

**Appendix 1**

<b>Meeting:</b> Porters Place Southend LLP Board (Better Queensway)	<b>Agenda item:</b>  <p style="text-align: right;"><b>tbc</b></p>	
<b>Date:</b> 27 <sup>th</sup> May 2020	<b>Job title:</b> Project Director – Better Queensway	
<b>Author:</b> Graham Kauders	<b>TITLE OF REPORT:</b> Final Proposals Report	
<b>ACTION:</b> DECISION		Private & Confidential

**1.0 Executive Summary**

- 1.1 The purpose of the Final Proposals is for each member of Porters Place Southend-on-Sea LLP to have the opportunity to assess the scheme being developed by the LLP for consistency with the Minimum Requirements as set out in the original procurement process, the scheme Objectives and the Initial Business Plan for the project.
- 1.2 Where there are changes to the scheme contained within the “Final Proposals”, the LLP will set out how they differ from the Initial Business Plan and what the implications (where applicable) are for the wider project in particular in the context of the Objectives where relevant.
- 1.3 Each member will approve “material” changes where relevant although “non-material” changes are delegated to officers for approval.
- 1.4 Where changes have been made between the formulation and approval of the Initial Business Plan in 2019, and the scheme set out here, those changes are noted for clarity along with implications where relevant. A detailed explanation for each material change is set out in the report.
- 1.5 Changes contained within the “Final Proposals”, where approved, will be considered an update to the Initial Business Plan and will supersede those areas within the Initial Business Plan on approval.

**1.6 Scheme Summary**

- 1.7 The scheme proposes the following key features:
  - 1669 Homes within the illustrative masterplan

- 512 Affordable Homes (31% affordable)
- A range of building heights and types ranging from 3 to 18 storeys of residential accommodation to cater to a wide range of residents
- 3 new key public spaces with additional green spaces distributed throughout the masterplan, including a new plaza by Victoria Station and All Saints Church with new park and green spaces throughout the scheme.
- The Queensway re-laid and brought up to grade along a tree lined highway retaining 4 lanes of traffic
- A new gateway experience for visitors to Southend-on-Sea
- New high-quality homes for returning residents
- The retention of E-W, N-S connectivity through Southend by the provision of an at-grade roundabout connecting Southchurch Road and the Queensway
- New dedicated off-street cycle lanes and pedestrian walkways on each side of the Queensway
- Every new dwelling to have at least one area of private outside space in the form of either a garden, a terrace or a balcony depending on location
- Parking for new residents of the new dwellings at 0.7 spaces per dwelling across the masterplan (an increase from the current 0.25 spaces per dwelling on Queensway)
- A complementary commercial offer for the scheme with a mix of flexible retail, commercial and cultural space to complement the Town Centre and support the future residents of the new scheme and anchor the new public spaces
- Environmentally friendly and sustainable solutions for surface water drainage and energy usage across the scheme, including provision of sustainable urban drainage systems within the new Queensway and the provision of electric vehicle charging points within the project

- 1.8 The scheme remains viable and meets the target financial returns within the Initial Business Plan.
- 1.9 The scheme can continue to deliver, subject to the planning approval and progression of the scheme in line with the programme set out below, the HIF funded infrastructure within the 2023 cut-off date under the funding agreement between Homes England and Southend Borough Council.
- 1.10 The proposed scheme meets the Minimum Requirements, accords with the Objectives to the same extent that the Initial Business Plan envisaged and continues to support the implementation of the broader objectives of the Better Queensway Project in pursuit of delivering the successful regeneration of the Queensway Estate.
- 1.11 Where changes have been made, as set out below, the implications have been recorded along with the rationale for those. It is anticipated that through the formal planning process and engagement with the LPA during the formal consultation and determination period that some further changes to the scheme may be required.
- 1.12 Where those changes are “non-material” and to the extent that they do not affect or impact on the achievement of the Minimum Requirements, Objectives and Business Plan as described here those may be determined by officer delegation to enable the project to proceed and programme progress to be maintained.

- 1.13 In the event that changes are considered “material” then those would need to return to the member for a further approval prior to Porters Place Southend-on-Sea LLP being able to progress to delivery of the proposed project.
- 1.14 Should there be any further changes between the approval of “final proposals” between now and the submission of the planning application, then the Project Director will set those changes out to the LLP Board and in consultation with shareholder representatives from the Council and Swan a decision will be made as to whether they are considered “material” or “non-material”.
- 1.15 A set of documents is provided in the appendix, these documents represent the “final proposals” as defined in the Initial Business Plan but remain subject to change as set out above.

## **2.0 Background**

- 2.1 Southend on Sea Borough Council (SBC) selected Swan BQ as partner, along with supporting arrangements with Swan Housing Association (a co-signatory to the Partnership Agreement) (Swan) in February 2019 through an OJEU compliant competitive dialogue process to be its funding, development and operational partner for the regeneration of the Queensway Area of Southend-on-Sea. The contracts were signed, and the LLP established in April 2019.
- 2.2 The Better Queensway (BQ) project will regenerate a c. 6Ha site in the Queensway area of Southend-on-Sea, adjacent to Southend Victoria railway station. The site currently includes four 1960s council tower blocks, maisonettes on Sutton Road and properties along Southchurch Road as defined by the red line plan within the appendix and is dissected by the Queensway dual carriage way, which runs in an underpass across the site, resulting in poor pedestrian connectivity across the site and into the town centre and a poor quality, road-dominated environment for residents.
- 2.3 The development is to be undertaken in phases to create c1,650 new homes, a realigned Queensway Road and highway improvements, improved public realm (including a park) and complementary commercial uses.
- 2.4 An Initial Business Plan was approved by the LLP board and by the members in 2019.
- 2.5 The Initial Business Plan sets out the Business Plan principles (including budget) to enable planning submission and obtaining planning consent.

## **3.0 Minimum Requirements**

- 3.1 Through the Partnership Agreement, Minimum Requirements have been defined for the LLP These are for the LLP to deliver:
  - An increase on the 441 Affordable Housing Units on the Site as at the Effective Date
  - The demolition of the four tower blocks on the Site as at the Effective Date
  - Delivery of the Required Highways Works (as defined in the Land Agreement entered by the Council and the LLP on 24th April 2019) including the 4-lane highway
  - Objective 6 in the Council’s Objectives (defined in Appendix 2).

3.2 The Effective Date was 24 April 2019, which was when the LLP Agreement was signed.

#### **4.0 Objectives**

4.1 As part of the procurement process, SBC set out a set of Scheme and Approach Objectives and these are included in the legal agreements that underpin the LLP.

