

**Public Document Pack
SOUTHEND-ON-SEA BOROUGH COUNCIL**

Policy and Resources Scrutiny Committee

Date: Wednesday, 18th March, 2020

Time: 6.30 pm

Place: Committee Room 1 - Civic Suite

Contact: S. Tautz (Principal Democratic Services Officer)

Email: committeesection@southend.gov.uk

AGENDA

1 Apologies for Absence

2 Declarations of Interest

3 Questions from Members of the Public

4 Minutes of the Meeting held on 30 January 2020 (Pages 1 - 10)

****** ITEMS CALLED-IN/REFERRED DIRECT FROM CABINET - 25 FEBRUARY 2020**

5 Housing and Regeneration Pipeline, Including Acquisitions Programme - Update (Pages 11 - 26)

Minute 857 (Cabinet Report circulated separately)

Called in by Councillors Cox and Davidson

6 Seaway Car Park (Pages 27 - 42)

Minute 866 (Cabinet Report circulated separately)

Called in by Councillors Cox and Davidson

7 Notice of Motion - Seaway Car Park Development (Pages 43 - 44)

Minute 839 (Motion circulated separately)

Referred to the Scrutiny Committee by the Council (27 February 2020), as a result of the call-in of the report considered by the Cabinet on 25 February 2020.

8 Outcome Success Measures Report - Quarter 3 2019/20 (Pages 45 - 70)

Minute 867 (Cabinet Book 3, Agenda Item No. 14 refers)

Referred direct by Cabinet to all three Scrutiny Committees

ITEMS CALLED-IN FROM THE FORWARD PLAN

None

PRE-CABINET SCRUTINY ITEMS

None

****** OTHER SCRUTINY MATTERS**

9 In-Depth Scrutiny Project 2019/20 - Progress

To receive an update on the progress of the in-depth scrutiny project for 2019/20.

Members:

Cllr D Garston (Chair), Cllr D McGlone (Vice-Chair), Cllr B Ayling, Cllr D Burzotta, Cllr D Cowan, Cllr T Cox, Cllr P Collins, Cllr M Davidson, Cllr M Dent, Cllr S George, Cllr S Habermel, Cllr H McDonald, Cllr D Nelson, Cllr I Shead, Cllr M Stafford, Cllr S Wakefield and Cllr P Wexham

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SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Policy and Resources Scrutiny Committee

Date: Thursday, 30th January, 2020
Place: Committee Room 1 - Civic Suite

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Present: Councillor D Garston (Chair)
Councillors D McGlone (Vice-Chair), D Burzotta, D Cowan, T Cox,
P Collins, M Davidson, M Dent, S George, S Habermel, H McDonald,
D Nelson, I Shead, M Stafford, S Wakefield and P Wexham

In Attendance: Councillors C Mulroney, M Terry, R Woodley (Cabinet Members) and
K Evans
J K Williams, J Chesterton, A Richards, P Bates, R Harris and
A Keating

Start/End Time: 6.30 pm - 6.50 pm

768 Apologies for Absence

Apologies for absence were received from Councillor Ayling (no substitute).

769 Declarations of Interest

The following interests were declared at the meeting:

(a) Councillors Mulroney, Terry and Woodley (Cabinet Members) - interest in the referred items; attended pursuant to the dispensation agreed at Council on 19th July 2012, under S.33 of the Localism Act 2011;

(b) Councillor Davidson – Agenda Item No. 6 (Draft Housing Revenue Account Budget 2020/21 and Rent Setting) (Minute 773) – Non-pecuniary interest: Non-Executive Director of South Essex Homes; and

(c) Councillor Mulroney – Agenda Item No. 5 (Council Tax Base) (Minute 772) and Agenda Item No. 7 (Draft Prioritising Resources to Deliver Better Outcomes 2020/21 to 2024/25) (Minute 774) – Non-pecuniary interest: Member of Leigh Town Council.

770 Questions from Members of the Public

The Committee noted the responses to questions that had been submitted by Mr Webb to the Leader of the Council. Copies will be forwarded to him as he was not present at the meeting.

771 Minutes of the Meeting held on Thursday 28th November 2019

Resolved:

That the minutes of the meeting held on Thursday 28th November 2019, be confirmed as a correct record and signed.

772 Council Tax Base and Non Domestic Rating Base 2020/21

The Committee considered Minute 690 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources), concerning the calculation of the Council Tax Base for 2020/21 and the submission of the National Non Domestic Rates (NNDR1) form to the Ministry of Housing, Communities and Local Government (MHCLG) by 31st January 2020.

Resolved:

That the following decision of Cabinet, be noted:-

“In respect of the Council Tax Base:

In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended by the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003) and Local Government Finance Act 2012 (Calculation of billing authority’s council tax base section 15):

1. From 1st April 2020 the premium for properties (empty for 5 years but less than 10 years) will be increased to 200%.
2. The amount calculated by Southend-on-Sea Borough Council as its Council Tax Base for the year 2020/21 shall be 58,680.94.
3. That the amount calculated by Southend-on-Sea Borough Council as the Council Tax Base in respect of Leigh-on-Sea Town Council for the year 2020/21 shall be 8,845.24.
4. That the new Care Leavers Council Tax Relief Policy set out at Appendix A to the submitted report be endorsed and the subsequent impact on the Council Tax Base, be noted.

In respect of the Non-Domestic Rates Base (NNDR1 Form):-

5. The NNDR1 form attached at Appendix D to the report, be approved for submission to MHCLG.

Note: This is an Executive Function
Cabinet Member: Cllr Gilbert

773 Draft Housing Revenue Account Budget 2020/21 and Rent Setting

The Committee considered Minute 691 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources), setting out the Housing Revenue (HRA) budget for 2020/21, together with the information necessary to set a balanced budget as required by legislation.

Resolved:

That the following decision of Cabinet, be noted:-

- “1. That an average increase on secure tenancy rents of 2.7%, be endorsed.
2. That an average rent increase of 2.7% on shared ownership properties, be endorsed.
3. That an increase of 2.7% for garage rents to £12.02 per week for tenants and £14.42 for non-tenants (being £12.02 plus VAT), a rise consistent with the proposal for the main rent increase (all variants on a standard garage will receive a proportionate increase), be endorsed.
4. That the proposed rent charges in 1-3 above be effective from 6th April 2020.
5. That the South Essex Homes core management fee at £5,971,000 for 2020/21, be endorsed.
6. That South Essex Homes proposals for average increases of 6.36% in service charges and 16.69% in heating charges to reflect the actual costs incurred, be endorsed.
7. That the following appropriations, be endorsed:
 - £60,000 to the Repairs Contract Pensions Reserve;
 - £5,319,000 to the Capital Investment Reserve; and
 - £8,708,000 from the Capital Investment Reserve.
8. That subject to 1-7 above, the HRA budget for 2020/21, as set out in Appendix 1 to the submitted report, be endorsed.
9. That the value of the Council’s capital allowance for 2020/21 be declared as £57,261,000 as determined in accordance with regulation 16 of the Local Authorities (Capital Finance and Accounting) (England) Regulations.”

Note: This is an Executive Function save that approval of the final budget following Cabinet on 11th February 2020 is a Council Function
Cabinet Member: Cllr Gilbert

774 Draft Prioritising Resources to Deliver Better Outcomes – 2020/21 to 2024/25

The Committee considered Minute 692 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to all three Scrutiny Committees, together with a report of the Executive Director (Finance and Resources) presenting the draft General Fund Revenue Budget for 2020/21.

Resolved:

That the following decisions of Cabinet, be noted:-

- “1. That the draft Financial Sustainability Strategy (Appendix 1 to the submitted report) be endorsed.

2. That the draft Medium Term Financial Strategy (Appendix 2 to the report) and the resulting Medium Term Financial Forecast and Earmarked Reserves Balances up to 2024/25 (Annexes 1 and 2 to Appendix 2 to the report), be endorsed.
3. That the Section 151 Officer's report on the robustness of the proposed budget, the adequacy of the Council's reserves and the Reserves Strategy (Appendix 3 to the report), be noted.
4. That the appropriation of the sums to earmarked reserves totalling £3.37 million (Appendix 4 to the report), be endorsed.
5. That the appropriation of the sums from earmarked reserves totalling £8.972 million (Appendix 4 to the report), be endorsed;
6. That General Fund net revenue budget for 2020/21 of £130.428M (Appendix 5a to the report) and any required commencement of consultation, statutory or otherwise, be endorsed.
7. That a Council Tax increase of 3.99% for the Southend-on-Sea element of the Council Tax for 2020/21, being 1.99% for general use and 2% for Adult Social care (Paragraph 10.10 of the report), be endorsed.
8. That it be noted that the 2020/21 revenue budget has been prepared on the basis of using £2 million from the Collection Fund for the core budget to allow for a smoothing of the budget gap across the next three financial years (Paragraph 10.9 of the report).
9. That it be noted that the position of the Council's preceptors is to be determined:
 - Essex Police – no indication of Council Tax position;
 - Essex Fire & Rescue Services – no indication of Council Tax position; and
 - Leigh-on-Sea Town Council – proposed precept increase ranging from 4.72% to 8.30%.
10. That no Special Expenses be charged other than the Leigh-on-Sea Town Council precept for 2020/21.
11. That the proposed General Fund on-going budget investment and reprioritisation of £5.355M (Appendix 6 to the report), be endorsed.
12. That the one-off investment items, as set out in paragraph 10.8 of the report and included within the appropriations (Appendix 7 to the report), be endorsed.
13. That the schools budget and its relevant distribution as recommended by the Education Board (Appendix 8 to the report), be endorsed.
14. That the Capital Investment Strategy for 2020/21 to 2024/25 (Appendix 9 to the submitted report) and the Capital Investment Policy (Annex 1 to Appendix 9 to the report), be endorsed.

15. That the new schemes and additions to the Capital Investment Programme for the period 2020/21 to 2024/25 totalling £28.4M for the General Fund and £18.7M for the Housing Revenue Account (Appendix 10, to the report), be endorsed.
16. That the schemes subject to viable business cases for the period 2020/21 to 2022/23 (Appendix 10 to the report), be endorsed.
17. That the proposed changes to the current Capital Investment Programme (Appendix 11, to the report), be endorsed.
18. That the proposed Capital Investment Programme for 2020/21 to 2024/25 (Appendix 12 to the report) be approved and it be noted that the changes to the approved programme will result in a proposed Capital Investment Programme of £204.8M for 2020/21 to 2024/25 (Appendix 12 to the report) of which £51.3M is supported by external funding.
19. That the Minimum Revenue Provision (MRP) Policy for 2020/21 (Appendix 13 to the report) and the prudential indicators (Appendix 14 to the report), be endorsed.
20. That the operational boundary and authorised limits for borrowing for 2020/21 are set at £375M and £385M respectively (Appendix 14 to the report)."

Note: This is an Executive Function save that approval of the final budget following Cabinet on 11th February 2020 is a Council Function
Cabinet Member: Cllr Gilbert

775 Housing and Regeneration Pipeline, Including Acquisitions Programme - Update

The Committee considered Minute 693 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources) and the Deputy Chief Executive and Executive Director (Housing and Growth) providing an update on the work underway on the pipeline of housing and development opportunities across the Borough.

Resolved:

That the following decisions of Cabinet, be noted:-

- "1. That the progress on the Acquisitions Programme for Council Housing as set out in sections 3.5-3.8 to the submitted report, be noted.
2. That the progress of the first phase of housing and development pipeline sites currently in delivery as set out in section 3.12 to the report and the progress with PSP Southend LLP in section 3.14-3.16 to the report, be noted.
3. That the progress of the Allocations Policy as set out in sections 3.18-3.21 to the report, be noted."

Note: This is an Executive Function.
Cabinet Member: Cllrs Gilbert and Woodley

776 Notice of Motion - Transparent and Accessible Council

The Committee considered Minute 702 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Legal and Democratic Services) responding to the Notice of Motion, presented at the last meeting of the Council, requesting that consideration be given to extending webcasting to the Council's Scrutiny Committees and enhancing the use of social media in conjunction with live recorded meetings.

Resolved:

That the following decisions of Cabinet, be noted:-

"1. That webcasting of meetings of the Cabinet and the three scrutiny committees (to be held on the Council chamber) be trialled during the June/July 2020 cycle of meetings, subject to the Chairs of the scrutiny committees being content for the trial to be applied to meetings of those committees.

2. That officers be requested to consider ways of enhancing the use of social media in conjunction with the webcasting arrangements.

Note: This is an Executive Function
Cabinet Member: Cllr Gilbert

777 SELEP - Revised Governance Arrangements

The Committee considered Minute 704 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Legal and Democratic Services), proposing revisions to the governance arrangements of the SELEP in the light of the central government requirement for Local Enterprise Partnerships to set up a company.

Resolved:

That the following recommendations of Cabinet, be noted:-

"Recommended:-

1. That the Council will become a member of South East LEP Limited with Articles of Association as set out at Appendix 1 to the submitted report.

2. That the framework agreement be signed in the form at Appendix 2 to the report.

3. That the Leader will be the Council's initial member of the Board with the Deputy Leader as alternate director.

4. That the Leader will be the Council's initial member of the Accountability Board with the Deputy Leader as principal substitute."

Note: This is a Council Function
Cabinet Member: Cllr Gilbert

778 Additional Outcome Success Measures Reporting

The Committee considered Minute 708 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Chief Executive presenting the Outcome Success Measures report that provides an update on the Council's progression on the 23 Southend 2050 outcomes.

Resolved:

That the following decision of Cabinet, be noted:-

"That the Outcome Success Measures report, be noted."

Note: This is an Executive Function
Cabinet Member: Cllr Gilbert

779 Corporate Budget Performance - Period 8

The Committee considered Minute 709 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources) on the corporate budget performance (Period 8).

Resolved:

That the following recommendations of Cabinet, be noted:-

"Recommended:

In respect of the 2019/20 Revenue Budget Performance as set out in Appendix 1 to the submitted report:

1. That the forecast outturn and mitigating actions for the General Fund and the Housing Revenue Account as at November 2019, be noted.
2. That the planned budget transfers (virements) of £5,651,325 between portfolio services, as set out in section 3.12 of the report, be approved.

In respect of the 2019/20 Capital Budget Performance as set out in Appendix 2 to the report:

1. That the expenditure to date and the forecast outturn as at November 2019 and its financing, be noted.
2. That the requested changes to the 2019/20 Capital Investment Programme as set out in section 3 of Appendix 2 to the report, be approved.

3. That, in respect of the transfer of an asset as set out in section 4 of the report: 12A Ceylon Road be appropriated from the General Fund to the Housing Revenue Account.”

Note: This is a Council Function
Cabinet Members: Cllrs Gilbert and Woodley

780 2019/20 Corporate Risk Register

The Committee considered Minute 708 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Chief Executive, outlining the 2019/20 Corporate Risk Register mid-year update.

Resolved:

That the following decision of Cabinet, be noted:-

“That the 2019/20 Corporate Risk Register and the mid-year updates outlined in Appendix 2 to the submitted report, be noted.”

Note: This is an Executive Function
Cabinet Member: Cllr Woodley

781 Council Debt Position to 30 November 2019

The Committee considered Minute 711 of the meeting of Cabinet held on 16th January 2020, which had been referred direct to Scrutiny, together with a report of the Executive Director (Finance and Resources), on the above matter.

Resolved:

That the following decisions of Cabinet, be noted:-

“1. That the current outstanding debt position as at 30th November 2019 and the position of debts written off to 30th November 2019 as set out in Appendices A & B to the submitted report, be noted.

2. That the write offs greater than £25,000, as detailed in Appendix B to the report, be approved.”

Note: This is an Executive Function
Cabinet Member: Cllr Gilbert

782 Council Procedure Rule 46

The Committee considered Minute 712 of the meeting of Cabinet held on 16th January 2020 which had been referred direct to Scrutiny, in connection with the action taken with regard to the provision of passenger transport.

Resolved:-

That the following decision of Cabinet, be noted:-

“That the submitted report be noted.”

Note: This is an Executive Function
Cabinet Member: As appropriate to the item

783 Exclusion of the Public

Resolved:-

That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the item of business set out below, on the grounds that it would involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

784 Council Procedure Rule 46 - Confidential Sheet

The Committee considered Minute 714 of the meeting of Cabinet held on 16th January 2020 which had been referred direct to Scrutiny concerning action taken under Standing Order 46 – Confidential sheet.

Resolved:-

That the following decision of Cabinet, be noted:-

“That the SO46 confidential sheet, be noted.”

Note: This is an Executive Function
Cabinet Member: Cllr Woodley

Chair: _____

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Southend-on-Sea Borough Council

**Report of Executive Director (Finance and Resources)
and Deputy Chief Executive and Executive Director
(Housing and Growth)**

**To
Cabinet**

**On
25th February 2020**

Report prepared by:
Alan Richards – Director of Property & Commercial
Tim Holland – Interim Head of Housing Supply

**Agenda
Item
No
5**

Housing and Development Pipeline Update

**Policy and Resources Scrutiny Committee
Cabinet Members: Councillor Ian Gilbert and Councillor Ron Woodley**

Part 1 (Public Agenda Item)

1. Purpose of Report

- 1.1 To update members on the work underway on the pipeline of housing and development opportunities across the borough.
- 1.2 To present the proposed new arrangements for PSP Southend Limited Liability Partnership (the LLP), including the use of the PSP Housing Model to support housing delivery and support wider benefits.

