Rochford New Local Plan:

Spatial Options Consultation 2021

Topic Paper 6: Economy and Skills

Temporary Cover

Contents

Advisory Note

The National Planning Policy Framework (NPPF) was subject to a formal revision in July 2021, just before these papers were published. As a consequence, paragraph numbers and other references to the 2019 NPPF made in this document may no longer relate exactly to the latest version of the NPPF.

The principles set out in referenced paragraphs have not been subject to extensive change and references made are therefore still considered to be accurate reflections of national policy.

1 What is this topic paper about?

1.1 Rochford District Council is preparing a new Local Plan that will cover the period up to 2040. As a comprehensive and up to date evidence base is essential for plan preparation, the Council has prepared a range of technical studies, both in house and through external consultants, to support this process.

1.2 To help summarise the key topics that the new Local Plan will need to address, a series of 'topic papers' have been prepared to explain the national policy and legislative context for key topics and to set out how those key topics relate to local challenges and opportunities. These topic papers will be published alongside the Spatial Options consultation paper, allowing interested parties to understand these key topics in greater detail than what is contained in the consultation paper alone.

1.3 The Economy & Employment topic paper has been prepared to consider how the New Local Plan can best enable Rochford District to respond to the various challenges and opportunities presented by the need to support robust economic and employment growth in Rochford District over the next 20 years. It summarises the current national and local planning policy context, the implications of upcoming changes, and the most recent evidence base, to consider how the District can support a prosperous and resilient economy that provides high-quality employment opportunities into the future.

2 Introduction

2.1 Rochford District is home to a small but productive local economy, characterised by an entrepreneurial culture and strong start-up business survival rates. There is a high proportion of micro, small and medium-sized enterprises, from home-based lifestyle businesses to highly specialised advanced manufacturing firms. A lower-than-average job density indicates that the number of local jobs compared to working age residents is relatively low, and that many of Rochford's residents commute elsewhere. The Council's Economic Growth Strategy identifies opportunities to grow the economy by supporting small business productivity and encouraging inward investment, as well as harnessing the growth potential of London Southend Airport.

2.2 With xx% of the District's land area being classified as Metropolitan Green Belt, the rural economy dominates much of the District's landscape and agriculture is an important local employer. The District's extensive countryside and coastline provides significant opportunities for rural diversification and green tourism, and how to balancing this growing opportunity with the sensitivities of the Green Belt is a key consideration for the New Local Plan.

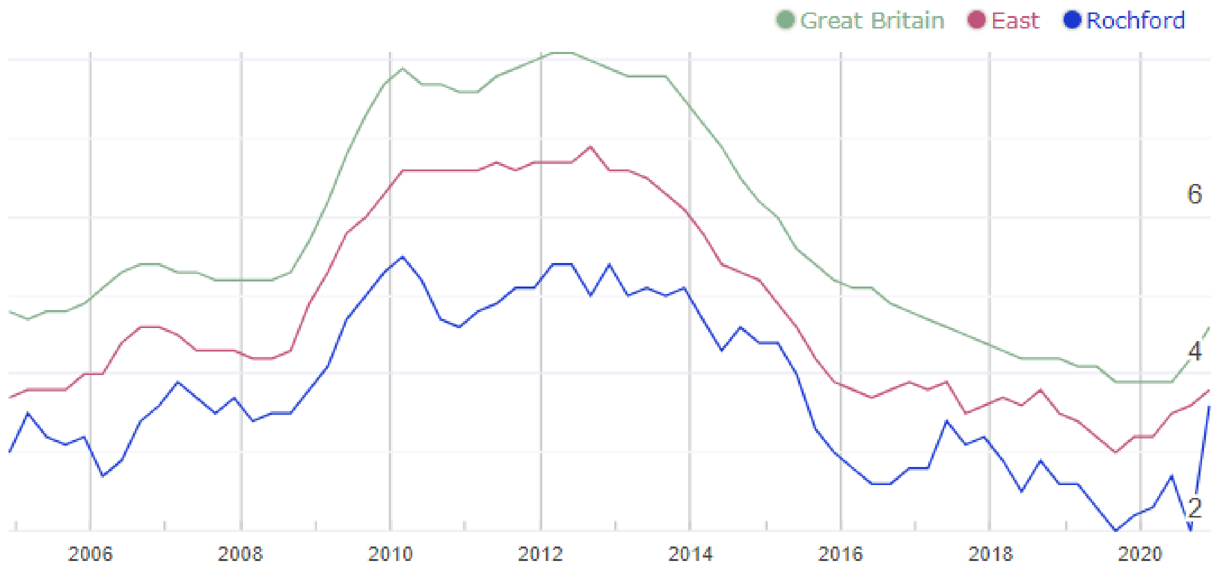
2.3 The New Local Plan needs to ensure that enough employment land is available to accommodate the growth ambitions of businesses of all sizes in the District over the next 20 years, as well as to attract new inward investment. In this way, the right planning policies will help provide more local job opportunities for residents and support greater prosperity for Rochford District.

3 Rochford District Economic Characteristics

Labour Force

3.1 As of 2020, Rochford District had a working age population of 52,200[1], with 45,500 economically active. The unemployment rate was 3.6%, with this being lower than the East of England and Great Britain averages of 3.8% and 4.6% respectively. As shown in Figure 1, unemployment in recent years peaked in 2011/12 at 5.4% and has decreased since. The rate has consistently remained below the East of England and Great Britain averages.

Figure 1: Unemployment rates: Rochford District vs East of England & Great Britain (ONS)



3.2 The skills level of the working age population is below the national average, with the proportions of those having attained NVQ3 Level 3 and above and NVQ Level 4 and above being 57.9% and 33.1% respectively. This is in comparison with Great Britain averages of 46.1% and 43.1% respectively. The District's biggest sectors for employment by employee jobs were Wholesale and Retail Trade; Repair Of Motor Vehicles And Motorcycles (15.9%), Education (11.4%), Manufacturing (10.2%), Human Health and Social Worth Activities (10.2%), Professional, Scientific and Technical Activities (9.1%) and Construction (9.1%).

3.3 Full-time workers with their workplace in the District earned an average weekly salary of £534.10, considerably below the East of England and Great Britain averages of £574.90 and £586.10 respectively. In contrast, earnings by residence were considerably greater, with these being £648.50 for Rochford District, £604.80 for the East of England and £587.10 for Great Britain. This indicates many residents in the District commute elsewhere for work.

3.4 In 2019, the District had a Jobs Density of 0.59 jobs for every working age resident, considerably below the East of England and Great Britain densities of 0.86 and 0.87

[1] ONS NOMIS Rochford Labour Market Statistics: https://www.nomisweb.co.uk/reports/lmp/la/1946157219/report.aspx?town=rochford

respectively. This indicates an undersupply of employment opportunities within the District, requiring residents to seek employment elsewhere. This is corroborated by the 2011 Census statistics on commuting, which indicated a net outflow of -14,025 workers[2]. A number of local authority areas in Essex (e.g. Southend-on-Sea, Basildon and Chelmsford) and Greater London (e.g. Westminster, City of London and Tower Hamlets) were among the top destinations for Rochford residents (see Figure 2).

Figure 2: Top Inflows and Outflows of Commuters to/from Rochford District

Top inflows	
Southend-On-Sea	4,958
Castle Point	1,554
Basildon	1,327
Chelmsford	658
Thurrock	297
Maldon	281
Havering	208
Brentwood	145
Braintree	124
Colchester	91

Top outflows	
Southend-On-Sea	8,466
Basildon	3,209
Westminster, City of London	2,936
Castle Point	1,479
Chelmsford	1,404
Tower Hamlets	951
Thurrock	769
Brentwood	533
Havering	521
Barking and Dagenham	331

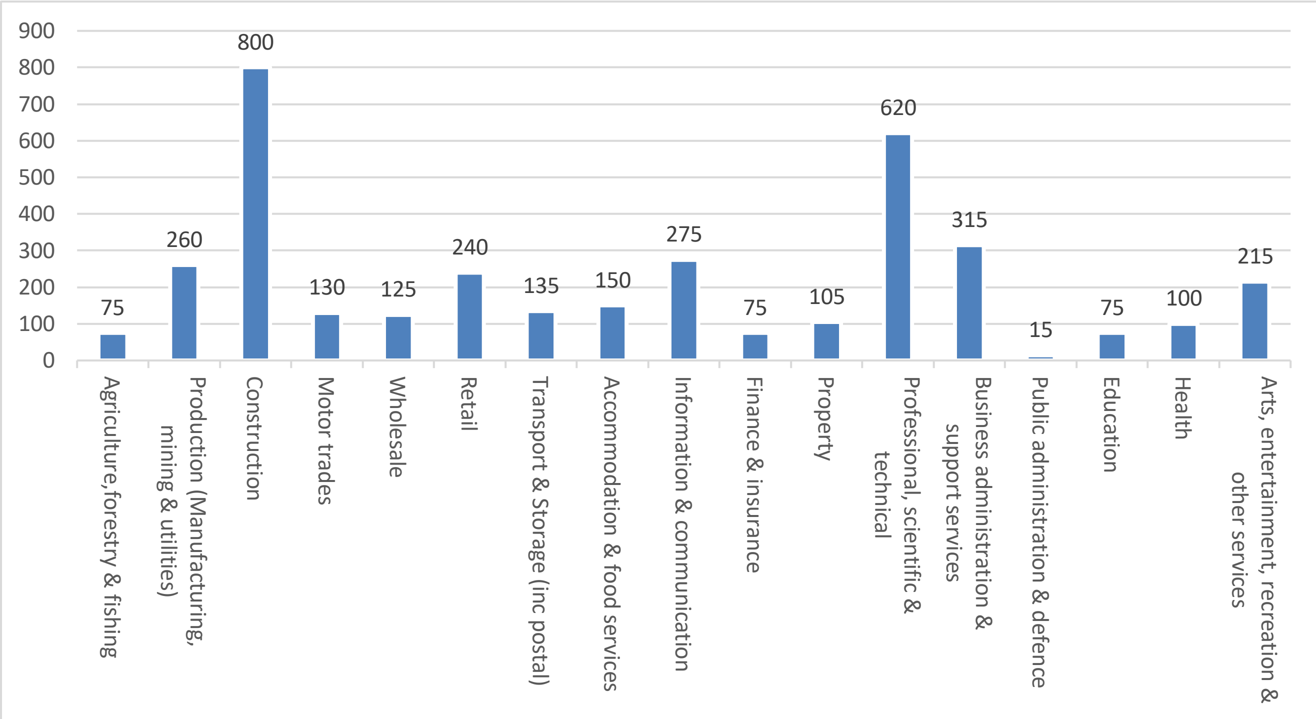
3.5 Rochford District is home to an entrepreneurial population, with a greater than the national average proportion of the working age population being self-employed. In 2020, the District had 3,710 businesses, of which 91.2% had under 10 employees, a figure higher than the East of England average of 90%. There was also a lower proportion of large businesses with more than 250 employees, at 0.1% compared to 0.4% for the East of England[3].

3.6 Rochford has a high 5-year business survival rate, with 49.4% of local businesses started in 2014 still trading in 2019. This is the second highest rate in Essex, and considerably higher than the Essex average of 44.8% and UK average of 42.5%[4].

3.7 Figure 3 shows a breakdown of registered businesses in Rochford District by broad industry group, according to their VAT/PAYE registration[5]. This indicates the top sectors to be Construction (22%), Professional, Scientific & Technical (17%), and Business, Administrative & Support Services (8%).

