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EXECUTIVE SUMMARY
OVERVIEW

Southend has achieved much in its regeneration over the last 10 years:

- The town has become a ‘University Town’ with the University of Essex establishing a major and growing presence in the town centre alongside the major investment made by South Essex College.

- The Stobart Group is investing millions of pounds in transforming London Southend Airport into a fully functioning regional airport including building on its reputation as a hub for maintenance, repair and overhaul.

- Southend’s visitor economy has been boosted through publicly-funded enhancements of the Pier and Pier Hill, that has been matched by private sector investment in transforming the Palace Hotel into a modern hotel facility.

- New public spaces are being created at City Beach and Victoria Gateway.

- Investments in key junctions along the A127 alongside the funding of public transport enhancements and the establishment of Southend as a ‘cycling town’ have started to improve transport connections.

However, there is still much to do and further public sector intervention is required if the momentum created by these investments is not to be stalled.

The strengths and weaknesses of Southend’s economy and housing market, along with the opportunities and threats it faces are set out below.

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<td>A mixed economy</td>
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<td>Transport links and proximity to London</td>
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<td>Strong events programme and cultural offer to residents and visitors</td>
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<td>Emerging evening economy</td>
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<td>7 miles of award winning beaches</td>
<td>Lack of high-skilled workforce (1)</td>
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<td></td>
<td>Lack of a fully-formed evening economy (1)</td>
</tr>
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<td></td>
<td>Lack of green or open space (3,4)</td>
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### OPPORTUNITIES
- London Southend Airport expansion (2)
- 2012 Olympic & Paralympic Games (1,2)
- Growing FE & HE campuses (1)
- Emerging cultural and creative industries (1,6)
- Capturing greater visitor spend (1,6)
- Higher-end retail provision (1)
- Public realm improvement works (1)

### THREATS
- Deficit reduction programme
  - Public sector employment
  - Regeneration funding
- Relocation of major businesses
- Ageing population
- Converse pressure on school places
- Government initiatives re: housing benefit
- Low land values at regeneration sites

In order to maximise the strengths and opportunities and minimise the weaknesses and threats, Southend has identified the following strategic objectives:

1. Southend as a regional Centre
2. Developing London Southend Airport and A127 Industrial Corridor
3. Regenerating Shoeburyness
4. Enhancing green infrastructure
5. Improvement to the transport infrastructure
6. Advancing culture and heritage
7. Delivering housing growth and improvement

The above strategic objectives are broken down to the following detailed projects that address the weaknesses outlined above:

**Short Term**

- Strategic sites enabling (1) – The provision of a new 600 space public car park in the north east quadrant of the town centre to enable the release for development of Alexandra and Clarence, Warrior Square and Tylers Avenue. This project will support the development of key mixed use developments on each of these sites delivering increased residential units, widening the retail offer and providing a new commercial offer in the town centre and promote Southend as a regional centre.

- Maybrook and Burland (7) – The development of at least 100 affordable housing units at this site will deliver much needed housing whilst also supporting the subsequent phased regeneration of the town centre’s residential tower blocks.

- Elmer Square Creative Hub (1,6) – The provision of an increased cultural aspect to the planned development at Elmer Square, alongside enhanced facilities for creative enterprises, will add substantial value to the development of the area and further embed culture at the heart of the regeneration of this quarter.

**Medium Term**

- Victoria Gateway Phase II (1) – Enhancements to the public realm linking the roundabout at the junction of London Road/Queensway through to the northern end of the High Street.
- City Beach Phase II (1,6) – Continuation of the City Beach scheme linking Phase I through to Esplanade House; provision of enhanced play facilities; extension of the feature lighting scheme and enhancements to the Kursaal junction.

- A127 Junction Improvements (2,5) – Capacity enhancements at the Kent Elms and Bell junctions on the A127 improving travel times/residence between the Borough boundary and key employment sites at the airport and along the A127 Industrial Corridor.

- Southend Pier Head Phase II (6) – Development of Phase II to include a separate restaurant, outdoor performance space and additional cultural content and space.

- New Museum (6) – Funding strategy and detailed business planning for new museum development within Cliffs Gardens

- Heath and Carby (1,7) – Purchase and enabling works of redundant office buildings at the northern end of Victoria Avenue in order to kick start the provision of new housing.

- Tower Block Regeneration (7) – Regeneration of a 100 dwelling tower block within Central Southend

**Long Term**

- Brunel Road Managed Workspace (2) – Construction of a purpose-built managed workspace facility on land acquired at Brunel Road on the Progress Road Industrial Estate

- Council-owned garage sites (7) – Development of 40 new family affordable units.

- Shalford House (7) – Provision of 12 supported housing units.

- Shalford Alms Houses (7) – Provision of three supported housing units.

The successful implementation of these projects will further Southend’s regeneration over the coming three Comprehensive Spending Review periods and address key weaknesses within the area, whilst maximising the area’s ability to grasp the opportunities available to it.
PART ONE
LOCAL AMBITION
CAPACITY, GROWTH AND OPPORTUNITY

1. INTRODUCTION AND AREA PROFILE

The Local Investment Plan sets out the investment required by the public and private sector for Southend-on-Sea to achieve its agreed vision and objectives and enable the Borough to fully realise its economic potential. The Plan identifies the needs to be addressed based on robust evidence from local strategies, including the Community Plan, Regeneration Framework, Local Development Framework and the Local Economic Assessment. The Plan then sets out the objectives, outputs and outcomes that are expected to be achieved and the public sector interventions required to deliver this vision over the next three Comprehensive Spending Review periods.

Introduction and Location

Southend-on-Sea is a Unitary Authority area located on the north side of the Thames Estuary, approximately 40 miles east of central of London. The Borough is 16.1 square miles in size and made up of 17 wards, with a total population of 164,200 in 2009. Alongside Thurrock, it is one of only 2 unitary authorities within the Greater Essex Area. Southend is an important economic and residential part of the Thames Gateway regeneration area, amongst the most ambitious regeneration initiative in Europe.

Figure 1: Southend’s location
Southend’s economic links with areas beyond its boundaries are strong, particularly with London, which is a reasonable commuting distance accessible by two railway lines, with journey times of around 1 hour, and the A127 and A13 roads, which also link to the national motorway network via the M25. Southend offers London workers an attractive option that combines lower costs of living and well performing schools, and evidence described later in this document outlines that many of Southend’s higher earners work in the capital. Southend’s geographical location is also a major factor supporting its tourism industry. With 7 miles of seafront, Southend is a traditional seaside resort serving the Thames Gateway, the southern part of the East of England, and is a particularly popular destination for east London residents.

The Borough’s status as a seaside town within commuting distance of London does not tell the whole story of Southend. Whilst it has a higher proportion of older people than the national average, the gap is narrowing, and new investment at the Airport, the established university campus in the centre of town and key sectors around the creative and cultural industries and medical technologies make for a dynamic place.

Southend is one of the major economies of the Thames Gateway, with total Gross Value Added exceeding £2.5 billion annually. Over the past 30 years, Southend’s employment base has become increasingly diverse with a total of 5,585 businesses at the end of 2009. Over time, service sector jobs in financial services and public sector employment have replaced jobs lost in manufacturing and traditional tourism sectors, but the overall scale and value of the latter remain important. The breadth of the economy is evidenced by the Borough’s key employment sectors: tourism, retail, the public sector, back office services, creative and cultural sectors, aviation and medical technologies.

Southend has areas of great wealth and high quality of life such as Thorpe Bay, West Leigh and St Laurence, where average wages are amongst the highest in the country and life expectancy is above 80 years. It also has areas of severe deprivation, with parts of the Borough such as Kursaal, Milton and Victoria facing high rates and persistent levels of unemployment and worklessness, and life expectancy of only 73 years. Unemployment in Southend was 4.5% in July 2010, compared to the national unemployment rate of 3.6%. This rate in the Borough is nearly double the claimant count prior to the recession. Before the downturn, the Southend claimant count regularly remained between 2.5% and 3% which roughly equates to between 2,500 and 3,000 claimants. In addition to those ‘unemployed’ claiming job seekers allowance, Southend has over 6,000 people who have been on long term benefits for over a year.

Southend is changing. The Olympics and Paralympics, coupled with the development at Southend Airport and other investment in regeneration offer excellent opportunities for Southend to create a further step change in the economy. The macro-economic situation, however, poses immediate threats to the Borough with its high level of exposure to inevitable public sector job cuts and the associated supply chain impact throughout the local economy. Retaining financial and other services jobs and delivering investment at the airport within a tough financial climate to further enhance employment prospects will be key to mitigating risk.
Economic Geography

The Southend economy is primarily a function of its location and physical attributes. As the largest urban area in the Thames Gateway South Essex (TGSE) sub region it has significant influence within the whole of the East of England. Southend’s popularity grew in the 19th Century as railway connections were established and it became London’s favourite and most accessible seaside town. This level of popularity continued well into the 1950s, when the trend towards overseas holidays changed the nature of holidaymaking.

Unlike many other historic seaside destinations, Southend was quick to respond to the threat of overseas tourism by supplementing its major industry with other sectors. The redevelopment of the town and the diversification of its economy throughout the third quarter of the twentieth century demonstrated the commerciality of the town, and its efforts to become less reliant on the visitor economy were successful. During this period, major public and private sector organisations viewed Southend as a good location for their subsidiary or ‘back-office’ functions, and today it is home to the customer contact centres of Lloyds TSB, Royal Bank of Scotland, Aviva and many more. The public sector also plays a major role in the town, and aside from the Borough Council, both HM Revenue and Customs (HMRC) and the Department for Work and Pensions (DWP) have administrative centres in Southend.

Southend’s proximity to London and growth potential, as recognised by the region, has allowed the town to develop a multifunctional character that is comparable to Brighton, Canterbury and Cambridge. Southend has a variety of roles depending on which aspects of its economy are examined:

**Southend: a sub-regional employment hub:** Southend is the largest urban area in Essex acting as a major employment centre for people living in and outside of the town. The employment catchment area extends throughout the county with the greatest proportion of commuters travelling into Southend from neighbouring Rochford and Castle Point. It houses a number of key large employers (over 250 employees) that have chosen to locate central operations in Southend such as Olympus Keymed and IPECO. The University Hospital is also a very large employer in Southend and serves a large area beyond the Southend-on-Sea administrative boundary.

**Southend: A commuter town:** Southend also exhibits some characteristics of a dormitory or commuter town. In 2008 over 57% of Southend residents worked within the Borough, while over 12% of residents worked in London, 6.5% in neighbouring Rochford and 5.4% in Basildon. Residents of Southend who work outside of the Borough earn, on average, just under £100 per week more than people who are employed locally. Whilst the extra spending power of out-commuters generates local wealth, it has also led to high levels of inequality and made it difficult for local workers to own their own home.

**Southend: A seaside town:** With almost 5.5 million visitors a year spending £330m within the local economy, tourism is still important to Southend. Traditional seaside day trippers from London have been supplemented by a younger visitor profile linked...
to watersports such as kite surfing and all the beaches have won Quality Coastal
Awards, three having been awarded ‘International Blue Flag’ accreditation.

Southend: An education and entrepreneurial hub: Education and entrepreneurship are great assets within Southend. It has a wide and attractive choice of primary and secondary level education institutions and attracts students from outside of the Borough. The University of Essex’s Southend Campus and South Essex College have a strong presence in the area allowing Southend to assume the role of an education centre in the sub-region. With the assistance of the university campus, Southend has significant potential to become a knowledge-based employment centre. The town already boasts a high level of business start-ups in comparison to the rest of the country. To date, the problem has been business survival and growth – where indicators suggest local businesses struggle.

Southend: A cultural centre: Southend is establishing itself as a cultural hub at the centre of the TGSE sub-region. Southend’s Cultural Strategy, Regeneration Framework and other key strategic documents highlight the aspiration to be the Cultural Capital of the East of England by 2017. The town has a significant concentration of creative and cultural businesses located in the Borough, particularly around Leigh-on-Sea. Whilst this sector has significant employment and wealth generating capacity, experience from elsewhere suggests that it also has the ability to create a step change in the economy, attracting new, ambitious people to Southend and helping the town retain some of the spending power of residents that work in London.

Demography

The total population of Southend in 2009 was 164,200, an increase of 1,100 since 2008. Southend experienced a decline in population each year between 1998 and 2004 but since 2005 it has maintained positive year-on-year population growth, possibly influenced by in-migration from Eastern Europe, and by and influx of students to the university campus.

The major characteristics of Southend’s population are:

- A high population density - A population density per sq km of 3,910, higher than the respective figures for Essex, the East of England and England and ranking the Borough as the 20th most densely populated Local Authority in the country.

- A demographic structure moving towards the norm - An old and aging population, but one which is aging slower than the national average and moving toward that level.

- A growing population - By 2015 Southend’s population is expected to grow by nearly 5% to 170,700. Geographical constraints around housing and the presence of key growth sites elsewhere in the East would seem the most viable explanation for this.

- The likelihood of increased migration - Net migration in Southend is lower than in Essex or the region but continued economic polarisation between North and South, and housing pressure in London, means that further in-migration to the greater South East region is inevitable.
Movement and access

In its role as an employment hub, Southend’s primary area of influence covers Southend Borough, Rochford District (excluding Rayleigh) and Hadleigh (in Castle Point). Its secondary catchment area includes Rayleigh and the remainder of Castle Point. As discussed above, the majority of jobs undertaken by those commuting in from outside of the Borough are towards the bottom end of the pay and skills scale, and hence it is to be expected that there is very little commuting from places outside of South Essex.

London exerts a significant influence on out commuting travel to work patterns with 15% of all working residents travelling to the capital to work. In relation to the rest of the TGSE sub-region Southend has a relatively lower level of out-commuting to London - Thurrock (where 28% commute to London) and in Basildon (24%) both exceed Southend.

In terms of movement:

**Rail access to and from Southend is particularly strong** - Southend is well connected by train with trains running to Fenchurch Street and London Liverpool Street along two separate lines. Connections to London are excellent with 35 trains per hour.

**Other public transport options are limited** - In comparison to other urban centres of its size, bus travel from Southend to other regional transport nodes is poor.

Links to other Essex hubs are restricted to the road - key regional centres such as Chelmsford, Basildon and Thurrock become are more accessible by road than by public transport. While drive times are shorter this does not take into consideration the congestion issues within the Borough which elongate journey times particularly during peak hours.

**Congestion remains a challenge** - Consultation highlighted congestion on the A127, particularly around the town centre, as a key barrier to accessing employment.

**Southend is better than many places in terms of getting to work** - Access to major employment sites is good with the majority of residents within 10 minutes by foot or public transport to a site. It also has better access to employment by cycle than both of these areas.

As well as established road and rail connections to Central London (and its major airports), Southend also has its own airport, London Southend Airport. There are plans to expand the airport to cater for up to 2 million passengers by the year 2020, an average of four departures an hour. This expansion has the potential to enhance Southend’s profile as a tourist and business destination and is one of the major future catalysts for growth. The aspiration is for airport expansion to support around 6,700 jobs both in direct aviation and associated employment.

Open Space

The Borough of Southend is heavily urbanised, and consequently is markedly deficient in the amount and quality of publicly accessible open space, particularly in and around the town centre. There are, however, a number of important open spaces
such as Priory Park, the most significant in townscape and recreational terms, and
the town’s most centrally located park which has well landscaped grounds and is
often used for outdoor events.
To the west of the Borough, Belfairs Park, which straddles the boundary with Castle
Point and forms part of the much more extensive Hadleigh Great Wood area of
parkland, is the largest public open space. Much of Belfairs is used as a golf course,
and housing backs onto the park most of the way around it meaning that there are
relatively poor connections into it from adjoining areas.

In the town centre Warrior Square Gardens, now benefitting from HCA investment,
is the only green space close to the central retail spine, making it a potentially
valuable public space for residents, businesses, visitors and students. Within close
walking distance of the main retail area, Cliffs Gardens, which are attractive and well
maintained formal green spaces, run between Central Southend and Westcliff-on-Sea
offering excellent views of the estuary.

Some neighbourhoods across the Borough benefit from the presence of local parks
and recreation grounds. With a few exceptions however, such as Chalkwell Park,
most are tucked away within residential areas. The effect of this is that the limited
amount of open space that does exist does not contribute to providing a sense of
greenery within the town or soften its urban and suburban built form or to provide
green lungs as accessible routes throughout the town for people as well as to improve
biodiversity.

