

HIGH LEVEL SUMMARY

BASILDON BOROUGH UKSPF INVESTMENT PLAN

January 2023

Introduction

Please note, this document is an abridged version of the final Basildon Borough UKSPF Plan submitted to government in August 2022. It is designed to summarise as concisely as possible, the strategic priorities, outcomes, outputs and budget that the Basildon Borough UKSPF Panel are working with and what they are seeking to achieve through the UKSPF investments they are planning over the lifetime of the funding. It may of course, be subject to change over the lifetime of the project.

In seeking to provide a simpler version of the Basildon Borough UKSPF Investment plan, we are trying to provide a more concise version for project applicants to use when submitting bids. If you would like the full version, please email businessassist@basildon.gov.uk

Our Communities and Place evidence base, proposed priorities, outcomes and outputs

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?

(If yes) Describe these challenges, give evidence where possible

BACKGROUND

Basildon borough occupies an area of 42.5 square miles (110 km²) and is located 25 miles to the east of London. It is served by two major roads and two major railway lines, all of which run west to east across the borough. Two airports at Stansted and Southend are also in easy reach. Approximately half of the borough is designated as Green Belt and it is home to several Sites of Special Scientific Interest (SSSI).

The borough has a population of 187,200 (ONS 2019 mid-year estimates) and has seen a population increase of 3.6% since 2014. This is projected to rise to 206,500 by 2043, a further rise of 10%.

Basildon borough comprises the five main settlements of Basildon, Billericay, Wickford, Laindon and Pitsea. The last two form part of the same built-up area as Basildon New Town. The Borough is highly diverse in its landscape, ecology and built environment. Such diversity is reflected in the three main urban settlements in terms of a range of defining characteristics. The main settlement is Basildon, a New Town designated in 1948 and built in a number of phases over 50 years. Basildon is one of Essex's Regional Town Centres. Approximately 537,603 people live within a 20 minute drive time of Basildon Town Centre. It is a relatively busy and well-used town centre with an important social function, although the impact of Covid-19, changing shopping habits and tightening consumer spending is impacting on footfall levels and vacancy rates. Basildon can also be referred to as something of a convenience town, which is frequented most by those living within a short distance in order to buy the essentials, rather than visiting as a destination, which can have both a positive and negative impact on a town. Two smaller independent towns are situated to the north of the Borough, Billericay and Wickford. Billericay High Street is classified as a Market Town retail centre with approximately 189 units serving the town of Billericay, surrounding areas and visitors. The high street runs roughly from Billericay train station to the north down to the A129 London Road in the south. Approximately 93,471 people live within a 20-minute drive time of Billericay High Street, with 34,856 people falling within the core area of approximately 10-minute drive time. Wickford High Street is classified as a district centre with around 170 units, bookended by two shopping centres, all of which serve the residents of Wickford and the surrounding villages. Approximately 85,763 people live within a 20-minute drive time of Wickford High Street.

Whilst the 2019 Indices of Multiple Deprivation ranked Basildon borough as 111th most deprived of 317 English local authority areas, the borough was also ranked as 139th most prosperous of 379 UK local authority areas in the 2021 UK Prosperity Index. These seeming contradictions only serve to highlight the diverse nature of the borough. The deprivation gap within the borough is substantial and has not improved since 2015; 11% of the borough's

residents continue to live in England's 10% most deprived places; and 14% of residents in England's 10% wealthiest.

As far as income inequality is concerned, an analysis of Gini coefficients indicates that Basildon borough is the third most unequal borough in Essex and ranked 115th most unequal nationally. In terms of unemployment inequality, Basildon is the most unequal in Essex (and the 69th most unequal nationally), experiencing inequalities between areas in the numbers of people in and out of work. Basildon borough is also the third most unequal borough in Essex for health inequality, ranking ranked 132nd nationally. When you map Gini coefficients against their average rank in the Indices of Deprivation 2019, to identify areas that experience both higher inequality and higher than average deprivation, Basildon has high inequality and deprivation in income and employment, but for health has high deprivation, which is spread fairly evenly throughout the district, which is of concern.

In 2019, OSCI and Local Trust also classified Basildon as one of seven 'left-behind areas' in the East of England, when they analysed areas that suffered the dual disadvantage of high levels of deprivation/socio-economic challenges and lacking in the community and civic assets, infrastructure and investment required to mitigate these challenges. As far as some of the most deprived areas in Basildon are concerned, OSCI's analysis identified 206 left-behind wards across England, with three located in Basildon, including Lee Chapel North, Pitsea North-West and Vange.

PHYSICAL TOWN CENTRE REGENERATION (E1), DESIGN/MANAGEMENT OF THE BUILT/LANDSCAPED ENVIRONMENT TO 'DESIGN OUT CRIME' (E5) AND CREATION & IMPROVEMENTS TO GREEN SPACES, COMMUNITY GARDENS, WATERCOURSES & EMBANKMENTS (E3)

Physical Regeneration

Enhancing the built environment, public realm, renewable energy infrastructure, disabled facilities, green infrastructure and implementing crime prevention measures will always likely be needed within the borough, particularly within our main urban centres. Some of the major challenges we need to address in this regard are set out below:

- **Inclusive and Accessible Environments.** As far as accessible facilities are concerned, modelled predictions and estimates derived from 2019 POPPI/PANSI data suggest that the number of adults with a learning disability in the borough could be around 3500; the number of adults with severe hearing loss could be around 3300; and the number of adults in borough with some form of impaired mobility, could be around 6000. In addition, 2011 Census data suggests that over 20% of the population in the borough have a disability. Basildon is strongly committed making the borough a more inclusive and accessible place that could contribute towards reducing social isolation through the creation of inclusive social spaces for all communities.
- **Crime Prevention Infrastructure.** As far as overall perceptions of living in the Borough are concerned, research undertaken in 2019 told us that 31% of respondents are very satisfied and 45% are fairly satisfied with where they live. However, 31% of respondents have said they feel concerned about the borough, particularly in areas of crime, and road and pavement repairs. In addition, the greatest contributing factors to poverty are crime and education. In terms of crime, 32% of the borough's neighbourhoods are in England's worst decile and this has worsened significantly since 2015. In 2020, the reported crime rate per 1,000 people for all types of offences in the borough was 130.2. In terms of violence and sexual offences only, the crime rate was 45.2 per 1,000 people. The ward with the highest rate was St Martin's, whereas the Billericay West and Billericay East wards had the lowest crime rate. Some residents perception of Basildon Town Centre, particularly of an evening, can be negative with personal safety in the town after dark being a reoccurring concern voiced by some residents. Crime against businesses accounts for between 17% and 20% of all recorded crime in Essex with approximately 24,000 crimes recorded annually. The largest area of these is retail crime, predominately shoplifting, which accounts for 40% of all such offences. In addition, businesses also suffer from cyber-crime, fraud, criminal damage and theft.
- **Green & Blue Infrastructure.** Whilst Basildon borough possesses a considerable amount of green and blue infrastructure, with all the main urban areas enveloped by rural countryside, the main town centres generally lack any significant green space and planting is fairly minimal and provides limited ecological connection to the surrounding greenspaces. There is a desperate need to green our main urban centres, in order to promote mental and physical health, reduce morbidity, mortality and stress, stimulate social cohesion, support physical activity, and improve environmental outcomes.

That said, with the limited amount of capital funding available to Basildon in UKSPF, we will need to be extremely selective about the investments that we can make in the above areas and will need to use UKSPF as seed funding

to leverage in other funds to bring forward larger scale capital projects in the area if we want to address the above challenges.

SUPPORT FOR ACTIVE TRAVEL ENHANCEMENTS IN THE LOCAL AREA (E7) AND LOCAL SPORTS FACILITIES, TOURNAMENTS, TEAMS AND LEAGUES TO BRING PEOPLE TOGETHER (E10)

Addressing Health Inequalities

Whilst Basildon is the least deprived district in Essex, in terms of living environment, with a rank well above other local authorities, the borough does have significantly worse outcomes for wider health determinants than Essex and England as a whole. Obesity is a problem in both children and adults, with rates of obesity in Basildon being significantly higher than the regional and national average. Whilst life expectancy for both men and women in the borough is close to the England average, there are stark differences in life expectancy between wards across the borough. For example, whilst between 2017 and 2019 the life expectancy at birth for males was 79.4 and 83.1 for females, the difference in life expectancy between wards in Basildon is 6.9 years for males (Pitsea South-East vs Billericay East) and 7.7 years for females (Fryerns vs Wickford Park).

- **Enhancements to Active Travel Infrastructure.** One of the ways to improve the health and wellbeing of local residents is to encourage greater use of active travel modes, like walking or cycling. In addition to improving public health, encouraging more active travel can also improve air quality, increase road safety, enhance street life, and reduce carbon emissions. Whilst the data is a little aged, 2011 Census data shows that only 1% of journey to work trips in the borough are made by bicycle, with only 4% on foot. This is despite the fact 31% of journeys to work are less than 5km, and 12% are less than 2km. By contrast, there are over 67,000 vehicles registered in the borough, accounting for approximately 500 million kilometres driven each year, with petrol and diesel vehicles making up 19% of Basildon's greenhouse gas emissions. The high number of car users in the borough (62% of people's main mode of transport is car, 76% of people travel to work by car and 55% of people travel for leisure by car) has an impact on the high level of congestion in the borough. For those travelling within Basildon, too many short journeys (just over 50%) are being undertaken by car. This is higher than the England average of around 44% and significantly higher than Cambridge, which is below 20%. Barriers restricting residents from switching to more sustainable modes of transport are the cost and convenience in terms of time and getting where they need to go. Two 2018 surveys (The A127 survey by Essex Highways and the Basildon NIC Survey and Focus Groups) indicated that people said that the average 20-minute journey to work by car would take between 1 and 1.5 hours by public transport and pointed to the fact that only 50.52% of residents in Basildon are satisfied with cycle routes and facilities, 37.87% are satisfied with safety on local roads, and only 27.24% are satisfied with local bus services. Collectively, these issues impact quite significantly on air quality in the borough - Basildon has the second highest level of air pollution in Essex.
- **Enhanced Local Sports Facilities.** In 2018, Knight, Kavanagh & Page Ltd (KKP) were commissioned to assess formal indoor and built sports facility needs and the outdoor sport facility needs in Basildon borough. Their report into formal indoor and built sports facilities identified a number of challenges to the current sports infrastructure in the borough, with a number of halls being rated as either poor or below average; some gaps in provision for 3+ court sports halls; 14% of the population not living within a mile of a daytime accessible sports hall; some facilities having limited spare capacity; and challenges accessing indoor cricket facilities. In addition, their report into outdoor sport facility needs identified a range of challenges with the provision of outdoor sports facilities for football, rugby, cricket, hockey, golf, tennis, crown green bowls, netball, athletics, cycling, parkour and Multi-Use Game Areas.
- **Sports Participation & Physical Activity.** In addition to recognising the importance of investing in active travel and sports infrastructure to support active travel programmes, we also recognise the importance of encouraging local residents to lead more active lifestyles. The lack of physical activity is linked to high rates of obesity. In 2019, 62% of adults in Basildon met the recommended 150+ minutes of moderate intensity physical activity per week – the lowest level in Essex and significantly worse than East of England and England. Whilst 75.7% walk at least once a week and 8.4% cycle at least once per month in Basildon, this is lower than Essex, significantly worse than the East of England and England. Increasing participating in sports tournaments, events and activities can improve health and wellbeing and build community cohesion. That said, Basildon is currently one of 12 areas in the country that has been awarded Local Delivery Pilot funding by Sport England until 2025, to try and test new ideas, replicate and scale-up projects to tackle physical inactivity in the local population. With this in mind, we feel there is some value in continuing to support this kind of holistic work with local communities, rather than necessarily prioritising sports tournaments, events and activities, per se.