[2] From Essex Employment & Skills Board: *Rochford District Profile 2018-19*
[3] ONS NOMIS Labour Market Statistics for Rochford: https://www.nomisweb.co.uk/reports/lmp/la/1946157219/subreports/ea_time_series/report.aspx?
[4] ONS Business Demography 2020: https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/datasets/businessdemographyreferencetable
[5] ONS Business Register and Employment Survey (BRES) - Broad Industry Group (SIC), 2020: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/broadindustrygroupsicbusinessregisterandemploymentsurveybrestable1

Figure 3: Rochford Business Count by VAT/PAYE Registration, 2020



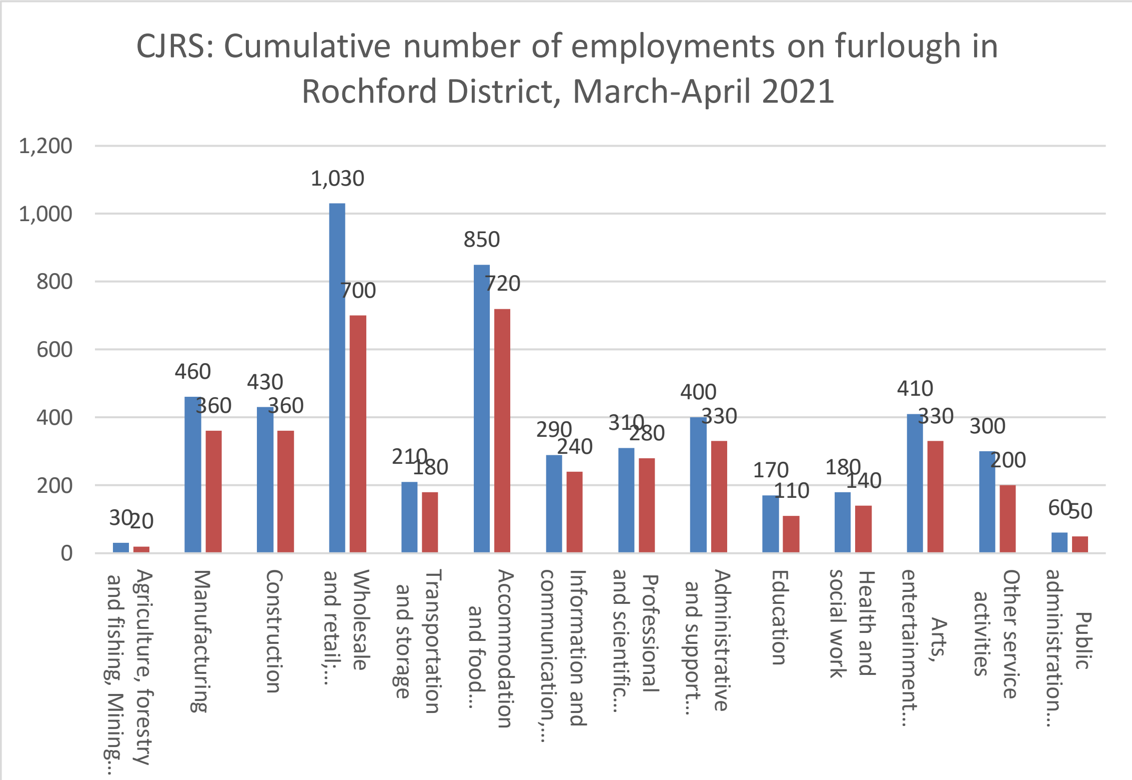
<u>COVID-19 Pandemic</u>

3.8 As of 30th April 2021, c.3.4m employees were still on the Coronavirus Job Retention Support (CJRS or 'furlough' scheme), although this was reducing from a peak of 4.9m in January and down from an all-time high of 8.9m in May 2020[6]. The largest numbers of furloughs by sector were for Accommodation & Food Services; Wholesale & Retail; and Administrative & Support Services. Most industries were seeing significant reductions in numbers furloughed, as restrictions lifted and businesses geared to reopen their doors and anticipate growing consumer demand. In Rochford District, as of 14th May, a cumulative total of 13,900 furloughs had been made since the scheme opened. As shown in Figure 4, the top sectors in the District were Accommodation & Food Services, Wholesale & Retail/Repair of Motor Vehicles, Construction and Manufacturing. The blue (March) and red (April) columns indicate that numbers furloughed have reduced over the course of that month as the economy began to revive.

3.9 For the Self-Employed Income Support Scheme (SEISS), around 2,500 self-employed in the District had made a claim from the most recent SEISS round as of May 2021, a take-up rate of 50%[7]. This is in line with the UK average and indicates a significant number of small and micro-businesses are still dependent upon Government support.

[6] Coronavirus Job Retention Scheme statistics: 3 June 2021 - GOV.UK (www.gov.uk)
[7] Self-Employment Income Support Scheme statistics: June 2021 - GOV.UK (www.gov.uk)

Figure 4: CJRS Employments on Furlough by Sector for Rochford District: March-April 2021.



4 National and Local Planning Policy Context

National Planning Policy Framework (NPPF)

4.1 The NPPF commits the planning system to the achievement of **sustainable development**, which runs through the document as a 'golden thread'[8]. As set out in paragraph 11, there is a presumption in favour of development proposals which are considered to constitute sustainable development, and local plans are required to both positively seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change.

4.2 Paragraph 8 sets out the three overarching, interdependent objectives that together constitute sustainable development, namely economic, social and environmental. The economic objective specifies that the system must *help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure*.

4.3 References to the economy and employment land in the NPPF are summarised below:

[8] National planning Policy Framework 2019: https://www.gov.uk/government/publications/national-planning-policy-framework--2

National Planning Policy Framework (NPPF)
Strategic policies should set out an overall strategy for the pattern, scale and quality of development and make sufficient provision for employment development (paragraph 20).
Strategic policies should look ahead over a minimum 15 year period from adoption, to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure (paragraph 22).
Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. This is particularly important where Britain can be a global leader in driving innovation, and in areas with high levels of productivity, which should be able to capitalise on their performance and potential (paragraph 80).
Planning policies should: *a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;* *b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;* *c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment;* d) *be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances* (paragraph 81).
Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations.
[To support a prosperous rural economy] *Planning policies should enable the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed new buildings; and the development and diversification of agricultural and other land-based rural businesses* (paragraph 83).
Planning policies and decisions should recognise that sites to meet local business and community needs in rural areas may have to be found adjacent to or beyond

existing settlements, and in locations that are not well served by public transport. In these circumstances it will be important to ensure that development is sensitive to its surroundings, does not have an unacceptable impact on local roads and exploits any opportunities to make a location more sustainable (for example by improving the scope for access on foot, by cycling or by public transport). The use of previously developed land, and sites that are physically well-related to existing settlements, should be encouraged where suitable opportunities exist (paragraph 84).
Local planning authorities should also take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs. In particular, they should support proposals to: employment land for homes in areas of high housing demand, provided this would not undermine key economic sectors or sites or the vitality and viability of town centres, and would be compatible with other policies in this Framework (paragraph 121).

National Planning Practice Guidance (NPPG)

4.4 To determine the type of employment land that is needed, the NPPG[9] provides a range of guidance to enable policymakers to determine economic need in their local areas, and how to plan for this. This includes the following:

National Planning Practice Guidance (NPPG)
Authorities should undertake a housing and economic land availability assessment. In relation to economic development the assessment should consider all sites capable of delivering economic development on sites of 0.25 hectares (or 500 square metres of floor space) and above. Where appropriate, plan makers may wish to consider alternative site size thresholds. This approach ensures that all land is assessed together as part of plan preparation to identify which sites or broad locations are the most suitable and deliverable for a particular use. An assessment of land availability identifies a future supply of land which is suitable, available and achievable for housing and economic development uses over the plan period. The assessment of land availability is an important step in the preparation of Local Plans (paragraph 001).
Strategic policy-making authorities will need to prepare a robust evidence base to understand existing business needs, which will need to be kept under review to reflect local circumstances and market conditions. National economic trends may not automatically translate to particular areas with a distinct employment base. Where appropriate, local planning authorities can use their Authority Monitoring Report and the plan review process to ensure that their evidence base remains up to date. Functional economic market areas can overlap several administrative areas so strategic policy-making authorities may have to carry out assessments of need

[9] National Planning Practice Guidance, 2021: https://www.gov.uk/government/collections/planning-practice-guidance

on a cross-boundary basis with neighbouring authorities within their functional economic market area (paragraph 025).
To prepare and maintain information about business needs, *strategic policy making authorities will need to liaise closely with the business community, taking account of the Local Industrial Strategy, to understand their current and potential future requirements*. Assessment should involve identifying: the best fit functional economic area; existing employment land stock; the recent pattern of employment land supply and loss (and how this has been affected by recent planning permissions/permitted development); evidence of market demand from businesses, developers and property agents; wider market signals relating to economic growth, diversification and innovation; and any evidence of market failure preventing employment sites from being developed effectively (e.g. physical or ownership constraints) (paragraph 026).
Strategic policy making authorities will need to use market signals to develop an idea of future needs. This should be based on robust data such as: forecasts/projections taking account of likely changes in labour demand; demographic assessments of current/future labour supply; analysis of past property market take-up and future projections; and a range of consultation with relevant organisations, studies of business trends and monitoring of business and employment statistics. Such analysis should consider long-term economic cycles and the implications of alternative scenarios (paragraph 027).
Authorities should identify and analyse existing employment property stock and recent patterns of supply/loss, supplementing this with information on recent planning permissions (paragraph 028).
The available employment land stock should be compared with requirements for the area, looking at underlying requirements for different types of uses (e.g. offices, general business or distribution space). This can form the basis of individual site appraisals. *Analysing supply and demand will allow policy makers to identify whether there is a mismatch between quantitative and qualitative supply of and demand for employment sites. This will enable an understanding of which market segments are over-supplied to be derived and those which are undersupplied* (paragraph 029).
The specific locational requirements of the logistics sector and specialist/new sectors should be comprehensively considered in needs assessments, to ensure local economies can quickly adapt to emerging economic trends and adequate space is provided (paragraphs 030-031).

Existing Local Planning Policies – Economy & Employment

4.5 A number of existing documents form the basis of relevant planning policies relating to the economy and employment, namely the Rochford District Core Strategy[10] (adopted

[10] RDC Core Strategy 2011: https://www.rochford.gov.uk/core-strategy-0

2011), Allocations Plan[11] (adopted 2014), Development Management Plan[12] (adopted 2014) and London Southend Airport and Environs Joint Area Action Plan[13] (JAAP, adopted jointly with Southend Borough Council in 2014). Appendix A sets out how various policies within these documents comply with the principles set out in national planning policy. It should be noted that the Core Strategy precedes the first iteration of the NPPF, therefore may not always align. Updating these policies, where appropriate, will be key to ensure the Council has the appropriate and flexible planning policies to guide future economic growth and development through the new Local Plan's lifetime to 2040.

4.6 Alongside these documents, the Rochford District *Economic Growth Strategy*[14] (2017) acknowledges the District's many economic advantages, including its entrepreneurial business base, strong transport links, high quality of life and opportunities for new employment space around the Airport. However, it also identifies key challenges to overcome, including a low skills base in the local workforce, lack of suitable 'grow-on' business space, infrastructure constraints and a low jobs density, leading to out-commuting. The strategy seeks to reverse this through a combination of encouraging new inward investment, making it easier to start and grow local businesses and supporting initiatives to improve the workforce's skills and employability (see Figure 5).

Figure 5: Economic Growth Strategy Priorities

[11] RDC Allocations Plan 2014: https://www.rochford.gov.uk/sites/default/files/documents/files/planning_all_allplan.pdf
[12] RDC Development Management Plan 2014: https://www.rochford.gov.uk/development-management-document-examination/development-management-plan
[13] London Southend Airport Joint Area Action Plan 2014: https://www.rochford.gov.uk/london-southend-airport-and-environs-jaap-evidence-base-%E2%80%93-documents/london-southend-airport-and
[14] RDC Economic Growth Strategy 2017: https://www.rochford.gov.uk/sites/default/files/business_growthstrat.pdf

4.7 Core Strategy policies have supported a number of employment land milestones, including:

- The development of the Airport Business Park, which has seen completion of an access roundabout, spine road and services, construction of the first industrial plot for manufacturer Ipeco, planning approval for the Launchpad Innovation Centre and further planning applications for plots on the site.
- Strong commercial interest on new employment site NEL1 (Michelins Farm) leading to a successful planning application and modern warehousing/manufacturing space opportunities currently being developed. Also commercial interest in site NEL2.
- Protection of existing sites, with existing employment sites retaining their role as places for businesses to thrive and grow, and a number of new developments of business space approved on sites including Aviation Way, Purdey's Industrial Estate and Brook Road.

4.8 However, in other aspects, there have been challenges:

4.9 De-allocation of Rawreth Industrial Estate and Star Lane Industrial Estate has not led to these sites become available for housing as planned, with land assembly likely posing a barrier. Businesses continue to operate and develop facilities on these sites, and new sites do not necessarily provide the same product for these occupiers.

4.10 A number of existing employment sites have a rise in non-B-class uses, e.g. gyms, leisure facilities, performing arts and retail, causing issues for businesses on Brook Road/Purdey's, whilst Rochford Business Park has seen no B-class uses developed. • The existence of significant B-uses on former agricultural sites in the Green Belt (e.g. Crouchman's Farm, Dollymans Farm and Lubards Farm) indicates there may have been a market failure to provide certain types of workspace on allocated sites, e.g. smaller/more affordable units.

5 Upcoming Policy Changes

5.1 A series of forthcoming changes to national planning policy have the potential to impact on existing and future policies to allocate land for economic use, and it is important that the Local Plan acknowledges any opportunities or limitations these present.

Changes to Permitted Development Rights (Class E and to Residential)

5.2 From 1st September 2020, changes to the Planning Use Classes Order mean that employment uses in B1 (office and light industrial), along with retail uses in classes A1/2/3 and community uses in D1/2, now form a new Class E, with change of use planning permission not required to move between such uses. This has implications for employment sites, with it being far more difficult to protect sites solely for employment use as various retail and leisure uses may legitimately take place in business parks. This increased flexibility could result in interest in the District's employment sites from new occupiers and could continue the trend in recent years of retail and leisure uses locating in industrial estates, e.g., gyms, dance schools, children's play facilities and retail showrooms. Whilst this flexibility allows employment sites to appeal to a broader range of uses, potentially reducing vacancy rates and continuing to provide employment, it could reduce the amount of space available for office/industrial activities and increase competition (and costs) for such spaces. It could also introduce pressures to established employment areas (e.g. congestion and competition for parking from visitors associated with retail/leisure activities).

