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Association of South Essex Local Authorities Opportunity South Essex

Growth and Recovery Prospectus 2020



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1 Executive Summary

1.1 This document sets out the terms of a proposed agreement, the local authorities of South Essex and the Federated Board of the South East Local Enterprise Partnership are seeking with Government. It is based on the world today, one that reflects the impact COVID 19 has had on business and communities, and one that sees the potential to grasp this moment and deliver economic, social and environmental transformation. South Essex plans to build its way forward, focusing on jobs, blue green infrastructure, digital connectivity, and accelerating housing delivery. These proposals will level up the region with its comparators and bring real focus and energy to addressing many years of an imbalance of opportunity.

1.2 Three themes run throughout this proposal.

- The first is that South Essex plan to **Build for People, level up this area with all its comparators**. This means enabling happy, healthy, prosperous and diverse communities where all people feel they belong in South Essex, while delivering continual progress without compromising the future environment.
- The second is **Delivery at Speed**. The programmes that have been identified are already being mobilised and there has already been significant work across our authorities and with the private sector to bring together the capability, capacity and processes, to ensure accelerated delivery.
- The third is focusing in on delivering on **Economic Recovery and wider Economic Benefits**. All the programmes have clear economic, social and environmental outcomes attached to them, which have been developed with the use of external economic modelling. The following paragraphs describe the significant economic offer to Government and UK PLC.

1.3 The South Essex authorities and local businesses have a strong partnership which was formalised in January 2018 when all councils formally agreed a Memorandum of Understanding to cement their joint working. This has formed the basis for developing a shared vision and an agreed set of strategic priorities for the sub region. Furthermore, South Essex has used this platform to achieve early successes and is currently active in working with Homes England to accelerate housing delivery and bring forward new garden settlements; with the Ministry for Housing Communities and Local Government to develop a Joint Strategic Plan and deliver on the Future High Street fund; and with the Department for Culture Media and Sport on the roll out of a local full fibre network. These are just the first steps to realise the ambition of residents and businesses.

1.4 Government has recognised the economic potential of South Essex and the Thames Estuary, and South Essex are now an established partner of the Thames Estuary Board. This brings a combination of strategic scale, and sub regional flexibility and agility to accelerate delivery on the ground. The proposals contained here complement, and are fully aligned to the action plan of the Thames Estuary Board.

1.5 It is in this strategic and delivery context that South Essex are seeking an agreement with Government. The case for investment in this region is centred around the following:

A place that is leading the way in economic recovery from the impact of COVID19. The South Essex economy is more vulnerable than most to the negative impacts of the

coronavirus. Factors such as a higher prevalence of small businesses and self-employment, and an occupational mix less suited to working from home, are among those that underpin this assessment. Economic forecasts estimate that the South Essex economy will contract by 8.5% in 2020, even after allowing for some rebound later in the year. Up to 25% of the regional workforce was furloughed, and it is predicted that 12,000 jobs will be permanently lost as a result of the pandemic.

In response to these unprecedented circumstances political and business leaders have joined forces and created a Taskforce with a specific remit of job creation and ensuring as many businesses survive as possible. The Taskforce is focused on accelerating the deployment of ultra-fast digital connectivity, and reshaping the relationship with London, with more commuters working from home or in flexible space in their local town centres. Aligned to this, this is a place that will seize on COVID 19 recovery to accelerate decarbonising of the economy and its transport systems. Furthermore, South Essex Leaders and businesses are ready to act as a partner with Government, as a place that can be a test bed of new policy initiatives – offering size, political drive, entrepreneurs, and a place to get things done.

The role and importance of the South Essex economy locally and to UK PLC. South Essex has four major ports that are recognised as the UK’s fastest growing terminals and vital to the UK fuel and energy economy; an international airport; a Crossrail terminus; and will be a key location in relation to Governments investment in the Lower Thames Crossing. South Essex is home to nearly 1 million people, has a rich culture of entrepreneurialism, and is home to leading brands in the world including Ford, Amazon, National Westminster Bank, Olympus and many others. Industry sectors and clusters are firmly established around Advanced Manufacturing, Logistics, Creative industries and Health. In 2019, it generated £17.9 bn of economic value to the UK, and supported 354,000 jobs with recognised potential to grow. South Essex is extremely well placed to create a compelling proposition in response to the call for new Freeports in the UK expected in Autumn 2020, which will enable the area to drive inclusive growth by leveraging its existing strengths.

The levelling up that is required in order realise South Essex’s full potential. Substantial long-term investment and greater powers are needed, to tackle the challenges facing the area, including education and skills attainment, levels of productivity and average weekly wages for jobs in the local area. Productivity (measured as GVA per job) is lower in South Essex than nationally and any place on the periphery of London. A range of factors contribute to this ‘productivity gap’. In particular, residents of South Essex are on average less qualified, and take-up less skilled occupations, than those who live in nearby comparator areas. As a result, while resident earnings are boosted by some residents out-commuting to earn higher salaries elsewhere, particularly in London, workplace earnings in South Essex are notably lower than in comparable local areas. A range of new interventions are required to tackle these underlying systemic challenges.

The significant opportunity for South Essex to create greater prosperity and quality of life for all its residents and for the benefit of the UK. With an infrastructure led approach to inclusive and sustainable growth, it provides a rich culture, space and attractive places to live. Its bold and ambitious economic plan is:

- to ensure its businesses and residents recover from the impact of COVID 19 and as many of the 12,000 jobs at risk are replaced by 2022.
- by 2050 to grow its contribution to the UK economy by £15bn per annum.

- to create 100,000 new jobs by 2050.
- to help 50,000 businesses to grow and increase their productivity.
- to achieve combined tax revenues, increasing from £6.6bn per annum (£8,200 per resident) to £13.1bn per annum (£12,800 per resident) by 2050.
- to deliver a total of 96,000 new homes including 29,000 affordable homes for key workers by 2038.
- to ensure that all new development is underpinned by infrastructure and especially social infrastructure including education and health services.
- to build an economy that is enabled by the strongest digital network for a mixed rural and urban area in the UK.
- to work with partners to establish a Freeport within South Essex.
- to create an integrated public transport system that puts active travel and decarbonised transport at its heart, enabled by a package of transport investment.
- to unlock £5bn of private sector investment.
- to develop places people want to live and enjoy life.
- to create over 5,000 work opportunities for young people aged 16-24 per annum, and 5,000 apprenticeships per annum in the next ten years
- to become carbon zero region by 2040, utilising a combination of innovative energy technology, minimising harm caused by travel and reshaping why and how we move, and designing in the highest levels of energy efficiency in our town planning and building design.

1.6 South Essex has developed a portfolio of investable programmes that support its vision and strategic objectives, and give significant returns on investment. South Essex plan to secure major private sector investment into the area, and to use public investment as leverage. As just one example, Legal and General Pension Protection Fund (PPF) provided a long term debt investment of £400 million in DP World's London Gateway Port. The regeneration of its town centres provides a further series of opportunities to attract private investment. South Essex see that Government can play a significant role in supporting and enabling core infrastructure and anchor projects.

1.7 The Authorities recognise that if Government were minded to support this proposal, it would require strong leadership, governance and accountability arrangements. South Essex Leaders stand ready to discuss with Government the best and most effective model. South Essex are seeking guidance as to which of the current five established governance models, or indeed should there be any new proposed method in the coming local government reform white paper, Government would expect the region to follow to establish South Essex as the viable economic corridor it truly is.

1.8 An initial agreement with Government will help unlock the potential for significant long-term private sector funding and give the area greater freedom to decide how best to meet local needs and create new opportunity for the people who live and work there. South Essex consider that an initial agreement would be the first step in a process of further dialogue about how devolution would work in the best interests of the people of South Essex and provide Government the substantial returns on its investment.

