

Topic Paper 2

Economy



SOUTHEND-ON-SEA
NEW LOCAL PLAN

Planning for Growth and Change

Topic Paper	Local Plan Issue/s covered
Topic Paper 1 Housing	Covers issue 2 of the Southend New Local Plan
Topic Paper 2 Economy	Covers issue 3 of the Southend New Local Plan
Topic Paper 3 Tourism	Covers issue 4 of the Southend New Local Plan
Topic Paper 4 Retail and Town Centres	Covers issue 5 of the Southend New Local Plan
Topic Paper 5 Providing for a Sustainable Transport System	Covers issue 6 of the Southend New Local Plan
Topic Paper 6 Design, Healthy Living & Built Heritage	Covers issue 7 of the Southend New Local Plan
Topic Paper 7 Social & Community Infrastructure Needs	Covers issue 8 of the Southend New Local Plan
Topic Paper 8 Green & Blue Infrastructure & Climate Change	Covers issues 9 & 10 of the Southend New Local Plan

Economy Topic Paper

What is this topic paper about?

The Council is making a new Local Plan that will cover the period up to 2038. As a comprehensive and up to date evidence base is essential for plan preparation, the Council is undertaking a range of studies, both in house and with external consultants to support this process.

The Economic topic paper summarises the latest available evidence on the national and local economy and its impact on prosperity and jobs. Reflecting the wide scope of this topic there are a number of overlaps between this paper and others including the Tourism, Retail and Town Centres and Transport topic papers.

To view all the topic papers and the latest update on the Local Plan evidence base please visit our website. Please note all internet links are up to date at the time of publication.

localplan.southend.gov.uk

Can I comment on this document?

The Local Plan topic papers are factual in nature and set out the national planning policy context, current situation in Southend, and some potential ways of dealing with the local issues raised, but they do not include any planning policies or site allocations. As such we are not seeking comment on these publications.

However, there will be opportunities to comment on the content of the New Southend Local Plan at various stages of its development. The Council will be undertaking public consultation on the **New Southend Local Plan Issues and Options** during early 2019. This will be followed by public consultation on **Preferred Options** and **Proposed Submission**. See our website for more details localplan.southend.gov.uk

If you wish to be kept informed of forthcoming consultations you can email planningpolicy@southend.gov.uk with your contact details.

Economy

Introduction

This topic paper has been prepared to assess the national and local policy context for the Economy, to provide a useful summary of key issues and to consider what should be incorporated into the new Local Plan, covering the period to 2038.

It covers a broad range of subjects including the potential for economic growth and future development needs and summarises the latest available evidence relating to these matters. It also suggests how the Local Plan could deal with any important issues.

National Planning Policy

Local planning authorities are required to address the requirements set out in National planning guidance in preparing their local plans, namely the National Planning Policy Framework (NPPF, July 2018) and the National Planning Policy Guidance (NPPG).

At the heart of the National Planning Policy Framework is a presumption in favour of sustainable development, which should be seen as a golden thread running through both plan-making and decision-taking.

Achieving sustainable economic development includes the objective of building a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure (paragraph 8).

So that sustainable development is pursued in a positive way, at the heart of the Framework is a presumption in favour of sustainable development (paragraph 11).

Table 1 summarises the requirements of the NPPF and NPPG in relation to the economy.

Table 1 Summary of National Planning Policy Guidance

National Planning Policy Framework
<p>Strategic policies should set out an overall strategy for the pattern, scale and quality of development and make sufficient provision for employment development (paragraph 20). Strategic policies should look ahead over a minimum 15 year period from adoption of the local plan to anticipate and respond to long-term requirements and opportunities (paragraph 22).</p>
<p>Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future (paragraph 80).</p>
<p>Planning policies should set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth (paragraph 81).</p>
<p>Planning policies should set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period (paragraph 81).</p>
<p>Planning policies should seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment (paragraph 81).</p>
<p>Planning policies should be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances (paragraph 81).</p>
<p>Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations (paragraph 82).</p>
<p>Local planning authorities should take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs. In particular, they should support proposals to use employment land for homes in areas of high housing demand, provided this would not undermine key economic sectors or sites or the vitality and viability of town centres (paragraph 121).</p>
National Planning Policy Framework (NPPG)
<p>Local Authorities should undertake a housing and economic land availability assessment. In relation to economic development the assessment should consider all sites capable of</p>

delivering economic development on sites of 0.25 hectares (or 500 square metres of floor space) and above. Where appropriate, plan makers may wish to consider alternative site size thresholds. This approach ensures that all land is assessed together as part of plan preparation to identify which sites or broad locations are the most suitable and deliverable for a particular use. An assessment of land availability identifies a future supply of land which is suitable, available and achievable for housing and economic development uses over the plan period. The assessment of land availability is an important step in the preparation of Local Plans.

Existing Local Planning Policy

The existing local policy context is set out in the Southend Core Strategy (2007), Development Management Document (2015), London Southend Airport and Environs Joint Area Action Plan (JAAP 2014 prepared jointly with Rochford District Council) and the Southend Central Area Action Plan (SCAP 2018). These adopted plans cover the period to 2021. *Appendix 1* sets out how the economic related policies relate to national planning policy guidance. These policy provisions need to be updated to cover the time frame to 2038 and to take account of changing circumstances and changes to national planning policy.