Whilst there will always be a need to invest in active travel and local sports infrastructure in the borough, again, the limited amount of UKSPF capital funding that we have available in Basildon probably necessitates us looking to

use UKSPF as seed funding to bid for larger scale capital projects to address the above infrastructure issues. As far as sports participation is concerned, Basildon is already quite active in promoting active lifestyles (being one of 12 areas in the country that has been prioritised for Sport England Local Delivery Pilot funding) and UKSPF funds appear to be limited in their scope in this regard (insofar that they appear to only be focussed on supporting the organisation of tournaments/leagues/teams and increasing levels of participation in sports and recreational activities at facilities that have benefitted from funding and that are based on registered players/teams).

ENHANCED SUPPORT FOR EXISTING CULTURAL, HISTORIC AND HERITAGE INSTITUTIONS (E4), SUPPORT FOR LOCAL ARTS, CULTURAL, HERITAGE AND CREATIVE ACTIVITIES (E6) AND CAMPAIGNS WHICH ENCOURAGE PEOPLE TO VISIT/EXPLORE THE AREA (E8)

Supporting the Creative/Cultural/Heritage/Tourism Sectors

Stimulating the growth and development of the cultural and creative industries (CCIs), local heritage organisations and the visitor economy should be regarded as important future drivers of growth of the Basildon economy and in helping to stimulate urban renewal in the borough. These industries play a vital role in affecting how a place both defines itself and how it is seen by outsiders. They also support social cohesion and can help bind communities together. People also like living in places with a thriving and sustainable creative/cultural/heritage/tourism offer and enhancing facilities that support these sectors can help to attract higher value and more skilled jobs to an area, which in turn can have a positive spill-over impact on the wider economy.

Whilst Arts Council England's (ACE) investment of £1.3m of funding into Basildon, to fund the 4 year Creative People and Places (CPP) Programme, and ACE's decision to select Basildon as a Priority Place are really important developments for the borough, the main focus of these programmes is largely on enabling and supporting local communities to direct and lead the delivery of cultural programmes in the area, rather than delivering arts/heritage/tourism business support programmes or enabling plans to bring forward new creative/ cultural/heritage infrastructure in the area. As such, the current challenges we envisage that exist in Basildon for supporting the further development of the local creative/cultural/heritage/visitor economy are those set out below:

- **Supporting Heritage and Culture Organisations.** Whilst Basildon has some really important and valuable heritage assets (including links to the Pilgrim Fathers, important New Town architecture/design, numerous archaeological artefacts unearthed within the borough and a really strong heritage association), Basildon is also one of the few New Towns in the country that does not have an established Heritage Museum. That said, bringing forward such a facility will not be a simple, and will likely require a significant amount of capital and revenue investment (both to establish a physical base, but also to support the creation of a viable and sustainable business plan to operate such a facility).
- **Supporting the Creative and Cultural Industries.** Whilst there is significant evidence to suggest that Basildon has a strong and vibrant community of creative and cultural practitioners (as evidenced by the existence of strong networks like Bas-Arts-Index and the 2019 Tech Nation UK report entitled 'Tech on a Global Stage' which ranked Basildon as one of 5 top e-commerce investment locations nationally), 2019 data from a PRD / WorkWild study into the creative and cultural industries in Basildon indicates that the sector declined by 31% between 2015 and 2019, with the study itself noting "*a decline in Basildon and Gravesham (two locations we show have a lack of appropriate space). It is clear from this and the subsequent analysis that existing supply does not meet the needs of creative businesses. Currently, much of the sector is nascent and focussed on residential locations, rather than town centres or commercial centres.*" The findings of this research is also reinforced by a recent study conducted by Metal entitled 'More Than a Place', which has shown that 73% of creative practitioners in Basildon indicated that they had a need for affordable workspace; 79% indicated they had a need for project spaces; and that many respondents noted there was a high need for social spaces.
- **Promoting the visitor economy.** Data from Visit Britain suggests that South Essex benefited from 514,000 domestic overnight visits in 2018 and a total of 28.5m leisure and tourism day visits. In 2018 there were 27,440 direct jobs in the tourism sector in South Essex, which was an increase of 11% since 2014. That said, data from Destination Research (which uses the Cambridge Economic Impact Model) indicates that Basildon attracted 2.5m visitors in 2019, a figure estimated to be worth £188m to the local economy, which sustained 3411 jobs. The majority of visitors attracted to Basildon are day visitors, at 2.4m (with £104m of value), followed by 174,000 overnight visitors (with £31.3m of value), 132,000 domestic visitors (with £16.1m of value) and 42,000 international visitors (with £15.2m of value). Whilst Basildon possesses a number of Tourism, Leisure and Recreation strengths (i.e., range of attractions, attractive countryside and market towns, cultural provision, good transport links and a strong 'green' offer) it is also worth recognising that Basildon lacks any significant 'attack brands'; limited wet weather /indoor facilities; a relatively under-developed accommodation offer;

limited provision to support large scale event/conference activities; and a relatively weak perception as a holiday/business destination.

Whilst there are many that believe a Borough the size of Basildon desperately needs a Heritage Museum to strengthen residents 'pride of place'; much more workspace for creative and cultural entrepreneurs; and greater investment into new tourism product (i.e., tourism trails), our limited UKSPF capital allocation will not provide us with sufficient funding to bring forward such investments. That said, UKSPF might be able to provide seed funding to support the commissioning of feasibility studies for some of these proposed developments and potentially support the potential operators of such creative/cultural/heritage facilities (and businesses operating within the wider creative/cultural/heritage sectors) to further commercialise their businesses.

IMPROVEMENTS TO EXISTING, COMMUNITY AND NEIGHBOURHOOD INFRASTRUCTURE (E2), IMPACTFUL VOLUNTEERING AND/OR SOCIAL ACTION PROJECTS TO DEVELOP SOCIAL AND HUMAN CAPITAL (E9) AND CAPACITY BUILDING/INFRASTRUCTURE SUPPORT FOR LOCAL CIVIL SOCIETY AND COMMUNITY GROUPS (E11)

Strengthening the Third Sector

The voluntary and community sector delivers a wide range of vital services in the borough, many of which play a critically important role in protecting and supporting particularly vulnerable residents. Encouraging and enabling social action, volunteering and mutual aid groups also plays an important role in delivering a number of these key services and can also help to strengthen community cohesion and help to foster residents pride of place. Key infrastructure organisations deliver a range of vital services to encourage social action and support the development and growth of voluntary sector/community organisations.

Coming closely off the back of the Covid-19 pandemic, the rising cost of living is likely to place additional strain on the voluntary and community sector. Rising prices, higher bills, and inflation will put pressure on household finances with lower-income families likely to be hit the hardest. The cost of delivering services will also be impacted. Investing in community/ neighbourhood infrastructure, supporting value-adding volunteering/social action projects and supporting voluntary/community infrastructure organisations to provide new and additional services can help address these significant service delivery challenges.

That said, wider fiscal pressures are also putting an increasing strain on the ability of the public purse to be able to continue to fund the voluntary and community sector to deliver these vital services. In order to address these issue, organisations within the sector are having to constantly adapt, to further adopt principles of social entrepreneurship, strengthen their trading arrangements and economic viability, sustainability, social and environmental impact and their overall contribution to the local economy. If we are to use UKSPF funding to support the voluntary and community sector, any investments we make should seek to strengthen the sector to sustain their activities through the adoption of models of social entrepreneurship.

- **Supporting the voluntary and community sector.** Whilst there is a limited amount of published data on the size and scale of the voluntary and community sector in the borough, between March and June 2021 Essex County Council's Research and Citizen Insight Team worked with Oxford Consultants for Social Inclusion (OCSI) to develop a greater understanding of the needs of different communities across Essex using a nationally recognised 'Community Needs Index'. The Community Needs Index (CNI) developed by OCSI, is composed of 29 indicators grouped into the three distinct domains, which provides a measure of the extent to which areas have access to shared spaces and social infrastructure, social and physical connections, a thriving third sector and engaged citizens. It gives a relative score and rank to each ward in England based on its position with respect to these indicators. This research identified a number of important findings, including that;
 - That Essex has more acute levels of 'community need' than comparator counties and that the majority of towns in Essex have more acute levels of community need than the national average;
 - Basildon Town Centre is ranked as the fourth highest town in terms of community need, behind Harwich, Clacton, Canvey Island, and Billericay is ranked sixth. Basildon's situation is further exacerbated by the fact that it experiences a 'double disadvantage' of exhibiting both acute levels of community need and high levels of deprivation.
 - Basildon Town Centre performs particularly badly on measures relating to the 'Availability of Civic Assets' (density of community space; density of cultural assets; density of educational assets; density of sport and leisure assets; and density of green assets) and 'Active and Engaged Community' (voter turnout at local elections; formal or informal volunteering in last 12 months; taken part in any civic engagement; strength of local social relationships; and participation in sport), largely underperforming all other areas of Essex.
 - As far as the 'Strength of the Third Sector' measure is concerned, Basildon scores worst of all the districts in Essex for 'Number of Third Sector organisations per 100,000 people' with 158.7 (compared to 330.2 for

Essex as a whole) and worst for 'Grant funding from key grant makers' at £3.3 per head (compared to £17.0 per head for Essex as a whole)

- The Left Behind Areas in Basildon are largely concentrated in social housing areas to the East of the town (Vange and Pitsea) as well as the area of Laindon between Laindon and Basildon stations.

Collectively, this data points towards a very weak third sector in the borough, high levels of community need in Basildon Town Centre (and Billericay) and a particularly low levels of social action in Basildon Town Centre.

- **Promoting and encouraging diversity and inclusion.** Research by the Hope not Hate Charitable Trust in 2019 (sponsored by the Paul Hamlyn Foundation), entitled 'Diversity, Cohesion and the Drive to Level Up' has identified Basildon as one of the major urban conurbations in the UK that has benefitted from positive shifts in prosperity, demographic changes and increases in diversity during the 2010s. The research was designed to better understand what communities need in order to become more inclusive and cohesive as they grow and to prompt more thought about how integration and resilience might need to feature in efforts to close the economic gap between parts of the UK. The research identifies that the places which saw the greatest economic advances during the 2010s were also, on average, those which saw the biggest increases in population diversity. In this report, Basildon is identified as one of a handful local authorities with an above average growth and above average diversity increases; one of a handful of local authorities with above average house price increases (in 2021, the general median house price in the borough was £335,000, which represents almost a doubling compared to 2010, when the median price was £175,000) and above average diversity increases; and one of a handful of local authorities with above average salary increases (median or mean) and above average diversity increases. The authors of this report conclude that there is a need for places that aspire to genuinely level-up, to need to build resilience and diversity into the levelling up agenda, target funding to support community infrastructure in changing places and use inclusive language and policies to ensure that communities can live well together.

Collectively, this data suggests we should focus on encouraging the creation of more social enterprises in the borough (particularly those that serve our increasingly diverse resident population) and try to enhance the fundraising capabilities of the existing third sector organisations that do already exist. As far as enhancing the availability of civic assets (community spaces; cultural assets; educational assets; sport and leisure assets; and green assets) in Basildon and Billericay Town Centre's is concerned, as previously indicated, the limited amount of UKSPF capital funding we have available to us will make this very difficult to achieve. That said, it may be possible/desirable to support feasibility studies for such facilities, if they can help applicants to access other large scale funds.

COMMUNITY ENGAGEMENT TO SUPPORT COMMUNITY INVOLVEMENT IN DECISION MAKING IN LOCAL REGENERATION (E12)

Support for community led regeneration schemes (Business Improvement Districts etc.)

Increasingly, public policy in the UK is encouraging community ownership and management of local assets and a number of large scale funding opportunities are built around strengthened community governance processes (i.e., Business Improvement Districts, Community Ownership Funding, Community Improvement Districts etc.).

A number of stakeholders in our main urban centres have indicated an interest in exploring the potential to develop proposals to create Business Improvement Districts and we have also picked up some potential interest in developing proposals for projects which could make use of Community Ownership Funding, although have not tested the viability of these proposals.