4.2 The objectives are provided as a separate document with a “RAG” rating setting out how the “Final Proposals” address them for reference only.

#### **5.0 Porters Place Southend LLP Structure and governance**

5.1 Porters Place Southend Limited Liability Partnership (LLP) is a joint venture between Swan BQ (Swan) (50%) and SBC (50%).

5.2 The LLP is based on equal representation and participation for both parties. The LLP will be governed internally by the LLP Board, with a Project Board managing the day to day delivery of the development. The Project Board is the “Project Control Group” which meets monthly and is chaired by the Project Director. The workstream leads attend the “Project Control Group”.

The members of the Board are:

##### **Swan**

Geoff Pearce (Chair)  
James King  
Andy Gatrell

##### **Southend Borough Council**

Andrew Lewis  
Alan Richards  
Lee White

#### **6.0 Initial Funding**

6.1 Description

6.1.1 Both member organisations will have a combination of equity and junior loan funds available to fund the activities of the Initial Business Plan.

6.1.2 All costs will be funded 50/50 by the LLP Members.

6.2 Commentary

6.2.1 The budget for this Business Plan period remains as per the Initial Business Plan, until such time as a new Business Plan is approved.

6.2.2 A new Business Plan will be prepared and submitted for approval to the LLP Board in Autumn 2020 to align with the updated programme and associated spend requirements to progress the scheme to construction.

#### **7.0 Appointments**

## 7.1 Description

7.1.1 Swan and its subsidiaries are appointed through Service Agreements to carry out the following activities for the LLP:

- Project Management
- Residential sales and Marketing
- Construction Management
- Estate Management
- Accounting and company secretariat
- Communication and community engagement

## 7.2 Commentary

7.2.1 Consultants and other professional services have been and will be appointed as required to deliver the planning application and progress the scheme generally in line with the Initial Business Plan.

7.2.2 The Project Director has delegated authority to appoint the consultant team as required within the budget approved in the Initial Business Plan. Spend is reviewed by the LLP Board at the quarterly board meeting.

## 8.0 Design and Planning

### 8.1 Description

8.1.1 As set out in the Objectives of the LLP (section 1.3), the regeneration of the Better Queensway site is an opportunity to transform this important town centre, gateway site and improve the quality of life of residents of the estate. In the Initial Business Plan period, the LLP sought to obtain an outline planning consent for the Better Queensway Masterplan (red line) alongside a detailed planning application for phase 1a, (Hybrid planning application).

8.1.2 The business plan set out that an application will seek planning consent for a project which intends to:

- Deliver a mixed-use, residential led scheme
- Demolish the existing estate and deliver c1,650 new homes across several building types and range of building heights
- Deliver a number of commercial uses
- Remodel the Queensway road to a 4-lane road, by the infilling of the existing underpass, to increase permeability and simplify the existing roundabout; and
- Improve the public realm, including a new park.

### 8.2 Commentary

8.2.1 The scheme that has been prepared for submission for planning delivers all of these.

- 1669 Homes within the illustrative masterplan

- 512 Affordable Homes (31% affordable)
- A range of building heights and types ranging from 3 to 18 storeys of residential accommodation to cater to a wide range of residents
- 3 new key public spaces with additional green spaces distributed throughout the masterplan, including a new plaza by Victoria Station and All Saints Church with new park and green spaces throughout the scheme.
- The Queensway re-laid and brought up to grade along a tree lined highway retaining 4 lanes of traffic
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- New high-quality homes for returning residents
- The retention of E-W, N-S connectivity through Southend by the provision of an at-grade roundabout connecting Southchurch Road and the Queensway
- New dedicated off-street cycle lanes and pedestrian walkways on each side of the Queensway
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- Parking for new residents of the new dwellings at 0.7 spaces per dwelling across the masterplan (an increase from the current 0.25 spaces per dwelling on Queensway)
- A complementary commercial offer for the scheme with a mix of flexible retail, commercial and cultural space to complement the Town Centre and support the future residents of the new scheme and anchor the new public spaces
- Environmentally friendly and sustainable solutions for surface water drainage and energy usage across the scheme, including provision of sustainable urban drainage systems within the new Queensway and the provision of electric vehicle charging points within the project

8.2.2 Further details regarding design alterations to the scheme between business plan approval and Final Proposals are set out in comprehensive detail below

8.2.3 Further details regarding the planning strategy are set out below

## 9.0 Phasing

### 9.1 Description

9.1.1 The LLP will seek to ensure that the construction programme is as short as reasonably practicable, will not exceed peak funding capabilities and will provide a regular income from exchanges and completions.

### 9.2 Commentary

9.2.1 The programme continues to envisage 8 phases with a balance of tenures to accommodate decants and to deliver a viable scheme (as defined by the Land Agreement).

9.2.2 The programme and phasing has been revisited by the design and project team since more detailed information is now available as work has progressed.

9.2.3 A full constraints plan was prepared by the consultant team which set out key constraints for the site including utilities corridors, road alignment and construction and logistics considerations.

- 9.2.4 Further advice has been sought from “Early Contractor Involvement” by engaging with Highways and demolition specialists.
- 9.2.5 As a result, several changes to the original bid stage masterplan were implemented to address these issues.
- 9.2.6 In summary these changes to plots within Phase 1 A are as follows:
- Plot E was reduced and moved West to avoid clashing with a main sewer under the existing Queensway. It was not possible to agree to a build over with Anglian Water for this sewer, and a diversion would be unviable due to the size and depth of the current alignment.
  - Plot G was introduced in order to compensate for the loss of developable area in Plot E and to better anchor the scheme and to de-link the sequence of delivery of sub phase plots with the Queensway construction programme as far as possible to reduce construction risk and provide for decanting requirements.
  - Plots C and D north (Phase 1 A) were moved off the existing Essex Street boundary to sit fully within the current land ownership. This is because it would not be possible to obtain a stopping up order for Essex Street in line with the phasing requirements since access is still required to the rear of the existing properties on Southchurch Road in the meantime.
  - These changes enable Plot D north and Plot G to be delivered with the fewest delivery constraints, which unlocks a deliverable decant option for the existing residents in Quantock House and therefore allows the overall project sequence to proceed.
  - The sub-phasing setting out and sequencing has further been informed by more detailed demolition advice and safe working distances around the existing Quantock tower which will determine sub-phase sequencing. Plot C will need to be delivered in parallel with the demolition of Quantock House and can therefore only commence once decanting of Quantock House is completed into Plots D and G.
- 9.2.7 The wider sub phasing has been amended to better reflect the construction site boundaries associated with the delivery of the plots and the need for demolition zones around the existing tower blocks.
- 9.2.8 An updated phasing boundary plan is provided in the appendix although the alterations are non-material.
- 9.2.9 The sequence of phasing has been amended to take on board construction and demolition advice and this is now taking the following sequence:
- Phase 1 A
  - Phase 1 B
  - Phase 3 A
  - Phase 3 B
  - Phase 2 A
  - Phase 2 B