CONCLUSION

The analysis of Southend’s demography, geography and transport links show that:

- **Southend’s population is getting younger** relative to the rest of the
country and moving away from the traditional demographic of a seaside town.
The University and emerging creative and cultural sector is contributing to an
increasingly vibrant and fashionable town.

- **Quality of life** in Southend is, in general, high, with relatively low levels of
NEETs, low levels of crime, low levels of deprivation and significantly lower
levels of homelessness and early death rates attributable to lifestyle.

- **Southend’s proximity and good transport links to London** means that
it is able to supplement local employment with highly paid and highly skilled
out-commuters.

- For those living and working in Southend, it is **easy to get to work**, and that
will get even better following further plan road improvements.

- High levels of car usage, together with poor public transport links around the
sub-region, mean **congestion** on major trunk roads

- The potential remains to **harness the spending power** of out commuting
residents within the town, whilst at the same time improving and diversifying
the tourism offer to increase overnight stays and add value.

- The **Olympics and Paralympics**, combined with the airport expansion and
other physical infrastructure has the potential to create a step change in the
image of the town and its people.
2. VISION AND OBJECTIVES

The Vision for Southend’s future, as set out in the approved Regeneration Framework is:

“Southend-on-Sea – the regional centre, hub for higher education and culture, a centre for international air services in South Essex – a great place to live, do business and visit!”

This Vision sets out a clear ambition for Southend, recognising its current strengths, and referencing the major opportunities that must be realised for Southend to function as a regional centre. Southend has many assets, but there are also many challenges to overcome before this ambitious vision can be realised. The evidence shows us that Southend’s economy is underperforming in a number of key sectors, and it is crucial that the causes of this underperformance are tackled.

Our Vision is expanded upon in the Community Plan:

‘It is 2017 and Southend is a proud and dynamic city fully benefiting from its unique coastal landscape and the exciting opportunities of a regional centre. We enjoy the widest range of cultural offer and benefit from outstanding learning opportunities. These are powering our transformation into a 21st Century knowledge-economy. Children and adults have high aspirations, achieve well at school and in their personal and working lives. The cultural hub incorporates: South Essex College, Essex University facilities and a new contemporary library and digital gallery. These are complemented by other opportunities such as our outstanding Adult Community College and high achieving schools.

Everyone in Southend has the opportunity to maximise their potential, whatever their age or ability. This creates a highly-skilled workforce which encourages entrepreneurial activity, wealth creation and jobs; as a result we are envied for having low levels of unemployment.

Southend continues to be a desirable and safe place to live, work or visit. Our communities are diverse but close knit with well-designed housing to suit everyone’s needs and services designed to facilitate accessibility. We are proud of our achievements in meeting the changing and varied needs of our community. Many people of all ages participate within the community in voluntary, civic and social enterprise activity. Our quality of life is good and we are minimising health inequalities. We are acknowledged to be a beacon of excellent practice in enabling the most vulnerable members of our community to lead independent, rewarding lives that add value to our community.

We are environmentally aware and our integrated approaches to sustainability in terms of regeneration, transportation, recycling and environmental protection make us the focus of widespread attention. Southend’s residents, visitors and our business community can move around via a variety of safe, sustainable, accessible and affordable means. Our integrated transport and access strategy (with our public transport built around the unique opportunity of our 9 railway stations) helps ensure the long-term viability of London Southend Airport and to make it an important Eastern Gateway to London and the Region.
Southend is making its mark as an international visitor destination catering for the widest range of interests. New prestige hotels and conference centres occupy prominent positions particularly on the Thames shoreline close to our award winning beaches. We are renowned for our mixed biodiversity which flourishes in our seascape, cliffs, rural hinterland and beautiful parks.’

The Vision in Detail

• The Regional Centre

Central Southend in particular must defend and strengthen its position as one of a number of key regional centres across the South and East of England. Being a regional centre means exerting a gravitational pull from the surrounding districts for jobs, that will require more in-commuting to Southend for retail, culture, higher education and leisure. Providing people with many reasons for why they should keep coming to Southend, creating incentives for business creation and inward investment, and offering a full range of transport options into the Borough are key factors in achieving this part of the vision.

• Hub for Higher Education

The role that the emerging University of Essex campus, alongside South Essex College, plays in bringing new energy to Central Southend cannot be underestimated. As can already be seen, the new developments have driven physical regeneration on central sites, and moves are already in place for another two phases. However, the role that Higher Education can play in stimulating and linking to businesses and innovation, as well as raising local skills levels and providing the local economy with graduates, is of vital importance.

• Hub for Culture

Southend is already highlighted as the cultural hub of South Essex in many regional strategy documents, but to make this a reality that speaks for itself is the greater challenge. There is much to build on and celebrate, but major new and improved attractions and facilities, alongside a reinvigorated leisure offer, must be delivered as a central feature of Southend’s regeneration.

• An Aviation Hub and Centre for International Air Services in South Essex

London Southend airport is already a major employment location, particularly in the aviation related manufacturing, repair and overhaul market. The Airport has much more capacity for flights and there is significant potential for new industrial and business premises to be developed adjacent to the existing area. Job targets for Southend cannot be reached without this development.

• An affordable quality housing offer

A sustainable, balanced community requires well-planned quality housing and developments that meet the needs of its current and future residents. This must include a range of tenures and sizes of dwelling located across the area, but with a concentration of development within areas well served by public transport and wider supporting infrastructure.
• **A great place to live**

Places that are great to live in are places that offer residents quality in terms of a full range of employment opportunities, great transport links, attractive town and local centres from Leigh in the west to Shoeburyness in the east, a varied retail offer, excellent leisure and cultural opportunities, good educational facilities, well maintained parks, beaches and streets and a quality natural environment. Southend has much, including seven miles of fantastic seafront, but regeneration and growth has the potential to provide much more.

• **A great place to do business**

What do businesses really want? A decent business premises offer ranging from town centre offices to quality industrial space, good transport links, thriving town centres, all backed up by good services from the public sector and, for start-ups and small enterprises in particular, accessible business support packages. Before this can happen, developer interest must be generated and guided by clear regeneration and planning strategies.

• **A great place to Visit**

Southend has a traditional seaside visitor offer, but a regional centre needs much more than this. The daytrip market is welcome and can be an important contributor to the local economy, but longer visitor stays should be the target. This can only be achieved by diversifying the leisure and cultural offer with major new cultural attractions, alongside improved public realm, parks and open spaces, access to open countryside, and better transport access. Further investment in quality hotel provision is required, building on developments at the Palace Hotel and Roslin, alongside enhancement of the night time economy, particularly in terms of the restaurant and café offer within the Central area.

**Key Priorities and Objectives**

The Regeneration Strategy², Community Plan³ and Core Strategy⁴ set out the overall vision and approach to the regeneration and development of Southend. We have taken this strategic context and established six key priorities that have significant potential to contribute towards regeneration and growth, and in the process to improve the performance of Southend for all. A further priority ‘Delivering Housing Growth and Improvement’ has been added to reflect the key priority status of housing in delivering the regeneration of Southend. These seven priorities, established through the Regeneration Framework, have shaped public sector interventions in Southend during the current Comprehensive Spending Review period and we propose that they should continue to do so in the forthcoming Comprehensive Spending Review and beyond.

**Central Southend as a Regional Centre**

Central Southend, within which we include the central seafront, has significant potential, but also much room for improvement. It is important for Southend to have a strong Town Centre, at the heart of the sub-region, with a range of new housing, an improved retail offer, offices and leisure opportunities, with new state of the art higher and further educational facilities, and landmark cultural buildings.
The market needs a clear message that Central Southend is the place to invest, and to achieve this, we need ambitious plans to tackle a number of the obstacles to investment. Access into Southend via the A127 or A13 is difficult at key times of the day due to congestion. The office market has been stagnating for many years, and the main office area on Victoria Avenue is cut off from the rest of the town centre. The High Street is long and linear without a ‘heart’ or strongly performing anchor. The public realm is generally poor and there is a lack of green or ‘public space’. Although there are significant day-trip visits, the offer is one dimensional without sufficient quality hotels or an evening economy to attract longer visits.

The further development of the University of Essex in Central Southend is a critical element of this Key Priority as it is crucial as a driver for physical regeneration, the cultural development of the town centre, and in creating a renewed vibrancy with benefits for the leisure offer and enhanced evening economy. If Central Southend is underperforming then the whole region is underperforming, and this must change.

The Central Area Masterplan\(^5\) highlights opportunities for delivering new retail, office, leisure and education space, improving the public realm and green spaces, and facilitating better access and movement throughout the central area. Improving town centres is a priority across the Thames Gateway by virtue of their capacity to accommodate a dense mix of inter-trading and a range of activities. Southend town centre is the economic driver of the local economy at the heart of a sub region, and the need to sustain and strengthen the economy is paramount. The regeneration opportunity highlighted in the Central Area Masterplan\(^5\) will be taken forward through the Southend Central Area Action Plan\(^6\).

**Developing London Southend Airport and A127 Industrial Corridor**

London Southend Airport is a major asset for Southend and the wider South Essex sub-region. Plans for expansion have already gained planning permission, and this includes a new passenger terminal and rail station on the Liverpool Street line. The station is intended to be part of a wider transport interchange linking the terminal with buses, car pick up, cycle and pedestrian facilities.

In terms of economic development, the airport is already a focus of the aviation related maintenance, repair and overhaul market (MRO), employing almost 1000 people. This includes IPECO, which provides Boeing with its cockpit seating and ATC Lasham providing full service support for a wide range of aircraft. Further job creation can be achieved through extending the related business park activity and office accommodation, as well as through an increase in passenger numbers. The delivery of this vision for London Southend Airport and associated Business Park will be through the London Southend Airport and Environs Area Action Plan\(^7\).

Southend is already home to a number of employers located in industrial estates that are distributed across the Borough, essentially following the line of the A127 through to Shoeburyness. Investment in the key industrial estates areas from Progress Road to Shoeburyness will be important if they are to remain important local employment areas, enabling businesses to grow and encouraging inward investment.
Regenerating Shoeburyness

As highlighted in the Vision, the Borough needs thriving local centres that are attractive places to live and for business. Of all the local centres in the Borough, Shoeburyness can benefit most from a focused regeneration strategy that can build on its many assets and tackle the causes of deprivation in Shoebury and areas to the east of Southend. It has attracted investment in recent years, mainly focused around the Garrison, but it does not now appear likely that the New Ranges site will be a location for large scale employment generation or housing in the near future.

However, aiming to make Shoeburyness a sustainable and vibrant ‘village’ offers many benefits for regenerating the area. This would include making the most of the green space, the seafront and the existing quality new and historic architecture. The future role and investment priorities for the two industrial estates will also need to be analysed.

There is now the opportunity and considerable scope for re-planning the remaining space available for development at the Garrison Site, to consider the appropriateness of the existing industrial estates and the provision of new dwellings through an Area Action Plan for Shoeburyness. This work will begin during 2010 and there may be new opportunities to deliver both market and affordable housing as well as local employment opportunities to create a sustainable and balanced community with good legibility and accessible among the community as well as to Central Southend and beyond.

Enhancing Green Infrastructure

Green Infrastructure is the essential parks, open spaces, foreshore, waterways and green links which are important in making Southend an attractive place in which to live and do business. Investment in these areas is important within a tight urban landscape such as Southend’s, and therefore, ensuring that there is good access to quality green and open space in a variety of forms must be a priority.

Southend does not have a wealth of open space outside the key areas such as Belfairs and Priory Park, amongst others. Due to the built up nature of the Borough, there are not significant opportunities for creating new space, although the opportunities for pocket parks should be explored. For example, Warrior Square Gardens is currently being rejuvenated with the support of HCA funding to provide an improved area of green space adjacent to the High Street. Therefore, improvements must be made to what provision there is, and greater recognition must be given to the fact that the open space to the north east of the Borough can play a greater role, despite much of it being within Rochford District Council’s administrative boundary.

Improving the Transport Infrastructure

Southend’s location, on the coast, with the two major highways going east/west, and no major highways to the north means that transport will always be a crucial issue for Southend. The road infrastructure, with a heavy reliance upon the A13 and the A127, is often congested during the morning and evening peaks, as well as at weekends during peak tourist season. Delays form a large proportion of the total journey time into and out of the Borough.
Southend does however offer a good coverage of public transport, particularly the train routes, with nine mainline railway stations, and indeed most of Southend is within one mile of a station. There are also good bus services along the A13, although these are subject to the same delays as car borne traffic. There have however been recent improvements to the A13 as a bus route with bus priority schemes reducing journey times. The Council has also invested in a new Travel Centre, immediately adjacent to the High Street, although connectivity between bus routes remains an issue.

Despite the relative accessibility to public transport, Southend, especially for work related trips within the Borough, has relatively low levels of public transport use, particularly compared to bus and cycling rates in similar towns. Southend, as one of the UK’s Cycling Towns, has seen increased investment in cycling, which is now beginning to increase cycle usage. The number of poorly located and under sized car parks, amongst other factors, in the town centre is a key contributor to congestion within the Central area.

Improving the road network, particularly at strategic locations along the A127 between Progress Road and Cuckoo Corner as well as ongoing links into the town centre will be important in reducing congestion that is damaging to all sectors of the local economy. The first phases in this improvement programme are currently being undertaken at Progress Road and Cuckoo Corner. Further improvements will then be required at the pivotal Kent Elms and Bell junctions followed by enhancements between Cuckoo Corner and Victoria Gateway. Investments in surface access improvements to London Southend Airport as well as Shoeburyness will be important. However, encouraging people to use alternative forms of transport such as trains, buses, walking and cycling will be of equal priority, and this has recently been demonstrated through Southend’s Cycle Town status.

**Advancing Culture & Heritage**

Culture and Heritage are becoming increasingly important elements to Southend’s economy. A strong and vibrant cultural infrastructure can play a major part in driving regeneration, economic growth, stimulating investment and improving the physical landscape. Indeed, growth in the Creative Industries can be a key determinant of growth potential in other sectors. Places with a high-growth Creative Industries sector are also places with a distinctive mix of activities, which stimulates wider interest in an area, making a place more attractive to live and do business in. Southend can be the cultural capital of the Thames Gateway, and indeed has much in place to succeed in this aim, but it needs more to diversify the cultural and tourism offer.

The impact of culture on the tourism industry is also significant, attracting staying and high spending visitors to an area, the type of diversification that Southend is looking for to support the tourism businesses and related supply chains. The enhancement of the cultural offer and its impact on tourism and the visitor demographics will also lead to investment by hotel developers and therefore generate further employment opportunities. Also the nature of the Creative Industries encourages innovation in all forms of business if the appropriate networks are used and exploited by the public and private sectors. Finally a strong cultural offer provides a sense of civic pride amongst the local communities with the knock-on effects in educational attainment, health and well-being and a reduction in anti-social behaviour and low-level crimes such as graffiti.
Many opportunities now exist to significantly improve the cultural landscape of Southend with a number of high-profile projects; many of them located in Central Southend, all complementary. Impetus is provided by an expanding University, (supported by capital investment from both the HCA and EEDA) which has merged with East 15, an internationally recognised school of performing arts who will now have a permanent base in Southend as well as investment by Metal. The next phase of development at Elmer Square will create a new cultural quarter including a new library and gallery space. A home for the Saxon King can become a major new heritage attraction, linking well with the ongoing improvements to the Pier, and there is potential for a world class Digital Exploration experience, potentially linked to Elmer Square, which could be a focus of research, innovation and technology.

Culture also embraces sport, and Southend is well placed to capitalise on the opportunities presented by the 2012 Olympics, particularly with London Southend Airport gearing up to play a leading role as a visitor and logistics portal. Southend’s new swimming and diving facility will provide a key element as part of the Olympics legacy for the Thames Gateway, whilst the location of the Olympics 2010 Mountain Biking in nearby Hadleigh offers the opportunity to showcase Southend’s parks and seafront. The provision of an appropriate number of quality hotels will ensure that Southend is able to maximise the economic benefit of the Olympics taking place in such close proximity and enable Southend to fully market its attractiveness as a visitor destination.

**Delivering Housing Growth & Improvement**

Southend is an area of high density housing and is a popular place to live benefitting from some attractive residential areas with good local infrastructure and strong, locally distinctive neighbourhoods and communities. A rising population and trends for smaller household sizes have increased demand pressures on the local housing market. Over the past years Southend has seen many smaller family homes converted to flats to meet the demand for more affordable accommodation as large rises in house prices over the past decade have made the option of home ownership unrealisable for many. The acute need for delivery of new or major improvement in existing housing stock to provide a range of affordable housing and open market affordable housing is reflected by the large number of households experiencing housing need. The availability of a true mix of housing types and tenures plays a role in enabling the wider regeneration objectives of the Borough and meeting the diverse needs of the Borough’s current and potential future residents.