That said, developing the capacity of members of the local community to step up and play an active part in the regeneration of their town centres can be a something of a challenge. Growing community capacity, especially in places where there are wide-ranging structural inequalities, requires investment in both resources and time, particularly at the outset. Culture shift can take a long time and requires buy-in from leaders, the wider workforce, communities and individuals within the community. Strong alignment is needed between Town Councils, Borough Councils, County Council, local residents and the local business community. It is also probably also worth recognising that coming off the back of the Covid-19 pandemic, securing the buy in of businesses to vote for increased business rates needed to secure a Business Improvement District could be challenging. That said, these kind of initiatives that only require a relatively small amount of seed funding are just the kind of thing which could be enabled with a small amount of UKSPF investment, and the whole purpose of conducting a feasibility is to test the commitment of local partners to bring forward such proposals.

Support to establish a place based STEAM Partnership, to enhance the local tech eco-system

In addition to exploring the potential to establish Business Improvement Districts in our main urban centres, we have been actively discussing with a whole range of local private, public and educational partners, the desperate

need to strengthen the local tech eco-system, to inspire more people into tech, strengthen the local inspiration infrastructure (i.e., through the creation of physical assets, such as science centres, maker spaces etc) and strengthen the local tech-entrepreneurial ecosystem.

There is a variety of evidence to indicate that there is a significant talent shortage in the Tech sector which is hampering business growth (as this recent BBC article indicates <https://www.bbc.co.uk/news/technology-62098767>). Rather than see this as a uniquely skills and people problem, the range of partners we have been discussing this issue with have indicated to us that they feel it needs a holistic and pervasive solution to try and address this challenge – to try and enhance the tech-start-up eco-system, create more relevant local physical facilities (such as science centre’s. maker spaces etc.) and influence young people’s career choices. Many have indicated the need for ‘whole system thinking’ if we are to affect the level of change required.

While tech vacancies make up the highest proportion of all vacancies in the UK, research continues to show that young people are still put off pursuing tech careers, with many believing them to be complicated, tech careers not being for them, believing they do not have the skills to work in technology, they lack knowledge about technology and that the sector is not ‘for people like them’. In addition, there is significant research which highlights that diversity in tech careers continues to be a major issue, with the employee profile of many tech firms not reflecting the diversity of the borough. There is a business imperative to encourage greater diversity and inclusion to fill jobs, unlock creativity and fuel growth.

Research also suggests many young people believe Higher Education is the only option for them, with many careers discussions being dominated by Higher Education career pathways (on average, over 70% of education level mentions), but also includes Further education. Research also suggests that young people’s perceptions of tech careers are also strongly associated by their parents’ and teachers opinions.

In order to develop a holistic approach to strengthening our local tech ecosystem (i.e., physical regeneration, business support and skills enhancement), we would like to establish a place based STEAM (Science, Technology, Engineering, Arts and Maths) Partnership, to bring together public, private and education sector partners across Basildon Borough to work together to oversee a programme which inspires more young people into technical skills, addresses the under-representation of minority groups in the tech sector, strengthens the tech entrepreneurship eco-system, strengthen the local tech inspiration infrastructure and help businesses to address the current shortfall in tech talent

MEASURES TO REDUCE THE COST OF LIVING, IMPROVE ENERGY EFFICIENCY & COMBAT FUEL POVERTY (E13)

Promotional campaigns to help residents reduce the cost of living

The current cost of living crisis, brought about by the fall in ‘real’ disposable incomes caused by rising costs outstripping wage and benefit growth, is likely to impact on a range of residents, but particularly the least well off. This is not an issue which is unique to the UK, but also evident across Europe, and beyond.

Earlier this year, the government announced a range of measures to try and help people to deal with the increasing cost of living. Despite these measures, inflation is forecast to increase even further, with the Bank of England predicting it will peak at 10.2% in the fourth quarter of 2022, a figure it accepts is largely driven by the £693, or 54%, increase from 1 April of the energy price cap and a forecasted further increase of 40% in October 2022. Inflation is expected to remain high for the next two years, with the Bank expecting that inflation will not reach its 2% target until the third quarter of 2024.

Whilst Local UKSPF Investment Panels can invest in the marketing and promotion of measures to improve energy efficiency, and combat fuel poverty and climate change (including programmes/campaigns to encourage the uptake of energy efficiency measures for homes, including water pumps and increased insulation) the limited amount of UKSPF capital funding that we have available to us will make it difficult to provide residents with capital grants to subsidise the installation of such energy efficiency measures, potentially making this a very difficult intervention to support.

FUNDING TO SUPPORT RELEVANT FEASIBILITY STUDIES (E14)

Funding to undertake Feasibility Studies

Whilst the government has historically made available a significant amount of funding for capital development projects (through funding like Levelling-Up Funding, Cultural Development Funding, Towns Fund etc.), it has often been a real challenge for Basildon to bring forward bids for such initiatives because we have not necessarily been able to access the revenue funding needed to undertake Feasibility Studies and Treasury Green Book compliant Business Cases to bid for such Capital funding (both because resources are tight, but also because many organisations need to largely invest this funding ‘at risk’). This has traditionally been a real challenge which UKSPF can potentially help us to address.

SUPPORT FOR DIGITAL INFRASTRUCTURE FOR LOCAL COMMUNITY FACILITIES (E15)

Community Broadband Initiatives

Broadband and mobile communication technologies must be treated as the fourth utility, with everyone benefiting from improved connectivity. This will play a crucial role in ensuring that everyone, wherever they live and however they connect, can make full use of digital services and benefit from participation in the digital economy. Improved connectivity also increases innovation and productivity across the economy, bringing significant economic rewards.

Basildon aspires to achieve a 100% coverage of superfast broadband across the borough. As of December 2020, 98.32% of premises within Basildon borough have access to superfast (≥ 30 Mbps) broadband. This compares to 95.9% across Essex County and 97.1% across England.

The Superfast Essex Programme has leveraged investment from suppliers such as Openreach and Virgin Media, into ultrafast broadband (≥ 100 Mbps) across the borough, whilst the ASELA Digital Connectivity Programmes has installed over 200km of full fibre across South Essex, connecting more than 200 public and community sites to the capacity for next generation high speed full fibre broadband and attracted over £50m of private sector digital infrastructure investment into South Essex.

That said, with the limited amount of UKSPF capital funding available, we will probably need to look to other funding regimes to bring forward large scale capital investment in broadband infrastructure. That said, if the Basildon UKSPF Panel aspires to prioritise this as an investment priority, it may be possible to develop a broadband voucher style programme to support residents and businesses that are struggling to connect to superfast and ultrafast broadband.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT?

(If yes) Describe these opportunities, give evidence where possible

In this section of the Basildon Borough UKSPF Investment Plan we set out our key investment priorities under the Community and Place priority, based on what we feel the major local opportunities are. These can broadly be summarised as:

- **Greening our main urban centres (E3)**
- **Business support for creative, cultural and heritage organisations and partial support for the creation of creative workspaces (E6)**
- **Support for community led regeneration schemes (E12)**
- **Feasibility studies (E14)**

In addition to the above, because of the evidence base set out previously, we have also selected to prioritise the development of the Third Sector within this Investment Plan, but rather than prioritise this under the Community and Place interventions (E2, E9 or E11), we have instead selected to put more funding into the Supporting Local Business strand, to enable us to support intervention E26: **Support for growing the local social economy, including community businesses, cooperatives and social enterprises.**

As far as Feasibility Studies are concerned, whilst we will only be able to support a limited number of schemes, this could be for physical regeneration/public realm schemes (including green/blue infrastructure), community spaces, active travel infrastructure, cultural/heritage assets, educational facilities, sport and leisure facilities. Because applicants may wish to bring forward proposals to undertake feasibility studies for some of the above, we have included some information in the opportunities section below.

CREATION & IMPROVEMENTS TO GREEN SPACES, COMMUNITY GARDENS, WATERCOURSES & EMBANKMENTS (E3)

Greening our main Urban Centres

As we have identified in the previous section of this Investment Plan, we envisage that investing in large scale physical regeneration, the creation of inclusive/accessible environments and the creation/improvement of significant green spaces, community gardens, watercourses and embankments will be a real challenge, given the limited amount of UKSPF capital funding we have available to us. The indicative outputs under measures E1, E3 and E5 include measures like the number and m² of commercial buildings developed or improved, the amount of rehabilitated land or premises, the amount of public realm created or improved, the amount of low or zero carbon energy infrastructure installed, the number of decarbonisation plans developed and m² of land made wheelchair accessible/step free. As our total UKSPF capital allocation between 2022-2025 is just over £200,000 these kind of

interventions require considerably more capital funding than we have available to us if we are to deliver sufficient impact.

That said, whilst Basildon borough possesses a considerable amount of green and blue infrastructure, green space and planting within the main urban centres is fairly minimal and provides limited ecological connection to the surrounding greenspaces. Greening our main urban centres can provide benefits to health (both physical and mental), mitigate against the effects of climate change, enhance community cohesion and pride of place. The main opportunities for greening our main urban centres are as follows:

- **Basildon Town Centre.** Whilst Basildon was one of the first of the post-war 'New Towns', noted for plentiful green space and bold modernist architecture, the amount of green space in the town centre is now relatively limited. Opportunities exist to green the town centre in an imaginative, meaningful and sustainable way by creating green spaces that weave through the town centre.
- **Wickford.** Similarly, greening Wickford is a priority for local residents, with 57.58% of respondents to the 'Wickford Sense of Place Survey 2022' stating that they would like to see more greening in the town centre. This was the more popular point for improvement in the public realm of Wickford.
- **Billericay.** Respondents to a recent consumer survey undertaken in Billericay (as part of a Placemaking Action Plan undertaken by Things Made Public) indicate that additional greening was by far the most popular choice in regards to improvements local people wanted to see on the high street (with 51.46 % of respondents indicating this was their number one priority).

SUPPORT FOR LOCAL ARTS, CULTURAL, HERITAGE AND CREATIVE ACTIVITIES (E6)

Business Support for creative, cultural and heritage organisations and partial support for the creation of creative workspaces

Various recent local strategies position creativity and culture as the catalyst for positive economic and social growth in Basildon. However, despite the strong evidence of the need for the growth in the creative/cultural economy, there is presently a lack of tailored business support in the area and a lack of suitable spaces to support their development.

Stimulating the growth and development of the cultural and creative industries (CCIs) and local heritage organisations, through the provision of tailored business support, is regarded as an important driver of the future growth of the creative economy and could help stimulate urban renewal across the borough. Supporting key agencies to strengthen their operations locally, and the wider sector to grow and develop, and building on existing networks (like the well-established and multi-disciplinary Bas-Arts Index) could help to further develop the local creative/cultural/heritage economy; support the animation of our town centres; bring new audiences to the high street; increase footfall and dwell times; strengthen the night-time economy; and help to attract and retain high-quality, creative-tech talent in the area. Investment in activities that enhance cultural and social ties and amenities, can also help strengthen social fabric and foster a sense of local pride and belonging.

In addition, investment and focus is growing around the potential to develop a strong digital entrepreneurship specialism, by connecting the talent pipeline of the new South Essex College Centre for Digital Technologies up with a suitable incubation space to nurture and support emerging creative-digi-tech businesses. Bringing these fledgling digital enterprises together businesses, investors, residents, local government and creative practitioners could stimulate increased levels of creative-tech innovation.

Whilst Basildon possesses some strong creative/cultural/heritage organisations, they are somewhat dispersed and hidden locally, because of a lack of suitable spaces for them to meet and work in. Local creative practitioners and heritage organisations themselves have identified a strong need for affordable, low risk, flexible space - both to create and show/try out work and projects. That said, we do not have sufficient UKSPF capital to fund the creation of such spaces, although we could part-fund such facilities, if other funding was capable of being identified to bring forward such investments (by way of example, ACE's Cultural Development Fund requires localities to provide a minimum of 15% of match funding).