2. Recommendations

- 2.1 To note progress on the Acquisitions Programme for Council Housing as set out in sections 3.5 – 3.9 of this report.
- 2.2 To note the progress of the first phase of housing and development pipeline sites currently in delivery as set out in sections 3.10 – 3.13 of this report.
- 2.3 To note that the new arrangements for the LLP have been settled and the legal work is being completed to establish the new arrangements pursuant to minute 324 of Cabinet 17 September 2019 and Policy and Resources Scrutiny minute 404 on 10 October 2019.
- 2.4 To agree the proposed new arrangements for the LLP including:
 - (i) The updated aims and objectives for the LLP for 2020-2030 as set out in sections 3.13 to 3.34 of this report, including the housing model

(ii) Establishing the new Procedure Agreement and Members Agreement between PSP Facilitating Limited (1), Southend on Sea Borough Council (2) and the LLP (3) and delegating authority to the Executive Director Legal and Democratic Services to finalise and complete the Agreement.

(iii) Delegating authority to the Chief Executive to:

- a. Appoint the Council representatives to the LLP Partnership Board
- b. Appoint the members of the Partnership Board and the Partnership Executives

Including dealing with any future changes to such appointments.

(iv) Delegating authority to the Partnership Board:

- a) To agree the re-branding of the LLP (creation of a new trading name).
- b) The commitment (on behalf of the Council) to funds for feasibility and project delivery within budgets already approved for housing and development delivery.
- c) Following a Cabinet decision to opt land in to the LLP for the delivery of agreed objectives, to progress the development of the land through the LLP in accordance with the objectives for that land subject to each project clearing the required financial and legal due diligence tests.

(v) Delegating authority to the Director of Property & Commercial to request that the LLP consider initial feasibility of sites following their appraisal through the development pipeline process (noting that Cabinet approval will be required prior to any site being legally opted in to the LLP for delivery).

(vi) That any necessary amendments be made to the Constitution to reflect the recommendations in 2.4 above.

(vii) That Councillors note that the matters identified in Appendix 1 to this report are matters which will be reserved for Shareholder Board.

2.5 That subject to Council approval, members agree to identify an initial budget of £5 million in the Capital Programme for the delivery of housing through the LLP and delegate authority to the Executive Director Finance and Resources to finalise the terms and make loans to the LLP within the allocated budget to enable delivery of development in accordance with the principles of the PSP Housing Model and subject to any schemes delivering an appropriate and sustainable return on investment.

3. Background - General

- 3.1 On 25th June 2019 Cabinet resolved to progress with a regeneration framework, develop a pipeline of housing and regeneration projects and proceed with the Acquisitions Programme for Council Housing.
- 3.2 On 17th September 2019 and 5th November, Cabinet noted the progress of both the regeneration framework and the Acquisitions of Programme for Council Housing.
- 3.3 On 17 September 2019, Cabinet also agreed to the re-branding of PSP Southend LLP and to updating related governance arrangements. Agreement was also reached for the Ilfracombe Avenue site to be delivered under the PSP Housing model and for PSP Southend LLP to be invited to undertake the next stage of feasibility for sites which the pipeline assessment work has indicated would be suitable for PSP delivery.
- 3.4 Cabinets reports on 5th November 2019 and 16th January 2020 provided further update on the progress of the Acquisitions Programme, the LLP resetting and rebranding and the Allocations Policy.

Acquisitions Programme Update

- 3.5 On 25th June 2019, Cabinet agreed to proceed with the Acquisitions Programme for Council Housing and agreed the associated £6.6m budget in response to the need for the use of accumulated Right to Buy capital receipts for the Council, which required a spend programme as detailed below:

Quarter	19/20 RTB required investment	Spend*
Q2	£ 1,844,114.14	£ 2,754,500.00
Q3	£ 1,916,028.32	£ 1,615,500.00
Q4	£ 880,947.56	£ 917,500.00
Total	£ 4,641,090.02	£ 5,287,500.00

*value of properties acquired, not inclusive of legal fees, valuations or SDLT

- 3.6 A corporate team has worked with South Essex Homes officers and have been progressing with the identification and acquisition process agreed by Cabinet previously. As of the end of January 2019, 22 properties have been purchased to a value of £5.28m. A further 5 properties are under offer and with solicitors to the value of £1.06m

- 3.7 Of the properties acquired in this programme; 4 are already tenanted, 3 have been identified for adaptations by the Council's Aids and Adaptations team, and 15 have voids works ongoing or pending.
- 3.8 The following table sets out the properties currently completed or under offer and the total anticipated spend:

Property Type	Bedrooms	Offer	Completion Date	Anticipated completion
semi-detached	4	£ 335,000.00	26/07/2019	
semi-detached	3	£ 248,000.00	16/08/2019	
bungalow	2	£ 255,000.00	30/08/2019	
terraced house	3	£ 230,000.00	03/09/2019	
semi-detached	3	£ 320,000.00	13/09/2019	
end of terrace house	2	£ 240,000.00	20/09/2019	
semi-detached	3	£ 260,000.00	23/09/2019	
semi-detached	3	£ 245,000.00	23/09/2019	
flat	2	£ 182,500.00	24/09/2019	
semi-detached	3	£ 254,000.00	26/09/2019	
flat	2	£ 185,000.00	30/09/2019	
end of terrace house	3	£ 270,000.00	04/10/2019	
semi-detached	3	£ 248,000.00	23/10/2019	
semi-detached	2	£ 235,000.00	25/10/2019	
terraced house	3	£ 242,500.00	12/11/2019	
end terrace	2	£ 225,000.00	04/12/2019	
end of terrace house	2	£ 260,000.00	06/12/2019	
flat	1	£ 135,000.00	20/12/2019	
semi-detached	2	£ 245,000.00		14/02/2020
semi-detached bungalow	2	£ 252,500.00	31/01/2020	
maisonette	2	£ 170,000.00	24/01/2020	
terraced house	3	£ 250,000.00	31/01/2020	
flat	2	£ 185,000.00		14/02/2020
house	3	£ 130,000.00		14/02/2020
end of terrace	3	£ 260,000.00		07/02/2020
end of terrace	3	£ 240,000.00		tbc
semi-detached house	3	£ 245,000.00	31/01/2020	
		£ 6,347,500.00		

Regeneration Framework and Development Pipeline

- 3.9 As previously reported, 31ten Consulting (31ten) have been engaged to bring independent advice and rigour to the process of analysing individual sites, their development potential and how they can most beneficially fit in to a comprehensive development pipeline within which capital receipts can be recycled to improve the sustainability of the overall programme. This includes sites for housing, wider regeneration and a range of other land uses.

- 3.10 A housing and development pipeline, including Council owned and private sites, has been collated by a corporate team of Assets, Strategic Planning, Housing, Development Control, Regeneration and Finance officers.
- 3.11 The next stage of the pipeline work is now underway high-level feasibility work on batches of sites. Scale and massing work has been commissioned to establish the development potential of an initial batch. The remainder of the pipeline will be subject to further procurement for which the brief is being finalised to go to the market during February. The outputs of this work will enable a more detailed assessment of the number of homes which could be delivered across the pipeline and inform the decision on the most appropriate delivery vehicle for each site.
- 3.12 A number of sites within the pipeline are currently underway and this section sets out those sites which are approved to proceed and which are now in the delivery phase.

Site	Number of Homes	Delivery Vehicle	Progress comment	Estimated completion
Friars, Constable Way	Nursery plus 9 houses	PSP Southend LLP	Nursery complete and let. Housing is ahead of target. All homes have been sold off-plan while under construction.	Q4 2020
Ilfracombe Avenue Car Park	24 flats	PSP Southend LLP	Agreed to proceed via PSP Southend LLP at Cabinet on 17 th September. Pending agreement at the next stage by the LLP.	Q1 2022
Modern Methods of Construction (MMC) Pilot Project	4-5 Homes	Self Development	Employers Agent (EA) & Architect have now been appointed. Site investigation has been carried out. Full Planning application to be submitted in early 2020.	Q1 2021/22
HRA Phase 3	Estimated 25 Homes	Self Development	Site investigation has now been carried out. EA appointed following procurement exercise in December 2019 and Architect procurement has commenced.	Q3 2021/22
HRA Phase 4	Estimated 20 - 31 Homes	Self Development	Site investigation has now been carried out. EA was appointed in December 2019 and Architect procurement has commenced.	Q4 2021/22

HRA Phase 5 & 6	Tbc	Self Development	Feasibility work to determine Phases 5 & 6 now underway.	tbc
Total	82-94 +			

PSP Southend LLP Update

- 3.13 On 14 June 2011, Cabinet agreed to establish the LLP which has 50:50 representation and ownership by the Council and BV Strategies Facilitating Ltd. (now PSP Facilitating Ltd) respectively. On 12 December 2011, the LLP was formally incorporated the LLP.
- 3.14 On 17 September, Cabinet agreed to the re-branding of the LLP and to updating related governance arrangements with the detail delegated to the Strategic Directors Finance and Resources and Legal and Democratic Services in consultation with the Leader of the Council. Agreement was also reached for the LLP to be invited to undertake the next stage of feasibility for sites which the pipeline assessment work has indicated would be suitable for LLP delivery and this work is underway.
- 3.15 Following Cabinet in September, discussions have been progressing to re-set and re-brand PSP Southend LLP, focussed mainly (but not exclusively) on housing delivery and to align the governance to the Shareholder Board.
- 3.16 These proposed new arrangements have now been settled and Cabinet authority is therefore sought through the recommendation of this report to the establishment of the new governance arrangements, the agreements to enable them and to a series of delegations to enable the smooth and commercial running of the LLP. As previously reported to Cabinet, assuming all matters are agreed, it is expected that the new arrangements will be in place for the start of the 2020-21 Financial Year. Cabinet members have expressed a desire for affordable housing to be maximised and for this to be considered on each site where viability permits.
- 3.17 **How the current arrangements work:**
- A. Under the current arrangements, officers request the LLP to consider early feasibility of projects and this is monitored periodically through the Operations Board (a board consisting of Council and PSP officers).
 - B. As and when projects are ready to be progressed for delivery, they are presented to the Partnership Board (A board consisting of 3 members from each organisation, currently 3 councillors for the Council)
 - C. Assuming the Partnership Board then agrees that the projects are appropriate for delivery, it will request that the Council gives exclusivity for the LLP to progress the site (recognising the need to spend more significant sums of money at this stage).
 - D. At this point, recommendations would be put to Cabinet for the site to be opted into the LLP for delivery. Once approved, a legal option would be

granted to the LLP (subject to clearing financial and legal due diligence) and the site would be progressed through planning and into delivery with periodic reporting back to the Operations and Partnership Boards.

3.18 How the new arrangements are proposed to work.

- A. Under the proposed new arrangements, officers will request the LLP to consider early feasibility of projects as they are identified as potentially suitable for delivery via the LLP through the pipeline assessment work.
- B. The LLP will work up initial feasibility reporting to a project team made up of Council and PSP officers appropriate to the particular project.
- C. If the project is considered to be feasible, it, along with the proposed objectives for the project will be reported to Partnership Board (The new partnership board will be the LLP board with 2 or 3 officer representatives for each entity, note: there would be no councillors on this board following the principles established across the Council's other companies).
- D. If Partnership Board agrees that the project is feasible, it will make a request that the Council gives exclusivity for the LLP to progress the site (recognising the need to spend more significant sums of money at this stage).
- E. At this point, recommendations would be put to Cabinet for the site to be opted into the LLP for delivery. Once approved, a legal option would be granted to the LLP (subject to clearing financial and legal due diligence) and the site would be progressed through planning and into delivery with all decisions being made by the LLP Board provided they align with the objectives approved by Cabinet.
- F. The Partnership Board for the LLP will then report periodically to the Council's Shareholder Board on the overall financial performance of the LLP and on delivery against any agreed project objectives.
- G. The minutes of the Shareholder Board are reported through Cabinet (Scrutiny Committee if called in) and Council.

3.19 As set out above, the primary difference between the old and new arrangements is that the new arrangements have been designed to align with the Council's Shareholder Board.

3.20 Whilst the Partnership Board will be empowered to make most decisions about project delivery (within agreed budgets and to agreed objectives) and to deal with some company matters, most company matters of significance are reserved to the Cabinet via the Shareholder Board and these reserved matters are set out at **Appendix 1**.

3.21 Settling the final details of the legal agreements and completing them is recommended to be delegated to the Executive Director Legal and Democratic Services.

- 3.22 The LLP arrangements also provide opportunities where capacity allows for the Council to charge its staff into the LLP and recover the costs through the capital projects. This has been used to a limited degree to date and these opportunities can be explored further during the next period. Doing this will reduce pressure on revenue budgets whilst also providing staff with the opportunity to work closely with the private sector partnership, gaining different experience while keeping the project knowledge in-house. It should also assist viability by reducing the costs of contractors into the LLP and exploiting officer contacts and knowledge of the Council's governance and processes.

The principles of the PSP Housing Model

- 3.23 The over-riding principles of the housing model are to enable PSP-partner authorities access to their model which will enable authorities to secure housing delivery quickly, loan in capital generating a return in excess of the borrowing cost and delivering private rented (and in some cases affordable) new housing.
- 3.24 Where possible PSP seek to employ modern construction methods to deliver high quality, very sustainable net zero carbon family homes which are built and then managed to a high standard under the LetLife brand (www.letlife.co.uk).
- 3.25 The housing model compliments the Council's existing housing delivery programme and provides another option for delivery. It also supports the Council's commercial mind-set approach through innovative means of delivering outcomes and improving lives whilst generating commercial income.
- 3.26 The Housing Model is not aimed at Housing Revenue Account housing so it is complimentary rather than a straight alternative. The model includes management via PSP partner PRSim which is set up to deliver the full lettings and management service including full compliance and risk management and a 24 hour helpdesk using a central management function linked to a network of local suppliers.
- 3.27 In legal terms, the partnership establishes two subsidiary companies:
- Prop Co 1 builds the houses
 - Prop Co 2 manages the houses
- 3.28 In terms of the finances, the land would be put in to the LLP at nil value.
- 3.29 The Council has the opportunity to grant a loan Prop Co1 to cover the cost of delivery. The Council would receive interest on the loan on commercial terms over the loan term which must exceed the cost of borrowing and it has rights to the capital value of the asset.
- 3.30 Following construction, the asset would be leased to Prop Co 2 who would let and manage the asset. Prop Co 2 would pay all rents (less management and maintenance costs) up to Prop Co 1 and this would in turn flow through to the LLP to the Council as a dividend. The Council has the option to recycle the funds within the LLP or to draw them out.
- 3.31 At exit, the houses could be sold to recover the capital, or re-financed (with the Council).

- 3.32 PSP has undertaken extensive due diligence around the legal, property and tax implications to ensure compliance and efficiency.
- 3.33 Public Sector Plc would receive reimbursement of the pre-construction costs, a facilitation return (akin to a developer's profit) of 7-10% of the gross development costs excluding land and an annual asset/investment management fee of 0.5% p.a. of the investment value.
- 3.34 The benefits to the Council are that:
- The Council is using its access to capital to deliver new housing and to generate a commercial return to support other Council functions.
 - The Council can benefit from any upside arising from the development loan.
 - The model enables schemes to be policy compliant in terms of Affordable Housing (i.e. development will deliver as a minimum the level of affordable housing required by Planning Policy which is currently that proposals for 10-49 units, 20% and 50+ units, 30% - site area criteria also apply). The market often makes the case that this is not possible and delivers significantly less on viability grounds.
 - Council Tax will be received along with new homes bonus
 - The Council retains control over the development through the LLP.
 - The Council retains control over the future of the asset through the leasing structure.
 - The Council and PSP are enabling the wider economic benefits (e.g. construction jobs, investment in construction, new residents in employment, increased local spending which in turn supports further sustainable job creation.
 - The properties are not subject to loss under Right to Buy legislation.
 - The Council benefits from the additional capacity and commercial capability of PSP.
 - The Council could consider using its share of development profit to deliver above-policy affordable housing where appropriate and where viability allows.
- 3.35 The proposal is therefore to set aside £5m for the delivery of housing through the LLP and to delegate authority to the Executive Director Finance and Resources to finalise the terms and make loans to the LLP within the allocated budget to enable delivery of development in accordance with the principles of the PSP Housing Model and subject to any schemes delivering an appropriate and sustainable return on investment.

4. Other Options

- 4.1 Alternative arrangements for the Right to Buy spend such as grants to Registered Providers were considered for the Acquisitions Programme however this would not have resulted in the long term benefit to the Council in the way of HRA property.
- 4.2 The Council does not need to continue the relational partnering arrangement with PSP however this is a useful non-committal additional delivery option for the Council which will be well placed to assist with capacity and delivery,

particularly (but not exclusively) of housing sites, going forward. Feasibility work is also underway within the LLP on several other sites as previously agreed.

