offering units of any size between 280 sqm and 930 sqm (i.e. 3,000 sqft and 10,000 sqft).
- 5.21 In terms of quantitative requirements, there is a combined requirement of 7,620 sqm (Scenario 4). Set against the emerging supply results in an industrial and distribution space surplus of 22,510 sqm to 2038. The identified emerging supply of industrial and distribution space within Southend comprises about 30,130 sqm, related mainly to the Airport Business Park provision (i.e. 30,000 sqm of industrial and distribution space) and an intensification opportunity in Progress Road, which is a well-established employment location in Southend.
- 5.22 Alongside new provision, it is clear that a number of existing employment areas (mainly industrial estates) in Southend are still performing well and should be retained for future employment use as part of the Borough's portfolio. Many of these would benefit from investment and upgrading over time to help provide better quality accommodation for occupiers and more efficient circulation and servicing. However, there are also a number of poorer-performing sites or where non-employment and residential uses have become dominant, and accordingly this study identifies these as having potential for release.

Managing the employment sites portfolio

- 5.23 Planning for employment needs to be balanced against pressures from other land uses, as well as other emerging Local Plan objectives such as planned housing, retail and leisure growth. Employment space competes with housing, community and retail uses, which may also generate local economic benefits or have identified needs that the NPPF indicates should be supported.
- 5.24 Through the emerging Local Plan, the Council should consider which sites to protect or allocate for employment development and which to consider for mixed use development or potential release. That judgement should ultimately take account of:
- the need to maintain a diversified and resilient economy that is open to growth and new economic opportunities as they arise;
 - the trade-off between seeking more intensive use of sites and thereby yielding higher net job creation over time, and identified business needs which may for some activities or sectors imply a less efficient use of land in order to function effectively; and
 - setting targets for delivery of new employment space on sites to provide clarity and certainty for investors and considering what the market can deliver at any point in time.
- 5.25 In this context, this study assesses the future potential of eight specific employment areas identified as either poorly performing compared to the rest of the employment areas or their context does not imply successful employment attractiveness and commerciality for the future, according to previous evidence that underpin the preparation of the emerging Local Plan.
- 5.26 The findings of this assessment are summarised below:
- **Campfield Road:** it is recommended that the site should continue being designated as ‘protect and maintain’.
 - **Grainger Road Industrial Estate:** it is considered that this site justifies release to other uses as part of a comprehensive approach to redevelopment in this location.
 - **Prince Close:** it is recommended that the site is released from employment designation.
 - **Prittle Brook Industrial Estate:** the site should be excluded from the Stock Road employment area boundary.
 - **Shoebury Garrison (Phase 1):** it is recommended that the area is released from employment and promoted for a residential-led mixed use development safeguarding the existing employment uses.
 - **Terminal Close:** it is recommended that the site is released from employment designation.
 - **Towerfield Road:** the site should continue being designated as a ‘protect and maintain’ employment area.
 - **Vanguard Way:** the site should continue being designated as a ‘protect and maintain’ employment area.
- 5.27 There is need for a coordinated employment land management strategy for the entire portfolio of employment sites, in order to avoid businesses relocating outside of Southend. It is also suggested that the overall stock is dated and requires upgrading. The refurbishment of existing employment areas, and where possible, redevelopment so that they can be used more efficiently provides an option for accommodating future requirements aside from allocating new areas/sites.

- 5.28 Better utilisation of the existing industrial stock, in particular, could be achieved through gradual redevelopment of individual plots, for example replacing a larger old unit with the development of modern smaller units up to 10,000 sqft for which there is demand.
- 5.29 In delivering new allocations (Land in Nestuda Way and the Airport Business Park), the Council should consider their deliverability, including development constraints, landowners/promoters' aspirations, and market viability factors. An early stage assessment would allow the Council to more carefully consider the role of each site in meeting local employment needs and to encourage the appropriate distribution of employment use classes for each site. The Council should consider the delivery timescales of the two allocations to ensure there is land supply across the plan period.