Research by Creative Estuary has identified how important investment in creative workspace is – identifying a positive association between creative workspace and residential property values, with the association being more robust where there is a cluster of creative workspaces. It also identified the important role that creative clusters can play in kick-starting regeneration and creating a strong place identity, with the evidence suggesting there is a financial value to benefits that creative industries bring to residential areas, expressed in house price data which amounts to 4.4% per annum price outperformance above the wider London residential market, which is equivalent to a total of 44% over a 10-year time frame.

Utilising UKSPF funding to support the delivery of enhanced business support for the creative/cultural/heritage sector and potentially linking this to the creation of enhanced physical facilities for the sector (although UKSPF might only be able to part fund this) could provide an opportunity to strengthen the creative/cultural/heritage sector, improve the connectivity between these various disparate elements of the cultural programme into a more unified programme and potentially create some support services that might be capable of being maintained beyond the lifetime of the UKSPF funding.

IMPROVEMENTS TO EXISTING, COMMUNITY AND NEIGHBOURHOOD INFRASTRUCTURE (E2), IMPACTFUL VOLUNTEERING AND/OR SOCIAL ACTION PROJECTS TO DEVELOP SOCIAL AND HUMAN CAPITAL (E9) AND CAPACITY BUILDING/INFRASTRUCTURE SUPPORT FOR LOCAL CIVIL SOCIETY AND COMMUNITY GROUPS (E11)

Support for growing the local social economy, including community businesses, cooperatives and social enterprises.

As discussed above, whilst we have selected to prioritise the development of the Third Sector within this Investment Plan, we have opted NOT to support the sector under the above Community and Place interventions but have instead selected to put more funding into the Supporting Local Business strand, to enable us to support intervention E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises.

The reasons for adopting this approach are because the list of outputs listed under E26 (number of people attending training sessions, number of businesses receiving financial support other than grants, number of businesses receiving grants, number of businesses receiving non-financial support and number of potential entrepreneurs provided assistance to be business ready) are better suited to the particular challenges/opportunities facing Basildon borough (i.e., CHALLENGES: a low number of third sector organisations per 100,000 people and the low levels of grant funding being drawn into the area, and OPPORTUNITIES: the need to stimulate more social enterprises and the need to support existing third sector organisations improve their fundraising skills) than the outputs for E2, E9 and E11 (which are more orientated towards investing in community infrastructure – although we lack capital funds, supporting volunteering schemes and building the capacity of existing local civil society organisations and community groups).

As indicated in the previous section, we envisage it is particularly important to focus on promoting diversity and inclusion when stimulating the growth and development of new/existing social enterprises, as Basildon itself is becoming a much more diverse population and the makeup and structure of the third sector needs to reflect the overall structure of the local population.

COMMUNITY ENGAGEMENT TO SUPPORT COMMUNITY INVOLVEMENT IN DECISION MAKING IN LOCAL REGENERATION (E12)

Support for community led regeneration schemes (Business Improvement Districts etc.)

As we have identified previously, the opportunity exists to leverage additional investment into the area, through the facilitation of a range of community-led regeneration initiatives, such as Business Improvement Districts, Community Improvement Districts, Community Ownership Fund Applications etc. For example, there appears to be some enthusiasm in some quarters, to explore the potential of creating Business Improvement Districts in Basildon, Billericay and Wickford Town Centres. Whilst this will require a mix of community capacity building, local leadership, and consultancy support (to undertake feasibility studies), we will likely have to rely on existing Council staff and partner organisations to facilitate the development of suitable local governance structures (i.e., Town Teams), whilst UKSPF is used to support the appointment of suitable consultancy support.

Support to establish a place based STEAM Partnership, to enhance the local tech eco-system

We would like to invest funding into establishing a place-based STEAM Partnership, whose primary focus will be on trying to strengthen the local tech eco-system. We would envisage this partnership having a holistic focus – helping to influence local physical regeneration programmes, strengthening the local tech entrepreneurship eco-system and strengthening the local tech-talent inspiration agenda.

We want to prioritise this activity because numerous local employers have indicated that it continues to be a challenge to encourage people to pursue technical vocational careers, because we want to support the recently launched Institute of Technology and the planned South Essex Technical University, but also because we feel there is a desperate need to support the renewal of the local economy, by strengthening the local tech entrepreneurship ecosystem.

The initiative is a range of partners locally, including Basildon Street Science, South Essex College (and the recently established South East IoT) and the emerging South Essex Technical University (which is a partnership between Ford, DP World, Leonardo, Southend Airport, Olympus and a few larger businesses), who have come together to

aggregate their Apprenticeship levies together, to draw in a provider of higher level degree apprenticeships into the area, to improve the delivery of technical, vocational skills in the area.

Through the establishment of a place based STEAM Partnership, we will put in place a network facilitator to work with a range of interested parties locally to develop a holistic approach to strengthening the local tech eco-system.

FUNDING TO SUPPORT RELEVANT FEASIBILITY STUDIES (E14)

Funding to undertake Feasibility Studies

Allocating some UKSPF revenue funding to support the development of relevant feasibility studies in the Community and Place strand of UKSPF could enable us to support a range of feasibility studies and HMT Green Book compliant Business Cases for physical regeneration schemes that might enable us to kick start the renewal and regeneration of the borough and get us into a strong position to bid for larger capital funding programmes.

All too often, when new capital funding schemes are announced, funders are often looking for applicants to have 'oven ready' schemes they can submit for funding, and this often means that applicants have to have a completed feasibility study/business case, sitting on the shelf, ready to go when the funding scheme is announced.

To this end, given our lack of UKSPF capital funding, we envisage that using UKSPF funding to develop a series of feasibility studies/business cases could enable us to draw more capital funding in the area to support the development of:

- Physical town centre regeneration schemes (E1)
- Improvements to existing, community and neighbourhood infrastructure, inc. Natural Environment Hubs (E2)
- The creation & improvement of green spaces, community gardens, watercourses & embankments (E3)
- Enhanced cultural, historic and heritage facilities (E4)
- Built/landscaped environment schemes to 'design out crime' (E5)
- Support for active travel infrastructure enhancements (E7)
- Local sports facilities (E10)

That said, with the limited UKSPF funding that we do have available, we will not be able to support all of the above initiatives and will need to be selective about which ones we chose to support.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Jobs created	√
Jobs safeguarded	√
Increased footfall	
Increased visitor numbers	
Reduced vacancy rates	
Greenhouse gas reductions	
Improved perceived/experienced accessibility	
Improved perception of facilities/amenities	
Increased number of properties better protected from flooding and coastal erosion	
Increased users of facilities / amenities	
Improved perception of facility/infrastructure project	
Increased use of cycleways or paths	
Increase in Biodiversity	
Increased affordability of events/entry	
Improved perception of safety	
Reduction in neighbourhood crime	

Improved engagement numbers	√
Improved perception of events	
Increased number of web searches for a place	
Volunteering numbers as a result of support	
Number of community-led arts, cultural, heritage and creative programmes as a result of support	√
Increased take up of energy efficiency measures	
Increased number of projects arising from funded feasibility studies	√
Number of premises with improved digital connectivity	
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE COMMUNITIES AND PLACE INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

E3: Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces.

E6: Support for local arts, cultural, heritage and creative activities.

E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.

E14: Funding to support relevant feasibility studies.

Our Supporting Local Business evidence base, proposed priorities, outcomes and outputs

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?

(If yes) Describe these challenges, give evidence where possible

Background

Basildon borough is the largest economy in Essex. From 2015 to 2018 the gross value added (GVA) grew consistently to an estimated output of £5.9 billion. Basildon is the key employment hub in Essex and the centre of economic activity in South Essex. In 2019, there were 87,000 people employed in the Basildon economy, across a range of sectors. This represents a rise of 4,000 jobs from 2015.

Basildon has a long history of being the home of advanced engineering and manufacturing, with companies such as Ford Motor Company, New Holland Agriculture, Leonardo, Costa Coffee and Konica Minolta making Basildon their home.

Most businesses in Basildon are very small, with the large majority employing fewer than 10 people, whilst the ten largest companies in Basildon account for 12.5% of total employment. Basildon's working-age residents are most likely to work in high-skilled occupations – 41% are in professional or associate professional, technical and managerial jobs – however, “low-skilled” jobs (caring and leisure; sales and customer service; process and machine operatives; elementary occupations) account for 29% of the total.

In 2021, the median income across the borough was £35,837, which is the 4th lowest median income across Essex districts. 9.5% of Basildon borough households are in the £15–20k bracket. At ward level, Billericay East has the highest median income, with £50,561. The wards with the lowest median incomes are: Vange (£26,904), Pitsea North-West (£27,273) and Lee Chapel North (£29,426). In 2021, the gross hourly pay in Basildon (average), was £13.44, which was below the England level of £14.23.

Between 2014 and 2018, the number of active enterprises within the borough rose by 19%, reaching an estimated figure of 8,635. The growth rate was above the England rate (15%) and that for Essex (12%). More businesses start up in Basildon than anywhere else in Essex. Basildon is ranked 9th best urban conurbation in the country in terms of the number of business start-ups per 10,000 population, with 68.2 .

In 2020, the construction industry was the most highly represented in Basildon, with 22% of enterprises in this sector. This was followed by the professional, scientific and technical industry, with 15.54% of enterprises and business administration and support with 9%. Between 2010-14 Basildon had the highest increase of businesses in the knowledge intensive sector (5.25%). This was more than London (0.62%) and Cambridge (2.94%). According to the Tech Nation, Basildon was a top 5 e-commerce investment location in 2019.

As far as declining sectors are concerned, between 2017 and 2020, the Health Sector shrunk by 100 firms (-40.00%), the Professional, Scientific and Technical Sector shrunk by 60 firms (-4.94%) and the Production Sector shrunk by 20 firms (-3.96%). Data from 2014 to 2018 on survival rates of Basildon businesses after their first year of trading varied between 91% and 93%, a figure that is slightly above the England averages (at 89% and 92% respectively). The 5-year survival rate for businesses founded in 2014 was 41%, similar to that for England as a whole (42%).

GENERALIST BUSINESS SUPPORT SERVICE FOR ALL BUSINESSES (ACROSS ALL LIFE STAGES) INC. BUSINESS NETWORKS (E23) & BUSINESS SUPPORT MEASURES TO DRIVE EMPLOYMENT GROWTH, PARTICULARLY IN AREAS OF HIGH UNEMPLOYMENT (E30)

Increased forecast demand for business support

Whilst a number of the figures set out above might sound like they are fairly representative of many other parts of the country, what makes Basildon markedly different from other parts of the UK is the high proportion of private sector firms per head of population in Basildon. With 411 businesses per 10,000 residents, Centre for Cities ranks Basildon as the 9th urban conurbation in the country (out of 63 of the largest cities and towns) for the number of businesses per 10,000 residents and 10th in the country for the proportion of private sector jobs (with a private to public ratio of 3.3).

However, despite these positive statistics, there is also some evidence that would seem to indicate that the recent economic picture has become somewhat more challenging for many businesses, with the impact of a series of unfortunate, and largely unconnected events - including the impact of the Covid-19 pandemic, the Ukraine conflict, labour shortages, inflation and rising input costs, unstable global supply chains and changing consumer shopping habits – all coming together to impact on the local economy. Whilst recent available data for Essex lags national data, a few particular points are particularly worthy of note.

