Development and Improvement Plan
FOR THE CAUSEWAY REGENERATION AREA

Report by BBP Regeneration
For Maldon District Council
August 2015
Executive Summary

BBP Regeneration has been jointly commissioned by Maldon District Council and Essex County Council to review the Causeway Regeneration Area, identify the issues which are holding it back and devise some practical and deliverable solutions to help the area fulfil its economic development potential.

The main purpose of the study is to define a number of projects and initiatives capable of delivering tangible improvements, which the Council working with Partners can bring forward. It is also intended that the study will form part of the evidence base for the Council’s Core Strategy.

Maldon District’s high quality of life and environment as well as the close proximity to London are a big draw for both residents and business occupiers. There are above average rates of self-employment and business creation in a diverse range of sectors. However, poor accessibility and digital infrastructure has contributed to low levels of inward investment and relatively low commercial property values, whilst benefitting local businesses, has deterred development of employment space.

The Causeway is the principal employment area in Maldon District. General Industrial (B2) and Storage and Distribution (B8) are the predominant uses. A mix of retail, residential and Business (B1) uses have started to change the character of the area and are slowly displacing the traditional industrial space, particularly in the southern part of the Causeway around Fullbridge.

The Causeway experiences high levels of occupancy. There is a diverse range of occupiers, with a prevalence of companies in the advanced manufacturing and engineering sectors including a number of large global companies.

It is clear however that there are a number of problems. The key gateway points and the main spine road, The Causeway, are poorly defined and lack a sense of arrival. Much of the property stock in the Causeway is relatively low quality and dated and ownership is fragmented. Accessibility is constrained by poor connections to the A12 and the national road network, which adds to costs, particularly for hauliers. There is also a risk of flooding.

There is a restricted supply of good quality employment space and pressures are building from expanding local occupiers to relocate elsewhere due to the lack of grow-on options.

With the highest proportion of employment growth in the District forecast for Maldon and Heybridge, a range of improvements are needed for the Causeway to thrive as a business location and to meet the changing needs of businesses.

The study considered the economic drivers, the property market and urban design issues. An open drop in consultation event was held and landowners, developers and occupiers were consulted. As a result five key strategic objectives were identified:

- Strategic Objective 1: Taking steps to retain the larger employers.
- Strategic Objective 2: Supporting initiatives to encourage start-ups and micro businesses.
- Strategic Objective 3: Improving the quality of the business premises, reflecting trends towards high value employment activities.
- Strategic Objective 4: Improving the physical environment to retain and attract growing businesses.
- Strategic Objective 5: Maximising the economic potential of key sites.
A number of interventions have been proposed to meet these objectives; project plans have been prepared which consider how each of these can be implemented including the resources required and sources of funding. The programme of proposed improvements are summarised here as:

- **Business friendly initiatives and activities** including facilitating a business forum/network, supporting start-up and micro businesses, providing discretionary business rates relief, consulting on commercial premises improvement grants, promoting the Causeway as a business destination; investigating the potential for a Business Improvement District.

- **Environmental improvements** to enhance the area’s market appeal and image though a strategic landscape and public realm strategy, which will also direct development proposals with funding from public sector programmes and developers’ contributions.

- **Enterprise centre and business support provisions** to small businesses to enable new business start-ups to become established and early stage businesses to grow. Options have been examined ranging from provision of business support with no accommodation through to a small hatchery/incubator through to a new build permanent Enterprise Centre. There is scope for an incremental approach working in partnership with Invest in Essex.

- **Development Briefs for key development sites** which consider land use and financial viability to increase the planning certainty for both the Council and developers.

- **Flooding risk review** to comprehensively consider the issues of flooding on The Causeway and propose solutions providing guidance on strategic technical solutions that could facilitate development in line with the local policies and ambitions.

Maldon District Council has a key leadership role to play in delivering this programme. It will need to lead on a number of the proposals which have been set out and actively pursue external sources of finance. The study identified a willingness from the local business community to engage and steer the direction of the programme, but it wants to see a clear commitment from the Council.
1. Introduction

1.1 It is clear from various studies that, the Causeway, Maldon’s principal employment area suffers from a number of problems which is impacting adversely on local economic growth. The problems which have been highlighted relate to a range of issues – fragmented ownership; lack of investment in the building stock and the infrastructure serving it. There are also pressures for change of uses to retail/residential.

1.2 The purpose of this work is to devise some practical and deliverable solutions to address these issues which can help the local area fulfil its economic development potential. It is intended that this study should form part of the evidence base to support the Council’s Core Strategy.

1.3 The work will build on the Intermediate Study which was commissioned by the Council to progress Policy S5 of the Local Development Plan (published August 2014). The Intermediate Study identified opportunity sites, strategies and a number of projects for the Causeway Area. These are to be critically challenged and a range of initiatives worked up as ‘project plans’ for the Council and other key stakeholders to consider taking forward.

1.4 The Council wants to ensure that the proposals which emerge;
- meet the needs of existing businesses and so assist their retention while improving the quality of building stock
- attract businesses in sectors that are more likely to create higher value jobs
- will help improve the supply of sites and premises to meet current and emerging occupier requirements
- generally make the area appear more dynamic and appealing to investors.

1.5 The report is structured as follows:

Section 2 examines the study area in the context of its location, physical characteristics, current function and occupiers and conclude with its opportunities and constraints.

Section 3 sets out the Council’s corporate strategy and current planning policy.

Section 4 is an overview of the local economy, its drivers, opportunities and constraints.

Section 5 considers the trends in the property market and the views of local landowners and investors.

Section 6 defines strategic objectives.

Section 7 identifies a number of initiatives and projects which can help improve the future prospects of the Causeway.

Section 7 summarises key messages from the Causeway consultation event.

Section 9 proposes a programme of interventions including evidence for demand, costs, funding and next steps.

Section 10 suggests options for a successful delivery of the proposed interventions.
2. The Context

Location

2.1 Maldon District is situated in the south-east of Essex, approximately 54 miles northeast of London and equi-distant between Chelmsford, the County Town to the west, and Southend-on-Sea to the south. The District covers a land area of 36,000 hectares, a large proportion of which being rural and coastal in nature, including the estuaries of the River Blackwater and River Crouch.

2.2 The A12 trunk road and M11 and M25 motorways run close to, but not within, the District, giving access to London. There are two airports within close proximity – at Stansted and Southend and ports at Harwich, Felixstowe, Tilbury and the new London Gateway at Thurrock. Maldon District is on the edge of the South East Local Enterprise Partnership area’s A12 and Great Eastern Mainline transport corridor.

2.3 Maldon town is an ancient borough, port and market town situated on the Blackwater Estuary. It is the principle town within the District and starting point of the Chelmer and Blackwater Navigation. Maldon used to be served by two train stations but services to the town ceased in 1964. The nearest train stations are now Hatfield Peverel and North Fambridge.

2.4 To the north of the Blackwater, Maldon is joined to Heybridge via The Causeway, with Maldon town centre serving both communities. The Causeway sits at the head of the Blackwater Estuary on the area’s eastern boundary and between the Rivers Chelmer and Blackwater. The Chelmer and Blackwater Navigation (river made navigable for commercial haulage) skirts around the northern boundary and the River Chelmer at Fullbridge on the southern boundary. These physical assets create a quality natural and built environment as a backdrop and setting to the Causeway.

Physical Characteristics

2.5 The river defines the historic boundary of Maldon town. The northern embankment of the river has a strong visual connection to the heart of the town and the low lying residential areas. The junction of Fullbridge and The Causeway creates a gateway to Maldon - it is a changing point from the industrial area of the Causeway to the town centre.

2.6 Heybridge is an area with a distinct character of its own, particularly around the junction with the Square and around Saint’s Andrew’s Church. Heybridge local centre is the focal point north of the Blackwater Navigation and relates more to development to the north than the southern industrial areas.

2.7 The traditional employment (with a focus on B2 and B8 uses) has been diversified with a wider range of uses. The area that is particular varied is the southern area of the Causeway, south of the water channel and Fullbridge round-a-bout. A mix of retail uses, residential consents and B1 uses has started to change the character of the area and displaced B2 and B8 uses.

2.8 The area between the floodplain and the Blackwater Navigation has also been changing, in particular as it provides access to a substantial housing development further east. Access here is constrained due to the area being sandwiched between two water courses.

Local Occupiers

2.9 The Causeway is characterised by relatively high occupancy rates. This is mostly due to shortages of available good quality space and occupiers’ preference for the lower occupancy costs in the
Causeway compared to alternative locations. The area accommodates a range of different size businesses with unit sizes varying from 10 sq m to 20,000 sq m. A vast majority of the local companies occupy premises of under 250 sq m, however, it is important to note that a significant proportion of the property stock is occupied by the 10 large users of over 4,500 sq m as summarised in the figure below:

**Figure 2.1 – Size of the local businesses**

<table>
<thead>
<tr>
<th>Employment Units Size (B1/B2/B8 use)</th>
<th>Unit size (sq m)</th>
<th>Total units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro (&lt;230)</td>
<td>96</td>
<td></td>
</tr>
<tr>
<td>Small (230-930)</td>
<td>59</td>
<td></td>
</tr>
<tr>
<td>Medium (930-4,630)</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Mid box (4,630-9,200)</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Large (9,200-46,450)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>XXL (&gt;46,450)</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

*Source: VOA (2015)*

There is a diverse range of local occupiers, with a clear prevalence of companies in the Advanced Manufacturing and engineering sector. It is important to note that the largest 10 occupiers take up 45% of the commercial floorspace in the area:

**Figure 2.2 – The largest local occupiers**

<table>
<thead>
<tr>
<th>Occupier</th>
<th>Size (sq m)</th>
<th>Jobs</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Pgi / Fibreweb Geosynterics</td>
<td>19,043</td>
<td>180</td>
<td>Advanced manufacturing</td>
</tr>
<tr>
<td>2 E T Heron &amp; Co</td>
<td>17,732</td>
<td>150</td>
<td>Publishing</td>
</tr>
<tr>
<td>3 Youngmans</td>
<td>13,578</td>
<td>200</td>
<td>Advanced manufacturing</td>
</tr>
<tr>
<td>4 Brooks Brothers (UK)</td>
<td>6,856</td>
<td>90</td>
<td>Timber</td>
</tr>
<tr>
<td>5 PSL Freight</td>
<td>5,944</td>
<td>80</td>
<td>Land transport - 3PL</td>
</tr>
<tr>
<td>6 Rockwell Automation</td>
<td>5,650</td>
<td>60 (estimated)</td>
<td>Advanced manufacturing</td>
</tr>
<tr>
<td>7 Travis Perkins</td>
<td>5,406</td>
<td>58 (estimated)</td>
<td>Builders’ Merchant</td>
</tr>
<tr>
<td>8 Bridge Communications</td>
<td>5,377</td>
<td>n/a</td>
<td>Manufacturing</td>
</tr>
<tr>
<td>9 Proform Europe</td>
<td>5,143</td>
<td>50</td>
<td>Traditional manufacturing</td>
</tr>
<tr>
<td>10 Calorex Heat Pumps Ltd</td>
<td>4,973</td>
<td>53 (estimated)</td>
<td>Advanced manufacturing</td>
</tr>
</tbody>
</table>

*Source: VOA (2015); BBP Regeneration analysis*
This mix of occupiers includes large global companies such as PGI, Youngmans and Travis Perkins as well as prospering and growing local firms such as PSL Freight, Rockwell Automation and Proform Europe.