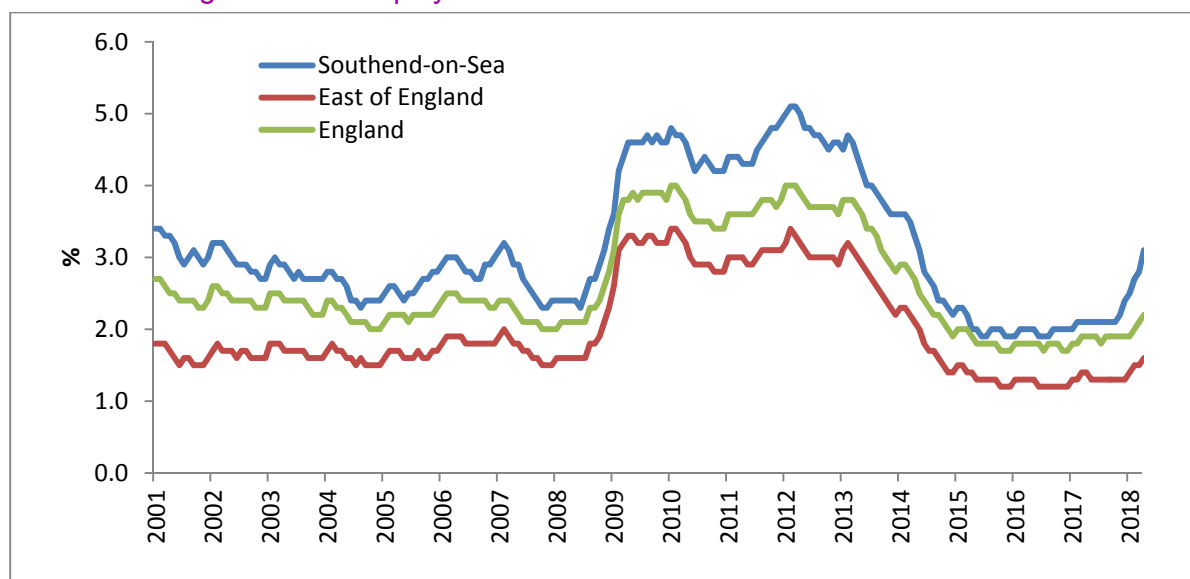
Southend Economic Characteristics

Since the economic downturn in 2008, which had a detrimental impact on employment in Southend, job numbers have steadily increased and in 2017 were their highest since 2008 levels with some 66,000 employed in the town¹ in 6,600 businesses, 85% of which employ less than 10 people.

Since unemployment peaked during February and March 2012 with 5.2% of working aged residents claiming job seekers allowance, the number of people claiming has reduced, following national trends to 3.3% just above the regional and national averages, although there was a slight rise in March 2017 (also reflected nationally).

¹ ONS Business Register and Employment Survey 2017

AMR 2018 - Figure 4.1 Unemployment Rates

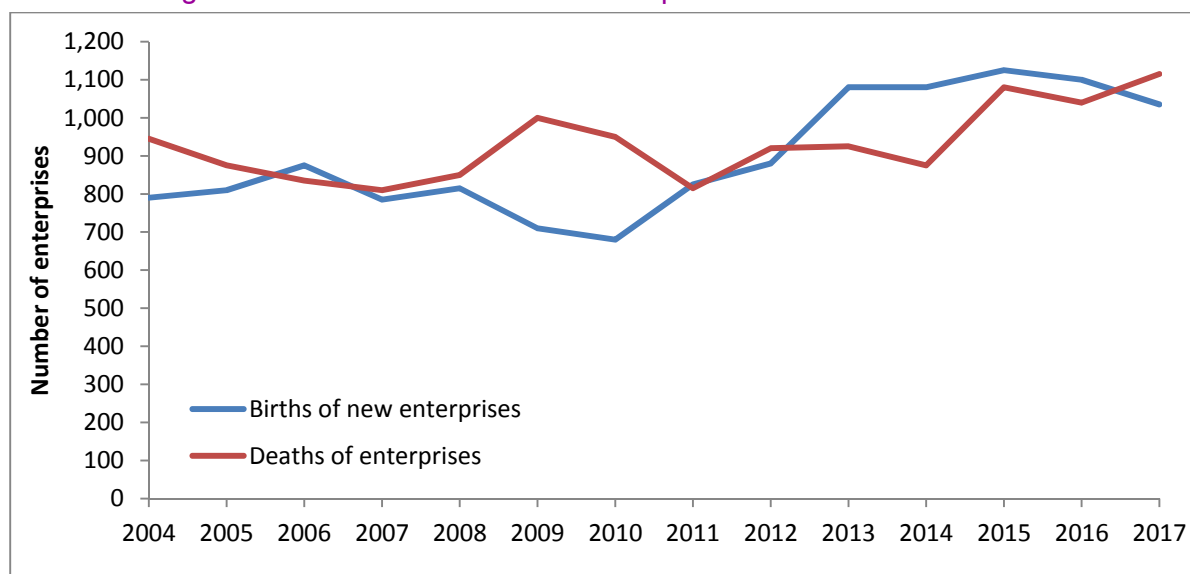


Source: NOMIS – Claimant count Jan 2001 to Nov 2018

In recent years there has been a consistent year on year increase in median gross weekly workplace pay within Southend to £513 per week in 2017. However, this represents a low wage local economy, being well below the regional (£558) and national figures (£570) and has significant implications for local people trying to secure a place on the housing ladder as local house prices continue to rise – see Housing Topic Paper.

Southend has an established reputation of entrepreneurial spirit with significant numbers of start up businesses. 2015 marked the birth of the most businesses in Southend since data was first collected by the Council in 2004 with over 1,100 businesses established in that year. However, the number of business enterprises that fail to survive is significant and in 2017 the total number of business deaths just overtook the number of business start-ups. This reflects the importance of providing support and infrastructure required to sustain and grow local businesses. The Southend city deal provides support for small and medium sized businesses. An incubator system of one to one support is provided by 'The Hive' in Victoria Avenue to help improve business performance.