2 The basis of the proposal to Government

2.1 An initial agreement between the Councils of South Essex - Basildon, Brentwood,

Castle Point, Rochford, Southend and Thurrock, would enable the sub region to immediately deliver economic, social and environmental returns, locally and nationally. As well as the work that has been undertaken to develop the long term economic plan set out above, a substantial piece of independent economic modelling for the region has been undertaken over the next two electoral terms. This has identified the potential to:

- increase GVA in the region by £2.9bn per annum by 2029
- increase the level of productivity per job from £47,000 per annum to £54,000 by 2029
- increase the number of new jobs by 32,000 by 2029
- deliver 42,000 new homes including 14,000 affordable homes by 2028
- create 30,000 new apprenticeships and work opportunities for young people by 2029

2.2 In order to deliver these outcomes, South Essex are seeking long term investment from the public and private sector. In order to maintain momentum and ensure the economic and social returns are not delayed, an initial three year agreement with Government is sought which includes:

- a growth and recovery fund worth £60m over the next three years to invest in local priorities to improve South Essex and support key sector growth. The area is seeking the flexibility to be able to move funding between different types of projects, and spend it in different years, to support the local economy. This fund sought would be allocated every year on the basis of 60% revenue and 40% capital. South Essex recognise that this will not meet all its infrastructure requirements but will make a significant impact, attracting private investment, and enabling anchor projects to be accelerated. It will also support business case development for major projects such as a Rapid Transit System and the potential for a Freeport.
- £377m of new funding in order to support South Essex's plan to provide the infrastructure that will accelerate the delivery of 18,500 homes including 5,800 affordable homes by 2028. These homes are included within the strategic assessment of assessed housing need and the funding focuses on unlocking schemes through the delivery of infrastructure, and on additional affordable housing for key workers.
- £5m of new funding as part of South Essex's COVID 19 recovery and resurgence plan, protecting and replacing 12,000 jobs by 2022.
- new funding of £10m to build an ultra-fast rural and urban digital network. This includes £2.5m to extend the existing local fibre network and £7.5m to build a resilient Long Range Wide Area Network (Lora WAN) '5G Network' across the sub region, providing the foundation ecosystem for businesses, public sector and educational organisations. This will also serve to attract significant private sector investment.
- £177m of new funding as phase 1 over the next five years, and a commitment from Government and local partners to work together to deliver a new transport system focused on:
 - South Essex's region wide active travel network £74m
 - South Essex's plan for a Rapid Transit System £30m
 - Revitalised transport hubs – providing 'living stations' £63m
 - River Thames transport – strategic hubs £10m

- £85m of funding to develop fully the proposal to establish a new generation technical university in South Essex delivering a portfolio designed and delivered with local business engagement, and focused on increasing skills levels to meet existing and emerging economic needs. An initial £2m will facilitate a full feasibility study.
- new funding of £153m to accelerate the regeneration and strategic growth plans of its town centres. This would represent investment in essential infrastructure to enable major existing settlements in the region to accelerate the master plans for economic and social rejuvenation, support delivery of flexible workspace and provide infrastructure to health, education and leisure facilities.
- new funding of £9m for world-class, productive, connected and dynamic landscapes, woven together to form a celebrated South Essex Estuary (SEE) Park with a strong identity, and known as a place of connection, beauty and vitality, rich with leisure, life and growth.

2.3 South Essex partners want to agree that they and Government, view this deal as a positive first stage in an on-going partnership to pursue a comprehensive approach to deliver economic growth and housing and will also continue to work together to explore further opportunities. As part of the ongoing dialogue with Government regarding devolution, South Essex will want to include in that the scope for greater local control over bus franchising, stronger working with rail operators and the powers and funding that enable the local area to be able to give out grant funding to encourage and help local businesses to employ apprentices.

3 Finance and Investment

3.1 South Essex plan to bring forward a new approach to long term funding and investment, in order to accelerate delivery and provide best value for money for its growth programmes. The intent is to create a transformational funding model that provides greater certainty and security over long-term investment, and one that leverages the strength of the areas position, bringing together multiple investors within a single framework. Fundamentally, a place that brings greater investor confidence, can increase returns on investment, including tax returns.

3.2 The underlying principle of South Essex's investment framework is that it seeks to maximise private sector investment, while at the same time bringing together its own resources, with the financial backing of Government, to target funding into specific programmes and projects. It is clear the level of funding required to achieve South Essex's ambition will be well into the £billions and will not be delivered by the South Essex partners alone. Such funding and financing is therefore being sought through a unified approach to both Government and the private investor market.

3.3 Within this approach it is envisaged that:

- The private sector will invest on a programme or project basis. There is a full spectrum of capital in the market today, ranging from pension funds or similar institutions looking for long term returns to private equity seeking higher returns over the shorter term.
- Government investment will be sought in major infrastructure, where there is a benefit to UK PLC as well as the local or regional area. Furthermore, this might also include

funding to support specific policy programmes where financial interventions form part of the package.

- The role of South Essex will be to establish a robust investment case for each individual major strategic project that enables at least part of the initial capital outlay to be repaid through local funding sources. These include for example, the retention of new business rates, bespoke charging schedules and tariffs, or developer contributions. The generation of additional local income streams through such measures will be an important local funding source upon which to secure long term investment in infrastructure necessary to deliver the scale of change required.

3.4 South Essex is seeking authority and a shared ambition with Government to create a Growth and Recovery Fund to invest in its economic growth. This fund will initially comprise a flexible, three year settlement providing the freedom to deliver its growth priorities, including the ability to re-direct funding to reflect changing priorities, whilst upholding its statutory duties.

3.5 It is envisaged that the South Essex would develop a robust Single Pot Assurance Framework, in line with national guidance, to be signed off by the Ministry of Housing, Communities and Local Government (MHCLG) Accounting Officer prior to funding being released. Within this Assurance Framework, the South Essex Growth Board would demonstrate an objective means with which to assess interventions and programme design so that these are aligned to balanced economic outcomes for the area.

3.6 It is proposed that the South Essex Growth Board would use the South Essex Investment Fund to deliver a programme of economic, social and environmental transformation. It is seeking Government agreement to allocate £20m per annum for 3 years (40% capital and 60% revenue) which will form part of the South Essex Investment Fund. This would be subject to gateway assessments to confirm that the investment has contributed to economic growth.

4 Governance and Accountability

4.1 South Essex have developed a very strong partnership that operates across Authorities, with businesses, with wider stakeholder groups, and with Government. This extends outside the sub region, working with London, the north and west of Essex, and other areas, and in particular the geography covered by Thames Estuary. As a demonstration of their commitment to work together on a shared vision for the future of South Essex, the Councils signed a Memorandum of Understanding in 2018 that was agreed at full council meetings of all the local authorities.

4.2 South Essex is already a proven delivery partner with Government. It has established a reputation for its collaborative working and for its focus on getting things done. This includes:

- Its joint accelerated housing delivery programme with Homes England. A strategic and tactical partnership built on shared objectives and a single delivery plan. A joint Programme Board and Working Group provide governance and value for money in bringing together capability and resources.

- The Local Full Fibre Network programme, working with the Department for Media, Culture and Sport to create the backbone of a regional 5G digital network. Locally the programme has Chief Executive leadership and regular reports to Leaders on progress giving it high levels of visibility and accountability.
 - Its work with MHCLG on the delivery of a Joint Strategic Spatial Plan, which includes both ensuring that momentum is maintained and also that the issues that have stopped other places do not become a barrier in this area.
 - Capturing the learning from the work in specific localities to ensure that they benefit the wider region, such as Basildon's work with the National Infrastructure Commission and Thurrock's allocation from the new Town's Fund to help improve infrastructure, drive economic growth and increase job opportunities.
- 4.3 An additional strength of the area is the co-terminosity of the federated area of the Local Enterprise Partnership. Opportunity South Essex and local businesses have formed a strong relationship with the political and officer leadership of South Essex. Proposals for investment are developed jointly and programme delivery places a business champion in every major programme. This model of civic innovation, helps push the boundaries of innovation and value for money, with the collaboration of entrepreneurs and the social impact sector.
- 4.4 As an interim next step South Essex plan to explore the most appropriate local arrangements in order to strengthen the current informal position. No constituent council functions are being removed from the councils within this model, and sovereignty will remain over local planning and allocation of housing numbers.
- 4.5 Looking further ahead, South Essex Leaders stand ready to discuss with Government an appropriate model for devolution, including the joint governance arrangements for key growth levers such as transport, skills, economic development and regeneration, which allow for strategic prioritisation across the area and integrated policy development.
- 4.6 South Essex will work with Government to develop a full implementation plan, covering each component in this agreement, to be completed ahead of implementation. South Essex recognise that this plan must be approved by Government prior to delivery.
- 4.7 The South Essex Growth Board will be accountable to local people and to Government for the successful implementation of the agreement and would monitor and evaluate the agreement in order to demonstrate and report on progress. The South Essex Growth Board will develop a Local Assurance Framework as an ongoing mechanism to support its decision making and value for money assessments.