Figure 2.3 – Prominent occupiers in the Causeway (logos)

The presence of large occupiers in the Causeway is important for the employment base, but makes the local economy vulnerable to closures or relocations. This was demonstrated by the recent announcement of Wyndeham Heron’s printing plant relocation due to the plant’s inefficient and ageing equipment, which will release 17,800 sq m of B2 use floorspace and trigger over 150 job cuts. Such closures or relocations of large businesses could potentially exert extra pressure on the employment target growth of the District.

A number of companies consulted expressed a view that the lower property costs and higher staff retention levels experienced in Maldon offset the higher transport costs associated with the accessibility issues. However, business cases predicated on this basis are vulnerable to changing circumstances e.g. access to skills and changes in fuel cost. This indicates a certain level of vulnerability for business retention in Maldon.

Opportunities and Constraints

Heavy traffic, including HGVs, creates a poor environmental quality along the main spine of the Causeway. There is an opportunity for improvements such as avenue tree planting and incorporation of cycle lanes.

The key gateway points into the area are poorly defined and lack a sense of arrival. High quality development in the prominent locations and environmental improvements will help to create a distinct identity for the area. It should be noted that Heybridge is of a different character which needs to be considered and enhanced.

The river and navigation offer opportunities to create high quality riverside development and new and improved pedestrian / cycle routes. In particular the northern embankment of the river provides a prominent opportunity close to the town centre.

Much of the property stock in the Causeway is relatively low quality, dated and not fit for purpose. There are however a number of exceptions where investment has been in upgrading premises by businesses or their landlords. There is little development activity in the area and the availability of high quality industrial premises is limited.
2.18 Access to the main industrial core is constrained by the lack of direct access to the A414 and the A12, which affects haulage costs. The local infrastructure is regarded as inadequate for large lorries, in particular. The lack of an operating rail line in Maldon, the unreliable journey times and the congestion at peak times present a challenge to the local businesses, with little incentive for relocation of larger companies to the area.

2.19 The heavy industry businesses with ‘bad neighbour activities’ need a distinct location, separate from residential uses in order to operate their business without cause nuisance or restrictions.

2.20 Flooding in the Causeway is another local weakness. Some businesses in the area need flood defences with high technology and sensitive machinery businesses being particularly vulnerable.

Figure 2.4 – Opportunities and constraints

Source: Tibbalds (2015)
3. Corporate Strategy and Planning Policy

3.1 Maldon District Council’s Corporate Plan 2015-19 outlines the Council’s strategic direction for the next four years, setting out their vision and priorities. It will guide the planning and allocation of resources as detailed operational plans are established each year. One of the projects that the plan focuses on is a revitalised Maldon and Heybridge Central Area and particular strategic goals include:

- providing sustainable growth and development in line with the Council’s Local Development Plan and national guidance;
- achieving a high quality of design in development
- mitigating flood risk
- facilitating improved infrastructure to meet the needs of local communities
- supporting raised aspirations and improved skills and training provision
- promoting improved connectivity

3.2 Underpinning the Corporate Plan, the approved Economic Prosperity Strategy (2013) was produced by the Council to set out a vision for the development of the local economy over the next 15 years and demonstrates how the Council aims to support local economic development and promote long term business growth.

3.3 The strategy is intended to be delivered through five consecutive three-year Economic Prosperity Implementation Plans and requires that the Causeway Regeneration Area continues to act as the main centre for employment within the District, with a key focus being to generate high-value employment by capitalising on the area’s concentration of advanced manufacturing and engineering companies. Crucially, it identifies a need to both improve the quality of existing employment sites and provide a stock of new premises to enable future growth and support the retention of key employers in the district.

3.4 Maldon District Council’s Economic Prosperity Strategy 2013-2029 sets a number of long term targets relevant to this study:

- Support the creation of 2,000 net additional jobs;
- Increase the supply of high-quality commercial, and industrial, premises;
- Growth in the total business stock, relative to other districts nationally;
- Increase average gross weekly workplace pay to match the trend national average (in 2012 the gap was 0.8%);
- Improve skills and training provision (as measured by the Local Future composite measure for skills), relative to other districts nationally.

3.5 The Economic Prosperity Strategy highlights the Council’s strategic interventions to ensure the above targets are being met:

3.6 Promoting the Maldon District – focus on entrepreneurial culture and local strengths in innovation, creativity, design and manufacturing. Equally, the Maldon District brand must continue to take advantage of the high quality of life by celebrating the District’s history, coastline, maritime culture, the array of local independent shops and specialist services on offer and the ‘Old English’ character of its towns and villages.
3.7 The objective should be that the Maldon District becomes identified as a centre for business growth, where cooperation, support, advice and innovation are a by-word and where the way in which the Council works with its business partners becomes highly regarded.

3.8 **Business Growth, Earnings and Housing Affordability** - a significant element of future employment growth is likely to come in the form of lower income jobs in the care, leisure, and food or accommodation sectors. However, to secure future prosperity the Council needs to build a ‘core economy’ that supports high-skill and high-value companies, which provide greater income and more secure employment.

3.9 **Key Growth Sectors** - Council will work with Invest Essex to identify businesses with the greatest potential and seek to attract investment into key sectors, which independent forecasts have indicated have strong growth prospects. The sectors identified as having the greatest potential are:

- High-tech manufacturing, low carbon engineering and design;
- Professional Services;
- ICT;
- Administrative & Business Services;
- Education and training services;
- Leisure, food services and short-stay accommodation services;
- Residential Care & Health Care;
- Agriculture related activities.

3.10 **Employment Land and Premises** - Maldon District Council will promote the regeneration and improvement of existing industrial zones in viable locations to allow business growth and attract inward investment into the District by influencing the supply of high-quality commercial and industrial space (with amenities such as parking and super-fast broadband).

3.11 **Skills and Workforce Development** - as the District's businesses become more high tech, more highly skilled workers will be needed. To provide local residents with access to good local jobs, the development of the economy must go hand in hand with development of workforce skills.

3.12 **Connectivity (roads and broadband)** - in addition to transport infrastructure, another key influence on business location is the availability of superfast broadband.

3.13 With particular importance to this study are the following public sector interventions set out in the Prosperity Strategy:

3.14 **New Business Pathway** - with a private sector partner, the Council aims to establish a ‘new business pathway’ that offers guidance for first time entrepreneurs. In addition, the Council will seek to secure a supported incubation / enterprise centre for high potential start-ups.

3.15 **Support for Existing Businesses** - supporting the growth of existing businesses is as important as helping new enterprises. The Council will continue to work with private and public sector partners such as University of Essex, Anglia Ruskin, UKTI, Invest Essex and Think Local (Maldon District) Ltd, Essex Chamber of Commerce, FSB and others, to provide access to (for example) seminars, knowledge transfer partnerships and meet the buyer events.

3.16 **Promote Discretionary Business Rates Relief Schemes** - to promote business growth in the short-term, the Council will publicise national business rate relief programmes and consider developing targeted local incentives, if viable.

3.17 The Council will support and work with town centre businesses in an effective and constructive manner for business support and promotion.
Planning Policy

National and Regional Policy

3.18 At a national level the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (NPPG) set out high-level principles for sustainable development throughout the planning process, which requires that local planning authorities seek positive opportunities to meet the development needs of their area. County-level policy

3.19 Both NPPF and NPPG indicate that future economic growth needs to be considered at functional economic market area level, which Maldon District does not entirely constitute on its own. Hence, the Districts future economic growth needs to be considered within the context of a wider local and regional geography. The upper tier authority, Essex County Council, have prepared a number of economic development strategies that are of direct relevance to the future of the Causeway area:

- **Essex Economic Growth Strategy** (2012) outlines the County Council's vision and approach to ensuring the economy of Essex grows over future years. The Strategy demonstrates what the County Council and their partners propose to do to "unlock growth now, secure jobs and earnings tomorrow, and create the conditions for long term economic growth and strengthening communities".

- **Greater Essex Integrated County Strategy** (2010) is a vision for the Greater Essex region with the objective of identifying a set of priorities and interventions to enable Greater Essex to achieve increased economic growth. The vision focuses on the key characteristics of the area that will need to be transformed for the Greater Essex economy to realise its full potential over the next 20-30 years. The Heart of Essex sub-region, which comprises of the districts of Maldon, Brentwood and Chelmsford, prioritises Chelmsford as the centre of future growth and development in the sub region. “Maldon Regeneration” is specifically identified as a key local priority.

Local policy

3.20 Maldon District Council’s emerging Local Development Plan (LDP) is currently being prepared to cover the period 2014-2029. Policy S5 covers Maldon and Heybridge Central Area and sets out a development and regeneration strategy for the Causeway Regeneration Area. It also promotes Maldon as a market town that will serve its rural catchment and include an improved range of uses, such as retail, employment, housing and leisure, as well as an improved public realm and environment. It states that a masterplan will guide the development and regeneration of the of the Maldon and Heybridge Central Area:

**LDP Policy S5(3)**

‘Renewal of the Causeway Regeneration Area to improve the supply of high quality Use Class B floorspace (commercial and industrial) and increase employment. This will include the provision of: modern workspaces suitable for small and medium sized enterprises; start-up units; support for existing businesses that are seeking to expand and mixed use developments which enable significant numbers of jobs to be created.’

**LDP Policy S5(5)**

‘Increase public access next to and enhance the setting of the riverside to create a vibrant environment that incorporates a range of uses.’

3.21 The policy E1 of the LDP, in particular, relates to the study area and designates 43.6 hectares of employment land at The Causeway for employment uses. Policy E1 also identifies 8.4ha of new employment land within the District (two of which (at Wycke Hill) are part of plans for larger mixed-use developments) as follows:
• 3.4 ha extension to Burnham Business Park at Burnham-on-Crouch for B1, B2 and B8 uses
• 0.5 hectares of employment land at Wycke Hill (north) for B1 and B2 uses
• 4.5 hectares of employment land at Wycke Hill (south) for B1, B2 and B8 uses.

3.22 There are a number of other relevant supplementary guidance and other policy documents at a local level. The Council has also prepared and commissioned a number of evidence base documents to help inform the process of preparing a Local Development Plan.