Other policy considerations

- 5.30 Existing policies to protect employment space will become less effective where these relate to existing B1(a/b/c) premises, because there will no longer be the same planning mechanism to control these from switching to other forms of retail, leisure and community use.
- 5.31 There is an opportunity for the emerging local plan to state clearly the protection of office – E(g)(i)/(ii), light industrial – E(g)(iii), industrial – B2 and warehousing – B8 uses by specifying these as appropriate within the emerging policies and allocations. This will be justified in Southend where there is pressure from other Class E uses and there is also a constrained land supply in general.
- 5.32 The Local Plan should seek to encourage small office provision in the town centre and other central areas, in particular to help secure delivery of smaller, flexible workspace that is generally more likely to be in demand. Such as policy would be consistent with policy support to encourage the vitality and viability of the town centre.
- 5.33 The emerging policy should also emphasise in the need for supporting infrastructure improvements across the main employment locations and future allocations to support the identified intensification opportunities on employment land.
- 5.34 Robust evidence on the deliverability of the identified intensification and allocations (with emphasis on the deliverability of the Airport Business Park) will be important to ensure that future employment growth is not unduly constrained and to ensure that the emerging Local Plan has identified land to accommodate arising employment needs within the Plan period.
- 5.35 Finally, it is recommended that the Council continues to regularly monitor changes to employment space to identify evolving occupier/developer patterns in the Borough and inform any policy responses that will be required. This is important given the scale of employment space losses experienced in Southend in recent years, in particular through conversions to residential use, as well as growing pressure from other community and leisure uses.

Appendix 1 Existing Evidence

Policy Context

Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020

From 1 September 2020, the former A1-A3, B1, D1 and D2 use classes are merged into a new Class E “Commercial, Business and Services” as a function of The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020. Unless the permissions that existing buildings operate under are subject to specific conditions, they will be able to change to other uses within that new class without the need for planning permission.

The government’s rationale for the change is to better reflect the diversity of uses found on high streets and in town centres, and to provide the flexibility for businesses to adapt and diversify. Notwithstanding this, the effect of the changes is not limited to these locations. This means that Class E will affect any buildings within the relevant uses wherever they are in England.

Evidence Base

This section summarises the key points of the existing evidence base on employment land needs and supply.

Southend on Sea Employment Land Review, 2010

Although now largely superseded, [Southend on Sea Employment Land Review \(2010\)](#) originally recommended that Prince Close should be released, whilst Terminal Close, Grainger Road and Prittle Brook should be retained/regenerated. In particular, the study identified the following key points for these sites:

- Prince Close: This was identified as a small employment site of low quality with a problematic access and poor relationship with surrounding residential uses. The site was no longer considered suitable for future employment uses. It was expected that once vacant, this would be difficult to re-occupied and would be targeted for alternative uses. It was recommended that the Council should continue to monitor the site and consider it for release unless market demand indicated need for its retention for industrial purposes.
- Terminal Close: The redevelopment of Terminal Close for a mixed-use employment led development was recommended. The site was identified as being in poor use, with high vacancy rates and dilapidated stock. Strategic and local road access was below average. The recommendation for mixed use was proposed to enable the redevelopment of the site at a higher employment density, whilst providing a better relationship with existing residential properties to the North. The site was recommended to be protected to safeguard employment use and ensure redevelopment does not lead to a net loss of employment.
- Grainger Road: Grainger Road was identified as an old industrial estate, within a terraced housing area with units in relatively poor condition and high vacancy rates. Part of the site was promoted by the landowner for alternative uses. It was recommended that the site should be protected for employment purposes but identified for redevelopment to provide modern units.
- Prittle Brook Industrial Estate: Prittle Brook Industrial Estate had already been partially cleared and it was recommended that it should be retained for continued employment purposes, given the restricted nature of employment land supply within the Borough. It was considered that a flexible approach would be needed to enable redevelopment of the site.