5.3 Expanding on Class E, new legislation[15] from 1st August 2021 ('Class MA') means the Permitted Development (PD) rights will allow properties in the expanded Class E class to change to C3 (residential) use, with no full planning permission required. This is subject to a small number of prior approval conditions, e.g., noise, transport impacts and provision of natural light. Class MA requires properties to have been vacant for a minimum of 3 months, and to be under 1,500 sq. m in floor area. The right applies in conservation areas (subject to an impact assessment at ground floor level) and impact of the loss of employment space is not a consideration the local planning authority can assess against. This new right could have considerable implications for employment sites, both in town centres and out of town, with the short vacancy period and broad size category putting even large, purpose-built properties on business parks at risk of conversion with little justification required on the part of developers. Existing PD rights have already reduced existing employment stock at a time when there has been a historic undersupply of new employment land, and Class MA could exacerbate this.

5.4 The exception in terms of prior approval on employment sites is where the change of use is proposed *in an area the authority considers to be important for general or heavy industry, waste management, storage and distribution, or a mix of such uses.* Given the potential the introduction of the right has to considerably alter the provision of strategic employment sites which may be designated in the New Local Plan, the Council will need to carefully monitor the situation regarding frequency of prior approval applications under Class MA, and it may be prudent to consider which locations are considered to be of importance for the uses outlined above, in order to both maintain such employment uses and to protect residential amenity.

Proposed NPPF Changes on Article 4 Directions

5.5 Proposed changes to the NPPF[16] are also likely to impact local measures to prevent permitted development from taking place, with revised text in Chapter 4 restricting the use of Article 4 directions to remove such permitted development rights where a change of use to residential is involved. This further limits the ability of plan-making authorities to protect and plan sites for strategic employment.

Planning White Paper

5.6 The proposals outlined in the Government's *Planning for the Future*[17] White Paper, published in August 2020, could have significant implications planning for employment and economic growth. Categorising all land as zones of either 'Growth', 'Renewal' or

[15] Insertion of Class MA in Part 3, Schedule 2 of the GDPO: https://www.legislation.gov.uk/uksi/2021/428/made/data.xht?view=snippet&wrap=true
[16] National Planning Policy Framework and National Model Design Code: consultation proposals: https://www.gov.uk/government/consultations/national-planning-policy-framework-and-national-model-design-code-consultation-proposals
[17] Consultation on *Planning for the Future*: https://www.gov.uk/government/consultations/planning-for-the-future

'Protect' could potentially help deliver new or stalled employment land and improve the stock of existing sites, many of which are dated and of poor quality. However, the proposals are predominantly oriented to facilitating housing delivery and have little detail specifically on employment. There is therefore a risk that additional housing could be zoned and delivered on current or former employment sites, particularly in 'Growth' zones. Furthermore, proposals to remove the Duty to Cooperate could inhibit the delivery of cross-boundary, strategic employment sites. The forthcoming Government response to the consultation feedback may deliver additional clarification.

Covid 19 Pandemic

5.7 The pandemic has had significant impacts, both at a national level and in Rochford District, with these varying significantly depending on the economic sector. In addition, whilst a number of short-term impacts have been observed as a consequence of government restrictions and changing business/consumer habits, longer-term effects are still in process and whether the local economy returns to pre-COVID levels is dependent on both the Central Government pandemic response and how local/subregional bodies (e.g. RDC, Essex County Council, ASELA and the South East Local Enterprise Partnership) coordinate economic recovery measures.

5.8 The pandemic has the potential to impact demand for employment sites in a range of ways, with businesses in some sectors (e.g. hospitality and aviation supply chains) being vulnerable to the economic impact of the virus and restrictions, whilst in other sectors (e.g. logistics) there is potential that additional warehousing space will be required as a result of rising demand for online shopping and home deliveries. The acceleration of remote working practices as a consequence could reduce requirements for traditional office space, but also has the potential to see increased demand for flexible workspace outside major cities such as London, as businesses seek a professional environment closer to home. The Council is implementing an Economic Recovery Plan to direct support and investment to support communities and businesses most affected by the pandemic, and to create the right economic conditions to harness longer-term growth and transformation, based on any opportunities. The situation relating to demand for business space and employment land will need to be carefully monitored to understand both the impacts, and whether any changes are temporary or longer-lasting in nature. Technology is likely to be a key enabler of future economic opportunities, and supporting robust digital infrastructure should underpin any future Local Plan (see para. 6.6)

6 Local Evidence Base

6.1 The following documents are considered key evidence in informing the preparation of the New Local Plan, and their findings have been incorporated into the Regulation 18 Spatial Options consultation for considerations relating to Employment and the Economy.

South Essex Economic Development Needs Assessment (EDNA)

6.2 The EDNA[18] was published in 2017 and provides a comprehensive economic assessment of the needs, opportunities and projected employment land requirements of the South Essex sub-region. It summarises the considerable economic opportunities available to the sub-region to build on its geographical proximity to London, labour force, innate economic sector strengths and strategic port, airport, road and rail infrastructure, to capture a greater share of the economic prosperity of London and the Greater South East and reverse the general South Essex trend of GVA growth underperforming the UK average. The EDNA is intended to sit alongside the emerging South Essex Plan and to help coordinate the provision and delivery of strategic employment sites to support identified economic growth opportunities.

6.3 A SWOT analysis in Figure 6 (below) sets out the key issues facing economic development and employment land in South Essex (including Rochford):

Figure 6: Baseline SWOT analysis for South Essex:

Strengths	Weaknesses
• A strong position on the regional highway, rail networks and established distribution roles, with a significant focus for infrastructure investment; • A regional airport, London Southend, which is seeing investment and supports a collection of proximate businesses • Defined logistics and manufacturing locations; • Proximity to the largest concentration of population in the UK and to London, expected to grow by 1.5 million people in coming decades; · • A sizeable population of young people and a growing working age population • High economic activity and falling unemployment rates; • A culture of entrepreneurship with high business start-up rates • Healthy demand for both office and industrial units; · • Large industrial units becoming available as part of and near the London Gateway site, in addition to the TEP/Tilbury 2 ports, represent investment in the wider logistics sector and continues to entrench strength in the sub-region.	• A strong position on the regional highway, rail networks and established distribution roles, with a significant focus for infrastructure investment; • Economic base has been focused on lower value, less knowledge intensive activity, a weak foundation for economic growth; · • Generally lower skills levels in the local workforce than in benchmark areas; • High-skill jobs that are available in the sub-region often taken up by labour commuting into South Essex rather than residents; · • South Essex suffers from areas with high levels of deprivation; · • The sub-region has a poor containment rate of its labour force with significantly lower values for each of the individual local authorities. Loses most of its highly skilled workers to the central London boroughs; · • Overstretched/congested strategic road network, with poor north/south connectivity between strategic employment sites and urban centres, lack of HGV parking facilities. • The rail network also sees delays, with local calls to deliver dual tracks and electrification, and a need to improve rail and bus interchanges to support an uptake in use of public transport.

[18] South Essex EDNA 2017: https://www.rochford.gov.uk/sites/default/files/SouthEssexEDNAFinalReport20171211.pdf

Opportunities	Threats
• Proximity to London presents opportunities to capture families and businesses relocating to avoid increasing costs; • Co-ordinated political impetus and investment throughout the Thames Gateway is set to support local growth sectors; • An additional Thames Crossing linking South Essex to North Kent would enhance logistics positioning and increase the labour-market catchment; • The delivery of a new airport business park and further growth in London Southend Airport; • Potential for growth in the local tourism market, particularly in the resort of Southend	• Current economic and political climate may put added strain on sectors which play a prominent role in the South Essex economy, e.g. logistics; • Risk of lower performance than neighbouring areas, e.g., North Kent, with growth in office employment staying in London/being captured by centres outside of South Essex and continued contraction of the manufacturing base. • The early stage of Lower Thames Crossing proposal makes it difficult to assess impacts and influence on economic opportunities and existing and potential employment land. • Underinvestment in local infrastructure that poorly accommodates investment in development locations and key/new routes. • Potential strain on workforce availability and access to employment opportunities, magnified by poor infrastructure/access to employment locations alongside poor training provision and jobs/skills mismatch. • Limited affordability, range and quality of housing which acts to constrain investment and the attraction of a diverse labour pool.

Economic Growth and Demand Projections

6.4 The EDNA identifies a number of key sectors as ‘economic growth drivers’, which underpin both the current and future economic and employment growth across South Essex. These sectors are considered to be ‘high-value’ and supporting their continued growth and prosperity is expected to drive employment growth, economic prosperity and demand for future employment land and business accommodation across the sub-region. For Rochford District, the following sectors are identified as being economic growth drivers which are expected to support the District’s continued economic growth, and it is recommended that targeted policies of support are used to nurture these industries:

- **Transport & Logistics:** The sector overall has a strong presence across South Essex. Rochford is identified as seeing an increasing role in this sector, with an established cluster of businesses, Baltic Wharf and the growth of the airport being contributing factors.

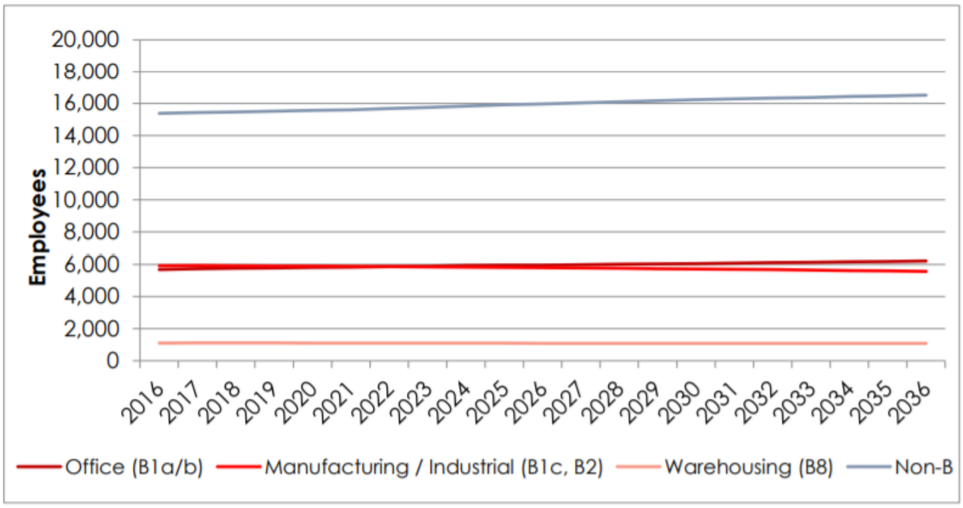
- **Advanced Manufacturing & Engineering:** The study notes South Essex has strengths in this sector, particularly in the manufacturing of fabricated metals and in Architectural and Engineering activities. In Rochford, particular opportunities are identified around the Airport Business Park and in the existing aviation-related business cluster.

- **Energy and Green Technology:** Although small-scale in comparison to other South Essex hotspots such as Thurrock, the study identifies a small cluster in the District and opportunities for existing businesses to expand.

6.5 It is worth noting that the EDNA identified the neighbouring borough of Southend-on-Sea as having Advanced Manufacturing & Engineering, Digital, Cultural & Creative; Healthcare Technology, and Tourism as economic growth drivers. Given the proximity of many Rochford and Southend employment sites, and the shared enterprise around the Airport Business Park and other JAAP sites, there may be opportunities to accommodate businesses in these sectors within Rochford District, particularly if Southend sites cannot provide accommodation of sufficient size to meet modern business needs.

6.6 The EDNA models expected future economic and employment growth across South Essex and its constituent local authority areas, and as part of this includes a number of economic scenarios looking at how demand for employment sites might be affected from 2016-2036 depending on a number of factors, looking at historic performance and national growth expectation for various sectors and the resultant influences on land requirements across South Essex. The study includes a baseline, or ‘business as usual’ forecast, in which it is assumed no significant growth opportunities are pursued. The baseline for Rochford District, as seen in Figure 7, projects 1,292 net FTE jobs created between 2016-2036, with 156 of these in jobs likely to occupy B-class (employment) premises. This model predicts an increase in office-based jobs but declines in industrial and warehousing roles. As shown in Tables 1 and 2, this scenario envisages an overall net decline in employment floorspace of -7,652 sq. m, or 3ha, although within this anticipates a requirement for an additional 6,721 sq. m, or 1ha, of office employment space.