Maldon and Heybridge Central Area Intermediate Study (2014)

3.23 Maldon and Heybridge Central Area Intermediate Study (2014): provides a basis for the subsequent Maldon and Heybridge Central Area Masterplan through proposing strategies for each sub-area and more detailed recommendations for key opportunity areas within Maldon and Heybridge. The Study’s emerging ideas were discussed with local stakeholders during vision workshops; local strategies and opportunity sites were identified and a series of recommendations were made with regard to next steps. Some of the Study’s findings relevant to the Causeway Regeneration Area are summarised in the paragraphs below:

3.24 “The Causeway Regeneration Area is the main centre of employment within the District. There is a significant concentration of advanced manufacturing and engineering companies in this location, which should be supported and enhanced. Within the Central area, infill development should be encouraged to intensify employment uses. Many of the existing buildings are run down and incentives should be given to encourage occupiers/owners to upgrade these premises. New development should seek to provide a greater mix of unit sizes to facilitate a more diverse range of businesses, from start-ups to larger employers”\(^1\).

3.25 “All redevelopment on waterside sites should be encouraged to maintain a public waters edge to open up these special environments and improve pedestrian links within the area. The waterside sites in Heybridge could potentially include managed workspace or live/ work typologies. These sites are also more likely to be appropriate for mixed-use redevelopment with active uses at ground floor animating the canal edge. There was a desire for the land facing Heybridge Creek to include a public space with views over the estuary”\(^2\).

3.26 “There are a significant number of opportunity sites within the Causeway area presenting a wealth of opportunities to improve the existing environment. Sites located in designated employment land must retain employment use but should seek to intensify this use and upgrade premises. Other more edge of employment zone sites may be appropriate for mixed use development”\(^3\).

3.27 A co-ordinated programme of tree planting and boundary treatment, with increased pedestrian crossings could help soften the environment of The Causeway.


3.28 An Employment Evidence and Policy Update has been recently prepared by Hardisty Jones providing an independent review of the economic and employment growth prospects of Maldon District, drawing on detailed research and most up-to-date evidence. A number of different scenarios have been considered, taking into account the state of the local economy, the future development plans as well as various external factors.

3.29 The study uses EEFM data suggesting growth of 2,200 jobs in the District over the period to 2029, with the main drivers of change being:

• High levels of growth in the Education and Health sectors will not be repeated;
• Business and Professional Services will growth strongly but at a lower level than in the past;

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\(^1\) Allies and Morrison (2014) Maldon and Heybridge Central Area Intermediate Study, p.49
\(^2\) Allies and Morrison (2014) Maldon and Heybridge Central Area Intermediate Study, p.49
\(^3\) Allies and Morrison (2014) Maldon and Heybridge Central Area Intermediate Study, p.49
• The Construction sector is expected to growth strongly;
• The Manufacturing sector will continue to lose jobs but at a lesser rate than in the past.

3.30 There is a need to accommodate the projected job growth, particularly in areas attractive to occupiers such as Maldon, Heybridge and Burnham-on-Crouch. Hardisty Jones has assumed that around 1 to 2 ha of employment land will be made available for re-use during the Local Plan period. In addition, up to 11.1 ha of further B1/B2/B8 Use Class land will be required during the plan period plus an additional 3.6 ha buffer to ensure that land is available during the latter years of the plan.

3.31 The study concludes that the Causeway area should be maintained as the prime employment area in the District. Regeneration of run down areas should be encouraged through masterplanning to provide market confidence. High value uses should be allowed in order to ensure regeneration of sites, and avoid failing to meet their redevelopment potential due to viability issues.

3.32 Job creation should be supported by providing business support to new start up and growing businesses. The delivery of flexible business premises, possibly through direct public sector intervention, is important to accommodate the needs of new and existing companies in the Causeway area.

Retail Study (2015)

3.33 White Young Green have been commissioned by Maldon District Council to prepare a Retail assessment of the District to cover the plan period to 2029. Below are some of the key finding of the report.

3.34 White Young Green have identified theoretical capacity for up to 17,100 sq m net of comparison goods capacity in the District up to 2029 (based on a current market share basis), however, they recommend caution in planning for such a large quantum of comparison goods floorspace in the District and propose a lower bracket of 10,300 sq m is more realistic, though. The report states that even this quantum of floor space would need scrutinising very carefully for impact upon the vitality and viability of existing centres, and will be heavily dependent on the impact of the Aquila proposals which are likely to come before.

3.35 The study suggest that while the new, recently approved plans for a Waitrose store and accompanying comparison units are likely to have a positive impact on the centres of Maldon and Heybridge in terms of trip retention rates, and therefore self-sustainability, the proposals will inevitably result in some trade diversion away from the existing centres. Therefore, White Young Green suggest that any further retail floorspace in the Maldon and Heybridge area should come forward towards the end of the Plan period, once the Aquila proposals have been built out and open for trade for a reasonable period of time.

3.36 In terms of convenience goods capacity, when taking into account the proposed Waitrose store in the Causeway and the Tesco convenience store in Maldon, there would theoretically be capacity for one further medium/large-sized foodstore in the District in the longer term by 2029, or a range of smaller facilities.

3.37 White Young Green consider that the cluster of foodstores operating in Maldon and Heybridge currently provides a sufficiently strong range and choice to local residents, even after closure of the Tesco Express in Heybridge. Therefore, any additional convenience floorspace capacity should be located around the Burnham area (Zone 2), after allowance is made for the necessary convenience floorspace to support the urban extension to Maldon/Heybridge. The current leakage of trade from Zone 2 is unsustainable and should be sought to be addressed.

Garden Suburb Masterplans (Policies S2, S3 and S4 Maldon District LDP)

3.38 Through Policy S4 of the emerging Local Development Plan, Maldon District Council is proposing to allocate a significant amount of land, both to the south of Maldon and north of Heybridge, for the
The development of two new garden suburbs. The two sites are scheduled to deliver 5 ha of employment land along with 2,830 dwellings, two new primary schools and childcare facilities, the expansion of Plume School, community facilities, medical facilities, two new relief roads at Wycke Hill, Maldon and Broad Street Green, Heybridge and a nature reserve and country park.

### 3.39
The new garden suburbs will provide significant benefits for the Maldon and Heybridge Central Area, including the provision of new infrastructure, a good workforce base for local businesses and an additional customer base for retail on the High Street and for the Leisure Quarter.

### 3.40
The Council has adopted a number of Supplementary Planning Documents (SPDs). These are dated, so should be read alongside the emerging Local Development Plan. These are:

- *The Vehicle Parking Standards SPD* (2006): sets out the number of spaces required for different vehicles across a range of development type.
- *Infrastructure Delivery Plan* (Updated May 2014): forms part of the evidence base of the Local Development Plan and supports the production of a Community Infrastructure Levy Charging Schedule.
- *The Community Infrastructure Levy Charging Schedule* is currently being prepared to allow the Council to raise funds for infrastructure in order to support an area’s development by imposing a charge per square metre of development.

### Planning Proposals

### 3.41
The following figure shows a summary of the most recent planning proposals also indicated in the map below.

#### Figure 3.1 – Planning proposals

<table>
<thead>
<tr>
<th>#</th>
<th>Reference</th>
<th>Address/ Applicant</th>
<th>Proposal</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Outline 13/00488</td>
<td>The Roothings/ Wyndenham Heron site - application from Panther Shop Investments</td>
<td>Demolition and development of 44 dwellings</td>
<td>Refused</td>
</tr>
<tr>
<td>B</td>
<td>Pre-application</td>
<td>Wyndenham Heron Site - Panther Shop Investments</td>
<td>Housing and mixed use</td>
<td>PREAPP closed</td>
</tr>
<tr>
<td>C</td>
<td>Full 14/0086</td>
<td>Bridge House, Hall Road – application from Tec Suppliers Group to relocate staff from Wycke Hill Business Park</td>
<td>Change of use to B8/B1/Trade Sales</td>
<td>Approved</td>
</tr>
<tr>
<td>C</td>
<td>Full 13/0111</td>
<td>Bridge House, Hall Road - application from Bellway Homes</td>
<td>Demolition and development of 48 dwellings</td>
<td>Refused</td>
</tr>
<tr>
<td>D</td>
<td>Hybrid 14/00861</td>
<td>Brooks Bros site, The Causeway - application from Aquila Maldon Ltd</td>
<td>Demolition and development of Foodstore, Non-food retail, Hotel</td>
<td>Approved</td>
</tr>
<tr>
<td>E</td>
<td>RM 12/00965</td>
<td>Sadds Wharf – application from The Baltic Consortium</td>
<td>Mixed use – 93 dwellings (1,2,3-bed Flats/Houses), Office (1,480 sq ft B1 use)</td>
<td>Approved</td>
</tr>
<tr>
<td>F</td>
<td>Full 14/00589</td>
<td>Station Road – application from LIDL</td>
<td>A1 Foodstore; 80 space car park</td>
<td>Refused; in for further discussions</td>
</tr>
<tr>
<td>F</td>
<td>Full 14/00590</td>
<td>Station Road, facing North Quay at Fullbridge, – application from LIDL</td>
<td>Car parking; 19 dwellings</td>
<td>Withdrawn</td>
</tr>
</tbody>
</table>
The number of proposals, refusals and withdrawals suggests that there is a strong case to take a more proactive approach and support the preparation of Development Briefs for keys sites and/or areas, which will provide more clarity ease the process for both the Council and applicants. These briefs can be adopted by the Council and feed into the emerging Local Plan.
4. Local Economy

Maldon District

4.1 Maldon District has a total population of 62,200, with a resident working population of 37,600 and workplace population of 23,300\(^4\). There is a net outflow of workers of 7,250, equivalent to 19% of the resident working population\(^5\). There are over 4,300 businesses located in the District\(^6\), with nine out of 10 employing under 10 people\(^7\).

4.2 Maldon District is a member of the Heart of Essex partnership, along with Brentwood and Chelmsford, which has produced an economic growth study. The District is also a member of the Haven Gateway partnership along with Colchester, Braintree and Tendring in Essex, and Ipswich, Babergh Mid Suffolk and Suffolk Coastal in Suffolk.

4.3 Whilst the District’s relationship with Chelmsford is its strongest (net outflow of 2,395 jobs\(^8\)), it has a stronger relationship with Basildon (1,016 net outflow) than Braintree. It also has strong links with London (1,149 net outflow to Westminster and the City of London alone). Homeworkers represent 14% of the resident population\(^9\).