- Phase 2 C
- Phase 4

9.2.10 The change is that Phase 3 is to be completed in whole before Phase 2 is begun.

9.2.11 The rationale is as follows:

- It will be challenging to demolish the individual tower blocks (Chiltern, Pennine and Malvern) separately in Phase 2. Further structural surveys will be required to determine the extent to which this is possible.
- It is likely that Pennine and Malvern will need to be demolished together, and so the phase order has been amended to reflect this.
- This will be kept under review as further surveys and structural analysis is completed to inform the project in due course.
- It is not viable to split the Phase 3 plot through the centre as previously envisaged due to the central podium car park and podium garden proposed there
- Since the whole central podium area for both Phase 3 A and Phase 3 B has to be delivered in parallel with Phase 3 A, it is more efficient to complete the Phase 3B blocks to wrap the Eastern side of the podium in sequence rather than stop work on that site and return at a later date.

9.2.12 Taking the above into consideration, the amended sequence and timings consider the requirements of the Initial Business Plan.

## **10.0 Highways**

### 10.1 Description

10.1.1 The LLP will deliver a new Queensway Road, which will be subject to further highways modelling, and will address severance the current Queensway causes.

10.1.2 The LLP aspires to ensure the sequencing of the highway works are designed so they will be delivered as soon as is reasonably practicable alongside the residential construction and to ensure minimal disruption to local residents and ensure traffic is enabled to flow throughout the development period.

### 10.2 Commentary

10.2.1 The road layout is as per the original bid and as per the initial business plan. The highway will be raised to grade, and 4 lanes of traffic maintained in the proposed layout, along with off-street cycle lanes and at grade pedestrian crossings.

10.2.2 Additional tree planting will be introduced along the extent of the Queensway within the red line boundary to provide a tree-lined landscape through the site.

- 10.2.3 The existing slip roads to the grade separate roundabout will be closed and removed and a new at grade roundabout built to maintain E-W and N-S connectivity through the town between Southchurch Road and the Queensway.
- 10.2.4 Detailed traffic modelling work is being undertaken in co-ordination with the highways authority, and the local planning authority, and will be submitted in support of the planning application.
- 10.2.5 In December 2019, the LLP was asked to revisit the original bid scheme by the Council to review the alternative options prior to progressing to public consultation. A piece of work was undertaken by the design team to revisit the previous options in the context of the scheme to test whether any alternative option would be viable.
- 10.2.6 This work confirmed that only the bid scheme was viable to progress with. Other options were too costly, would not deliver a quality environment and support the place-making objective, or could not be delivered without extensive closures to the Queensway altogether.
- 10.2.7 Early modelling work was requested by the council to confirm that the principle of what was being proposed would work with the highway network. The modelling confirmed that in principle, subject to the detailed design, it could work, and so a decision was made to progress to public consultation in February 2020. As a result of this the planning programme was extended by 3 months to account for this additional review.
- 10.2.8 Resident feedback at all consultation events to proposals to shut the pedestrian underpass was well received. Pedestrians are observed risking their lives crossing the current highway in order to avoid the use of the underpass as it is unsafe.
- 10.2.9 The HIF funding secured by Southend Borough Council will require the LLP to be able to demonstrate that the highways works can be delivered by 2023. In order to achieve this, works will need to start on site by Spring 2021.
- 10.2.10 Subject to receipt of the planning consent for the hybrid application in December 2020, this is achievable.
- 10.2.11 Taking the above into consideration, the proposed highways scheme accords with both the bid scheme and the scheme contained within the Initial Business Plan.

## **11.0 Housing**

### **11.1 Description**

- 11.1.1 The LLP will provide a mix of housing tenures including private sale and with an increase on the 441 affordable units on the site.
- 11.1.2 This accommodation schedule was developed by balancing:
- The Minimum Requirements as set out by the procurement process
  - The Council's scheme objectives and aspirations

- Deliverability of the scheme in terms of the highway requirements and site constraints (including the need to decant residents)
- Viability of the development, market advice and cost advice
- Planning policy on tenure, mix, height, uses, highways, public realm and the details from the pre-application meeting Swan attended; and
- Reviewing the information through pre-application meetings with Southend on Sea Borough Council

11.1.3 An aspiration of the LLP is to optimise affordable housing delivered on site. Exact numbers of affordable housing will be subject to design development (as due diligence is carried out) and viability, however the Minimum Requirements will be met.

## 11.2 Commentary

11.2.1 The current scheme continues to allow for 512 affordable homes in line with the bid and Initial Business Plan. This is broken down into 300 social rented homes, 200 shared ownership homes and 12 shared equity homes with no changes.

11.2.2 Discussions with the LPA regarding the exact number of affordable homes that will fall into the S106 allocation are ongoing.

11.2.3 The scheme assumes that 300 social rent homes will be secured via the S106 obligations in the planning consent, and the remainder will be provided by the LLP business plan by working with Swan Housing in line with the contract and bid.

11.2.4 In addition, a separate MOU is being prepared that sets out a process by which at least 100 additional social rent homes will be provided throughout the delivery of the project by the conversion of 100 homes previously allocated for market sale.

11.2.5 This will happen outside of the planning process and will be governed by a side agreement between the LLP, Southend Borough Council and Swan.

## 12.0 Programme

### 12.1 Description

12.1.1 The phasing is covered in 9.0 and programme is covered within this section. The original programme has been reviewed in line with comments and feedback noted in section 9.0.

### 12.2 Commentary

12.2.1 The updated phasing plan and updated illustrative phase capacity is set out below and updated to reflect the illustrative masterplan and drawings are provided in the appendix.

12.2.2 It provides an indication of the anticipated outputs over the development period of the project based on current proposals.

12.2.3 Whilst some phases have been switched in sequence accounting for changes, the amount of properties contained within certain phases has significantly changed as a result of the

sequence changes identified in section 9.0. This has affected relative durations. In addition, the timescales to demolish the towers are longer than originally anticipated as a result of detailed feedback from Early Contractor Involvement.