Appendix

5. COVID19 recovery

- 5.1 The South Essex economy has been hit hard by the impact of coronavirus. While the full extent of the downturn in activity will not be known for some time, as official statistics are yet to be released, more recent indicators such as the claimant count show a sharp increase in recent months. Independent forecasts for South Essex shows a deep recession in 2020 with GVA declining by 8.5% and jobs contracting by an average of almost 3.5% in the year despite an increase in economic activity in the second half of the year. In line with the rest of the UK, a great degree of uncertainty exists and there is a sizeable risk that the decline in activity may be even more severe than these estimates.
- 5.2 As a result, it is forecast that South Essex will lose over 12,000 jobs in 2020 even with the government protection schemes in place for much of the year. Many businesses are reporting that survival is their simple priority. A strong recovery is predicted in South Essex in 2021 but it will be 2022 before jobs and GVA have returned to pre-coronavirus levels.
- 5.3 Initial data on the extent of take-up of the Government's Coronavirus Job Retention Scheme suggests a high concentration of residents of South Essex have been furloughed. Up to the end of May 2020, HMRC received 92,100 claimants for those on the Coronavirus Job Retention Scheme that live in South Essex. When compared to resident employment in 2019, this equates to 23.5% of workers. The propensity to be furloughed is highest in Basildon (25.4%), the fifth-highest rate across the East of England. South Essex has a higher rate of furlough than any of its local or regional comparator areas, although remains below the UK rate (26.1%).
- 5.4 In responding to the short term crisis, political and business leaders in South Essex have agreed to form a joint **Taskforce** with senior political and operational leadership. The Taskforce exists to ensure that immediate steps are taken to respond to the economic impact of COVID19 on local businesses and jobs over the next 12 months. This includes:
- identifying which business sectors are at most risk, post COVID-19 lockdown and ensure that all is done to prevent any loss of business within the ASELA area. This will be seen as a real success in the next 12 months.
 - recognising that many of South Essex's residents who commute to London (80,000) will be based at home for at least part if not all of the working week for the foreseeable. There are likely to be a number of ways that South Essex can support and capitalise on this position, including through the provision of flexible workspace and technology.
 - identifying and maximising the potential of commercial properties sitting empty.
 - being mindful and ready that even in tough times, there are businesses that will see an opportunity to invest in the ASELA area, ASELA must present themselves ready to meet that ask when it comes.
 - focusing on the high street where the impact is especially notable
 - developing new, targeted funding interventions and new investment support mechanisms to help scale up business in priority sectors.
- 5.5 The Taskforce will use the best of the local resources currently have within the local authorities that make up ASELA and through Opportunity South Essex and BEST Growth Hub to support businesses and add value to joined up Inward Investment activity. The region is

seeking an injection of £5m to support this activity and build a resilient support system for local business recovery.

6 The Economy

Overview

- 6.1 South Essex forms a vital part of the UK economy. Historically it has been a key location in the South East for the global movement of goods through the deep-water ports, a centre for engineering and manufacturing, for tourism and leisure and as a source of skills for the London labour market. With a business base of over 32,000 enterprises providing more than 354,000 jobs and a population of around 800,000, South Essex is a major economy, comparable in scale to the combined authority areas of Sheffield City Region, West of England or Tees Valley.
- 6.2 While South Essex has scale and strong economic ties to London and the South East, the sub-region has underperformed. In key areas including business productivity, skills, earnings and high value growth, South Essex has not realised the full potential of its locational and sectoral assets. Productivity in South Essex, measured by Gross Value Added (GVA), is significantly less than the national and regional average and at £20,143 per capita, is nearly 40% below that of nearby Cambridgeshire and Peterborough LEP. South Essex has a very high proportion of micro businesses and self-employed traders compared to regional and national average, which historically has had an impact on the scope for growth. There are major gaps in adult skills, with overall one in four adults (24.3%) with level 1 or no qualifications, rising to nearly one in three adults in parts of South Essex.
- 6.3 These performance issues have constrained long-term growth and contributed to fragmented patterns of investment demand, low business density and unsustainable levels of commuting. Around 41% of the working age population are employed outside of South Essex, including some 80,000 people travelling to work in London on a typical day. The quality of employment opportunity in South Essex is also seen in the disparity between resident and workplace earnings, with gross median weekly income some 15% lower for people employed in the sub region.
- 6.4 Long-term shifts in the economy have added vulnerability, with coastal communities and some rural areas losing their core economic functions and, in the process, creating pockets of severe deprivation. Additionally, key employment sectors such as transport and logistics will fundamentally change over the next decade, due to increased use of automation. These formidable structural changes significantly amplify the risks to economic stability, in the absence of transformative public and private sector action.
- 6.5 The current crisis caused by the Covid-19 pandemic has underlined weaknesses in the South Essex economy. Around 35% of employment and 40% of enterprises are in sectors severely affected by lockdown (retail, accommodation, food, construction and arts) and likely to face a long and uncertain period of recovery. Evidence of impact also shows that people with low skills or employed in customer facing and insecure employment have the least ability to work from home and are experiencing significant financial hardship. With micro enterprises dominating the South Essex economy (some 91%), the lack of business scale and capital reserves may reduce resilience and lead to high rates of failure, once central government support is removed.

- 6.6 South Essex has a unique moment to reshape the economic prospects of the sub-region through targeted investment and decisive action. Covid-19 has clarified the risks both to business performance and the labour market and created a generational incentive to accelerate and direct economic change. Through an integrated approach to investment in infrastructure, enterprise, skills and housing, South Essex is able to directly address the existing weaknesses and mobilise inclusive and sustainable growth.
- 6.7 Building from a strategic approach, supported by all of the South Essex authorities integrated delivery will realise the full value of economic assets and provide a clear focus on accelerating growth. This will have a sectoral focus, capturing opportunities to extend the creative and digital industries, growing high value green manufacturing, modern methods of construction and accelerating investment in advanced logistics sector. It will provide a clear focus on supporting the regeneration of coastal towns, exploiting improved digital and transport infrastructure, to create hubs of education and creativity. It will also address long standing educational underperformance to address the stark inequalities in earnings, reduce the need for out-commuting and build a skills base that will attract high value business investment.

Integrated economic and housing development

- 6.8 A key feature of the approach in South Essex is to fully exploit the acceleration of housing delivery to generate economic outcomes. In the context of Covid-19 recovery, integrating housing delivery and economic development provides a unique opportunity to address long standing unmet need, while also providing a stimulus to the economy, improving labour market performance and creating jobs and training opportunities. Locating action to complement the Local Industrial Strategy, SELEP Recovery Plan and Thames Estuary Action Plan will benefit South Essex while contributing to regional performance.
- 6.9 As illustrated in the diagram below, major investment in housing construction contributes to a virtuous cycle of growth. Accelerated housing makes a strategic contribution to improving the ability of South Essex to attract and retain skills and the combined opportunity to train NEETs to meet the demand of a national aging construction workforce. Additional provision of housing, targeted and affordable for key workers and employees of growth industries in South Essex, helps to secure both long term labour supply and reduce levels of commuting to London. A stronger labour market, in turn reinforces the attractiveness of South Essex as a location for business investment, contributing to rising productivity and business investment. Overall improved economic conditions in South Essex create an incentive for developers to build housing.



- 6.10 Bringing forward housing and associated infrastructure investment and service provision will provide a vital input into managing the economic consequences of the post Covid-19 recession in South Essex. With the sub-region expected to experience a major fall in output and a loss of around 12,000 jobs, accelerating capital investment is key to safeguard and create employment.

Accelerating housing delivery will not only provide a catalyst to transform the construction sector (as described below), but to contribute social value where new communities have access to services, learning and cultural facilities. In a post-Covid-19 environment, strengthening networks of residents and local businesses with enhanced digital connectivity is vital.

Growth opportunities

- 6.11 South Essex has a substantial basis for inclusive and sustainable growth. Existing specialisms and capacity within the business community; key locational advantages to London and the South East, vital for national and international trade; committed strategic investments in transport infrastructure; talented residents; and a diverse environment with space to accommodate business and housing growth. With the key assets present in South Essex, the challenge is to unlock opportunities that bring long term economic benefits for businesses and residents. The following sections highlight key sector challenges, ambitions and actions towards a transition.

Advanced Green Manufacturing

- 6.12 The manufacturing sector in South Essex consists of around 1,700 businesses providing over 19,000 jobs. While just 6.3% of employment, the sector includes a number of specialisms that could be developed to increase business productivity and build a thriving green technology sector. Industry is undergoing long-term structural changes, with the introduction of automation and digital technologies into production processes that fundamentally reshaping the nature and skills content of work. Between 2009 and 2018, manufacturing employment in South Essex has fallen by around one quarter, with a restructuring of employment towards skilled technical and professional roles and growing international market for green technologies and design services. This pattern of change is

likely to accelerate over the next decade, with a requirement for higher skilled, digitally literate and commercially aware employees.