4.4 The District has a “robust but not exceptional economy”\(^10\). Its strengths include:

- **Socio-economic**
  - A notable visitor economy, linked to over 10% of jobs and 5% of output\(^11\), with opportunities for growth (such as improving access and links between attractions, to form a single leisure and tourism destination\(^12\)), and Council intervention planned (such as continued use of the shop front improvement scheme, and consideration of a Tourism Business District\(^13\))
  - Diverse range of sectors, with around half of jobs likely to be accommodated in B-class workspace
  - Relatively low unemployment (4.7% in July 2013 to June 2014, compared to 5.4% in East of England, and 6.8% in Great Britain\(^14\)); however, less full-time jobs and more part-time jobs than regionally and nationally
  - Above average rates of business creation

- **Spatial**
  - High quality of life, attracting business owners and employees
  - Natural landscape, including coast and watercourses, attracts visitors

4.5 However, the District faces a number of economic challenges:

- **Socio-economic**
  - Located within easy reach of London, Chelmsford, Colchester and Braintree out-commuting is prevalent, at 24% of employees across the District, and over half in Maldon itself (see Figure 6)

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\(^4\) ONS (2011) Census  
\(^5\) ONS (2011) Census  
\(^6\) Nathaniel Litchfield Partnership (2012) Heart of Essex: Economic Future Study  
\(^7\) ONS (2014) Inter Departmental Business Register  
\(^8\) ONS (2011) Census  
\(^9\) ONS (2011) Census  
\(^10\) Hardisty Jones (2014) Employment Land Review  
\(^12\) Maldon District Council (2014) Pre-Submission Local Development Plan 2014-2029  
\(^13\) Maldon District Council (2013) Economic Prosperity Strategy  
- Low incomes for those working within the District (£500 gross weekly pay) compared to those commuting outside (£655)\textsuperscript{15}
- Decommissioning of Bradwell Nuclear Power Station since 2002, now providing only 372 full-time equivalent jobs, with a further drop expected in 2015 as the station enters the Care & Maintenance phase\textsuperscript{16}
- Skill levels below the UK average (23.4\% with NVQ4+ versus 33.2\% for East of England and 35.2\% for Great Britain, and; 30.4\% with NVQ1 or lower versus 21.5\% for East of England and 21.2\% for Great Britain)
- Poor track record in attracting significant inward investment

- **Spatial**
  - Maldon District Council’s Economic Prosperity Strategy 2013-2029 cites poor availability of high quality industrial premises as “the most pressing economic challenge facing the District”
  - Constrained transport infrastructure (for example, the nearest trunk roads – the A12, M11 and M25 - are outside of the District). However, local road infrastructure improvements are likely to result from planned housing growth
  - Relatively poor telecoms and broadband infrastructure (key issue for 71\% of Maldon businesses interviewed in 2012)\textsuperscript{17}
  - Relatively high house prices contributes to labour shortages\textsuperscript{18}
  - Vulnerability to flooding, particularly in the Causeway Industrial Area

**Figure 4.1 – Location of usual residence and place of work**

*Source: ONS (2011) Census*

**Maldon and Heybridge urban area**

4.6 The 22,400 population of Maldon and Heybridge is 36\% of the total population of the District. The five wards that make up Maldon and Heybridge account for 52\% of the District’s employment (39\% and 13\%, respectively).

4.7 The nearest Mainline stations are Witham (3.5 miles) and Hatfield Peverel (4 miles) with very frequent services to London Liverpool Street and Norwich in the other direction. North Fambridge

\textsuperscript{15} Maldon District Council (2013) Corporate Strategy
\textsuperscript{16} Magnox (2014) Our sites - Bradwell
\textsuperscript{17} Nathaniel Litchfield Partnership (2012) Heart of Essex: Economic Futures Study
\textsuperscript{18} Nathaniel Litchfield Partnership (2012) Heart of Essex: Economic Futures Study
station is on a branch line to Southend Victoria and links to the Mainline London Norwich route at Shenfield.

Figure 4.1 - Train connections

Source: Abellio Greater Anglia; BBP Regeneration annotations
4.8 Figure 4.2 below illustrates that the Maldon and Heybridge urban area includes areas of affluence (lowest deprivation decile nationally) in the south, as well as pockets of relative deprivation (three Lower Super Output Areas are in the fourth decile of deprivation nationally).¹⁹

Figure 4.2 – Index of Multiple Deprivation


Figures 4.3 and 4.4 below illustrates the historic local decline in typically ‘B-use class’ employment. The most significant change over the period has been a doubling of jobs within the health sector, although the total number of jobs has held steady due to losses in sectors such as professional, scientific and technical (-62% compared to +11% for Great Britain), manufacturing (-30% compared to -4% for Great Britain), and construction (-63%, compared to -13% for Great Britain).

**Figure 4.3 – Total employment 2013, and change in employment 2009-13**

<table>
<thead>
<tr>
<th>Assumed use class</th>
<th>Indicative number of jobs in 2013</th>
<th>% of total jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1a/B1b</td>
<td>2,050</td>
<td>20%</td>
</tr>
<tr>
<td>B1c/B2</td>
<td>1,150</td>
<td>11%</td>
</tr>
<tr>
<td>B8</td>
<td>300</td>
<td>3%</td>
</tr>
<tr>
<td>A1</td>
<td>2,150</td>
<td>21%</td>
</tr>
<tr>
<td>Other non-B</td>
<td>4,450</td>
<td>44%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,100</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: ONS (2013) Business Register and Employment Survey

**Figure 4.4 – Indicative number of jobs, by assumed use class, 2013**

Future trends and opportunities

The Heart of Essex Economic Futures Study and Employment Land Review identify a number of opportunities for the District:

- **Socio-economic**
  - High population growth forecast (estimated at 6.3% between 2015 and 2021, equivalent to 0.8% annualised\(^{20}\)), although relatively low rates of business jobs and business growth forecast (7.2% job growth between 2015 and 2031, equivalent to 0.4% annualised\(^{21}\))

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\(^{20}\) DCLG (2013) 2011-based household interim projections to 2021 for England

\(^{21}\) Oxford Economics (2014) EEFM
- Relatively high levels of entrepreneurialism (9.44 business births per 1,000 working age residents per annum, equal to Essex as a whole\textsuperscript{22}) and self-employment (4.2% of jobs, compared to 3.7% across Essex\textsuperscript{23}) provides opportunities for sustainable future growth – such as through business support and flexible employment space - without significant inward investment

  - Sectoral strengths

    o High-tech manufacturing, low carbon engineering and design - In particular, computer and electronic products are identified as a future growth opportunity, along with specialist plastics manufacturing\textsuperscript{24}
    
    o Tourism – Potential to grow visitor numbers and spend, especially related to sustainable, natural and historic tourism
    
    o Professional and business services – Despite this, there is limited growth expected in the financial sector
    
    o Rural economy – Potential for more renewable energy generation, and adding value to agricultural processes (e.g. bottling wine)
    
    o Residential and health care – To serve the District’s ageing population

  - Spatial

    o Flood alleviation measures may open up new development opportunities
    
    o Allocated employment and housing sites such as the South Maldon and North Heybridge Garden Suburbs provide for growth, although the Local Development Plan has Examination in Public has focused on housing to date

  - Political

    o The County Economic Plan and SELEP Growth Deal bid have proposed transport improvement projects for Maldon District, and investment in the Causeway industrial area
    
    o The District has identified “creating opportunities for economic growth and prosperity” as one of its four strategic priorities for the next spending period (2015-19), as well as making a commitment to regenerate the Causeway Industrial Area in the and Economic Prosperity Strategy and emerging Local Development Plan

4.11 However, there are also a number of potential constraints:

  - Socio-economic

    o An older population than the national age profile, with particularly low numbers of residents in the 16 to 35 age range, and a significant population approaching retirement age
    
    o High levels of employment in declining and less resilient industries (manufacturing – LQ 1.5; agriculture - LQ 1.3; construction - LQ 1.5\textsuperscript{25})
    
    o Poor track record in attracting inward investment

  - Spatial

    o Low availability of high quality employment premises
    
    o Transport and communications infrastructure
    
    o Commercial property values do not support improvement and speculative development
    
    o Flooding

4.12 Maldon District Council’s Economic Prosperity Strategy 2013-2029 sets a number of long term targets relevant to this study:

\begin{itemize}
  \item \textsuperscript{22} ONS (2014) Business Demography 2013
  \item \textsuperscript{23} ONS (2013) Business Register and Employment Survey
  \item \textsuperscript{24} Nathaniel Litchfield Partnership (2012) Heart of Essex: Economic Futures Study
  \item \textsuperscript{25} Hardisty Jones (2014) Employment Land Review (Appendix 2)
\end{itemize}
- Support the creation of 2,000 net additional jobs
- Increase the supply of high-quality commercial, and industrial, premises (35% of employment sites rated ‘good’ compared to 25% at present)
- Growth in the total business stock, relative to other districts nationally
- Increase average gross weekly workplace pay to match the trend national average (in 2012 the gap was 0.8%)
- Improve skills and training provision (as measured by the Local Future composite measure for skills), relative to other districts nationally

4.13 Figures 4.5 and 4.6 below show that whilst the District’s highest jobs growth over the period 2015 to 2031 is forecast in sectors that are generally accommodated in B-class employment space (e.g. professional services, business services), 58% of the job growth overall is forecast in non-B use class sectors such as construction, hotels and restaurants, and retail.

**Figure 4.5 – Forecast change in employment 2015-31**

![Bar chart showing forecast change in employment 2015-31](image)

*NB – Showing sectors with net change greater than 50 jobs*

*Source: Oxford Economics (2014) EEFM*
Employment land and floorspace requirements

4.14 There is currently 94.21 ha of employment land within the District, of which the Causeway Industrial Area comprises approximately 43.6 ha. The Employment Evidence and Policy Update (2015) identifies potential target growth of 2,200 jobs in the period 2014-2029, which is beyond the ambitions of the Economic Prosperity Strategy of 2,000 jobs between 2013 and 2029. Most of this employment growth is expected in Maldon and Heybridge (1,140 jobs), followed by Burnham (200 jobs).

4.15 The Employment Evidence and Policy Update (2015) estimates the following potential floorspace and land requirement over the plan period to 2029, after taking into account of replacement, choice and an allowance for long term expansion of activities (buffer):

### Table: Net Additional Requirements for Maldon District 2014 – 2029

<table>
<thead>
<tr>
<th>Assumed use class</th>
<th>Indicative change in number of jobs 2015-31</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1a/B1b</td>
<td>800-850</td>
<td>41%</td>
</tr>
<tr>
<td>B1c/B2</td>
<td>(-300)-(-250)</td>
<td>-24%</td>
</tr>
<tr>
<td>B8</td>
<td>100</td>
<td>33%</td>
</tr>
<tr>
<td>A1</td>
<td>400</td>
<td>19%</td>
</tr>
<tr>
<td>Other non-B</td>
<td>1,300 – 1,400</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,300 – 2,500</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>


Note: figures rounded to nearest hundred and may not sum.

4.16 The highest proportion of future demand for commercial floor space in Maldon will be for Office (B1a) space as seen in the figure above. The industrial use classes will require 7.6 ha of net additional land, which assumes that 1 to 2 ha of land, released by declining employment in manufacturing, is re-used. If this land is not re-used for employment, then additional land will be required. Much of the additional and is required for the replacement of existing premises to provide more modern facilities for occupiers. This provides a net total potential demand for commercial floorspace of 11.1ha.

4.17 The Local Development Plan's Policy E1 identifies three new potential employment allocations, totalling 8.4ha, although the Employment Prosperity Strategy sets a target of 6 ha 2013-2029, in a context of releasing 14ha of poorly rated employment land.

4.18 With a target of 2,200 new additional jobs in Maldon District by 2029, there is an insufficient quantity and quality of currently available employment premises to enable and accommodate that growth26. Maldon and Heybridge are preferred locations and account for the highest proportion of job growth in the district (52%). However, accommodating this projected level of growth will depend on the availability and location of deliverable employment sites.