Figure 7: Rochford Baseline Forecast Employment Growth



6.7 Two additional scenarios were expected to particularly affect demand in Rochford District:

<u>London Industrial Land Relocation:</u>

6.8 Anticipation of the release of large tracts of industrial land in the North Thames Gateway (e.g., Barking & Dagenham, Havering and Newham) for other uses, particularly residential, based on the GLA’s Industrial Land Supply & Economy Study (2015). The scenario modelled takes the GLA study’s assumption of an expected continuation of significant industrial land release in London over the next twenty years, particularly from Outer London, and assumes a displacement of a number of industrial requirements to South Essex, which is deemed a suitable location to accommodate many of these displaced activities due to the geographical proximity and similarity of the existing economy. Whilst Basildon and Thurrock are considered to be the principal destinations for relocating London industrial activities, there is also an expectation that Castle Point and Rochford would be suitable to accommodate such uses. The scenario anticipates Rochford District capturing 10% of displaced activities, leading to the net creation of 2,471 jobs from 2016-2036

6.9 The forecast envisages a significant expansion of manufacturing and warehousing activities displaced from London, along with a modest increase in office space. As shown in Tables 1 and 2, the scenario forecasts an increase of 46,325sq. m (or 12ha) of manufacturing employment space, an increase of 46,325sq. m (or 12ha) of warehousing space and an increase of 6,721 sq. m (or 1ha) of office space. Overall, this scenario envisages a requirement for an additional 24ha of employment land.

London Southend Airport Impact:

6.10 This scenario considers the expected growth in Rochford District and Southend-on-Sea Borough in supply chain and related service jobs around London Southend Airport as a result of its expansion, combined with the development of an additional 109,000 sq. m of new employment floorspace set out in the JAAP, including 99,000 sq. m of space on the new Airport Business Park, expected to create up to 5,100 jobs (according to the 2014 Rochford Employment Land Study). The scenario also considers an intensification of uses on the existing Aviation Way Industrial Estate, delivering an additional 15,000 sq. m of employment floorspace and an additional 750 jobs.

6.11 The forecast envisages a significant expansion of office-related activities and a corresponding decline in demand for manufacturing and warehousing space. Across B-class uses, the model forecasts a net decrease of 5,724 jobs from 2016-2036. As shown in Tables 1 and 2, the scenario forecasts an increase of 6,791 sq. m (or 1ha) of office employment space, a decrease of -11,033 sq. m (or 3ha) of manufacturing space and a decrease of -1,481sq. m of warehousing space, with no net change on land requirement. Overall, this represents a decline in employment land requirements of -2ha. Note that this forecast does not cover non-B-class uses and jobs that may be affected positively by the airport's growth, e.g. the Retail, Leisure and Hospitality sectors.

Combined Growth Scenario

6.12 In addition, a 'Combined Growth Scenario' was modelled. This assumes a scenario in which both the expansion of London Southend Airport and relocation of industrial activities from the Greater London area have had a degree of influence on the local commercial property market and demand for employment land, each growth scenario test understands particular growth drivers and influences for land requirements across South Essex, based on a combination of local context, historic performance, strategic growth and growth expectations for particular sectors. This scenario is considered most appropriate when forecasting future demand for employment land in South Essex, as it considers a range of economic factors. Across B-class uses, it forecasts a net increase of 1,242 jobs from 2016-2036.

6.13 The combined forecast envisages increased demand for office and manufacturing space, along with a modest decline for warehousing. As shown in Tables 1 and 2, the scenario forecasts an increase of 6,837 sq. m (or 1ha) of office employment space, an increase of 24, 950 sq. m (or 6ha) of manufacturing space and a decrease of -1,481sq. m of warehousing space, with no net change on land requirement. Overall, this represents an increase in employment land requirements of 7ha.

Table 1: Summary of Rochford Employment Growth Forecasts in Floorspace Requirements (2016-2036)

Floorspace (sqm)	Total	Office	Manufacturing / Industrial	Warehouse
Baseline	-7,652	6,271	-12,442	-1,481
Industrial Land Re-location	98,921	6,271	46,325	46,325
London Southend Airport Impact	-5,724	6,791	-11,033	-1,481
Combined Forecast	**30,306**	**6,837**	**24,950**	**-1,481**

Table 2: Summary of Rochford Employment Growth Forecasts in Land Requirements (2016-2036)

Land requirements (Ha)	Total	Office	Manufacturing	Warehouse
Baseline	-3	1	-3	0
Industrial Land Re-location	24	1	12	12
London Southend Airport Impact	-2	1	-3	0
Combined Forecast	**7**	**1**	**6**	**0**

6.14 In assessing the supply of employment land available to meet these projected demands, the EDNA makes adjustments accounting for a proportion of employment land being lost to employment uses. This could be either through temporary occupation of employment sites for other uses (e.g. retail, leisure and automotive sales businesses on industrial estates), or through redevelopment of employment space for other uses (e.g. redevelopment of office premises to residential use through Permitted Development rights). It also makes allowances for the need for 'churn' – i.e. a certain amount of vacant sites/premises are required in order to facilitate a healthy turnover of commercial occupiers and enable businesses to move according to their locational requirements. Table 3 shows that, when taking into consideration these factors, the Combined Scenario would require **an additional 16ha of employment land to be designated up to 2036.**

Table 3: Combined Requirement with Supply Side Adjustments (Floorspace & Land)

	Total	Office	Manufacturing	Warehouse
Floorspace requirements (sq. m)	73,306	**19,443**	**52,172**	**1,691**
Land requirements (Ha)	**16**	**2**	**14**	**0**

6.15 Rochford District has the highest demand/lowest supply of office space across South Essex, with property spending less time on the market than in much of South Essex (at 12.1 months compared to 16.9 months across the wider area). Demand for industrial space was the second highest, taking 12.4 months to let compared with a South Essex average of 15.8 months. However, vacancy rates across both office and industrial space were above average whilst rents were below average, implying overall quality of stock in Rochford District is of secondary/poor quality. In recent years, the supply of vacant industrial and office floorspace has fallen drastically across South Essex, due to rising business occupier demand, but also due to pressure to redevelop employment land for housing.

Existing Employment Sites

6.16 The EDNA identifies Rochford District as having 10 clusters of employment sites, with these details below in Table 3 (see also Figure xx). Overall, employment allocations in the District total 112ha and constitute 8% of employment land across the 5 South Essex local authorities assessed. Rochford District has the 4th largest quantum of employment space, after Thurrock, Basildon and Southend-on-Sea.

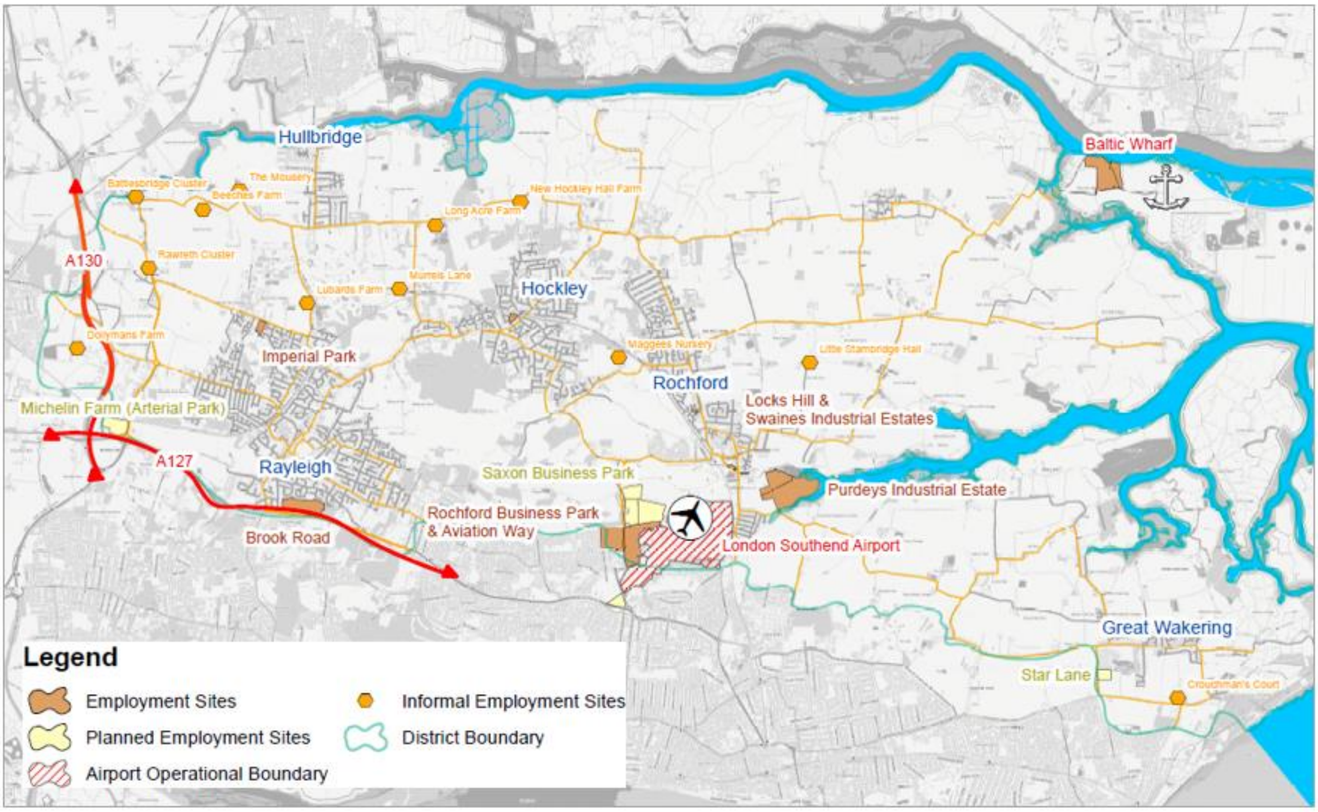
As set out in the table, the London Southend Airport and Purdey's clusters constitute the vast majority of employment land in the District, totalling over 75% between them. Although remote, the Wallasea Island cluster, containing the Baltic Wharf port and warehousing facility, is a significant proportion of overall employment space. It should be noted that the table does not count sites which were formally allocated for employment but which have been reallocated for other uses. There are 3 sites falling under this grouping, Star Lane Industrial Estate (Great Wakering), Rawreth Lane Industrial Estate (Rayleigh) and Eldon Way Industrial Estate (Hockley). The first 2 are allocated for residential development and the latter for mixed-use redevelopment as part of the Hockley Town Centre Area Action Plan. These have not yet been progressed for development due to a number of complications and remain in employment use. Collectively, they total almost 17ha of additional employment land and are not covered below in Table 4.

Table 4: Rochford Site Clusters

	Number of Sites	Site Area	% of Rochford Total
London Southend Airport	2	36.9	33%
Purdey's	3	38.54	35%
Great Wakering	0	0	0%
Wallasea Island	2	20.14	18%
Southend Arterial Rd	1	13.15	12%
Rayleigh, Hockley & Ashingdon	2	2.81	3%
Rochford Total	**10**	**112**	**100%**

6.17 The 112ha identified does not include all sites currently in employment use within the District, including both the de-allocated sites and a number of other, informal sites, such as a number of farms and former agricultural sites. These contain a range of economic activities and provide important accommodation for a range of businesses, particularly at the lower end of the scale in terms of size and affordability. Some of these are identified on the map below in Figure 8:

Figure 8: Map of Key Employment Areas in Rochford District



6.18 The EDNA reviews the existing allocated employment land supply in each local authority area and assesses the quality of both the overall site and the building stock on a ‘traffic light’ rating, looking at aspects such as age/quality of buildings, on-site amenities, non-B-class floorspace and neighbouring uses. It makes recommendations for its future management or development to help support economic growth. These are categorised as follows:

- *Protect & Maintain:* Applies to sites which are suitable in their current form and are located in an appropriate location context where there is not likely to be significant long term change that affects their employment role or function. These sites should be protected. They will require some investment in stock and public realm to maintain their condition and quality over time, but should not require any significant investment or intervention.

- *Protect & Enhance:* Applies to sites which are largely suitable in their current form, but may require some support over time to reinforce their employment strength, may be located in areas which are not entirely supportive or appropriate, or where there may be significant change in the medium to long term as a result of regeneration and redevelopment activity. Whilst sites are likely to be fine in the short to medium term (aside from requiring the maintenance of their condition and quality) and should be protected, it should be understood that these sites may evolve over time and may require support in achieving this.

- *Monitor and Manage:* this applies to sites which are of poor quality and/or are not identified to be functioning adequately as employment sites, based particularly on poor stock condition and lack of investment, non B class uses evident on site, location in areas with poor accessibility and amenity levels, and/or location in a context not supporting of employment activity. The sites in this category should be kept under review over time and decisions on their future employment role be taken as and when they begin to experience significant vacancies, dilapidations etc.

6.19 Table 5 below assesses all allocated Rochford District employment sites against the traffic light assessment and makes recommendations accordingly. Note this does not include new employment land allocations set out in the 2014 Allocations Plan.