The geography of Southend restricts land availability for large scale housing development, the majority of available development opportunities being smaller scale, brownfield sites. The Council’s Core Strategy<sup>4</sup> and accompanying Development Plan Documents have placed an emphasis not just on increasing number of dwellings delivered but also on quality, creating the appropriate mix of tenure and density. Notable recent developments have included the creation of mixed housing communities on council owned land, increased capacity and quality specialist student accommodation in the Borough hosted by the University of Essex and a cross boundary affordable housing scheme reflecting the need for sub regional thinking.
Future opportunities exist to promote housing-based regeneration in line with the major spatial strategies in Southend. Central Southend in particular has a number of sites that have the potential to provide a large volume of new dwellings in high density, well designed, developments as part of wider mixed-use regeneration. This is outlined in the Regeneration Framework\(^2\) and Southend Central Area Action Plan\(^6\) and includes sites bordering the High Street, seafront and Victoria Avenue for which a Supplementary Planning document is timetabled. In addition the creative use of council owned assets will play a role in facilitating housing growth to meet the needs of the whole community including families and vulnerable households. In the longer term it is envisaged that housing development will play an important role in the regeneration of Shoeburyness as part of the Shoeburyness Area Action Plan, building on the successful regeneration of the former Garrison site.

Like most urbanised areas Southend also has areas of poorer quality housing which present a greater challenge to enabling sustainable communities. The opportunity exists to invest and build on neighbourhood and estate level regeneration in areas such as Cluny Square, areas to the south east of the town centre and the Borough’s tower blocks. Achieving the Decent Homes Standard for every Council owned residential property remains a priority as well as improving the standard of and attracting investment in private rented accommodation which makes up a relatively high proportion of housing within the Borough. There is also the need to kick start the improvement/regeneration of streets of houses that have fallen into decline and now offer unacceptable standards of accommodation and detract from the town centre.
3. ECONOMIC ASSESSMENT AND HOUSING ANALYSIS

This section sets out a summary economic assessment of the Borough, drawing on information from the Local Economic Assessment followed by an analysis of the local housing market and areas of special need.

ECONOMIC ASSESSMENT

Structure of the Southend Economy

Southend’s economy does not reflect that of a traditional seaside town. It is has a diverse economy which adapts to changing conditions reflected in high business start-up rates and the sectoral mix of the economy.

Between 1990 and 2000 Southend’s economy experienced the same trends as the rest of the country with declining employment in manufacturing and production accompanied by a slow increase in employment in the service sectors. Between 2000 and 2010, a more substantial change took place, with rapid decline in the relative importance of manufacturing, a decrease in employment in distribution, transport, retail and communications, and a very large swing towards the public sectors: education, health and public administration.

A snapshot of the Southend economy using the most recent figures (2008) shows comparative advantages in a number of sectors which, together with sectors which Southend aspires to see growth in, create our key sectors: Tourism, Retail, Back Office, Creative and Cultural, Medical Technologies, Aviation and Public Sector.

Figure 2: Sectoral concentrations in Southend

Source: ONS, Annual Business Enquiry 2008

Southend’s economy is reasonably robust, not being overly reliant on any one sector. That said the high levels of public sector employment are likely to result in increased unemployment in coming months following CSR 2010. It is imperative that private sector employment is retained and grown, through supporting and investing in the key sectors to adapt to the anticipated changes in the structure of the economy and to drive the economy forward.
Business Size

There were 5,585 VAT and/or PAYE registered enterprises in Southend in 2009 showing a business density of 542 enterprises for every 10,000 working age residents. This compares to a Great Britain average business density of just below 534.

The local economy is dominated by small businesses with less than 10 employees; these constitute 88% of the businesses in the borough. 65% of businesses in Southend are family owned and 63% of them serve solely a local market. This creates a positive local multiplier affect keeping spend local, however also poses challenges in understanding the issues and business support relevant to each of these small businesses, which, on an individual basis employ few staff, see little growth and contribute minimally to GVA, but cumulatively account for significant proportions.

Large employers such as Royal Bank of Scotland, Lloyds TSB, Ipeco and Olympus Keymed constitute less than 0.5% of businesses in the borough. Such employers require less support on a day to day basis but significantly greater input at times of critical decision making. The relocation or closure of any of these employers would have considerable effects on the local economy in terms of employment, specialisms and reputation.

Business Start-up

Southend has historically demonstrated a high business start-up rate. The level of business formation has been higher, relative to Southend’s population, than the country, region and Essex County in three out of five of the latest years for which we have data (2004-2008). In itself, this is a very positive indicator, suggesting that residents of the town have the initiative to pursue a business idea and see it put into action. Reasons for the high business start-up rate in Southend are unknown but have been attributed to an entrepreneurial spirit, serial entrepreneurs and retirees founding ‘lifestyle businesses’ as projects to occupy them among others. While this can make understanding this element of the economy difficult it does suggest that entrepreneurs will grasp any opportunities which arise as the economy changes post recession.

Survival rates in Southend are comparatively low, which, together with high start-up rates, creates a constant churn of businesses starting and failing which may reflect an adaptable workforce, ready to change as circumstances change. In some respects, a low survival rate is a natural extension of experimental entrepreneurship and demonstrates an element of creative destruction that weeds out weaker firms. Nevertheless, closing the gap between Southend’s two year survival rate and the average level for Great Britain would see an extra 25 businesses survive past the two year threshold (based on the 2008 level of 820 new enterprises in total).
Complimenting the relatively high figure of business start-up rates, Southend also has a relatively high self-employment rate compared to other geographies, reflecting long standing anecdotal evidence that it is an enterprising place where people are ready and willing to start their own business. As the table below displays, Southend’s self employment rate (as a proportion of total employment) is around 1% higher than Essex, the East of England and Great Britain.

**Figure 4: Employees and self-employment**

<table>
<thead>
<tr>
<th>% in employment who are employees – aged 16-64</th>
<th>GB</th>
<th>East</th>
<th>Essex</th>
<th>Southend-on-Sea</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>86.0</td>
<td>85.9</td>
<td>86.0</td>
<td>85.0</td>
</tr>
<tr>
<td>% in employment who are self employed – aged 16-64</td>
<td>13.3</td>
<td>13.6</td>
<td>13.5</td>
<td>14.5</td>
</tr>
</tbody>
</table>

**Source: 2009, Annual population Survey**

**Labour supply and demand**

62.8% of Southend’s population is of working age, however only 77.6% of these are economically active; 45.8% of these are female and 54.2% male. The employment rate in Southend has declined from a peak of 74.5% of working age population in 2007 to 71.9% in 2010.

The graph below plots vacancies alongside JSA claimants by usual occupation. Across all occupations claimants exceed vacancies generating a high level of competition for jobs in the Borough. However, that there are vacancies in occupations which have such high demand for jobs indicates a mismatch between the skill sets of those who are out of work and those required by employers.
Unlike traditional seaside towns, like Scarborough, Southend does not demonstrate clear seasonality in employment.

Instead it shows an employment rate which follows the trends of the region and Great Britain, though at a higher level, reinforcing the mixed economy of Southend which offers some stability and reducing unemployment. This is seen in the significant headway made against the unemployment rates of the 90s which will have to be repeated, to a lesser extent but perhaps under more austere measures, following the recent recession.
Southend also has a greater proportion of part-time workers compared to other geographies. This can be explained by the large proportion of jobs in the care industry and tourism industry that are typically part-time or involve irregular shift patterns. It is male part-time employment that drives this: 22% of all male employment is part time, considerably higher than Essex, the East of England and Great Britain.

Employment by sector has changed over time in Southend with Public Administration, Education, Health and other services now being the largest employing sector and production having decreased the most. This illustrates a significant shift in the skills requires of the Southend workforce and the need for on-going training, education and adaptability.

Figure 7: Long-term employment trends

Source: Experian 2010

Associate professional and technical occupations comprise the greatest proportion of employment in Southend at 15.8%. This lower skilled occupation profile is reinforced by the large proportion of residents working in administrative and secretarial occupations. Southend is a net importer of workers from outside the borough to lower skilled roles in customer service, personal services and elementary occupations. Conversely, those in higher skilled professions, such as managers and senior officials, commute out of the borough to higher paid jobs. This is a function of its geography whereby those with higher skills can commute to the city and command higher salaries.

Southend’s residents earn higher wages than the East of England and Great Britain but lower than the figure for Essex. Southend’s median residence based weekly pay for full time workers is £515. This is reversed when workplace earnings are analysed showing the median workplace based weekly pay for full time workers to be £420. This means Southend can be perceived as an area for low skilled, low paid work which then reinforces a cycle of few opportunities for higher skills so those with higher skills leave and those without remain with low aspirations and low paid low skilled jobs.
**Education and Skills**

Southend’s residents hold lower skills levels in comparison to Essex, the East of England and Great Britain. Fewer Southend residents have NVQ 2+, 3+ and 4+ qualifications compared to the region and Great Britain. However, Southend has made significant improvements since 2006 in post GCSE skill levels. The graph below displays the percentage change in skills levels between 2006 and 2009. There has been considerable improvement in the number of people acquiring level NVQ4+ qualifications; this skills level has improved by 29% since 2006. While not able to be directly attributed a significant reason for this improvement is likely to be the investment in HE and FE education providers in the area. It does, however, demonstrate that there is an appetite for education and learning in Southend and that the cycles of low aspirations and can be broken with the right investment and support.

*Figure 8: Change in skills levels (2006-2009)*

Source: 2009 APS

**Skills Gaps**

The National Employer Skills Survey⁹ (NESS) engaged 4,139 businesses in Southend and 16% revealed that they were experiencing skills gaps among their workforce, just below the regional average of 17%. The NESS survey also mapped the skills gaps identified by occupation. As to be expected based on the earlier information, the greatest skills gaps occur within management roles (38%). However there are then also noticeable skills gaps within sales and customer services staff and administrative and clerical staff suggesting that even in lower skilled occupations which dominate Southend’s economy there are opportunities for improvement and further development to meet the needs of employers and overcome the mismatch between the roles and the skills people have to fill them.

Aside from job-specific skills, the most common areas requiring improvement are customer handling skills (56%), management skills (50%), team working skills (47%) and oral communication skills (46%).
The graph below highlights the main skills gaps reported by businesses from the 2010 Southend Business Survey undertaken by BMG. The most common issues reported were lack of foreign language skills. Also one in six businesses believed there were gaps in terms of school leavers/university graduates having the appropriate work ready skills and attitude to work. The same number of businesses reported gaps in advanced IT or software skills.

**Figure 9: Skills gaps reported by businesses surveyed (% of businesses surveyed)**

Source: BMG 2010 Southend Business Survey

**Training Provision**

The Annual Population Survey shows that 8.5% of employees receive in-work, job related training lasting a minimum of 4 weeks. This is supported by the Southend Business Survey which finds that three fifths of businesses in Southend have neither a training plan nor a training budget and that the propensity to have either increases with organisation size. The survey found that having a training budget and/or plan is significantly more likely within service industries than in production, construction and manufacturing companies.

Despite the recognition of lower skilled roles being available in Southend, employers put little emphasis on training for employees or cannot afford to invest in training.

**Unemployment**

The unemployment rate in Southend has increased from a pre-recession low of 2.4% in June 2008 to a peak of 5% in February 2010 and has since dropped to 4.4%. Unemployment trends in Southend follow those of the region and Great Britain but are at a higher level.

The most recent DWP statistics (Q1 2010) reveal that Southend has a total out of work benefit rate of 14.9% of the working age population. This is greater than both figures for the East of England (9%) and Great Britain (12.9%). The graph below reveals the majority of claimants in Southend are receiving Employment and Support Allowance (ESA) and Incapacity Benefit (IB).
Characteristics of JSA claimants

Men are more likely to claim JSA than women. In July 2010, 71% of JSA claimants were male – reflecting the broader employment profile and the fact women are more likely to have caring responsibilities.

The impact of the recession has affected the 20-29 age group disproportionally compared to other age groups. In July 2010, JSA claimants from this age group comprised 31% of all claimants. Those with the least work experience are typically easiest and cheaper to release, and have the most transferable and disposable skills. JSA by usual occupation reveals that the greatest proportion of claimants have Elementary occupations, Sales and Customer Service occupations, Administrative and Secretarial occupations.

Unemployment by Ward

The graph below demonstrates the large disparities which exist across Southend. Wards, considered affluent such as West Leigh and Thorpe show very low rates of JSA claimants. Those wards regularly associated with deprivation and socio-economic challenges, such as Kursaal, Victoria and Milton, all see very high percentages of claimants.

Source: DWP, cited in Southend-on-Sea Worklessness Assessment 2010
It is in the wards most affected that you are most likely to see generational unemployment, low skills attainment levels and other deprivation indicators such as lower life expectancy showing that each of these issues cannot be tackled in isolation.

**Developing a Strong Economy**

Southend needs a dynamic economy able to adapt to changing global economic forces where new sectors, technologies and institutions are changing rapidly. Southend is unlike many other traditional seaside towns in that it has a very varied economy and is not heavily reliant upon the tourism market, although that does make up a key sector of the economy supporting almost 7,000 jobs. Southend is one of the major economies of the Thames Gateway, with a total Gross Value Added exceeding £2.5billion annually created by a diverse employment base and 5,585 businesses at the end of 2009. Yet the local economy is underperforming for a town of its size and status. The town centre fails to capture its fair share of regional retail and leisure spend for while the demand for retail space within the Borough is still strong and it ranks 192 out of 711 UK retail centres, its position has fallen from a high of 102 in 2009 and now Southend is a comparatively less attractive centre than Chelmsford (77) and is of a similar level to that of Basildon (178). The tourism sector has been boosted by the location of the Park Inn brand at the Palace Hotel in the central seafront area and visitor spend has increased from £260m in 2007 to £330 in 2009 despite a reduction in visitor numbers. This is, however, against a backdrop of a lack of variety in the tourism product in Southend. The office market in Southend is very weak due to the dilapidated state of the office stock along Victoria Avenue which is an expensive prospect for any investor to rectify and is unlikely to make a commercial return. The manufacturing sector in Southend is a niche, highly skilled sector which is growing around the airport and healthcare engineering industry but general manufacturing is in decline. The town’s population also has a lack of high skills achievement making the potential workforce for any investor an unattractive prospect and whilst like many seaside resorts Southend has a significant ageing population, it is also beginning to see pressure on its schools in terms of a growth in the birth rate and families moving into the area as a place to live of choice.

Recent public sector investment, however, has started the process of regeneration and there are emerging signs of increased private sector confidence. The redevelopment of the Palace Hotel for a new Park Inn by the Rezidor Group is a clear sign of increased confidence in Southend’s tourism offer whilst Keymed Olympus has invested in its advanced manufacturing facilities in the town. The relatively recent purchase of London Southend Airport by the Stobart Group has also had a significant impact on the delivery of its expansion. The location of a new University of Essex campus in Southend and the creation of an Engineering skills academy located at London Southend Airport will start to overcome the skills shortage that exists in Southend.

Southend has, though, only just begun its journey to a full economic renaissance. There are many existing economic assets in Southend which provide a solid foundation for growth. As a seaside town Southend attracts 6 million visitors per annum and Southend also has an airport and a number of industrial estates which support high tech manufacturing activities alongside a strong and growing cultural sector. It is a regional retail sector and has a significant, though poor quality, office stock which has traditionally supported employment in the financial services and the public sector. Major investment is also taking place in schools, colleges and the university with the aim of raising the skills base of the local workforce which will, eventually, make Southend an attractive place to invest.
The refreshed Economic Development and Tourism Strategy\textsuperscript{12} outlines the key objectives required to deliver economic growth for Southend based on detailed investigation and research as part of the Local Economic Assessment\textsuperscript{8} and which supports the above points:

- Create a joined up transport network that facilitates the free flow of goods, services and people, and is fully aligned with the expansion of London Southend Airport.

- In light of the de-regionalisation of enterprise support provision, support all businesses better through a tailored business support programme that meets the needs of Southend’s businesses and key sectors, and is integrated with learning and skills.

- Focus on retaining existing businesses and their productive capacity (particularly those under threat from off-shoring), including development of a close working relationship with the Borough’s 20 largest employers.