4.19 This could be achieved by encouraging employment-led regeneration in the Causeway area and other employment areas that are currently failing to meet their development potential. Allowing a mix of uses, including higher value uses, can help to cross-subsidise and increase the viability of employment sites and premises27.

4.20 There is a need to avoid the over-allocation of land, to maximise the potential for viable development on those sites which have been allocated. There must be a sufficient amount of allocated land to ensure choice and flexibility in the local market. However, if allocated sites cannot be developed by the market and show no prospects of future delivery, then de-allocation should be considered28.

Summary of Key Issues on the Local Economy

- High quality of life, attracting business owners and employees
- Diverse range of sectors, with around half of jobs likely to be accommodated in B-class workspace.
- Above average rates of business creation.
- Relatively high levels of entrepreneurialism and self-employment provides opportunities for sustainable future growth.
- Relatively low unemployment, however, less full-time jobs and more part-time jobs than regionally and nationally.
- An older population than the national age profile, with particularly low numbers of residents in the 16 to 35 age range.
- High levels of out-commuting and low incomes for those working within the District.
- There is a shift towards the high tech business sector, creating demand for more highly skilled workers. To provide local residents with access to good local jobs, the development of the economy must go hand in hand with development of workforce skills.
- Poor track record in attracting significant inward investment.
- Relatively poor telecoms and broadband infrastructure.
- Constrained transport infrastructure, however, local road infrastructure improvements likely to result from planned housing growth.

- Vulnerability to flooding, particularly in the Causeway, however, flood alleviation measures may open up new development opportunities.
- Maldon District Council’s Economic Prosperity Strategy 2013-2029 cites poor availability of high quality industrial premises as “the most pressing economic challenge facing the District”
- Historic decline in B-class employment with 58% of the job growth forecast in non-B use class sectors.
- Allocated employment and housing sites such as the South Maldon and North Heybridge Garden Suburbs provide for growth.
- Relatively high house prices contributes to labour shortages.
- The majority of the employment growth in the District is forecast to be in Maldon/Heybridge.
- There is insufficient quantity and quality of currently available employment land to cater for the predicted growth, however, viability is key for future employment-led regeneration.
5. Property Market

National and Regional Property Market Overview

5.1 The UK economy continued to grow throughout 2014, with acceleration in employment growth and historically low levels of unemployment since 2008. The inflation rate has moved well below the 2% target rate of the Bank of England, reflecting the record low fuel prices and food prices. There was no change to interest rates or monetary policy during 2014, although the next adjustment to official interest rates is expected to be upwards. All these economic factors have affected the UK property market favourably with London and the South East out-performing the rest of the UK and offices and industrials generally out-pacing non-London retail.

5.2 The expectations for 2015 are that the macro-economic conditions in the country will remain favourable, with base rates remaining unchanged until early 2016, and the combination of low oil prices and recovering incomes giving a boost to the UK consumer.

5.3 The national property markets are expected to deliver high returns in comparison to other asset classes. This will mean that domestic and international demand for prime and good secondary assets will be strong, though we expect to see more focus on supply and demand fundamentals in 2015, rather than just the potential for yield shift.

5.4 The continued strengthening of the economy and positive growth in employment are also a strong indicator of increased demand for floorspace. The occupier market is less buoyant than the investment market but there are some signs of emerging recovery. Occupiers are still generally cautious and cost sensitive but improving interest, reduced incentives and the lack of new development during the downturn is starting to lead to areas of tight supply across all commercial markets. There has also been some broadening of rental growth beyond London.

5.5 The low development activity reflects the borrowing difficulties for speculative builds and rising construction costs, which halts the level of new starts across most sectors. January 2015 saw the slowest rise in development activity for the last 20 months, with weak expansion in the private sector and a stagnation in the public sector. The sharpest expansion occurred in the industrial/warehouse sector as illustrated by the figure below.

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29 F&C REIT (2014) Market Review and Outlook
31 F&C REIT (2014) Market Review and Outlook
32 Savills (2015) UK Commercial Activities
5.6 The cycle may start to accelerate again given the expectations for rental growth but the development lag will benefit owners of existing property, particularly those with flexible space that meets the evolving requirements of the tenant base. The outer London market and the key regional cities are particularly favourable as development opportunities in 2015.

Office Market

5.7 The prime office sector in Central London will continue to be the strongest property market in 2015, but confidence and investor interest is now returning to prime regional markets; and secondary markets are expected to perform better than in recent years – mostly characterised by a lack of a good quality new supply. The strong market in central London is creating incentives for occupiers to break down traditional location boundaries and migrate to fringe office locations. Notwithstanding strong levels of activity, the occupational market has been overshadowed by the investment market where demand far outstrips supply and prices continue to harden. Developers are responding to the shortage of Grade A supply and confidence returning to the market with speculative space now under construction in the core markets outside London.

5.8 Although largely improving, the office market has been affected by significant technological changes, which have resulted in occupiers’ growing emphasis on operational effectiveness over status, as organisations had to drive down occupier costs throughout the downturn. Different work practices have been employed such as homeworking and hot desking in order to make an efficient use of existing floorspace and keep property costs down. Real estate costs are increasingly being compared on a per-workstation basis rather than per square foot, which can make efficient new build compare favourably to renewing existing leases.

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33 CBRE (2015) UK Property Market Outlook
34 Jones Lang LaSalle (2014) UK Office Market Outlook
Industrial Market

5.9 Strong UK manufacturing figures from ONS indicate that UK industrial output has grown at its quickest pace for three years. The Industrial and Logistics market has responded to the improving economic conditions and is now characterised by a substantial increase in take-up and rapidly falling supply levels. Whilst this has resulted in some speculative development in core markets, in most cases supply levels remain below long-term take-up averages.

5.10 At a nationwide level, take-up levels have been exceptionally high. Across the UK, the amount of space transacted has risen by 73% from 2013 levels and reached 3.5m sq. m in 2014. The Midlands have dominated the market activity in 2014, with over 1million sq. m of take-up and a 55% share of total UK take-up during the year; this was followed by the South East with 20% of the total take-up. There has been a rise in the number of large deals, particularly over 46,500 sq. m, which has increased the average size deal in the market to 23,000 sq m35.

5.11 The industrial market in the UK is characterised by constrained supply, especially in areas of highest occupier demand. Speculative development is not sufficient to deliver the required stock, with a mismatch in some regions between existing requirements and development pipeline. As a result 2015 is likely to continue the trend for occupier decisions to be driven by where supply is located, rather than their ideal location - but only if they are not prepared to wait for a bespoke unit. However, there is greater interest in building speculatively and a greater willingness by occupiers to commit during the construction phase36.

5.12 The occupational market has generally seen improvement in take-up especially in the distribution sector. Rental incentives are moving in and rents are edging higher in some parts of the market. The industrial market is not noted for strong rental growth but the sector is now recording new highs. Part of this is due to a cyclical upturn in demand from traditional occupiers such as builders’ merchants, but part is also due to the rapid growth in parcels, driven by online retail37. There is a disparity between prime and secondary assets with net income falling in the latter case.

Local Property Market

Essex Office Market

5.13 The office market across Essex saw a marked improvement in activity and confidence in 2014, resulting in no grade A office space being available and a gradual take-up of refurbished buildings through occupiers seeking good quality offices, particularly in Chelmsford. The largest single transaction was the 2,200 sq m letting to Europa at Dorset House, Chelmsford, although the majority of market activity was in smaller suites.

5.14 Availability of office space has reduced significantly since the end of 2013, with more than 62% of available stock in buildings of less than 1,000 sq m. The reduction in supply has been facilitated by the improved levels of activity but also the loss of a number of poorer quality office buildings to permitted development. Prime rents are just below their 2007 peak levels, having improved to £263 per sq m in the period to the end of Q3 2014. Chelmsford, which was recently awarded city status in 2012, has been seeing rents of £253 per sq m at Priory Place, whilst a rent of £270 per sq m is quoted for the new 2,400 sq m building in the city centre on part of the former Anglia Ruskin University site, due to be completed in early 201538.

5.15 Occupiers are prioritising modern, open plan accommodation. Across much of Essex however, there is a lack of high specification offices available to meet demand. With this in mind, it is likely

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35 CBRE (2014) UK Logistics H2 2014
36 F&C REIT (2014) Market Review and Outlook
37 Schroders Outlook (2015) UK Commercial Real Estate
38 Glenny (2015)
that developers will soon be taking the initiative again. The last speculative office development in Chelmsford was seven years ago, with the completion of Priory Place providing 4,200 sq m of grade A space.

5.16 Other local urban centres are also experiencing similar patterns of demand and supply. In Basildon, low quality space has proved difficult to let and is being offered at prices as low as £100 per sq m. Brentwood with its close proximity to the M25 has seen headline rents hit £215 per sq m. Billericay, away from the commercial centres, but in the middle of the triangle between Chelmsford, Basildon and Brentwood, offers competitive rent levels of £178 per sq m. This competitive rent has contributed towards a surge in demand in 2014, with 1,800 sq m being let across five buildings on Lake Meadows Business Park. Harlow has also seen an improving market with an increase in lettings reducing the large over supply of vacant space. The town has also seen its first sale of an office building for conversion to residential accommodation. Redstone House in the town centre, providing 1,300 sq m over three floors, is to be converted into 18 one bedroom apartments.39

**Figure 5.2 – Local office rental values**

<table>
<thead>
<tr>
<th>Location</th>
<th>Rent (pa, psm)</th>
<th>Capital Value (psm)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prime</td>
<td>Secondary</td>
</tr>
<tr>
<td>Basildon</td>
<td>£156</td>
<td>£92</td>
</tr>
<tr>
<td>Braintree</td>
<td>£156</td>
<td>£92</td>
</tr>
<tr>
<td>Chelmsford</td>
<td>£264</td>
<td>£183</td>
</tr>
<tr>
<td>Thurrock</td>
<td>£129</td>
<td>£92</td>
</tr>
<tr>
<td>The Causeway</td>
<td>£110</td>
<td>£75</td>
</tr>
</tbody>
</table>

Source: Glenny (2014)

**Essex Industrial Market**

5.17 Take up in the Essex industrial market has remained below the 10 year average for the region over the past two years. The largest deal in the six months to the end of September 2014 was the 5,800 sq m pre-sale of BAS 55 at Paycocke Road, Basildon.

5.18 The lack of larger transactions has been the main reason behind the slowing in market activity, with the supply of buildings above 10,000 sq m limited to four properties in the county. The most recent addition to this list being the 10,500 sq m unit at LaSalle Investment Management and Roxhill’s Basildon Gateway development, which completed in Q3 2014.

5.19 Demand has continued to gather momentum and now stands at 860,000 sq m, a record for the Essex market, surpassing the previous peak level of 690,000 sq m which was recorded in early 2014. The upturn in demand has been prompted by a significant increase in requirements for larger buildings, which accounts for 65% of the overall demand.