12.2.4 The overall (total) scheme programme has moved out by 3 months.

Phase	Indicative Number of Homes	Proposed Commercial Uses	Public Realm works	Estimated start on site	Estimated completion
Highways Works and Enabling Infrastructure				Apr 2021 (+4)	Apr 2023
1a	299 (+32)	Artist Complex, Retail Active & Fitness, Central Concierge & Cafe	Porters Park South (partial delivery)	Aug 2021 (+4)	Aug 2023 (Blocks D, G and E) (+12) Jan 2026 (Block C) (+40)
1b	203 (+64)	Convenience Retail	Porters Park South (completion)	Sep 23 (+9)	Nov 26 (+26)
3a	316 (+113)	Make Create, Workspace, Restaurant/Café	Station Plaza	Jan 25 (+18)	Jan 28 (+28)
3b	117 (-152)			Sep 25 (-36)	Sep 27 (-36)
2a	135 (-25)	Pre School	All Saints Square	Aug 28 (+50)	Aug 31 (+66)
2b	197 (+45)			Aug 28 (+38)	Jan 32 (+54)
2c	153 (-19)	Nursery / childcare	Porters Park North	Aug 28 (+27)	Oct 31 (+41)
4	249 (+34)	Standard Shops (Retail)		Feb 30 (+3)	Jan 33 (+3)

### 13.0 Planning Approach and Programme to Planning Submission

#### 13.1 Description

13.1.1 The initial business plan set out a timescale and an approach to planning. This included submitting a hybrid application with the road and Phase 1A housing blocks in detail.

#### 13.2 Commentary

- 13.2.1 The LLP has met regularly with the Local Planning Authority, Statutory Highways Authority and Lead Local Flood Authority at SBC in developing the scheme. The scheme that is put forward reflects where possible comments that have been made in that process. This is in order to arrive at a scheme that is acceptable to SBC’s planning team and seek to secure an implementable planning permission, through recommendation for approval to the Development Control Committee.
- 13.2.2 The LPA provided feedback to the LLP that there was risk to the LLP programme to be able to determine the original full extent of the hybrid application within the programmed 6-month determination period. In addition, the results of the housing needs survey and the need to make changes to the plots for Phase 1 A through the masterplan work identified above determined that the Phase 1 A detailed design workstream had to be paused for 3 months to avoid the risk of abortive work.
- 13.2.3 The masterplan and detailed highways design was able to progress as planned during this time, along with key stakeholder engagement and multiple public consultation events for residents and businesses in Southend.
- 13.2.4 Our consultant team advised the LLP to alter the planning strategy to make a hybrid application covering the highway proposals in detail and the residential development in outline, with the retention and provision of a fully detailed design code as originally envisaged along with parameter plans. The Phase 1 A housing has continued to be developed as originally planned and will be submitted as a reserved matters application.
- 13.2.5 The LLP board endorsed the revised approach having considered carefully the programme, risk and cost implications associated with this.
- 13.2.6 The planning programme has therefore been updated and is based upon the following key milestones:

<b>Milestone</b>	<b>Workstream</b>	<b>Target date</b>
EIA Scoping Request	Design and planning	May 2020 (submitted)
Pre-application	Design and planning	September 2019 (ongoing)
Initial Public Consultation	Communications and social and economic regeneration	September 2019
Design Review	Design and planning	October 2019 – March 2020
Public Consultation Update	Communications and social and economic regeneration	February 2020
Hybrid submitted	Design and Planning	June 2020 (subject to approval of Final Proposals)
Phase 1 A Resident Engagement	Communications and social and economic regeneration	June – September 2020
RMA Phase 1 A submitted	Design and Planning	September 2020
Hybrid Determined	Design and Planning	December 2020
Sign Section 106 Agreement	Design and planning	December 2020
Discharge Pre-Commencement	Design and planning	March 2021

Conditions for Highways	Construction	
Phase 1 A Determined	Design and planning	March 2021
Highways start on site	Design and planning Construction	April 2021
HIF Milestone Spend Date		April 2023

13.2.7 In summary the hybrid application will be submitted and will be followed by a reserved matters application for the detail of the housing in Phase 1 A. This will be in accordance with the design code submitted with the hybrid application. There will be a minimum of 267 homes in Phase 1 A in line with the Initial Business Plan, and the indicative number of homes is currently 299 for Phase 1 A.

- The outline masterplan for future phases will be supported by a detailed design code. The benefit of this approach is that it allows each phase of development to fit into and inform the latter phases that will be controlled by development parameters and supported by a Design Code. As Phase 1 A is being developed in parallel with the Design Code and by the same team, the proposed Phase 1 A development will clearly reflect the principles of the Design Code.
- Consultation will continue throughout the development period to inform future phases; and
- All subsequent planning reserved matters applications will be supported by a Design Statement and Planning Statement to demonstrate compliance with the principles of the approved design code and established parameters approved at outline stage.
- The outline parameters will be the ones tested for the EIA and the EIA will test and consider the worst-case scenario applicable under the outline parameters. Each Reserved Matters Application will therefore sit within the constraints identified by those parameters.

## 14.0 Communications and Consultation

### 14.1 Description

14.1.1 A communications and stakeholder engagement strategy has been developed by joint working between the Southend Borough Council communications team, the Swan communications team and external consultants appointed by the LLP (GL Hearn).

### 14.2 Commentary

14.2.1 A very intensive public engagement process was carried out around the masterplan and highways proposals in February 2020. This saw a number of resident and stakeholder events with good attendance from a range of people. The LLP received generally positive feedback from local residents who are keen to see progress made and for the regeneration project to get on site and start delivering the new homes.

- 14.2.2 The LLP also held a dedicated business stakeholder engagement session in The Forum with two slots and invited businesses from across the town and other major employers and representatives to hear about the plans and how they would complement the offer of Southend Town Centre and the seafront. The events were well attended, and useful feedback was received. Generally positive feedback was given. Unusually, out of 400 recorded individual attendees across a range of events, only one piece of written negative feedback was recorded by the project team.
- 14.2.3 Press engagement also took place with BBC radio, the echo and other local news channels. The BBC were due to film a piece on the regen proposals in March 2020 but due to the coronavirus pandemic this has been postponed until a new date when filming can take place. There is a considerable amount of positive interest in the proposals.
- 14.2.4 A resident steering group has been formed to help residents of the estate engage with the project and provide input into the emerging designs. Residents from the Queensway Estate were invited to join this group.
- 14.2.5 A series of resident steering group workshops is planned over summer 2020 with the design team for Phase 1 A and the park area to help input into the designs. These workshops will be around key design themes such as entrances and lobbies, public space and amenity space and flat layouts and design. The workshops may initially be held virtually depending on the situation, but we have been piloting the use of technology to demonstrate proposals online and have surveyed members of the group individually for their capability and we will be able to progress either way.
- 14.2.6 Further press releases focusing on key positive aspects of the proposals are planned over Summer 2020 and further engagement with stakeholders will continue throughout the project.