Southend Economic Growth Strategy, 2017-2022

This [Economic Growth Strategy](#) sets key priorities for the local economy and key growth sectors which will be supported during the 2017-22 period. It sets out the economic baseline for the Borough and aspirations for the local economy, which can influence planning for the type and nature of employment sites and spaces but does not specifically identify any future growth targets including number of jobs or employment space.

The strategy identifies the following growth and strategic sectors that the Council should focus its efforts on supporting them:

- Growth Sectors are those characterised by an increase in employment and the number of businesses formed or relocated to Southend during the last five-years (i.e. 2012-17). Growth sectors, by definition, are strategically important to the borough and will be supported accordingly. These include: Creative and Cultural Industries; Health and Social Care; Specialist Construction; and Specialist Manufacturing.
- Strategic Sectors are those that support existing growth sectors, have a vital role to Southend's economy in relation to place-making and are likely to bring forth new economic opportunity as they develop. These include: Aviation and Engineering; Financial Services; Medical Technologies; Retail; and Tourism.

South Essex Economic Development Needs Assessment, 2017

[South Essex Economic Development Needs Assessment](#) (2017 EDNA) sets out employment forecasts for 2016-2036 period based on EEFM 2016 with further adjustments for growth scenarios around creative industries, London Southend Airport and the health sector. It presents two conclusions on employment land needs:

- a a combined scenario forecast which would see a need for net reduction of 8 ha or 10,500 sqm in employment floorspace. This includes a reduction of 44,170 sqm or 11 ha of industrial, a reduction of 5,100 sqm or 1 ha of warehousing and a need for 38,800 sqm or 4 ha of office space.
- b a combined forecast with allowance for contingency and churn which would see a need for an increase of 118,970 sqm or 11 ha employment land. This includes a reduction of 37,900 sqm or 10 ha of industrial land, a need for 17,900 sqm or 4 ha of warehousing and a requirement of 138,900 sqm or 17 ha of office space.

The EDNA also considered the supply of the employment sites across South Essex. It reviewed 20 employment sites in Southend totalling 118 ha. The approach included a desk-based assessment, on-site assessment, traffic light categorisation¹⁴ and advice on future action per group of sites and categorisation of sites of strategic importance for the South Essex sub-regional economy and its growth, particularly in the key growth sectors including transport and logistics, advanced manufacturing, green technology, digital cultural and creative industries, and health technology.

The 2017 EDNA identified Terminal Close, Grainger Road and Prince Close as 'monitor and manage' employment sites. This categorisation was applied to sites which are of poor quality and/or are not identified to be functioning adequately as employment sites, based particularly on poor stock condition and lack of investment, non-employment uses evident on site, location

¹⁴ GVA (2017) South Essex EDNA, Table 25: Traffic Light Categorisation of Sites, p66, Available at: <https://localplan.southend.gov.uk/sites/localplan.southend/files/2019-02/South%20Essex%20Economic%20Development%20Needs%20Assessment%20-%20Nov%202017.pdf> [Accessed 01/09/20]

in areas with poor accessibility and amenity levels, and/or location that in a context does not support employment activity.

This categorisation also identifies sites which, over the long term, may face challenges in terms of retaining existing or attracting new occupiers due to their limitations. The EDNA recommends that sites in this category should be kept under review over time and decisions on their future employment role be taken as and when they begin to experience significant vacancies and dilapidations. It may be that these sites are suitable for redevelopment as employment sites, or should accommodate a different type of employment activity, or that over time they could be de-allocated to accommodate other forms of growth. Each decision would need to be undertaken on a case-by-case basis.

Survey of Key Employment Areas, 2017

The [Survey of Key Employment Areas](#) provided an audit of the employment areas with a detailed survey of each and snapshot of information as at 2017, including information on type, units, floorspace, uses, vacancies, occupiers and age/condition of buildings. The approach included on-site survey and the use of GIS system to calculate building footprints and land area.