5.20 The improving market conditions have pushed prime rents to a new high of £92 per sq m, with rents having grown by 27.9% over the past four years. Secondary rents have also strengthened across most locations.

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Figure 5.3 – Regional industrial rental values

<table>
<thead>
<tr>
<th>Location</th>
<th>Rent (pa, psm)</th>
<th>Capital Value (psm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basildon</td>
<td>£83</td>
<td>£1,240</td>
</tr>
<tr>
<td>Braintree</td>
<td>£75</td>
<td>£1,185</td>
</tr>
<tr>
<td>Chelmsford</td>
<td>£86</td>
<td>£1,292</td>
</tr>
<tr>
<td>Thurrock</td>
<td>£92</td>
<td>£1,400</td>
</tr>
<tr>
<td>The Causeway</td>
<td>£48-£66</td>
<td>£540-£595</td>
</tr>
</tbody>
</table>

Source: Glenny (2014)

Maldon District & The Causeway

Office and Industrial Market

5.21 Maldon has a large employment area given the size of the town but has a far smaller property stock in comparison with larger commercial centres like Chelmsford and Braintree. The lack of development activity and the limited availability of good quality premises in the Causeway has resulted in a low vacancy rate for all non-domestic properties of circa 7.4%.40

5.22 The figure below shows that there is approx. 200,000 sq m of commercial and retail floorspace in the Causeway area. Currently the highest proportion of commercial floorspace (50%) is occupied by General industrial uses (B2), followed by Storage and Distribution uses (27%) and only a small proportion of B1 uses (14%).

Figure 5.4 – Non-domestic rateable properties in the Causeway

<table>
<thead>
<tr>
<th>Use type</th>
<th>Total floorspace (sq m)</th>
<th>% of Total Space</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office (B1a)</td>
<td>7,980</td>
<td>4%</td>
</tr>
<tr>
<td>Light industrial (B1c)</td>
<td>15,850</td>
<td>8%</td>
</tr>
<tr>
<td>General industrial (B2)</td>
<td>97,705</td>
<td>51%</td>
</tr>
<tr>
<td>Storage land (B8)</td>
<td>12,090</td>
<td>6%</td>
</tr>
<tr>
<td>Distribution (B8)</td>
<td>40,074</td>
<td>21%</td>
</tr>
<tr>
<td>Retail</td>
<td>17,388</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>191,088</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: VOA (2015)

5.1 This mix of uses, as shown in the figure below, and their related operations create ‘bad neighbour’ effects in the area through the impact of HGV traffic generation and potential contamination from manufacturing activities. The prevalence of B2 activities generates significant impacts such as 24 hour working, noise, smell and other forms of environmental pollution.

40 Maldon District Council (2014) Non-domestic Rates Data
The small local office market caters predominantly for small and medium size enterprises. Office take up in the Causeway area has been very limited to approximately 753 sq m since 2011 according to EGI data, or roughly 185 sq m per year. Current availability of office space is tight within all sizes, with only the following units available on the market:

### Figure 5.5 – Existing use plan

Source: VOA (2015)

### 5.2 Office Availability in the Causeway

<table>
<thead>
<tr>
<th>Address</th>
<th>Type</th>
<th>Grade</th>
<th>Unit</th>
<th>Size (sq m)</th>
<th>Rent (psm)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baltic House, Station Road, Maldon, CM9 4LQ</td>
<td>Office</td>
<td>Second-hand Grade B</td>
<td>Ground</td>
<td>54</td>
<td>£148</td>
<td>Rates c. £430 psm; S/C c. £16 psm Landlord’s legal costs covered by occupier.</td>
</tr>
<tr>
<td>Heybridge Business Centre, 110 The Causeway, Maldon, CM9 4ND</td>
<td>Serviced Office</td>
<td>Second-hand Grade B</td>
<td>Suite FF10</td>
<td>70</td>
<td>£269</td>
<td>Rent is inclusive of all occupancy charges</td>
</tr>
<tr>
<td>I C S House, Hall Road, Maldon, CM9 4NF</td>
<td>Office</td>
<td>Second-hand Grade B</td>
<td>Ground, 1st, 2nd, 3rd Floors</td>
<td>700</td>
<td>£108</td>
<td>Each floor is c. 163 sq m and can be split to smaller units</td>
</tr>
</tbody>
</table>

Source: EGI (2015)
5.3 Office rental values are between £75 and £110 per sq m per annum with highest demand for small serviced office suites, which achieve the highest rental figures. For instance, small office suite in the Heybridge Business Centre are let at £270 psm per annum on an all-inclusive basis and easy in and easy out arrangements.

**Figure 5.7 – Office rental values in the Causeway**

<table>
<thead>
<tr>
<th>Location</th>
<th>Rent (pa, psm)</th>
<th>Capital Value (psm)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Causeway</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prime</td>
<td>£110</td>
<td>£1,100</td>
</tr>
<tr>
<td>Secondary</td>
<td>£75</td>
<td></td>
</tr>
</tbody>
</table>

*Source: EGI (2015)*

5.4 Maldon’s office stock presents only a small percentage of the total commercial floor space in the area. The largest component of the business class stock is industrial floorspace. However, while Maldon’s industrial floorspace stock is much larger than its office stock, the number of employees in manufacturing are only marginally higher than those employed in Financial & Business Services. This implies some combination of under-occupied industrial premises, low density manufacturing employment or service type activities being carried out in industrial premises.

5.5 With a high concentration of manufacturing and distribution activities in the Causeway area, data from EGI shows that industrial take up averaged 11,700 sq m since 2011, or around 2,925 sq m per year. Industrial premises across all sub-sectors are leased at around £32 - £66 psm per annum. There is large differential in rental levels across the Causeway according to the size, specification, location, age and condition of the industrial premises offer.

5.6 The majority of the existing industrial stock in the Causeway is relatively low quality. This is constraining the ability of local businesses to grow as the availability of high quality premises are limited. At the same time the low rental values present little incentive for market-led and speculative development of new industrial properties. Landlords are still in a weak position having to give incentives with short term leases and break clauses.

5.7 The Blackwater Trading Estate is the largest single estate in the Causeway, where rents for the dated units tend to achieve c. £32-£35 psm pa, which is lower than the Essex average. Demand for smaller and flexible space solutions is much higher than larger spaces, with the Heybridge House Estate offering a range of small business and industrial units ranging from 140 to 370 sq m in size, where rents are at £59 psm pa with no voids.

**Figure 5.8 – Industrial values in the Causeway**

<table>
<thead>
<tr>
<th>Estates</th>
<th>Rent (pa, psm)</th>
<th>Capital Value (psm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Causeway</td>
<td>£32-£65</td>
<td>£520-£595</td>
</tr>
<tr>
<td>Blackwater Trading</td>
<td>£32-£35</td>
<td>n/a</td>
</tr>
<tr>
<td>Gilford Road</td>
<td>£37-£48</td>
<td>n/a</td>
</tr>
<tr>
<td>Heybridge House</td>
<td>£59</td>
<td>n/a</td>
</tr>
</tbody>
</table>

*Source: EGI (2015)*

5.8 Industrial availability is very limited, with only a few units on the market at present:

**Figure 5.9 – Industrial availability**

<table>
<thead>
<tr>
<th>Address</th>
<th>Unit size (sq m)</th>
<th>Use type</th>
<th>Grade of space</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Svt Building, Holloway Road, Maldon, CM9 4LY</td>
<td>120</td>
<td>Industrial (B1/2/8)</td>
<td>Second-hand Grade B</td>
</tr>
<tr>
<td>The Maltings, Hall Road, Maldon, CM9 4NJ</td>
<td>523</td>
<td>Industrial (B1/2/8)</td>
<td>Second-hand Grade B</td>
</tr>
<tr>
<td>I C S House, Hall Road, Maldon, CM9 4NF</td>
<td>580</td>
<td>Industrial (B1/2/8)</td>
<td>Second-hand Grade B</td>
</tr>
<tr>
<td>Galliford Road Industrial Estate, Maldon, CM9 4XD</td>
<td>594</td>
<td>Industrial (B2)</td>
<td>Second-hand Grade B</td>
</tr>
</tbody>
</table>
EGI recorded a limited number of sale/investment transactions over the last two years with sale/investment values of approximately £520 - £595 psm.

Retail Market

The importance of the local retail/wholesale sector is significant. Approximately 8% of businesses within the Maldon District are in the retail sector and these employ around 3,600 staff, equivalent to 15% of all jobs within the District (MDC, 2013).

Maldon Town Centre, the Causeway, Full bridge, Wycke Hill and Heybridge (Bentalls) are the major retail areas in and around, Maldon Town. They represent the most significant shopping areas in the District. Outside of Maldon and Heybridge, Burnham-on-Crouch is the main retail location and predominantly serves a local market. Although the Fullbridge and Causeway areas are not designated as retail areas in the Replacement Local Plan, the area is strategically important due to its location linking two of the District’s main town centres, Maldon town and Heybridge.

The retail make-up of Maldon District is weighted towards independent shops which are slightly more prevalent than the national average (MDC, 2012). The High Street in Maldon is generally performing well with a mix of independent and multi-national stores. Notably, the proportion of units occupied by national multiples is below the national average, reflecting the centre’s lower order shopping role. The retail vacancy rate is relatively low, compared to national average, but larger shops prove harder to let than smaller units.

Generally, A1 units are dispersed and front the main thoroughfare. There are mixed convenience and comparison uses, but the area is dominated by comparison types.

The Tesco Extra store at Fullbridge provides a major retail source for the District approximately 8,500m² of floorspace), providing both convenience and comparison retail. In addition, Aquila’s planning application for a mixed use hotel and retails scheme on the former Brooks Brothers site was approved in early 2015. The proposals include a foodstore of 2,166 sq m gross (1,394 sq m net sales area) and five non-food comparison retail units of 5,384 sq m gross (4,308 sq m net). The proposed foodstore is sought to be occupied by Waitrose, and the non-food retail units are proposed to be occupied by Next, Brantano and a range of unnamed occupants in the bulky and non-bulky goods sectors.

In terms of the identified convenience and comparison floorspace capacity in the District in the short to medium term, the Aquila proposals will take up a large proportion of this capacity. Additionally, a small proportion may be taken up by a Tesco Express on Wantz Road in Maldon.

The North Essex Retail Study identified a qualitative need for additional bulky goods retail warehousing in the District. At present, the District’s retail warehouse provision is limited to Focus DIY on the Wycke Hill Business Park, which appears to be trading strongly above expected company average sales densities and has planning permission to extend.

The two new urban extensions to Maldon and Heybridge area – North Heybridge Garden Suburban and the South Maldon Garden Suburb, are likely to have district centre facilities.

41 GVA Grimley (2010) Maldon District Retail Impact Assessment
42 White Young Green (2015) Retail Assessment
Other employment locations in the District

5.18 Apart from the regeneration of the Causeway area, there are proposals for the allocations of 8.4ha in three new employment sites within Maldon District, two of which are part of larger mixed-use developments.