- **Insolvencies and Creditors Voluntary Liquidations.** National ONS data on the number of company insolvencies and Creditors Voluntary Liquidations (CVLs) indicates that the number of registered company insolvencies in the UK in March 2022 was 2,114, a figure that is more than double the number registered in the same month in the previous year (999 in March 2021), and 34% higher than the number registered three years previously (pre-pandemic; 1,582 in March 2019). In addition, in March 2022 there were 1,844 CVLs, more than double the number in March 2021 and 62% higher than March 2019. Whilst recently released (April 2022) Insolvency Service data on individual insolvencies by Parliamentary Constituency in England and Wales (2011 to 2021) only goes up to the end of December 2021, it indicates that individual insolvencies in the three constituencies covering Basildon borough actually fell by 4.31% between 2020 and 2021, although CVLs increased by 2.88% over the same period. That said, it should be noted that this data is unlikely to take account of the end of the governments furlough arrangements, which ended in Sept 2021 and the commercial tenant protections which ended in March 2022.
- **Firm-level debt.** As far as firm-level debt is concerned, an October 2021 report by the Bank of England identified that a third of UK's SMEs as highly indebted, with 33% of SMEs holding debt levels of more than 10 times their cash balances (versus 14%, before Covid-19).
- **Business Concerns.** National ONS 'business insights and impact on the UK economy' data (released on the 16 June 2022) and the Essex Chamber of Commerce 'Quarterly Economic Survey' data (March 2022) highlight some of the current key concerns of business:
 - **Inflation and Rising Input Costs.** National ONS data indicates that input price inflation was the main concern reported by 26% of businesses. This issue is also borne out by Essex Chamber data, with inflation also being the top concern voiced by business, with the percentage of firms expecting their prices to increase reaching new highs at 42%. Industry leaders have observed increases throughout the supply chain including rising raw material costs and commodity prices, labour shortages, increasing shipping and HGV driver costs, national minimum wage increases and new types of taxation. Manufacturers and retailers/wholesalers are by far

most likely to report raw materials as the driver of cost pressures, while professional services are likely to cite a blend of pressures.

- **Supply Chain Volatility.** National ONS data indicates that 19% of businesses currently trading reported that they were either unable to get the materials, goods or services they needed from within the UK, or had to change suppliers or find alternative solutions to do so (although this figure jumped to 33% for the construction sector);
- **Labour Shortages.** ONS data indicates 15% of businesses reported that they were experiencing a shortage of workers, with 46% reporting their employees were working increased hours because of these shortages. According to Essex Chamber data, the vast majority of firms attempting to recruit over the last three months faced difficulties, in the main securing semi/unskilled labour. In addition, around 33% of firms expect to see an increase in their workforce over the next three months, however many expressed caution.
- **Order Book.** Essex Chamber data also indicates that 46% of firms believe their turnover will increase in the next twelve months, however, only 33% believe their profitability will improve. Approx., 1 in 3 firms report their cash flow has decreased over the last three months with a large proportion of investment plans put on hold, whilst 65% of firms believe they are operating below capacity, awaiting to fulfil their order pipeline in uncertain market conditions.
- **Head Office Consolidation.** ONS data indicates that 23% of businesses reported that they were using, or intending to use, increased homeworking as a permanent business model, with 49% of these reporting that their main reason for doing so was to reduce their overheads. This last point also chimes with a PWC survey undertaken in March 2021, which identified that 50% of organisations surveyed thought their organisation will likely reduce the overall size of their real estate portfolio, and of these 33% believed that they will reduce it by more than 30%.

Collectively, this data points towards increasing levels of uncertainty in the economy, with the consequence that there is likely to be increased levels of demand for financial packaging advice and restructuring support for businesses struggling in difficult times.

IMPROVEMENTS TO TOWN CENTRE RETAIL/MARKETS/SERVICE INFRASTRUCTURE, WITH BUSINESS SUPPORT (E16), DEVELOPMENT/PROMOTION OF THE VISITOR ECONOMY - INCL. ATTRACTIONS, TRAILS, TOURS AND TOURISM PRODUCTS (E17) & GRANTS TO HELP PLACES BID FOR AND HOST INTERNATIONAL BUSINESS EVENTS AND CONFERENCES (E25)

The future of town centres and high streets has long been a matter of concern in the borough, with changes in the retail industry and people's shopping habits, changes in use of office space, and changes in consumer spending power all impacting on town centres. The coronavirus pandemic created further economic challenges through lockdown restrictions and accelerated pre-existing trends (such as the move towards online shopping) and prompted new behaviours (such as increased home working), reigniting the debate about supporting town centres and high streets going forward.

Town Centre Development

According to the Office for National Statistics (ONS) , around one third of addresses on British high streets belonged to retail shops in March 2020. Over half were residential, 10% were offices and 2–3% were leisure or community facilities. At the end of 2020, just under 14% of high street retail and leisure properties were vacant in Great Britain , although this figure was understood to be as high as 19% in Basildon Town Centre .

As part of the Local Plan making process, Basildon Council commissioned the Basildon Retail, Commercial Leisure and Town Centres Study, in 2015. This study, which was recently updated, recommended the following qualitative needs in the borough:

- Additional food store floorspace in Basildon, Billericay and Laindon town centres
- Scope for considerable qualitative enhancement of the A3 and A4 offer in Basildon town centre, and to a lesser extent Pitsea and Wickford
- A de-emphasis on the out-of-centre Festival Leisure Park, as a way of rebalancing entertainment facility floorspace elsewhere, particularly in Basildon town centre.

The 2015 Study also made a number of strategic recommendations, including:

- Directing the majority of new retail development towards Basildon town centre
- Potentially allocating some comparison goods floorspace for out-of-centre bulky goods retail
- Testing whether existing centres are able to accommodate significant residential growth in relevant part of the borough
- Encouraging retail development and extensions that improve the quality of stock within the borough, provided they are of appropriate scale.

Between 2017 and 2020, Basildon Town Centre experienced the highest increase in vacancy rates of the three urban centres in the borough, rising from 20.0% in 2017 to 28.6% in 2022 (+8.6%) followed by Wickford (+6.1%) and Billericay (+4.9%). This compares to GB (+3.1%) and East of England (+1.4%).

Basildon's retail vacancy rate is 30.2% and the leisure vacancy rate is 21.2%. Billericay (8.4%) and Wickford (9.0%) both have healthy vacancy rates below the GB average (14.2%). Basildon's persistent vacancy rate of 14.9% (GB average 4.5%) for units which have remained vacant for over three years is very significant as it shows areas have remained vacant for a long time with a slow uptake in areas with high levels of vacancy.

Whilst the mix of independents has grown from 49.6% to 53.5% across all five town centre locations across the borough between 2017 and 2022, Basildon only has 41% of Independents, compared to Billericay (66%) and Wickford (69%). Basildon also has the highest 'mass market' offer mix of all the locations (59%) which is perhaps understandable, given it is the largest retail centre. Billericay's has quite a strong 'premium' offering, thanks in part to the presence of Waitrose.

Between 2017 and 2022, Basildon has seen the biggest fall in net units with a total of -42 units, whilst Laindon has shown the largest net growth of +14 units. Leisure showed the only growth amongst the classifications with a net change increase of 10 units, due to 61 openings and 51 closures. Billericay with a net increase of +7 was the key reason behind this. Basildon has a relatively poor retail health index due to a net decline of stores across many categories and an increasing vacancy rate. Billericay, Wickford & Pitsea all have good retail health index's well above the Small High Street averages of GB (3) & East of England (4).

Blows to spending in both convenience and comparison sectors in this period have been cushioned by growth in online sales, which peaked at 33.4% of total spending in May (compared to 19.7% in August 2019).

The Visitor Economy

As we have highlighted in the previous section of this report, the majority of tourism visitors to the borough are day visitors, and whilst Basildon possesses a number of Tourism, Leisure and Recreation strengths it also lacks any significant 'attack brands'; limited wet weather /indoor facilities; a relatively under-developed accommodation offer; limited provision to support large scale event/conference activities; and a relatively weak perception as a holiday/business destination.

SUPPORTING MADE SMARTER ADOPTION - INC. GRANTS PROGRAMME & TRAINING (E18)

Basildon has a large, advanced manufacturing sector and is a leading UK and European hub for the manufacture in the automotive, aerospace, electrical and electronic and machinery and equipment. Basildon has historically been an attractive location for the sector, providing costs savings in comparison to London and Cambridge premises. Key advanced manufacturing employers in Basildon include Ford, Leonardo, Case New Holland, IVECO, Gardner Aerospace, AVL Powertrain, JW Frohlich, RLE International Product Development and Rodwell Engineering Group.

Whilst Basildon has a particularly high concentration of employee jobs in Manufacturing (8.2% compared to 8.1% nationally) and Professional, Scientific And Technical Activities (9.4% compared to 8.7% nationally), between 2017 and 2020 the Professional, Scientific and Technical Sector shrunk by 60 firms (-4.94%) and the Production Sector shrunk by 20 firms (-3.96%). Recent data from the 2021 Make UK regional manufacturing forecast showed that for the quarter ended July 2020 there had been a dip in output within the manufacturing sector in the East of England, although contrasted with other regions in the UK, the average change of output over the year had only been a moderately negative result.

In recent years increased automation of manufacturing processes has impacted on employment within the sector. PwC 's analysis suggests that around 30% of all UK jobs could potentially be at high risk of automation by the early 2030s, with the risk appearing most acute in the transportation and storage sector (56%), followed by manufacturing (46%) and wholesale and retail (44%). That said, automation is likely to continue leading to a reduction in numbers of lower paid workers, and an increased demand for those with higher skills.

The Fourth Industrial Revolution (also referred to as Industry 4.0) is the ongoing automation of traditional manufacturing and industrial practices, using modern technologies. It helps businesses manage and optimize all aspects of their manufacturing processes and supply chain. It provides access to the real-time data and insights required to make smarter, faster decisions about a business, which can ultimately boost efficiency and profitability. The independent Made Smarter Review, which was published following the launch of the Industrial Strategy Green Paper in January 2017, sets out a vision for growth and increased productivity across the manufacturing sector, by unlocking the potential of Industrial Digital Technologies (IDTs). The sector is crucial to help build a more resilient and self-sufficient Essex economy and enable and support the planned growth in green energy, construction and retrofit sectors. Production of goods as close possible to their ultimate use will help to reduce both their cost and environmental impact.

SPECIALIST INNOVATION ADVISORY SERVICE FOR PRE-START & ESTABLISHED BUSINESSES - INC. GRANTS AND CLUSTER PROGRAMMES (E19) & R&D GRANTS SUPPORTING THE DEVELOPMENT OF INNOVATIVE PRODUCTS AND SERVICES (E20)

A weak prevailing culture of innovation

When one looks at some of the best science, research and innovation performers around the world and in the UK, you generally find there is a strong prevailing culture of innovation in the geography with strong investment by business, higher education and government in research activities. This is largely because there is a view that investment from government and the academic sector in R&D generally 'crowds-in', or 'pulls through' investment from the private sector.

In order to measure the prevailing culture of innovation in a locality, researchers have developed a classification for assessing the amount of funding invested in R&D by a range of different sectors of the economy, which encompasses gross domestic expenditure on R&D (GERD); business enterprise expenditure on R&D (BERD); government expenditure on R&D (GovERD); Higher-education expenditure on R&D (HERD); and Private non-profit expenditure on R&D (PNPRD). If one looks at the most research-intensive parts of the globe, they generally have high levels of HERD, BERD and GovERD, to create a really strong innovation culture locally.

As far as Essex is concerned, 2015 data from Department for Business Innovation and Skills indicates that;

- Business Enterprise R&D Expenditure (BERD) in Essex averaged circa £1000 per FTE in 2012, ranking the area in the second tier of innovative regions (behind many of the LEPs across the Oxford to Cambridge Arc, East Anglia and the North-West).
- Government Expenditure on R & D (GovERD) in Essex was £0 per FTE in 2012, ranking the area equal bottom in the whole of the UK (together with East Yorkshire and Northern Lincolnshire, Shropshire and Staffordshire and Cornwall and the Isles of Scilly)
- Higher Education Expenditure on R & D (HERD) in Essex was £82.7 per FTE in 2012, ranking the area in the bottom quarter of performance in the country, well below the highest region (The Thames Valley at £ 747.9 per FTE)

Collectively, all sectors in Essex need to look to do more to become a more innovative economy, create a stronger local innovation culture and commercialise our world leading science base to drive growth across the UK.

Further reinforcement of the areas weak innovation culture is provided by data from Innovate UK (the national government sponsored innovation agency) which indicates the £ grant awarded per business in the SELEP area is lower than the UK average (with SELEP ranked 31 out of 38 LEPs for the number of grants awarded and 33 for the total amount of grant funding awarded).