- 6.13 South Essex has a number of specialist areas including engineering, machinery and automotive manufacturing that create a solid foundation for high value growth and exploitation of green technology. The sub region also has niche medical and dental manufacturers, linked to an emerging health sector in Southend. Allied to manufacturing is a notable concentration of engineering and industrial design jobs (over 6,500) located primarily in Basildon. Alongside high value manufacturing output, product and process design offer a key opportunity to build innovation networks maximising potential applications in software and control systems, sensor technology, quality control and energy and materials efficiency essential for the green economy. Co-ordinated through a centre for green technology and a network of maker centres, South Essex this provides the basis for significant high value growth.
- 6.14 The South Essex authorities will support the transition of advanced green manufacturing businesses to be more productive and expand high skilled employment. Through improved business networking and strengthening local supply chains, targeted business support to assist firm to access higher value national and international markets and investment in workforce and entrant training. Current changes in the manufacturing sector provide an opportunity for businesses to reshape their operations and maximise the full potential of South Essex.

Knowledge, Creative and Digital

- 6.15 Knowledge intensive services play an important part in the South Essex economy and offer significant potential to create high skilled employment. Some 45.2% of jobs in South Essex are in knowledge intensive sectors, compared to a national (England and Wales) average of 48.5%. Across South Essex, the rates are significantly higher in Southend and Brentwood (55.3% and 51.1%), where knowledge intensive jobs form a majority of employment. South Essex has local concentrations of creative, engineering design, scientific testing, computing and education activities that provide a foundation for knowledge intensive growth.
- 6.16 Capturing the opportunity will be driven by extending production facilities present in Basildon, Southend and Thurrock to build the Thames Estuary Production Corridor, along the South Essex coast. Realising the full local benefits will be secured through the delivery of a distributed campus model that includes the provision of flexible workshops and production space and the repurposing of town centre retail units as facilities for start-up and small growing creative and digital enterprises. Developing the successful model in Purfleet, South Essex will develop the creative sector to attract private sector investment making the link between creative arts and applied design important for manufacturing and engineering and in software development.
- 6.17 The full economic impact of knowledge and creative businesses for employment and improved productivity is about intensification both across sectors, recognising the importance of digital and innovation for all employers and in the operation of knowledge to raise productivity of workers. Investment in business networks, targeted business support and higher-level vocational training will be essential to secure the full benefit of business investment.

Advanced Logistics

- 6.18 The ports, logistics and warehousing sector has historically been a major sector of employment in South Essex. It continues to be a significant employer of around 21,000 jobs (6.9% of employment) across South Essex and over one in six (16.2%) in Thurrock. With major recent investments in port facilities, the prospect of a new Thames crossing and a growing Southend airport, the sector will remain a key source of jobs in the medium term. However, the nature and skills content of work is fundamentally changing.
- 6.19 The logistics sector is at the forefront of automation, with employer demand and skills requirement evolving to a more efficient use of space and an occupational shift away from elementary roles to skilled process and technical jobs managing intelligent transport and warehouse management systems. The requirement for digital skills, quality control, performance analytics and communication skills will become increasingly important and it will be vital to ensure that employers have access to qualified local labour to fill vacancies and meet replacement demand.
- 6.20 The opportunity for South Essex is to capture increased value and productivity in the sector to boost the share of higher skilled jobs and value chain activity. With existing and historical locational and infrastructure advantages, South Essex can become a centre for innovation in logistics by growing capacity in digital, AI, data management and control systems technologies. Building on the international recognition the South Essex major ports and access to London, significant benefits can be gained by realising the potential of the sector to generate higher paid jobs, support digital enterprises and offer degree level vocational training through apprenticeship frameworks.

Freeport

- 6.21 In Autumn 2020, it is anticipated that Government will be inviting proposals for the creation of up to 10 Freeports across the UK. South Essex is ideally placed to put forward a strong proposition focussing on our established port operations at Tilbury and London Gateway. South Essex can also offer levels of connectivity, access to markets and growth potential that will be felt across the whole of South Essex. This will support our growth targets, but also enable us to realise greater opportunities for our residents.

Modern Construction

- 6.22 The construction sector in South Essex is responsible for around 7% of employment across 6,700 businesses. The vast majority of enterprises (96%) are micro, employing between 0 and 9 staff, working in building trades. The sector is particularly vulnerable to changing economic conditions, with investment in residential and commercial building and improvements susceptible to changing market conditions. National data suggests that around one in five construction businesses have closed during the pandemic, with mixed prospects for recovery over the next 12 – 18 months.
- 6.23 The construction sector will remain a key employer in South Essex, as accelerated housing delivery increases the requirement for contractors and skilled labour. With growing emphasis on low carbon construction methods, the accelerated investment in housing provides a unique opportunity to green the sector – boosting local skills and creating business capacity to meet demand in the Essex and London markets. With public procurement and design requirements geared to engage local developers and builders,

South Essex authorities will place an emphasis on quality design in construction, low carbon materials, green energy generation and efficiency and minimised transport and waste. With significant capital investment in an accelerated housing programme, South Essex has a unique opportunity to contribute to national net zero carbon targets and build a deep specialism in modern green construction.

- 6.24 Boosting the modern construction has strong links to ambitions to cultivate green technology sector. With interventions focusing on both improved trade and technical skills in construction, such as housing insulation, efficient heat management, integral energy generation and quality build, there are also opportunities to connect to specialist research and development. Focusing on climate resilient construction methods (as suggested by the Thames Estuary Commission), digital building design, smart sensors and materials science creates potential to generate higher levels skills through degree level apprenticeships.

Reviving Coastal Communities and Towns

- 6.25 The towns, rural and coastal communities of South Essex are vital as centres of employment, culture and community. They are also key economic assets and central to delivering sustainable and inclusive growth. Many of the key locations in South Essex are going through a period of significant change that range from the loss the traditional vibrancy of coastal resorts to the decline of core retail functions in town centres. While these provide important threats to the viability of these places, the dynamism of change also presents an opportunity to diversify economic activity, to shape the future use of land and property and to intervene to create the cornerstones for sustainable and inclusive growth.
- 6.26 The places in South Essex are diverse and it will be important that local authorities and communities take the lead in shaping strategic visions. This will be aided by joint spatial planning and delivery frameworks for South Essex, which provide the leverage to engage key businesses and sources of public finance. Covid-19 has demonstrated the importance of strong digital networks and accelerated the need for flexible workspaces in the community. With businesses likely to work more flexibly in the future, incorporating homeworking into housing and infrastructure planning can have an important economic and positive environmental impact.
- 6.27 Transforming the functions of place will be delivered through actions to align land use with sector development; improving transport and digital connectivity; and diversifying town centre functions to include back office finance and business administration and flexible workspace provision. Where there is existing education, digital or commercial services hubs, these can be actively promoted to expand both employment and investment.

Inclusive Employment and Skills

- 6.28 South Essex has a significant gap between the skills of residents and those needed to transform the economy. With nearly one quarter of working age adults without minimum (level 2) qualifications and pockets of deprivation and high unemployment across the sub-region, a major effort is needed to improve the competitiveness of labour supply. This challenge will become more difficult in the recession that will follow the Covid-19 crisis.
- 6.29 Of primary concern is the quality of underlying qualifications and skills of residents. South Essex has a significant core of low skilled residents and a long-standing pattern where those with higher skills commute into London to work. While mobility is generally a positive

characteristic, the labour market in South Essex has become polarised, creating a major barrier to change. A dual strategy will be implemented to improve skills levels, for young people and adults, while also connecting individuals to employment. Aligning skills supply and demand will not only address unemployment and create pathways into work, but can be an important incentive to attract business investment. Reducing commuting levels will only happen when there are sufficient well-paid jobs in South Essex.

- 6.30 South Essex want to explore with Government new models for transforming labour market conditions, T level attainment and apprenticeships. This will include businesses, providers and public agencies working together to tailor the skills offer to both engage low skilled residents and address the specific needs of employers. Joint responsibility for the adult education budgets and active co-ordination of provision and delivery will drive innovation of the skills offer through a talent strategy and improve pathways between qualifications to boost workplace progression and productivity. Effective co-ordination with the SELEP network of Skills and Growth Hubs will offer a one-stop-shop, offering intensive support to SMEs.
- 6.31 Working with schools and FE colleges, South Essex will transform education performance at level 2, as a basic requirement for employment, targeting a reduction in attainment gaps among young people from low income households. The pathways from school to vocational training and work will be strengthened, ensuring that local employers are engaging young people and committing to workplace apprenticeships.
- 6.32 Central to the transformation of skill levels is expanding existing higher education presence in the sub region and creating the capacity for research and higher-level training in growth sectors. Partners in South Essex will develop a bespoke model of degree and postgraduate learning and training that fully utilises the potential of greatly improved digital infrastructure. With close links to growth sectors and a focus on widening participation in learning, delivery will be made available in skills hubs across the sub region closing the progression gap between further and high level learning.