In total, the employment areas cover 124.9 hectares, ranging in size from Progress Road (21.5 ha) to Prince Avenue (0.9 ha). A total of 748 individual premises were surveyed with 14.8% vacancy rate (111 premises). In terms of floorspace, the combined total footprint of all premises within the identified employment areas equalled 427,275 sqm and 4.93% of this total was recorded as being vacant at the time of the surveys.

In relation to the specific sites, the surveys reported as follows:

- Grainger Road: this industrial estate is located in the Southend Central Area just north of the town centre and totals 2.76 ha. There are 46 premises, 17 of which were vacant representing 37%. A total of 41 premises (occupied and vacant) fall within the former 'B' use classes, equating to 90.2%. In addition, a unit hosts both B1 and D1 uses. The combined premises footprint is approximately 13,515 sqm.
- Prince Close: this is located directly off the A127 in the north of the Borough and comprises smaller scale employment premises with a total area of 0.9 ha. There are just six premises, one of which is vacant. Four of the premises (occupied and vacant) fall within the former 'B' use classes. The other 2 units are classified as Sui Generis and D2 uses. The combined premises footprint is approximately 2,662 sqm.
- Prittle Brook: the industrial estate is located to the north of the Borough and close to the A127. The site has been completely cleared of all premises after demolition. The site is identified in the Development Management DPD as an Employment Growth Area and there is an outline application (14/00943/FULM) for new employment floorspace on part of the site fronting Priory Crescent. There is a development brief for the site dated February 2014.
- Terminal Close: the site is located in Shoeburyness directly north of the train station and has a total area of 1.49 ha. There are 15 premises, three of which are vacant equating to 20%. There are 13 premises (occupied and vacant) fall within the former 'B' use classes, equating to 86.7%. The combined premises footprint in terms of area equals approximately 4,557 sqm.

Southend Employment Land Availability Assessment, 2018

The [Southend-on-Sea Housing and Employment Land Availability Assessment \(Part 2\)](#) (2018 HELAA) contains an assessment of existing, allocated and potential employment sites. It also

reviews the EDNA 2017 evidence on need, comparing supply against demand, and making recommendations on sites.

The key recommendation for the Council suggested to balance between releasing sites for alternative uses e.g. housing and to allow a variety of redevelopment schemes that facilitate a change in the type of employment premises available in Southend. Given the values involved with employment development, this is likely to require mixed use redevelopments that could result in net losses of floorspace in line with the EDNA 2017 forecasts.

The consideration of development proposals that would result in the total loss of a site or all floorspace currently or previously used for employment must be made according to policies that consider the overall economic development strategy. This means proposals that would lead to the loss of poorer quality employment areas, including those targeted by residential developers because of their location, are no longer dealt with on a piecemeal basis, but relate to a wider context.

Prince Close, Grainger Road/Close, Shoebury Garrison (Phase 1) and Terminal Close were identified as sites to 'monitor and manage' for potential future loss or potential redevelopment for a mixed-use opportunity.

London Southend Airport and Environs Joint Area Action Plan, 2014

The [London Southend Airport and Environs Joint Area Action Plan](#) (also known as the JAAP) was formally adopted by Rochford District and Southend Borough Councils on 16 December 2014, following confirmation from the Planning Inspector conducting the examination that the Plan was sound and legally compliant.

The JAAP provides the basis for coordinating the actions of a range of partners with an interest in the airport and the surrounding environs and establishes planning policies up to 2031 and beyond.

It is considered that high scale employment growth within the area will make a significant contribution towards delivering new employment opportunities for both Rochford District and Southend Borough Councils.

The employment policies (p25 onwards) propose that land be allocated to accommodate up to 109,000m² of additional floorspace, with 99,000sqm of that total being in a major new business park, Saxon Business Park, north of the existing Aviation Way Industrial Estate, which will accommodate up to 4,950 additional jobs in the area over the planning period to 2031 and beyond (this is also referred as the Airport Business Park). The balance will be located on a small new business park at Nestuda Way (10,000 sqm – Southend's employment – i.e. office - allocation), which will accommodate 500 jobs. In addition, it is anticipated that intensification and redevelopment on the existing Aviation Way Industrial Estate (within Rochford's administrative area) will provide a further 15,000sqm of floorspace and deliver 750 jobs.

