Southend-on-Sea City Council

Southend Economic Development Needs Topic Paper

October 2026

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1. Introduction

1.1 Southend-on-Sea City Council (the 'Council') is preparing a new Local Plan for the City that will set out a framework to direct development in the area to 2045. In accordance with the National Planning Policy Framework (NPPF) and associated Planning Practice Guidance, the Local Plan will need to accommodate a range of residential, economic and other development needs.

1.2 To provide the context and the supporting narrative of the various Local Plan Policies, a series of Topic Papers has been prepared based on the Local Plan evidence base as well as the outcomes of the various Local Plan consultation stages. In this context, this Economic Development Needs Topic Paper presents the employment floorspace requirements arising in the City over the 2025-2045 Plan period. In doing so, it informs the Proposed **Strategic Policy SP6: Securing a Thriving Economy and Visitor Destination**, as well as the proposed **Policy DM6.1: Employment Sectors**, and proposed **Policy DM6.3: Employment Areas.**

1.3 The Southend Integrated Needs Assessment ('INA') Part B Economic Needs (2026) estimates a recommended requirement for 58,600 sq.m (11.2 ha) to 68,300 sq.m (13.6 ha). This is further split into around 25,600 sq.m (6.7ha) of office (including R&D) floorspace and between 33,000 sq.m (8.3 ha) and 42,700 sq.m (10.7 ha) of industrial (including light industrial) and storage and distribution space.

1.4 There is an overall employment growth estimate of c.9,440 jobs across the City's economy to 2045. This figure aligns with the anticipated housing growth of 735 dwellings per annum in the area. The identified floorspace needs are associated with growth of 1,530 jobs in office-based industries to 2045 (or 16.2% of overall employment growth) and 330 - 430 jobs (or 3.5% - 4.6%) in industrial-based sectors (i.e., activity associated with Eg(iii), B2 and B8 Class Uses).

1.5 Health, Professional Services, Administrative & Supportive Services, Education, Accommodation and Food and Public Administration & Defence are all the key sectors expected to drive the employment growth to 2045. Within those, activity in aviation industries, specialist construction, tourism and associated leisure activities and MedTech could have a key role in driving growth, which is also aligned to the existing business base of the City and identified strategic economic growth priorities. These sectors are often focused within specific locations across the City and are identified as being important to Southend's future economic growth.

2. Context

2.1 This section summarises the relevant planning policy, guidance as well as the regional and local strategies that have informed the preparation of the Local Plan in relation to employment land matters. This paper is prepared to relate to the Regulation 19 version of the Local Plan and is prepared in the context of the 2024 version of the National Planning Policy Framework (NPPF), against which it is intended the Regulation 19 Local Plan will be examined in line with transitional arrangements. A new NPPF was published in August 2026, but all references in this paper refer to the 2024 NPPF, unless otherwise stated.

National Planning Policy Framework (NPPF)

2.2 The National Planning Policy Framework (NPPF, 2024) sets out the Government's overarching economic objective for the planning system to help create the conditions in which business can invest, expand and adapt to support the need for economic growth and productivity through sustainable development.

2.3 NPPF paragraphs 85 to 87 set out the requirements for planning policies, whilst focusing on the importance for local authorities to obtain sufficient land availability for employment use to support businesses to access further opportunities, whether this is through innovation or investment in infrastructure. In particular:

- 2.3.1 Planning policies should set out a positive economic vision and strategy which proactively encourages sustainable economic growth, economic development and regeneration;
- 2.3.2 Planning policies should identify the locational requirements of different sectors, which suit certain sites to make the provision of similar industries. Decisions should be made to provide for a variety of scales and in suitably accessible locations for certain sectors.
- 2.3.3 Planning policies and decisions should seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment. They should also be flexible enough to accommodate needs not anticipated in the plan, by allowing for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.

Planning Practice Guidance (PPG)

2.4 Planning Practice Guidance sets out methodologies for assessing housing and economic development needs for local authorities. This includes further guidance for planning authorities on preparing robust evidence to understand existing and future needs, which will need to be kept under review to reflect local circumstances and market conditions. This will provide, in particular, an understanding of current and forecast economic trends, which inform the economic development needs and employment land requirements. This should also include engagement with the local business community and key economic stakeholders as stated in PPG paragraphs 025 to 032.