- 4.3 The Council could deliver housing through other delivery vehicles however PSP adds resource capacity and brings commercial experience along with the PSP housing model which together will help the council to deliver on its 2050 housing objectives whilst ensuring a robust process is in place to demonstrate financial and legal compliance and best value. The PSP Housing Model also has the benefit of the housing being owned in the LLP therefore it is not at risk of being lost to through right to buy legislation yet still providing the Council with a say over rental levels provided the State Aid thresholds are cleared.
- 4.4 The Council could decide not to fund development through the PSP Housing Model. It does however provide an opportunity for the Council to commercially lend-in to the LLP receiving a finance return as well as the wider development benefits, structured through the PSP Housing Model to deliver a long-term revenue stream (with the opportunity to convert some or all of that to Capital at the Council's discretion). Other funding options are available and may be considered depending on the scheme and the commercial return to the Council.
- 4.5 Cabinet members have also highlighted that there may be opportunities for South Essex Homes as the pipeline work progresses.

5. Reasons for Recommendations

- 5.1 To update Cabinet on the progress of the Pipeline of Housing & Development opportunities namely Phases 3 & 4 HRA infill sites, acquisition programme and LLP developments.
- 5.2 To update Cabinet on the pipeline and regeneration framework.
- 5.3 To update Cabinet on progress in establishing the LLP for the next 10 year period and to enable the new LLP arrangements to be established to provide additional delivery capacity to help the Council meet housing delivery targets

6. Corporate Implications

6.1 Contribution to the Southend 2050 Road Map

- 6.1.1 The development and acquisition of the housing and regeneration pipeline work towards the Southend 2050 Safe and Well outcomes of **“We are well on our way to ensuring that everyone has a home that meets their needs”** and **“We act as a green city with outstanding examples of energy efficient and carbon neutral buildings”**.
- 6.1.2 The development of a regeneration framework and pipeline are also key contributors to the Opportunity and Prosperity outcomes “We have a fast-evolving, re-imagined and thriving town centre, with an inviting mix of shops,

homes, culture and leisure opportunities” and “**Key regeneration schemes, such as Queensway, seafront developments and the Airport Business Park are underway and bringing prosperity and job opportunities to the Borough**”.

- 6.1.3 Southend’s *Housing, Homelessness & Rough Sleeping Strategy* aims to provide ‘decent high quality, affordable and secure homes for the people of Southend’ and the development and purchase of affordable contributes to this.

6.2 Financial Implications

- 6.2.1 Cabinet has previously agreed the budget of £645k for the next steps of the Regeneration Framework and Development Pipeline. This budget will be called upon for the first stage of the feasibility for the Pipeline sites.
- 6.2.2 The costs and funding of each scheme will require a full business case assessment. Funding for the investment referred to in the report will come from a variety of sources such as capital receipts, HRA capital investment reserve, borrowing, and external funding (both public & private).
- 6.2.3 In terms of PSP projects, the financial implications will be assessed in detail on a scheme by scheme basis and schemes will only proceed when they clear both the Council’s and the private sector partner’s viability measures.
- 6.2.4 The overall financial performance of the LLP will be reported periodically to Shareholder Board along with the progress against agreed objectives for particular schemes.
- 6.2.5 The £5m referenced at recommendation 2.5 and in paragraph 3.35 would be funded from new borrowing with the financing costs more than off-set by the commercial return from the £5m investment into the PSP Housing Model.

6.3 Legal Implications

- 6.3.1 Initial consultation has been undertaken with the Council’s Legal Team for the expansion of the MMC pilot and ongoing work is being undertaken with Essex Legal Services for the Acquisitions Programme.
- 6.3.2 Legal considerations relating to individual sites will be dealt with through the usual due diligence process.
- 6.3.3 Legal considerations relating to the LLP governance changes are being addressed through negotiation as set out in this report with appropriate advice at the relevant stages.

6.4 People Implications

No direct people implications arise however see 3.10 above regarding the extent to which internal resources may be used to supplement the LLP work and then charged back to development projects where appropriate with commercial experience benefits to the staff involved and potential financial benefits to the Council.

6.5 Property Implications

The main purpose of LLP is to review, and progress development opportunities and this will of course generate many strategic and detailed property implications as the work progresses. Such implications will be considered on a site by site basis.

6.6 Consultation

Consultation has taken place with internal colleagues and external advisers in relation to the pipeline of sites and the work is being progressed by a corporate team.

The principles of the changes to the LLP structure have been set out in reasonable detail in the Cabinet Report of 17 September 2019 and at a high level in subsequent Housing Pipeline update reports to Cabinet.

6.7 Equalities and Diversity Implications

The relevant equality assessments will be undertaken if and as necessary.

6.8 Risk Assessment

Risk register and issue logs will be used as part of the development of the sites within the Pipeline and are continued to be used for the Acquisitions Programme.

PSP Project risks will be monitored and managed within the LLP and reported to Partnership Board and where these are significant and appropriate, up to Shareholder Board.

6.9 Value for Money

All spend in relation to the projects will be subject to the relevant procurement rules, to ensure procurement compliance and value for money.

Financial and legal due diligence form a core part of the LLP process including an independent review and validation of each case by CIPFA and external legal review.

6.10 Community Safety Implications

Sites will be considered individually as they progress and through consultation, the Council will look to meet Secured by Design standards where possible and practical.

6.11 Environmental Impact

New pipeline schemes such as the MMC will look to improve energy use and environmental standards in the build process where possible and also will look

to improve landscaping and environmental and economic sustainability where possible.

A core part of the LLP housing offer is the use where appropriate of modular off-site construction (referred to in other papers as MMC or Modern Methods of Construction). This technology enables improvements energy use and environmental standards both through the build process and during the life of the buildings. Sustainability will be a key consideration in any projects and where it presents additional commercial opportunities, these will be explored. For example, very low energy (and therefore low cost to run) homes may be able to generate higher rental levels thereby improving returns depending on the development model used.

7. Background Papers

Cabinet Report, *Future Phases of Affordable Housing Development Programme Update*, 17th January 2019

Cabinet Report, *Housing Update*, 25th June 2019

Cabinet Report, *Housing and Development Pipeline Update*, 17th September 2019

Cabinet Report, *Housing and Development Pipeline Update*, 5th November 2019

Cabinet Report, *Housing and Development Pipeline Update*, 16th January 2020

8. Appendices

Appendix 1 – Matters reserved for Shareholder Board

APPENDIX 1

MATTERS RESERVED FOR SHAREHOLDER BOARD

1. Altering the Members' Agreement, Procedure Agreement and/or any rights relating to the ownership of the LLP;
2. Changes to the rights of any of the Partners pursuant to the Members' Agreement or the Partnership generally;
3. Any material amendment to a legal agreement to which the Partners are a party;
4. The approval of any Capital Contribution by a Partner, save for the Initial Capital Contributions of the Partners as at the Effective Date;
5. Permitting the registration of another member, other than the Council or the PSPF;
6. Changing the nature of the business of the LLP;
7. Any re-organisation of the Members' Capital (or any part of it);
8. The entering into of any commitment by or on behalf of the Partnership with any person with respect to the issue of any loan capital;
9. The making of any borrowings by or on behalf of the Partnership from the Bank or any person or organisation or entity;
10. The making of any resolution or other decision for the voluntary winding up or termination or dissolution of the Partnership;
11. Engaging in any business other than the Partnership Business or any decision to change the Partnership Business as defined in this Members' Agreement;
12. The Partnership forming or acquiring any subsidiary or subsidiary undertaking (as each is defined in the Companies Act) or acquiring any shares in any other company or participating in any partnership or joint venture (incorporated or not);
13. The closing down or the disposal of any material part of the Partnership Business;
14. The Partnership amalgamating or merging with any other company or business undertaking;
15. Alteration of the Partnership Name or registered office;
16. The Partnership entering into any transaction or arrangement of any nature whatsoever with any of the Partners or their directors or any person who is connected (within the meaning of section 1122 of the Corporation Tax Act 2010 or sections 993 and 994 of the Income Tax Act 2007) to any of the Partners or their directors whether or not any other person shall be party to such transaction or arrangement;
17. The Partnership entering into any commitment by way of a transaction or series of related transactions (including without limitation any leasing transaction) which would involve the Partnership in the payment or receipt of consideration having an aggregate value in excess of twenty thousand pounds (£20,000), save where such commitment has been provided for in a Project Budget;
18. The Partnership entering into any arrangement, contract or transaction outside the normal course of the Partnership Business or otherwise than on arm's length terms;

19. The Partnership giving notice of termination of any arrangements, contracts or transactions which are of a material nature in the context of the Partnership Business, or materially vary any such arrangements, contracts or transactions;
20. Any material amendments to any agreed project objectives;
21. The Partnership entering into, as lessor or as lessee, any operating lease (as defined in Statement of Standard Accounting Practice 21) other than as provided in a Project Budget;
22. The Partnership granting any rights (by licence or otherwise) in or over any intellectual property owned or used by the Partnership;
23. The Partnership creating or permitting to be created any mortgage, charge, encumbrance or other security interest whatsoever on any asset or its business in whole or in part or any of its shares other than:
 - 23.1 liens arising in the ordinary course of business; or
 - 23.2 any charge arising by the operation or purported operation of title retention clauses and in the ordinary course of business;
24. The Partnership adopting or amending the Budget or any Project Budget in any material respect (provided that non-material amendments to the Budget or Project Budget will be subject to each Partner being notified of such amendments and not raising, within five (5) Working Days, any issues in relation to such amendments);
25. Changes to either:
 - 25.1 the Auditors; or
 - 25.2 the financial year end; or
 - 25.3 the Accounting Reference Date;
26. The Partnership making or permitting to be made any material change in the accounting policies and principles adopted by the Partnership in the preparation of its audited accounts except as may be required to ensure compliance with relevant accounting standards under the Companies Acts or any other generally accepted accounting principles in the United Kingdom;
27. The Partnership retaining any Partner's Profit Share to future activities by the Partnership;
28. The Partnership making any loan (otherwise than by way of deposit with the Bank) or granting any credit (other than in the normal course of trading) or giving any guarantee (other than in the normal course of trading) or indemnity;
29. The Partnership giving any guarantee, suretyship or indemnity to secure the liability of any person or assuming the obligations of any person;
30. The Partnership either:
 - (a) opening or closing any bank account;
 - (b) altering any mandate given to the Bank relating to any matter concerning the operation of the Partnership's bank accounts other than by the substitution of any

person nominated as a signatory by the Partner entitled to make such nomination;
or

- (c) changing its bankers;

31. The Partnership:

- (a) entering into or varying any contract of employment providing for the payment of remuneration (including pension and other benefits);
 - (b) establishing or amending any profit-sharing, bonus or other incentive scheme of any nature for executives or employees;
 - (c) establishing or amending any pension scheme or granting any pension rights to any executive, employee, former executive or employee, or any member of any such person's family;
 - (d) dismissing any executive or employee;
32. The Partnership agreeing to remunerate (by payment of fees, the provision of benefits-in-kind or otherwise) any consultant to the Partnership or increase the remuneration of any such person per annum /day, in either case other than in accordance with a Project Budget;
33. The Partnership instituting, settling or compromising any legal proceedings instituted or threatened against the Partnership or submitting to arbitration or alternative dispute resolution any dispute involving the Partnership;
34. The Partnership making any agreement with any revenue or tax authorities or making any claim, disclaimer, election or consent for tax purposes in relation to the Partnership or the Partnership Business;
35. Any decision from time to time referred to the Partners pursuant to clause 3.2.7(j) of the Procedure Agreement;
36. The appointment of any validator or other independent adviser and the terms of that appointment.

Southend-on-Sea Borough Council
Report of Executive Director (Finance and Resources)
To
Cabinet
On
25 February 2020

Report prepared by:
Alan Richards, Director of Property and Commercial

**Agenda
Item No.**

6

Seaway Car Park
Policy and Resources Scrutiny Committee
Cabinet Member: Councillor R. Woodley

A Part 1 (Public Agenda item).

1. Purpose of Report

To update Cabinet on the current situation in relation to the Seaway Car Park.

To present options to enable Cabinet to decide how it wishes to proceed in relation to the proposed development of the Seaway Car Park and associated land ("the Development") and the Agreement for Lease and Sale dated 10 December 2014 made between the Council and Turnstone Southend Limited ("Turnstone") (and subsequently varied on 2 May 2019 pursuant to minute 605 of Cabinet 17 January 2019, minute 668 of Policy and Resources Committee 30 January 2019 and minute 734 of Full Council 21 February 2019) hereinafter referred to as "the Agreement".

It is important to note that this report deals with the proposed Development in the context of the Council's land ownership, regeneration and economic development responsibilities. While the strategic planning context will be mentioned in this report, the planning application deferred on 15 January 2020 for the Development (Ref: 18/02302/BC4M) must be considered quite separately by the Council as local planning authority through the Development Control Committee. Notwithstanding this, the fact that the Development Control Committee deferred a decision has important implications in terms of the Agreement.

2. Recommendations

- 2.1 To note that unless either party takes a decision to terminate, the Agreement for Lease and Sale dated 10 December 2014 made between the Council and Turnstone Southend Limited (and subsequently varied on 2 May 2019 pursuant to minute 605 of Cabinet 17 January 2019, minute 668 of Policy and Resources Committee 30 January 2019 and minute 734 of Full Council 21 February 2019) ("the Agreement") for the development of the Seaway Car Park and associated land ("the Development") remains in full legal force.**

2.2 That Cabinet decides how to proceed; the options being:

2.2 (a) Option 1 – Terminate - That the Council serves notice to terminate the Agreement on the grounds that Turnstone has not satisfied the conditions for which they are responsible, in particular the Planning Condition requiring planning consent to be in place, or for an appeal against a refusal to be underway, at or before 5pm on 17 January 2020, bringing the relationship with Turnstone to an end for this scheme.

2.2 (b) Option 2 – Maintain Support - That the Council maintains its support for the Development and does not serve notice to terminate the Agreement at least until such time as the final decision has been made on the planning application 18/02302/BC4M.

Such support would be maintained on the basis of:

- the economic case including the significant job opportunities that the Development will bring
- the contribution to the Council's published Ambition and Outcomes
- the level of commitment made by the Council and Turnstone
- the desire to maintain the currently committed tenants
- the progress which has been made to date
- the reduced risk of the Homes England funding claw back

While the planning appeal is running, to progress negotiations with Turnstone about the possibility of a lease-wrapper/income strip lease model to accelerate delivery and provide additional rent for the Council through a different model and any other matters which would accelerate delivery.

2.3 In reaching a decision on how to proceed, consideration must be given to the risks in relation to the Homes England Funding in relation to 1-3 Herbert Grove, 29 Herbert Grove and the Rossi Factory (31 Herbert Grove) and future potential funding as referred to at various points in this report and set out in detail in the 17 January 2019 Cabinet report.

3. Summary of previous key decisions:

- 3.1 The principle of pursuing Government funding for the acquisition of the Rossi Factory (31 Herbert Grove) and 29 Herbert Grove was agreed by Standing Order 46 (SO.46) on 27 September 2005. The details of the acquisition were then agreed pursuant to SO.46 on 26 January 2007 when the funding was confirmed.
- 3.2 The acquisition of 1-3 Herbert Grove, again with Government funding, to further support the regeneration and development of Seaway Car Park was agreed at Cabinet 19 February 2008 (minute 1000 refers).
- 3.3 On 29 November 2012, the Economic & Environmental Scrutiny Committee considered a pre-Cabinet scrutiny report on the Seaway Car Park Development. (Minute 544 refers).
- 3.4 On 8 January 2013 the Cabinet agreed the principles of an Agreement with Turnstone for the development of the Seaway Car Park: Minute 637 refers. The

Cabinet decision was noted at Economic & Environmental Scrutiny Committee on 31 January 2013 (minute 744 refers).

- 3.5 On 28 February 2013 the Council noted the minutes 637 and 744 referred to above (minutes 790 and 816 refer).
- 3.6 The final details of the agreement with Turnstone were agreed under SO 46 signed by Councillor Woodley as Leader of the Council in November 2014. This was reported to Cabinet on 6th January 2015 (minute 533 of Cabinet refers). The SO.46 letter records that various “all-Member” briefings had been held and that the terms had been endorsed at the Group Leaders Briefing on 19 July 2013.
- 3.7 On 17 January 2019 Cabinet agreed a report recommending the End Date be extended until 17 January 2020 and the minimum number of parking spaces be increased from 480 to 542 and some other terms be amended as set out in the report (minute 605 refers). The matter was then considered at Policy and Resources Scrutiny Committee together with a substantial amount of supplementary information following further questions. The matter was referred up to Full Council (minute 668 refers) where it was further debated and where Councillors voted 34:12 to note the report and the recommendations made in it (minute 374 refers).
- 3.8 See also the information on the Council’s website¹ which includes links to the key minutes above.
- 3.9 The Agreement was varied on 2 May 2019 to deal with the amendments agreed in the report referred to at 3.7 above.
- 3.10 Most of the key terms of the Agreement are in the public domain. However a few elements remain commercially confidential. It is important that the Council strikes an appropriate balance between transparency and commerciality and the Council’s approach in this case has been upheld by the Information Commissioner.

4. Background and Contractual Summary:

- 4.1 The report to [Cabinet on 17 January 2019](#) and referenced as a background paper together with the supplemental information presented to [Policy and Resources Scrutiny Committee on 30 January 2019](#) provide a full and comprehensive explanation of the background and the contractual position as it was prior to the Deed of Variation being completed on 2 May 2019 which documented the amendments agreed in that report.