5.19 The allocation of employment land at Wycke Hill is part of Maldon District’s Local Development Plans, which provides two new Garden Suburb Developments – North of Heybridge and South of Maldon. While the former is predominantly focused around residential development and the necessary physical and social infrastructure, the latter also includes provisions of c. 5ha of employment land for B1, B2 and B8 uses. These new allocations of employment land offer an excellent opportunity to improve the supply of easily developable green field sites offering better access to the strategic transport routes than the Causeway.

5.20 Outside the Causeway, the next largest employment centres are located at Burnham on Crouch, Beckingham Business Park and Latchingdon.

5.21 Burnham Business Park is a modern development of industrial/warehouse units many of which were built for owner-occupation. Springfield Industrial Estate is a much older employment area dating back to the 1970’s. The buildings are held on a long lease from Maldon District Council and are showing signs of a lack of investment possibly due to the lower value of the leasehold interest. There is a significant difference in rental values between the two areas: £54 per sq m pa as compared to £37 per sq m pa for similar sized units. The Mildmay Estate adjoins the station and offers potential for a higher quality of development including business space units.

5.22 Beckingham Business Park has evolved out a single occupier site to become a significant local employment centre. The estate is made up of older low specification warehouses with ancillary offices which due to the direct access from the A12 at Rivenhall and cheaper rents are attractive to low cost warehouse/distribution occupiers and modern purpose built owner occupier buildings that were attracted by the availability of low cost industrial sites within a reasonable distance of the A12 trunk road. Rents vary from £32 to £51 per sq m pa and are thus not dissimilar to rent levels in Maldon but with less traffic constraints.

5.23 There have also been a number of recent developments on Burnham Road at Latchingdon, which is well located for access to the A32 and offers a range of local facilities for staff. The industrial areas are located some distance from those facilities, which is not ideal, but the lack of alternative accommodation has resulted in high occupancy levels. Mapledean Works is the largest of the most recent developments and comprises 6 small industrial units completed in two phases totalling 1,200 sq m. Rents range from £70 to £75 per sq m per annum which is significantly less than might be achieved for similar sized units in Chelmsford or Maldon.

Figure 5.10 – Industrial values in Maldon District

<table>
<thead>
<tr>
<th>Location</th>
<th>Rent (pa, psm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Causeway</td>
<td>£32-£65</td>
</tr>
<tr>
<td>Burnham-on-Crouch</td>
<td>£37-£54</td>
</tr>
<tr>
<td>Beckingham Business park</td>
<td>£37-£51</td>
</tr>
<tr>
<td>Mapledean Works, Latchingdon</td>
<td>£70 - £75</td>
</tr>
</tbody>
</table>

Source: EGI (2015)

Residential and Live Work Uses

5.24 The LDP has already allocated sites for housing through LDP Policy S2 and any additional residential development should be considered accordingly. There is generally a positive market sentiment and good levels of interest from house builders and residential developers. The two new garden suburbs in South Maldon and North Heybridge will deliver 2,830 new homes as per the principles outlined in policy S4 of the LDP.

5.25 The Causeway Area is largely allocated for employment uses and not housing. Environmental constraints such as the flood risk as well as health and safety risks also present challenges to residential development in the area. However, higher residential values relative to the commercial uses create opportunities for residential developers. Most of the recent applications in the Causeway Area contain a residential element. A new residential-led scheme at Sadds Wharf has been approved with a proposed 93 dwelling (1-, 2-, 3- bed apartments and townhouses) and a small commercial element.

5.26 The Causeway area is predominantly designated as employment land and there is a limited availability of housing in the area. Residential values for different types of dwellings are summarised in Figure 22, whereas Figure 23 compares the capital values of different property types.

Figure 5.11 – Residential Values

<table>
<thead>
<tr>
<th>Property type</th>
<th>Avg. current value</th>
<th>Avg. £ per sq ft</th>
<th>Avg. # beds</th>
<th>Avg. £ paid (last 12m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detached</td>
<td>£410,687</td>
<td>£272</td>
<td>3.9</td>
<td>£358,850</td>
</tr>
<tr>
<td>Semi-detached</td>
<td>£242,444</td>
<td>£258</td>
<td>3.0</td>
<td>£232,729</td>
</tr>
<tr>
<td>Terraced</td>
<td>£204,568</td>
<td>£273</td>
<td>2.6</td>
<td>£189,282</td>
</tr>
<tr>
<td>Flats</td>
<td>£170,155</td>
<td>£253</td>
<td>1.8</td>
<td>£152,692</td>
</tr>
</tbody>
</table>

Source: Zoopla, April 2015

5.27 Live/work is a property use that is designed from the outset for two purposes – living and working. Designated live/work properties are seen as a hybrid of residential and commercial property – a ‘sui generis’ use, according to government planning circular 03/2005. Designated live/work units will often carry conditions of use, which bar a wholly residential use of the whole property.

5.28 The National Planning Policy Framework (2012) encourages sustainable development and suggests Local Authorities should facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.

5.29 The market has not matured and there are very few examples of designated live/work property (which require work use in perpetuity) being built in the UK. Developers have been deterred by the extra costs involved and the smaller market of those who can buy such units. There are also issues surrounding raising finance through mortgages, planning controls and taxation through business rates and Council Tax for which there is little established best practice.

5.30 Live/work is therefore – at the current stage of the UK market’s development – a more viable option on low cost land, especially employment, brownfield and exception sites. In these areas, live/work clusters may well deliver more jobs than traditional employment uses (due to the decline and/or greater automation in the industrial and manufacturing sector), and contribute far more to the vitality of an area.

5.31 Demand and values for live/work units in the local area are difficult to estimate due to the lack of comparables. Most of live/work properties are usually delivered with a mix of private and public funding, which shows a clear gap in the viability of these units. Successful schemes have typically
involved the conversion of character warehouse buildings in desirable locations, designed specifically to target creative/digital occupiers. Such units are usually provided as part of a much larger residential scheme due to the practical and viability issues described above.

Case Study: Greenwich Millennium Village (Greenwich Peninsula, London)

Stage: Live/work completed summer 2003

Scale: 14 live/work units with two bed units of 1,220 sq ft and three bed units at 1,368 sq ft and 1,559 sq ft. Space division to two-thirds live, one-third work. Each unit is housed in a three storey building with work space, including kitchen area and bathroom on the ground floor.

Planning consent: securing planning permission was eased by the development being part of the Millennium Village - the first of a series of flagship communities designed to demonstrate sustainable development.

Funding: the development of the village was privately funded but English Partnerships paid for the regeneration of the peninsula site.

Target market: professionals e.g. designers, architects, non-intensive industries

Viability: all 14 units sold, each have fetched £305,000

Employment impact: expectations for 14-28 jobs from the site (one to two per unit).

Consultation with landowners/investors

5.32 BBP Regeneration held a number of meetings and telephone consultations with a number of developers and investors active in the Causeway and Maldon. A list of those consulted as attached as Annex A. A summary of the feedback received is that:

- There is potential for business centre in existing building/new build for 10-15 small flexible use units (Invest Essex management model).
- There is demand for grow-on space for 100-200 sq m in flexible (B1) business units.
- New B use class employment development is not generally financially viable – values are not sufficiently high enough to cover costs/developer profits.
- To encourage new development this viability issue would need to be reflected in policy allowing for cross subsidy between higher value uses (residential/retail) and employment uses.
- Traffic congestion is becoming a problem particularly at Fullbridge.
- The area has run down feel to it which is not consistent with a modern business park - improved frontages to the Causeway and quality development on the prominent gateway sites is needed.
- Improvements to the environment including landscaping and signage will be needed to make this an attractive place to work.
- Regeneration of key sites along the river and navigation presents an opportunity, but mixed use development will be needed for this to be financially viable.
• South Maldon Garden Suburb will offer good quality employment land, on easily developable green field sites. The location with easier access to the A12 will suit some companies better than the Causeway.
• The risk of flooding is deterring investment in certain capital intensive activities
• There is some interest in potential for additional support e.g. through a Business Improvement District or Enterprise Area designation.

5.33 As part of the Maldon and Heybridge Central Area Intermediate Study, Allies and Morrison held a vision workshop was in March 2014 at Maldon Town Council Offices with a total of 40 attendees, including members of the business community, local Councillors, council officers and other local stakeholders. The main comments that came out of the workshop are summarised below:
• Retain and strengthen industrial and employment uses.
• Locate a new employment training centre in the core employment area.
• Consider more mixed-use development in Heybridge and Fullbridge areas.
• Improve the “heart of Heybridge”.
• Improve the river and canal corridor.
• Improve cycle links.
• Encourage new developments to have public access along the waterfront.
• Provide a new hotel in the Fullbridge area.
• Acknowledge the implications of flood zones.

5.34 The stakeholder consultation messages we had from various landowners on the quality of the physical environment and need for a mix of uses to create a more vibrant place is supported by the findings in the Intermediate Study. While landlords support the retention of the Causeway as for industrial and employment uses, any upgrade to the existing stock will be complicated by viability issues. The risk of flooding is noted by both by both studies’ consultation as an important issue.

5.35 The Intermediate Study recommends the need for a new employment training centre in the Causeway, while our discussions with stakeholders suggest that there is little demand for such a facility as most local companies tend to provide training to their staff in-house. The need for a business support facility such as an incubator or enterprise centre has, however, been supported by various stakeholders consulted.

Summary of Key Issues on the Property Market
• The Causeway is the largest employment area in Maldon District.
• The highest proportion of space is occupied by B2 uses, the demand and take-up of which are likely to decrease in the future.
• There is a very tight supply of good quality industrial units.
• The office market is very small with limited availability.
• There are no small workspace units available on flexible ‘easy in/easy out’ terms.
• The property stock is generally poor, aging and unfit for purpose.
• The commercial rental values are competitively lower compared to neighbouring locations.
• There are limited options for expansion of existing tenants.
• There is demand from owner occupiers.
• The low rental and capital values have resulted in a lack of speculative development with supply lagging behind demand.
• There are no sites for heavy industry/‘bad neighbour’ activities.
• A high proportion of the property stock is taken-up by a small number of large occupiers, creating vulnerability.
• Inward investment discouraged by relatively poor accessibility.
• Viability is marginal; ‘enabling development’ element needed to unlock sites.
• Live/work properties could potentially contribute to employment growth in an area, however, demand for such units is limited, which affects the viability and deliverability of a potential scheme.
• New employment land has been allocated in the South Maldon Garden Suburb and 5ha of good quality commercial space will be delivered in the short to medium term.
• There is no evident clustering or agglomeration benefits in the area.
• The retail/wholesale sector is important for the local economy.
• There is demand from large format convenience and comparison retailers in the area.
6. Strategic Objectives

6.1 Following the analysis in the above sections and the discussions held with landowners, BBP Regeneration has identified five key strategic objectives against which the Council can assess interventions relating to the Causeway.