Southend Economic Growth Strategy 2024-2028

2.5 This Strategy sets out the ambition to make best use of the Council's resources to grow the City's economy in a sustainable way, securing inward investment into the area, improving business conditions, making Southend the best place in the UK to start and grow a small business and enhancing skills and job opportunities for residents.

2.6 The Strategy sets out the following objectives:

2.6.1 support established businesses in Southend to achieve sustainable economic growth;

2.6.2 promote Southend as the home of micro, small and medium-sized enterprises; and

2.6.3 support employees, business owners, job seekers, and students in Southend to achieve their career ambitions.

2.7 It then goes on to indicate how these objectives could be achieved, through three main concepts: grow the economy, attract investment and support entrepreneurship. The suggested methods to achieve this are summarised as follows:

2.7.1 assisting with the implementation of full-fibre technology, which will benefit home-based businesses and job sites alike;

2.7.2 organise the 'South Essex No Use Empty Scheme' to provide low-interest financing to prospective tenants of empty buildings;

2.7.3 create and introduce a fresh place-based brand for the City to attract investors and market economic prospects, and encourage and facilitate chances for local investment;

2.7.4 work with the owners and operators of strategic employment sites to improve their appeal, competitiveness, and accessibility to a wide range of potential users and employers; and

2.7.5 protect and advance the employment possibilities brought about by investment initiatives in the City and the surrounding area, such as those brought about by Lower Thames Crossing, Southend Airport Business Park, and Thames Freeport.

3. Future Requirements for Employment Space

3.1 This section presents the findings of the Southend Integrated Needs Assessment Part B: Economic Needs that inform the Local Plan Policies SP6 and DM6.1.

Functional Economic Market Area

3.2 The evidence tests the validity of the South Essex Functional Economic Market Area extending across the boundaries of Brentwood, Basildon, Castle Point, Rochford, Southend and Thurrock, and concludes that according to the latest labour market trends, commuting data, housing market dynamics, retail and consumer catchments, growth sector priorities and transport connectivity, South Essex is still the valid FEMA within which Southend operates.

3.3 It is, however, highlighted that Southend's economic relationships extend also beyond the FEMA boundary, most notably with London and the nearby centres of Chelmsford and Harlow. These wider interactions reflect long-standing commuting patterns, transport connectivity via the A127, A13 and rail lines. These cross-boundary dynamics situate the FEMA within a broader economic context characterised by overlapping labour markets, innovation networks and supply-chain relationships.

Property Market Dynamics

3.4 The commercial property market in Southend is characterised by a constrained supply and an ageing and declining stock. The City has seen significant losses of office space (by -36.2% since 2015), while industrial stock has also been reduced by 7.0%.

3.5 The demand for both office and industrial is modest, which makes speculative development unlikely. Office demand is weak and primarily focused on the provision of small, flexible office units, while the latest new stock is provided by a Council-funded scheme, namely the Launchpad in the Airport Business Park. The demand for industrial space is characterised by better rental growth rates; however, activity is constrained, and any new industrial provision would, under the current market dynamics, come on a pre-let or design and build basis, with developers waiting for better market yields.

3.6 Future demand in the industrial and logistics sectors will more likely relate to the increasing population of the area and consequently to the need for space to accommodate last-mile and smaller-scale warehousing to serve the population, alongside flexible and hybrid industrial/warehousing space for SMEs. In relation to this, one of the most successful examples in recent years is the Seedbed Business Centre in Vanguard Way, which provides small flexible business space of up to 190 sq.m per unit. This type of provision of flexible workspace is what is perceived as being on demand in the area.