AMR 2018 Figure 4.3 – Births and Deaths of enterprises within Southend



Source: ONS Business Demography 2017

A key issue in Southend and across the South Essex sub-region is skills and education with an increasing need for higher level skills and qualifications as growth continues in professional and senior occupations. In Southend some 34,000 people have a qualification of NVQ4 or above (31%) which is well below the national average (39%).² These circumstances reflect the importance of having a higher education presence within Southend with the University of Essex campus in the town centre which opened in 2007 and The Forum (providing lecture rooms, rehearsal rooms and high-tech medical skills labs) which opened in 2013. These facilities are proposed to be extended as part of Phase II of the University development which is promoted in the adopted Southend Central Area Action Plan.

In recent years there has been a net loss in employment floorspace and land (B1 to B8 uses³) across the Southend Borough reflecting changes in the local economy as businesses modernise and adapt. There has been an oversupply of office floorspace in Southend and a large proportion of outdated office space has been converted/developed into residential use contributing to much needed local housing needs, such as the conversion of the former office blocks in Victoria Avenue. Currently there are just over 200 office premises in the town comprising 209,000 square metres. Rental values are the lowest in the South Essex sub-

² Source: ONS annual population survey 2017

³ Town and Country Planning Use Class Order refers. B1 Use – office, research and development, industrial process which can be carried out in a residential area; B2 general industrial; B3 to B7 special industrial; B8 storage and distribution.

region⁴ and the letting demand across the sub-region is primarily for smaller units (below 185sqm).

Southend's industrial stock is mainly concentrated on a number of industrial estates spread across the Borough comprising of 165 properties totalling 217,000 square metres of floorspace. Rental levels are comparable with neighbouring areas but lower than Basildon and Thurrock where the majority of industrial floorspace in South Essex is located. As with offices letting demand for industrial floorspace across the sub-region is for smaller units (below 465sqm).

Southend has consistently experienced a significant level of net out-commuting with Census data (2011) showing that over 29,800 residents travel to work outside Southend. Some 12,400 of these travel to London (largely by train) attracted by the wide range of job opportunities and higher wages. Others travel to the neighbouring towns for employment, the vast majority by car. 20,700 workers commute into Southend principally by car. As a result of these travel patterns the distributor routes, particularly the A127 and A13, can suffer from severe congestion. It is vitally important for the economic prosperity of Southend and the wider sub-region that the key transport routes serving the town are improved.

A joint initiative between Rochford and Southend has seen the development of a major new business park at Saxon Way as part of the regeneration of London Southend Airport. Aviation related businesses are already located in the area and the London Southend Airport Joint Area Action Plan (JAAP) proposes capacity for some 5,000 additional jobs.

Further economic characteristics for Southend are detailed in the Borough Council's Annual Monitoring Report which forms part of the Local Plan evidence base.

The Southend Economic Growth Strategy 2017 – 2022 has as its vision that *“by 2022, the Southend economy will have addressed all areas of economic underperformance to emerge as the leading economy in South Essex. The benefits of our efforts will be reaped by businesses and residents as they thrive in the new economy. Key characteristics of this success will include: - Job growth in key sectors and strengthened local supply chains - Increased average income and productivity - Improvement in educational attainment - High business start-up and survival rates - A resilient and diverse economy”*.

⁴ Source, Costar 2016

Evidence Base

The existing and emerging economic evidence base that will support the preparation of the Southend New Local Plan, identifying which key issues need to be addressed by policy, is depicted in **Table 2**. A number of these studies have been commissioned by the Association of South Essex Local Authorities (ASELA)⁵ to assist in the preparation of a South Essex Joint Strategic Plan (JSP) which will in turn inform local plan preparation.

Table 2: Evidence Base Provisions

Current Evidence	Comments	Reference
Employment Area Survey 2017	Replaces the 2013 document and will expand on the EDNAs site assessments	www.southend.gov.uk/
Thames Gateway South Essex Growth Deal – South East England Local Enterprise Partnership 2017		www.southend.gov.uk/
Opportunity South Essex (Economic Growth Strategy for South Essex)	Principles and findings taken into account in the preparation of the South Essex Economic Development Needs Assessment (EDNA)	www.southend.gov.uk/
Enterprising Essex: Opportunities and Challenges – Essex Economic Commission 2017		www.southend.gov.uk/
Southend Economic Growth Strategy 2017 - 2022		www.southend.gov.uk/
Southend-on-Sea Borough Council Skills Strategy 2017-22		www.southend.gov.uk/
Annual Monitoring Report 2017		www.southend.gov.uk/
South Essex Economic Development Needs Assessment (EDNA) – GV Grimley 2018		www.southend.gov.uk/

⁵ The Association of South Essex Local Authorities (ASELA) comprises of Thurrock, Brentwood, Basildon, Castle Point, Southend and Rochford together with Essex County Council.

Housing and Economic Land Availability Assessment (HELAA) 2017/8		www.southend.gov.uk/
South Essex Economic Development Needs Assessment (EDNA) 2017		www.southend.gov.uk/

These base documents recognise the economic potential of the South Essex sub-region and the Southend area. The Economic links to tourism, retail and town centres and transport are considered in separate topic papers on these issues.

The current evidence will be invaluable in determining economic growth over the plan period. In order to provide sufficient sustainable economic development in the right places at the right time, it will be important to match job provision with the anticipated housing growth in Southend and to take account of in-commuting from surrounding areas. The current mix of employment provision and future needs of the Borough will also need to be re-evaluated as per the evidence emerging in the EDNA and other market signals.

There is an important link between housing and economic performance. Getting the right housing offer, including affordable housing, is essential to attracting and retaining a skills base that will encourage inward investment and help address underlying economic causes of deprivation where this exists.

Looking to the Future - Economic Prospects

The South Essex Economic Development Needs Assessment (EDNA) provides the most up to date economic assessment of the needs and opportunities of the South Essex sub – region. These build on the foundations set out in key growth strategies for South Essex, including the Thames Gateway South Essex Growth Deal, Opportunity South Essex (Economic Growth Strategy for South Essex) and Enterprising Essex: Opportunities and Challenges and the Southend Economic Growth Strategy.