Table 5: EDNA Assessment of Rochford Employment Sites

Site	Site Cluster	Site Area (Ha)	Stock Quality	Site Quality	Future Recommendation		
					Protect & Maintain	Protect & Enhance	Monitor & Manage
Aviation Way Industrial Estate	London Southend Airport Cluster	25.27			✓	✓	
Baltic Wharf	Wallasea Island Cluster	16.11			✓		
Essex Marina	Wallasea Island Cluster	4.03			✓		
Brook Road Industrial Estate	Southend Arterial Road Cluster	13.15			✓	✓	
Imperial Park Industrial Estate	Rayleigh, Hockley & Ashingdon	2.35				✓	
Locks Hill, Rochford	Purdey's Cluster	0.82			✓		
Riverside Industrial Estate	Purdey's Cluster	0.34			✓		
Rochford Business Park	London Southend Airport Cluster	11.63					✓

Swaines Industrial Estate	Rayleigh, Hockley & Ashingdon	0.46			✓		
Purdey's Industrial Estate	Purdey's Cluster	37.38				✓	✓
Star Lane, Great Wakering	Great Wakering Cluster	5.82			N/A	N/A	N/A
Rawreth Lane Industrial Estate	Rayleigh, Hockley & Ashingdon	6.2			N/A	N/A	N/A

6.20 The majority of sites were assessed to be functioning well for their employment purpose, and as a result given the 'Protect & Maintain' recommendation. However, a number of sites also had the 'Protect & Enhance' designation, suggesting a degree of intervention and investment would help these sites to remain attractive employment sites. This includes Aviation Way Industrial Estate, where some investment and development could help the site integrate with the new JAAP sites being developed adjacent and form part of a wider Aviation cluster, and Brook Road, which is a popular manufacturing location but which has a number of dated units, older infrastructure and encroachment of non-B uses. Some investment could help create more appropriate accommodation and improve accessibility. Older sites such as Imperial Park were also recommended to undergo some investment to reduce vacancies and remain attractive to business.

6.21 The District's largest employment site, Purdeys Industrial Estate, received both a 'Monitor & Manage' and 'Protect & Enhance' designation, identifying that whilst the site is a vital local employment centre, it has suffered significant encroachment of non-B-class uses, whilst its stock quality varies considerably. It is recommended that additional improvements are made to ensure the site continues to function as an economic hub. Rochford Business Park also received a 'Monitor & Manage' designation, being dominated by automotive retail, having seen no B-class uses developed, and having limited sites remaining.

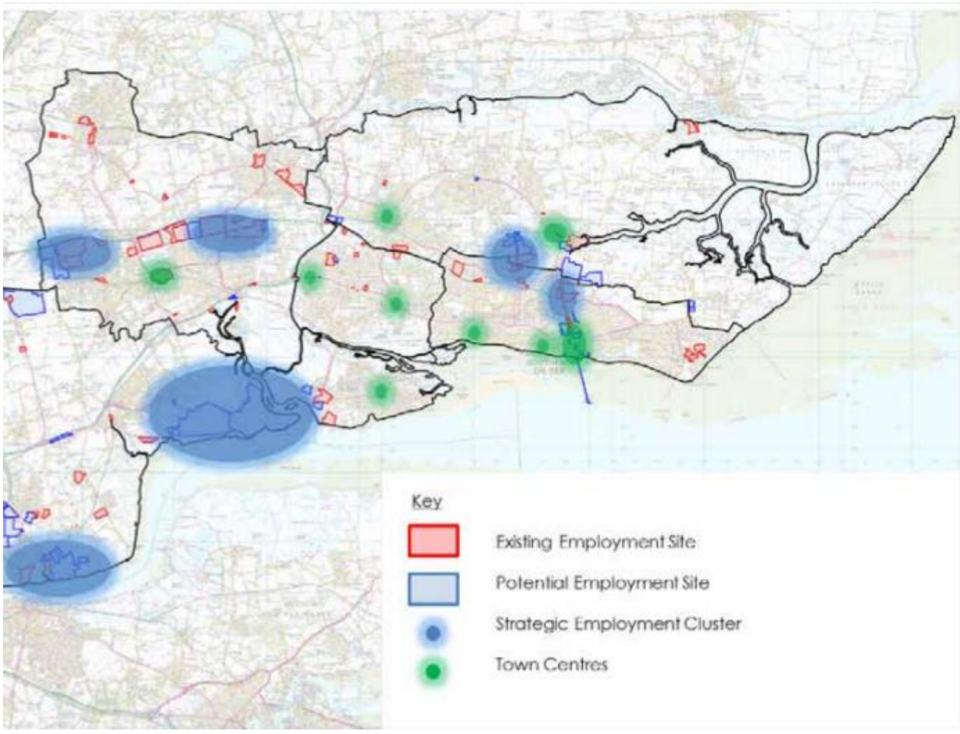
6.22 The EDNA flags the potential for reallocation of Star Lane and Rawreth Lane Industrial Estates for employment purposes, given employment uses continue at these locations and no residential development has progressed. Reallocating these sites is one option that could be considered for inclusion in the new Local Plan.

<u>New Employment Sites</u>

6.23 The EDNA highlights the allocation of a number of new employment sites in the 2014 Allocations Plan, however these had not been developed at the time of its publication. It suggests that the future Airport Business Park site has the potential to accommodate a significant amount of B-class activity, which could support the de-allocation of Rochford Business Park as an employment site, given its alternative uses. The EDNA states the new employment land to the South of Great Wakering may not be required if a decision is taken to reallocate the existing Star Lane Industrial Estate for employment. Even if this is retained, however, it could be used to accommodate future expansions or to facilitate clustering of related employment uses in future. Similar arrangements could apply to new allocation Michelins Farm in relation to Rawreth Lane Industrial Estate.

6.24 To ensure South Essex is well-placed to face the various economic opportunities and challenges touched upon by the forecasts, the EDNA identified a series of 8 strategic site clusters across South Essex (see Figure 2). These are sites of strategic importance that have the capability to accommodate significant growth from the economic growth driver sectors. Only one of these falls partly within Rochford District – the London Southend Airport JAAP Cluster (shared with Southend-on-Sea). This cluster was identified to have potential for the Advanced Manufacturing & Engineering, Health Technology and Green Technology priority sectors. In addition, Rochford and Rayleigh Town Centres, along with others across South Essex, were highlighted as potential locations for accommodating businesses in the Digital, Cultural & Creative Industries sectors.

Figure 9: Strategic Employment Sites & Town Centres across South Essex



6.25 It is recognised that the EDNA will need to be updated to provide a full assessment of needs to 2040. The drivers for this update also include the number of existing and new sites that have since seen significant development, whilst a number of significant events have now taken place since its publication in 2017. These include the COVID-19 pandemic, which has had a severe negative impact on many economic sectors, most notably aviation, upon which a scenario envisaging major growth at London Southend Airport was predicated. The pandemic has also accelerated other trends, including the growth of home/remote working (including of the London commuter workforce) and online retail, and is likely to have significantly altered projections for the makeup of and demand for various employment sites such as offices and warehousing as a result. However, it is acknowledged that with the pandemic continuing to affect society and the economy, it is at this stage difficult to accurately project longer term trends in demand for employment land in South Essex. In addition, a revised EDNA could factor in additional impacts not considered in the earlier study. These could include the impact of the UK leaving the European Union on 1st January 2021 with a negotiated free trade agreement and the advancement of a number of significant local projects and initiatives which could influence employment growth and workspace demand. These include the formation of the Association of South Essex Local Authorities (ASELA), with a remit to pursue set strategic-level policies to secure opportunities relating to housing, infrastructure, planning and economic development, the Thames Estuary Production Corridor (for creative industries), Thames Freeport designations at Tilbury and London Gateway, and the Lower Thames Crossing and the Bradwell B nuclear power station infrastructure projects – both currently at different stages of consultation.

South Essex Grow-on Space Study (2020)

General Findings

6.26 This study[19], carried out by consultants SQW, builds upon the findings of the earlier *Essex Grow-on Space Feasibility Study 2016*[20] and updates these for the context of the South Essex local authorities (including the unitary authorities of Southend-on-Sea and Thurrock, forming part of the evidence base for the emerging South Essex Joint Strategic Plan. It analyses the supply of 'grow-on space' (i.e., office or industrial/warehouse units of 150-500 sq. m), as this accommodation forms a crucial next step for growing small & medium-sized enterprises (SMEs) seeking to scale up in terms of both output and headcount. Providing this type of accommodation is an important aspect in supporting increases in business productivity and local economic and employment growth but has often been the subject of a market failure in terms of both quality and quantity of employment space.

6.27 The findings indicate that across South Essex insufficient supply has been coming forward in recent years for a variety of reasons. These include a shortage of all types of employment land in a market characterised by high land values and strong demand for additional housing. This in turn has exacerbated the competition for sites, including a preference for developers to build other, more viable employment types (e.g. large-scale distribution warehouses), the widespread loss of employment space to residential uses, both through planning applications and permitted development, a continued demand for lower-value, less-intense uses on employment land (e.g. open storage) and the significant encroachment of other uses onto existing employment sites (e.g. retail and leisure). The planning system was also cited as a barrier to the development of grow-on space, with necessary strategic infrastructure to enable employment sites to be brought forward not taking place soon enough, 'bad neighbour' effects of sites being located near residential areas restricting operations,

[19] South Essex Grow-on Space Study 2020: https://ca1-jsp.edcdn.com/downloads/FINAL-REPORT-Grow-on-Space-in-South-Essex-090220.pdf?mtime=20201223112343&focal=none
[20] Essex Grow-on Space Feasibility Study 2016: https://www.rochford.gov.uk/sites/default/files/GrowonSpaceFeasibilityStudy.pdf

and the risk of not securing permission all disincentivising development of additional grow-on space.

6.28 The study also identified a number of local authorities which were actively promoting the development of both grow-on space and flexible workspace arrangements (e.g. serviced offices, co-working space and small-scale manufacturing) through the intensive use of employment land, or through diversified, mixed-use town centre sites.

6.29 The study also analysed Cambridge Econometrics data to project likely employment growth by business accommodation type between 2018 and 2034, as shown in Table 6. This indicates that across South Essex there is likely to be an increase in employment in industries likely to be based in office-type accommodation, whilst employment in sectors typically occupying manufacturing and warehousing accommodation is likely to reduce. This is due to a range of factors, including a general national pivot towards a knowledge/service sector-based economy, but also due to advanced in automation in the manufacturing and logistics industries. This trend should be carefully monitored and more evidence sought, given the additional demand in UK logistics space required as a consequence of the COVID-19 pandemic, online retail growth and post-Brexit preparations[21]. For Rochford, the model anticipates a loss of 400 industrial/warehouse-based roles, alongside a gain of 300 office-based roles.

Table 6: Forecast employment in jobs in sectors typically accommodated by B1a/B1b and B1c/B2/B8 use class premises 2019 to 2034

	Typically accommodated in B1a/B1b use class premises		Typically accommodated in B1c/B2/B8 use class premises	
	Change in employment 2019 to 2034	Change in employment (as % of 2019)	Change in employment 2019 to 2034	Change in employment (as % of 2019)
Basildon	2,800	+9.5	-800	-3.8
Brentwood	800	+4.9	-400	-7.6
Castle Point	400	+5.5	-400	-9.9
Rochford	300	+5.4	-400	-6.3
Southend-on-Sea	1,900	+8.6	-900	-9.9
Thurrock	1,300	+9.1	-400	-1.7

Rochford District Findings

[21] Knight Frank UK Logistics Market Outlook 2021: https://content.knightfrank.com/research/2202/documents/en/uk-logistics-outlook-2021-7940.pdf.

6.30 The study states that for industrial workshops in Rochford District, there is a ‘moderate’ level of demand, but that quantity of supply is ‘low’ - constrained by Green Belt restrictions intensifying competition for both employment and residential land, whilst new employment land such as Airport Business Park is being developed predominantly for larger-scale accommodation. Meanwhile, the quality of the current supply is ‘very low’, with many existing industrial estates offering a limited supply of older accommodation which is not suitable for the needs of many modern businesses. The quantity is also constrained due to a shortage of grow-on space and competition from other uses on industrial estates. For offices, there is a similar picture, with moderate demand but a low quantity of supply and very low quality relating to both the accommodation itself and its locations, with key employment sites, such as Purdeys Industrial Estate, seeing businesses located alongside large environmental/waste/recycling uses which are not deemed to be ‘good neighbours’. The findings indicate local businesses risk being trapped in sub-optimal accommodation, which has a resultant negative impact on business and economic growth across the District and wider South Essex. The primary recommendations emerging from the report are for planning policy and development management to protect current and new employment allocations from being developed for alternative uses. Figures 10 and 11, below, show these demand and supply assessments for Rochford District.