## **15.0 Key changes to the scheme contained within “Final Proposals”**

- 15.1 Each change identified on the change log within the appendix is set out below and further details explaining the rationale for the change are provided below:

### **15.2 Building Massing**

- 15.2.1 Description:

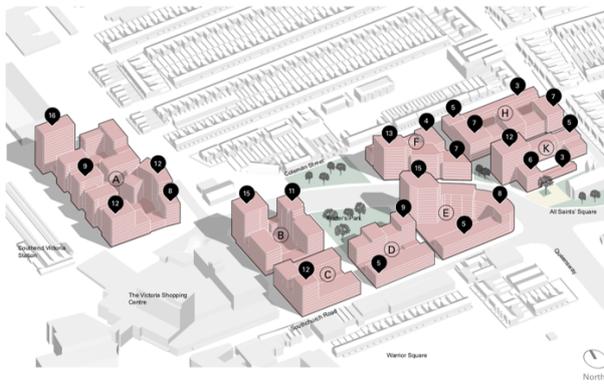
- 15.2.2 Revision of building massing along the Queensway and Sutton Road in response to SBC comments post-bid.

- 15.2.3 Commentary:

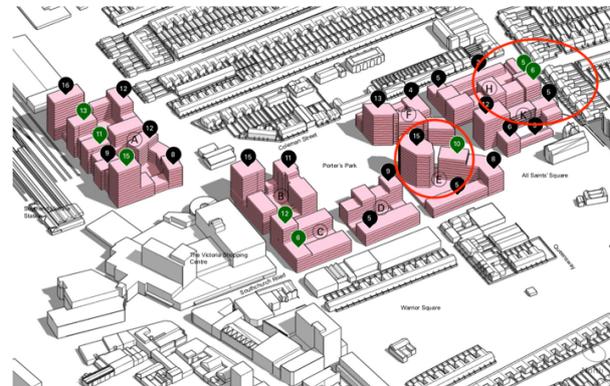
- 15.2.4 At the commencement of Work Stage 2, the Design Team received comments from Southend Council on the ISFS Bid Stage proposals. Amongst these massing specifically to buildings facing Sutton Road and along the length of the Queensway. These are illustrated in the below.



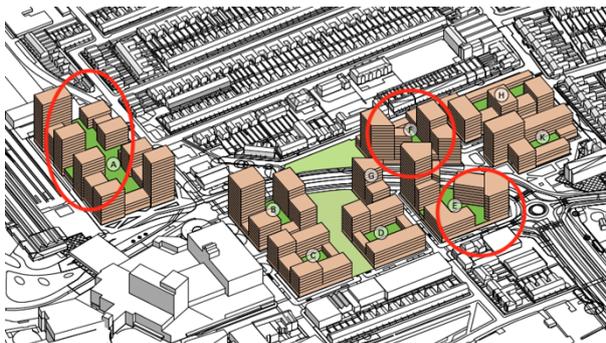
Extract of LLP DTM presentation to Design Team at the Work Stage 2 kick-off meeting. 2 September 2019



Bid stage illustrative massing proposal



Revised illustrative massing presented 23.09.19 highlighting areas revised.



Revised massing proposal presented 20.04.20 highlighting key areas revised in response to DSO and microclimate feedback

15.2.5 During the bid process, the Team requested a formal pre-application from Southend-on-Sea Borough Council (SBC), which took place in November 2018. The Team made a presentation, which detailed the provisional massing of the scheme. The building height focused the massing on locations to maximise opportunities of sea views, limit overlooking to existing neighbourhood properties and reduce overshadowing of neighbouring properties and the public realm. The proposed massing during the bid process can be shown in the 'Masterplan

Vision Pre-App Meeting Document' that was submitted to the Local Authority prior to the bid pre-application meeting in November 2018.

- 15.2.6 The focus of the massing would be on Plots A (the Range site), B, E and K (along Queensway) and G (adjacent to Porters park), with it reducing along the Coleman Street, Southchurch Road and adjacent to the Church, to minimise the impact on the existing residential amenity and the designated and non-designated heritage assets.
- 15.2.7 During pre-application meetings prior to completion of JV, the Planning Officers questioned the massing of the proposals along Coleman Street (Plots G, H and J) and Sutton Road (Plots J and K). In their Pre-Application Letter (dated 26 November 2018) the Planning Officers recommended that the massing on these blocks be reduced to no more than three storeys in height to align with paragraph 168 of the Southend Central Area Action Plan, which states that proposals should complement the existing dwellings in the street scene.
- 15.2.8 The Planning Officers also advised that the reduction of the massing along Coleman Street could be accommodated on other parts of the Site, including Block A (adjacent to Victoria Station).
- 15.2.9 The principal changes since the bid comprise increasing the massing in Plot A (the Range site) as well as reducing the massing along Coleman Street to three storeys, in line with the advice from the bid pre-application. The updated massing is shown within the illustrative masterplan, contained in the appendix. In addition to the feedback from the Planning Officers, subsequent assessments from daylight, sunlight and overshadowing and wind consultants have altered the change in massing since the bid stages. This is shown on dRMM's updated massing drawing. Mitigation measures include the introduction of a gap to the massing of Plot A to the western aspect (to reduce the impact from Daylight, Sunlight and Overshadowing for the existing dwellings along Short Street) and setbacks on the south-east corner of Block A (to reduce the adverse impact from wind channelling).

### **15.3 Basement Extent and Parking Strategy**

#### 15.3.1 Description

- 15.3.2 Revision (reduction) to the extent of basement as illustrated in the Bid Scheme. Proposed solution to allocate majority of car parking in podium and multi-storey car park structures. Proposed overall target parking ratio for the masterplan at 0.7 spaces per property as per bid stage (note existing estate is 0.25 spaces per property).

#### 15.3.3 Commentary

- 15.3.4 Through the course of RIBA Work Stage 2, the deliverability of the basement solution under Phases 1 and 4 was identified as unfeasible.

- 15.3.5 The basement has been omitted to concentrate parking within a multi-storey car park on Plot A (Range site) and podium car park provision across other plots, including Phase 1 B, on the masterplan.

- 15.3.6 During delivery, the level of parking will fluctuate phase to phase and so a parameter of 0.5 – 1 space per dwelling is being sought in the outline application. There will be capacity for 0.7 parking spaces on an interim basis at occupation of Phase 1 A. Some parking areas may need to move in line with scheme delivery and phasing.