The study's findings and implications for Southend are summarised below. These findings will, in association with other supporting evidence, provide an important input to the preparation of the Southend New Local Plan

South Essex Sub-Region

The EDNA notes that the economic opportunities for South Essex are considerable. Its location, connections, labour force and land assets can enable the sub-region to capture a greater share of the Greater South East (and London's) ongoing growth, whilst also delivering employment opportunities driven by existing businesses and a growing residential population. It is considered critical that future employment development is delivered in a way that is smart, minimising its impact on land resources and infrastructure capacity.

However, the sub-region also faces a number of challenges to overcome, not least in managing the decline or transition of some traditional activities in combination with the requirement to deliver further investment in road and rail infrastructure in order to support economic renewal.

The provision of strong infrastructure connections and continued adequate investment into road conditions and the public transport network is regarded as essential for supporting economic development and employment activities across South Essex. Without this investment it will not be possible to achieve the economic growth potential identified for the South Essex sub-region or any of the local authorities within it. Transport is the key to unlocking this potential, with the key transport priorities being the road infrastructure (with the A13, the A127 and junctions 30 and 31 of the M25 being the main areas of concern) and rail network (the main concerns being journey time delays, the limited frequency of services provided and poor connectivity between train and bus services). Transport issues are discussed further in the Transport Topic Paper.

It is also clear that in order to achieve sustainable economic growth a step change in housing provision is required to provide for the type of homes required to attract and retain a skilled workforce that will encourage inward investment.

To facilitate this potential to bring together the growth opportunities across South Essex, ensuring the area acts like a functional economic hub rather than developing competing or conflicting propositions, a strategy – the South Essex Joint Strategic Plan (JSP) - is being developed by the Association of South Essex Local Authorities (ASELA). The JSP will inform the preparation of the Southend New Local Plan and other local plans in the South Essex sub-region.

Southend

To guide strategic and local plan preparation, the EDNA study identifies:

- *the employment sectors offering the greatest potential for the future, the ‘economic growth drivers’;*
- *the areas where these can best be promoted, the ‘economic growth clusters’;*
- *the future employment land requirements in South Essex; and*
- *the potential of the existing employment land supply portfolio.*

These four aspects and how they relate to the Borough of Southend are outlined below.

Economic Growth Drivers

The EDNA identifies a number of key sectors which underpin the current and expected future strength of the South Essex economy. These are identified as ‘economic growth drivers’ for the sub-region and are seen as key to achieving future employment growth and economic prosperity.

The sectors identified are those considered to be high value, and most pivotal to future economic growth opportunities in the sub-region. However, this is not to suggest these are the only significant economic sectors in the local authorities within South Essex. For example in Southend the public services sector is a comparative strength in the local economy but is not regarded as being of a strategic enough nature to justify specific isolation as a key sector in the sub-region.

The EDNA study recommends that South Essex authorities target support and investment for education, skills and training towards these occupations and industries within the identified growth sectors to help boost the qualifications and skills levels of local people in order for them to take-up the jobs being created in the area over the next 20 years, and so have better access to higher level occupation opportunities.

For Southend the economic growth drivers identified are Advanced Manufacturing and Engineering; Digital, Cultural and Creative; Healthcare Technology and Tourism. These reflect the sectoral focus contained in the Southend Economic Growth Strategy 2017-22 (Principle 2).

Advanced Manufacturing and Engineering - potential is identified in Southend to strengthen advanced manufacturing and engineering in ‘Site Clusters’ which can support strategic South Essex economic growth.

This sector requires good connectivity to the London and South East markets and supply chains. Accessibility to the strategic transport network is therefore vital and emphasises the importance of improving the capacity and efficiency of the transport infrastructure across South Essex serving Southend.

A key focus to attract this type of growth is noted as being the need to provide support and training for local employees to take up opportunities in this sector and addressing the current trend of the provision of these jobs for in-commuters, rather than South Essex residents.

Digital, Cultural and Creative – The digital cultural and creative sector captures a range of employment activities, which show links with the manufacturing and engineering sector, and to a lesser extent the energy and green technology sector. The potential for this type of activity in Southend and the sub-region is supported by the Thames Estuary focus for creative production and innovation detailed in the Thames Estuary Production Corridor Vision⁶. Southend represents one of the strongest sector presences for digital, cultural and creative sectors in South Essex.

This sector activity is receiving additional support from the Government and South East Local Enterprise Partnership (LEP) through its focus on the Thames Estuary Production Corridor. This sets the intention for growth of these sectors in South Essex as part of the wider Thames Estuary Gateway, which underpins the existing strength in activity from current occupiers.

To support the growth potential of this sector, investing in the broadband and digital infrastructure is seen as imperative to ensure locations meet the sector's requirements. This will need to be monitored as part of the local plan process to ensure improvements are continually made as and when required. It is also noted that growth in this sector will require a focus on better attracting graduates and employees to the area, which is an important pull factor for labour in the creative sector. This could include better social and leisure provision in urban areas as well as considering location opportunities in close proximity to town centre connectivity and amenities.

Healthcare Technology - the healthcare sector strength in Southend is underpinned by some key existing occupiers that can act as anchors to form a health technology cluster. The

⁶ www.southeastlep.com/images/uploads/resources/TEPC_VISION.pdf

EDNA notes that recent growth in the health care sector in Southend demonstrates an opportunity for further growth in this activity as part of the South Essex economy.