5. The Current Position including the Conditions in the Agreement

- 5.1 The Council has discharged its primary conditions in the Agreement by relocating the coach parking and ensuring that the former waste depot is no longer operationally required. The Council is now also in a position to satisfy the conditions relating to the Homes England funding and the Car Park Closing Order

¹ Seaways information on the website including FAQs

https://www.southend.gov.uk/info/100003/communities_neighbourhoods_and_the_environment/873/seaway_project/2

when required. It should be noted that these conditions were not formally satisfied before the End Date.

- 5.2 Turnstone has not yet satisfied any of its conditions under the Agreement although it should be noted that the 'Planning Condition' is the primary condition and most of the others flow from the satisfaction of this.
- 5.3 The Planning Condition requires a planning permission acceptable to Turnstone to be in place and free from planning challenge by the End Date (now 17 January 2020). This has not been satisfied.
- 5.4 Turnstone submitted a planning application to the Council in December 2018 for planning permission for the Development (Ref 19/02302/BC4M). Following two rounds of consultation and the submission of additional information, the application was scheduled to be considered at Development Control Committee (DCC) on 27 November 2019. However this had to be delayed following an application by RPS on behalf of Stockvale to challenge the Council's decision that an Environmental Impact Assessment (EIA) was not required. The Secretary of State subsequently confirmed that the Council's decision (17/01463/RSE) was correct and that an EIA was indeed not required so the application could again proceed to be considered at DCC. Turnstone agreed an extension of the prescribed period for a decision on the application to be made until 15 January 2020. However at the meeting on 15 January, DCC decided to defer a decision.
- 5.5 At 16:53 on 17 January 2020, Turnstone submitted an appeal to the Secretary of State under s.78 (2) of the Town and Country Planning Act 1990 on the grounds that the Council had failed to determine the planning application. However the Planning Inspectorate informed Turnstone's planning agents that certain prescribed documentation had not been sent with the appeal notice and therefore advised that the "appeal is not currently considered valid". In any event as there has been no appeal against an actual refusal of planning permission (the appeal being for non-determination) by the End Date of 5pm on 17 January 2020, the circumstances to trigger an automatic extension to this End Date have not arisen. Accordingly the right for either party to terminate the Agreement has therefore come into effect. Turnstone has been notified that this is the Council's interpretation although they do not agree with it. The Council is advised that Turnstone has now supplied the information to the Planning Inspectorate and that the appeal has been validated (ref: APP/D1590/W/20/3245194).
- 5.6 At this point it is important to note that simply because the Council has the right to terminate, does not mean that it must, or that it should terminate the Agreement. It is important that the Cabinet considers all the matters set out in the 17 January 2019 report in relation to the benefits of the scheme (as well as any downsides) particularly:
- the significant contribution that the proposed Development is expected to make to the delivery of the Southend 2050 Outcomes and the associated regenerative and growth benefits for residents and businesses
 - the positive impact on the town centre and the financial benefits to the Council and the borough as a whole derived through the substantially increased business rates income and the long-term rental income under the lease.

- the importance of the attractiveness of Southend as a place where businesses are prepared to invest; and
- the risks associated to the Homes England funding related to the scheme.

5.7 It is crucially important that Southend builds and maintains a reputation for supporting investment and delivering economic growth to match the population growth and that it does not get left behind neighbouring areas. For example, the Bond Street development has been relatively recently delivered in Chelmsford and Basildon is on-site with its town centre Cinema anchored scheme. Both of these will undoubtedly draw business away from Southend generally and specifically from the town centre unless something is done to enable it to compete in terms of a year-round, all weather leisure offering which holds residents and their spend locally whilst at the same time drawing in spend from a wider catchment.

5.8 It remains the case that the expected benefits associated with delivery of the proposed Development are significant and will make a valuable contribution to the local viability and vitality of the town centre. At a strategic level, the proposed Development will support net additional employment and growth in the borough and more widely in the regional economy giving rise to increased spending in the town centre and seafront areas.

These expected benefits include the benefits for the local economy as set out in the 17 January 2019 Cabinet Report, including:

During Construction:

- Construction and fit out capital expenditure of £47m supporting the equivalent of **94 Full Time Equivalent (FTE)** direct and indirect jobs during the 18 month construction phase.
- Using the average Gross Value Added (GVA) per worker, approximately **£4.4m GVA in the local economy** over the construction period.

Future Operational Phase:

- Based on the proposed floor space, between **270 and 323 FTE net additional jobs** created delivering an additional annual **GVA of between £12.6m and £15.1m** to the local economy.
- Estimated increase in expenditure across accommodation, leisure, food and beverage, cinema and family entertainment resulting in **turnover of between £15.4m and £16.8m annually**.

Linked trip and tourist expenditure:

- Linked trip potential to the town centre estimated at **£1.5 to £1.7m**
- Additional tourism spend estimated at **£0.77m to £0.84m**

Car Parking

- 5.9 The Development enables the land to achieve its full potential, providing year-round, all weather opportunities for residents and visitors alike. It also provides a substantial quantity of publicly available car parking. There will be days when seafront car park demand exceeds capacity. Therefore whilst it is important to maintain capacity in the central seafront area to support residents, workers, visitors and local businesses, it is also important to balance this with an alternative and wider offering so that the full economic and development opportunity presented by this land can be optimised and its full potential achieved.
- 5.10 The thrust of the objection from some seafront traders is related to the parking provision which is of course a key issue for the Council as well as for objectors. The following paragraphs explain why it is considered that the Development proposed delivers sufficient parking.
- 5.11 The current scheme provides 555 spaces which is considerably more than was provided at Seaways until the Council moved the coach parking away and provided additional car parking on a temporary basis. Few of the leisure uses on the seafront provide any significant amount of parking and many have none at all in comparison to the proposed Development where there is a significant provision.
- 5.12 There is already significant public parking available in the vicinity including at Warrior Square, Tylers Avenue/York Road, Alexandra Street, Clarence Road, The Royals and Fairheads Green car parks which are all within a 10 minute walk² of Seaway Car Park. The Gasworks car park is also within a 10 minute walk which has planning permission for 283 car parking spaces and 27 coach bays of which a substantial number have been constructed already with more to follow and assurance has been given that this car park will remain for at least 1 season after the Development at Seaways is open and operational.
- A further 116 additional on-street parking spaces have been identified and created in the last 18 months consisting of:
- 23 new pay and display bays created in Lucy Road by removing yellow lines and amending the taxi rank.
 - 14 shared parking bays available for resident permit holders or pay and display
 - 93 new pay and display parking bays in Clifftown Parade, Station Road and Cambridge Road.
- 5.13 Furthermore, the Council is looking at the viability of increasing the parking capacity at Tylers Avenue/York Road following the completion of the Government-funded right-turn lanes into Warriors and Tylers which make it easier to access these car parks. The junction priorities at Chancellor Road have also been adjusted to improve access to the Royals car park.
- 5.14 None of the proposed sub-tenants for the Development have identified lack of parking in the scheme as an issue, although some seafront traders have done so.

² Google maps walking distances

5.15 In any event, the Council must look at what is best for the town as a whole, for its residents and its visitors and the economic impacts. The car parking provision must be viewed in that context. The prospect of rejecting such significant investment in new facilities with the associated job creation and economic benefits together with the substantial quantum of parking included is a decision which must not be taken lightly. The town centre desperately needs reinforcement and the Seaway development can be an important contributor to this.

6. Options for Cabinet to consider.

The main options available to the Council are set out at recommendations 2.2 (a) and (b) of this report and expanded upon below:

6.1 Option 1 – Terminate (Recommendation 2.2(a)) - That the Council serves notice to terminate the Agreement on the grounds that Turnstone not satisfied the conditions for which they are responsible, in particular the Planning Condition requiring planning consent to be in place, or for an appeal against a refusal to be underway, at or before 5pm on 17 January 2020, bringing the relationship with Turnstone to an end for this scheme.

Considerations in favour of this option:

- Opposition to the Development is principally from Stockvale Group and a small number of seafront traders who have campaigned hard for the Development to be stopped. Termination would satisfy these objectors and give the opportunity to consider an alternative scheme. However the strategic planning context and aspiration for this site is very clear and the proposed Development is a good strategic fit.
- Some seafront traders and other businesses have contended that the proposed development would be detrimental to their businesses. However it should be noted that the proposed uses do not replicate the current seafront offer.
- The site could be left as a public car park leaving the land available for development at a future date
- The Coach Parking could be reinstated at Seaway and the Gasworks car park developed.
- A number of Coucillors supported the previous extension on the basis that it would be the last chance.

Considerations against this option:

- Risk to delivery of Southend 2050 Outcomes and a key scheme on the roadmap
- A significant amount of commitment on behalf of the Council and Turnstone would be wasted and terminating the Arrangement with Turnstone would also mean terminating the arrangements with Sub-tenants which would be hard to resurrect or otherwise maintain
- The Council will soon become wholly reliant on Business Rates, Council Tax and income from commercial sources. The proposed development is forecast to significantly increase the Council's current net income by moving from parking income to income from business rates and rent.

- The scheme is forecast to deliver significant economic benefits which would not otherwise be secured including large numbers of jobs for local people and revenue to town centre and seafront businesses through linked trips and spend.
- There is a risk that Homes England may require the repayment of the funding provided to acquire 1-3 Herbert Grove, the former Rossi Factory and 29 Herbert Grove unless there is a demonstrable commitment to continue to try to secure a comparable scheme.
- The Agreement provides for an overage arrangement to provide funding with which the Council could deliver on the 'Spanish Steps' vision if the scheme is sufficiently profitable.
- There is a significant and growing number of local businesses who would be very concerned if the Development was lost. They believe that the scheme will be very beneficial – even essential - for the town centre and the borough to grow and thrive.
- The Council would not be able to recover the sums due to it at the point the Agreement becomes unconditional; the coach relocation contribution of £100k and the Rossi Factory demolition cost of £113k.
- There is a risk of legal challenge from Turnstone. However, given the Council's support for the scheme to date over the long term and the fact that the Agreement has been varied and extended already, it is considered the Council could robustly defend any such challenge. The reputational implications probably present a greater short-medium term risk.

Other considerations:

- While the Council could market the opportunity, the Seaway site will have suffered a degree of blight and given the current planning uncertainty it is likely to be a significant challenge to secure an alternative developer at all, let alone on comparable or better traditional terms. Potential sub-tenants will also have regard to the background in considering whether to commit to any comparable scheme.
- If the Agreement is terminated, there are reputational risks for the Council which could well affect other potential developments in the borough. At a time when the Council is eager to drive much needed development and economic growth forward; this would be unfortunate. This position has been informed by informal views expressed through conversations with developers and property consultancy firms.
- If the Council is seen to take a hard line on developers in spite of very substantial financial commitment and this could have implications for others considering investment in the borough, particularly on larger schemes. The Council should take a firm, considered, fair and consistent approach.
- In current market conditions delivering the proposed Development has some challenges. However other authorities are finding different ways to enable such development to proceed as mentioned elsewhere in this report.
- The benefits of terminating are not clear and the balance of advantage to the town must be considered. The Council must take a view of what is in the best interest of the borough. Simply terminating the Agreement leaves the Council without a fall-back position in relation to this site and puts the existing tenant commitments at risk.
- Whilst an extension to 17 January 2020 was agreed, the planning process has been running through this entire period. This is still not resolved as explained above.

6.2 - Option 2 – Maintain Support (Recommendation 2.2(b) - That the Council maintains its support for the Development and does not serve notice to terminate the Agreement at least until such time as the final decision has been made on the planning application 18/02302/BC4M.

Such support would be maintained on the basis of:

- the economic case including the significant job opportunities that the Development will bring
- the contribution to the Council's published Ambition and Outcomes
- the level of commitment made by the Council and Turnstone
- the desire to maintain the currently committed tenants
- the progress which has been made to date
- the reduced risk of the Homes England funding claw back

While the planning appeal is running, to progress negotiations with Turnstone about the possibility of a lease-wrapper/income strip lease model to accelerate delivery and provide additional rent for the Council through a different model and any other matters which would accelerate delivery.

Considerations in favour of this option:

- Turnstone, which has invested c.£1.4m to date, has lodged a planning appeal which has been validated and they have demonstrated their intention to pursue the appeal and press ahead with the scheme. Incidentally there is significant advantage in the site benefitting from Planning Permission regardless of the contractual position with Turnstone.
- The Council is seen to support a major investment in the town centre with all the associated economic benefits.
- Turnstone has already invested c.£1.4m in the scheme and the Council has committed a significant resource to the project and this option would enable that investment to be built upon rather than lost.
- Under this option, the sub-tenants which are already committed to Turnstone for the scheme including Hollywood Bowl, Empire and Travelodge would not be put at unnecessary risk.
- In the short-medium term, the Turnstone development offers the best option for the development of the site with its associated investment in the town centre at a time when it is much needed.
- The Council would recover the costs in relation to the costs of demolishing the Rossi Factory and the Coach Park relocation contribution from Turnstone.
- While the planning appeal process runs its course, the Council and Turnstone would look at additional and/or alternative leasing arrangements which could help to accelerate delivery. Any such arrangements could provide significant financial benefits, including increased income and the ability to own the scheme outright after 35 years. This would need to be in the Council's interest, be financially sustainable in the long term and secure delivery. Cabinet approval would also be required for any significant changes.
- There may be potential for the rent to the Council to be increased and for that income and the business rates income to be accelerated under different arrangements if these can be achieved within the procurement constraints. For example, a number of similar schemes in other towns across the country have

been converted to income-strip lease arrangements. These include cinema schemes in Rochdale, Stevenage and Durham with the local authorities underwriting them to enable and accelerate delivery and secure significantly improved income and the substantial economic and other benefits, with the Council having the option of owning the entire scheme after 35 years. A similar arrangement could be considered here if it could be demonstrated to be financially sustainable and commercially viable.

- Southend's reputation in the commercial and property investment sector is perceived as one which is supportive and welcoming of investment aligned with the 2050 ambition.
- The Council has already recognised the macro-economic and scheme specific reasons for the delay and so this position would continue to be reflected.
- The significant economic benefits would still be delivered.
- The Homes England funding risk and the Council's potential reputational damage would both be mitigated.
- It would prevent the site from being blighted and give delivery a better prospect of success.
- The risks of legal challenge from Turnstone (considered low in terms of likelihood and likely success) is reduced.

Considerations against this option:

- The Council has already exercised considerable goodwill through the previous contract extension and is not required to do so again. A number of Councillors supported the previous extension on the basis that it would be the last chance.
- The Council is seen to be less robust on developers in spite of non-delivery. It is also seen to appreciate the challenges of the delivery of major schemes and the market influences at play.
- The risk profile associated with any different agreement such as an income strip is different and would require careful analysis.
- This option would undoubtedly lead to continuing objection from a small number of businesses.

Other Considerations:

- The Council is not obliged to terminate the Agreement, neither does it automatically come to an end. A decision by either the Council or Turnstone is required to effect a termination.
- The Council could try to acquire land to deliver the 'Spanish Steps' which could be included in any future development opportunity. Such a feature can of course be delivered separately and is not an inherent part of the scheme although the current Agreement does provide a mechanism which gives rise to the potential for overage to meet the cost of doing this.
- Procurement considerations, financial implications and planning risk would need to be carefully examined.
- Any changes to the key elements of the Development would not only necessitate a renegotiation of the terms but also the submission of a fresh planning application would almost certainly be required.
- There will undoubtedly continue to be opposition to the Development from the vocal objectors although there is an increasing weight of support for the scheme from other businesses.

7. Other Options.

A - That the Council does not serve notice to terminate and maintains its support for the Development but does not seek to secure any benefits by renegotiation.

This option is not dealt with in detail because it does not do anything to help or accelerate delivery.

B - That the Council serves notice to terminate as at 2.2(a) above and then separately enters into negotiations with Turnstone for alternative arrangements.

This option is not dealt with in detail because terminating the Agreement will put current sub-tenant commitments at risk and would only cause complications.

8 Reasons for Recommendations.

8.1 To enable Cabinet to decide how it wishes to go forward.

9. Corporate Implications

9.1 Contribution to Council's Ambition and 2050 Outcomes

Southend 2050 Ambition – the relevant sections are emboldened below:

Our ambition The year is 2050.

How does our borough, Southend-on-Sea, look and feel?

Inevitably the place has changed a lot since the early years of the century, but we've always kept sight of what makes Southend-on Sea special. **Prosperous** and connected, but with a quality of life to match, Southend-on-Sea has led the way in how to **grow a sustainable, inclusive city** that has made the most of the life enhancing benefits of **new technologies**.

It all starts here - where we are known for our creativity, our cheek, our just-get-on-with-it independence and our welcoming sense of community. And so, whilst the growth of London and its transport network has made the capital feel closer than ever, we cherish our estuary identity - **a seafront that still entertains** and a coastline, from Shoebury garrison to the fishing village of Old Leigh, which always inspires. We believe it's our contrasts that give us our strength and ensures that Southend has a vibrant character of its own.

- Pride and Joy: People are proud of where they live – the historic buildings and **well-designed new developments, the seafront and the open spaces**. The **city centre has generated jobs, homes and leisure opportunities, whilst the borough's focal centres all offer something different and distinctive**. With its reputation for creativity and culture, as well as the draw of the seaside, Southend-on Sea is a place that **residents and visitors can enjoy in all seasons**. Above all we continue to cherish our coastline as a place to come together, be well and enjoy life.