New generation University

- 6.33 A new generation technical University will provide a leading edge education and learning experience. It will make great use of digital, blended learning techniques to enable students across the wide geographic area to access learning irrespective of their location, economic circumstances or work and family/social patterns. It will use Degree Apprenticeships, in conjunction with local employers, to meet local training needs in SMEs and large businesses as well as a full-time offer across a range of sites in South Essex for those who want to study in that way.
- 6.34 A new generation University will provide skills and learning for the full range of sectors in the sub-region, assist in attracting new sectors by providing the full spectrum of arts, humanities, business, law, science, engineering, health and social care courses typically found in a university and needed for any successful place or locality. It will provide undergraduate and post-graduate teaching, along with research tailored to local and national issues, working with both small and large employers to determine those research needs.
- 6.35 It is proposed that the programme will work with an established HE partner. The new generation University will use existing and new facilities across the sub-region, linking

together the currently fragmented offer and adding new, so that there is a consistent set of choices throughout the region, each reflecting local as well as sub-regional needs. The local offer will be Skills Hubs in 'Living Stations' – high street locations offering the mix of services people need to learn, work and live (e.g. leisure, advice, support) in their local communities. This, in turn, supports local high streets as they cope with the changing nature of retail. Investment in a new university central campus will provide additional opportunities to mix, mingle and learn with other students, and create jobs during the construction and operational phases.

- 6.36 There is a clear demand and market for this type of provision. Of those in employment in South Essex, at least 152,000 are employed in professional, managerial, and technical roles. There are 75 large businesses and over 25,400 micro-sized enterprises. 204,500 people are qualified to Level 3 and 120,800 to Level 4. The unemployed account for 14,300 people of whom approximately 4,010 are in the age range 18-24. Many more people are economically inactive (80,900), of whom approximately 11,400 either want a job or to do something different. Addressing provision to under-represented, under-employed and under-qualified groups is critical as there may already be unfilled vacancies and employment opportunities within South Essex for which there is a shortage of suitably qualified applicants. If South Essex matched the UK, a further 50,000 people would have an NVQ 4 qualification or above.
- 6.37 The target markets lie in under-represented groups rather than on those who go to traditional universities. The new generation University should focus on local students who do not move out of the region and who do not consider themselves likely to achieve a degree. There is potential to upskill the under-/ unemployed (14,300) and those economically inactive people (80,900) who want a job (11,400) with the aspiration to do more or retrain for better prospects. There is also a pool of 'HE ready' people (120,800 qualified to NVQ 3) who could be motivated to engage with a new University, plus those who may be interested in higher level qualifications, such as Masters and Doctorate degrees. Based on the data available and the expectation that the new University will not attract out of region students, focussing on a non-traditional student population, there is the potential to attract 2,000-3,000 by 2025, rising to c5,500 students by 2029/30.
- 6.38 A New Generation University will be a major driver, directly and indirectly, of economic growth in South Essex. The estimated annual economic value by 2029 will be £149m. On an initial total investment (capital and revenue) of £97m, the initial outlay is repaid in 2026 (year 2) and, by 2029, provides an economic return on investment of around 4x (400%). In order to take forward this shovel ready scheme South Essex is seeking £2m in revenue to accelerate the first phase of the programme.

7 Digital Connectivity

- 7.1 South Essex have an ambition and a robust plan to be the leading place in the UK for rural and urban digital connectivity.
- 7.2 South Essex's programme will build a resilient Long Range Wide Area Network (Lora WAN) '5G Network' across the sub region, providing the foundation ecosystem for businesses, public sector organisations, educational organisations and the public. It will have a significant impact on the performance of the regional economy, its accelerated recovery from COVID 19, and will support key industry sectors and the prevalence of small and medium sized enterprises. It will also create a platform to enable public service reform and

innovation – including accelerating digital health and social care, education and learning, supporting a transformed public transport system and place shaping in communities and town centres.

‘5G’ Network Ecosystem

7.3 The programme will build a resilient Long Range Wide Area Network (Lora WAN) ‘5G Network’ across the ASELA Region, this will provide the foundation for a whole ecosystem that could transform the economy and includes:

- Rollout of the current local full fibre network (LFFN) to 120 public sector sites. This is on track and will be delivered within the next 12 months.
- Extending the LFFN rollout to an additional 130 public sector sites across the South Essex region, with a particular focus on areas that have not received digital infrastructure investment. South Essex are seeking a further £2.5 million from Government and would use this additional funding to both improve the efficiency of our local government, educational and health operations but also stimulate the market to enable tangible and sustainable economic growth and community benefits.
- Establishing a network of Lora WAN Gateways – deploying a network of 80 external and 30 internal Lora WAN Gateways located at public sector sites/buildings and key business centres to achieve ubiquitous, universal outdoor coverage across South Essex and deliver a public sector owned, free, open access Lora WAN network which will stimulate growth and innovation. Open Access to data will encourage the facilitation and deployment of full fibre and mobile connectivity to boost economic growth, digital inclusion and innovative technologies.
- Proactive engagement with the market – as a result of Covid-19, commercial operators are responding to changing patterns of demand and refocusing their strategic investment plans, particularly addressing coverage in rural areas and ‘not spots’. An audit/appraisal of public sector assets and infrastructure to assess their feasibility in respect to supporting the delivery of 5G technology, the creation of a site database with alignment to access to affordable fibre backhaul and a schedule of suitable public sector owned assets and infrastructure and the mapping of these sites through GIS will provide an invaluable resource to engage and work with the market to secure improved coverage across the region.

Delivering a programme of thematic service improvements

7.4 Working with public sector organisations, businesses and local enterprises to develop and implement outcome-based service improvements using a network of sensors on the Lora WAN solution. These will support the development of new/enhanced products and services that will deliver improved outcomes, efficiency savings and productivity improvements. The project will adopt a business case based approach will be to develop and pilot sensor solutions, aligned to advancing South Essex’s strategic priorities/themes and to extend them more widely across the region.

South Essex Data Exchange

- 7.5 South Essex's public sector owned, free, open access Lora WAN network will create an environment which stimulates growth and encourages innovation by allowing open access to data sets. The programme will develop the South Essex Data Exchange proposition, enabling the public and private sector to come together and explore the potential to use data to create commercial value.

Delivery and benefits

- 7.6 South Essex have undertaken an appraisal of public sector assets and infrastructure to assess their feasibility in respect to supporting the delivery of 5G technology. This has led to the creation of a site database with alignment to access to affordable fibre backhaul and a schedule of suitable public sector owned assets and infrastructure and the mapping of these sites through GIS. South Essex has also engaged with the market to determine current and future investment plans for 5G commercial coverage within the region, potential business models and proposed technical solutions for 5G. This provides a full assessment of the region including the current level of 5G coverage, the nature, scope and scale of the 5G ecosystem, projecting and testing coverage and understanding what is required to deliver such coverage.
- 7.7 South Essex will create a platform which will help the Public Sector to understand their area and dynamically contribute to the way the Public Sector can respond to the immediate and long term outcomes of Covid 19. Its digital infrastructure platform will require a total investment from the public sector of £10m, including £2.5m to extend the local full fibre network, and in return:
- Create a place where high growth businesses with aspirations choose to be -establishing an environment that nurtures and promotes innovation – creating a 'sandpit' and platform for pilots/user cases and trials.
 - Enable a high performing productive economy evidenced by a significant increase in new businesses, or existing businesses delivering new products and services that will deliver efficiency savings or productivity improvements and through promotion of technology to all sectors, such as transport and logistics and agri-tech for farmers – enabling them to procure alternative solutions and open markets for the technological companies
 - Support the creation of a well-connected place, a new inclusive and affordable infrastructure which will create an innovative new way of communicating across the whole of the region. The new infrastructure will allow both urban and more rurally located businesses to access new markets, and to more easily procure solutions which broadband and road poor locations cannot currently deliver to.
 - Create an inclusive economy with a highly skilled workforce, the infrastructure will allow relatively simple and inexpensive technology (sensors) to be utilised in the classroom and IoT projects to be demonstrated within the school and local community.

8 Transport

- 8.1 South Essex plan to transform transport and connectivity in the region, providing a viable, deliverable and resilient transport system. The current main road artery system and the two major rail routes have historically operated at, or over, capacity. This has a significant impact on productivity and the way people are able to go about their everyday lives. The strategic objective is to rebalance modal priorities in favour of active and sustainable modes

and deliver a decarbonised, integrated public transport system - so that walking, cycling and green public transport become the most appealing and practical choice and localised placemaking initiatives establish sustainable, integrated communities.