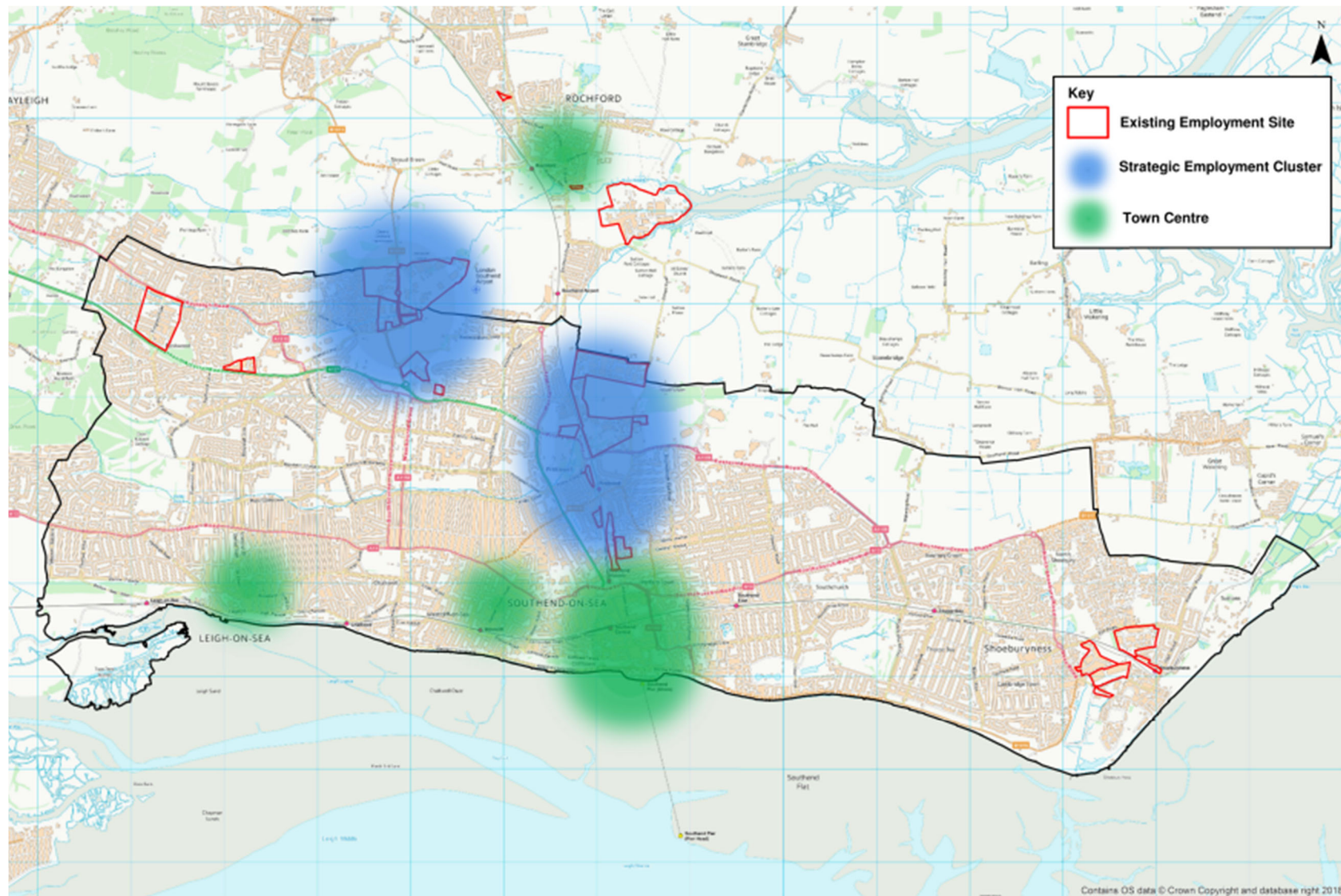
Tourism Sector - this is identified as an important part of the Southend and sub-regional economy with significant growth potential. This is detailed in the Tourism Topic Paper.

Economic Growth Clusters

To facilitate the economic growth sectors, the EDNA identifies site clusters where this can best be achieved and promoted. In Southend these are:

- *the northern Southend corridor centred around Stock Road and Temple Farm*
- *the London Southend Airport and associated new Southend Airport Business Park (which is mainly located within the Rochford District administrative area); and*
- *the town centre.*

South Essex Employment Growth Clusters around Southend (EDNA 2017)



North Southend and London Southend Airport Cluster - the employment sites within these two clusters, particularly London Southend Airport, are identified as offering the potential to accommodate the often large scale activity associated with *advanced manufacturing and engineering*. The area has existing strength in this activity where there are a number of current occupiers underpinning the focus for growth. In the London Southend Airport site cluster occupiers include Ipeco Holdings, Inflite MRO Services, Avionicare, Hi-Tec Europe and Enigma Telematics.

The London Southend Airport cluster also has the advantage of being in close proximity to the airport which supports aviation related advanced manufacturing activity in particular.

The location requirements of the *health technology sector* are similar to the advanced manufacturing in that they both benefit from being located in close proximity to a locally skilled workforce and in close proximity to each other. In Southend these include the Olympus Medical facility in the Northern Southend cluster, and in central Southend the Southend University, South Essex College, Southend Adult Community College, and Southend Hospital which are underpinned further by the strength in the advanced manufacturing sector.

Town Centre Cluster - the Southend town centre cluster is identified as being the best location in the Borough for attracting the *digital, cultural and creative sector* as this sector requires good accessibility locally to a young, diverse and highly skilled workforce and to local services and amenities, public transport connectivity, and well-designed successful mixed use environments. This is seen as crucial for strengthening and developing the sector. The town centre also has the advantage of being home to a number of existing cultural production companies and facilities and has a strong education presence with the University of Essex and South Essex College that can underpin the growth and success of digital, cultural and creative industries.