- Continue to promote and leverage investment in Southend’s tourism product to attract more overnight visitors and increase levels of spend of day visitors.

- Deliver organisational infrastructure, support and promotion for three growth sectors: the cultural and creative sectors, aerospace-related sectors and medical technologies.

- Maximise the benefits of an enhanced London Southend Airport, both on the aerospace cluster and wider objectives.

- Successfully deliver the Central Area Masterplan\textsuperscript{5} to enhance Southend’s retail offer and increase the size of its retail catchment.

- Improve the linkages between skills and jobs in the Borough to ensure that school, FE and HE provision is aligned to the needs of businesses.

- Achieve higher business survival rates by improving business support awareness and working with business representation organisations to identify issues in the business environment.

- Generate better business growth rates by targeting business support on enterprises exhibiting high potential to create jobs and wealth.

- Deliver the strategic priorities set out in the new Work and Skills Plan\textsuperscript{13} to capture the economic potential of those not currently in work in Southend.

- Address the longstanding and inaccurate images of Southend by communicating its strengths and assets; and,

Plan for potential job losses in the public sector and businesses in its supply chain and other vulnerable industries by ensuring that advice, information and guidance is available and is tailored to Southend’s needs.

The investment priorities set out within this document will support the delivery of these economic objectives through delivering the step change in the area’s physical development and infrastructure required to deliver economic growth.
HOUSING ANALYSIS

There are 76,282 dwelling in Southend, representing 27% of the dwellings across the TGSE. Private ownership is relatively high with 66,890 (88%) of dwellings compared to 9,392 in the public sector. There is a higher concentration of private renting in Southend (14%) compared with a regional average of 10%. The private rented sector plays a role in meeting housing need, supported by housing benefit. Southend with 31%, compared to 19% across the sub-region, has the highest proportion of flats and maisonettes.

At the end of 2006/07 there were 3,386 completions of which 164 were affordable homes.

Housing Capacity, Tenures and Targets

Southend on Sea has and continues to work towards delivering a target of 6,500 new homes being built in the Borough for the period 2001 to 2021. At time of inception this equated to a required annual average completion rate of 325 net additional dwelling units per annum. The Southend on Sea Core Strategy DPD4 sets out the scale and distribution of this target within its Spatial Strategy for regeneration and growth to 2021.

The 2009 AMR indicates that over the period 2001-2009 there were 3,124 (48%) completions on site in 8 years equating to an average of 390 dwellings per annum. This means the outstanding numbers to be built in the period 2009-2021 stood at 3,376 for the remaining 12 years which equates to an annual development rate of 280 dwellings per annum. The five year requirement as at 1st April 2009 was 1,500 (5x280), the number of sites with planning permission as at 1st April 2009 stood at 1,965, therefore the indicator of degree to which a supply of ready to build housing sites is maintained = 131%.

The Strategic Housing Land Availability Assessment14 (SHLAA), using base date of 1st April 2008, identified that the amount of land that can be built on deliverable sites for the 5 year period 2009-2014 = 3,168 (permissions and identifies sites in the SHLAA). The planned housing provision set out in the Core Strategy4 (290x5) = 1,450, therefore indicator of the degree to which a supply of ready to build housing sites is maintained = 218%. The SHLAA also identifies a total housing supply for 2008-2023 = 4,762 (sites with permission and identified sites in accordance with the spatial strategy) an average annual development rate of 317 dwellings per annum and equates to an oversupply of units for the period 2008-2023.

Of this 4,762 capacity only 1,206 have outstanding permissions most of which are for high density flatted schemes, the remaining capacity is reliant on building out difficult regeneration sites in the Central Area and Shoeburyness (i.e. Victoria Avenue office areas). Density assumptions for site capacities are based on past trends for high density.

Figure 12: NI 154 performance

<table>
<thead>
<tr>
<th></th>
<th>2008/9</th>
<th>2009/10</th>
<th>2010/11</th>
<th>3 Year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieved</td>
<td>225</td>
<td>254</td>
<td>290</td>
<td>769</td>
</tr>
</tbody>
</table>
Affordable Housing

In the period 2001-2009 affordable housing completions have been much lower compared to the amount of residential development which has taken place in this period. Over the eight years the amount of affordable housing has been consistently below the target levels in emerging regional and local plans. However, in the most recent year the amount of affordable housing delivered has been higher than the overall target in the Southend Core Strategy\(^4\). This higher figure has been heavily influenced by the delivery of new affordable housing on garage sites in the ownership of Southend Borough Council in conjunction with registered social landlords and a cross-boundary development at Olive Avenue.

**Figure 13: NI 155 performance**

<table>
<thead>
<tr>
<th></th>
<th>2008/9</th>
<th>2009/10</th>
<th>2010/11</th>
<th>3 Year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieved</td>
<td>69</td>
<td>121</td>
<td></td>
<td>190</td>
</tr>
<tr>
<td>Difference</td>
<td>-31</td>
<td>1</td>
<td></td>
<td>80</td>
</tr>
<tr>
<td>Target</td>
<td>100</td>
<td>120</td>
<td>50</td>
<td>270</td>
</tr>
</tbody>
</table>

The main reason for the lower delivery in the monitoring years prior to 2007-2008 was that requirements for affordable housing in Southend were based on 20% of qualifying sites of 25 units or more. During that period, as now, most of the town’s housing development was on sites less than 25 units on which there were no policy requirement to provide an affordable element. This policy was primarily accountable for the lower affordable housing figures.

**Figure 14: Affordable housing thresholds**

<table>
<thead>
<tr>
<th>Site Size</th>
<th>% of affordable housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-9</td>
<td>0</td>
</tr>
<tr>
<td>10-49</td>
<td>20</td>
</tr>
<tr>
<td>50+</td>
<td>30</td>
</tr>
</tbody>
</table>

However, since December 2007 Southend will now deliver affordable homes in accordance with policy in the adopted Core Strategy\(^4\). This takes into account viability issues and the sizes and types of site likely to come forward through the plan period and reflects a 30% affordable element on sites over 50 units and 20% on sites between 10 and 49 units.

This policy approach was accepted by the Inspector at the Examination in Public on the basis that there were regeneration priorities in the town for the short to medium term and that we had demonstrated that housing needs could and would be met in other ways. The inspector therefore also recognised that a higher affordable housing provision in the town would need to be enhanced by the provision of affordable homes using more innovative means as set out in the Council’s Housing Strategy\(^15\) – such as bringing forward the redevelopment of garage sites, RSL buying up empty homes etc.

It is anticipated that policies in the Core Strategy\(^4\) and related development documents will help to redress to a degree the East of England deficiency. In addition, the Council also secured financial contributions from residential developments towards off-site affordable housing provision totalling £415,000 between 2001 and 2006 and these contributions continue to be a useful delivery tool in securing further affordable housing in the Borough.
Figure 15: Number of affordable housing units delivered 2008/09 & 2009/10 whether delivered through planning gains (s106)

<table>
<thead>
<tr>
<th>Year</th>
<th>S106</th>
<th>Non 106</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>49 (66%)</td>
<td>20 (17%)</td>
</tr>
<tr>
<td>2009/10</td>
<td>25 (34%)</td>
<td>96 (83%)</td>
</tr>
<tr>
<td>Total</td>
<td>74 (39%)</td>
<td>116 (61%)</td>
</tr>
</tbody>
</table>

Over the past two years the role of non s106 affordable housing delivery has become increasingly important as the above table shows the majority of new affordable units delivered in 2008/09 were as a result of planning obligations (66%). This number fell sharply in 2009/10 but was boosted by affordable housing delivered outside of planning obligations through direct grant subsidy (83%).

Southend-on-Sea Borough Council’s future approaches to scheme viability at a neighbourhood level have been informed via the Affordable Housing Development Viability Assessment Model. The current market has put pressure on viability of all sites/schemes but the Council is committed to maximising residential s106 contributions whilst recognising that some flexibility may be required dependent on the wider market and detailed knowledge of land values at neighbourhood and site scale.

**Decent Homes Strategy**

The Council will be working closely with South Essex Homes to ensure that the general needs stock is sustainable and suitable for the needs of Southend residents in the future. Part of this will be to ensure the units are both economically and environmentally friendly for both organisations and the tenants. Following a two star audit inspection result, work on the Decent Homes programme has begun. The outturn figure on the Decent Homes programme for 2009/10 was 39.8% (non-decent) against a target for the year of 40%. The 2010/11 major works programme is set out to not only meet the target of reducing non decency to 25% but also to address the areas of need that would otherwise fail the Housing Health and Safety Rating system (HHSRS).

The number of elements being carried out under the Decent Homes criterion in 2010/11 is 3230 and this will improve 2080 properties across the borough. These works have already commenced and progress is currently ahead of programme. The ongoing implementation of this programme beyond 2010/11 is dependent upon the continuation of funding support through the national decent homes programme. Whilst it is recognised that this programme is under increased pressure due to the current fiscal situation, it is regarded as imperative that funding to deliver the achievement of the decent homes standard across Council-owned stock is maintained.

**Housing Needs, Homelessness and Private Rented Sector**

The Thames Gateway South Essex Strategic Housing Market Assessment (SHMA) first published in 2008 and updated in 2010 emphasised the size of the possible market in Southend for Intermediate housing products in the Borough. These products meet the demand for an excluded middle that cannot afford to purchase a property and are not prioritised for social rented accommodation.
The SHMA provides a stark indication of the levels of housing need within the Borough. The housing needs assessment revealed that an extra 430 households per year require affordable housing. To meet this need in reality would require that 132% of all new housing developments (325 as outlined in the Core Strategy) built annually were provided as affordable housing.

Figure 16: Net Annual Housing Need TGSE Authorities, 2010

<table>
<thead>
<tr>
<th></th>
<th>Basildon</th>
<th>Castle Point</th>
<th>Rochford</th>
<th>Southend</th>
<th>Thurrock</th>
<th>TGSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net need</td>
<td>1,412</td>
<td>810</td>
<td>292</td>
<td>1,894</td>
<td>2178</td>
<td>659</td>
</tr>
<tr>
<td>Annual flow</td>
<td>141</td>
<td>81</td>
<td>29</td>
<td>189</td>
<td>218</td>
<td>659</td>
</tr>
<tr>
<td>Net annual housing need</td>
<td>356</td>
<td>311</td>
<td>196</td>
<td>430</td>
<td>430</td>
<td>1,733</td>
</tr>
<tr>
<td>Original Housing Requirement</td>
<td>535</td>
<td>200</td>
<td>250</td>
<td>325</td>
<td>925</td>
<td>2,215</td>
</tr>
<tr>
<td>Annual Need as % Original Annual Housing Requirement</td>
<td>67%</td>
<td>155%</td>
<td>85%</td>
<td>132%</td>
<td>48%</td>
<td>78%</td>
</tr>
</tbody>
</table>

Source: Thames Gateway Strategic Housing Market Assessment, Update 2010

The increasing number of applicants registered onto the Council’s housing waiting list is another indicator of the rising demand for affordable housing in the Borough. Whilst this increase can be partly attributed to the successful introduction of a Choice Based Lettings scheme in 2009 there are clearly a greater number of households seeking affordable housing within Southend.

The adoption of a housing options model and increased focus on prevention has seen incidences of homelessness reduce dramatically over the past 6 years. From a peak of over 230 households in temporary accommodation the number has fallen to 42 at the end of June 2010.

A target of ensuring that fewer than 53 households are in temporary accommodation has been set for April 2011. Clearly the next few years present new challenges in ensuring that this number remains low. As the fallout from economic downturn potentially increase incidences of homelessness and puts pressure on resources to tackle the problem. In order to continue the downward trend in homeless cases a refresh of the Homeless Prevention Strategy is being undertaken to focus on:

- Engaging with private rented sector to retain as viable option for homeless households
- Ensuring temporary accommodation fit for purpose
- Floating support provision
- Recognise and cultivate multi agency approach to homelessness encouraging third sector involvement and maximising effectiveness of local spend

The private rented sector holds particular strategic importance in Southend given that it makes up 14% of housing in the Borough compared to the Eastern region average of 10%. The private sector stock (Owner- Occupier and private rented combined) is some 68,000 which represents 91% of the housing stock of the borough.

Currently our joint ventures in PSH are Warm and Healthy Homes partnership for which we have had £600,000 for energy efficiency and disrepair work. We are about to launch a regional Landlords Accreditation scheme and are continuing work to bring empty homes back into use.
The Private Sector Housing team has joined with its Sub-regional counterparts to develop a strategy to bring long term vacant / empty properties back into use. The Scheme utilises £1.5 Million in funding from Go-East and represents a partnership with Pathmeads Housing Association, part of the Guinness Housing Group. The Private Sector Housing team also takes enforcement action on problematic long term empty properties through the use of Empty Dwelling Management Orders.

We work in partnership with the external Home Improvement Agency Papworth to deliver adaptation service for the elderly and disabled. Last financial year we delivered £618,350 worth of DFG adaptations. Direct dialogue with the private owners and their agents as well as landlords is ongoing to bring forward development in the borough.

The expanding presence of the University of Essex within the town centre holds potential opportunities in further developing student accommodation in the Borough and the potential affects on the private rented sector.

**Sheltered and Supported Accommodation**

The Council is committed to providing accommodation suitable for the needs of all its residents. To support this we have individual commissioning strategies for Older People, Carers and People with a Learning Disability, a joint Mental Health Strategy is in progress.

It was identified within the Older Peoples Accommodation and Support Needs Strategy\(^{18}\) that the borough has an oversupply of poor quality sheltered accommodation and residents are moving into residential care due to a lack of alternative accommodation. As the largest owner of sheltered housing a review of council owned stock has been undertaken to reduce the voids and provide appropriate accommodation for the future. In the short-term one unit has been redesigned to provide 15 units of extra care with a further two schemes due on site before the end of the 2010/11 financial year.

The Council is continuing to move towards an agreed strategy in respect to the whole of its sheltered stock through its Strategic Review of Sheltered Housing Accommodation\(^{19}\). This review is taking account of the changing needs and aspirations of older people, the increase in demand for supported and extra care accommodation, and a general increase in the number of elderly people living in the Borough. Providing this additional suitable accommodation, which promotes a greater level of independent living, will help to reduce elderly persons reliance on adult and social care services.

The decision was taken to close the last council owned residential accommodation for people with a leaning disability and build accommodation appropriate to their ability. The new location has now been agreed and it is anticipated the new location being on site in this financial year. We anticipate the joint mental health strategy to identify a need for dementia housing provision which will be incorporated into the needs analysis for the borough. A project started in July is focusing on how to improve housing outcomes for people with a learning disability including the reduction in usage of residential accommodation.
Black and Minority Ethnic Groups

The findings of the pan-Essex research report ‘Finding the Facts’ highlighted a paucity of information held by statutory agencies on local BME communities. Improvements have been made to quantity and quality of demographic information collected on local BME communities, including consultation, barriers to accessing services and any specific housing needs.

Housing Needs data via the Homeseekers Register and Choice Based Lettings are monitored and show that allocation profiles closely match those existent in the wider community. The completion rates for resident profile information for Council owned properties has increased dramatically informing service delivery and enabling engagement with hard to reach groups.

Improving access to services for BME groups has been a key area for improvement. An example of this has been the transformation of Domestic Abuse Services in the Borough to better take account of specific cultural requirements of survivors from different BME communities. Continuing Private Sector Renewal initiatives to tackle overcrowding and improve the decency of private rented housing stock (including HMOs) in the town are likely to have a high positive impact on local BME residents.

Gypsy & Traveller

Southend has a small Gypsy & Traveller population who are all currently residing in bricks & mortar accommodation. The Essex GTAA, 2008 provides estimated figures but further information is required to build a full picture of housing needs for local Gypsy & Traveller residents. Future work will need to link with new policy direction following the removal of regional targets.

Southend continues to be restricted by lack of available land suitable for the development of Gypsy & Traveller sites with future provision remaining uncertain.

CONCLUSION

The assessment of Southend’s economy shows that:

- Southend has a **mixed economy** not wholly dependent on a small number of big employers or core sectors. It has supplemented its traditional tourism heritage with a number of significant public and private sector employers and is now looking to grow new sectors around the creative and cultural industries and in advanced manufacturing linked to aerospace and medical technologies.

- Southend is an **entrepreneurial place** – it has high levels of self-employment, high rates of new business formation and improving survival rates.

- **Schools** in Southend continue to perform well and people leave with good qualifications. NVQ4+ standards and the HE provision supplied by the University of Essex Southend campus and South Essex College are also improving. Southend can now combine school, FE and HE provision.