Future Space and Land Requirements

3.7 A number of potential future economic scenarios have been developed in INA Part B to provide a framework for considering future economic growth needs and employment space requirements in Southend from 2025 to 2045. In line with the PPG, these future scenarios draw upon:

3.7.1 Projections of employment growth (Scenario 1A) within the main office- and industrial/warehousing-based sectors derived from baseline economic forecast produced by Experian (February 2026);

3.7.2 Projections of employment growth allowing for hybrid working in the office-based sectors (Scenario 1B);

3.7.3 Consideration of past trends in completions of employment space based on monitoring data collected by the Council, and how these trends might change in the future (Scenario 2A);

3.7.4 Consideration of past trends based on market (i.e., past net absorption) data from the commercial property database CoStar (Scenario 2B); and

3.7.5 Estimates of local labour supply and subsequently the supported jobs growth based on demographic, housing and commuting assumptions applied as part of the INA Part A for a housing figure of 490 dpa (Scenario 3A);

3.7.6 And the same as above for a housing delivery target of 735 dpa (Scenario 3B).

3.8 Applying the appropriate vacancy allowance, employment densities, plot ratios, as well as a safety margin to allow for some further flexibility to the market and a loss allowance aligned with the identified employment area releases the above scenarios, resulting in gross floorspace (**Table 3-1**) and land (**Table 3-2**) employment requirements as presented in the tables below (for more details on the approach see INA Part B Chapter 4).

Table 3-1 Gross floorspace requirements 2025 to 2045 (sq.m)

Type of Space/Use Class	Scenario 1A– Labour Demand	Scenario 1B– Labour Demand Changing Working Patterns	Scenario 2A – Past Development Rates	Scenario 2B – Net Absorption	Scenario 3A – Labour Supply 490 dpa	Scenario 3B – Labour Supply 735 dpa
Office - E(g)(i)/(ii)	52,200	32,800	-121,940	-16,455	11,580	25,600
Industrial - E(g)(iii), B2 and B8	42,700	42,700	-60,600	-700	14,870	33,000
Total	**94,900**	**75,500**	**-182,600**	**-17,200**	**26,500**	**58,600**

Source: Experian (2026) / Southend Council (2026) / CoStar (2026) / Lichfields analysis, Note, figures have been rounded and may not sum.

Table 3-2 Gross land requirements 2025 to 2045 (ha)

Type of Space/Use Class	Scenario 1A– Labour Demand	Scenario 1B– Labour Demand Changing Working Patterns	Scenario 2A – Past Development Rates	Scenario 2B – Net Absorption	Scenario 3A – Labour Supply 490 dpa	Scenario 3B – Labour Supply 735 dpa
Office - E(g)(i)/(ii)	5.7	3.6	-13.4	-1.8	1.3	2.9
Industrial - E(g)(iii), B2 and B8	10.7	10.7	-15.2	-0.2	3.7	8.3
Total	**16.4**	**14.3**	**-28.6**	**-2.0**	**5.0**	**11.1**

Source: Experian (2026) / Southend Council (2026) / CoStar (2026) / Lichfields analysis.
Note: figures have been rounded and may not sum.

3.9 Combining the results of the modelling of quantitative needs with the qualitative factors, including the market signals, the economic context of the City, the fact that there are significant land constraints in Southend and aligning with NPPF and a positive plan-making process, the INA Part B Economic Needs recommends the following minimum requirements to not overlook the potential opportunities for economic growth:

3.9.1 For office space requirements, a balanced approach would be to plan for around 25,600 sq.m (around 2.9 ha), reflecting Scenario 3B (labour supply, 735 dpa, including hybrid working patterns adjustment) estimates, which comprise the most balanced figure across the scenarios tested. Although the office market is relatively weak and very localised currently, the Plan should provide for the long term and seek to encourage and sustain a diversified economy and allow local service sectors to grow.

3.9.2 For industrial (including light industrial) and distribution space requirements, it is estimated that the combined figure should be between 33,000 sq.m (around 8.3 ha) and 42,700 sq.m (10.7 ha), with the upper scale allowing for some further flexibility in the market. The lower level is identified from Scenario 3B Labour Supply (735 dpa), while the upper range is relevant to Scenarios 1A and 1B (labour demand).

3.10 These requirements are associated with 1,530 jobs in office-based sectors and 330-430 jobs in the industrial-based activity to 2045. Employment growth associated with each scenario tested in the INA Part B Economics Needs over the plan period to 2045 is presented below.