- **Safe and Well:** Public services, voluntary groups, strong community networks and **smart technology** combine to help people live long and healthy lives. Carefully planned homes and **new developments have been designed to support mixed communities and personal independence, whilst access to the great outdoors keeps Southenders physically and mentally well.** Effective, joined up enforcement ensures that people feel safe when they're out and high quality care is there for people when they need it.
- **Active and Involved:** Southend-on-Sea has grown, but our sense of togetherness has grown with it. That means there's a culture of serving the community, getting involved and making a difference, whether you're a native or a newcomer, young or old. This is a place where people know and support their neighbours, and where we all share responsibility for where we live. **Southend in 2050 is a place that we're all building together – and that's what makes it work for everyone.**
- **Opportunity and Prosperity:** Southend-on-Sea and its residents benefit from being close to London, but with so many **options to build a career** or grow a business locally, we're much more than a commuting town. Affordability and accessibility have made Southend-on-Sea popular with start-ups, giving us the edge in **developing our tech and creative sectors, whilst helping to keep large, established employers investing in the borough.** People here feel valued, nurtured and invested in. This means that they have a love of learning, a sense of curiosity and are ready for school, employment and the bright and varied life opportunities ahead of them.
- **Connected and Smart:** Southend-on-Sea is a **leading digital city and an accessible place.** It is easy to get to and get around, with **easy parking for residents, visitors and businesses.** Everyone can get out to enjoy the borough's **thriving city centre, its neighbourhoods and its open spaces.** Older people can be independent for longer. It is also easy to get further afield with quick journey times into the capital and elsewhere. Our airport has continued to thrive, opening up new business and leisure opportunities overseas – but it has done so in balance with the local environment. Southend-on-Sea - it all starts here.

Pride and Joy:

Residents told us they want:

- The seafront continues to be our pride and joy
- Our town centres & public places are clean, attractive, thriving and reflect our success
- I feel inspired by the arts, culture and attractions that are available year-round in Southend.
- We are a 'destination' people want to visit, live and study all year round and from far and wide

Seaway will help achieve this by:

- New developments generating jobs and employment opportunities
- Reputation for creativity and culture
- A place that residents and visitors can enjoy in all seasons

Safe and Well:

Residents told us they want:

- Sunshine and fresh air! A light, bright place with great quality of life
- Everyone feels safe at all times of the day

Seaway will help achieve this by:

- Carefully planned...new developments...support mixed communities
- Improving the quality of the public realm and reducing anti-social behaviour through good design and activated spaces.
- Providing a substantial amount of parking to serve the Development and the wider town centre and seafront area.

Active and Involved:

Residents told us they want:

- A sense of family and community, enjoying and supporting each other – a strong sense of settled communities
- Everyone takes responsibility for protecting our environment

Seaway will help achieve this by:

- The creation of a year-round new family leisure destination
- Modern development incorporating a range of environmental measures and reducing surface water run-off and therefore the risk of seafront flooding.

Opportunity and Prosperity

Residents told us they want:

- My education opportunities have given me the best start in life
- There are so many options for a rewarding career
- There is a good balance of retail, residential and social space in our town centres
- We are well known as a hub for innovative and creative industries and ventures
- Large business support residents' aspirations
- It's easy to do business here – bureaucracy is minimal and overheads are affordable

Seaway will help achieve this by:

- Providing up to 500 jobs and a range of training opportunities
- Generating significant added value to the town centre, seafront and wider economy
- Providing new and improved public realm including a new public square in front of St John's Church
- Providing an additional modern hotel thereby increasing the opportunities for in-bound tourism, longer dwell-time and linked trips and associated spend to the town centre and seafront.

Connected and Smart:

Residents told us they want:

- Easy connectivity with minimal barriers, however I chose to travel
- Parking is cheap and easy for residents and visitors
- Lots of opportunities to be in open space

Seaway will help achieve this by:

- Using technology to integrate with existing vehicle management systems and evolving smart technology.
- Providing good quality, competitively priced public parking.
- Providing new, high quality public realm.

The Council has held and maintained a long-term ambition, to redevelop Seaway Car Park with leisure, restaurants, retail, hotel, parking etc. and this ambition was referred to in the Council's Corporate Plan & Annual Report 2017 which was confirmed by Council on 20 July 2017 (see pages 25 and 37).

The 17 January 2019 report demonstrates how the development of Seaway is woven through a whole range of strategic plans adopted by the Council.

Seaway Leisure has been carried forward in to the 2050 Roadmap which forms part of the Southend 2050 Ambition and Outcomes – The Council's strategic plan.

9.2 Financial Implications

- (a) The financial implications were set out in detail in the report to Cabinet 17 January 2019.
- (b) The detailed financial implications, including the s.123 Local Government 1972 best consideration implications will vary depending on the option selected and will need to be further considered and developed. Cabinet approval would also be required for any significant changes including any lease wrapper/income strip arrangement.
- (c) Extensive staff resources have been and continue to be applied to this important Roadmap project across the Council.
- (d) The risks associated with the Homes England funding and the potential risk of challenge/claims from Turnstone or objectors need to be considered and will carry potential and unknown costs.

9.3 Legal Implications

- (a) The Legal Implications are set out in the main body of this report however depending on which option is supported, the legal considerations will need detailed consideration and development.
- (b) The Executive Director (Legal and Democratic Services) has reviewed this report.

9.4 People Implications

There are no staffing implications.

9.5 Property Implications

The property implications are set out in the main body of this report.

9.6 Consultation

Turnstone ran a public consultation in December 2015 with a stand at the Royals which was well attended and accompanied by a number of linked consultation exercises. Since this time, Turnstone has maintained an open portal on their website to capture comments.

The scheme has received, and continues to receive significant media coverage.

Council tenants affected directly by the scheme have been notified of the planning application and have been provided with all relevant points of contact for representations and discussions.

The Council reports on the scheme are referenced in section 3 above and these have been published on the Council's website.

The planning application has been subject to full public consultation and this is available for anyone to view and comment upon on the Council's website at www.southend.gov.uk/planning under reference number ref 18/02302/BC4M (pending validation at the time of printing).

Turnstone continues to consult on the scheme across various media including property press, local press, its website and social media and leaflet drops.

The Development of Seaway is part of the Council's 2050 Roadmap and Southend 2050 both of which have been produced in extensive consultation with residents and businesses.

9.7 Equalities and Diversity Implications

This Development does not directly affect the delivery of Council services and all those affected by, or potentially affected by the scheme are aware, and have the opportunity to raise any comments or objections through the planning process.

An Equality Impact Assessment will be prepared before the project moves in to the delivery phase.

9.8 Risk Assessment

The main risk relating to this project is the delivery risk because this depends on changing market conditions. This risk is, for the Council, fully mitigated and Turnstone carries all the design, planning, funding, delivery and letting risk under the current Agreement.

There is a reputational risk related to the provision of sufficient parking to support local businesses and this risk is mitigated through the planning process. The above 2 risks could be dealt with differently through the proposed revised arrangement.

Equally there is a reputational risk in not continuing with the project. The project is very public, Turnstone has invested c. £1.4m to date and will need to invest a

further c.£1m to get the scheme to site. For the Council to terminate a deal which would see such significant economic and financial benefits and leave a private developer partner so significantly out of pocket would have far-reaching implications on the Council's ability to secure development partners in the future and could significantly hamper the Council's ability to achieve the 2050 Ambition and a number of the Outcomes.

Further opportunities and risks are set out with the options in section 6 above.

9.9 Value for Money

This will need to be carefully addressed once a preferred option is agreed.

9.10 Community Safety Implications

The site currently suffers from a number of anti-social behaviour issues, particularly in the alleyway behind the church and around the public toilets, recently resulting in a fire being set in part of the toilets.

This space is busy in the late evenings and increased commercial activity along with improved lighting and enhanced public realm should assist with immediate and wider town centre vitality – year round and at all times of day and night.

The scheme will deliver a higher BID levy delivering more money for the BID to invest.

9.11 Environmental Impact

The assessment of Environmental Impact has been fully addressed through the planning process.

10 Background Papers

The most important background paper is the report to [Cabinet 17 January 2019](#), the background information to that report and the supplementary information for [Policy and Resources Scrutiny Committee on 30 January 2019](#) and all councillors are encouraged to re-familiarise themselves with these papers before considering this paper.

See Background section on the Council's Website incorporating frequently asked questions and answers:

https://www.southend.gov.uk/info/100003/communities_neighbourhoods_and_the_environment/873/seaway_project

12 Appendices

None

To Full Council

Notice of Motion

7

Seaway Car Park Development

Any viable development on Seaway Car Park must support tourism and satisfy the seafront's parking needs. The proposed development by Turnstone Estates comprised a 1370 seat multi-screen cinema, 10 restaurants, an 80 bedroom hotel, bowling alley and an amusement centre. Currently, there are 661 car parking spaces at Seaway Car Park. The proposals only contained provision for 555 car parking spaces. Turnstone Estates contract expired on the 17th January 2020.

At a meeting of Full Council in February 2019, both the now Leader and Deputy Leader of the Council are on record as saying that there would be no second extension and this was 'last chance saloon' for Turnstone Estates to get the required planning permission.

At the Development & Control Committee on the 15th January 2020, councillors deferred planning on the development citing concerns around parking and non-compliance of Council Policies.

This Council therefore resolves that it should:

1. Not provide a second extension to Turnstone Estates on their current contract as the Heads of Terms only allowed for an automatic extension upon refusal by the Development & Control Committee.
2. Re-tender the proposals.
3. Any new tender specification to include significantly more car park spaces and address all other concerns raised at the Development & Control Committee meeting on the 15th January 2020.

Proposed By: Cllr Cox
Cllr Buck

Seconded By Cllr Davidson
Cllr Boyd
Cllr Bright
Cllr Burzotta
Cllr Davidson
Cllr Dear
Cllr Evans
Cllr Folkard
Cllr Garne
Cllr Garston
Cllr Habermel
Cllr Jarvis
Cllr McGlone
Cllr Moring

Cllr Nelson
Cllr Salter
Cllr Walker

Southend-on-Sea Borough Council

**Report of Chief Executive
to
Cabinet
on
25th February 2020**

Report prepared by:
Louisa Thomas & Nicola Spencer
Data & Insights Analysts

**Agenda
Item No.**

8

Outcome Success Measures Report – Period 3 2019/20

Cabinet Member: Councillor Gilbert

All Scrutiny Committees

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 To report on the third period of the Southend 2050 Outcome Success Measures for 2019/20.

2. Recommendations

- 2.1 To note the Period 3 (October – December 2019) performance.

3. Background

- 3.1 Southend-on-Sea Borough Council (the Council)'s Corporate Performance Framework has been reviewed to provide robust and transparent performance management to drive the delivery of the five Strategic Delivery Plans. Cabinet agreed that corporate performance for 2019/20 onwards, which shall consist of three different functions, to enable the Council to robustly monitor and measure the progression of the desired outcomes against the five themes, which are outlined in the 2050 Road Map.

- The Corporate Performance Dashboard (CMT and Cabinet Members)
- Southend 2050 Quarterly Outcome Success Measures Report
- Annual Place Based Report

4. Southend 2050 Outcome Success Measures Report

- 4.1 The Southend 2050 Outcome Success Measures report is a high level summary of the Council's corporate performance and progression over the subsequent period on the high level strategic priorities.

Outcome Delivery Teams provide a regular strategic narrative on the progress made on delivery of the Southend 2050 outcomes and activity on the Road Map. The report also contains a snapshot of key place data which will be updated as available throughout the year.

The agreed timetable for reporting is as follows, with additional reporting aligned to the scrutiny cycle in January 2020:

		To be presented to Cabinet:
Period 1	April – June 2019	September 2019
Period 2	July – September 2019	November 2019
Period 3	October – December 2019	February 2020
Period 4	January – March 2020	June 2020

- 4.2 The development of the outcome measures is an iterative process to enable the measures to be reviewed and developed regularly ensuring they focus on the outcomes.

5. Further Developments

- 5.1 A number of the measures included in the report have catalysed plans to work collaboratively across the Council to improve their outcome focus. The development work undertaken to date is as follows:

5.2 Housing supply, homelessness and temporary accommodation

A working group has been formed to monitor the outcomes of interventions for those the Council is supporting to access housing with a focus on improving the data and insights available regarding length of stay in temporary accommodation, turnover, costs of placements, outcomes for children, impact on attainment and employment, pressures affecting move-ons, how to identify and deliver early interventions that address the root causes of homelessness, and how the Council's new and affordable housing supply is impacting the Council's Housing Register.

5.3 Volunteering and service design

The Council is collaborating with Southend Association of Voluntary Services (SAVS) and South Essex Community Hub (SECH) to gather more data about volunteering in the borough and what that truly means for residents. The intention is to achieve a fuller picture of the different ways people are volunteering in the borough, how volunteering impacts service design, understand any trends, and better understand how volunteering is helping the Council progress towards achieving its 2050 outcomes.

5.4 Businesses, skills and employment, high street occupancy

The Council continues to assess its data regarding occupancy and business births and deaths with a view to building a geographical picture of conditions and activity to evidence the vision of the Council's Economic Growth Strategy 2017-2022, and 2050 Opportunity and Prosperity outcomes.

5.5 Cultural activity and participation

Performance teams across the Council have worked together to revitalise a suite of measures collecting data about the borough's cultural events and assets and how residents are using these. The aim is to understand how our cultural and leisure assets and events impact on resident satisfaction, engagement and participation and the economy. Greater insight into this area will inform and support strategic decision making at all levels.

5.6 Mental health

The Council is collaborating with NHS Southend Clinical Commissioning Group (CCG) to develop a suite of measures that better describes the lived experience of residents seeking and receiving mental health treatment, with a focus on data to evidence the outcomes of the borough's services.

5.7 Development work planned for 2019/20 and 2020/21

Further development work is planned to be done during the remainder of 2019/20 and forwards into 2020/21, to improve outcome measures on protecting and nurturing the coastline, fibre broadband and WiFi, independent living and care homes, Looked After Children and care leavers, voters, transport, air quality and recycling and tree planting and removal.

6. Reasons for Recommendation

To drive the delivery of the Southend 2050 ambition through robust and strategic performance management arrangements.

7. Corporate Implications

Contribution to Council's Ambition & corporate priorities:
To strategically monitor the Council's corporate performance and achievements against the 2050 Road Maps and Outcomes.

8. Financial Implications

There are no financial implications.

9. Legal Implications

There are no legal implications.

10. People Implications

People implications are included in the monitoring of performance relating to the Council's resources where these relate to the Council's priorities.

11. Consultation

The new performance framework and measures to be included in future performance reporting are included in the Strategic Delivery Plans which were developed through extensive consultation and engagement to articulate the Southend 2050 ambition.

12. Equalities Impact Assessment

The priorities and outcomes contained with the Five Year Road Map are based upon the needs of Southend's communities. This has included feedback from consultation and needs analyses.

13. Risk Assessment

The Corporate Risk Management Framework shall be managed alongside the new monitoring for corporate performance. This information shall form part of the new corporate risk register that is managed by the Audit Team.

14. Value for Money

Value for Money is a key consideration of the Southend 2050 Performance Framework, including the outcome-based investment work, to help assist in identifying Value for Money from services.

15. Community Safety Implications

Performance Indicators relating to community safety are included in the Strategic Delivery Plans as well as the Southend 2050 Annual Place-based Report.

16. Background Papers

- 16.1 Monthly Performance Reports (MPRs) from April 2018 to March 2019.
- 16.2 Southend 2050 Outcome Success Measures Report – Quarter 1 2019/20
- 16.3 Southend 2050 Outcome Success Measures Report - Quarter 2 2019/20

17. Appendices:

- 17.1 Appendix 1: Outcome Success Measures Period 3 Report (October – December 2019)

OUR
SHARED
AMBITION

SOUTHEND
2050
it all starts here

Outcomes Success Measures Report
Period 3 – October to December 2019

Southend 2050: Five Themes and 23 Outcomes for 2023

Pride & Joy

PJ 01 - There is a tangible sense of pride in the place and local people are actively, and knowledgeably, talking up Southend.

PJ 02 - The variety and quality of our outstanding cultural and leisure offer has increased and we have become the first choice English coastal destination for visitors.

PJ 03 - We have invested in protecting and nurturing our coastline, which continues to be our much loved and best used asset.

PJ 04 - Our streets and public spaces are clean and inviting.

Safe & Well

SW 01 - People in all parts of the borough feel safe and secure at all times.

SW 02 - Southenders are remaining well enough to enjoy fulfilling lives, throughout their lives.

SW 03 - We are well on our way to ensuring that everyone has a home that meets their needs.

SW 04 - We are all effective at protecting and improving the quality of life for the most vulnerable in our community.

SW 05 - We act as a Green City with outstanding examples of energy efficient and carbon neutral buildings, streets, transport and recycling.

Active & Involved

AI 01 - Even more Southenders agree that people from different backgrounds are valued and get on well together.

AI 02 - The benefits of community connection are evident as more people come together to help, support and spend time with each other.

AI 03 - Public services are routinely designed, and sometimes delivered, with their users to best meet their needs.