8.2 Five guiding principles will steer South Essex's approach:

- Enhancing and connecting local places to reflect the distinctiveness of communities, engage local people and foster social cohesion and connectedness both within communities and through a shared identity for the region.
- Supporting healthier lifestyles by connecting places at a human scale by making movement by active travel modes the most attractive travel option.
- Reducing the need for long-distance travel, particularly by the private car, providing attractive routes for travel by active modes, and aggressively reducing emissions with the aim for South Essex to become Carbon Neutral ahead of national targets.
- Laying the foundations for future working practices by improving connections between existing residential and employment areas, creating new opportunities to integrate these land uses and reducing the need to travel long distances. South Essex will also trial ground-breaking new technologies to overcome existing challenges and provide flexibility and resilience to respond to the changing needs of employers.
- Supporting access to local services, particularly health and education, from all communities and encouraging the provision of new services in places which are most accessible by active modes and public transport.

8.3 In order to achieve these objectives South Essex want to engage with Government on the best approach to local transport planning for the region, and the potential for appropriate powers and functions to be devolved from central government.

South Essex Active Travel Network

8.4 The South Essex leaders are committed to achieving decarbonisation of transport and building an active travel network across the region. A major component of this will be a focus on sustainable transport schemes. South Essex is committed to: prioritising investment in the cycling and walking networks identified through an ambitious region wide plan; and partner councils own cycling and walking strategies, and to follow the latest Department for Transport cycle infrastructure design guidance LTN2/08 successor, where practical, for all future cycling and walking schemes to deliver a step-change in high-quality active travel provision in the region.

8.5 South Essex have started work on a shovel ready, regional wide active travel programme to provide attractive connections between places which encourage active travel. This programme will establish a number of key routes that prioritise movement by walking and cycling as part of a regional Active Travel Network (ATN). These routes will be located along quiet residential streets, connecting local places and communities making active travel the most convenient option for local movement and creating attractive places to live and work. Routes are proposed in the first instance will utilise existing rural, suburban and some urban links and take a bespoke approach when designing each link segment to take account of local character. The project will involve creating new road space connecting existing communities

The ATN will link up existing and proposed segments of the National Cycle Network (NCN) to create a comprehensive cycle network across the region. The NCN will be further

incorporated within the ATN with consistent surface treatments, signage, and distinctive and legible mapping.

- 8.6 South Essex are seeking through this agreement £74m of new funding that will be committed expenditure over the next five years to deliver the major phases of this programme.

Green Blue Integrated Public Transport

- 8.7 South Essex is committed to delivering an integrated public transport system, where green and blue public transport become the most attractive and practical choice for users and which connects people easily to where they live, work and visit. It will support economic growth, improve the environment and impact new and existing communities.
- 8.8 South Essex have developed a shovel ready programme that will establish a rapid transport network that provides high quality, direct links to public transport hubs (or living stations). The first phase of this over the next five years will require an initial investment of £30m. A range of mechanisms will be explored to consider subsidising services, so that any revenue raised would allow fares to be cheaper than running a car. Subsidised charging will help to establish the routes and be attractive in terms of travel times and cost.
- 8.9 The rapid transit network will provide direct, high frequency, inter-urban links between the key public transport hubs, operating with a minimum frequency of 6 per hour during the three-hour morning and evening peak periods, not less than 3 ph at other times and average journey times of circa 20-25 minutes. Targeted priority measures would help services to avoid queuing and making travel times competitive with car trips. The network would include links which would connect with key public transport hubs and support greater north south connectivity across the region.
- 8.10 In combination with active travel routes to public transport interchanges, integrated ticketing with bus and rail, workplace parking levies, and some targeted priority measures the rapid transit system will make sustainable travel a convenient alternative to longer distance private car trips. This will form part of an intelligent, connected and convenient public transport network which will help to make South Essex an attractive place to live and work and supporting productivity and growth.
- 8.11 South Essex have an exciting initiative to establish key public transport hubs (living stations) requiring an initial outlay over the next five years of £63m, that will be a focus for public transport interchange, including new mobility offers and which will provide opportunity for the delivery of high quality and distinctive public realm, creative employment and retail spaces and education, health and leisure services. The hubs will be the critical first step in creating attractive gateways to the region and improving the convenience of moving between public transport modes and active travel routes. The hubs would be located at:
- Brentwood
 - Basildon
 - Grays
 - Southend
 - Southend Airport

These living stations will include bus and rail station re-design, as well as the reconfiguration of surrounding public realm to create attractive and inclusive environments for pedestrians

and cyclists. Where possible, station car parking provision will be reviewed post COVID19, to explore opportunities for creative use of any reduction in car parking requirement including employment and retail land uses. These areas will become focal points for local communities, celebrating local distinctiveness and forming gateways for onward travel within the region and beyond.

The living stations will support productivity and economic growth through the agglomeration of economic and cultural hubs, improvements to public realm, attracting new business, investment and employment opportunities, improving the vibrancy of the towns and enabling the efficiency and resilience of the transport network.

- 8.12 South Essex also plans to use the River Thames better to support passenger movement, freight movement, regeneration and growth. Working with the Thames Estuary Board and private sector partners 2-3 strategic landing points will establish interchange hubs between Tilbury and Southend to support new passenger river services supporting travel, work, leisure and eco-tourism along the South Essex stretch of the Estuary but also providing wider connections for people to travel to South Essex from London and across from Kent. River services will form part of the overall integrated and sustainable transport offering in South Essex, linking river access with bus, cycle, rail and road networks, whilst the riverside interchange hubs will act as attractor locations, offering outlets for creative sector, retail, leisure and eco tourism - supporting their potential for job creation and making a wider place making contribution.
- 8.13 River freight transport will also be supported through safeguarding identified access points and identifying opportunities to overcome any land-based infrastructural issues, through consultation with terminal owners/operators to support future growth. South Essex is seeking an initial £10m to invest in this programme.

9 Housing and Strategic Planning

- 9.1 South Essex fully recognise the importance of infrastructure led housing delivery across the region. Historic delivery rates have been poor, illustrated by performance over the last five years where delivery has typically been at a level of 45% of assessed housing need. In this context, the ambition of South Essex is to:
- Put in place a complete suite of up to date local plans, supported by the South Essex Plan, a strategic plan that establishes the strategic planning ambition, and policies to address sub-regional cumulative impacts that local plans cannot fully address.
 - Completely transform housing delivery in the region – there is a recognised need for, and commitment to, a programme of strategic and tactical interventions that would significantly increase delivery rates;
 - Be a pathfinder for the Thames Estuary and set about rapid implementation of the Governments objectives for this area;
 - Work collaboratively with Homes England, Housing Providers, Developers and Builders (large and small), to deliver a joint plan; and
 - Establish a new delivery team – utilising expertise from the public and private sectors.
- 9.2 South Essex have worked with Homes England for the last six months and have created a joint delivery plan. The plan is underpinned by the most detailed review of housing delivery to date that has clearly identified the challenges and barriers to accelerated housing delivery.

- 9.3 Objectively assessed need has identified the requirement for 96,000 homes by 2038. This equates to a rate of annual housing delivery of circa 4,500 homes. Only 53,000 homes have currently been identified for delivery and the annual delivery trend is circa 2,000 units. Therefore, there is not enough land entering the system and being allocated for housing and not enough homes being delivered.
- 9.4 An even more detailed assessment has been conducted on 151 sites with the potential to deliver 18,525 of the 53,000 homes detailed above. This has revealed that these homes will not come forward without intervention from the public sector. The majority of these sites are financially stalled, but others require unlocking through infrastructure, acquisition and land assembly. The currently projected cost of public sector intervention is £377m at an average cost of £20,000 per home. Of these sites, 19 are 'shovel ready' and with an immediate grant of £44.6m could accelerate delivery of 1,629 homes by at least two years.
- 9.5 The work has demonstrated that challenges and barriers span the entire housing delivery system and will only be overcome through the deployment of a comprehensive suite of intervention that tackle each area of that system. Nine areas have been identified for intervention; ranging from management and technical capacity through to transport and infrastructure and planning policy and governance. Funding on its own will not be enough. To accelerate housing delivery to the level required will also need substantial additional management and technical capacity, devolved powers and further strengthening of the leadership.
- 9.6 South Essex now want to explore with Homes England the potential for a Joint Venture. This will be a natural progression from the strong relationship that has already developed. It will provide the effect and ongoing leadership these interventions will require. It is envisaged that the South Essex Growth Board and Homes England will work together to formalise their strategic place partnership to lead implementation of the housing delivery plan. With enhanced capacity and capability, additional powers and strong leadership; funding can be deployed in the most effective methods possible, yielding the greatest results in the shortest time. In this light, South Essex propose that a South Essex Housing Fund is established and that £377m is invested by Government into the housing propositions that have been developed.
- 9.7 Additional management and technical capacity in a new joint South Essex and Homes England Delivery Team, part of the Joint Venture, will provide the essential platform for the effective and targeted deployment of the interventions (including funding) in a timely and controlled way. Ensuring that once a commitment on housing delivery targets has been made that they are met.
- 9.8 South Essex is also seeking that Government provide £3m to the South Essex Growth Board across 2021/22 and 2022/23 to further support development of a pipeline of housing sites across the region and that Government will explore the potential for investment into housing propositions that emerge from development of this pipeline.
- 9.9 The Joint Venture has the potential to bring together the broad powers to acquire and dispose of land to build houses, commercial space and infrastructure, for growth and regeneration. The South Essex Growth Board will be able to invest to deliver housing for the area.