- Southend has a **90 degree economy** – without a major port, Southend is wholly reliant on commerce and trade to the West. This removes the possibility developing many sectors, such as distribution. The expansion of the airport, however, could contribute to addressing this issue.
- **GVA remains lower** than the regional and national averages and Southend is an exporter of skills to London and other locations.

- The Borough has **low business survival rates** – evidence suggests that more business start up in Southend, but more also fail early.

- **Lower than average levels of small business growth** – suggesting a high number of ‘lifestyle’ businesses which are not willing, or not able to take the risk that goes with, growth.

- The tourism industry still survives on **low levels of overnight stay**, and the short supply of high quality hotels and restaurants in the central area may not attract those with money to spend.

- Superior Southend GCSE and A-level attainment, coupled with the underperforming wider population skills levels compared to England, indicates that **graduate retention rate is poor**, as many leave Southend for university or a job and do not return.

- There is a huge gap with **workplace based wages considerably lower than resident labour market levels**. Highly skilled occupations are more likely to work out of Southend – meaning that is it possible that industry will be deterred by the remaining labour pool.

- There remains a **high number of long term unemployed** with and a mismatch between their occupation choices and the vacancies that exist.

- Deep rooted and **long standing inequalities** are present within the Borough: Kursaal, Victoria and Milton wards are repeatedly highlighted as the wards in Southend that are the most deprived.

The overarching needs identified through an analysis of the demand and supply of housing within the Borough are:

- An **increase in the supply of affordable housing** to meet local needs and priorities without supporting or encouraging the displacement of housing need from neighbouring districts or London. For example, through the successful development of key opportunity sites within the central area; utilising and maximising the development potential of publicly-owned sites within the Borough; and encouraging the delivery of private developments that generate new affordable housing supply through Section 106 agreements.

- **Delivering improvements to existing stock** in both the public and private sector to ensure housing across the Borough meets the Government’s Decent Homes standard and to improve energy standards.

- Delivering an **appropriate range of specialised or supported accommodation** that meets the needs of priority groups including the elderly, black and minority ethnic communities, gypsies and travellers and those with mental health issues.
4. CHALLENGES TO SECURING INVESTMENT

Over the current CSR period Southend has made progress in securing investment with a number of schemes either in progress/completed (e.g. The Victoria Shopping Centre) or having secured planning permission (e.g. Esplanade House). In addition, the impact of major regeneration schemes such as the first phases of City Beach Victoria Gateway have yet to be realised as they will not complete until the end of the 2010/11 financial year.

However, the regeneration and economic uplift of Southend remains in the balance and the step change required in order to achieve Southend’s full potential as a key contributor to the Thames Gateway is far from complete. Feasibility studies have shown the redevelopment of key strategic sites in the town centre remain financially unviable, whilst major capital investment is required in enabling development if these sites are even to be considered for release to the market.

A number of major private sector redevelopment sites remain on hold with limited signs of being brought forward for development. This has resulted in them continuing to present signs of urban decay completing a vicious circle of disinvestment. Gateway sites such as Heath and Carby houses on Victoria Avenue have remained vacant for many years, whilst exciting development opportunities such as Marine Plaza have fallen victim to the economic downturn.

This section sets out a SWOT analysis of Southend followed by an overview of the key challenges facing Southend and preventing it from securing the much needed private sector investment required to realise its potential as well as meeting the needs of local people in terms of affordable housing and accessible green space.

SWOT ANALYSIS

<table>
<thead>
<tr>
<th><strong>STRENGTHS</strong></th>
<th><strong>WEAKNESSES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>A mixed economy</td>
<td>Lack of high skilled jobs</td>
</tr>
<tr>
<td>Transport links and proximity to London</td>
<td>Reliance on very large employers</td>
</tr>
<tr>
<td>Entrepreneurial spirit</td>
<td>Low new business survival rates</td>
</tr>
<tr>
<td>High-performing schools</td>
<td>Weak small business growth</td>
</tr>
<tr>
<td>Good quality of life</td>
<td>Low graduate retention rates</td>
</tr>
<tr>
<td>Competitive house prices</td>
<td>Small range of visitor offer</td>
</tr>
<tr>
<td>Distinctive visitor offer</td>
<td>Lack of varied and quality retail provision</td>
</tr>
<tr>
<td>Advanced, niche manufacturing</td>
<td>High traffic congestion</td>
</tr>
<tr>
<td>Thriving Higher and Further Education campuses</td>
<td>Areas of persistent deprivation and worklessness</td>
</tr>
<tr>
<td>High levels of positive perceptions</td>
<td>Poor quality commercial accommodation stock</td>
</tr>
<tr>
<td>Strong events programme and cultural offer to residents and visitors</td>
<td>‘End of the line’ image</td>
</tr>
<tr>
<td>Emerging evening economy</td>
<td>Lack of quality affordable housing offer</td>
</tr>
<tr>
<td>7 miles of award winning beaches</td>
<td>Lack of high-skilled workforce</td>
</tr>
<tr>
<td></td>
<td>Lack of a fully-formed evening economy</td>
</tr>
<tr>
<td></td>
<td>Lack of green or open space</td>
</tr>
<tr>
<td>OPPORTUNITIES</td>
<td>THREATS</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
</tr>
<tr>
<td>• London Southend Airport expansion</td>
<td>• Deficit reduction programme</td>
</tr>
<tr>
<td>• 2012 Olympic &amp; Paralympic Games</td>
<td>o Public sector employment</td>
</tr>
<tr>
<td>• Growing FE &amp; HE campuses</td>
<td>o Regeneration funding</td>
</tr>
<tr>
<td>• Emerging cultural and creative industries</td>
<td>• Relocation of major businesses</td>
</tr>
<tr>
<td>• Capturing greater visitor spend</td>
<td>• Ageing population</td>
</tr>
<tr>
<td>• Higher-end retail provision</td>
<td>• Converse pressure on school places</td>
</tr>
<tr>
<td>• Public realm improvement works</td>
<td>• Government initiatives re: housing benefit</td>
</tr>
<tr>
<td></td>
<td>• Low land values at regeneration sites</td>
</tr>
</tbody>
</table>

**CHALLENGES TO SECURING INVESTMENT**

**Property Market**

The current economic climate and restrictions on credit for both property developers and purchasers have adversely affected the financial viability of redeveloping key sites across Central Southend. Viability of food-store development remains strong, due to continuing consumer demand and a restricted supply of sites. However, development of this nature will not secure the repositioning of Central Southend as a vibrant retail centre. Whilst residential development has the reasonable prospects of viability for certain types of property in the short to medium term, the office market has been weak in Southend and will continue to be for some time, due to oversupply and low rental values.

Recent feasibility reports have indicated that at least a 10% increase in values is needed to move financial development appraisals into the black, and this could take 4 to 5 years to occur. For example, a detailed viability study on Warrior Square has indicated a negative land value of between £1.76m and £2.43m with positive land values only being secured with a 100% private residential scheme plus a 10% uplift in residential values. It is a similar picture across other key opportunity sites.

Public sector support will be required, particularly in relation to the delivery of affordable housing, if these sites are to be brought forward for development in the short term. Further investment is required in the public realm and transport links to increase the attractiveness of these sites for development whilst in some cases direct public sector intervention will be required to unlock sites for redevelopment.

Recent policy announcements regarding changes to the welfare system including Housing Benefit and Local Housing Allowance reform will potentially have a high impact on the Borough due to the high proportion of private rented properties. The changes will need to be monitored closely with potential risks around affordability issues and use of increased Discretionary funds to be explored.
Car Parking

The majority of key sites identified in the CAM as having potential for redevelopment are currently in use as public car parks. Provision of replacement car parking is a precedent of redevelopment but can be costly to provide, in terms of land acquisition and construction costs. The car parks at Farringdon, Alexandra and Clarence, Warrior Square, Tylers Avenue and Seaway Car Park currently provide approximately 1900 spaces or over 75% of the public off road spaces in the town centre. To date only 307 spaces have been re-provided, at Campus Square.

Whilst it is accepted that there needs to be further dialogue regarding the total number of car parking spaces required in the town centre and the impact development such as that proposed by Tesco at the former B&Q site will have on use of public car parks, it is clear that a substantial number of replacement spaces are still required if the existing surface car parks are to be released for redevelopment. It is also clear that disposal of the car parks themselves will not generate the level of financial return required to fund the construction of replacement car parking.

Direct investment is required to re-provide at least 600 spaces to be located at a site to be determined, but likely to be in the north east quadrant. This car park would allow for the release of Alexandra and Clarence Car Parks for development alongside the early release of Warrior Square for residential and office and, should the market require, Tylers Avenue as a major retail development. In addition, the car park would help address any demand issues arising during the redevelopment of Elmer Square.

Planning Obligations

Obligations on developers to make planning contributions under Section 106 and Section 278 agreements increased dramatically over the last decade. Requirements for 30% affordable housing, plus heavy contributions to physical, social and green infrastructure became the norm and proposals for rationalising the process through standard contributions, roof-tax and the Community Infrastructure Levy (CIL) were in the process of being introduced. The recession made many Section 106 agreements unsustainable - they simply could not be afforded by developers/landowners due to the slump in property transactions and values. CIL is now unlikely to be implemented as initially proposed although statements from the Department for Communities and Local Government suggest a scheme along similar lines to the CIL will still be progressed. The consultants who undertook the development appraisals for the town centre sites described above concluded that affordable housing requirements would need to be relaxed, and expectations for developer contributions moderated, in order to improve the financial viability of development. For example, sensitivity testing was undertaken on proposals for the Seaway site which demonstrated that development would be viable only in a situation where there was no requirement for affordable housing, no Section 106 contributions, a reduction by 10% in development costs and an increase in residential sales values of 10%. Clearly some of these assumptions are unrealistic or unacceptable in policy terms.

There are limits on the extent to which it is possible or desirable to reduce planning obligations in order to promote town centre regeneration. The need to mitigate the impact of development on the surrounding area will remain, and development will impose an increased burden on some public services at a time when public spending itself will be under pressure. But some measures are now being considered, including deferring aspects of Section 106 agreements to a future date, in order for planning consents to be implemented and development to proceed.
Land Values and Viability

When addressing the viability of sites in the key strategic area of Central Southend, it is important to reflect on current work that has sought to address the viability of bringing forward three major sites (all publicly owned surface level car parks):

- Warrior Square
- Tylers Avenue
- Seaways

These three sites, along with others in Central Southend, were all highlighted as having significant development potential in the Central Area Masterplan, and all three are now emerging as strategic sites in the current Issues and Options stage of the Southend-on-Sea Central Area Action Plan. During the first half of 2010, significant progress has been made in assessing the feasibility of developing the three above sites. Funding for this work has come through the HCA with the studies all following a similar format, comprising baseline assessment, identification of options for development, options appraisal using multiple criteria and financial development appraisal.

There is a general trend in relation to the work undertaken against all three of these sites: ‘To deliver acceptable mixed use regeneration and economic development focused schemes with the benefit this will bring to the local economy (mix of homes, offices, retail and community space), none of the sites in public ownership are financially viable without significant public sector financial investment.’ The obvious influencing factor here of course is the current state of the market which has depressed values for developments of all kinds making major schemes unlikely to come forward through private sector investment alone. The other issue, which compounds the market factor, is the significant cost of re-providing car parking spaces lost through development.

There are steps that can be taken to improve the viability of site development, and these include dropping mixed use schemes in favour of more residential with reduced affordable housing obligations, or waiting for a period of time (possibly 5 years) for the market to improve by as much as 10% on current values. Neither of these options however delivers against the regeneration and economic development focused options in the Central Area Masterplan or the current Issues and Options Stage Area Action Plan produced by the Council.

This detailed understanding of the viability of bringing forward public sector sites provides an interesting and important insight into the general development market in Southend, particularly in Central Southend. The fact that major privately driven schemes such as Heath & Carby House, Marine Parade, Maitland House and Esplanade House have not come forward clearly demonstrates the difficulty of delivery in the current market; a situation that is unlikely to change in the foreseeable future.
5. OPPORTUNITIES

Southend-on-Sea continues to face a number of major challenges if it is to fully contribute to the Government’s vision for the Thames Gateway and achieve its potential as a major regional centre within the East of England as set out in the previous Section. However, a mix of Central Government, Local Authority and wider public sector investment in Southend over the last three to five years has provided a solid foundation on which both the public and private sectors may now build.

This section sets out the key opportunities that exist to:

- Deliver further phases of investment to current schemes that will add further value and increase Southend potential to secure vital private sector investment in both housing and job creation.

- Deliver targeted investment that will enable Southend to further develop its growing reputation as south Essex’s Cultural Hub and a centre for educational excellence.

- Inject public sector capital to secure the release of key strategic development sites, particularly within the Town Centre.

- Exploit opportunities to deliver much needed affordable housing.

Central Southend as a Regional Centre

Investment in modern, high quality accommodation for the University of Essex and South Essex College has increased student admissions and created a new educational quarter in the heart of the town centre. The facilities benefit from excellent public transport links (reducing student-based car trips), whilst increased student spend has resulted in significant increases in floorspace by retailers such as Next, New Look and H&M. These increases have anchored investment in the town’s two major shopping centres – The Victoria and The Royals.

The opportunity now exists to build on this investment and transform the north-west quadrant of the town centre not just into an area of educational excellence but into a cultural quarter that will benefit all residents and drive forward the delivery of Southend’s potential as a creative economy hub. The Council, University of Essex and South Essex College are working together to deliver an integrated learning and cultural facility at Elmer Square that will include a new Central library alongside increased academic space. The provision of flexible cultural space within this development will link academia with business opportunities in the cultural and creative sector.

A number of strategic opportunity sites are located across the Central Southend. Within the town centre these comprise a number of Council-owned surface car parks, whilst in the central seafront and Victoria Avenue areas sites are principally in private sector ownership.

In addition to Elmer Square, key sites within the town centre include: Alexandra and Clarence Street; Warrior Square; Tylers Avenue and Seaway. These sites provide for a total of 5.34 hectares of developable brown field land all within a maximum of a 5 minute walk from the High Street and each served with excellent public transport links.
<table>
<thead>
<tr>
<th>Site</th>
<th>Area (hectares)</th>
<th>Residential Units</th>
<th>Employment Space (m²)</th>
<th>Other Floorspace</th>
<th>Jobs Created</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alexandra and Clarence</td>
<td>0.62</td>
<td>95</td>
<td>4,302</td>
<td>-</td>
<td>160</td>
</tr>
<tr>
<td>Warrior Square</td>
<td>1.85</td>
<td>88</td>
<td>5,433</td>
<td>4,000</td>
<td>281</td>
</tr>
<tr>
<td>Tylers Avenue</td>
<td>0.89</td>
<td>56</td>
<td>9,735</td>
<td>-</td>
<td>384</td>
</tr>
<tr>
<td>Seaways</td>
<td>1.98</td>
<td>494</td>
<td>-</td>
<td>5,625</td>
<td>172</td>
</tr>
</tbody>
</table>

As the table above illustrates, early design and feasibility studies on the four sites has identified that they have the development capacity to deliver over 700 residential units and support the creation of nearly 1,000 jobs.

Within the Central seafront area two major development sites at Marine Plaza and Eastern Esplanade have the potential to deliver approximately 350 residential units alongside over 150 hotel bed spaces and a wide range of commercial leisure and entertainment facilities, restaurants and bars. Together these would help reposition Southend’s visitor offer providing a contemporary range of facilities across the heart of the central visitor area. They would also attract local residents into the area thereby widening the season.

Victoria Avenue continues to present a picture of half occupied and decaying office blocks. However, as recent work has shown, the area has the opportunity to be transformed into a vibrant mix of uses that presents a welcoming sense of arrival and gateway into the town centre. This would be complemented by the redevelopment of the old B&Q site immediately adjacent to Southend Victoria Station, further sites between London Road and Queensway to the west of Victoria Gateway and the Maybrook and Burland site to the east. Together, these sites could deliver the step change needed to create a vibrant retail circuit in the north of the town centre alongside a range of residential units. Development of affordable residential units on one or more of these sites would also support the phased regeneration of the town centre’s residential tower blocks.

A map illustrating the above sites is attached as Appendix A.

**Developing London Southend Airport and A127 Industrial Corridor**

Following the granting of planning permission for the extension of the runway, London Southend Airport is now well placed to meet its target of 2 million passengers per annum (supported through the emerging Joint Area Action Plan) and is already investing in a new rail interchange and control tower. Work on the runway extension will commence later in 2010 whilst construction of the new terminal is also scheduled to commence shortly.