AI 04 - A range of initiatives help communities come together to enhance their neighbourhood and environment.

AI 05 - More people have active lifestyles and there are significantly fewer people who do not engage in any physical activity.

Opportunity & Prosperity

OP 01 - The Local Plan is setting an exciting planning framework for the Borough.

OP 02 - We have a fast-evolving, re-imagined and thriving town centre, with an inviting mix of shops, homes, culture and leisure opportunities.

OP 03 - Our children are school and life ready and our workforce is skilled and job ready. Leads

OP 04 - Key regeneration schemes, such as Queensway, seafront developments and the Airport Business Park are underway and bringing prosperity and job opportunities to the Borough.

OP 05 - Southend is a place that is renowned for its creative industries, where new businesses thrive and where established employers and others invest for the long term.

Connected & Smart

CS 01 - It is easier for residents, visitors and people who work here to get around the borough.

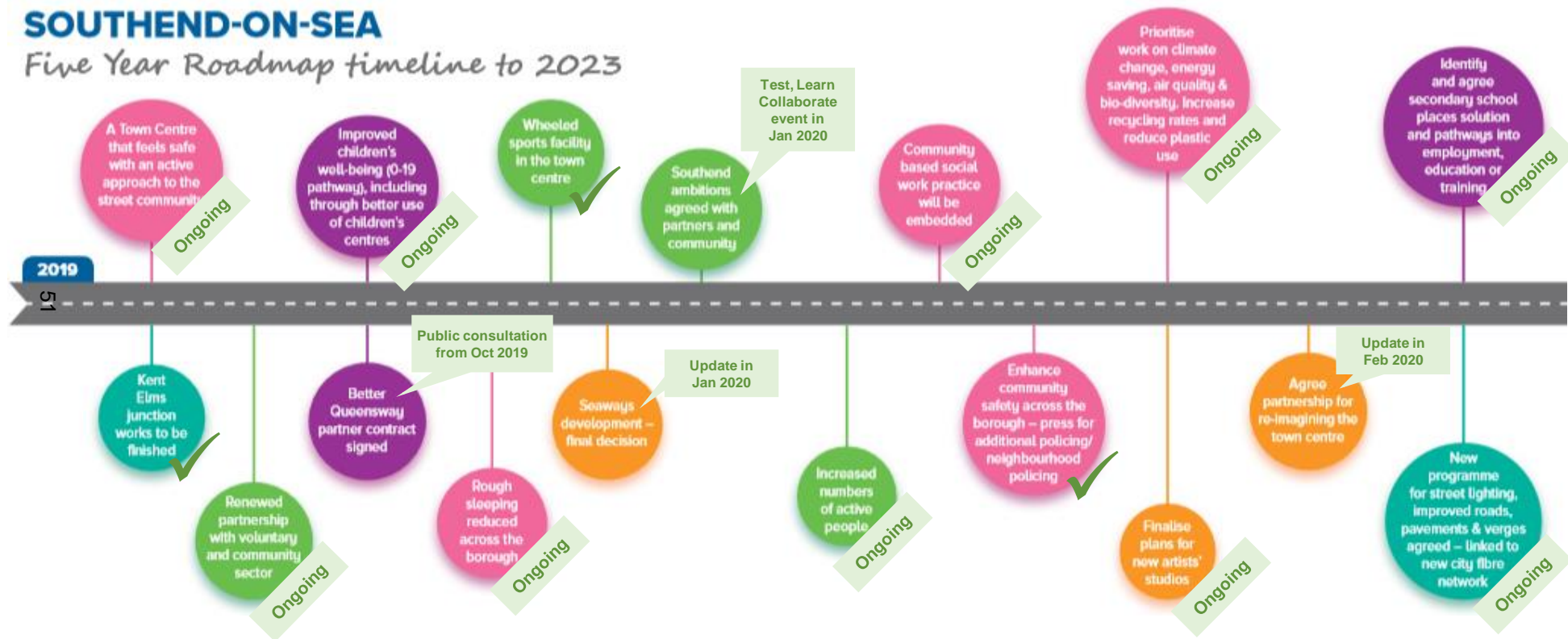
CS 02 - People have a wide choice of transport options.

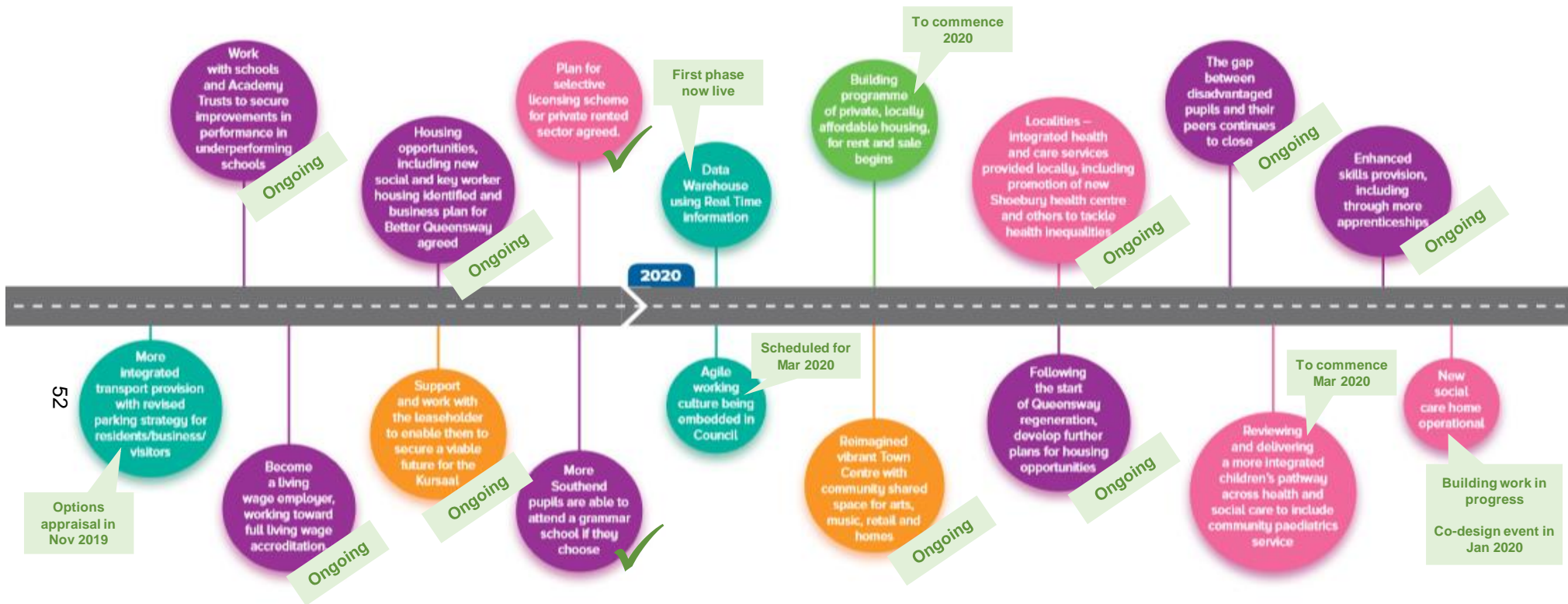
CS 03 - We are leading the way in making public and private travel smart, clean and green.

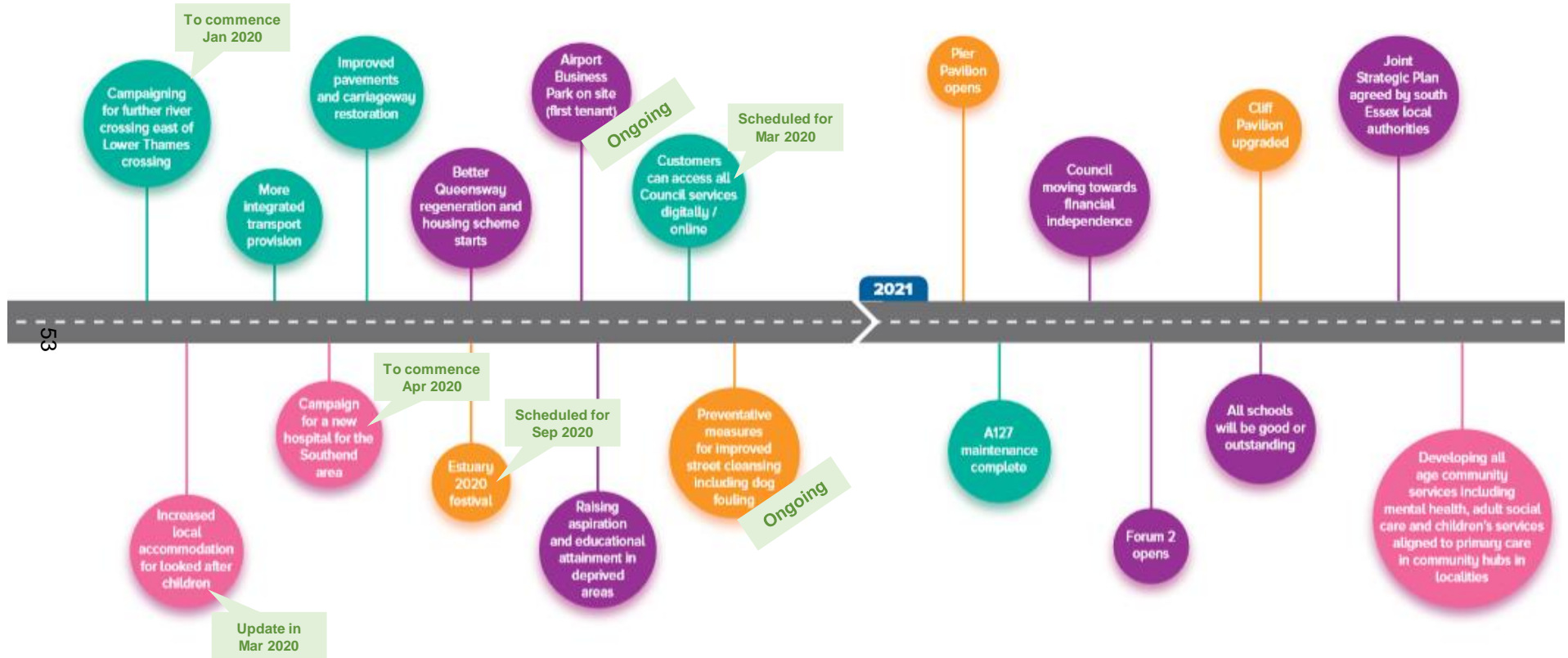
CS 04 - Southend is a leading digital city with world class infrastructure.

SOUTHEND-ON-SEA

Five Year Roadmap timeline to 2023







Annual Information

Unemployment

Out of Work Benefit Claimants

4,140 - 3.7%
(November 2019)

£290,592.00
Average House Price Southend-on-Sea

£314,754.00
Average House Price in Essex

£248,939.00
Average House Price in England

182,500

Mid-Year Population Estimate
for Southend
(Nomis July 2018)

1,035

New businesses (2017/18)

1,115

Businesses closed (2017/18)

Teenage conception for under
18's rate of 24.3 per 1,000
(number 70)
(2017)

Transport

National Highways and Transport (NHT)
Public Statistics Survey (2018/19)

75%

of people found it
easy to get around
the borough

63%

of people with a
disability found it
easy to get around
the borough

72%

of people who do
not have a car
found it easy to get
around the borough

Early Years Foundation Stage Profile
Achieving a Good Level of
Development
2018/19

74.0%

Trees

Figures do not include whips

In 2016/17 we planted 322
trees and removed 310

In 2017/18 we planted 279
trees and removed 373

In 2018/19 we planted 384
trees and removed 412

56%

Agree people from different
backgrounds get on well
together*

75%

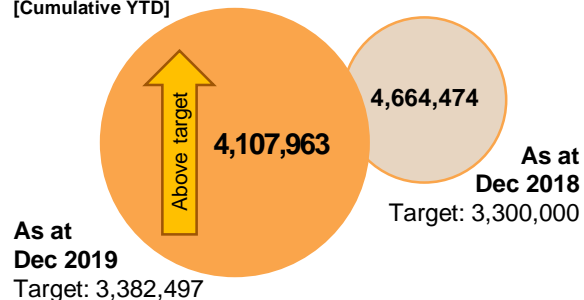
Satisfied with local area
as a place to live*

*2018 residents' perception survey, sample 1239 Southend residents



Participation and attendance at Council owned / affiliated cultural and sporting activities and events and the Pier

[Cumulative YTD]



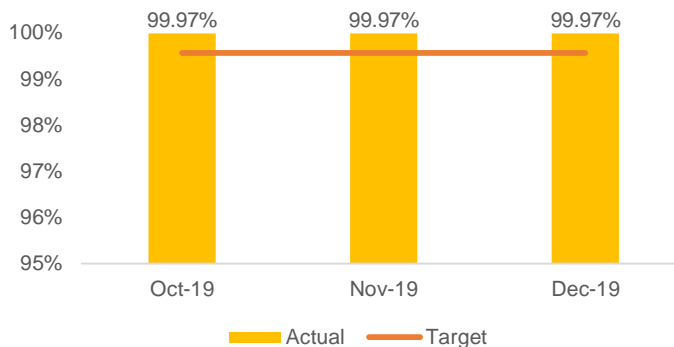
Key insights

- **512** reported missed collections represent 0.03% of 1,816,533 collections per month, showing that 99.97% of collections were carried out as scheduled. On track to meet the annual target of 99.56%

- Participation and attendance figures have been significantly affected by faulty entrance counters at the Forum, Shoeburyness Leisure Centre and Chase Sports and Fitness Centre. Counts from contractors are coming, though there are no particular circumstances to suggest footfall to any of these locations would vary from trend.

- **82** applications received for events held across the borough during Oct – Dec 2019, vs. 89 in same period in 2018.

Successful waste collections per month



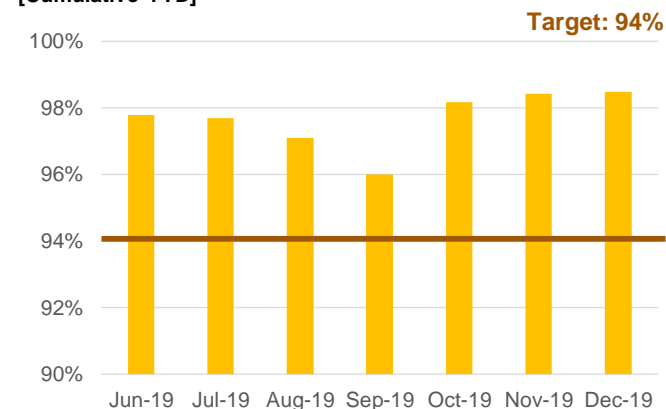
Safety Inspections of pavements and roads completed on time

100%

814 inspections completed
P3 2019/20

Acceptable standard of cleanliness: litter

[Cumulative YTD]



*2018 Residents' Perception Survey

Social Media Campaigns

50,772

plays of the promotional video used in August's Connexions mini-campaign (cross-cuts with **Opportunity & Prosperity**)

1267

page views of the new Wedding Venues website pages as a result of August's social media campaign on Twitter, Facebook and Instagram

400+

photos of our coastline submitted by the public via social media channels, as part of the #PrideAndJoy Instagram campaign



Period 3 Update

Joint working groups are now in place to consider the look, feel, purpose and use of the **town centre** in the future for visitors, residents and businesses. Some of the key areas for action are empty properties (with the aim of increasing occupation of town centre properties either by businesses or transferring the properties to domestic accommodation), the safety of the community, cleanliness of the town centre, homelessness and parking. A residents' sounding board is being formed to include business owners, landlords, councillors, council employees, students, The Bid, the support sector and residents. A presence in the town centre for some of the council's services is being explored. The council is also working with the support, cultural and creative sectors when visiting potential properties to enable events and cultural exhibitions to be included in any plans. Footfall patterns are being evaluated to promote quieter areas of the town centre as well as enable face-to-face options for residents that need support with day-to-day services.

A number of projects and investments are underway in the **town centre** to support its vitality, representing c£600m investment (including £500m Better Queensway, £20m Focal Point Gallery expansion phase 2, £50m Seaway development, £8m LGF and £16.5m pier among others).

The Sunrise Project, funded by Civitas, is a Horizon 2020 strand of European funding; **Southend Central Area Transport Scheme** (S-CATS) is a £7m project being fully funded by the Local Growth Fund through the South East Local Enterprise Partnership (SELEP); the **Cool Towns project** is funded through the Interreg 2 Seas Programme from Europe, with funding secure for the duration of the project; in 2018 a partnership, including the Council, was successful in securing £4.6m to explore how urban areas can build resilience to heat stress within their city or town; **the Southend Town Centre Redevelopment and Improvement Project** (TRIP) is funded by the Department for Transport's National Productivity Investment Fund and £1.1m has been secured from SELEP.

Through the TRIP more trees, seating, lighting, increased footway space and a standardised layouts for parking/loading and taxis will be implemented on some of the side streets, new **Green Cycle Parking** to be installed in Victoria Circus in early 2020. The **LGF Town Centre project** will build on the work of TRIP and introduce lighting and wayfinding signage, provide 0% loans so that one or more empty units can be brought into use as employment space, provide grant funding to secure improvements to shop frontages, and introduce 0% loan funding to allow shop units to be improved or changed. A trial **climbing facility** for a town centre location is being explored led by Public Health in conjunction with Town Centre Management and the BID.