Together, the above allocations will deliver 4,200 additional jobs (excluding direct airport related employment) in the period to 2021 and 2,000 additional jobs in the period post 2021. A further 1,180 additional jobs will be created within the boundary of London Southend Airport in the period to 2021.

Policy E1 - General Development Considerations states that the 4,200 jobs associated with the Airport Business Park, the small new business park at Nestuda Way and the intensification of the aviation way industrial estate *"will contribute to the delivery of the jobs totals for Rochford District Council and Southend-on-Sea Borough Council – the apportionment to each district will be based on a 50-50 split of the overall jobs total to be provided within the JAAP area"*.

Following the adoption of the plan, an outline permission was granted (15/00781/OUT) in October 2016 in relation to the Business Park, proposing the development of a total of 86,900 sqm of floor space distributed across 47,570 sqm of B1, 32,250sqm of B2 and 7,100 sqm of C1, A1, A3, A4, D1, D2, and B8. Southend-on-Sea Borough Council in a joint venture with Henry Boot Developments are the applicants.

[Southend Business Park Phase 2 Business Case 2018](#) provides the most recent information with regards to the site's emerging provision, and suggests that 17,500sqm of B1 use class and 4,800sqm of hotel floorspace (phase 1) together with 3,700sqm of innovation centre and 60,000 sqm of industrial/warehousing (phase 2) can be delivered on site.

Southend Central Area Action Plan, 2018

The [Southend Central Area Action Plan](#) (SCAAP) adopted in February 2018 sets out specific policies and sites to accommodate future development needs within the central area including the town centre, central seafront area and gateway neighbourhoods.

In particular, it contains proposals for 'Policy Areas' and eleven 'Opportunity Sites' aiming to strengthening and transforming the town centre's sub-regional role as "a successful retail and commercial destination, cultural hub and educational centre of excellence, leisure and tourist attraction, and a place to reside". As such proposals for employment uses within the central area relate to office, purely. These sites have been included within the 2018 HELAA.

The SCAAP provides an indicative cumulative proposed capacity (Table 8, p94), in terms of gross gain, which includes 1,730 homes, 17,500 sqm of commercial including office and 'eating and leisure' activities, 5,500 sqm retail and 18,500 sqm community uses.

South Essex Productivity Strategy, 2019

This is a single strategy to improve the productivity of South Essex sub-region up to 2050. This strategy also forms the basis of the South Essex contribution to the South East Local Enterprise Partnership (LEP) Local Industrial Strategy and future strategy within the Thames Estuary.

The strategy outlines four main programmes:

- 1 Vibrant Places, that explores opportunities to retain and attract highly skilled knowledge workers by building on and enhancing local communities; for investment by providing high-quality space for local and London's business to expand in the area; and leverage the unique connectivity with London, major Ports and Southend Airport.
- 2 Enterprise Growth, which is based on opportunities: to grow the economy by supporting vibrant SME community; leverage unique connectivity with London, major Ports and Southend Airport; and drive innovation in key sectors.
- 3 Future Work that is in line with opportunities: for local population to work on new employment sectors; to retain and grow local highly skilled knowledge workers; and to improve access to work by transforming local transport services.
- 4 Data Transformation, which explores opportunities to grow the economy by seizing the implications of Data and connectivity and continue public service delivery transformation.

This strategy lays out the above four programmes that will deliver an additional £2bn of economic activity within the area, which represents a 15% increase within five years. The Association of South Essex Local Authorities (ASELA) and Opportunity South Essex (OSE), who are the owners and authors of this strategy, are currently developing a comprehensive action and resources plan and specifying a delivery team to ensure delivery of these programmes for South Essex.