The EDNA also identifies the important role that town centres play in not only providing opportunities in the digital, cultural and creative sector but also providing the opportunity more generally to encourage smaller and more diverse employment activity. A level of professional and business sector growth in particular could be expected to locate in the town centre environments considering their strong link with population clusters, and the level of service, amenities and facilities they provide in one location. The EDNA notes that these types of activities will continue to be an important part of the Southend and sub-regional

economy and should be supported and invested in going forward. This is particularly the case given the high levels of business start-ups and small businesses within Southend and suggests there is a need to place greater need on business support services.

The EDNA study therefore recommends that the provision of adequate office and flexible workspaces to support entrepreneurship and small and medium enterprises (SME's) is focused towards the main town centres. This will require appropriate investment to create attractive, high quality town centre environments that are capable of attracting and retaining these businesses. Where town centres do not currently have an existing cluster of office stock or business activity to underpin the clustering of SMEs, opportunities to incorporate this form of employment activity in mixed use regeneration should be pursued

This cluster also incorporates the main tourism sector activity on the Southend foreshore and there is the opportunity to develop a joint strategy to promote tourism and commercial growth as part of a comprehensive town centre regeneration package – see Tourism and Retail and Town Centres Topic Papers.

Future Land Requirements

In looking forward the EDNA study forecasts future growth potential having regard to the above growth sectors and translates these into future land and floorspace requirements. The study utilises the East England Forecasting Model (EEFM). Whilst it is recognised that the model is not a 'perfect fit', as it shows the most alignment with the growth expectations of the five South Essex local authorities and provides consistency with other studies and wider planning objectives across South Essex, it is regarded as the best available to provide the base model for the South Essex growth forecasts.

The baseline forecasts for employment growth would see some 7,500 new full time equivalent (FTE) jobs created within Southend over the period 2016 - 2036, an increase of some 10%. Taking account of a combined scenario based on the economic growth drivers presented in the EDNA, job growth is forecast to rise to around 11,000 equivalent (FTE) jobs within Southend over this period.

In terms of land requirements the combined growth sectors for Southend results in a requirement for an additional 39,000 square metres/4 hectares to accommodate all forms of B class employment, that is mainly for office and manufacturing / industrial activity.

However, the combined forecast results in a negative land requirement overall, but largely as a result of an opportunity to contract industrial land supply and deliver additional office accommodation. Given the restructuring of some of the Research and Development sector

in particular, the EDNA report notes that there may be a requirement for more 'hybrid' space that combines all B1 uses as well as some B8 (warehousing) space, however these would require a different (more office type) environment than a traditional industrial estate. The report identifies that land allocated in the London Southend Airport Joint Area Action Plan (Policy E7 – Nestuda Way) could play a particular role in accommodating this type of employment space, and is expected to play a key role as part of Southend's future employment land portfolio.

These forecasts only consider the quantitative needs of an area and do not take account of qualitative issues. The EDNA identifies that these considerations could indicate that the projected over-supply of manufacturing floorspace and land in quantitative terms does not mean there is not a qualitative need at a particular scale or format not currently provided. This emphasises the need for careful monitoring and for the Southend New Local Plan to be flexible in its approach to meeting future manufacturing / industrial activity needs.

Existing Employment Land

The EDNA assesses the potential of the existing employment land supply portfolio in each of the South Essex local authority areas based on desk and site based surveys of employment sites to identify the key characteristics of their site clusters. These have been assessed against various categories. The ones relevant to Southend are as follows:

- *Protect and Maintain* - this applies to sites which are suitable in their current form and are located in an appropriate location context where there is not likely to be significant long term change that affects their employment role or function. These sites should be protected
- *Protect and Enhance* - this applies to sites which are largely suitable in their current form, but may require some support over time to reinforce their employment strength, or may be located in areas which are not entirely supportive or appropriate, or where there may be significant change in the medium to long term as a result of regeneration and redevelopment activity.
- *Monitor and Manage* - this applies 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 B class uses evident on site, location in areas with poor accessibility and amenity levels, and/or location in a context not supporting of employment activity. 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, dilapidations etc.

In Southend the report recommends that future action regarding the qualities of the twenty existing employment sites (118 hectares in total) in the Borough should be undertaken as follows:

Table 3: Assessment of Existing Employment Sites

Employment Site	Protect and Maintain	Protect and Enhance	Monitor and Manage
<i>A127/A1159 Corridor:</i> Airborne Close		√	
Airborne Industrial Estate		√	
Prince Close			√
Progress Road	√		
Rosshill Industrial Park	√		
Stock Road	√		
Temple Farm	√		
Thanet Grange	√		
<i>Airport/Eastwood:</i> Aviation Way	√		
Comet Way	√		
Laurence Industrial Estate	√		
<i>Central Southend:</i> Grainger Road			√
Priory Works		√	
Short Street	√		
Tickfield Avenue	√		
<i>Shoeburyness:</i> Campfield Road	√		
Shoebury Garrison			√
Terminal Close			√
Towerfield Road	√		
Vanguard Way	√		

The assessment identifies that the majority of employment sites in the Borough should be protected as part of the Southend New Local Plan. These sites should be subject to some investment in stock and public realm to maintain their condition and quality over time but should not require any significant investment or intervention.