Future milestones

The **Pier Pavilion** scheme is being considered by Councillors in Jan 2020.

The business case for the commissioning route of the new **waste collection and disposal service** is to be finalised by May 2020.

The **Focal Point Gallery** is seeking to use an empty retail unit on the High Street as part of its summer exhibition "To Dream Effectively." This may be accompanied by community workshops, subject to funding.

The **Sunrise Project** is due to start work early 2020 to deliver pedestrianisation, greening and outside seating in the area of London Road where it meets the High Street.



Period 3 Update

Council officers are working with the agent and fund for the **Kursaal**, who are progressing commercial leads.

Discussions are taking place between the council and its partners regarding the **Cliffs Pavilion upgrade**.

External funding has been secured for the **Estuary 2020 festival**, with artists commissioned and programme under development.

Preventative measures are in place to **ensure clean streets and address dog fouling** – a patrol on Two Tree Island to advise dog owners of responsible behaviour; dog education leaflets sent to vet establishments in borough, and available to print free from council's website and additional resources in place to cover leaf fall season.

The Shoreline Strategy (for managing the Borough's **coastal defences** into the future) has been approved by Environment Agency. The **Shoeburyness Flood and Erosion Risk Management Scheme's** outline business case is ongoing.

Plans to upgrade Southend Museums' offer and incorporate the **Thames Estuary** themes have been submitted. The "Princely Finds" display opened in the spring and the "Wild Estuary" exhibition is now open in Central Museum.

Funding is being sought for the monitoring of **air quality** (AQ) around school sites, including the purchase of mobile real-time monitoring equipment. Three remote AQ sensors are being installed across the Borough in Dec 2020 to trial equipment.

Severn Lamb won the contract to design, build and install the **new pier trains**, for which the council set aside £3.25m in the 2019/20 budget. The council is running a public consultation on the design of the trains until 28 January 2020.

Future milestones

Construction of the **new pier trains** is set to begin mid-2020, with replacement of the existing trains anticipated to take place in 2021.



Key insights:

- 100 out of 108 **Education Health Care** plans were completed within statutory timescales between 1 Apr and 31 Dec 2019.

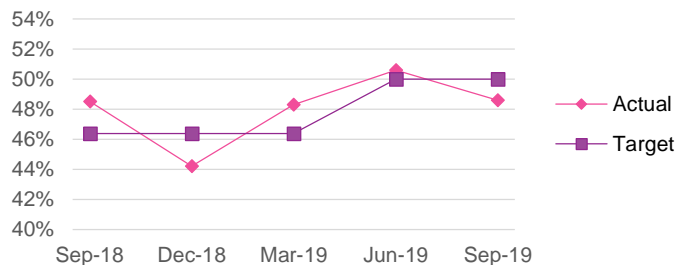
- **Adults with mental health issues living independently** has slightly declined from 69.5% to **69.3%** against a target of **74%**. A targeted piece of work is underway with Essex Partnership University NHS Foundation Trust to identify the cause of the decrease.

- 2.39/1,000 households were in **TA** as at Dec 2019, equating to **189** households. A data cleansing exercise is underway to ensure closed cases are updated on the ICT system for accurate data reporting, hence the unavailability of more detailed data for Q3 2019/20.

- Following the High Street summit in 2018, the interim **CSU** team formed, tasked with reducing antisocial behaviour (ASB) within the town centre / High Street. This has been achieved through hi-visibility patrols. With increased powers of enforcement a positive difference to ASB is being made, demonstrated through increased demand of its presence by partners.

- **Food and garden waste** sent to composting was 5% lower by tonnage and cumulative **recycling** tonnage captured through the borough's two recycling centres was 3% lower at Q2 2019/20 when compared to the same period in 2018/19. This may be attributed to the hot, dry summer of 2019 affecting growing conditions and affecting attitudes to separating food waste and recycling. A recycling action plan is being prepared in readiness for recovering the target in 2020/21.

Household waste sent for reuse, recycling and composting [Cumulative YTD]



Education Health Care plans completed within 20 weeks [Cumulative YTD]

[excluding Special Educational Needs exception cases]

Total plans issued (YTD): 108
Period: as at Dec 2019
Target: 96%

Temporary Accommodation (TA)



as at Sep 2019

98%

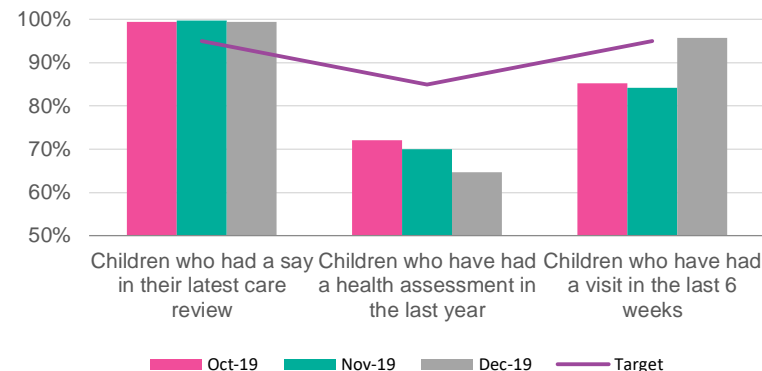
320
Sep 2019

Number of children in TA
(data for 2018 not available)

189
Dec 2019

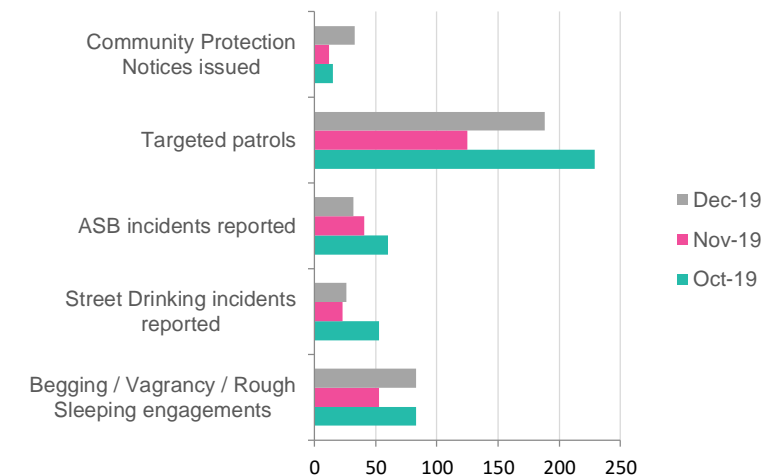
Total number of households in TA
(data for 2018 not available)

Looked After Children



Community Safety Unit (CSU) activity

This dataset does not include data from the Police or other agencies



Mental Health

81.9%
Nov 2018

69.3%
Nov 2019

Proportion of adults in contact with secondary mental health services who live independently with or without support (EPUT) (data is reported a month in arrears)

2019/20 target: 74%



Period 3 Update

The **Southend Cadet Programme** working group has been speaking with young people to test the concept and gain their views, including youth from Shoebury Youth Centre, St Luke's Community Hub and Victoria Park School. The programme is aiming to recruit 30% of its cohort from young people that might not be eligible for existing programmes and who are disadvantaged in some way.

Further research on **Selective Licensing** has been done, both around mapping privately rented properties and doing wider data analysis and consultation work. The council is working with the Centre for Homelessness Impact, the Behavioural Insights Team and John Hopkins University to trial behavioural approaches to influencing landlord behaviour.

Estuary's Hammond Court development is now complete, comprising 26 new affordable rent properties and 18 shared ownership. Current in-year **new build completions** are 50 affordable rent, nine supported and 18 shared ownership. The Acquisitions Programme has also seen the completion of 17 properties for affordable purposes so far. The next stages of both the HRA Land Review and Modern Methods of Construction projects are underway, which will create further affordable housing over the coming years.

75% of the **Rough Sleeper Navigators** funded through the Rapid Rehousing Pathway are now in post, with one having a specialism in assisting those with No Recourse to Public Funds. A bid for 2020/21 funding under both the Rough Sleeper Initiative and Rapid Rehousing was submitted at the beginning of Dec 2019, looking to continue to deliver all of the work that has been done over the last 18 months and gain further funding to bolster the support available for rough sleepers.

The Community Safety Unit (CSU) has been engaging with **rough sleepers**, signposting to services, carrying out welfare checks and collaborating with partners such as HARP, Peabody, and STARS. The CSU is involved in relevant partner meetings and groups, including the Southend Homeless Action Network, along with representatives from private organisations including faith groups, soup kitchens and other organisations. CSU officers regularly attend events to support and engage with the street community. If persistent antisocial behaviour is happening and the above methods are unsuccessful in resolving this, appropriate enforcement is undertaken. This includes Community Protections Warnings / Notices (run jointly with the Police) and soon the enforcement of Public Spaces Protection Orders.

Future milestones

The final **Rough Sleeper Navigator** will be active in Jan 2020.

Updated Teenage Conception rates will be released in March 2020.



Period 3 Update continued...

Integrated Design Teams continue to focus on developing specific **Locality** approaches aligned to the Locality strategy:

The Sheltered Housing art sessions project has been successfully implemented across three sites, in which residents visit schemes to participate weekly. Wider networks of intergenerational sessions have developed from this project, with Metal volunteers assisting to maximise sessional support and sustain the project. Two successful holiday sessions have taken place with over 15 families attending, and in Oct 2019 Keats House residents visited the families' hostels and have showcased their work publically through Art Ministry community exhibitions. There are plans to develop the project across wider localities, exploring funding options with Art Ministry.

The "Share a Smile" project, a community-based programme for intergenerational activities and sharing stories and experiences, is being developed with SSAFFA, Porters Grange School and Chase high school, to develop a regular link to older people and isolated communities, increase social, life and emotional development for young people and reduce isolation across communities. Regular implementation planned for Feb 2020.

Dementia friends training will be rolled out to Porters Grange, Belfair's High and Chase High during Feb and Mar 2020.

The Launchpad at the Airport Business Park has been agreed as the pilot site for the council's EU-funded Naturesmart project, with £180,000 of 'Creating Sustainable Cities' funding being invested to further improve the building's credentials and progress towards a "Building Research Establishment Environmental Assessment Methodology" 'outstanding' rating.

The council is also focusing on enabling and encouraging sustainable travel, given its proximity to Rochford train station, through investment in walking and cycling routes across and through the Airport Business Park. The council's Green Staff Forum has been reintroduced to provide a platform to raise ideas and issues about how the council and the Borough can tackle environmental challenges now and in the future. The forum is producing a regular e-newsletter and is tackling reducing plastic waste generated by the council itself.

Future milestones

The South East Essex (SEE) **Locality** Partnership Group is reviewing its work plan and will be rearticulating some of the outcomes, aligning its new governance structure to its work streams, evolving its Memorandum of Understanding and better engaging and representing districts.

Continued development of Locality plan to: evolve the relationship with Essex Partnership University NHS Foundation Trust to support the development of localities; identify a 'quick win' in each locality to support the implementation of the SEE Locality Strategy; review and recommission the integrated carers service and community grants funds; develop a Locality 'room' at the council to facilitate the development of SEE localities; restructure the Dementia Navigator team; and undertake high level discussions with the Primary Care Network Clinical Director to establish a closer working relationship between system and primary care.



Period 3 Update

The site of the **new social care home** has been cleared and all utilities have been diverted. The piling for the foundations have been started.

A comprehensive **community hub** model is being co-produced with the council's service transformation team and residents within the community, as well as volunteers through the hubs and other venues. Currently, the community hub helps social workers to interact and engage with people, offering an **early intervention** and **preventative approach**. In partnerships with hub teams, social workers are also sharing information and specialist advice regarding housing options, social care assessments and local support that is available.

- Social workers are supporting sheltered housing residents located across Southend; a special social worker with mental health expertise in Approved Mental Health Professional Services is located across complex needs housing, accessing support for residents needing mental health support. This promotes good intervention and also reduces the risk of hospital admission and crisis response.
- The learning disabilities social workers are currently attending the Novel Coffee shop fortnightly, helping with a benefits clinic offering specialist help and advice for adults and families. Special educational support is also available via the local offer liaison and signposting this actively promotes the local offer and aligns with the new Live Well site (<https://livewellsouthend.com>). GP liaison and social work support continues to assist with complex needs and promotes social prescribing and link workers.
- The law clinic - the first one in Essex - launched in Dec 2019, and is operating at the Victoria Plaza Hub, supported by the University of Essex and developed with the council's service transformation team. Law and social work students access and provide social care assessment and legal triage provide support and advice for legal and social matters, combining social worker and legal student knowledge and skills.

A business case / work plan is being developed with regards to **housing for Looked After Children (LAC)**, with the Housing and Children's Services teams working together to collect and analyse data on suitable housing for LAC returning to their families.

Future milestones

A "Visioning Event" is taking place in Jan 2020 with all stakeholders for the new **Social Care Home** to provide an opportunity to share ideas, develop a plan of what needs to be done to ensure success, and build the relationships needed to work well together. The task and finish group is progressing some of the technical details, for example, how to embrace the opportunities to use technology in the care environment, incorporating the requirement for adaptive fixtures, fittings and furniture.



Percentage of organisations signed up to Physical Activity-related pledges of the Public Health Responsibility Deal (PHRD)

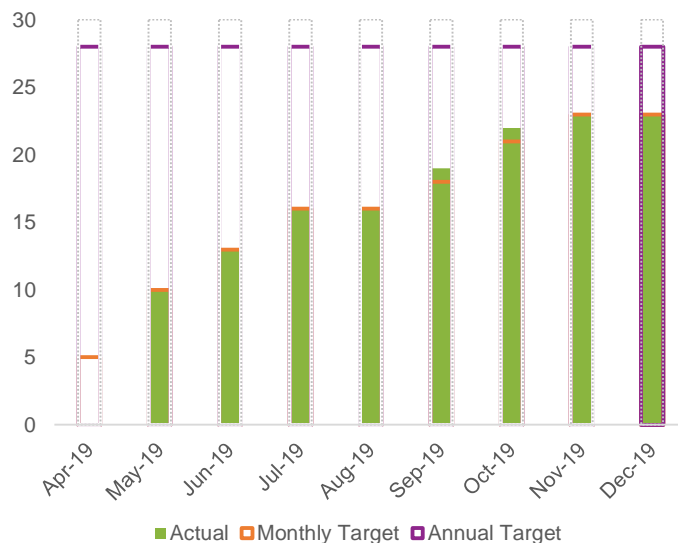
36%

P3 2019/20

no change

vs. P2 2019/20

Number of schools signed up for the Daily Mile Programme or equivalent



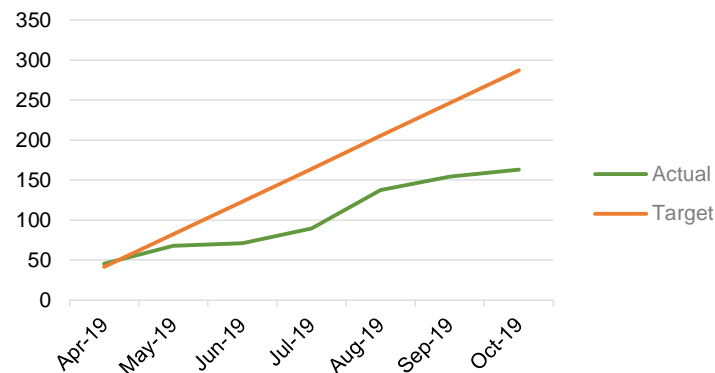
Falls Programme

~12,520 individuals aged 65+ at risk of falling annually in Southend

135

individuals attending the 36 week strength and balance programme as at Dec 2019

Number of individuals completing 12 weeks of the Exercise Referral Programme



Number of hours of volunteering within Culture, Tourism and Property (inc. Pier and Foreshore events)

[Cumulative YTD]



Dec 2019
Actual: 15,511
Target: 14,625



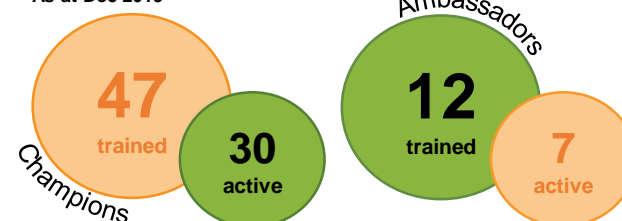
Dec 2018
Actual: 15,384
Target: 14,625

Long trend:



A Better Start Parent Champions and Ambassadors

As at Dec 2019



Key insights

- 16 organisations have signed up to the PHRD so far, with nine making a **commitment around physical activity** (equating to 36%). There is a particular focus on engaging small to medium enterprise businesses in 2019/20.
- 135 people are attending the **Strength & Balance programme** as at Dec 2019. Five have withdrawn and five falls have been reported (not the same individuals).
- An exercise is underway to build outcome-focused measures for the Falls Programme.
- There have been 382 **ParkRun** events in the area, with 10,046 runners participating overall. An average of 267 runners take part in the Southend ParkRun each week.
- 1,018 volunteering hours were given** in Dec 2019, equating to 42 days (with some areas yet to confirm their figures). This is a slight increase from the same time last year.