Table 3-3 Jobs by type of space 2025 to 2045

Type of Space/Use Class	Scenario 1A– Labour Demand	Scenario 1B– Labour Demand Changing Working Patterns	Scenario 2A – Past Development Rates	Scenario 2B Net Absorption	Scenario 3A – Labour Supply 490 dpa	Scenario 3B – Labour Supply 735 dpa
Office - E(g)(i)/(ii)	3,241	1,993	-7,906	-1,166	629	1,530
Industrial - E(g)(iii), B2 and B8	432	432	-1,007	-48	136	331
Sub-total	**3,673**	**2,425**	**- 8,913**	**-1,214**	**765**	**1,862**
Non-employment uses	8,627	8,627	n/a	n/a	3,114	7,580
Total	**12,300**	**11,052**	**n/a**	**n/a**	**3,879**	**9,442**

Source: Lichfields analysis

4. Proposed Policies and Justification

4.1 The Proposed Local Plan aims to support the economic prosperity of the City by providing the necessary additional space to facilitate the economic development needs expected by 2045, and supporting local businesses and attracting new investment.

4.2 This section sets out the purpose and justification for the proposed employment policies with reference to the supporting evidence base.

SP6 Securing a Thriving Local Economy and Visitor Destination

Strategic Policy SP6: Securing a Thriving Local Economy and Visitor Destination
1. Support the provision of 68,400sqm of employment space (Use Class e(g)/b) by 2045 as a minimum to accommodate job growth, in accordance with the spatial principles (Policy SP1: Spatial Principles). Employment generating development must be located using a sequential approach in accordance with the spatial strategy (Policy SP2: Spatial Strategy) and be supported by requisite infrastructure (Policy SP3). Offices, retailing, and other uses generating large numbers of people will be focused to the City Centre (Policy DM6.5).
2. To promote economic regeneration, development will: i. support economic growth, particularly the Economic Sectors as set out in Policy DM6.1 (see Policy Table DM6.1); ii. contribute to the creation and retention of a wide range of jobs, educational, training and re-skilling opportunities (Policy DM6.1 and DM6.2); iii. contribute to the regeneration and development of the City Centre and central seafront, existing designated Employment Areas, Priority Urban Areas (Policy SP2), and other sites currently in or proposed for employment use, encouraging opportunities for sustainable travel (Policy SP10 and DM10.1); iv. enhance the city's role as a cultural and intellectual hub, higher education centre of excellence, and visitor destination; v. improve opportunities for micro, small and medium enterprises in all economic sectors; vi. promote the role of London Southend Airport and its surrounding employment land to support the delivery of jobs including employment directly related to the Airport activities, enhancing connectivity, and contributing to a growth in local jobs as per the provisions of the JAAP (2015) in line with Policies SP2 and SP11; vii. support traditional fishing industries and regeneration of Leigh Port; viii. improve the level of service of broadband, fibre and other telecommunications in line with Policy DM10.5.
3. Permission will not normally be granted for development proposals that involve the loss of existing employment land and premises unless otherwise identified (see Policy DM6.3; Policy Table DM6.3a) or it can be clearly demonstrated that the proposal will contribute significantly to the objective of regeneration of the local economy in other ways, including significant enhancement of the environment, amenity and condition of the local area.
4. Employment uses, including industrial and distribution, will be supported on the city's designated Employment Areas (Policy DM6.2 and Policy Table DM6.2) where this would increase employment densities and/or reinforce their role in regeneration. These Employment Areas will be safeguarded for class B2 and/ or B8, or E(g)(i-iii) class employment uses.
5. Proposals for home businesses and live/work units will be supported in principle subject to the provisions of Policy DM6.4.

6. Development proposals will improve the vitality and viability of the city's Centres, contributing to healthy, safe and complete neighbourhoods, providing a range of services that are easily and sustainably accessible and apply the retail hierarchy set out in Policy DM6.5.
7. To promote and enhance the city's function as a major resort and year-round visitor destination, the Council will support: i. hotel and visitor accommodation, including enhancements of existing facilities, in appropriate locations in the 'key areas' as identified in Policy Table DM6.6. Conference/ event facilities will also be focused on these areas, particularly within Southend Central and at London Southend Airport. ii. broad-based leisure and tourism facilities to encourage a growth in visitor numbers (including day trips, overnight and longer stays), with a particular focus in Southend Central Neighbourhood (including the City Centre and Central Seafront area), and the wider Seafront area (including Leigh-on-Sea and Shoeburyness).