15.3.7 20% of permanent parking spaces will be installed with Electric Vehicle (EV) charging points and passive provision for the remaining 80% will be provided.



Bid stage basement plan

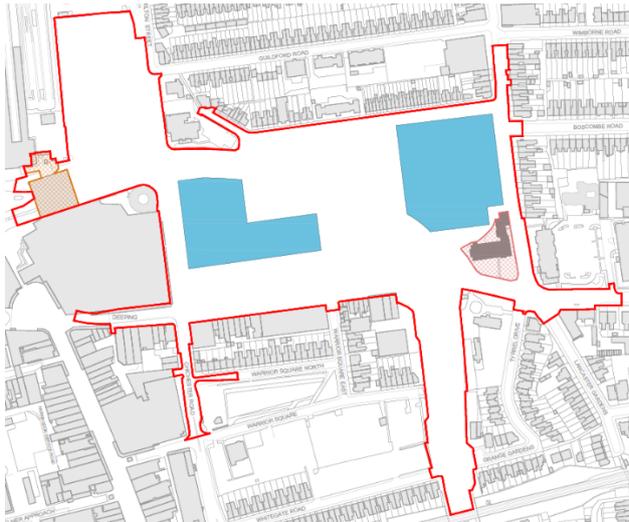


Bid stage parking strategy

Proposed parking strategy as per the Final Proposals illustrative masterplan scheme

15.3.8 It is worth noting that the parameter plans submitted under the masterplan Outline Planning Application (OPA) allows for flexibility in the basement provision, and as such a basement is shown to the Porter's Park Character Area, including the extend of the existing basement structure, in addition to a basement on the east side of the site, north of All Saint's Church. This additional extend is intended to provide additional capacity to reach a parking capacity for 1,800 home and allow flexibility in the provision across phases. It is not intended to build out the full extent of the parameter plan basement area.

The outline of the maximum basement provision sought under the OPA is as illustrated below.



Draft basement parameter plan.

## 15.4 Building Heights

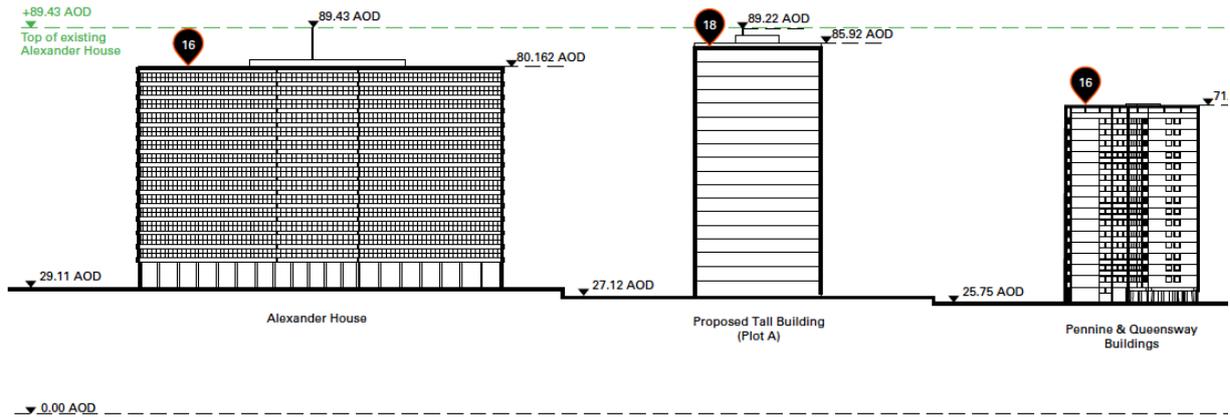
### 15.4.1 Description

15.4.2 Revision of maximum building heights in isolated locations to allow for up to 18 storeys of residential with ground floor commercial/lobby space and allow for roof plant and lift overrun. Confirm no buildings to be taller than the corresponding tallest building on Victoria Avenue.

### 15.4.2 Commentary

15.4.3 During the course of RIBA Work Stage 2 and consultation with Southend Airport, the Project Team were able to understand the height constraints on the site as imposed by Southend Airport operations. The designs for the site have emerged to 'shadow' the maximum height of Alexander House, located at the junction of the Queensway and Victoria Avenue.

15.4.4 The strategy discussed and agreed in principle with Southend Airport allows the Better Queensway buildings to be built up to a maximum height of the registered maximum AOD of Alexander House, utilising the 'shadowing' principle set out by the Civil Aviation Authority (CAA). The few proposed buildings that are taller than the existing Queensway Estate towers will be justified to the CAA based on being no taller than the tallest nearby obstacle registered by Southend Airport to date.



Comparative elevation study of max height of Alexander House (based on planning records and Southend Airport's Records) and proposed Better Queensway buildings

- 15.4.5 At the presentation that was discussed as part of the bid process, the maximum height across the scheme was 16 storeys, which was situated at the Range Site (Block A), adjacent to Victoria Station. Other tall buildings across the Site included 15 storeys opposite Victoria Shopping Centre (Block B) and 14 storeys adjacent to Queensway (Block E). Initial discussions with London Southend Airport during the bid process confirmed that in principle, the height of the proposed buildings should not be taller than the existing buildings (see email correspondence with the Airport, dated 30 August 2018).
- 15.4.6 At the pre-application meeting, the principle of 16 storeys at this location was considered acceptable by the Planning Officers as it corresponded with Policy DM4 of Southend's Development Management Document, which states that tall buildings are acceptable in sustainable locations, provided that it was satisfactory to the Airport.
- 15.4.7 After the bid, the Team was asked to explore whether the maximum height of the scheme could be increased to around 20 storeys, to make best use of sea views and maximise future flexibility. This would mean that the maximum AOD height of the buildings would be over 90m.
- 15.4.8 The Team held subsequent discussions with London Southend Airport on 3 February 2020 and the 20-storey proposal was presented. The Airport confirmed that the Site is situated within the Airport's Inner Zone and therefore, no proposed buildings that were taller than other buildings in the area would be permitted (see notes from dRMM, dated 4 February). Further discussions with the Airport determined that the tallest existing building was situated along Victoria Avenue (Alexander House) and was 89.43m AOD in height. The Airport acknowledged the 'shadowing' principle, where the development could match the existing height of the tallest building in the area, could be utilised for this scheme.
- 15.4.9 As a consequence, the Team has applied the shadowing principle to the proposals and is seeking a maximum height of 89.43m AOD. This is equivalent to approximately 18 storeys and considers plant space etc. The focus of the height is still on the Range Site (Plot A) and adjacent to Queensway (Plot E).