Growth and Recovery Prospectus, 2020

Analysis has identified that the South Essex economy is more vulnerable than other parts of the country to the negative impacts of Covid-19. Factors such as a higher prevalence of small businesses and self-employment, and an occupational mix less suited to working from home, are among those that underpin this assessment. Oxford Economics forecast estimates that South Essex economy will contract by 8.5% in 2020, even after allowing for some rebound later in the year. Up to 25% of the regional workforce was furloughed, and it is predicted that 12,000 jobs will be permanently lost as a result of the pandemic.

In response to this evidence, the South Essex authorities produced the [Growth and Recovery Prospectus](#) in July 2020. At the heart of this work is an ambition to deliver a series of priorities which will deliver long lasting and wider benefits for both people and places. These priorities include:

- Providing excellent and contemporary digital infrastructure including 5G and connectivity that will see businesses want to invest in the area and start successful and productive enterprises.
- Delivering significant improvements in connectivity and public transport, underpinned by investment in active travel projects which benefit people's health and wellbeing and could see major environmental benefits.
- Unlocking housing sites to deliver accelerated development seeing new quality homes, neighbourhoods and communities brought to South Essex, and enhancing amenity and place for existing local residents.
- Investment in green and blue infrastructure to enable new parks and river walks, supporting active use of environmental assets, adding to biodiversity, health and wellbeing outcomes, whilst supporting active and thriving communities.
- Improving skills across the region from school aged children through to adult training and education, ensuring that the current and future workforce can access productive and highly skilled jobs.
- A strategy to secure more commercial development from employers who can provide productive and well-paid employment, locally.
- Supporting young people to achieve their best and build their futures in South Essex.

Southend and Rochford Settlement Role and Hierarchy Study, 2020 (emerging)

The emerging settlement study suggests that those employment areas located in central areas including sites in the centre of Shoeburyness and to the east of Southend Victoria train station, should be explored for re-location/re-provision in more suitable locations for industrial uses. Their re-location would allow the reuse of land in highly accessible locations (and with good completeness scores) to come forward for residential development.

It is recommended that if these sites are re-developed providing supporting activities and a complementary mix of uses, these would further help create complete neighbourhoods, benefitting existing and new residents.

Finally, the study suggests that the potential for relocation or rationalisation of employment uses of these sites would need to be reviewed alongside wider technical evidence being prepared to inform the Local Plan and whether this would be considered appropriate from an economic and placemaking perspective.

Appendix 2 Consultees

- Ayers and Cruiks
- Dedman Agency (Independent Surveyor/Evaluator)
- Dedman Grey
- HBD – Henry Boot Developments
- Kemsley LLP
- Let's do business (LDB Group)
- Revive Digital
- Seedbed Centre
- Sorrell (Property Management)
- Space 282
- The Hive Enterprise Centre

Appendix 3 Employment Supply

The following table presents the sites that contribute to the emerging employment supply. These include existing sites with identified intensification opportunities, allocated sites and extant planning permissions. The table presents only extant permissions with an employment net change of 500 sqm and above. Other permissions with smaller floorspace have been included within the calculations but are not detailed within the table.

Emerging Employment Supply (Sites with an impact of 500 sqm or more)