Figure 10: Demand for Grow-on Space in Rochford District

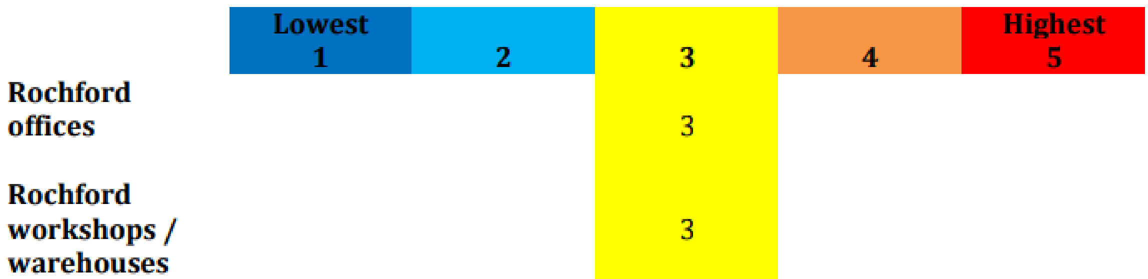
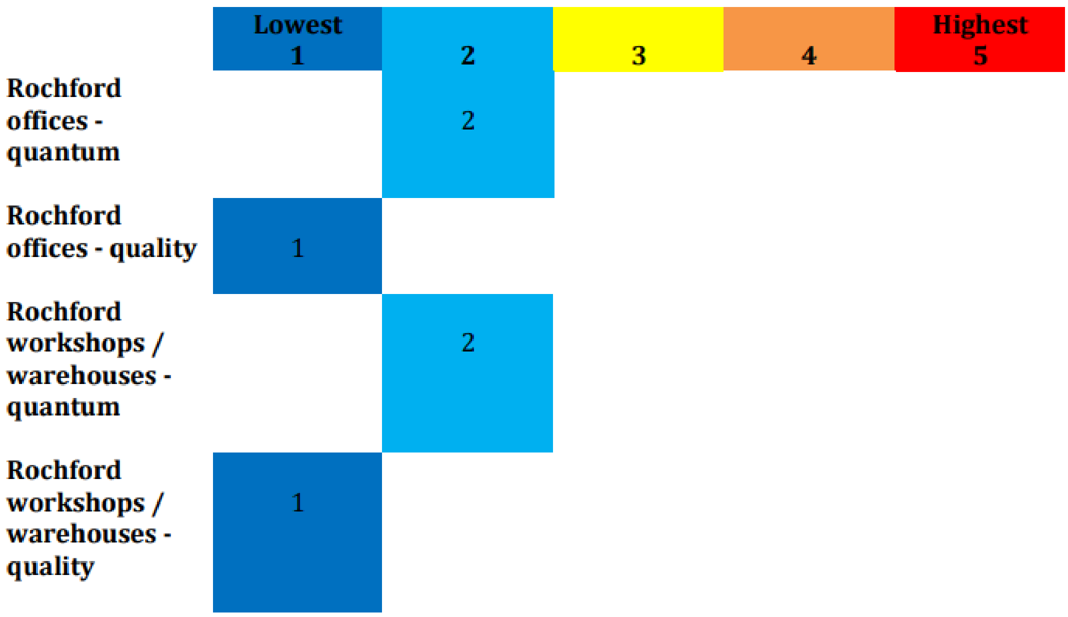


Figure 11: Supply of Grow-on Space in Rochford District



Recommendations

6.31 The report made a number of recommendations for how planning policy could improve delivery of grow-on space across South Essex, many of which can be applied more widely to employment land in general. It is worth noting that since the report's publication, a number of new grow-on space schemes have secured planning permission and are in the pipeline, including a number of smaller B2/B8 industrial units on one of the plots at the Airport Business Park. The response of the Council's Economic Development Team, which cited the Grow-on Space Study, was a supporting factor in this approval. The recommendations are set out below in Table 8:

Table 8: Recommendations from South Essex Grow-on Feasibility Study

Intervention	Critical Success Factors	Potential Impact
1: Planning policy protecting against loss of existing and new employment allocations to competing uses: Local planning authorities (LPAs) should commission a proportionate but robust evidence base to identify existing employment areas that require greater and lesser protection from competing uses such as residential, retail warehousing and trade counters. Areas requiring greater protection may be a combination of strategic locations and locally significant ones that already provide a stock of affordable Grow-on Space. Policies should then be developed that afford appropriate protection to each area	Proportionate but robust evidence base to ensure compliance with national guidance Adequate technical resources to assess whether genuine deliverability challenges exist on a case by case basis LPA officers will require the support of elected officials to enforce such policy, delaying delivery of a site / providing more proactive intervention if required	High - Potential to safeguard and secure employment land in strategic / locally significant locations
2: Development management protecting against loss of new employment allocations to competing uses Where planning policy requires new employment uses as part of mixed use site allocations, and this is supported by viability testing, local planning authorities should be confident in requiring the floorspace to be built as a developer obligation linked to housing delivery, rather than relying on residential developers to market the land for onward delivery by another party. Where genuine deliverability challenges arise, more proactive public-sector interventions may be required to address these, rather than conceding on change of use.	Allocation of sites with appropriate scale and location Defensible evidence base to ensure compliance with national guidance Adequate technical resources to assess whether genuine deliverability challenges exist on a case by case basis Considered drafting of Section 106 obligations, particularly those requiring delivery of floorspace rather than marketing of land for onward delivery by third party LPA officers will require the support of elected officials to enforce such policy, delaying delivery of a site /	High - Potential to safeguard and secure employment land in strategic / locally significant locations

	providing more proactive intervention if required	
3: Planning policy and development management that retains some compatible employment uses on existing employment allocations released for housing In some cases, LPAs may be supportive of release of employment sites, for example, where they are located adjacent to and/or share vehicular access with residential areas, causing tensions due to 'bad neighbour' impacts such as noise and air pollution. However, these sites can play a locally significant role in providing affordable workspace for smaller businesses and employment opportunities with low commute times for residents, and LPAs should consider opportunities for protecting or re-providing at least some compatible uses.	Where employment floorspace is re-provided, careful design can mitigate against bad neighbour impacts – and, indeed, contribute to placemaking. This may include provision of active frontages along key routes, collocating daytime employment uses alongside evening leisure uses to create vibrancy throughout the day, or separation of heavy goods vehicles from pedestrian and cycle traffic. Clear planning policy requiring protection or re-provision of at least some compatible uses may help to manage land owner expectations of value, increasing the viability of Grow-on Space.	Low - Will apply to relatively few / less strategic locations, but potential to make a locally significant contribution to affordability and sustainable development
4: Timely allocation of new employment sites (suited to Grow-on Space development) in planning policy There is already significant unmet housing need within South Essex and across the wider Thames Estuary and substantial new communities are likely to be required in response. Without sufficient land allocations or direction through planning policy, the private sector may seek to bring forward planning applications for less sustainable sites and development schemes with little or no employment uses.	Timely identification of preferred growth areas in planning policy and subsequent housing and employment allocations of appropriate scale may help to increase the sustainability of new development by providing new employment opportunities with short commute times. Beyond scale and location, policies promoting a vibrant mix of uses and high quality placemaking may also increase the deliverability of Grow-on Space. Development management to ensure onward delivery of allocated employment sites (See Potential Intervention 2) Clear planning policy requiring employment uses as part of housing growth areas may help to manage land owner expectations of value, increasing the viability of Grow-on Space.	Moderate - Proactive approach highly desirable, but development management provides another avenue to achieve similar results.
5: Planning policy that requires a mix of unit sizes as part of larger / highly viable employment schemes There are many locations within South Essex where the development of new employment floorspace is viable,	Adequate technical resources to assess whether genuine deliverability challenges exist on a case by case basis LPA officers will require the support of elected officials to enforce such	Low - Potential impact limited to larger / highly viable employment schemes

although in some locations this is only the case for less-risky larger units (see commentary on causes of demand and supply gap in Chapter 4). Planning policy requiring a mix of unit sizes as part of large employment schemes may be effective where the development of larger units is a preference of developers rather than a necessity, and where delivery of larger units is sufficiently viable to cross-subsidise smaller units.	policy, delaying delivery of a site / providing more proactive intervention if required	
6: Securing delivery of Grow-on Space through Section 106 obligations where very large employment units / low employment density uses are permitted There are a small number of locations within South Essex where there is occupier demand for very large units (say, over 250,000 sq ft) and where employment densities are relatively low i.e. there is a negative impact of development that could be mitigated. Due to low market risk due to pre-lets, and economies of scale in development and operation, viability may be sufficient to induce development at lower land values. The planning system may be able to capture some of this 'supernormal profit' through Section 106 obligations to secure the delivery of Grow-on Space, helping to close the gap in supply and demand for businesses, as well as supporting job creation. The obligations could range from provision of land-in-kind, to delivery of floorspace, or a financial contribution for off-site development.	Defensible evidence base to ensure compliance with national guidance, identifying appropriate thresholds for size Adequate technical resources to assess whether genuine deliverability challenges exist on a case by case basis Considered drafting of Section 106 obligations, particularly those requiring delivery of floorspace rather than marketing of land for onward delivery by third party LPA officers will require the support of elected officials to enforce such policy, delaying delivery of a site / providing more proactive intervention if required	Moderate - Potential impact limited by the number of very large units delivered, but opportunities to capture significant value from high value areas and redeploy in areas with greatest supply and demand gap
7: Ensure that CIL Charging Schedules do not reduce viability of Grow on Space Smaller units are often less viable than larger ones – and therefore deliverable by the private sector in fewer locations. Basildon and Southend-on-Sea both currently collect CIL charges for office, industrial and warehousing uses irrespective of size or location. LPAs should ensure that the evidence base underpinning CIL Charging Schedules considers the implications of this, and that subsequent policies do not reduce	Defensible evidence base to ensure compliance with national guidance, identifying appropriate charging zones and/or thresholds for size Ensuring that size thresholds do not lead to unintended consequences e.g. a shortage of supply for units just above the threshold size	Moderate - Potential to incentivise delivery of Grow-on Space in areas with greatest supply and demand gap, as well as opportunities to capture significant value from high value areas and redeploy in areas with greatest

viability of Grow-on Space, particularly in locations with the greatest supply and demand gap for such space. Subject to viability, introducing a size threshold may be revenue neutral or positive for LPAs		supply and demand gap
8: Employment land allocations specifically for Grow-on Space Planning risk influences land values, subsequently affecting viability and therefore competition for land between different uses. There are a variety of opportunities for the planning system to manipulate the planning risk of achieving a use other than Grow-on Space: For smaller employment land allocations in appropriate locations, designating these entirely for Grow-on Space through planning policy; For medium-sized employment land allocations with more than one private sector owner (i.e. where land values need to be equalised), requiring a minimum quantum of Grow-on Space through planning policy and requiring that planning applications must either be brought forward comprehensively with a single Section 106 agreement, or contribute towards land equalisation; For larger employment areas, designating a portion of the area for Grow-on Space either through a masterplan or separate allocations; • For employment land in public sector ownership, allocating an appropriate quantum or portion of the area for Grow-on Space through a planning policy or a masterplan, thereby adjusting the threshold for best consideration	Allocation of sites with appropriate scale and location Defensible evidence base to ensure compliance with national guidance Considered drafting of planning policy, with legal support where necessary Adequate technical resources to assess whether genuine deliverability challenges exist on a case by case basis LPA officers will require the support of elected officials to enforce such policy, delaying delivery of a site / providing more proactive intervention if required	Moderate - Use cases limited by up-front investment of resources by local planning authority and significant barriers to effective intervention
9: Planning policy that promotes the creation of high-quality places Many high potential start-ups and scale-ups are less suited to traditional places of employment such as industrial estates and business parks, favouring ‘Innovation Districts’ with greater vibrancy achieved through denser development with a greater mix of uses and high-quality pedestrian and cycle routes	Monitoring and building upon the current strengths and addressing the current weakness of places	Moderate - Potential impact limited by a particular set of local ‘ingredients’, although some areas may become of greater than local significance. Whilst planning policy can play a role in encouraging the creation of these sorts of

These new places may emerge in areas with poor quality business accommodation and limited amenities, resulting in low land and property values, despite relatively high public transport accessibility. At relatively low and phased development cost, buildings can be refurbished, public art can be installed, and a greater mix of uses established, increasing demand such that viability is increased (higher values and reduced market risk). Planning policy can play a role in encouraging the creation of these sorts of places in appropriate locations. See also a recommendation relating to public sector investment in placemaking and promotion beyond the planning system.		places, their creation is often organic and private sector-led.
10: Providing maximum planning certainty to potential applicants Planning policy that provides clear direction on development constraints, acceptable development (uses, sizes, scale and massing, access arrangements) and mitigation requirements can help scheme promoters manage risks, such as by entering into appropriate agreements with land owners and contractors. This planning policy certainty could be provided: - Alongside employment allocations, potentially including the implementation of simplified planning zones for Grow-on Space where the supply and demand gap is greatest; - Within detailed development briefs and masterplans, and/or; - Through timely, affordable and definitive pre-application discussions, potentially supported by a ‘fast track’ process for new build, change of use and extension applications for Grow-on Space	Sound baselining and viability testing to inform the drafting of appropriate planning policy, as well as providing additional information to potential scheme promoters. Adequate resources and empowerment of planning enforcement officers to advise potential applicants without prejudice to a final decision.	Moderate - May help to secure delivery of Grow-on Space where viability is marginal, but unlikely to close fundamental viability gaps.