15.4.10 In addition, during the bid process, the proposal comprised one block of 12 storeys on the corner of Chichester and Southchurch Road. The Team subsequently had a pre-application meeting with Historic England in November 2018. In their formal advice (see letter dated 27 November 2018), the Historic Officer raised concerns about the height of that block adversely impacting the Warrior Square Conservation Area to the south.

15.4.11 Therefore, the height of that block on the corner has reduced from 12 to 7 storeys to reflect the comments from Historic England (see the Illustrative Masterplan).

## 15.5 Highway Alignment

15.6 This was a study to review the alignment of Queensway between Short Street and Southchurch Road. The bid stage aligned Queensway to the north to provide a more satisfactory road geometry. It also extended outside of the current publicly maintainable highway land.

15.7 The study centred around three alignments within the current publicly maintainable highway boundary. The current road corridor is circa 30 metres wide and the proposed around 15 metres which gave scope propose three alignments: southern, central and northern. The study considered several constraints including the proximity of a trunk water sewer and considered a number of outcomes (developable land, impact to utilities, highway geometry etc) in a qualitative assessment. The northern alignment was selected as the preferred alignment and this happened to be the closest to bid stage alignment.

## 15.8 Phase 1 A Plots and Porters Park

15.8.1 Description

15.8.2 Arrangement of Phase 1A blocks around Porters Park revised to avoid physical constraints in Phase 1A. Includes a fourth free-standing building to the west of Warrior Square East Road. Noted redistribution of public realm from the bid stage masterplan.

15.8.3 Commentary

15.8.4 Following a Design Team review of the site constraints and a client instruction to review the distribution of public realm space across the masterplan to maintain the same quantum of public space across the scheme, the Project Team revised the extent of Phase 1A buildings to avoid some of the most challenging constraints while meeting the LLP business plan requirements for Phase 1A.

15.8.5 One of the key changes has been the introduction of a free-standing building to the west side of Warrior Square East. This building (Plot G) was introduced in place of the block of accommodation along the Queensway of Plot E.



Bid stage illustrative masterplan, showing the original provision of Porter's Park and Phase 1A buildings highlighted



Proposed Final Proposals illustrative masterplan, showing the revised provision of Porter's Park and subsequent public realm improvements with Phase 1A buildings highlighted



Extract of LDA Constraints Report, which informed the siting and extent of Phase 1A Buildings, particularly utility retention /diversions, highways assets and works, Essex Street access, existing mature tree retention and extensions of existing street network.

## 15.9 Cycling

15.9.1 Queensway forms one of Southend-on-Sea's existing bike routes down to the sea front, but it is disconnected from other cycle routes in proximity (e.g. Queensway at Victoria Gateway junction and Victoria Avenue). Building on the proposal for dedicated cycle lanes along Queensway, the design team performed various sketch studies exploring potential options to enhance cycle connectivity. This was primarily carried out at the Short Street Junction and the section of Queensway to the south of the planning application boundary.

15.9.2 For the Short Street junction, it was determined that a cycle path on either side of Queensway was the most deliverable and safe option given the existing constraints of the Victoria Shopping Centre and existing bus traffic to the west of the junction.

15.9.3 For the section of Queensway to the south of the planning application boundary, a variety of options were also studied. Each of these options depended on extensive works outside the planning application boundary and it was determined that the most deliverable solution for the project was to tie into the existing shared pedestrian / cycle path on the western edge of Queensway.

## 15.10 Queensway Street Planting

### 15.10.1 Street Trees & Verge Planting

15.10.2 Based on a typical cross section of Queensway, the team consulted with several stakeholders with regard to the maintenance of planting along Queensway. The following concerns were identified:

- Maintenance & establishment concerns related to health & safety requirements for maintaining planting within the median,
- The potential for vehicle overrun within areas adjacent to the carriageway,
- a desire for tree species with an appropriate clear stem height, and
- the potential conflicts between street lighting and street tree canopies.

15.10.3 To address these concerns LDA developed a planting strategy based on the stakeholder feedback. This included the following points:

- the planting of shrubs within the median to limit maintenance and establishment requirements,
- a wider than standard highways kerb of 300mm along the planted areas in the verge and median,
- a selection of tree species that could achieve an appropriate clear stem height, and
- an initial sense check on street tree spacing in relationship to potential street lighting requirements.

## 15.11 Phasing Strategy

15.11.1 The design team developed an initial indicative phasing plan based on the bid stage phasing strategy, illustrative masterplan, and discussions within the client team. To support the development of the indicative phasing plan a series of overlay drawings were produced along with a detailed assessment of the sequence of Phase 1A. These overlays informed various discussions within the client and design teams and led to a revised indicative phasing plan.

## 15.12 Energy Strategy

15.12.1 The bid stage energy strategy proposed:

- Reducing the energy demand through energy efficiency measures,
- Supplying heat on site through the provision of an onsite energy centre with a CHP system (+ gas boilers and thermal storage),
- Providing on site renewable energy by maximising the provision of PV systems on roofs.

15.12.2 The first and last step in the strategy have not changed in approach since the bid stage. However, since the bid stage there have been a number of changes in the energy landscape in the UK, which had led to us needing to revise the overall approach for the energy supply

(step 2). We also had a meeting with the energy representative from the council and they have acknowledged the need for the revision.

15.12.3 The main national changes that led to the BQ strategy review are:

- The government has (May 2019) put into law that the UK will be carbon neutral by 2050.
- The electric grid is rapidly decarbonising, currently proving lower carbon energy than the gas grid (this is being reviewed in the energy Part L building regulations that are currently under consultation).

15.12.4 These two points have led to the fact that a CHP system is currently not a low-carbon system, as was the case when we started the bid. It has also led to the fact that a site wide strategy that relies on a gas driven system (such as the CHP in the energy centre) does not provide as much resilience as before, because we do not know what will happen with the gas grid as the UK moves towards carbon neutrality.

15.12.5 Following the recent national changes, we reviewed the bid energy strategy and are currently looking at resilient and flexible solutions that would enable the masterplan to respond to on-going national changes (we can anticipate more changes in the next 10 year but have no direction from government as to what these will be) and benefit from current national decarbonisation strategies, such as the cleaner electricity provided by the national electric grid. As such, the current preferred masterplan strategy puts forward a plot by plot energy strategy and gives a short list of potential solutions that can be considered for each plot at the time of detailed planning application:

- Full load Air Source Heat Pumps (ASHP)
- Hybrid: circa 50% (load) ASHP + Peak Load Boilers per phase
- Hybrid: circa 50% (load) ASHP + Peak Load Boilers in a central gas heat source
- Hybrid: circa 50 % (load) ASHP + circa 50% (load) Open-loop Ground Source Heat Pumps (GSHP)

15.12.6 The preferred strategy for Phase 1A is option 2 above. This is still to be confirmed in discussion with the LPA.

15.12.7 The sustainability statement that will be submitted with the planning application will summarise in more detail the reasons for the change and the longlist of options we considered, along with the shortlist of preferred strategies.