As far as Basildon is concerned, the past major recipients of grants have been Ford UK, the Mid and South Essex NHS Foundation Trust, AVL Powertrain, JW Froehlich, Propelair, Laser 24, The Finishing Line, Leonardo UK, Federal-Mogul Controlled Power, Oakley Mobile, Timesco Healthcare, Controlled Power Technologies, Emergency Lighting Products Limited, Rodwell Engineering Group, RLE International and Hellenic Systems.

Knowledge Assets in the area

Whilst there are a lack of knowledge assets in Basildon, knowledge assets across Essex include Anglia Ruskin University, the University of Essex, Writtle College, Chesterford Research Park, the University of Essex Knowledge Gateway and CEME Innovation Centre. In addition to these nodes of potential science and research capability, other centres of excellence in or on the border of Essex include:

- Health and Social Care (Public Health England in Harlow and Eastern AHSN)
- Data/ICT/Cyber (the Institute of Analytics and Data Science; ESRC Business and Local Government Data Research Centre; Cambridge Wireless; South Essex College; and Tech East);
- Manufacturing (CEME/Harlow College/South Essex College);
- Creative and Cultural Industries (the National College for Creative and Cultural Industries & High House Production Studios)

In addition to these core capabilities, the data supplied by U9 also suggests some expertise in Medical and Digital Health Technologies; Digital Technologies; Creative and Cultural Industries; and High Value Manufacturing.

FUNDING FOR THE DEVELOPMENT AND SUPPORT OF APPROPRIATE INNOVATION INFRASTRUCTURE AT THE LOCAL LEVEL (E21), INVESTING IN ENTERPRISE INFRASTRUCTURE AND EMPLOYMENT/INNOVATION SITE DEVELOPMENT PROJECTS (E22) & FUNDING FOR NEW/IMPROVEMENTS TO TRAINING HUBS, 'INCUBATORS' AND 'ACCELERATORS' (E24)

Whilst Basildon generates the highest number of start-ups in Essex than any other district, one of the major challenges that exists in the borough is the lack of any local innovation, incubation and business acceleration infrastructure – whether generalist facilities, or ones that focus on stimulating increased start-ups in a particularly high growth sectors.

It's perhaps interesting to note that what start-up growth is occurring in the borough is generally from firms operating largely in more 'elementary' rather than 'high skill' sectors. For example, between 2017 and 2020 the growth in the number of enterprises was most marked in the Transport and Storage (+26.55%); Construction (+13.11%); Finance and Insurance (+12.50%); Business Administration /Support Services (+11.19%); Property (+11.11%); and Motor Trades (+10.42%) sectors. In real terms, the most significant growth was in the Construction Sector (with 230 additional firms) Transport and Storage (with 150 additional firms) and Business Administration and Support (with 80 additional firms) .

Basildon also lacks any significant co-working or hot desking facilities. Indeed, it's also only relatively recently that a few go ahead local entrepreneurs have seized the opportunity to develop some serviced office accommodation for some of the smaller start-up businesses in the borough, with much of this space now operating at near 100% occupancy.

The lack of suitable innovation infrastructure has largely been exacerbated by the lack of any significant public sector research infrastructure (i.e., higher education, or applied research capability) in the area. In order for innovation, incubation and business acceleration facilities to be viable, they often benefit from being linked into a relevant pipeline of aspirant entrepreneurs, or a pool of talent with skills that particularly lends itself well to high-value self-employment. Because Basildon has not historically had such an organised pipeline/talent pool, it has been a little bit challenging to create any relevant innovation, incubation and business acceleration facilities in the area.

That said, whilst we do not have sufficient UKSPF capital funding to support the creation of a physical incubation centre, we can use some of our UKSPF to create some incubation and acceleration support services, potentially linked to supporting students from the Centre for Digital Technologies to explore the potential to start their own businesses.

SPECIALISED SOCIAL ENTERPRISE SUPPORT SERVICE - INC. GRANTS (E26)

As we have already identified in the Communities and Place section of this Investment Plan, Essex has more acute levels of 'community need' than comparator counties; Basildon Town Centre is ranked as the fourth highest town in terms of community need, whilst Billericay is ranked sixth; Basildon borough has an extremely weak Third Sector, scoring worst of all the districts in Essex for 'Number of Third Sector organisations per 100,000 people' and worst for 'Grant funding from key grant makers'.

Basildon Town Centre performs particularly badly on measures relating to the 'Availability of Civic Assets' (density of community space; density of cultural assets; density of educational assets; density of sport and leisure assets; and density of green assets) and 'Active and Engaged Community' (voter turnout at local elections; formal or informal volunteering in last 12 months; taken part in any civic engagement; strength of local social relationships; and participation in sport), largely underperforming all other areas of Essex.

Basildon's Town Centres situation is further exacerbated by the fact that it experiences a 'double disadvantage' of exhibiting both acute levels of community need and high levels of deprivation.

FUNDING TO DEVELOP ANGEL INVESTOR NETWORKS (E27)

Angel investors play a key role in the early stages of the equity finance landscape with their ability and willingness to make very high-risk investments. According to the UK Business Angel Association (UKBAA) a record £8.5bn of equity finance was invested in 2019, a figure which illustrates the strength of the UK equity ecosystem in supporting scale-up companies.

Business Angels can be key to creating and building regional or local finance ecosystems as they make investments, exit, and then recycle their capital into new ventures, although investment networks have tended to historically been concentrated in London and the South-East of England. To address this geographic imbalance, the British Business Bank has supported the creation of the Angel CoFund and established a £100m Regional Angels Programme in 2018.

The programme seeks to develop clusters of angels outside of London and the South-East so that other regions can start to build the vital 'grassroots' components of an equity ecosystem, particularly benefiting early stage businesses seeking smaller investment sizes.

Whilst these kind of programmes are invaluable in drawing in further angel investment into regional/local investment markets, the simple truth is that we do not have sufficient UKSPF funding available to us, to make a difference in this market space.

EXPORT GRANTS TO SUPPORT BUSINESSES TO GROW THEIR OVERSEAS TRADING, SUPPORTING LOCAL EMPLOYMENT (E28)

As far as International Trade is concerned, according to ONS data, the UK exports to the European Union rebounded to pre-Brexit levels in April 2021, having suffered a large decline at the start of the year. Total exports of goods, excluding precious metals, increased by £0.6 billion (2.1%) in March 2022, driven by a £0.4 billion (2.6%) increase in exports to non-EU countries while exports to EU countries increased by £0.3 billion (1.7%).

The total trade in goods and services deficit, excluding precious metals, widened by £14.9 billion to £25.2 billion in Quarter 1 (Jan to Mar) 2022, reaching the largest deficit since records began in 1997. The trade in goods deficit, excluding precious metals, widened by £19.6 billion to £62.2 billion in Quarter 1 2022, as imports of goods increased by £19.3 billion (15.2%) and exports decreased by £0.3 billion (0.3%).

The ONS has identified that a combination of factors (including the UK leaving the EU and the subsequent transition period, along with the impact of the coronavirus pandemic, global recession and supply chain disruption) have caused higher levels of volatility in trade statistics in the past two years and it continues to be difficult to assess the extent to which trade movements reflect short-term trade disruption or longer-term supply chain adjustments.

Through this investment priority, we are able to subsidise the requirement for companies to contribute match funding to be able to access the DIT Internationalisation Fund, a co-investment grant scheme initiated and sustained by the Department for International Trade (DIT) to support companies to support companies to undertake market research, secure IP (intellectual property) advice, commission translation services, enhance international social media activity, attend trade fairs, undertake independent market visits or commission consultancy and other international commercial services.

Match-funded grants of between £1,000 and £9,000 are already available for businesses across the country, although if we chose to invest in this priority, it would remove the requirement for businesses to contribute match funding. Whilst providing match funding to the DIT Internalisation Fund will doubtless be beneficial, we feel we don't have sufficient funding to prioritise this.

SPECIALIST LOW CARBON BUSINESS SUPPORT SERVICE - INC. GRANTS (E29)

The latest Intergovernmental Panel on Climate Change (IPCC) report indicates that if we fail to limit global warming to 1.50C above pre-industrial levels, the floods and fires the world has seen in the past 12-18 months will become more frequent and more severe. Above 1.50C, there is concern that climatic tipping points, like the melting of arctic permafrost, releasing significant quantities of stored greenhouse gases, could be catastrophic.

At UK level, the Government Strategy for Net Zero published prior to the COP26 conference sets out 4 key principles to achieve net zero, with the fourth priority being of most relevance to the provision of low carbon business support, namely to "work with businesses to continue delivering deep cost reductions in low carbon technology through support for the latest state of the art kit to bring down costs for consumers and deliver benefits for businesses".

This fourth priority (working with business) has been interpreted into a number of linked targets, including:

- Full decarbonisation of the UK power system by 2035 (subject to security of supply), i.e. through investment in nuclear power; offshore wind, onshore solar and other renewables;
- Delivery of 5GW of hydrogen production capacity by 2030, whilst halving emissions from oil and gas. This includes the setting up of the Industrial Decarbonisation and Hydrogen Revenue Support (IDHRS) Scheme to support innovation in this sector;
- A plan for all new heating appliances in homes and workplaces from 2035 being low carbon, including through mobilisation of public and private investment of £200 billion;
- Mobilisation of additional public and private investment of around £200 billion, to support proposals for greener, faster and more efficient transport;
- £2 billion investment to help enable half of journeys in towns and cities to be cycled or walked by 2030;
- Treble woodland creation rates in England, and increasing planting rates to 30,000 hectares per year;
- Focus on building the green economy and supporting green jobs across the UK.

In addition, since the UK strategy was published, businesses have had to cope with further, unprecedented rises in energy costs. For example:

- The consumer price index for all domestic fuels increased by 22 per cent (in real terms, accounting for inflation) in the fourth Quarter (October to December) 2021 compared with the same quarter in 2020.
- Prices in the manufacturing industry continued to increase over 2021. The price for electricity in October to December 2021 was 15.14 pence per kWh, up by 5.7 pence per kWh (or 60 per cent) than October to December 2020. The price for gas was 4.25 pence per kWh, up by 2.5 pence per kWh

- (or 147 per cent) over the same time period.
- Road fuels have continued to increase in price; the mid-month average retail price of petrol for March 2022 was 162 pence per litre, 11 per cent higher than December 2021 and average retail diesel price was 171 pence per litre, which is 15 per cent higher than December 2021.
- Road fuel prices reflect the cost of crude oil; prices for crude oil have broadly increased since March 2020, and the provisional price of crude oil purchased by UK refineries, in pound sterling (£) terms, in March 2022 was 64 per cent higher than December 2021.

Whilst investment in low carbon business support and the provision of grant support to firms to help them try and invest in energy saving technologies might be a worthy investment, with so little capital funding, the scale of grant awards we would be able to make is likely to be very small. For example, if we were to use all our allocation of £200k of capital to support businesses to install energy saving measures, we would only be able to support 40 firms with grants of £5,000 each.

FUNDING TO SUPPORT RELEVANT FEASIBILITY STUDIES (E31)

As identified previously, whilst the government has historically made available a significant amount of funding for capital development projects (through funding like Levelling-Up Funding, Cultural Development Funding, Towns Fund etc.), it has often been a real challenge for Basildon to bring forward bids for such initiatives because we have not necessarily been able to access the revenue funding needed to undertake Feasibility Studies and Treasury Green Book compliant Business Cases (both because resources are tight, but also because many organisations need to largely invest this funding 'at risk'). This has traditionally been a real challenge which UKSPF can potentially help us to address.

To this end, given our lack of UKSPF capital funding, we envisage that using UKSPF funding to develop feasibility studies/business cases could enable us to draw more capital funding in the area to support the development of:

- Appropriate innovation infrastructure at the local level (E21)
- Infrastructure and employment/innovation site development projects (E22)

RESILIENCE INFRASTRUCTURE AND NATURE BASED SOLUTIONS TO PROTECT AREAS FROM NATURAL HAZARDS (E32)

Infrastructure provision for flood defence and surface water management in Basildon includes a range of measures to counteract the risks arising from local flooding. The Flood and Water Management Act (2010) states that local flood risk includes the flood risk from surface runoff, groundwater and ordinary watercourses.