South Essex Employment Land Availability Assessment (ELAA) – Property Market Review

6.32 The Property Market Review[22], published in 2021, was conducted by consultants Avison Young and is a key piece of evidence supporting the production of the South Essex ELAA. The ELAA will provide a robust assessment of land supply embedded in commercial reality and be a key component of the emerging South Essex Joint Strategic Plan, delivering a vision for South Essex up to 2050. The Joint Strategic Plan will be a bold new blueprint for better infrastructure across South Essex and to boost housing and create skills, jobs and training opportunities.

6.33 Across South Essex, the report found that the key industrial areas were concentrated in Basildon and Thurrock, with the greatest quantum of floorspace in the Southend Arterial Road Corridor (Basildon), Purfleet and Tilbury clusters, whilst the greatest average annual take-ups of commercial space between 2015-2019 was found in the Southend Arterial Road Corridor (Basildon), London Gateway and Purfleet clusters. These areas are dominated by large-scale manufacturing and distribution sites.

6.34 By comparison, the employment sites in Rochford District are skewed towards small/medium businesses and play a more peripheral role within the South Essex context, Using the clusters for Rochford identified in the South Essex EDNA (see Table 4), the study compares the various South Essex employment clusters, as set out below in Table 9. This shows that for the Rochford clusters, vacancy rates are typically very low, with many of the smaller clusters having no availability and even larger ones (e.g. Purdeys) having limited space. The cluster with the highest quality stock and most modern premises (London Southend Airport – Rochford) had zero availability, and capacity at sites suitable for businesses requiring modern, high-quality premises is particularly constrained. Whilst most clusters had stock that was generally average or above average in quality, the Great Wakering cluster fell short of this. In addition, whilst the average age of stock was generally at least average, they key Southend Arterial Road cluster is ageing. It should be noted that this analysis differs slightly in scope to that of the EDNA in that it also includes retail premises. Whilst this may skew findings by also including non-B-class employment uses, it can reflect the reality that in many employment clusters there is substantial encroachment of other uses.

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Table 9: South Essex ELAA Property Market Key Characteristics

Cluster Name	Borough	Total # Properties	Total Floorspace (sqft)	Average Property Size	Vacant Floorspace	Overall Quality of Stock	Overall Age of Stock	Dominant Character
London Road Corridor	Basildon	39	1,092,102	Medium	1%	Above Average	Average	Retail
Southend Arterial Road Corridor	Basildon / Brentwood	433	13,489,504	Medium	4%	Average	Modern	Industrial
Billericay Cluster	Basildon	126	878,420	Small	1%	Average	Fairly Old	Retail
Rural Sites Cluster	Basildon	5	58,352	Medium	0%	Average	Average	Office
Basildon TC / Laindon Cluster	Basildon	47	699,229	Medium	6%	Above Average	Fairly Modern	Retail
Wickford Cluster	Basildon	205	2,551,679	Medium	0%	Average	Modern	Industrial
Canvey Island Cluster	Castle Point	98	1,061,388	Medium	3%	Below Average	Fairly Modern	Industrial
A13 Corridor Cluster	Castle Point	17	72,715	Small	0%	Average	Fairly Modern	Retail
Northern Cluster	Castle Point	79	1,127,326	Medium	1%	Below Average	Fairly Modern	Industrial
London Southend Airport Cluster (RO)	Rochford	41	856,343	Medium	0%	Above Average	Modern	Industrial
Purdeys Cluster	Rochford	133	1,435,412	Medium	2%	Average	Average	Industrial
Great Wakering Cluster	Rochford	12	82,387	Small	0%	Below Average	Fairly Modern	Industrial
Wallasea Island Cluster	Rochford	3	4,492	Small	0%	Above Average	Fairly Modern	Retail
Southend Arterial Road Corridor [redacted]	Rochford	103	357,158	Small	0%	Average	Fairly Old	Retail
Rural Cluster: Rayleigh, Hockley & Ashingdon	Rochford	68	727,906	Medium	1%	Average	Fairly Modern	Retail
Shoeburyness Cluster	Southend-On-Sea	93	1,085,779	Medium	0%	Average	Fairly Modern	Industrial
London Southend Airport Cluster (SE)	Southend-On-Sea	6	339,435	Large	0%	Average	Fairly Modern	Industrial
Prittlebrook Cluster	Southend-On-Sea	51	510,903	Medium	0%	Average	Modern	Industrial
Eastwood Cluster	Southend-On-Sea	40	730,404	Medium	0%	Above Average	Modern	Industrial
Central Southend Cluster	Southend-On-Sea	438	3,993,541	Small	2%	Average	Old	Retail
Brentwood	Brentwood	318	2,177,841	Small	0%	Average	Old	Retail
Hutton	Brentwood	36	346,664	Small	2%	Below Average	Average	Industrial
Purfleet	Brentwood	271	13,836,928	Large	2%	Average	Modern	Industrial
Grays	Thurrock	85	932,771	Small	2%	Average	Old	Retail
Tilbury	Thurrock	54	3,715,367	Large	0%	Average	Modern	Industrial
London Gateway & Thames Enterprise Park	Thurrock	31	1,837,465	Large	14%	Above Average	Modern	Industrial

7 Key Considerations for the New Local Plan

7.1 In planning for future employment growth in Rochford District, it will need to be considered whether existing employment site allocations are sufficient to support the needs of businesses now and in the future, taking into account the need to accommodate whether this provides the right sites both to attract new business occupiers to invest, and to enable local businesses, particularly small enterprises and start-ups, to find the right workspace for them in terms of quality and affordability. Providing the right mix of sites will help support wider business growth and investment, and increase employment opportunities in the District. Given the key findings from the EDNA for a need for up to 16ha of new employment land up to 2036, potentially supporting an additional 1,200 jobs, along with the acute shortage of grow-on space identified from the South Essex Grow-on Space Study, it is necessary to consider whether the District's existing site allocations (including those allocated in the 2014 Allocations Plan) are sufficient to meet these needs. Providing the right mix of sites will help support wider business growth and investment, and increase employment opportunities in the District. However, if supply issues is not addressed both in terms of quantity and quality, there is a risk that both small business growth and inward investment will be constrained, and that successful businesses will relocate elsewhere.

7.2 Among the issues the New Local Plan needs to address, the following themes are considered key for Rochford District:

Updates to planning

7.3 There have been significant changes to the planning system since the publication of the Rochford Core Strategy in 2011 and subsequent Development Management Plan and Allocations Plan in 2014. The New Local Plan will need to adhere to the latest iteration of the NPPF, which places far more emphasis on proactive planning to accommodate future economic growth. The plan will need to incorporate NPPF economic development principles set out in paragraph 3.4, and make provisions for sufficient sites to accommodate both local business growth and inward investment. Sites will need to be well-informed with a robust evidence base and guided by an economic development strategy with built-in flexibility to respond to prevalent market trends and changes in technology and working patterns.

7.4 Similarly, the Local Plan will need to be flexible enough to adapt to other upcoming planning changes, including those proposed by the Planning White Paper and Permitted Development rights. The latter may require a consideration of mitigations that could be deployed to protect loss of strategic employment sites to residential or 'non-B-class' uses, to protect strategic employment allocations. This could include consideration of Article 4 directions to restrict encroachment of other uses on employment land, as well as designation of certain areas as heavy industry, waste management, storage or distribution. These uses are considered a prior approval for the forthcoming Class MA in order to protect residential amenity, and prevention of residential change of use on sites containing such uses would have mutually beneficial effects for prospective residents and businesses.

Digital Infrastructure

7.5 Adoption of the latest digital technologies is vital to ensure local businesses and residents are able to access high-speed broadband and mobile networks, which can in turn support business productivity, economic growth, job creation and social inclusion. The COVID-19 pandemic has accelerated the move to remote and hybrid working models and underlined the importance of robust digital infrastructure. Ultra-fast broadband coverage in Rochford is presently very poor, with only 8% of homes and business premises benefiting from fibre to the premises (FTTP) and download speeds of 1Gbit/s as of May 2021, the lowest coverage of all South Essex local authorities. Table 7 shows coverage across South Essex as of May 2021. Whilst a snapshot in time, this indicates the extent to which the District needs to increase connectivity to ensure businesses and communities are not left behind.

Table 7: Fibre Broadband and Gigabit Capability Coverage for South Essex, May 2021[23]

Council District	FTTP/FTTH %	Gigabit Capable %	Virgin Media Cable Coverage %
England	21.88	39.30	54.90
Essex	19.46	25.06	36.74
Basildon	27.55	27.55	71.76
Brentwood	37.24	37.24	0.05
Castle Point	2.34	2.34	47.33
Rochford	8.09	8.09	0
Southend on Sea	23.69	23.69	62.07
Thurrock	13.57	13.57	73.01

The data shows coverage for:

FTTP (Fibre To The Premise):	The best type of connectivity allowing full scaleability to Gigabit and beyond (Upload and Download).
Gigabit Capable:	Broadband that will allow at least 1Gbit/s download speed, but with no stipulation on Upload speed. It may be delivered by fibre, high speed cable or even 5G.
Virgin Media Cable:	Virgin Media cable is currently being upgraded to "Gigabit capable" (with upload speed in the region of 50Mbit/s)

7.6 Supporting high-quality digital communications infrastructure across Rochford has the potential to help existing and new businesses work more effectively and grow their markets, whilst improved connectivity in even the most remote rural areas creates new possibilities for running businesses and enabling rural diversification. It also benefits the local population, who may be able to access a wider range of employment opportunities that require less commuting. Improving remote and home-working capabilities and reducing out-commuting in turn has the potential to benefit local high streets and retail by keeping more spending within the District.

7.7 As part of the Association of South Essex Local Authorities (ASELA), the Council has been successful in securing a share of £6.9m central government funding to deploy a

[23] Taken from ASELA Digital Infrastructure Briefing Paper – a presentation to the ASELA board, May 2021

Local Full Fibre Network (LFFN) network to deploy gigabit-capability fibre broadband in 2 phases, firstly to the District's main towns (Rochford, Rayleigh, Hockley and Hawkwell) and subsequently to a number of villages and rural areas, including Ashingdon, Canewdon, Great Stambridge, Hullbridge and Rawreth. This will create a fibre 'spine', connecting a number of public sector sites in the first phase, along with further sites including GP surgeries, care homes and community centres in the second. Across South Essex, this will deploy over 200km of fibre and help leverage additional private sector investment into areas such as The Wakerings, as the initial fibre deployment will make it more viable to connect surrounding homes and businesses. It will also enable rural village halls and community centres to become digital 'hubs' with an enhanced role in their communities which could support service delivery, rural business and remote working.

7.8 In addition, the Superfast Essex programme is actively focusing on connecting the final 20% of properties which will not benefit from commercial broadband investment, with many of these being in outlying rural areas of the District. With advances in mobile digital technology, it is recognised that securing full coverage of 4G and 5G (along with the required infrastructure) will be increasingly important in supporting a full range of future technologies in every part of the District, including Internet of Things (IoT), remote sensors and autonomous vehicles.

7.9 Central Government has taken significant steps to increase the delivery of such technologies. This includes new ambitious targets such as delivering gigabit capable networks UK wide by 2025 and plans to amend building regulations to ensure that all new homes have the right infrastructure to support gigabit broadband. The NPPF acknowledges the importance of supporting these technologies classing them as 'essential for economic growth and social wellbeing' and that planning authorities should support the expansion of these technologies.

7.10 The New Local Plan will need to consider whether policies can be included to ensure new developments are 'future-proofed' to accommodate the latest broadband and other technologies, with consideration for accommodating remote working at homes and hot desking facilities in town centres and employment sites.

Skills

7.11 As set out in Section 2, Rochford District has a low unemployment rate, but has a working age population skills level below the national average, with lower proportions of residents at higher NVQ levels, something that can affect the District's attractiveness to higher value business investment and reduce local employment prospects. To help the District's population have the opportunity to access high-quality local employment opportunities, and in turn to have a skilled workforce to attract inward investment, it is important to improve skills levels and access to educational opportunities.

7.12 Such measures could help address known skills shortages in key local sectors, e.g., construction, engineering and advanced manufacturing. This could be achieved indirectly (e.g., supporting high quality broadband infrastructure and transport links to enable residents to learn remotely and access education facilities in neighbouring areas), but also by considering whether sites should be identified for the provision of new further/higher education or training facilities. This is likely to be a longer-term aspiration and could either be delivered locally or by working in partnership with neighbouring South Essex local authorities to support a more strategic education institution.

7.13 Consideration could also be given to ensuring major developments within the District support training and employment opportunities, both during the construction phase and (in the case of commercial developments) when completed. The latest (2020) version of Essex County Council's *Developer's Guide to Infrastructure*[24] incudes provision for developer contributions, but the New Local Plan could give further weight to supporting specific local initiatives of institutions supporting employment, skills and training, working alongside the Economic Regeneration team and local stakeholders to cater for identified sector skills gaps and specific training needs.