Overall, the development of Southend Airport is expected to create nearly 1,200 new jobs with a significant percentage of this being in the maintenance, repair and overhaul facilities – high skilled, well paid employment. Further job opportunities will be created through the allocation of land to the west of the airport for a high quality business park (Saxon Business Park), intensification of Aviation Way Industrial Estate and a smaller business park to the west of Nestuda Way. Together, these will provide an inward investment offer not previously available in south east Essex and will enable the area to target a wider range of investors.
Away from the airport, the A127 industrial corridor offers the potential to provide a new industrial offer on sites such as the Prittlebrook Business Park and at Progress Road provided surface access connections to these key estates can be improved.

A map illustrating the locations of these key employment sites is attached as Appendix B.

**Regenerating Shoeburyness**

The Garrison site at Shoeburyness continues to offer the opportunity to secure significant further investment widening the residential and commercial offer in the area alongside enhancements to public open space and the coastal visitor offer.

The area benefits from a number of high quality open spaces such as Shoebury and Gunners Parks alongside East and Shoebury Beaches. These assets attract visitors into the area. However, visitor spend is limited and contained in a relatively small area of the community. Enhancement of the wider public realm to provide greater linkage between areas of new investment and visitor attractions and the area’s traditional shopping areas would capture greater levels of visitor spend and support the stabilisation of the local economy.

**Enhancing Green Infrastructure**

The provision of high quality public realm is a key component in the regeneration and repositioning of Southend – as a place to live, as a place to live, and importantly, as a place to invest. Development sites located in or alongside attractive, welcoming and secure public spaces continue to provide a greater offer to potential investors who recognise that their development will benefit from the sense of place that these areas create.

Opportunities exist to build on the successes of current public realm interventions at Victoria Gateway and City Beach – linking these high quality public squares to further development sites. Smaller investments in existing green infrastructure will also add value to these locations, encouraging residents to participate in casual ‘healthy living’ activities and linking Southend’s excellent network of parks and gardens.

**Improving the Transport Infrastructure**

The delivery of further phases in the enhancement of the A127 Corridor from the Borough boundary to the town centre will continue to reduce journey times and provide greater resilience to Southend’s road infrastructure. This will add to Southend’s inward investment offer as well as improving the experience of visitors to the town – still a major component to Southend’s overall economy. In particular, targeted investment towards junction improvements at the Kent Elms and Bell junctions will further improve surface access to London Southend Airport, business parks to the west of the airport and key strategic employment sites along the A127 Corridor.

However, it is not just the road infrastructure that offers opportunities for improvement. The opportunity continues to exist to enhance the Borough’s cycling and walking infrastructure, thereby promoting both sustainable and healthy trip alternatives, as well as enhancement of the Borough’s rail network.
Finally, the need to rationalise the town centre’s car parks in order to release key sites for redevelopment also provides the opportunity to reduce town centre congestion through abortive short trips between car parks to locate available spaces and provide a greater balance between car-bound and other sustainable forms of access into the town centre.

**Advancing Culture & Heritage**

Southend continues to attract nearly 5.5 million visitors per year, with visitor spend of approximately £240m. This supports over 6,700 jobs in the local economy. Whilst these figures appear high, Southend’s average spend per head continues to be lower than competitor areas and the visitor economy is heavily based on day trips rather than staying visitors. Southend’s visitor season is also currently restricted by a lack of all-weather, year-round attractions.

Investment in year-round attractions such as the proposed new Museum, development of the Pier and completion of City Beach will enhance the area’s visitor offer, extend the season and encourage more residents to access and benefit from Southend’s cultural facilities.

However, investment in culture and heritage is not just about increasing visitor numbers and spend. These interventions will contribute towards repositioning perceptions of Southend with cultural investment seen as being a key driver of economic growth, stimulating investment, anchoring the regeneration of the Borough and enhancing the health and well-being of residents. For example, the inclusion of a substantial cultural element in the redevelopment of Elmer Square – both through the integrated library and dedicated internal and external creative/cultural spaces – will complement educational investment in this area, support the Southend’s vibrant creative economy, enhance the night time economy offer, encourage families into the town centre and offer improved opportunities for residents and visitors.

There has also been significant work undertaken over the last few years to scope the potential for a Digital Exploration Centre (DEC). This work will ensure Southend can capitalise on its potential to become a digital industries hot spot with the benefits this will bring for projects such as Elmer Square, and the wider creative and cultural industries sector.

**Delivering Housing Growth & Improvement**

As at July 2010 there are outstanding planning consents with S106 contribution for Affordable Housing which would bring forward 2056 units with 559 of these being affordable housing. Assuming all schemes come forward as general needs rented housing; in excess of £25m funding would be required. It is, however, recognised that schemes are likely to comprise a mix of general needs rented and intermediate products, which would lower the funding intervention required.

In all cases the first option is to look to the market and land values to enable the delivery of affordable housing and this has been identified as a viable option for a number of sites, notably those with smaller AH contributions in higher value locations. In addition the council has identified its own land to bring forward a further 153 units of general needs and supported housing for independent living requiring a further £8m in capital funding.
Uncertainty remains over the level of grant funding available from 2011/12 and discussions have begun within Southend Borough Council and with partner RPs on alternative funding models. These discussions will include the local approach to setting rents at 80% of Local Housing Allowance levels and utilising the extra rental revenue for new build. Implementation of this policy will need to ensure fairness for residents and ensuring that the appropriate level of extra rental income generated in Southend is re-invested within the Borough.

Funding figures in the table have been based on successful recent regional bids at £45k per unit for general needs and £67k per unit for supported housing. These average grant rates have been used for indicative purposes at this stage. It is recognised the viability of each site will be assessed and a level of grant support, if appropriate, identified following this appraisal. On all S106 sites it should be presumed that nil grant will be made available unless this intervention is clearly identified in the site viability appraisal.

The following table sets out a list of priority housing sites including the number of units expected to be delivered and the number of affordable units expected to be achieved.

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>No: Units proposed</th>
<th>Total S106 AH Units</th>
<th>Grant Required £000's</th>
<th>Strategic Priority 2011/14</th>
<th>Strategic Priority 2014 onwards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carnarvon House</td>
<td>171</td>
<td>26</td>
<td>1170</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Esplanade House</td>
<td>216</td>
<td>50</td>
<td>2250</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Fossetts Farm</td>
<td>67</td>
<td>20</td>
<td>900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grainger Rd Ind Est</td>
<td>149</td>
<td>45</td>
<td>2025</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Heath &amp; Carby, Victoria Ave</td>
<td>280</td>
<td>84</td>
<td>3780</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Maitland</td>
<td>80</td>
<td>55</td>
<td>2475</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Marine Plaza</td>
<td>225*</td>
<td>68</td>
<td>3060</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>North Rd-Salisbury Ave</td>
<td>43</td>
<td>8</td>
<td>360</td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>Roots Hall</td>
<td>272</td>
<td>66</td>
<td>2970</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Phase II Garage Sites across borough</td>
<td>39</td>
<td>39</td>
<td>1710</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Maybrook/Burland 60% rented 40% SH</td>
<td>100</td>
<td>100</td>
<td>5380</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Shelford House SH</td>
<td>12</td>
<td>12</td>
<td>804</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Shelford Alms Houses SH</td>
<td>3</td>
<td>3</td>
<td>201</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1656</strong></td>
<td><strong>575</strong></td>
<td><strong>27085</strong></td>
<td><strong>18130</strong></td>
<td><strong>8955</strong></td>
</tr>
</tbody>
</table>

*New planning application submitted will change this number

The Council owned schemes are highest priority for 2010/14 as they have been identified to bring forward housing to meet specialist requirements and family need.
Of the schemes which have an extant planning consent six sites have been identified using the following priority matrix:

- Value for Money and deliverability- ability to leverage range of funding streams and Asset Management strategy
- Added Value, identifying where scheme benefits from and builds upon previous investment
- Scheme’s importance in relation to Council’s strategic objectives including meeting housing needs and spatial priorities

1. **Heath & Carby Houses** providing residential offer through regeneration of transformed Victoria Avenue as a sustainable mixed use Quarter including offices, residential, civic functions, commercial and local retail, hotel and health and fitness facilities as outlined in Draft Southend Central Area Action Plan\(^6\) (DPD).

2. **Maitland House** Central to kick-starting development in the Central Area Master Plan and in establishing housing in the High Street. Building on regeneration of nearby Warrior Square.

3. **Esplanade House** to continue regeneration of the Eastern End of the seafront and the sites role in bringing forward adjacent hotels. Building on public realm investment at nearby City Beach.

4. **Carnarvon Road** providing residential offer through regeneration of transformed Victoria Avenue as a sustainable mixed use Quarter including offices, residential, civic functions, commercial and local retail, hotel and health and fitness facilities as outlined in Draft Central Area Action Plan\(^6\) (DPD).

5. **North Road/Salisbury Avenue** to ensure areas on the outskirts of the town centre and Victoria Avenue, identified as Gateway Neighbourhoods play role in balancing the higher density development of the centre and provide larger family accommodation and tenure mixes

Looking beyond 2014, whilst the majority of the planning consents on these sites may have expired; four sites have been identified as being strategically relevant in line with the Core Strategy\(^4\), Regeneration Framework\(^2\) and associated Development Plan Documents, as follows:

- **Roots Hall & Fossetts Farm** being critical to the provision of a new football stadium and central retail provision, as well as large scale provision of affordable housing.

- **Marine Plaza** due to its position on the edge of City Beach and backing onto the Woodgrange Drive Estate, instrumental in bringing forward affordable housing as part of a mixed tenure development and wider regeneration of the central seafront area.

In order to give an indication of the Grant monies required the assumption was that all general needs and supported housing units would be rented, we are working closely with our Registered Providers (RP’s) as well as local landowners, their agents and developers to investigate how these schemes can be brought forward to reduce dependency on grant. This will include a range of tenures giving the opportunity for cross subsidy, developer contributions over and above the land value, possible council subsidy and Registered Providers using Recycled Capital Grant Fund monies.
In the worse case scenario the funding level required to bring forward the priority sites during 2010/14 would be £18.7m and for 2014 onwards almost £9m.

The council is currently investigating how it can work in partnership with developers, landowners, their agents and RP’s to bring forward static sites in the borough. In addition officers are investigating how the council can invest in housing without loss of a capital asset and increase its stock holding, in the most economically advantageous way i.e. partnering RP’s as development agents.
PART TWO
CURRENT INVESTMENT AND DELIVERY

6. INVESTMENT AND DELIVERY
- THE HCA AND OTHER PARTNERS

The following section will focus on key interventions made by strategic funding partners in Southend for the current CSR period 2008/2011. The Regeneration Framework was published in November 2007 and provided a framework and rationale for investment based on a sound understanding of the physical interventions in land, property, public realm and infrastructure that would contribute to addressing some of the underlying causes of underperformance in the economy of Southend. This was closely linked to local policy (Planning, Cultural and Transport) which would be needed to underpin and support these interventions.

The previous round of funding for projects within the Thames Gateway (2008/11) was recognition by Government of the importance of targeting investment in areas with significant potential to support the growth of the UK economy, and in particular, support the growth and productivity of London. The current financial position for the public sector cannot of course be ignored, however the same principles still apply to investment in the Thames Gateway and its potential for economic recovery and growth as previously recognised.

Southend is a unique economy within the Thames Gateway, and the priorities set out in the Regeneration Framework reflect this. Southend’s economy is diverse and covers many sectors, but it is still recognised as a major year round visitor destination, and some of the funding decisions that were made for the previous funding round reflect this. It is critical to Southend’s future economic prosperity that it makes the most of its assets. As set out in Section 2 under Vision, these are varied. In the context of recent public sector intervention in Southend, there are now major new assets which will create new opportunities for economic, housing and cultural growth.

These new assets include:

- An established and growing Higher Education presence through the University of Essex with the benefits this brings for the local and regional economy – this was of course building upon significant previous investment in the Further Education offer through South Essex College

- By the end of March 2011 there will be major new areas of public realm which will encourage further investment through the private sector in retail, business space and housing and leisure

- New transport infrastructure along the strategically important A127 with junction improvement schemes at Progress Road and Priory Crescent (Cuckoo Corner) – this has been supported through the Southend Cycling Town initiative with funding through DfT

- New state of the art skills academy space at London Southend Airport
• Greater understanding of the viability of bringing key town centre sites forward for regeneration/economic development – not physical products but critical knowledge

The critical factor for Southend and the rest of the Thames Gateway for the next Comprehensive Spending Review period (2011/14) is how, through intelligent and strategic targeted investment, can the public sector maintain the momentum gained over the last few years while making use of new and existing assets. Lack of action will result in stagnation of the economy resulting in a lack of preparedness to create new jobs and build new homes when the economy recovers over the next few years. In Southend this will mean building on recent investments with appropriately targeted new funding in key areas of importance to Southend’s economy, aligned strategic local policies, and projects articulated clearly in the context of the Thames Gateway Core Vision.

The HCA aims to be an ‘intelligent investor, intervening only where there are failures in land and property markets or where there are clear government distributional objectives for housing and regeneration that cannot be met by the market’ as is set out in its Corporate Plan 2009/10 – 2010/11. Other public sector departments or agencies will work on similar principles. In Southend, through CLG, English Partnerships, DfT and HCA, this principle has already been applied to make the greatest difference to the Borough’s future economic performance.

It has been difficult to bring major sites to market even at the height of the economic boom, and there have been serious transport infrastructure deficits that have held the economy back. Investment in major public realm projects was set out clearly in the Southend Regeneration Framework and Central Area Masterplan in 2007 as the first priority for public sector investment for the following spending period. This would support the future viability and attractiveness of sites within Central Southend in key areas such as the Seafront and the major gateway to the Town Centre. This strategy was particularly appropriate and relevant to Southend as it is the major visitor destination of the Thames Gateway, as well as a regional retail and leisure destination, and Central Southend is the economic driver for the whole of South East Essex. Southend was the only area within the Thames Gateway to have a separate pot of funding (through CLG then HCA) dedicated to ‘Advancing Culture & Heritage’; recognition of the importance of Southend’s cultural ambitions and how these relate to a strong economic future for the Borough.