Supply Source	Reference	Location/Address	Notes	Type of Space	Emerging Supply (sqm)
Allocation	2018 SHELAA - EA023	Land at Nestuda Way	Airport Business Park - This site is identified in the JAAP Policy E8 to accommodate B1 floorspace from 2021 onwards, which could deliver at least 500 jobs. (London Southend Airport JAAP)	Office	10,000
Intensification	2018 SHELAA - EA033	Progress Road	Potential intensification. Potential supply includes approx. density calculation. Assumed 33:33:33 use split.	Employment Mix (Former B1/B2/B8)	6,200
Intensification	2018 SHELAA - EA017	Pitmans Close	Potential intensification. Potential supply includes approx. density calculation.	Office	4,200
Intensification	2018 SHELAA - EA016	Central Station	Potential intensification. Potential supply includes approx. density calculation.	Office	1300
Intensification	2018 SHELAA - EA019	Whitegate Road	Potential intensification. Potential supply includes approx. density calculation.	Office	1,900
Intensification	2018 SHELAA - EA018	Prittlewell Station Goods Yard	Figure provided by the Council	Office	893
Intensification	2018 SHELAA - EA030	Tylers Avenue Car Park	Figure provided by the Council. Assumed 33:33:33 use split.	Employment Mix	500
Intensification	HEA006	n/a	Figure provided by the Council. Assumed 33:33:33 use split.	Employment Mix	-1800
Extant Permission	2018 SHELAA - EA046	3 Towerfield Road	17/00109/FUL Demolish existing building to Eastern boundary, increase height and extend existing building including two storey front extension (Amended Proposal) 3 Towerfield Road Shoeburyness Southend-On-Sea Essex SS3 9QE (March 2017) - This relates to expansion of current occupier (not commenced)	Distribution	1,250
Extant Permission	2018 SHELAA - EA044	1-3 Westcliff Avenue	16/02258/BC3 Change of use of former Beecroft Art Gallery (Class D1) to 20 Artist Studios (Class B1) alterations to part of boundary wall and install cast iron metal gate, layout landscaping, cycle and bin stores and alterations to elevations 1 - 3 Westcliff Avenue Westcliff-On-Sea Essex SS0 7RA (March 2017)	Office	708

Supply Source	Reference	Location/Address	Notes	Type of Space	Emerging Supply (sqm)
Extant Permission	17/00088/FUL	10, Coopers Way, Southend-on-Sea, SS2 5TE	17/00088/FUL - Extant Permission	Office	506
Extant Permission	16/02180/PA3COU	13 - 15 (The Royal Bank Of Scotland), London Road, Southend-on-Sea, SS1 1PE	16/02180/PA3COU - Extant Prior Approval	Office	-569
Extant Permission	16/01503/FULM	411 - 415 (Crown Secretarial College Ltd), Sutton Road, Southend-on-Sea, SS2 5PH	16/01503/FULM - Extant Permission	Industrial	-2,636
Extant Permission	16/01528/PA3COU	47 (Victoria House), Victoria Avenue, Southend-on-Sea, SS2 6DR	16/01528/PA3COU - Extant Prior Approval	Office	-3,488
Extant Permission	18/01506/PA3COU	110 - 114 (Northfield House), Baxter Avenue, Southend-on-Sea, SS2 6FF	18/01506/PA3COU - Extant Prior Approval	Office	-3,519
Extant Permission	18/01873/PA3COU	9, Elmer Approach, Southend-on-Sea, SS1 1NE	18/01873/PA3COU - Extant Prior Approval	Office	-5,187
Extant Permission	15/01770/PA3COU	365 Chartwell Square - Chartwell House (Victoria Plaza Centre), Victoria Plaza, Southend-on-Sea, SS2 5SP	15/01770/PA3COU - Extant Prior Approval	Office	-5,363
Extant Permission	17/00145/PA3COU	33 - 41 (Thamesgate House), Victoria Avenue, Southend-on-Sea, SS2 6DF	17/00145/PA3COU - Extant Prior Approval	Office	-9,320

Supply Source	Reference	Location/Address	Notes	Type of Space	Emerging Supply (sqm)
Extant Permission	15/02053/OUTM and 2018 SHELAA - EA028	Shoeburys Garrison - Phase 2	Planning permission for employment provision of 14,130 sqm office floorspace (B1a) (15/02053/OUTM). However, a permission for the erection of a retail store (i.e. Aldi) at the north of the site opposite Phase 1 has granted recently (19/00834/FULM). In addition, a new planning application has been submitted to the council with no employment provision and the erection of 217 residential units, 1,000 sqm D1(health centre) and 400 sqm A1-A3 (20/01227/OUTM). This is pending application associated to a scoping opinion (20/00740/RSO) issued in July 2020.	Office	not included

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