- 9.10 In return for this support from Government, accelerated housing delivery will achieve the following considerable outputs for the national and local economy, including:
- Unlock up to 43,000 additional homes.
 - Unlock up to 39,000 more construction jobs.
 - Generate additional income for the Council of up to £450m one-off payments and £31m gross recurring annual income through Council Tax, Business Rate, and Community Infrastructure Levy.
 - Increase wider economic benefits for the community by up to £2.2bn.

Strategic Planning

- 9.11 South Essex are committed to the development of a Joint Strategic Plan – the South Essex Plan. South Essex are now seeking the power to create a statutory Spatial Development Strategy for South Essex. This will coordinate strategic land-use planning with strategic transport planning and provide an ambitious framework to achieve a strategic level change in environmental planning policy to reduce carbon emissions and tackle the climate emergency. The scope and preferred approach to a Spatial Development Strategy is a matter for local agreement, in line with the National Planning Policy Framework.
- 9.12 This, along with local plans, will act as the framework for managing planning across South Essex. Local plans will remain the key planning policy vehicles for the identification of sites. All six authorities have local plans in preparation (three post Regulation 19) and the South Essex Plan preparation will run concurrent to those.
- 9.13 A Spatial Development Strategy provides the ability to coordinate key strategic policies to tackle pressing issues across local government boundaries, and cumulative impacts on infrastructure, adding significant value compared to relying solely on local plans. The Spatial Development Strategy will set a common strategic vision and provide strategic policies to tackle pressing issues including strategic coordination on climate change, energy policy, town centre and area based regeneration, renewal and retrofitting, modal shift, utilising broadband infrastructure, strategic waste management, flood risk management, developing and enhancing blue and green infrastructure and ensuring policies deliver biodiversity net gains.
- 9.14 South Essex recognise that ambitions on these priorities will be more effectively achieved when planned for at the cross-boundary level. To support the Spatial Development Strategy and local plans, joint commissioning of evidence will continue, and to reflect the Green Belt status of the area, this will include a strategic Green Belt review.
- 9.15 The South Essex Authorities (and other joint planning authorities) are in discussions with the Ministry of Housing, Communities and Local Government on improved mechanisms to support the statutory planning processes to ensure delivery of a statutory planning framework at the strategic and local plan levels.

10 Climate and Environment

- 10.1 South Essex aim to be carbon zero by 2040, with significant progress by 2030. Specifically, South Essex plan carbon reduction through clean air zones, the de-carbonisation of public transport, transformative use of green and blue infrastructure, including optimizing use of

the River Thames and the area's outstanding natural environment and open spaces, and increased use of sustainable energy.

- 10.2 The region's success in becoming a net zero carbon economy by 2040 will depend on reducing emissions from transport, buildings, industry, power generation and land and using its natural assets and ecosystems to address the challenges of air pollution, flooding and health and wellbeing.
- 10.3 South Essex want to work with Government as a policy pathfinder area to advance 2-3 ground-breaking interventions in line with the Government's wider ambitions and policy objectives to be carbon zero by 2050 and which could include the following.

Sustainable Energy

- 10.4 Local Use of Local Energy – South Essex plans to investigate the options to develop alternative, sustainable fuel sources, focusing on South Essex as a distinctive pathfinder within the Thames Estuary. This will include consideration of:
- Alternative sources and technologies e.g. hydrogen electrolysis, marine source heat pumps, other potential clean energy options (such as wind, tidal energy, biofuels and PV) which optimises and leverages the region's natural assets and unique points of difference (its land, estuary and industry profile).
 - Applications and alignment of fuel sources/technology to the region's key sectors including manufacturing, production, shipping, land transportation and fleet operations.
 - Market demand within South Essex e.g. a specific local industry user base (public and private sector organisations) to determine the potential local energy demand for alternative, sustainable clean energy over time and present this to the energy supply side as a potential commercial opportunity.
 - Market engagement.
 - Development of pilot projects to build trust, confidence and data regarding new technologies and fuels.
 - Funding and investment options.
 - The viability of creating a regional energy supply company.
- 10.5 South Essex proposes to act a pathfinder area, forward funding an EV infrastructure network at scale, providing EV charging points at scale across homes, businesses and existing infrastructure (such as petrol stations) to drive the transition away from petrol and diesel vehicles and securing a step change in decarbonised transport use. The project will:
- Investigate core infrastructure requirements for the network - energy source, power transmission infrastructure, consumer charging points to understand the opportunity to forward fund infrastructure and address market failure.
 - Implement pilots to explore the use of electric and alternatively fuelled vehicles to replace van fleets and last mile deliveries and explore economic models associated with the provision and maintenance of EV infrastructure and vehicles. This could be with commercial partners and be a test bed to develop new vehicles.
 - Implement design guides for environmentally sustainable development, such the provision of infrastructure capacity to provide for charging of pug-in and other ultra-low emission vehicles in safe, accessible and convenient locations (commercial and residential), energy efficient homes and other initiatives to reduce carbon emissions.
- 10.6 South Essex is engaging with private sector partners such as Amazon and UPS and their supply chains to plan and invest in opportunities to advance resilient, low carbon, high-tech

solutions such as in-house carbon reduction initiatives, energy consumption and energy generation which have the potential to be scaled and extended across the region.

- 10.7 The sub region plan to develop capabilities for the repurposing of existing economic infrastructure to drive up energy efficiency – South Essex will seize the opportunity presented by the work of Castle Point to retrofit an ageing piece of infrastructure on the Thames Estuary with clean energy technology to establish a centre of excellence that integrates broader research, education, and local economic outcomes. This also provides an exciting opportunity to create a visitor attraction that would complement and enhance the natural assets of the area and support placemaking.
- 10.8 South Essex intends to develop a scheme for the retrofitting of housing and commercial stock to drive up energy efficiency and create resilient infrastructure that is adaptable to climate change and decarbonisation.

Green Blue Infrastructure and South Essex Estuary Park

- 10.9 South Essex has invested in a comprehensive and detailed strategic Green and Blue Infrastructure assessment and plan. The South Essex Growth Board would propose to work with the Government to explore the potential to take this work forward as a Green Blue Infrastructure framework. This will respond to current and future COVID 19 requirements. It will steer and assist strategic and local plan making by informing the management and delivery of visionary, exemplary and high-quality green and blue infrastructure across South Essex. It is also in line with the Thames Estuary's ambitions regarding Green Blue Infrastructure and the importance of delivering a coordinated approach to green blue infrastructure to provide a range of benefits such as increased access to green and blue space, improved health, wellbeing, climate change adaptation and mitigation and nature conservation and enhancement. The emerging green blue infrastructure (GBI) framework, along with the mapping and design guidance being developed by Defra and Natural England, will help South Essex and the Thames Estuary to become an exemplar of good green infrastructure delivery, benefitting the economy, people and the environment of the region, and helping to deliver biodiversity net gain and net zero carbon.
- 10.10 The sub region intend to adopt and implement the South Essex strategic green and blue infrastructure plan bringing together the existing but separated spatial assets to create world-class productive, connected and dynamic landscapes, woven together to form a celebrated South Essex Estuary (SEE) Park with a strong identity, and known as a place of connection, beauty and vitality, rich with leisure, life and growth. It will create a greener, more liveable South Essex that will improve the health, well-being and prosperity of people living here.
- 10.11 The long term vision is the creation of one single park system that encompasses all of South Essex. The SEE Park will be framed by five large-scale landscapes and an improved network of blue and green connectors. These five sites include flood zones, habitats, existing parkland, riverfront, former industrial sites, agriculture land, and special historical features and landmarks:
- Island Wetlands
 - Central Thames Marshlands
 - Central Woodland Arc
 - Mardyke Valley
 - Brentwood Parklands