Appendix C illustrates the location of projects and sites which have received public sector funding 2008-10 a summary of which is set out below.
## Summary of Recent Public Sector Investments in Southend – 2008/11

### Strategic Priority Area – Southend Regeneration Framework

**Central Southend as a Regional Centre**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Funding Secured</th>
<th>Timescale for Delivery</th>
<th>Broad Outputs / Rationale</th>
<th>Reference on Appendix C (if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victoria Gateway Square</td>
<td>£7.5m (CLG) Community Infrastructure Fund (CIF)</td>
<td>Completion March 2011</td>
<td>Major public realm improvements and highway realignment</td>
<td>1</td>
</tr>
<tr>
<td>City Beach – Eastern Esplanade Commercial Seaboot</td>
<td>£7m HCA</td>
<td>Completion March 2011</td>
<td>Major public realm improvement and highway realignment.</td>
<td>2</td>
</tr>
<tr>
<td>Warrior Square Gardens</td>
<td>£1.5m HCA £200,000 SSBC</td>
<td>Completion January 2011</td>
<td>Public realm scheme to improve the only significant green space in Central Southend and support the delivery of key development sites.</td>
<td>3</td>
</tr>
<tr>
<td>Warrior Square Site Development Brief</td>
<td>£250,000</td>
<td>Completion January 2011</td>
<td>Site development brief with viability testing of options</td>
<td>4</td>
</tr>
<tr>
<td>London Road/Hollybrook</td>
<td>£3.75m HCA £2.25m EEDA £1.4m SSBC</td>
<td>Completion November 2010</td>
<td>To release Farringdon (Elmer Square) for development by Southend Council, South Essex College and University of Essex.</td>
<td>5</td>
</tr>
<tr>
<td>University of Essex – Gateway Building</td>
<td>£1.5m HCA (previously EP)</td>
<td>Completed 2009</td>
<td>Completion of new building for use as academic teaching space</td>
<td>6</td>
</tr>
<tr>
<td>Elmer Square Development Brief</td>
<td>£300,000 HCA</td>
<td>Completed 2009</td>
<td>Site technical reports and development appraisal to support South Essex College and University of Essex expansion, as well as development of new library</td>
<td>7</td>
</tr>
<tr>
<td>Clifftown Public Realm</td>
<td>£250,000 HCA</td>
<td>Completed 2010</td>
<td>Design and feasibility work relating to key areas of Clifftown, and contribution to public realm improvements undertaken by the Council.</td>
<td>8</td>
</tr>
<tr>
<td>St John’s Site Development Brief</td>
<td>£100,000 HCA</td>
<td>Completion Sep 2010</td>
<td>Site Development Brief and viability testing of options – includes both Tylers and Seaways Car park</td>
<td>9 (Tylers) 10 (Seaways)</td>
</tr>
<tr>
<td>Strategic Purchase of Land at Herbert Grove</td>
<td>£560,000 EEDDA</td>
<td>Completed 2009</td>
<td>Strategic land purchase at St. John’s area of Central Southend –</td>
<td>11 (1-3 Herbert Grove)</td>
</tr>
<tr>
<td>Strategic Priority Area: Southend Regeneration Framework</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Advancing Culture &amp; Heritage</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| St. John’s Church Gardens | £250,000 | Completion September 2010 | Revitalisation of important heritage area and green space in St. John’s area of Central Southend | 13  
| Saxon King (Thames Estuary Heritage Centre/Museum) | £150,000 | Completed 2009 | Funding for feasibility work and design for new museum proposal | 14  
| Clifftown Studios (East 15 Acting School) | £500,000 HCA £900,000 EEDA | Completed 2009 | Funding towards refurbishment of this important new cultural space in Central Southend, home to East 15 Acting School (part of the University of Essex) | 15  
| Clarence Road and Alexandra Street | £2m HCA | Completed 2008 | Strategic land purchase by HCA to bring forward important Clifftown Sites in Central Southend | Clarence Road (16) Alexandra Street (17)  
| Digital Exploration Centre (DEC) | £101,000 £236,000 EEDA | In progress | Funding for feasibility work relating to proposed DEC for Central Southend. | N/A (generally associated with Seaways)  
| Strategic Priority Area – Southend Regeneration Framework |  
| **London Southend Airport and A127 Industrial Corridor** |  
| Aviation Skills Academy | £500,000 HCA £50,000 Essex County Council | Completed March 2010 | New skills academy to support development of aviation business cluster at London Southend Airport | N/A  
| Brunel Road | £2.6m EEDA | In progress | Site acquisition for new commercial development | N/A  
| Strategic Priority Area – Southend Regeneration Framework |  
| **Improving the Transport Infrastructure** |  
| Progress Road | £5m CLG | To be completed March 2011 | Junction improvements at strategically important location to the West of the Borough on the A127 – supporting jobs in industrial at Progress Road and access to Central Southend | N/A  
| Priory Crescent (Cuckoo Corner) | £5m DfT | To be completed March 2011 | Improve important section | N/A  
| Southend Cycle Town | £3m (DfT) £3m (SSBC) | Funding runs to March 2011 | Investment across the Borough to improve Cycling infrastructure and support for cycling initiatives | N/A  
| Strategic Priority Area – Southend Regeneration Framework |  
| **Delivering Housing Growth and Improvement** |  
| Affordable Housing units (NAHP/Kickstart) | £10.3m | Funding between 2008-11 | Delivery of 157 affordable housing units across town | N/A |
7. INVESTMENT AND DELIVERY
   - LOCAL AUTHORITY

The Council is committed to successfully realising the Vision for Southend and to using the full range of assets, financial resources, human resources and powers available to it to achieve it.

The current economic climate has affected the public sector as well as the private sector. The Council’s ability to fund large capital schemes through prudential borrowing or sale of existing assets will be more limited, whilst the Council will still be required to demonstrate that it has achieved best value in the use and disposal of any assets.

The Council remains a major landowner within the town centre. However, as described previously, these sites are public car parks and as such, are subject to issues of re-provision in order to enable their release. New car parks will not provide greater levels of income as they will be straight substitutions for existing spaces, and increased revenue will not be available therefore to finance prudential borrowing costs. The support of the HCA will be required, therefore, to support the Council in bringing these key sites to the market without impacting on the accessibility of the town centre. A map showing the Council’s principal land ownership in the Central Area is attached as Appendix D.

The Council is also the landowner of London Southend Airport, although this is subject to a long term leasehold arrangement with the Stobart Group, as well as the majority of the land identified for business park development within the London Southend Airport and Environs Joint Area Action Plan.

The Council is committed to using its landholdings to further the regeneration of the Borough whilst ensuring it achieves best value in all land transactions. By achieving a capital receipt whilst supporting the regeneration of these key sites the Council will continue to be able to finance its capital programme, thereby delivering further regeneration benefits across the Borough.

The Council has also greatly improved its engagement with the business and private develop communities through the revitalised Southend Business Partnership and the Southend Developers’ Forum. The Council will continue to aim to secure appropriate Section 106 and Section 278 contributions from development alongside securing the provision of appropriate levels of affordable housing.

The Local Planning Authority (LPA) is required to develop a Delivery and Implementation Plan for the key planning documents for Southend. Key regeneration priorities such as the town centre and central seafront area, Shoeburyness and London Southend Airport and it Environs all have Area Action Plans being developed for them which will set the policy for development. The Delivery and Implementation section of these plans will need to demonstrate how, when and by whom all the projects for these areas will be delivered over the plan period. In addition to this, the LPA will need to produce an Infrastructure Plan outlining the key and strategic infrastructure requirements in Southend which will form the evidence base to support any future community infrastructure levy or equivalent.
Over the last six years the Council has funded a number of major regeneration projects in the Borough including:

- The redevelopment of Southend High Street with additional funding support from the European Regional Development Fund.
- The development of the Travel Centre alongside major investment in the A13 Public Transport Corridor.
- Investment in Southend’s cycling infrastructure matched funded through the Government’s Cycling town initiative.
- The construction of the new £13.5m state-of-the-art swimming and diving facility at Garons Park, which has been part-funded by Sport England.
- The £1.8m refurbishment of Southend Crematorium.
- A school refurbishment and rebuilding programme that has helped address need and improve learning across the Borough (e.g. Barons Court School - £2.28m and Prince Avenue - £2.3m)

The Council is committed to continuing this investment over the coming Comprehensive Spending Review period with flagship schemes including:

- The development of a new integrated municipal and academic library at Elmer Square alongside increased teaching space for both the university of Essex and South Essex College with the Council investing £12.5m in this £26.9m project.
- Enhancements to Southend Pier including the installation of a new pier sprinkler system and improvements to the Pier Head.
- The construction of a new £5.5m school in Shoebury to replace the existing Hinguar School supporting growth in this area of the Borough.
- Expansion of primary school provision at Milton Hall, Porters Grange and Hamstel as part of a £9m school refurbishment programme.
8. INVESTMENT AND DELIVERY
- PRIVATE AND 3RD SECTOR

As previously, the development market in Southend over the last 3/5 years has not been particularly buoyant. However, there have been some notable investments made by the private sector that aligns well with the strategic regeneration and economic development priorities set out in the Regeneration Framework. Public sector partners have worked hard to support private investment in key areas likely to deliver significant long-term economic benefits both to Southend and the wider Thames Gateway sub-region.

**London Southend Airport:** Following the purchase of the Airport by the Stobart Group, the Company has confirmed their commitment to the planned growth of the Airport to 2 million passengers per annum by 2016, representing a total investment of at least £35m. The rail station is due to complete in late summer, and work has commenced on the new Control Tower. Work on the new terminal and runway extension is due to start in the autumn of 2010, with the Airport fully operational for the 2012 Olympics.

Investment by the Stobart Group has been supported by a number of factors including the willingness of Southend Borough Council, Rochford District Council, Essex County Council, RSL and EEDA to work together to deliver a Joint Area Action Plan (JAAP) for the Airport, a process of critical importance in giving a degree of planning certainty to support private sector investment. Funding through the HCA and Essex County Council has also enabled the development of the Aviation Skills Academy which is now up and running, supporting the training and skills needs of the Airport’s existing cluster of aviation engineering businesses.

While the private sector investment will facilitate the expansion of the Airport for passenger throughput, it will also increase the creation of jobs in the logistics sector, and will provide significant impetus for the new business park to be developed adjacent to the airport on land in Rochford District.

**Victoria Plaza:** Work was completed in 2008 on the total overhaul and refurbishment of the Victoria Plaza shopping centre located at the northern end of the High Street in Central Southend. Private sector investment of at least £25m funded the scheme, and this has been supported by the Victoria Gateway scheme funded through Community Infrastructure Funding. This investment showed clear long-term confidence in Central Southend as a retail centre.

**Palace Hotel (Park Inn Palace):** The refurbishment of this historic building overlooking Southend sea front (City Beach) was completed in late 2009, with £25m investment through the Rezidor Group, and now provides Southend with the high-quality hotel offer it has lacked for many years. While this will clearly support the visitor economy, the building also accommodates significant conference space, recognising the demand for this important offer which will support business activity across the South Essex sub-region.

Investment by HCA in the City Beach project, as well as St. John’s Church Gardens, will support this important private sector scheme, providing an appropriate setting for one of Central Southend’s most prominent and important buildings.
**London Road (Hollybrook):** Following the closure of the South East Essex Campus building on London Road in Central Southend, Hollybook purchased the site with plans to deliver new housing. Following negotiations between Hollybrook, Southend Borough Council, the University of Essex, RSL, EEDA and CLG in 2008, the revised scheme, which will supply 550 student rooms for the University and replacement car parking for Elmer Square, is nearing completion. Funding through CLG, EEDA and the Council (£7.4m) enabled the purchase of the replacement car parking, while the University of Essex invested £36m of commercially raised capital to deliver the scheme. Hollybrook have invested approximately £1m in developing the ground floor retail units.

**Other private sector investment:** Despite the continued recession during 2009 there has been investment in the Royals Shopping Centre by H&M, new premises for Barclays in the High Street and a new occupier for the Woolworths building. However, as anticipated there has been little progress with the town centre housing schemes, and a number of other schemes, such as the Prudential Tower, Marine Plaza and Esplanade House or Heath & Carby Houses have not progressed as hoped; the latter is very unlikely to go forward without public sector involvement. The other significant town centre site, London Road (Sainsbury’s), which was included in the Central Area Masterplan and will benefit from the Victoria Gateway Square project, has not progressed from some initial scoping work undertaken by the owners in 2008. Elsewhere in the sub-region the most significant investment with an impact for Southend is through DP World who is now commencing the first phase of works at London Gateway, which will be a major stimulus for the whole of the South Essex economy.

Appendix E illustrates the Private Investment Sites to date in Central Southend (2008/11) whilst Appendix F illustrates the Private Sites with potential for investment.

**Who are the Major Landowners?**

In 2007 the Regeneration Framework and the Central Area Masterplan both considered the most appropriate and deliverable scenarios for delivering long-term regeneration and economic development across the Borough. Clearly the two key areas with the highest potential to deliver sustainable growth are still Central Southend and London Southend Airport. When considering the likelihood of being able to bring key sites forward and deliver regeneration and growth in areas where the development market is generally depressed, two key factors are important: a) how likely is the site(s) to be delivered through public investment/initiative (public ownership generally helps in this respect) and b) is the site suitable for development without significant demolition or reconfiguring etc.

As set out in Section 6, the Council is a major land owner within the context of the Central area and also owns a large proportion of the land required for the delivery of the Saxon Business Park. Although the Stobart Group has secured along-term leasehold for London Southend Airport itself, Southend Borough Council remains the freeholder. The Council also owns a number of potential housing sites including Maybrook and Burland as well as a number of sites currently used as garages.

However, a significant number of key development sites are in private sector ownership including the Prudential Tower, Marine Plaza site, Esplanade House and Heath & Carby Houses.
Development Potential / Pipeline Sites

There are a number of key private sector owned sites which have been highlighted above as having potential to deliver significant regeneration and economic development output for Central Southend in particular.

- **Heath & Carby House** - Owned by offshore Guernsey Company. There is an extant consent for conversion of these former office buildings to residential for a significant mixed use scheme but the owners have not progressed and it is now subject to review as part of the Victoria Avenue Development Brief\(^3\). The site has potential as a stand-alone site or as part of a wider comprehensive approach to secure a good quality residential led scheme to create a new gateway to the town centre. Public intervention to unlock the site may be needed to secure control of the land, possibly with threat of CPO.

- **Marine Plaza** – Outline planning permission for a major mixed use scheme has now expired. Not considered viable in current market. Land assembly required to implement scheme but major holding now believed to be in control of developer Inner London Group. Issues for re-planning will be around completing land ownership (the Council has a minor interest), dealing with flood risk and provision of affordable housing.

- **Esplanade House** - Owned by Robert Leonard Group. Recent planning consent for mixed use development providing 216 apartments and a 64 bedroom hotel. The scheme includes a 12 storey residential tower on seafront which Bellway have walked away from. Owner has no development partner. Former gas works with clean up costs estimated at approx £3m (may be over stated). Rear of the site identified for affordable (approx 1 acre). Discussions ongoing with Guinness Trust and others. Adjoining site to east in same ownership with consent for 4* hotel. Ground works completed about three years ago but construction ceased.

- **Maitland House** - Owned by Samuels Brothers with air rights consent for 80 units for Swan Housing. Scheme subject to KickStart Bids under Rounds 1 and 2 but unsuccessful due to high build costs and level of grant required to reach viability. Probably unlikely to come forward in foreseeable future without major uplift in town centre residential values or subsidy.

Out of the four schemes above, it is Heath & Carby House that is likely to benefit most from public sector involvement. This is due to three key factors: a) that the site is in a prominent ‘gateway’ position on the Victoria Avenue approach to Central Southend and therefore is currently an unfortunate marker for the current state of the market in this important area of Southend and b) the site is relatively uncomplicated in terms of layout and ownership, and c) there is an existing planning approval for a residential led scheme.

Investment in the Airport, the other strategic priority area, is underway and for the purposes of this Local Investment Plan we assume that it is secure.
9. PRIORITIES FOR INVESTMENT

Southend-on-Sea has established and embraced a challenging, yet achievable, vision for its future based around its seven priority areas:

Central Southend as a Regional Centre  
Developing London Southend Airport and A127 Industrial Corridor  
Regenerating Shoeburyness  
Enhancing Green Infrastructure  
Improving the Transport Infrastructure  
Advancing Culture & Heritage  
Delivering Housing Growth & Improvement

Section 5 set out the full list of interventions required to realise this aim over the forthcoming CSR period and beyond. Many of these schemes are unfunded or will require direct intervention by the public sector in order to enable/facilitate private sector delivery. This Section sets out:

- Priorities for investment in the period of the forthcoming and subsequent Comprehensive Spending Reviews.
- An estimate of the magnitude of investment required to deliver these priorities.
- Consideration of the organisational engagement likely to be required to achieve delivery within the timescales set.
- An initial high-level risk assessment.

Priorities for Investment

The following section sets out the Council’s priorities for investment over the next two CSR periods. Within these our immediate priorities are:

- **Strategic Sites Enabling** – The provision of a new 600 space public car park in the north east quadrant of the town centre to enable the release for development of Alexandra and Clarence; Warrior Square and Tylers Avenue. This project will support the delivery of key mixed use developments on each of these sites delivering increased residential units, widening the retail offer and providing a new commercial offer.

- **Maybrook and Burland** – The development of at least 100 affordable housing units at this site will deliver much needed housing whilst also supporting the subsequent phased regeneration of the town centre’s residential tower blocks.

- **Elmer Square Creative Hub** – The provision of an increased cultural aspect to the planned development at Elmer Square, alongside enhanced facilities for creative enterprises, will add substantial value to the development of the area and further embed culture at the heart of the regeneration of this quarter.

In addition to the above, should resources be available, the Council would wish to take forward Phase Two of the **A 127 Corridor Junction Improvements** and **City Beach Phase Two** as these projects would build upon key public investments made in the current CSR period.
These priorities have been established following an objective assessment of the projects set out below. This assessment considered:

- The local strategic fit of each project with the Community Plan; Regeneration Framework; Central Area Masterplan and Core Strategy alongside each project's strategic fit with regional and national policies;
- The impact of each project both locally and regionally/nationally;
- The deliverability of each project in terms of financial viability, land ownership/assembly and required permissions; and
- The levels of outputs and outcomes achieved through each project both in terms of housing units and wider regeneration/employment objectives.

The assessment was undertaken by Council officers, whilst a workshop session was also undertaken with relevant Portfolio Holders. The results of the assessment are set out at Appendix G. Each of the identified priority projects will also be subject to a further value for money assessment and, where appropriate, a green book appraisal prior to delivery. In addition and where appropriate, projects will also be assessed using the HCA’s Deliverability Calculator.