<u>Options for Addressing Employment and Skills</u>

7.14 In light of the various issues identified through this topic paper, a number of non-exclusive options have been identified for addressing employment and skills through the plan. These are:

Option	Explanation
Meeting future needs by allocating existing and new employment sites for specific employment uses (e.g. offices or light industrial)	This option would continue to protect employment sites for specific employment uses, ensuring that sufficient space was available to meet particular demands for employment space, e.g. offices, light industrial, heavy industrial and distribution. This could be led by a detailed understanding of the need for different types of employment space through the EDNA or its update.
Meeting future needs by allocating existing and new employment sites for more general employment uses allowing employment sites to flexibly accommodate both employment and other uses	This option would continue to protect employment sites for employment uses, however would allow the market to determine the most appropriate uses by allowing buildings and land to be used flexibly for any type of employment-generating uses, potentially with some parameters and restrictions in place.
Meeting future needs by prioritising the delivery of existing employment land allocations at Saxon Business Park,	Based on the current EDNA, existing employment land allocations contained within the Council's current plan may be

[24] ECC Developers' Guide to Infrastructure 2020: https://consultations.essex.gov.uk/rci/ecc-developers-infrastructure-contributions/supporting_documents/Developers%20Guide.pdf

Michelin Farm (West of A1245) and Star Lane which may be sufficient to meet macro needs based on current evidence	sufficient to meet overall employment needs to 2040. This option would be to ensure the delivery of these sites by 2040 but would not allocate any other land for employment.
Meeting future needs by prioritising the delivery of new employment space alongside any new strategic housing developments (e.g. start-up business centres/co-working spaces or planning for live-work units).	Due to the changing demand for employment space, partly accelerated by the COVID-19 pandemic, there is expected to be considerable future demand for workspaces close to homes. This option would be to ensure that new strategic housing developments delivered commensurate employment space, perhaps in the form of co-working spaces or live-work units.
Meeting future needs by prioritising the expansion of existing employment sites, where adjacent plots can be easily developed to provide more workspace on established sites.	If a need for new employment land allocations was identified, this option would be to prioritise parcels of land adjacent to existing employment sites, allowing these existing sites to expand.
Meeting future needs by prioritising the regularisation of informal employment sites, such as those shown on Figure 30	If a need for new employment land allocations was identified, this option would be to prioritise the regularisation of existing informal employment sites, such as those that have resulted from rural diversification. This option would need careful consideration however, given many of these sites are relatively isolated in the Green Belt and therefore the impacts of densification could be harmful. This option would also safeguard these sites from other uses, which may help to safeguard the useful business space and jobs these sites harbour.
Promoting the intensification of employment uses on existing sites (e.g. encouraging the replacement of open storage yards with business units)	This option would be to increase the job density on existing employment sites, potentially avoiding the need for the development of virgin land. This could include encouraging the development of vacant plots or open yards on existing industrial estates.

Requiring new developments of employment space to set aside a certain proportion for'start-up' (under $150m^2$) or 'grow-on' space, to meet identified needs for these types of smaller space	This option would create a specific requirement on new employment sites to set aside part of the site for smaller units. These units could be used for start-up or growing businesses whose needs might not otherwise be met on a new employment site.
Re-allocating and promoting further development on former employment sites still in employment use (e.g. Rawreth Industrial Estate, Eldon Way or Star Lane), to provide extra capacity, potentially in place of allocating new land.	This option would be to reverse the re-allocation of certain employment sites which were allocated for housing in the current plan. Evidence suggests these sites may never be delivered for housing, however careful consideration may be needed to understand the spatial implications of these sites, given their selection for housing was led by ambitions for those areas.
Working with partners to secure the delivery of ultra-fast connectivity across the District, including fibre-to-the-premises and mobile networks	This option would be to ensure the plan helps to deliver ultra-fast connectivity for local businesses, including home workers. This could include a combination of fibre connectivity, including fibre-to-the-premises, and mobile connectivity, including 5G and any successor technology. The alternative to this option would be to allow these technologies to be solely delivered by the market.
Working with neighbouring authorities to identify land for higher- or further-education facilities where this would address current and future skills shortages	This option would be to help drive skills development by planning for higher- or further-education facilities in the local area. It is recognised that such facilities tend to have a larger than local catchment and that Rochford may not be the optimal location for such a facility in the area. This option could therefore involve working with other neighbouring authorities to consider the case for such a facility in a wider geography, with ties back to Rochford District.

Future of London Southend Airport

7.15 Rochford is home to London Southend Airport, which is a regionally important airport that operates passenger services to destinations primarily in Europe. The Airport also supports an element of freight and cargo movements.

7.16 National policy recognises the importance of maintaining a national network of airfields and requires local planning authorities to plan for any large-scale transport facility needs in their areas (including airports). The Aviation Policy Framework (2013) and Beyond the Horizon Report (2018) sets out the Government's ambitions regarding aviation, including:

- To make best use of existing runway capacity
- To ensure the aviation sector makes a significant contribution towards reducing global emissions
- To ensure communities surrounding airports share in the economic benefits and adverse impacts such as noise are mitigated wherever possible
- To limit and where possible reduce the number of people significantly affected by noise
- That Government, local authorities and airports should work together to improve air quality.

7.17 It is recognised that a new Government Aviation Strategy is expected in Summer 2021, and future drafts of the new Local Plan will need to reflect its implications for local plan-making.

7.18 The Council, jointly with Southend-on-Sea Borough Council, recognised the importance of managing the airport's growth through planning in the preparation of the Southend Airport and Environs Joint Area Action Plan (JAAP), adopted in 2014. The JAAP was a joint development plan document, given that the Airport sits upon the administrative boundary of both Rochford and Southend-on-Sea. The JAAP itself sets out how the airport is expected to grow by 2031, including how development within the curtilage of the Airport itself will be managed, and how an associated business park, to be located to its west, is expected to come forward. The Airport Business Park will accommodate over 100,000m2 of new employment floorspace, alongside supporting uses, and is expected to support around 5,000 additional jobs.

7.19 In 2019/20, the Airport served approximately 2.1 million passengers which was an increase of around 43% from 2019. The Airport has long-term plans to increase passenger numbers to 5 million and beyond, which we recognise will need careful management through the planning system. Whilst the Airport's patronage and short-term growth has been deeply affected by economic circumstances both before and during the COVID-19 pandemic, including the loss of Flybe and the withdrawal of Easyjet from its hub base, the Airport remains well-placed to grow in the future, albeit it is recognised that this growth may now take place over a longer period than previously envisaged.

7.20 The Airport currently benefits from a planning permission which limits the number of air traffic movements to 53,300 per year with around 37,000 movements taking place in the 2019-20 financial year. Whilst the use of larger aircraft could allow passenger movements to increase to around 6-8m per year, any longer-term growth aspirations beyond 53,300 movements a year would require a new planning framework and agreement. This framework would need to weigh up the various benefits and challenges presented by the Airport's growth, including the strong economic benefits alongside air quality, traffic and noise considerations.

7.21 In light of the Airport's growth ambitions, it is important that a proper planning framework is in place to update and/or replace the JAAP as appropriate. The Airport has stated its intention to prepare a masterplan to consider its future ambitions and land requirements. The development of a new planning framework could include preparation of a new JAAP, jointly with Southend-on-Sea Borough Council and in consultation with the Airport, Essex County and other stakeholders.

7.22 The Airport's growth to date has helped to deliver over 2,000 jobs alongside new infrastructure including a railway station and bus routes, as well as supporting successful funding bids for capacity improvements to the local road network. Further growth of the Airport would be likely to deliver several thousand more jobs and potentially transformational improvements to the local transport network. The current Surface Access Strategy identifies that around 35% of patrons arrive using sustainable transport and it is clear any further growth at the Airport would need to be supported by even more ambitious volumes of sustainable transport usage.

7.23 The Airport's growth ambitions are likely to have a number of implications for the District which require careful consideration, including:

- The potential for significant job creation alongside improving the economic attractiveness of business space in the District (particularly spaces that are close to the Airport)
- The potential to make the District more attractive to inward investment that may have wider benefits for existing residents
- The potential to improve the access local residents would have to a wider pool of domestic and overseas destinations by air, for both business and leisure
- The potential impact that increased passenger numbers would have on vehicle traffic movements and congestion in the area and the extent to which this can be mitigated by investment in rail and bus linkages
- The potential need for a greater built footprint for the Airport, for both core operations and ancillary activities (such as car parking), and the impact this would have on land availability and amenity in the area
- The potential impact of increased aircraft movements on both noise and air quality and the extent to which any negative implications can be effectively mitigated

7.24 Recognising the need to address perceived negative effects highlighted above, in July 2021 the Airport launched its *Environmental Action Plan*[25] and Community Forum. The former commits the Airport to moving towards measures such as carbon-neutral airport operations, keeping air quality within government limits, minimising households affected by noise and phasing out noisier aircraft, efficient water use and developing education and skills initiatives to support local residents into work. The latter seeks to engage more closely with local communities to address noise concerns. These sit alongside continuing ambitions to reach 3 million passengers per annum.

Options for Addressing the Future of London Southend Airport

7.25 Given the ongoing uncertainty surrounding the impact of Covid-19 on the aviation industry, it is not currently possible to identify precise land use requirements for the airport's growth. Nevertheless, there are considered to be a number of options available relating to planning for the future of London Southend Airport. These are:

Option	Explanation
To work alongside Southend-on-Sea Borough Council to prepare a new joint Area Action Plan, or masterplan, alongside each authority's respective new Local Plan, that contains a consistent policy approach to managing the Airport's long-term growth ambitions	The area around the Airport is currently planned for under a dedicated Joint Area Action Plan (JAAP) jointly adopted with Southend-on-Sea Borough Council. This option would be to formally review the JAAP in partnership with Southend-on-Sea Borough Council to develop a long-term, consistent policy approach to manage the Airport's growth alongside the new Local Plan.
To work alongside Southend-on-Sea Borough Council to ensure that policies contained within both authority's respective Local Plans maintain a consistent policy approach, as far as is practicable, to managing the Airport's long-term growth ambitions	The area around the Airport is currently planned for under a Joint Area Action Plan (JAAP) with Southend-on-Sea Borough Council. This option would be to not prepare a new JAAP but to address the Airport's growth through the core policies of the new Local Plan. This option would still involve collaborative work with Southend-on-Sea Borough Council to ensure the policy approach taken in each authority's respective Local Plans was capable of being implemented consistently.
To prepare a new Area Action Plan, or masterplan, to manage the Airport's long-term growth ambitions, with suitable	The area around the Airport is currently planned for under a Joint Area Action Plan (JAAP) with Southend-on-Sea

[25] Southend Airport Environmental Action Plan 2021-22: https://d1z15fh6odiy9s.cloudfront.net/files/lsa-eap-2021-portrait-v23-7b2cdd7f.pdf

partner engagement but without the status of a statutory document	Borough Council. This option would be to prepare a separate non-statutory action plan or masterplan to help guide the Airport's growth. As with option 2, the core policies applying to the Airport would be set out in the new Local Plan, however the production of a separate document may allow for a more dedicated and detailed assessment of the Airport's requirements to take place, acknowledging its unique planning opportunities and challenges.
To continue to make decisions based on the existing JAAP for the time being, but to consider developing a new Area Action Plan, or masterplan, after the new Local Plan is adopted or when the need arises	As the JAAP has a plan period to 2031, far longer than that of the Council's Core Strategy (2025), this option would be to defer a decision on how best to plan for the Airport's growth for the time being, and to continue to utilise the existing JAAP as the policy framework for the Airport. The disadvantage of this approach could be that the impacts of COVID-19 may mean that the current policy framework for the Airport becomes out of date and under this option, may not be updated as quickly as is desirable.

Appendix 1: Existing Economic Local Planning Policies

Policy Issues	Existing Local Policy			
	Core Strategy	**Development Management Document**	**Allocations Plan**	**JAAP**
Strategic policies should set out an overall strategy for the pattern, scale and quality of development and make sufficient provision for employment development	Vision; ED1; ED4; GB2	DM32	EEL1; EEL2; EEL3; NEL1; NEL2; NEL3	Vision; E1
Strategic policies should anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure	Vision; ED1; ED3; ED4		NEL1; NEL2; NEL3	Vision; E1
Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt.	ED1; ED3; ED4; GB2	DM11; DM12; DM32	EEL1; EEL2; EEL3; NEL1; NEL2; NEL3	Vision; E1
Planning policies should set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth	ED1			Vision; E1
Planning policies should set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period	ED1			Vision; E2; E3; E4; E5; E6E7
Planning policies should seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment.	Vision; ED3			T1-T7; ENV1-ENV7
Planning policies should be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices and to enable a rapid response to changes in economic circumstances	ED1	DM33		
Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries				Vision; E1
Local planning authorities should take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs. In particular, they should support proposals to use employment land for homes in areas of high housing demand, provided this would not undermine key economic sectors or sites or the vitality and viability of town centres	ED3	DM10	BFR1; BFR2; BFR3; BFR4	
Local Authorities should undertake a housing and economic land availability assessment. In relation to economic development the assessment should consider all sites capable of delivering economic development on sites of 0.25 hectares (or 500 square metres of floor space) and above				