The main risks from flooding in the area are from fluvial flooding of the River Crouch at Wickford, surface water flooding particularly within urban areas, tidal flooding in the south of the Borough, and sewer flooding where failings in the system occur.

The Borough is protected from fluvial flooding by the presence of flood defences. The Washland System, created as part of the development of the Basildon New Town and the urban expansion of Wickford and Billericay, performs a surface water management function for the urban area and helps to reduce fluvial flood risk from receiving watercourses to other areas downstream of the Washlands. Southern areas of the borough are protected from tidal flooding by the Fobbing Horse Flood Barrier in the Vange Creek, and the Benfleet Creek Flood Barrier. Modelling undertaken within the Strategic Flood Risk Assessment suggest that tidal flood waters would only overtop the defences during a 0.1% annual exceedance probability an allowance for climate change to 2110.

All that said, we do not have sufficient UKSPF capital funding to support investment in resilience infrastructure and nature based solutions to protect areas from natural hazards.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT?

(If yes) Describe these opportunities, give evidence where possible

In this section of the Basildon Borough UKSPF Investment Plan we set out our key investment priorities under the Supporting Local Business priority, based on what we feel the major local opportunities are. These can broadly be summarised as:

- **Generalist Business Support Service for all businesses (across all life stages) inc. business networks (E23)**
- **Funding for new/improvements to training hubs, 'incubators' and 'accelerators' (E24)**
- **Specialised Social Enterprise Support (E26)**
- **Feasibility studies (E31)**

These priorities have been selected, in recognition of the fact that we only have a limited amount of UKSPF funding to invest, because we believe these interventions provide the greatest opportunities to build on the indigenous 'commercial' strengths of the area, help stimulate industrial renewal and also support the strengthening of the social enterprise sector. Looking at each of these in turn.

GENERALIST BUSINESS SUPPORT SERVICE FOR ALL BUSINESSES (ACROSS ALL LIFE STAGES) INC. BUSINESS NETWORKS (E23)

Enhanced face to face business support

As we have identified in the previous section of this Investment Plan, we envisage investing in enhanced face to face business support to support businesses to grow, develop and restructure their operations, to ensure their continued survival in a tightening economic climate.

Past research has shown that on the whole, small and medium sized businesses in the UK generally say they eschew strategic business advice (i.e., fewer than two in five - 39% - have taken such advice in the last three years) but SMEs that use strategic advice report making profits that are typically double those of businesses that don't act on this type of advice, SMEs using advice report an average return of 2,000% on their investment in it and businesses that have invested in advice on training report the best profit result.

FUNDING FOR NEW/IMPROVEMENTS TO TRAINING HUBS, 'INCUBATORS' AND 'ACCELERATORS' (E24)

Because Basildon has not historically had particularly coherent access to a strong talent pipeline of aspirant, high-value entrepreneurs, it has been a little bit challenging to create any relevant innovation, incubation and business acceleration facilities in the area. That said, the recent development of South Essex College's Centre for Digital Technologies provides an ideal opportunity to establish some suitable innovation, incubation and business acceleration facilities, focussed strongly on the digital sector in Basildon.

Research suggests that Basildon has a larger concentration of ICT jobs than anywhere else in Essex, one quarter of Essex's creative jobs are in Basildon (with nearly 50% more jobs in this industry than our nearest comparator), and the creative industries doubled in size between 2009 and 2015 and are more specialised than anywhere else in Essex. Collectively, this data indicates there is some value building on the Digi-tech sector in the area.

SPECIALISED SOCIAL ENTERPRISE SUPPORT SERVICE - INC. GRANTS (E26)

Because the list of outputs listed under E26 (number of people attending training sessions, number of businesses receiving financial support other than grants, number of businesses receiving grants, number of businesses receiving non-financial support and number of potential entrepreneurs provided assistance to be business ready) are better suited to the particular challenges/ opportunities facing Basildon borough (i.e., CHALLENGES: a low number of third sector organisations per 100,000 people and the low levels of grant funding being drawn into the area, and OPPORTUNITIES: the need to stimulate more social enterprises and the need to support existing third sector organisations improve their fundraising skills) than the outputs for E2, E9 and E11, we have opted to prioritise the delivery of business support to the social enterprise sector.

As indicated in the previous section, we envisage it is particularly important to focus on promoting diversity and inclusion when stimulating the growth and development of new/existing social enterprises, as Basildon itself is becoming a much more diverse population and the makeup and structure of the third sector needs to reflect the overall structure of the local population.

FUNDING TO SUPPORT RELEVANT FEASIBILITY STUDIES (E31)

As far as Feasibility Studies are concerned, whilst we will only be able to support a limited number of schemes, this could be for developing appropriate innovation infrastructure at the local level (E21) and/or infrastructure and employment/innovation site development projects (E22).

Whilst we don't possess sufficient funding to build more local innovation infrastructure, we do have some funding we can use to develop a feasibility for such a facility.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Jobs created	√
Jobs safeguarded	√
Increased footfall	

Increased visitor numbers	
Reduced vacancy rates	
Greenhouse gas reductions	
Number of new businesses created	√
Improved perception of markets	
Increased business sustainability	
Increased number of businesses supported	√
Increased amount of investment	√
Improved perception of attractions	
Number of businesses introducing new products to the firm	√
Number of organisations engaged in new knowledge transfer activity	
Number of premises with improved digital connectivity	
Number of businesses adopting new to the firm technologies or processes	√
Number of new to market products	
Number of R&D active businesses	
Increased number of innovation active SMEs	
Number of businesses adopting new or improved products or services	
Increased number of innovation plans developed	
Number of early stage firms which increase their revenue following support	√
Number of businesses engaged in new markets	
Number of businesses engaged in new markets	
Number of businesses increasing their export capability	
Increased amount of low or zero carbon energy infrastructure installed	
Number of businesses with improved productivity	
Increased number of projects arising from funded feasibility studies	√
Increased number of properties better protected from flooding and coastal erosion	
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

E23: Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.

E24: Funding for new/improvements to training hubs, 'incubators' and 'accelerators'

E26: Specialised Social Enterprise Support

E31: Feasibility studies

Our People and Skills evidence base, proposed priorities, outcomes and outputs

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY? (In Scotland, Wales, and Northern Ireland this should also include challenges relating to Multiply)

(If yes) Describe these challenges, give evidence where possible

Background

Basildon residents are lagging behind the East of England and the rest of the UK when it comes to acquiring skills, with fewer people qualified to NVQ Levels 1-4 in the Borough than the East of England and the UK as a whole.

According to the 2022 South-East LEP (SELEP) Skills Advisory Panel Skills Report, Basildon has a high percentage of neighbourhoods with low skill levels and census data indicates that Basildon is the joint third highest local authority area within SELEP, in terms of population with no qualifications (at 18%). 2011 census data indicates that this figure differs significantly between wards across the borough, with 26.1% of adults in Pitsea South-East having no qualifications, compared to just 8.2% of adults in Billericay East and West.

In terms of education, skills and training, 19% of the borough's neighbourhoods are in England's worst decile. Looking at this data at a more granular level:

- In 2016, 85% of pupils in Basildon were in sustained Education, Employment or Training at the end of Key stage 4 (Secondary School). This is lower than the average for England (88%). Within this group 74% were in education, below the England average (80%). 3% were in apprenticeships and another 8% were in employment.
- In 2018, 62.6% of pupils achieved grades 9-4 in English and Maths (a good pass) and 40.7% achieved grades 9-5 (a strong pass). This was lower or similar to the average for Essex as a whole (63.3% and 40.7%).
- After Key Stage 5 (Further Education) the number of young people in education, employment or training was estimated to have reduced to 82%. Of this cohort, 45% were believed to be in Education. The next largest destination was sustained employment, accounting for approximately 27% of the cohort, higher than the England average (20%). 10% were in apprenticeships and 14% were not in any form of sustained education, training or employment.
- Basildon residents also achieve lower levels of NVQ level 4 qualifications or higher (first degree and above), with 26.3% of residents attaining this level compared to an average of 33.5% for the whole of Essex and 40% across England.

The most marked difference in skills performance in the borough is in higher level skills, with 26.7% of the working population having an NVQ4 or equivalent qualification, in comparison to the rest of the UK where 43.1% have higher skills. (39.2% in the East of England) .

Like many other parts of the UK, employers cite recruiting and retaining good quality staff as the major challenge they experience. As the last Essex Chamber Quarterly economic survey states, *"The vast majority of firms attempting to recruit over the last three months faced difficulties, in main securing semi/unskilled labour"*.

Given that net outflows and inflows of commuters are close to balancing out in Basildon , the difference in resident and workplace earnings and the comparatively low skill levels of Basildon resident's points towards the pull of the higher salaries that can be found in London and other parts of the greater South-East. This also points towards a potential skills gap, with the majority of higher-level skills in the local economy being provided by in commuters. In addition to creating pressure on the transport system, this situation underutilises the available labour force and serves to create some of the wider social challenges people within the Borough experience.

EMPLOYMENT SUPPORT FOR NON-EMPLOYED: 1:1 SUPPORT & SPECIALIST LIFE/BASIC SKILLS - DIGITAL, ENGLISH, ESOL (E33), COURSES INC. BASIC SKILLS (DIGITAL, ENGLISH AND ESOL), AND LIFE SKILLS AND CAREER SKILLS AND FINANCIAL SUPPORT (E34), ACTIVITIES SUCH AS ENRICHMENT AND VOLUNTEERING TO IMPROVE OPPORTUNITIES AND PROMOTE WELLBEING (E35), INTERVENTION TO INCREASE DIGITAL INCLUSION: ESSENTIAL DIGITAL SKILLS, ONLINE SAFETY & IN COMMUNITY SUPPORT (E36)

As far as supporting economically inactive people to overcome barriers to work through cohesive, locally tailored support and/or supporting people furthest from the labour market through access to basic skills is concerned, its worth noting that the rate of employment amongst Basildon's residents is still relatively strong and the claimant count in the borough has fallen by 4.6% since 2012.

In 2021, the borough unemployment rate was 4.3%, similar to the Great Britain average (4.4%) but above that for the East of England region (3.8%). The number of residents in the borough claiming out of work benefits has risen since March 2020, principally due to the effects of the Covid-19 pandemic. This was most marked amongst

18-24 year olds with claimants from this age bracket more than doubling, from 700 to over 1,500 in December 2020. From May 2021, the number of young adult claimants continued to decline until December 2021, when the number was 890.

Between 2012 and 2021, residents' earnings grew from the 2012 median level of £547.4 per week to stand at £630.6 per week in 2021. Income can be a barrier to digital access, with digital exclusion exacerbating; social exclusion; loneliness, poverty, and health inequalities. Those most social excluded are most likely to be digitally excluded. They are also more likely to need services and less likely to be able to access them digitally. Whilst there are a range of barriers to digital inclusion they can be grouped under access, motivation and skills, with affordability being a main factor for all cohorts most likely to be digitally excluded. Wards in Tendring, Basildon and Harlow have higher proportions of affordability concerns.

The ONS last published an in-depth analysis of digital exclusion in 2018. This shows that, since 2011, the number of 'internet non-users' nationally (people who had not used the internet during the previous three months) had almost halved. But in 2018 there were still 5.3 million adults, or 10% of the UK's adult population, that fell into this category. More concerning are the problems some people have using the internet. Lloyds essential digital skills report for 2021 found that:

- About 10 million UK adults are not able to access the internet themselves and lack the most basic digital tasks;
- About 6.5 million adults cannot connect to wi-fi by themselves;
- About 4.9 million adults cannot turn on a device and log into their accounts or profiles without assistance.