Period 3 Update

The new **skate park (“wheeled sports facility”)** was completed on time and in budget, received positive comments from users and has reported no adverse issues from the community.

The council has been looking at how to better use existing facilities and buildings within the borough to address community needs for **health and physical activity services**. It has contacted Schools, Job Centre Plus, bowls clubs, libraries, museums, galleries and sheltered housing to discuss how to work together. ActiveSouthend and its partners are linking in, including Everyone Health. ActiveSouthend continues to deliver a range of sport, physical activity and healthy lifestyle projects, each with sustainability built in, to help people continue to participate. A few project examples include the fit and fed programme, dementia swimming and low impact exercise classes in care homes.

Asset Based Community Development workshops continued between the council and its partners including a dedicated session for staff and partners involved in community development and engagement held at Twenty One. Feedback from participants is that they would like to take the approach back into their teams and organisations work and to continue joint learning and action through regular meetings.

Workshops, drop in sessions and individual advice to support **stakeholder mapping, networking and relationship building** commenced in Dec 2019. Staff who took part identified additional groups and partners they could reach out to and started planning the best approach to involve them.

Future Milestones

ActiveSouthend will provide low impact **physical activity** sessions in January 2020, at Adams Elms House in Leigh and Trevitt House in Southchurch. Adult weight management sessions will take place in early 2020 at Job Centre Plus, for claimants that need this intervention.

New projects, such as a **healthy lifestyle service**, will commence in Q4 and have been part-funded through an Active Essex contribution towards the council's Small Grants Programme.



Period 3 Update continued...

A number of partnerships are currently being developed, for example:

- **Southend Interfaith Working Group** – new members invited and group continues meeting to connect the faith and belief sector and the council.
- **Southend Association of Voluntary Services (SAVS)** – co-location agreement drafted and SAVS staff are included in most major council projects including the Southend 2050 project design team. SAVS staff and volunteers supported the council's Test, Learn, Collaborate event in Jan 2020.

The **Falls Programme** continues to offer Strength & Balance training, with work being done to use its data to assess how well the programme is delivering its outcomes, namely: reducing falls-related admissions to A&E, reducing falls-related fractures, residents remaining independent at home for longer, reduced admissions into care homes after falls, using community-based assets to deliver prevention services, reducing the number of new care packages and avoiding having to increase existing care packages, and caring for people's additional or associated health issues such as dementia or arthritis. The council is working in partnership with Southend and Castle Point and Rochford CCGs and Essex County council to develop the offer across south east Essex.

Future Milestones

There will be a meeting in Feb 2020 to gather stakeholder opinions and to identify new opportunities on what the borough's **Falls Programme** should offer.



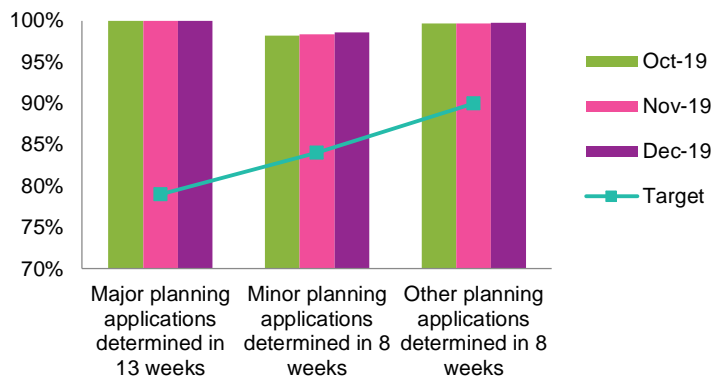
Key insights

- The most recent Key Stage Two outcomes for disadvantaged pupils in Southend reaching the expected standard in reading, writing and maths remains above the national average, placing Southend **66th out of 151** local authorities nationally.
- There have been no OFSTED inspections of Southend schools in this academic year to date.
- **10 new businesses** set up in Southend High Street during P3, however 10 premises became vacant in the same period. The next occupancy rate check will take place at the end of Mar 2020.
- From Oct - Dec 2019 we have seen **142** new businesses in the borough, of these **13** are businesses that have relocated within the borough. Of the 142 new businesses, 21 have expanded and taken on an additional property, 13 have gone into administration and are no longer trading, and 63 businesses have registered into the name of the landlord of the property.
- The number of **planning applications** registered is generally consistent with that received in the same period last year.

Planning Applications

Number of overall planning applications submitted P3 2019: 1,732

Success of appeals P3 2019: 70.6% dismissed or split against a target range of 65-85%



Delivery of the Capital Programme

[Cumulative YTD]

57%

as at
Dec 2019

-1%

vs.
Dec 2018

Percentage of 2 to 2 and a half year old reviews completed using Ages & Stages Questionnaire (ASQ-3)

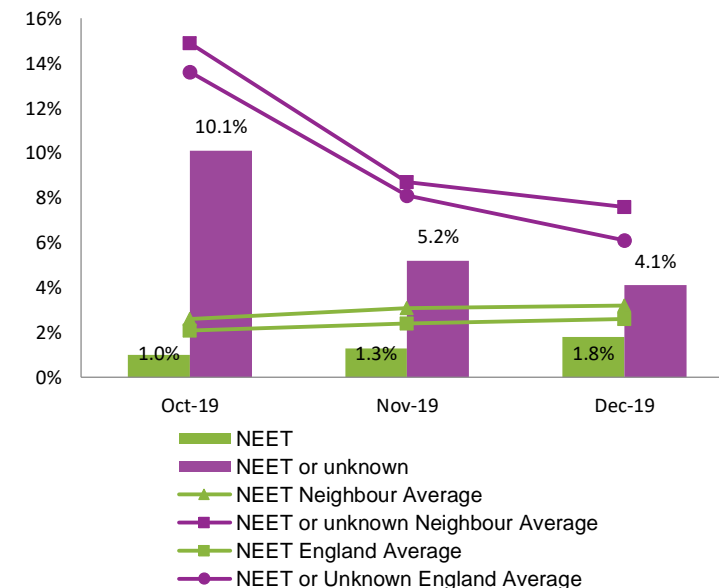
To be developed to include referral outcomes

Oct 2019	Nov 2019	Dec 2019
↑	↑	↑
95.9%	95.8%	95.5%
Target: 95%		

Young people Not in Employment, Education or Training (NEET) or whose situation is not known

Aim to minimise

Total number of young people in the borough as at Dec 2019: 3,822



High street occupancy (BID area only)

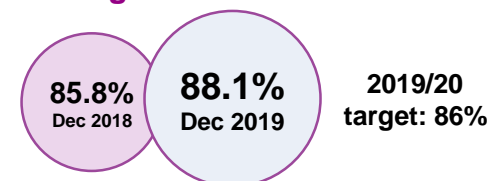
As at Dec 2019

83.3%

456 businesses listed
76 premises vacant

National benchmark: **AWAITING DATA**

Percentage of children in good or outstanding schools





Period 3 Update

A comprehensive engagement and consultation programme on **improved children's well-being** (i.e. the 0-19 pathway), including through better use of children's centres, took place in Dec 2019. This work will determine how best to meet ambitions for giving young citizens the best start in life and readiness for school. It will sit alongside other initiatives, including the work on Asset-Based Community Development, A Better Start Southend and the existing Early Years workforce and settings.

The **Better Queensway** partnership agreement was signed in April 2019. The updated business plan has been agreed by the LLP Board and is to be considered by the Council's Shareholder Board, progressing towards signing the Housing Infrastructure Fund grant agreement and LLP appointments being made. The LLP's first public consultation has concluded, with results being analysed and scheme reviewed in that context. An Employer's Agent has been appointed for phases 3 and 4 of the HRA Land Review project. The pilot of the Modern Methods of Construction project has been extended to include a further site in Southchurch. The Acquisitions Programme has seen the completion of 17 properties for affordable purposes so far, with further properties under offer. Preliminary work is underway with other providers of housing to understand leasing arrangement options.

The council has continued use birth data, information from local primary schools and communication with neighbouring Local Authorities to understand how best to supply sufficient **Good secondary school places** for Southend residents. Expansions projects have been completed at The Eastwood Academy, Shoeburyness High School and Cecil Jones Academy, with projects ongoing at St Bernard's High School, St Thomas More High School, Belfairs Academy and Chase High School, to ensure sufficient accommodation. Once completed the expansion programme will have added 1,250 places across years seven to eleven by Sep 2024, which will have provided sufficient places and a small level of surplus as required by the Department for Education that gives families and children some choice.

Each of the three **underperforming secondary schools** that are getting additional funds to help them on their journey to be Ofsted-rated Good have now submitted progress updates. Each school had previously identified areas that would enable them to progress (this included a universal focus on reading in one school, and an initiative to further engage parents with making positive choices about their school in another). The council's Education Board is also supporting schools that have an imminent inspection, or where results in one or more areas require improvement.

Future milestones

A second public consultation on **Better Queensway** is scheduled for Feb 2020, which will lead to a final scheme to be agreed by the council and Swan Housing prior to submission for planning.

Further consultation with residents planned when the architect has been appointed for phases 3 and 4 of the **HRA Land Review project**.

Results of the planning consultation on **the Focal Point Gallery expansion** are due in Q4.

The Children and Learning Working Party have engaged with the longer term options for sufficiency of **secondary school places** in 2020-2030. The next active phase of the campaign to support Southend parents and their children to attend one of our four outstanding Grammar Schools, where they choose, will begin in the spring of 2020.

The next active phase of the campaign to support Southend children and parents to attend a **Grammar School** of their choice will begin in the spring of 2020.

Marketing of the **Airport Business Park** site as a whole will be reviewed at the next Partnership Board to reflect progress and activity on site.



Period 3 Update continued...

A support project has been started to address the needs and aspirations of **disadvantaged learners** within the borough. The project aims to ensure that a programme of school-to-school support is implemented, providing high quality training, professional development and teacher networking opportunities. Southend Adult Community College (SACC) has grown the provision of skills for adults and has seen a significant increase in the achievement rates, and has realigned its provision to the 2050 ambitions and to target: those that have benefited least from the education system previously, those from the most deprived areas and those from vulnerable and underrepresented groups. Students report that learning with the college has increased their confidence, self-esteem and aspirations for the future, and achievement has increased above national average in the majority of areas. Apprenticeship provision is set to grow with SACC providing apprenticeships in five core areas working with “levy paying” employers.

The council’s aim to become a **living wage** employer (LWE) was considered at Cabinet in Sep 2019, with recognition that the council is already a LWE in respect of directly employed staff. Work is now underway to explore the benefits and financial implications of becoming an accredited LWE.

Ipeco Holdings Ltd. will be the first tenant on the **Airport Business Park**, with construction of the unit well underway.

The **Local Plan** continues to develop, with the Issues and Options Consultation Report and feedback on the Southend New Local Plan (SNLP) now complete. Once adopted, the SNLP will promote and guide development in the Borough to 2038. To facilitate effective collaborative cross-boundary planning the council and adjoining Rochford District Council have agreed to prepare the next stages of their Local Plans in partnership. Various evidence-based studies are being progressed including: alignment of land availability assessment and sustainability assessment, settlement role and hierarchy study, transport-related evidence, Green Belt and Landscape Assessment and a Spatial Options Study.

Future milestones

Southend Adult Community College will be working with “non-levy employers” to provide **apprenticeships** when the opportunity opens again between Jan and Mar 2020.

The next consultation stage of the **Local Plan** is scheduled for Q3 of 2020.

An **Inward Investment** Brochure is being prepared to promote Southend to both national and international investors. It is intended to appeal to businesses looking to relocate to Southend with a particular focus on highlighting the exciting investment opportunities the town has at, for example, Southend Airport Business Park. The brochure will focus on location and connectivity, a skilled local workforce and regional growth opportunities, and is planned to be circulated at external events such as property and real estate marketing exhibitions. The ultimate outcome will be to increase opportunity and prosperity by attracting new businesses to Southend and the region, thus strengthening the economy and creating job opportunities for local residents. Given the rapid progress the council is making on its key projects the brochure is likely to be produced annually, with the first edition due to be published in March 2020.

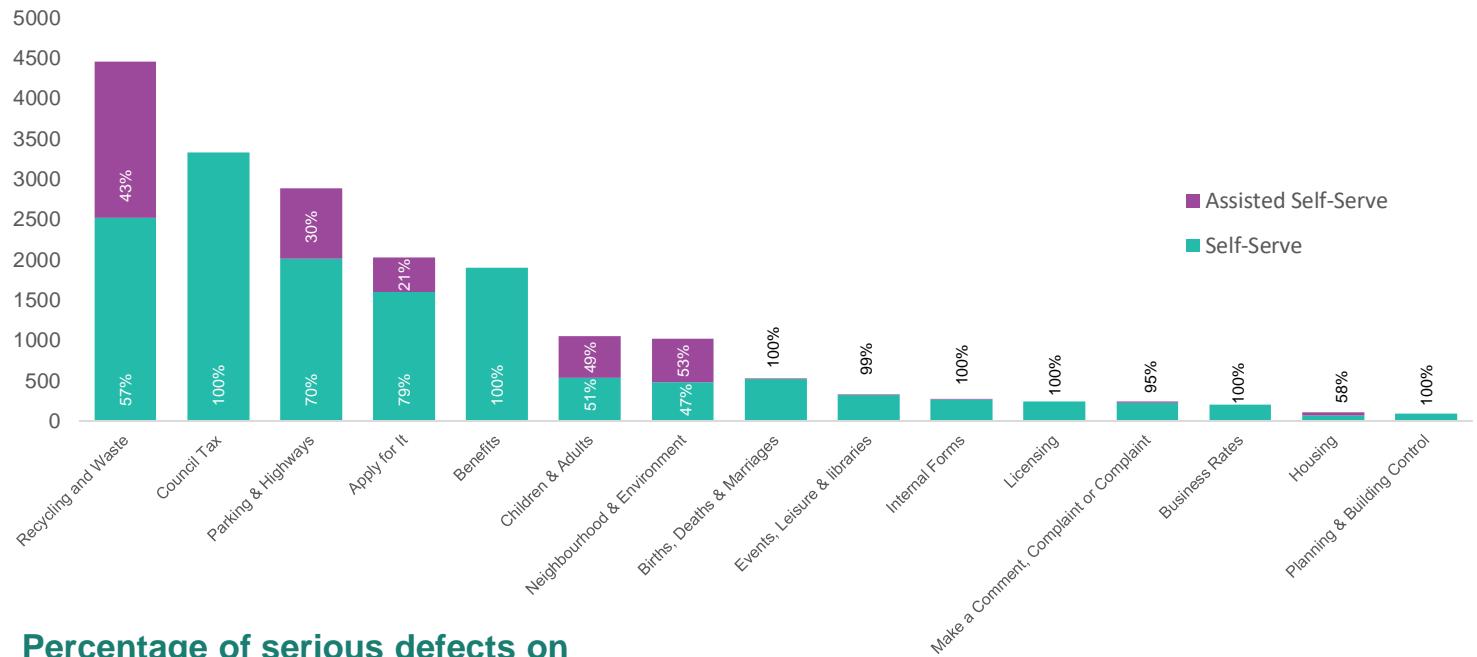


Key insights:

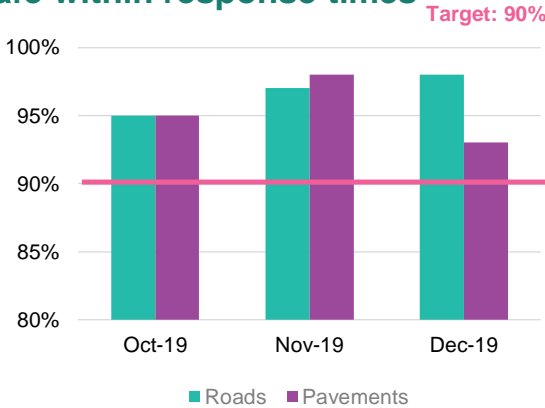
- There's been an increase in the total number of registrations for free Wi-Fi: from 91,815 to **114,129** as at Dec 2019.
- The High Street remains the most popular browsing location for access to free Wi-Fi, followed by Eastern Esplanade, Hamlet Court Road and Leigh Broadway.
- The largest proportion of users are between the ages of **15-24**, with over **15,000** users.
- Most users who register for access to free Wi-Fi are visiting Southend for the day.

Service Requests submitted via MySouthend

P3 2019



Percentage of serious defects on the roads and pavements made safe within response times





Period 3 Update

The **Highways Improvement Programme** for 2019/20 has been published and the 2020/21–2023/24 programme has been drafted.

Preliminary works for the **A127 and Bell junction improvement works** are underway, with diversionary gas and power cabling works being undertaken until early April 2020.

The rollout of Fibre to the home **CityFibre / Vodafone project** has now commenced, and are awaiting updates from CityFibre.

Work has started on a **smarter parking** project. This is being done through a Department of Transport initiative. Phase 1 will give an overall view of the town's current parking availability. The aim is to eventually be able to use parking data in a smart way.

Future milestones

The first elements of SmartSouthend will go live in January 2020, providing a single point of access for data, intelligence and analysis about Southend, along with the first version of the digitalised Joint Strategic Needs Assessment. Stakeholder engagement events are being planned into the next year and engagement across multiple stakeholder groups has already begun.

The delivery date for the CityFibre project is March 2021.

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