Justification

4.3 The strategic policy sets out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth for the City, in line with the NPPF, and identifies sites and opportunities for new and intensified employment land, recognising that the City Centre, London Southend Airport and associated business park, and the City's employment growth areas as being particularly well placed to achieve economic growth, with opportunities for increased modern employment floorspace. It also recognises the role of retail and commercial centres in the City in terms of providing opportunity to flexibly meet employment needs for Class E uses, including offices. The policy also recognises the London Southend Airport and its environs provide a strategic employment opportunity to support the delivery of a significant number of additional jobs, including employment directly related to the airport (with a 50-50 split of overall jobs total for Airport Business Park will Rochford District, in line with the adopted Joint Area Action Plan for the airport.

Policy DM6.1: Employment Sectors

Policy DM6.1: Employment Sectors
1. New employment development proposals will be supported where they contribute to the promotion of sustainable economic growth and increase the capacity and quality of employment land, floorspace and jobs in the city.
1. Southend City Centre and Southend Central Neighbourhood will form the primary location for major economic growth.
2. To attract and promote investment and maximise benefits, employment development proposals of the appropriate type, scale and character that are focused on the Economic Sectors identified within Policy Table DM6.1 will principally be directed to the identified Priority Locations (Policy Table DM6.1), alongside the rest of Southend's Employment Areas identified in Policy DM6.3a, with any exceptions to be considered on an individual site basis.

Justification

4.4 The policy seeks to encourage economic growth, as well as identifying key economic sectors and priority locations for them in Southend. The policy approach recognises that it is important to ensure that there is an adequate provision of employment floorspace to enable emerging growth sectors to prosper, attract new investment, and

accommodate the growth plans of existing businesses. The policy also recognises the potential for growth and regeneration within Southend Central neighbourhood, including the City centre.

Policy DM6.3: Employment Areas

Policy DM6.3: Employment Areas
1. Major development proposals within the city's Employment Areas (Policy Table DM6.3a), as defined on the Policies Map, should make provision for a range of flexible unit sizes, including accommodation that supports small and medium sized enterprises, to ensure the needs of businesses are met. This should take account of the location and type of business(es) proposed to ensure land is used efficiently. Where appropriate, incubator/ seedbed/ enterprise centre, 'grow on', and/ or affordable workspaces will be sought. Opportunities to enhance sustainable connections to the Employment Areas will be encouraged, and development should have regard to principles set out in Policy DM7.1 to ensure good quality design is achieved, including Secured by Design principles.
2. The Council will investigate the use of Article 4 Directions where appropriate in the city's Employment Areas to ensure their commercial function is maintained and protected from loss of commercial premises through the introduction of residential uses.
3. Support the retention, enhancement and development of Class B and Class E(g)i-iii uses within the city's Employment Areas (Policy Table DM6.3a) that contribute to the delivery of new jobs, in accordance with Policy SP6, and provide well-designed buildings and flexible layouts. Proposals that fall outside of a Class B and Class E(g)i-iii employment use will only be granted permission where: i. the development proposal is a 'Sui Generis' use of a similar employment nature, which is compatible with and will not compromise the operating conditions of the Employment Area; or ii. the development proposal is in conformity with a planning brief, or similar document, that has been adopted by the Council for the concerned site, which sets out other appropriate uses; or iii. it can be demonstrated to the Council's satisfaction that: a) there is no long term or reasonable prospect of the site concerned being used for Class B or Class E(g)i-iii purposes*; and b) the use is compatible with and will not compromise the operating conditions for other employment uses or the potential future use of neighbouring sites for employment uses; and c) the alternative use cannot be reasonably located elsewhere within the area it serves**; and d) the use will not give rise to unacceptable traffic generation, noise, odour or vehicle parking; or, e) the development will be a complementary and supporting use, which is both subservient and ancillary to the principal employment use and serves the daytime needs of the employment area's working population and will not result in a material change to the character and function of the area.
4. The Employment Growth Areas (Policy Table DM6.3a) will be promoted as locations for increased modern employment floorspace.
5. The Employment Areas should remain the primary focus for employment uses. Proposals for employment generating uses located outside of the Employment Areas will be permitted in principle where they do not impact upon the amenity of the surrounding uses and do not conflict with other local plan policies and in line with Policy SP1 and SP2.
6. Outside the Employment Areas, proposals for alternative uses on sites used (or last used) for employment purposes, including sites for sui generis uses of an employment nature, will be permitted where it can be demonstrated that: i. it will no longer be effective or viable to accommodate the continued use of the site for employment purposes***;

ii. use of the site for Class B use gives rise to unacceptable environmental problems; and
iii. an alternative use or mix of uses will give greater potential benefits to the community and environment than continued employment use.