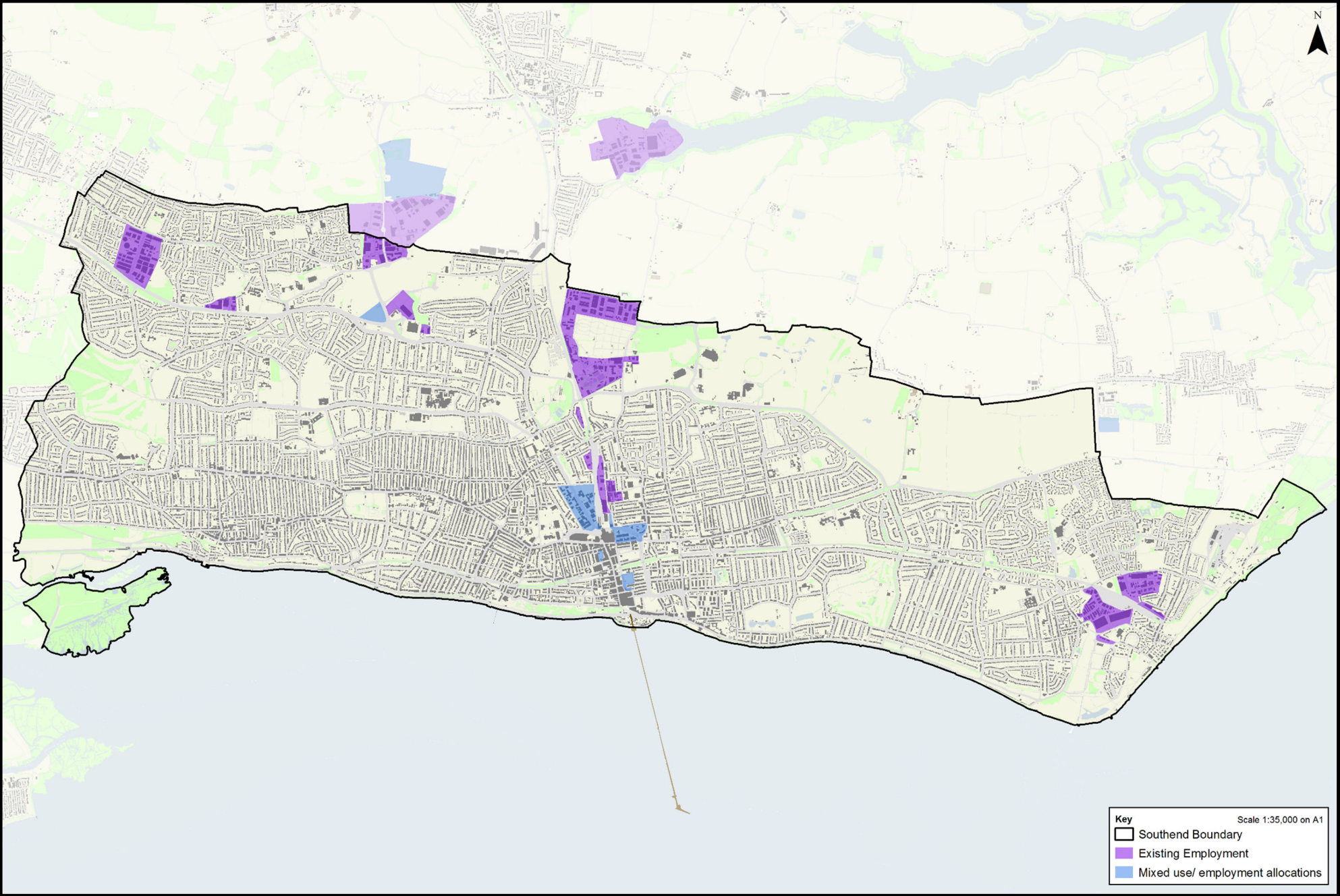
The report notes that three sites at Airbourne Close, Airborne Industrial Estate and Priory Works should be protected and improvements made to their condition and quality. For these sites it is noted that the poor stock quality and lack of investment should be addressed in order to continue the appropriateness of the sites for employment activity.

In the case of sites at Prince Close, Grainger Road and Terminal Close the report identifies these as having the weakest offer which may, over the long term, face challenges. For Prince Close it is noted that the site should not necessarily be supported for continued employment use over time, dependent on retention of existing occupiers. Due to its location, neighbouring retail and residential properties, and poor quality and accessibility, Grainger Road is identified as being unlikely to be appropriate for other occupiers. Terminal Close is identified as being suited to existing occupiers and could be modernised to accommodate contemporary workspace and SME space. There is also an identified need to monitor Shoebury Garrison given the introduction of residential uses within the designated employment area.

Allocated Employment Sites

In addition to the above existing employment sites the EDNA identifies the potential to deliver additional employment land on sites at Nestuda Way (see comments above), allocated in the London Southend Airport and Environs Joint Area Action Plan, and employment/ mixed use land within the town centre on sites allocated in the Southend Central Area Action Plan. All of these latter relate to office employment use.

Employment Areas



Other Considerations

The EDNA recommends that local authorities should take a positive policy approach towards protecting strategically important employment allocations, which can accommodate key growth sector activity, as well as protecting existing key employment sites.

It is important employment allocations and the status and role of the potential future employment land portfolio and the existing site portfolio is monitored regularly as part of the local plan process to ensure sites remain suitable for their allocated or existing uses, particularly where there are increasing pressures on land for alternative residential development.

When it comes to the delivery of new employment space, it will be important to ensure that the Southend New Local Plan incorporates policy controls to secure high quality, appropriately formatted industrial and office / flexible workspaces, as well as ensuring provision is focused towards the most appropriate locations.

Issues the New Southend Local Plan Needs to Address

This section sets out potential policies that could be used within the Southend new Local Plan based on the information and issues raised within this topic paper.

The existing planning policy framework for Southend does not cover a number of issues raised in the new NPPF and need to be updated to reflect the latest Government guidance and policy and changing economic circumstances.

The NPPF has moved onto requiring proactive planning, rather than passive planning when it comes to seeking future economic development. It will therefore be important in preparing the Southend New Local Plan to ensure that it is receptive and can respond to economic market signals. Consultation and liaison with local businesses will form an important part of this process building on established Business and Strategic Partnerships to identify and meet economic demands in a sustainable way

With the introduction of a standardised methodology for assessing objectively assessed housing needs being introduced in the revised National Planning Policy Framework to meet the Governments aspiration for rapid house building – see Housing Topic Paper - it is evident that it will be crucial to plan proactively to keep the economy in the Borough growing and job provision in line with the future need generated by population growth. The EDNA sets out the future need and therefore the extent of the future economic development that needs to form part of the Southend New Local Plan. Working in co-operation with

neighbouring authorities as part of the ‘duty to co-operate’⁷ will be essential in looking to meet future needs and taking account of wide economic strategies for South Essex and beyond.