- 10.12 It is proposed to develop and implement the Central Thames Marshlands landscape as a first, pathfinder project, bringing together its existing blue and green including the existing pathways (South Essex sub regional pathway from Tilbury to Leigh-on Sea; Thames Path National Trail; South East Coast Path National Trail; English Coastal Path and existing sections of Thames pathway between Purfleet and Tilbury), cultural, leisure and heritage assets from Purfleet to Shoeburyness. This provides the opportunity to make early progress and build on existing work. It includes:
- Scoping, adopting GBI principles and implementing the pathfinder
 - Coordination through the local planning authorities – identifying a network of footpaths, cycle paths, bridleways or by-ways not open to motor traffic and identified on a strategic plan, using existing routes where appropriate and creating new routes where gaps in the network have been identified.
 - Connectivity and access to the pathway – providing sustainable movement links between communities and the path, and the wider network; working with existing Pathways and partners including Natural England, Visit Essex, Country parks, visitor attractions and accommodation business along the route, National Coastal tourism academy, Landowners, Ecology groups such as the Wildlife Trust and RSPB
 - Tackling severance to the path caused by major roads and railways, but promoting links between public transport nodes and the park and coast
 - Connecting natural blue and green, cultural, heritage assets
 - Promoting responsible tourism
 - Promoting healthy lifestyles for local communities and active travel
 - Coordinating communications, marketing and engagement of existing assets under a shared banner to be more impactful
 - Leveraging the opportunities presented by 2021 as the Year of the Coast
- 10.13 South Essex are seeking through this agreement £9m of new funding to deliver this innovative and exciting regional park programme.

11 Vibrant Communities

- 11.1 South Essex intends to deliver economic development and inclusive growth across all of its places. Specifically, South Essex plans to create vibrant communities through re-inventing its town centres and high streets, developing new urban extensions and garden settlements of scale delivering exemplar, comprehensively planned new developments new flexible workspaces embedded in local communities and local connections to health, education and natural assets.

Reinventing our town centres

- 11.2 The Authorities in South Essex are embarking on significant programmes to redefine their towns centres, including the developing the high street as places of culture, commerce, retail and housing. It is highly likely there will be substantial negative economic consequences arising from COVID-19, with potentially far-reaching implications for our behaviours and the way we use town centres in the future. The consequences for town centres, and the retail, hospitality and leisure sectors in particular, are likely to be very significant.
- 11.3 The programme plans to build on its existing regeneration plans that are underway across

the area, for example at Basildon, Brentwood, Grays and Southend, to develop a regeneration programme approach and a design blueprint that can be tailored and applied at a local level in towns across South Essex. The programme will determine the locations where delivery can be accelerated and develop up-date strategies and action plans, this will include facilitating economic recovery and resilience responding to the impact of COVID-19.

- 11.4 The high streets were already facing increased uncertainty prior to COVID-19, but the impact of the almost total shift of traditional high street sales to online, is likely to lead to very significant change and decline. Therefore, as a priority, the South Essex Growth Board will support reviews of all town centres, looking at policies and measures to aid their long term and sustainable recovery, repurposing them as the new centres for innovation, living, education and community hubs, whilst retaining their distinctive character and core retail and leisure offer.
- 11.5 The increased housing delivery programme supported by improved accessibility to town centres from growth locations is a core component of the South Essex Plan and local plans. The adaptability of town centres to respond to growth will be critical to ensure that increased demand for facilities, workspace and shops, is not lost to out of centre locations.
- 11.6 South Essex is seeking £100m of new investment from Government to support this programme.

Urban extensions and Garden settlements

- 11.7 In planning new growth, the priority is to maximise development in existing urban areas, but not to such an extent that those areas become over congested, lack adequate infrastructure and the ability to add capacity, and destroy local character and heritage. Local Plans are already planning changes to Green Belt boundaries in acknowledgement of the finite capacity of urban areas. Since the introduction of the Green Belt in 1947, authorities across South Essex have defended encroachment, but the urban areas are reaching capacity. However, given the scale of the need for new growth across South Essex, urban extensions may not be sufficient and they do not always provide the critical mass to deliver sustainable growth. Therefore, it is likely that, across South Essex, a number of new, mixed use, communities will be required to meet long term needs. South Essex intends to build on its heritage to pioneer the next generation of settlements and create a new concept to sustainable living for South Essex. It is envisaged that these new settlements will be designed around garden village principles offering high quality and inclusive places with a mix of homes, jobs in all sectors, open spaces, community infrastructure, digital connectivity, retail and leisure space that meet need and build cohesive communities.
- 11.8 The precise location and number of new settlements is to be determined through plan making, but the strategic aims for each new settlement are consistent. In addition to the homes, we propose that each new settlement consists of:
- Quality place making of the highest standard set within green environments
 - New employment space for service sector supporting the new community, but with opportunities for inward investment and developing local businesses, including grow on space
 - Integrated public transport networks
 - Safe cycling and walking networks, including safe walk to school routes
 - Secondary and primary education, and specialist schools
 - Health facilities including a health hub and localised clinics

- Town centre with a mix of uses, including retail, commercial leisure, work space and residential, and also to act as community hubs
- Considerable areas of open spaces, natural parks, linear parks and movement corridors, integrated with SUDS
- Meeting net biodiversity gain targets
- Full range of housing types and tenures to meet all needs
- Sustainable energy with targets for off grid provision, and 100% fibre to door or wireless equivalent

11.9 To deliver these, the South Essex Growth Board and Homes England will work as one team with development partners and local communities, to plan new settlements and the required infrastructure that are responsive to local need, choice places to live, minimise the impact on the local environment, achieve net-biodiversity gain, and reduce not add to traffic and movement congestion. This will require a new way of planning and long term delivery with significant investment in infrastructure and environmental measures. South Essex is seeking £5m over the next 5 years to develop the full potential of these schemes.

Flexible Workspace / Business Recovery Workspace Network

11.10 A significant component of the South Essex economy is made up of small and micro enterprises - around 90% of all businesses in South Essex employ fewer than 9 people. This large employment sector needs a flexible and agile offer if it is to remain relevant in the changing economy, especially in the post Covid-19 recovery period. Similarly the pandemic is changing the nature and pattern of work with a large pool of workers expected to mix new flexible workspace use with on on-demand commute.

11.11 South Essex plans to develop a scalable Flexible Workspace / Business Recovery Workspace Network embedded in local communities offering business recovery, collaborative workspaces and one stop coordinated support to South Essex SMEs and micro businesses. The network will support local businesses in times of economic recovery and their longer term economic growth and resilience. This programme requires £6.53m of investment over the next five years.

11.12 The network will be located in high visibility, designated living stations in key strategic locations in Basildon, Brentwood, Grays, Rochford and Southend. They will be high street/public transport hub locations offering the mix of services people need to work, learn and live e.g. leisure, advice, business support services in their local communities. The workspace network will build on the existing hubs operating at The Hive in Southend and Grays Courthouse Thurrock; this will enable the project to hit the ground running through existing providers. It is proposed that the new hubs are created in Brentwood, Basildon and Rochford ideally using existing public property assets.

11.13 The programme will pilot and scale a South Essex network of local, affordable, flexible community workspaces delivering safe, sustainable and measurable business start-up, “bounce back” survival and growth support. It will provide:

- A network across South Essex that encourages and supports new ways of working as UK freelance, micro and SMEs recover from the 2020 pandemic.
- Local ‘everything business under one roof’. Local physical business hubs that bring together key public, private and third sector B2B service providers to give direct access to coordinated support

- Enhanced business support sign-posting with a network of localised physical spaces that offer complementary face-to-face information, advice and guidance (IAG) and other safe & secure human interactions (training, development and networking)

Local Connections to Health, Education & Natural Assets

- 11.14 To promote neighbourhood vitality, create more attractive and inclusive street environments whilst also supporting the shift to active travel and the attendant reduction in congestion, air and noise pollution South Essex is seeking £31m new funding to progress an exciting programme to establish active routes to schools.
- 11.15 The programme will establish active routes to schools through the implementation of permanent or time-bound restrictions to road traffic to create safer environments for children, reduce vehicle emissions and establish active travel behaviour from a young age. These routes will link schools to local communities with enhanced landscaping providing opportunities for play and interaction with green spaces. Traffic-free routes would be trialled at a small number of schools in order to identify measures that work well and resonate best with local communities. Successful measures identified through the trials will be implemented at other schools in the region as part of a wider programme rollout to circa 50 schools in the first instance (20% of the circa 250 schools across the region). The implementation of these routes also offers the potential to provide a catalyst for further expansion of active travel routes and prioritisation of road space towards people walking and cycling.