7. Development proposals for sensitive uses, including residential, in close proximity to or within the Employment Areas, must not put at risk the survival of uses and existing industries which are important to the city's economy and the Agent of Change Principle will apply (Policy DM9.3).

** This should include a minimum 1-year active marketing exercise where the vacant site/ floorspace has been offered for sale or letting on the open market at a realistic price and that no reasonable offers have been refused. In exceptional cases related to site specific circumstances, where the vacancy period has been less than 1 year, a robust market demand analysis which supplements any marketing and vacancy evidence may be considered acceptable. Appendix 5 Part A and B set out the information to be provided in relation to marketing and market demand.*

*** The Council will make a judgement about the extent of the area based upon the site's characteristics and the proposed use.*

**** Appendix 5 Part C sets out the information to be provided as part of this appraisal.*

Justification

4.5 The policy sets out the approach to managing the City's employment areas, recognising that developable land in Southend is a scarce resource which needs to be effectively utilised to facilitate economic growth. It highlights that the plan makes provision for (a minimum of) 68,400sqm of employment space (Use Class E(g)/B), contributing to the projected c9,500 additional jobs over the Plan period, in line with the evidence set out in the INA Part B: Economic Needs Assessment (2026). Employment land in Southend has relatively lower land values compared to other land uses and therefore it is necessary for land in employment use or in desirable locations for employment development in market and sustainability terms, to be safeguarded or allocated as such in order to facilitate present and future economic growth, otherwise, this land will likely be developed for alternative uses.

4.6 Supporting evidence base, including Employment Site Release Topic Paper (2021) and employment area surveys, have suggested that a small number of self-contained, poorer performing employment areas (as previously designated in the development plan) where the employment area designation could be removed. These are identified through the Local Plan, and recognised for their potential to deliver a mix of uses. See the table below.

Policy DM6.3b: Existing Employment Areas to be removed from employment area designation

Employment Area	Description/ Justification	Recommendation
Grainger Road	Located in Southend Central, bounded by residential uses to the north and south, Short Street Employment Area to the east, and Sutton Road and Greyhound Way to the west. Notable areas of poorer quality stock within the estate, with limited road access, and narrow/ limited	Remove employment area designation. Development in

	access and circulation and parking space within the estate, particularly for large/ heavy vehicles, prevalence of vacancies and non-B class/E(g) employment uses.	accordance with site allocation HEA267.
Prince Close	Small area located directly off the A127. A former large factory on the eastern part of the site has been redeveloped for residential. On the remainder of the site, there is a mix of uses, and therefore a small proportion of the site remains in B class/E(g) employment use. Other factors include restricted road access passing through residential areas, constraints on site for vehicle access, and adjacent to residential uses.	Remove employment area designation. Development in accordance with site allocation HEA266.
Terminal Close	Located in Shoeburyness, directly north of the train station and sidings, and surrounded by residential uses. There is limited road access – one access point onto/ out of the site, and limited circulation space. There are a number of vacancies across the site, and other non-B class/ E(g) employment uses, and poorer/ dated quality of stock.	Remove employment area designation. Development in accordance with site allocation HEA265.
Former Employment Areas already redeveloped for mixed use		
(Former) Prittle Brook Industrial Estate	*The former Prittle Brook Industrial Estate has been redeveloped, primarily for residential use with a hospice and supermarket to the front of the site, the site therefore necessitates release from its employment designation.*	*Remove employment area designation – site has been redeveloped, primarily for residential use.*
Shoebury Garrison (Phase 1)	*A small area located in the east of the city. Since the construction of three office buildings on part of the site, a number of residential properties have been built around them, and one of the commercial buildings is in retail use, and another has been converted to residential. Residential uses dominate this area.*	*Remove employment area designation – site has been redeveloped, primarily for residential use.*