The Borough Council, in association with its South Essex local authority partners, will need to be innovative in the way in which it seeks to maintain the economic attractiveness of the sub-region and Southend Borough, with a focus on mitigating any current or upcoming constraints, particularly in terms of infrastructure capacity and provision –see Transport Topic Paper.

The issues raised in the recent economic studies, the requirements of national planning policy and the need to update current planning policy are set out in Table 4 below. Potential solutions to these issues are also highlighted. However, these are not considered to be mutually exclusive and other issues and solutions may be identified in due course as a result of public consultation on the Southend New local Plan.

Table 4: Southend New Local Plan – Economic Issues and Potential Solutions

Policy Issues Identified	Potential Solutions
Strategic policies should set out an overall strategy for the pattern, scale and quality of development and make sufficient provision for employment development	The Southend New Local Plan will need to take a proactive approach in developing an overall economic strategy that builds on the sub-regional framework established as part of the preparation of the Joint Strategic Plan for South Essex having regard to the findings of the EDNA study.
Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt.	It will be important for the Southend New Local Plan to positively promote economic development in appropriate locations having regard to the findings of the EDNA study. This includes the need to integrate with town centre policies to ensure the right conditions are achieved for promoting economic development within town centres, particularly for small and medium enterprises.
Planning policies should set out a clear economic vision and strategy which	The economic vision will need to be embraced as an integral part of the overall

positively and proactively encourages sustainable economic growth	vision and strategic objectives for the Southend New Local Plan.
Planning policies should set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period	Update existing Core Strategy Policy CP1 and Development Management Document Policy DM11 to reflect the future need as identified in the EDNA. New sites will be identified as part of the update and review of the Southend Housing and Economic Land Availability Assessment.
Planning policies should seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment.	Refresh the Core Strategy Policies KP1 and CP1 to be in line with the current and future infrastructure requirements. Alignment with strategic and local transport policies will be essential to ensure that infrastructure improvements can deliver economic growth aspirations and prosperity.
Planning policies should be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices and to enable a rapid response to changes in economic circumstances	The Southend New Local Plan will need to contain criteria based economic policies to ensure that it can effectively respond to changing circumstances and market signals. Effective monitoring processes will also be important.
Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries	Refresh Core Strategy Policies KP1 and CP1 and develop the recommendations of the EDNA study in promoting economic growth clusters and economic growth drivers.
Local planning authorities should take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs. In particular, they should support proposals to use employment land for homes in areas of high housing demand, provided this would not undermine key economic sectors or sites	Update DM policy 11 - based on emerging evidence from the EDNA study should allow for instances where employment sites can be de-allocated (i.e. where they are of poor quality, high vacancy rates etc.) and may be better suited to alternative forms of development.

or the vitality and viability of town centres	
Local Authorities should undertake a housing and economic land availability assessment. In relation to economic development the assessment should consider all sites capable of delivering economic development on sites of 0.25 hectares (or 500 square metres of floor space) and above.	Annual Monitoring Reports are undertaken to monitor the effectiveness of local plans in delivering housing and economic development. The Southend New Local Plan will need to include effective monitoring policies and targets to ensure the Plan delivers its aims and objectives.

Appendix 1 Existing Economic Local Planning Policies

Policy Issues Identified	Existing Local Planning Policy			
	Core Strategy	Development Management Document	Southend Central Area Action Plan	London Southend Airport and Environs Joint Area Action Plan ⁸
Strategic policies should set out an overall strategy for the pattern, scale and quality of development and make sufficient provision for employment development	Policy KP1			
Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt.	Policy CP1	Policies DM10 and Policy Table 7	Policies DS1, CS1 and PA1 to PA9	Policy E1
Planning policies should set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth	Aim and Strategic objectives		Vision, Aim and Strategic Objectives	Vision
Planning policies should set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period	Policy CP1 and Proposals Map	Policies DM10 and Policy Table 7	Policies DS1, CS1 and PA1 to PA9 and Proposals Map	Policies E2 and E7
Planning policies should seek to address potential barriers to investment, such as inadequate infrastructure,	Policies KP1, CP1 and CP3	Policies DM10 and Policy Table 7	Policies DS1, CS1 and PA1 to PA9	Policies E2, E7, T1 and T

⁸ The majority of policy provisions contained within the London Southend Airport and Environs Joint Area Action Plan are located in the administrative area of Rochford District.

services or housing, or a poor environment.				
Planning policies should be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices and to enable a rapid response to changes in economic circumstances	Policy CP1	Policies DM10 and Policy Table 7	Policies DS1, CS1 and PA1 to PA9	Policies E2 and E7
Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries	Policy CP1	Policy DM10, Policy Table 7, Policy DM11 and Policy Table 8	Policies DS1, CS1 and PA1 to PA9	Policies E2 and E7
Local planning authorities should take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs. In particular, they should support proposals to use employment land for homes in areas of high housing demand, provided this would not undermine key economic sectors or sites or the vitality and viability of town centres	Policy CP1	Policy DM11	Policies DS1, CS1 and PA1 to PA9	
Local Authorities should undertake a housing and	Policies CP1 and		Monitoring Indicators	Implementation and Delivery

economic land availability assessment. In relation to economic development the assessment should consider all sites capable of delivering economic development on sites of 0.25 hectares (or 500 square metres of floor space) and above.	CP9		and Targets	Plan
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