### **15.13 Commercial and non-Residential uses**

15.13.1 The main changes to the non-Residential uses have been made in order to better carry out the requirements of the bid for these uses. There has been a focus on utilising strategically placed commercial and community use units in order to provide passive surveillance and enliven the proposed public space. This should aid the effectiveness of reducing antisocial behaviour and keep active ground floors in areas with heavier foot flow.

15.13.2 Space has been allocated to house uses such as artist's studios, an event space, community kitchens and maker spaces available to residents have been allocated, working on feedback from community engagement, resident requirements and suggestions and public presentations to local businesses.

15.13.3 Other changes have included:

- No cinema or hotel use have been included since there are other proposals or existing provision within the Town Centre and this project is intended to support and complement the existing Town Centre rather than seek to compete.
- Provision of workshop /light industrial use has been limited only to the west extent of Plot A /Range Site. This is in order to not detract from residential use above and create a more concentrated and active provision in this area. This is envisaged to be “maker” space in line with the “make/create” originally envisaged within the bid scheme.

15.13.4 The proposed retail provision on Southchurch has been reduced from the current amount with the retail contained in what is designated as ‘Block E’ (the block closest to the roundabout at the junction of Queensway and Southchurch Road) being converted to a residential frontage. The reasoning for this is:

- To reduce the amount of retail provision in accordance with the current and forecast market for physical retail.
- This reduction will help to ensure that there are fewer vacant units and that retail units are concentrated in the areas closer to the high street, concentrating retail foot flow and making it more effective. This strategy is in keeping with the sitewide aim of ensuring active Ground Floors
- There has been an emphasis on providing affordable retail units in this location, keeping unit sizes to circa 800 sq. ft and preserving the Victorian era frontage sizes of 3-4m This aims to encourage sustainable, local and independent businesses and preserve the ‘local’ feel of the area.

15.13.5 In general, the uses have either been maintained or enhanced with minor changes.

#### **15.14 Queensway South and Porters House interface**

15.14.1 This study looked to capitalise on the reduction in corridor width of the proposed Queensway south of Southchurch Road to the railway overbridge. The existing publicly maintainable highway width is circa 30 metres but the required width for the proposed is around 15 metres. This allow three options to be explored:

- Pushing the alignment hard to the east to the Porters Civic House boundary,
- Aligning it centrally
- Pushing it hard to the western boundary.

15.14.2 The study considered constraints and number of outcomes including the amount of additional developable land could be provided if the block to the south west of the roundabout was included as a potential future development site by dRMM. The preferred alignment was selected as the central corridor. This has led to further studies as this central alignment provides a sizable area adjacent to the Civic Porters House boundary which could be utilised for enhanced landscaping or transferred to Civic Porters House to reduce the area of publicly maintainable highway land.

15.14.3 There is also an option to include extra parking spaces on the Eastern side of South Queensway, utilising the space that a central alignment would provide.

### **16.0 Scheme Viability**

16.1 Description

16.1.1 The scheme at “final proposals” promoted by the LLP currently achieves the proposed LLP target return of 15% profit on sales GDV. The development return is calculated as follows:

(Overall profit after finance costs + partner equity and loan interest) divided by residential sales GDV)

The Initial Business Plan sets out in further detail the viability calculations that underpin this, these remain consistent with the Initial Business Plan.

## 16.2 Commentary

16.2.1 The financial appraisal includes inflation in accordance with the procurement process.

16.2.2 The key inflation assumptions remain as per the Initial Business Plan.

16.2.3 Market Values will be supported by an independent market valuation. Residential market values were refreshed by CBRE as an update to the report prepared in support of the original bid and business plan. The values have broadly remained as per the previous commentary provided at bid stage and the Initial Business Plan. An uplift in capital value of £7,500 per plot for sea views is included in line with the Initial Business Plan.

16.2.4 In the Initial Business Plan, in line with advice from CBRE, a “regeneration uplift” of c.10% from Phase 3a / October 2024 onwards was assumed as a result of works completed to the Highway and public realm.

16.2.5 In the Final Proposals, the appraisal has been updated with an amended construction programme and sequence and the delivery of Porters Park South is now included within Phase 1. As a result of the enhanced place-making, the “regeneration uplift” is now applied from Phase 1 B onwards to reflect this additional value.

16.2.6 In the Initial Business Plan, a value of £10,000 was applied to the private car parking spaces, assumed to be 833 out of a total of 1,147 allocated to residential.

16.2.7 In the Final Proposals, the value of each space is assumed to be as per the Initial Business Plan, however the number of spaces has been amended in line with the revisions to the scheme; it is now assumed to be 880 spaces out of a total of 1,171 spaces allocated to residential.

16.2.8 The construction cost estimates have been reviewed by G&T (cost consultants) and NU living’s Commercial team and average as follows:

- Residential build (base build only) - £261.25m
- Commercial build - £8.03m
- Plot specific infrastructure - £56.01m (includes demolition, podiums, plot externals, plot abnormalities)
- Major external works and abnormalities - £58.4m (includes sitewide highways, public realm, attenuation tank, energy upgrade and utilities diversions).

16.2.9 Base build costs are broadly aligned to the Initial Business Plan.

16.2.10 As a result of further design work, analysis of site constraints and feedback from soft market testing of contractors for demolition and highways packages, there have been some

increases to the cost allowances for key major external works and certain plot abnormalities (plot specific infrastructure).

16.2.11 However, there have also been some savings within the plot abnormalities (plot specific infrastructure), for example the removal of the basement car parks assumed at Bid stage and within the Initial Business Plan.

16.2.12 The costs include the following allowances in line with the Initial Business Plan:

- Prelims – 10% on base costs
- Overheads – 3% on base and prelims
- Design Fees – 7% on base costs
- Contingency – 5% on base costs and above allowances

16.2.13 In terms of land assembly, figures have been included based on Property Cost Estimates provided by SBC and is estimated to total £19.8m in line with the Initial Business Plan.

16.2.14 Figures exclude inflation and inflation is applied within the financial model using the same assumptions as those contained within the Initial Business Plan as noted in item 16.2.1.