An initial investment pipeline for these five priority projects is set out below although it should be noted that this would be subject to closer examination as part of the detailed appraisal process.

<table>
<thead>
<tr>
<th>Project</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Sites Enabling</td>
<td>£2m</td>
<td>£6m</td>
<td>£1m</td>
<td>£9m</td>
</tr>
<tr>
<td>Maybrook and Burland</td>
<td>£2.7m</td>
<td>£2.7m</td>
<td></td>
<td>£5.4m</td>
</tr>
<tr>
<td>Elmer Square Creative Hub</td>
<td>£2m</td>
<td>£1m</td>
<td></td>
<td>£3m</td>
</tr>
<tr>
<td>A127 Corridor Junction Improvements</td>
<td>£2.5m</td>
<td>£2.5m</td>
<td></td>
<td>£5m</td>
</tr>
<tr>
<td>City Beach Phase Two</td>
<td>£3.5m</td>
<td>£3.5m</td>
<td></td>
<td>£7m</td>
</tr>
<tr>
<td>TOTAL</td>
<td>£4.7m</td>
<td>£16.7m</td>
<td>£8m</td>
<td>£29.4m</td>
</tr>
</tbody>
</table>

Central Southend as a Regional Centre

Within the Central Area key interventions are required to: unlock strategic opportunity sites; enhance public realm thereby encouraging private sector delivery; and invest in the opportunity to expand the Elmer Square development through the inclusion of a wider cultural/creative economy hub.

**Project:** Strategic Sites Enabling  
**Investment Required:** £9m

**Description:** Provision of a 600 space public car park in the north east quadrant of the town centre to enable the release for development of Alexandra and Clarence; Warrior Square and Tylers Avenue. Investment from the HCA would fund the capital costs of constructing the car park with the land being provided by the Council. The development of the site would then enable the Council to take the balance of the land at Warrior Square and land at Tylers Avenue forward to the development market.

**Strategic Fit:** Renaissance of South Essex Towns

**Outcomes Delivered:**

**Outputs Delivered:**
- Brownfield Land Remediated (direct)
- Brownfield Land Remediated (indirect)
- New office floorspace (indirect)
- New retail floorspace (indirect)
- New other floorspace (indirect)
- Total new housing units (indirect)
Project: Elmer Square  
Investment Required: £3m  
Description: Integration of dedicated cultural/creative space as part of the development of Elmer Square into an integrated academic/cultural quarter. Funding from the HCA will support the construction and fit out of the cultural element of the facility with the Council, University and College providing £26.9m towards the provision of the new integrated central library, studio space for the College and increased teaching space for the University.  
Strategic Fit: Renaissance of South Essex Towns; Education and Skills  
Outcomes Delivered:  
Outputs Delivered:  
- New community floorspace (direct)  
- New green spaces created (direct)  
- Number of households within 300m of Green space (direct)  

Project: Victoria Gateway Phase Two  
Investment Required: £4m  
Description: Enhancements to the public realm linking the roundabout at the junction of London Road/Queensway through to the northern end of the High Street.  
Strategic Fit: Renaissance of South Essex Towns  
Outcomes Delivered:  
Outputs Delivered:  
- New Retail Floorspace (indirect)  
- New Other Floorspace (indirect)  
- Upgraded Roads (direct)  
- Upgraded Cycle Routes (direct)  
- Upgraded Pedestrian Routes (direct)  

Project: City Beach Phase Two  
Investment Required: £7m  
Description: Continuation of the City Beach scheme linking Phase One through to Esplanade House; provision of enhanced play facilities; extension of the feature lighting scheme and enhancements to the Kursaal junction. HCA funding is required to support the capital cost of the public realm works including the extension of the lighting totems (6-8 totems), wet and dry play facilities and improved public open space.  
Strategic Fit: Renaissance of South Essex Towns  
Outcomes Delivered:  
Outputs Delivered:  
- New Retail Floorspace (indirect)  
- New Other Floorspace (indirect)  
- Total New Housing units (indirect)  
- Upgraded Roads (direct)  
- Upgraded Cycle Routes (direct)  
- Upgraded Pedestrian Routes (direct)  
- Enhanced Open Space (direct)  

Developing London Southend Airport and A127 Industrial Corridor  
In order to unlock the full potential of London Southend Airport and, in particular, to raise the attractiveness of the proposed Saxon Business Park as a flagship investment destination further junction improvements are required to the A127 at Kent Elms and the Bell. In addition, these enhancements will support the overall economic regeneration of the A127 Industrial Corridor extending from Progress Road to the Prittlebrook estate.
Some targeted investment is also required to provide a managed workspace facility to support business start up in the west of the town, building on investment made by the East of England Development Agency at Brunel Road (part of the Progress Road Estate)

**Project:** A127 Junction Improvements  
**Investment Required:** £5m  
**– Phase Two**  
**Description:** Capacity enhancements at the Kent Elms and Bell junctions on the A127 improving travel times/residence between the Borough boundary and key employment sites at the airport and along the A127 Industrial Corridor. HCA funding is required to finance the capital costs of works at the two junctions including improvements to walking and cycling routes at each junction.  
**Strategic Fit:** Make South Essex more Business Friendly  
**Outcomes Delivered:**  
**Outputs Delivered:**  
New Office Floorspace (indirect)  
New Industrial Floorspace (indirect)

**Project:** Brunel Road Managed Workspace  
**Investment Required:** £1m  
**Description:** Construction of a purpose-built managed workspace facility on land acquired at Brunel Road on the Progress Road Industrial Estate.  
**Strategic Fit:** Make South Essex more Business Friendly  
**Outcomes Delivered:**  
**Outputs Delivered:**  
New Office Floorspace (indirect)  
New Industrial Floorspace (indirect)

**Regenerating Shoeburyness**

Work is required and ongoing to provide a sound planning framework within which future development at Shoeburyness may be promoted and managed. Activity during the forthcoming CSR Period will be focussed on developing this framework alongside encouraging private sector development of key sites. The Council will also explore opportunities to improve public realm in neighbourhood centres such as the High Street and West Road, where appropriate.

**Enhancing Green Infrastructure**

The principal intervention required to green infrastructure will be focussed on the Phase Two delivery of City Beach – extending the area of high quality public realm along the Central Seafront Area. Delivery of Phase Two of the Victoria Gateway scheme will also enhance a key area of public space within the centre of the town.

**Improving the Transport Infrastructure**

Over the forthcoming CSR period the key transport infrastructure enhancement required are the further delivery of the Victoria Gateway scheme and junctions improvements to the A127. These projects are set out under ‘Central Southend as a Regional Centre’ and ‘Developing London Southend Airport and A127 Industrial Corridor’ respectively. Opportunities will also be pursued to continue establishing Southend as a ‘Cycle Town’ and to encourage use of public transport.
Advancing Culture & Heritage

The regeneration of Southend, and in particular the Central Area, continues to have a strong cultural lead, building on the town’s existing assets whilst complementing other forms of investment. The development of a wider cultural/creative offering within the Elmer Square development is a key priority as set out within the ‘Central Southend as a Regional Centre’ heading. In terms of other cultural facilities the priorities remain the development of the Pier Head – re-establishing the Pier as a focus of Southend’s cultural and visitor offer - and work to develop a new state-of-the-art museum in the Cliffs Gardens showcasing Southend’s Saxon heritage alongside the history and heritage of the northern Thames Estuary.

**Project:** Southend Pier Head – Phase **Investment Required:** £2m

*Two*

**Description:** Development of Phase Two of the Pier Head to include a restaurant, outdoor performance space and additional cultural content.

**Strategic Fit:** Renaissance of South Essex Towns

**Outcomes Delivered:**

- New Other Floorspace (direct)
- New community floorspace (direct)

**Project:** New Museum **Investment Required:** £0.5m

**Description:** Funding strategy and detailed business planning for new Museum development within the Cliffs Gardens.

**Strategic Fit:** Renaissance of South Essex Towns

**Outcomes Delivered:**

- New Other Floorspace (direct)
- New community floorspace (direct)

Delivering Housing Growth & Improvement

The delivery of an appropriate supply of private and affordable housing is a key element in realising the Vision for Southend. Without a vibrant housing market others sectors will struggle to survive, whilst housing renewal and development is a core component in the regeneration of the Central Area.

Priority housing projects are focussed, therefore, on developments that will have the greatest impact in terms of the number of dwellings provided, the number of affordable housing units delivered and the wider regeneration impact of the development.

**Project:** Heath and Carby **Investment Required:** £3.78m

**Description:** Purchase and enabling works of redundant office buildings at the northern end of Victoria Avenue in order to kick start the provision of new housing.

**Strategic Fit:** Renaissance of South Essex Towns

**Outcomes Delivered:**

- Total New Housing Units (direct)
- Average Housing Density (direct)
- No. Affordable – Social Rented Housing
- No. Affordable – Intermediate Housing
Project: Maybrook and Burland  
**Investment Required:** £5.4m  
**Description:** Development of 100+ general housing and intermediate needs units. HCA support is required to ensure the financial viability of the site.  
**Strategic Fit:** Renaissance of South Essex Towns  
**Outcomes Delivered:**  
- Total New Housing Units (direct)  
- Brownfield used for Housing (direct)  
- Average Housing Density (direct)  
- No. Affordable – Social Rented Housing  
- No. Affordable – Intermediate Housing

Project: Tower Block Regeneration  
**Investment Required:** £4m  
**Description:** Regeneration of a 100 dwelling tower block within Central Southend.  
**Strategic Fit:** Renaissance of South Essex Towns  
**Outcomes Delivered:**  
- Total New Housing Units (direct)  
- Average Housing Density (direct)  
- No. Affordable – Social Rented Housing  
- No. Affordable – Intermediate Housing

Project: Shelford House  
**Investment Required:** £0.8m  
**Description:** Provision of 12 supported housing units.  
**Strategic Fit:** Renaissance of South Essex Towns  
**Outcomes Delivered:**  
- Total New Housing Units (direct)  
- Average Housing Density (direct)  
- No. Affordable – Social Rented Housing  
- No. Affordable – Intermediate Housing

Project: Shelford Alms Houses  
**Investment Required:** £0.2m  
**Description:** Provision of three supported housing units.  
**Strategic Fit:** Renaissance of South Essex Towns  
**Outcomes Delivered:**  
- Total New Housing Units (direct)  
- Average Housing Density (direct)  
- No. Affordable – Social Rented Housing  
- No. Affordable – Intermediate Housing
Magnitude of Investment Required

The continued step change required to reposition and regenerate Southend’s economy and ensure that it is making a full contribution to the success of the Thames Gateway and Eastern Region remains large – the magnitude of support required to support this change is therefore also significant. This investment should not be viewed alone though, it will assist in levering in considerable private sector funding, whilst the Council will continue to access and employ all resources available to it to further the regeneration of the Borough.

In total, this Investment Plan is seeking £47.38m over the forthcoming Comprehensive Spending Review period and beyond broken down into our strategic objectives as follows:

<table>
<thead>
<tr>
<th>Objective</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Southend as a Regional Centre</td>
<td>£23m</td>
</tr>
<tr>
<td>Developing London Southend Airport and A127 Industrial Corridor</td>
<td>£6m</td>
</tr>
<tr>
<td>Regenerating Shoeburyness</td>
<td>-</td>
</tr>
<tr>
<td>Enhancing Green Infrastructure</td>
<td>-</td>
</tr>
<tr>
<td>Improving the Transport Infrastructure</td>
<td>-</td>
</tr>
<tr>
<td>Advancing Culture &amp; Heritage</td>
<td>£2.5m</td>
</tr>
<tr>
<td>Delivering Housing for All</td>
<td>£15.88m</td>
</tr>
<tr>
<td><strong>TOTAL INVESTMENT SOUGHT</strong></td>
<td><strong>£47.38m</strong></td>
</tr>
</tbody>
</table>

This funding will be matched by over £35m from the local authority and other delivery partners over the period 2011/12 to 2013/14 and is expected to lever over £220m of private sector investment in the provision of housing and commercial property although it should be noted that this investment will take forward over a longer timescale.
10. GOVERNANCE, CONSULTATION AND IMPLEMENTATION

**Governance**

Working within the emerging LEP federal structures, the Council will engage with the Homes and Communities Agency, neighbouring authorities and others to identify appropriate governance arrangements for providing oversight of the implementation of the LIP.

Internally, the Council has established a strong management and governance structure to oversee the implementation of all strategic projects through its Capital Board, whilst the engagement of other partners is secured through the Southend Together Board and Southend Business Partnership.

**Organisational and Community Engagement and Consultation**

Effective partnership working and community engagement will continue to be pivotal to the realisation of our Vision for Southend. This Vision is embedded not just within the work of the Council but is also the foundation of our Sustainable Communities Strategy. This strategy has been prepared and adopted by Southend Together, our Local Strategic Partnership, which includes representation from all aspects of the community.

Our Regeneration Framework and accompanying Central Area Masterplan have been the subject of extensive community engagement and consultation. This has ensured that the priorities articulated in the framework, and subsequently this Investment Plan, are not just those of the Council but are shared by our community.

The Council and its partners will continue to engage with local resident, visitors and businesses during each stage in the development of individual projects. The active engagement of the private sector is also regarded as critical if enabling and public realm projects are to unlock and add value to key privately-owned development sites.

**Implementation**

The constriction of public funding and resources announced in the Comprehensive Spending Review and consequent organisational changes, including the closure of Renaissance Southend Limited and the East of England Development Agency, will place an increasing onus on:

- Facilitating delivery by the private sector particularly in relation to housing completions and the upgrading of Southend’s ageing and inadequate stock of commercial properties.
- Southend-on-Sea Borough Council’s delivery of strategic project interventions that enable the release of key development/opportunity sites and/or, through enhancement to the public realm and strategic transport links that support the delivery of key sites.
- Ensuring an appropriate planning framework is in place to support and encourage the development of key sites and to meet both residential and commercial demand.
- Joint working between the Council and neighbouring authorities and other partners to drive forward the regeneration of the Borough and its wider economic sub-region.
The Council has already developed experience across these areas and is committed to working with agencies across the public, private and voluntary sectors to successfully realise our joint vision for the Borough.

- The Council has developed strong in-house project management and delivery expertise from its implementation of a range of projects including City Beach, Victoria Gateway and the new swimming complex at Garons Park. Project managers are trained in both Prince2 and MSP and are skilled in engaging with stakeholders during the design and implementation of projects. The Council is committed to delivery the strategic interventions required to enable the release of strategic sites in the town centre for development including implementing the agreed Car Park Replacement Strategy subject to appropriate capital funds being available.

- The Council is progressing the Central Area Action Plan as well as a new Development brief for the Victoria Avenue area to provide a clear policy framework that encourages private sector investment and development.

- The Council is working jointly with Rochford District Council on all aspects of the development of London Southend Airport and the successful delivery of a new business spark offer through the Joint Area Action Plan. Within the town centre the Council is working in partnership with South Essex College and the University of Essex to develop Elmer Square.

**Risk Assessment**

The Council has a detailed Corporate Risk Management Plan, which is reviewed on a regular basis. In addition, Departmental Risk Registers are maintained and monitored, whilst each project is also subject to a detailed risk management strategy.

The following key risks have been identified in relation to the Local Investment Plan, along with initial mitigation measures that are either in place or proposed.

<table>
<thead>
<tr>
<th>RISK</th>
<th>PROPOSED MITIGATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key strategic sites within the town centre remain sterilised as enabling works are not delivered.</td>
<td></td>
</tr>
<tr>
<td>Lack of private sector investment results in key strategic sites not being brought forward for development.</td>
<td></td>
</tr>
<tr>
<td>Local investment plan fails to deliver quantum of affordable housing required to meet local need.</td>
<td></td>
</tr>
<tr>
<td>Financial viability of residential development and/or lack of demand restrict delivery of key private sector sites.</td>
<td></td>
</tr>
<tr>
<td>Financial viability of residential and office development restricts capital return on Council-owned sites reducing funding available to fund wider regeneration programme.</td>
<td></td>
</tr>
<tr>
<td>Capacity and skills loss in the public sector reduces ability to deliver.</td>
<td></td>
</tr>
<tr>
<td>Local investment plan fails to deliver required balance of employment/homes leading to increases in commuting.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Regeneration loses public support due to failure to deliver key priorities of local residents.</td>
<td></td>
</tr>
</tbody>
</table>
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