SUPPORT FOR EMPLOYED PEOPLE TO ADDRESS BARRIERS TO EDUCATION AND TRAINING (E37), SUPPORT TO FUND LOCAL SKILLS NEEDS - TECHNICAL/VOCATIONAL QUALS, UP TO L2 AND HIGH VALUE QUALIFICATIONS (E38) AND FUNDING TO SUPPORT LOCAL DIGITAL SKILLS (E41)

As far as skills to progress in work and funding local skills needs is concerned, its worth noting that in 2020, 79.4% of residents (96,500 people) aged 16-64 in Basildon were economically active, with the highest occupied job types in Basildon (according to the 2011 Census) being high-skilled: professional, associate professional, technical and managerial jobs accounting for 41% of the total people employed.

"Low-skilled" jobs accounted for 29% (caring and leisure; sales and customer service; process and machine operatives; elementary occupations). The same proportion (29%) was estimated for medium-skilled jobs: administrative, secretarial and skilled trades occupations.

The wards where elementary occupations were most prevalent were: Fryerns (15%), Lee Chapel North (18%), Pitsea North-West (15%), St Martins (16%) and Vange (17%). The wards with the highest proportion of managers, directors and senior officials were: Crouch (15%), Burstead (14%) and Billericay East (14%).

Basildon has a particularly high concentration of employee jobs in Construction (6.9% compared to 4.9% nationally); Wholesale and Retail Trade - Repair of Motor Vehicles and Motorcycles (18.4% compared to 15.0% nationally); Financial and Insurance Activities (4.6% compared to 3.5% nationally); Professional, Scientific and Technical Activities (10.3% compared to 8.8% nationally); and Human Health and Social Work Activities (13.8% compared to 13.1% nationally) .

The % of people employed in SOC codes 6-7 (Caring, Leisure, Other Service Occupations and Sales and Customer Service Occupations) is 17.4% compared to 15.76% nationally. Similarly, the % of people employed in SOC codes 4-5 (Administrative & Secretarial and Skilled Trades Occupations) is above the national average (29.3% compared to 19.34% nationally) and the % of people employed in SOC Codes 1-3 (Managers, Directors and Senior Officials, Professional Occupations and Associate Professional & Technical) is lower than national averages (41.3% compared to 50.21% nationally) .

As far as advertised vacancies are concerned, there were nearly 188,000 vacancies across Greater Essex in April 2021, with Basildon being one of the top LA areas recruiting and vacancy levels being up significantly since last year. Top posted occupations included Care Workers and Home Carers, Nurses, Warehouse Operatives and Health Care Assistants. The most in demand specialised skills were finance, warehousing, auditing, nursing, accounting, personal care and mental health, whilst the most in demand common skills were communications, customer service, management, sales, marketing, leadership and planning.

As far as digital skills is concerned, PwC also suggests in their analysis that around 30% of UK jobs could potentially be at high risk of automation by the early 2030s. Furthermore, the risk appears highest in sectors where Basildon already has significant strengths - such as transportation and storage (56%), manufacturing (46%) and wholesale and retail (44%).

GREEN SKILLS COURSES (E39) AND RETRAINING SUPPORT FOR THOSE EMPLOYED IN HIGH CARBON SECTORS (E40)

As far as Green Skills are concerned, Mace produced a Green Skills Infrastructure review for Essex County Council in April 2022, which identified that:

- The growth in green skills in Essex – based on a policy off position - is predicted to rise from 2,933 jobs in 2019 to 5,751 jobs in 2030, a rise of 2,818 jobs.
- If all the policy recommendations in the UK Government’s ‘Ten Point Plan for a green industrial revolution’ are implemented, this figure will rise from the baseline 2030 prediction of 5,751 to 13,905 green jobs, a rise of 8,155 (over 240%) by 2030.
- There will be some decline in existing professions and associated reskilling and upskilling of the existing workforce, for example, car mechanics transitioning to focus on electric vehicles or gas boiler engineers transitioning to serve air source heat pumps and other low carbon alternatives.

Identified Gaps and Challenges for delivering this jobs growth include Policy & Implementation Gaps, Data Gaps, Education & Skills Gaps, Awareness Gaps, Communication Issues and Resource Gaps.

The study concludes by recommending that Essex would benefit from more partnerships between business, skills providers and funders to discuss & promote green skills, with partnerships needing to be established to drive green construction, which is a significant sector in Essex.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT? (In Scotland, Wales, and Northern Ireland this should also include challenges relating to Multiply)

(If yes) Describe these opportunities, give evidence where possible

In this section of the Basildon Borough UKSPF Investment Plan we set out our key investment priorities under the Supporting Local Business priority, based on what we feel the major local opportunities are. These can broadly be summarised as:

- **Support to fund local skills needs - technical/vocational quals, up to L2 and high value qualifications (E38)**
- **Green skills courses (E39)**

These priorities have been selected, in recognition of the fact that we only have a limited amount of UKSPF funding to invest, the nature of the current labour market and through discussion with other lead local authorities across Greater Essex about opportunities for collaboration. As far as this latter point is concerned, discussions with other authorities across Essex have largely indicated that opportunities for collaboration would appear to be generally limited to skills programmes to help people progress in work and the need to reskill people to ensure they have the skills required to compete effectively in the local labour market.

We also believe these interventions will add the greatest value to the existing mainstream funding regimes that already exist in the area. Looking at each of these in turn.

SUPPORT TO FUND LOCAL SKILLS NEEDS - TECHNICAL/VOCATIONAL QUALS, UP TO L2 AND HIGH VALUE QUALIFICATIONS (E38)

Under this measure, we have an opportunity to fund support for local skills needs, including technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local skills needs and high value qualifications, where there is a need for additional skills capacity that cannot be met through mainstream funding. This can include supporting local areas to fund gaps in local skills provision to support people to progress in work, and supplement local adult skills provision e.g. by providing additional volumes; delivering provision through wider range of routes or enabling more intensive/innovative provision, both qualification based, and non-qualification based.

Recognising that we cannot defray this funding until 2024-25, we have not sought to specify the precise nature of the provision we might commission now, but have proposed developing specifications in 2023-24, so that they accurately reflect the needs of the local labour market. Adopting this approach will enable us to take into consideration the priorities set out in the Local Skills Improvement Plan for Essex.

GREEN SKILLS COURSES (E39)

In line with the above goals and given the desire for authorities across Essex to want to collaborate on this intervention, we foresee there will also be strong opportunities to deliver a range of ‘green skills’ courses in 2024/25, many of which will be technical in nature. This could include:

- Funding for training in housing retrofit qualifications, including addressing governments targets for 30,000 new heat pumps installers in the coming decade
- Funding for improved facilities to train and upgrade skills in sustainable technologies
- Funding for skills and training for electrification of transport
- Funding for technical training in high skilled specialisms in the energy sector

Recognising that we cannot defray this funding until 2024-25, we will wait until 2023/24 before developing the specifications.

A BESPOKE INTERVENTION AROUND THE ESTABLISHMENT OF A TECHNICAL SKILLS PARTNERSHIP, TO ENCOURAGE MORE PEOPLE INTO VOCATIONAL, TECHNICAL CAREERS.

In addition to the above, we have also identified a bespoke intervention that we would like to support, which is around establishing a Technical Skills Partnership to encourage more people into vocational, technical careers. More information on this bespoke intervention is included further on in this Investment Plan.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Number of economically inactive individuals in receipt of benefits they are entitled to following support	
Increased active or sustained participants of UKSPF beneficiaries in community groups [and/or] increased employability through development of interpersonal skills	
Increased proportion of participants with basic skills (English, maths, digital and ESOL)	
Number of people in supported employment [and] number of people engaging with mainstream healthcare services	
Number of people sustaining engagement with keyworker support and additional services	
Number of people engaged in job-searching following support	
Number of people in employment, including self-employment, following support	√
Number of people sustaining employment for 6 months	
Increased employment, skills and/or UKSPF objectives incorporated into local area corporate governance	
Number of people in education/training	√
Increased number of people with basic skills (English, maths, digital and ESOL)	
Fewer people facing structural barriers into employment and into skills provision	
Increased number of people familiarised with employers' expectations, including, standards of behaviour in the workplace	√
Fewer people facing structural barriers into employment and into skills provision	
Number of people gaining a qualification or completing a course following support	√
Number of people gaining qualifications, licences, and skills	
Number of economically active individuals engaged in mainstream skills education, and training.	√
Number of people engaged in life skills support following interventions	
Number of people with proficiency in pre-employment and interpersonal skills (relationship, organisational and anger-management, interviewing, CV and job application writing)	
Multiply only - Increased number of adults achieving maths qualifications up to, and including, Level 2.	

Multiply only - Increased number of adults participating in maths qualifications and courses up to, and including, Level 2.	
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE PEOPLE AND SKILLS INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

E38: Support to fund local skills needs - technical/vocational quals, up to L2 and high value qualifications

E39: Green skills courses

Our Indicative budget allocation

Expenditure Profile				UKSPF Allocation Annual Expenditure				UKSPF Allocation Capital/Revenue Split (£)						
Investment Priority	Intervention	UKSPF Allocation	% of Total UKSPF Allocation	2022-23	2023-24	2024-25	Annual Expenditure Totals	Capital 22/23	Revenue 22/23	Capital 23/24	Revenue 23/24	Capital 24/25	Revenue 24/25	Capital/Revenue Totals
Communities & Place	E3: Creation of and improvements to local green spaces	£113,171	9%	£0	£0	£113,171	£113,171	£0	£0	£0	£0	£70,000	£43,171	£113,171
Communities & Place	E6: Local arts, cultural, heritage & creative activities	£181,782	14%	£0	£65,417	£116,366	£181,782	£0	£0	£3,000	£62,417	£38,035	£78,331	£181,782
Communities & Place	E12: Community engagement schemes, local regeneration	£93,750	7%	£31,250	£31,250	£31,250	£93,750	£0	£31,250	£0	£31,250	£0	£31,250	£93,750
Communities & Place	E12: STEAM Partnership	£212,924	17%	£46,935	£76,189	£89,800	£212,924	£10,557	£36,378	£10,000	£66,189	£10,000	£79,800	£212,924
Communities & Place	E14: Relevant feasibility studies	£103,425	8%	£40,925	£20,833	£41,667	£103,425	£0	£40,925	£0	£20,833	£0	£41,667	£103,425
Communities & Place	Communities & Place Interventions Total	£705,052	55%	£119,110	£193,689	£392,253	£705,052	£10,557	£108,553	£13,000	£180,689	£118,035	£274,218	£705,052
Local Business	E23: Strengthening local entrepreneurial ecosystems	£178,358	14%	£0	£77,342	£101,017	£178,358	£0	£0	£14,448	£62,894	£20,000	£81,017	£178,358
Local Business	E24: Training hubs, business support offers, incubators & accelerators	£98,958	8%	£36,458	£10,417	£52,083	£98,958	£5,000	£31,458	£10,000	£417	£20,000	£32,083	£98,958
Local Business	E26: Growing the local social economy	£117,217	9%	£0	£29,687	£87,529	£117,217	£0	£0	£3,000	£26,687	£5,000	£82,529	£117,217
Local Business	E31: Support relevant feasibility studies	£15,625	1%	£0	£0	£15,625	£15,625	£0	£0	£0	£0	£0	£15,625	£15,625
Local Business	Local Business Interventions Total	£410,158	32%	£36,458	£117,446	£256,254	£410,158	£5,000	£31,458	£27,448	£89,998	£45,000	£211,254	£410,158
People & Skills	E38: Local areas to fund local skills needs	£83,333	7%	£0	£0	£83,333	£83,333	£0	£0	£0	£0	£0	£83,333	£83,333
People & Skills	E39: Green skills courses	£83,333	7%	£0	£0	£83,333	£83,333	£0	£0	£0	£0	£0	£83,333	£83,333
People & Skills	People & Skills Intervention Total	£166,667	13%	£0	£0	£166,667	£166,667	£0	£0	£0	£0	£0	£166,667	£166,667
Allocation Totals		£1,281,877	100%	£155,568	£311,135	£815,174	£1,281,877	£15,557	£140,011	£40,448	£270,687	£163,035	£652,139	£1,281,877