**Strategic Objective 1:** Taking steps to retain the larger employers – with a few large companies, occupying a substantial amount of the total floorspace in the Causeway, it should be a priority for the Council to help embed these businesses in the local area working with them to address issues and remove barriers to growth.

**Strategic Objective 2:** Supporting initiatives to encourage start-ups and micro businesses – with a micro businesses dominated local economy and high proportion of self-employment in the area, the Council needs to support the establishment, running and growth of start-ups and small firms.

**Strategic Objective 3:** Improving the quality of the business premises offer through a range of planning, economic development initiatives and physical interventions, reflecting trends towards high value employment activities in B1a//B1b/B1c uses.

**Strategic Objective 4:** Improved physical environment – a better quality environment will be needed to retain and attract growing businesses.

**Strategic Objective 5:** Maximising the economic potential of key sites – the Council should encourage the regeneration of key sites.
7. Proposals

7.1 Based on the analysis in the preceding sections we have identified a range of initiatives and projects which we consider will help improve the future prospects for the Causeway. In the last section these have each been written up as Project Plans describing the nature of the recommended intervention in each case. The list of initiatives/projects is:

- Place making Strategy
- Key Development Sites
- Environmental Improvements
- Flooding Risk
- Enterprise Centre and Grow-on space
- Special Incentives i.e. Business Improvement District, Enterprise Area

Placemaking Strategy

7.2 The general principles which are proposed to guide future development are:

- Retain, enhance and reinforce the employment designation in the central area of the Causeway. The periphery of the central area bounded by natural features: Heybridge Creek, River Chelmer, Chelmer & Blackwater Navigation could accommodate some mixed use development to intensify employment uses and provide a greater mix of unit sizes to facilitate a more diverse range of businesses.
- Allow a variety of uses in the southern area, encouraging a mix of employment generating uses at key waterfront locations to create pedestrian and cycling connections, open space and public realm improvements at the water’s edge.
- Allow a mix of employment generating uses in Heybridge, improving the quality and strengthening the character of this area, with a focus on employment generating mixed uses along the Chelmer & Blackwater Navigation and leisure, community and retail uses focused in the existing local centre.

7.3 There are a number of important opportunity areas, where there is pressure for change in the short term to intensify employment uses and upgrade premises. These principles, however, apply to the entire Causeway Regeneration Area. In order to provide a clear framework for the Maldon and Heybridge Central Area, the Council will prepare a Masterplan including the Causeway.
There are a number of important opportunity areas, where there is pressure for change in the short term to intensify employment uses and upgrade premises. The types of employment activity taking place in the Causeway have been changing and will continue to do so. Over time there has been a trend to more highly skilled and capital intensive activities. More knowledge-based businesses require higher quality space, which is more densely occupied. This means that potentially more jobs can be accommodated in a reduced area.

There has not been any speculative development in the Causeway Regeneration Area in recent years and a high proportion of the existing property stock is aging and unfit for purpose. As a result, there are a number of sites in the area, which are likely to come forward for redevelopment in the short-term. Due to the viability issues described in previous sections, the Council is likely to be faced with non-policy compliant planning applications and strong lobbying from developers and landowners to include ‘enabling development’ in their proposed schemes.

Planning policy will be the main instrument to manage change, however there are a number of important development sites which are likely to come forward in the short term and require particular attention:

**Leigh Industrial Estate**

The site, located within the central industrial area of Maldon, has a key development potential to visually enhance the Causeway Regeneration Area. The total site area measures c. 1.25 ha and currently accommodates industrial, warehouse, office and trade retail uses.
Access to this site is constrained at present – there is only one way single access road off The Causeway and the estate entrance adjacent to a residential property. The property stock is regarded as dated and becoming unfit for purpose. One of the estate’s unit has been vacant and on the market for c. 18 months following the relocation of Travis Perkins.

There is a key opportunity to create a high quality employment-led development in this prime gateway location. Development has to consider level changes between Heybridge Approach and site levels. Water edge provides opportunity for employment generating mixed use development with active ground floor uses animating the canal edge and for managed workspace and work/live typologies and to open up a special environment to improve pedestrian links and public realm.

The landowners have submitted a pre-planning proposal for a residential-led scheme (150 units) and a relatively small commercial element (2,000 sq m).

**Fullbridge/Station Road Corner Site (South)**

This site is located within the central industrial area of Maldon and offers a key opportunity to create high quality employment-led development in this prime gateway location. A mixed use scheme incorporating employment and retail may be suitable for this site, including an ‘Enterprise Centre’.

The site measures approx. 0.79 ha and currently accommodates general Industrial, office & trade retail permissible uses. The access to the site is constrained being right off a busy roundabout.

At present there is interest in this site from a large convenience store, who had submitted a planning application, consecutively refused on design grounds. Further discussions are now under way with the Local Planning Authority for a re-worked retail scheme.

**Fullbridge/Station Road Corner Site (North)**

The site is located within the central industrial area of Maldon and is a key opportunity to create high quality employment-led development, including an ‘Enterprise Centre’ in this prime gateway location.

The site measures approx. 0.32 ha and accommodates an office building and storage land. There are access constrained with the site being right off a busy roundabout.

The property is owned by the existing occupier and units are occasionally being rented in the existing building as well as the adjacent storage/industrial land. No discussions have been had directly with the landowner to date.

**Wyndenham Heron Site**

The site located within the central area of Heybridge and offers a key opportunity to create high quality employment-led mixed use development in a prime gateway location with views of the Blackwater Navigation canal.

The site measures approx. 3.19 ha and accommodates industrial and warehouse uses. Access to the site is shared with the adjacent retail outlets, restricted turning facilities within the site.

The building is let to Wyndenham Heron with seven years remaining on the lease. The building has been formally occupied by Heron’s printing plan, however, due to the aging equipment and consolidation opportunities, the plant has now ceased operating. While the machinery is still on site, the sheer size of the building (approx. 17,800 sq m) will prove difficult to re-let to another B2 use class business.

The landowners have submitted a pre-planning proposal to the Council, the details of which are confidential at present.
Environmental Improvements

7.21 Heavy traffic, including HGVs creates a poor environmental quality along the main spine of the Causeway. There is an opportunity for improvements such as avenue tree planting, landscaping the roundabouts and incorporation of cycle lanes.

7.22 The key gateway points into the area are poorly defined and lack a sense of arrival. High quality development in the prominent locations and environmental improvements will help to create a distinct identity for the area. It should be noted that Heybridge is of a different character which needs to be considered and enhanced.

Figure 8.6 – Environmental Improvements

Source: Tibbalds (2015)
The river Chelmer and Chelmer & Blackwater Navigation offer opportunities to create high quality riverside development and new and improved pedestrian / cycle routes. In particular the North Quay of the River Chelmer provides a prominent opportunity close to the town centre for cycle/pedestrian connections and a new river crossing.

Source: Tibbalds (2015)
Flooding Issues

Parts of the Causeway and Heybridge are currently vulnerable to flooding. As demonstrated on the Environmental Agency map below the whole of the study area is located in Flood Zone 3 with some areas benefiting from existing flood defences.

- The flood risk deters capital investment
- A strategic approach (as opposed to a site by site/building by building approach) to address flood risk to protect employment sites should be considered by the Council.
**Case Study: Waldringfield (Suffolk)**

Waldringfield was affected by a tidal surge in December 2013, which overtopped the defences and flooded the community and local businesses. Working in partnership with the Environment Agency, the Waldringfield Flood Defence Group had recently completed a flood defence scheme of sheet piling, concrete walls and flood defence gates to provide flood protection for businesses and on the River Deben Estuary.

![Flood defences in the Causeway](source)

**Source:** Environmental Agency

### Enterprise Area

7.24 Nationally, the government has created 24 Enterprise Zones where business rates discounts are available and a simplified planning process is established through a Local Development Order. Support is also provided for superfast broadband and in certain areas capital allowances are
available for investment in plant and machinery. The growth in business rates in these areas is available to the Local Enterprise Partnership to reinvest in economic growth.

7.25 The generation of Enterprise Zones is about allowing areas with real potential to create the new business and jobs that they need, with positive benefits across the wider economic area. The core offer is around simplified planning and business rates discounts in Enterprise Zones areas, with the capability to develop innovative roles to address specific local economic challenges.

7.26 In Kent, Discovery Park at Sandwich is the designated Enterprise Zone and has been very successful in attracting and growing businesses in the pharmaceutical and bio technology sectors following substantial scaling back of Pfizer’s R&D activities there. In Essex, Enterprise West Essex at Harlow focuses on sectors such as Advanced Manufacturing/Engineering, Aerospace, Creative Industries, Pharmaceuticals & Healthcare. In Norfolk, Great Yarmouth and Lowestoft Sector focus: Business Services, Construction incl. built environment, Energy, Retail & Logistics.

7.27 There are no plans to create further nationally backed Enterprise Zones, but there is potential to replicate some of their features targeting specific sectors, categories of business or spatial areas e.g. in the form of a locally designated Enterprise Area, which might be set up in order to stimulate investment and job creation.

7.28 The Localism Act 2011 allows authorities to grant discretionary relief in any circumstances where it feels fit having regards to the effect on the Council Tax payers of its area. Target business rate relief can be offered based on geographical and sector criteria.

**Case Study: Shepway District Council**

In April 2013, the Council updated its Discretionary Rate Relief policy to enable rate relief of £250,000. The scheme went live in May 2013 and in the period up to the submission deadline on 30 August 2014, a total of 15 businesses were supported creating over 70-plus new jobs. The funding has now been fully committed and there is an opportunity to extend a scheme. An extension has been proposed to deliver the Economic Development Strategy via locally designated enterprise areas and it will complement other economic development initiatives adopted by the Council.

"We want to direct this at successful businesses and it is part of our commitment to support the local economy. To qualify for the relief, businesses must either operate in a business sector that has moderate or high growth potential or operate key sectors in the district."

Cllr Alan Clifton-Holt, Cabinet Member for Economic Development

**Business Improvement District**

7.29 A Business Improvement District (BID) is a partnership between a local authority and local businesses which is intended to provide improvements to the public sphere within a specified geographical area. In the UK, BIDs are funded in whole or in part by a levy, which is added to the non-domestic rate liability of businesses in the given area and collected through the business rates administration system.

7.30 The benefits of BIDs cited by businesses are wide-ranging and include:

- Businesses decide and direct what they want for the area;
- Business are represented and have a voice in issues effecting the area;
- BID levy money is ring fenced for use only in the BID area
- Increased footfall;
- Increased staff retention;
- Business cost reduction (shrinkage, crime, joint procurement);

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46 House of Commons Library, Business Improvement Districts, Updated August 2014

BBP Regeneration 46 Causeway Industrial Area
- Area promotion;
- Facilitated networking opportunities with neighbouring businesses;
- Assistance in dealings with the Council, Police and other public bodies.

7.31 The levy is compulsory for the extent of the BID area, although 78% of all BIDs have set a minimum threshold for inclusion. The threshold particularly prevents net loss after collection costs. There is no maximum limit to the levy rate but 71% of the BIDs collect 2% or less. Average annual levy income per BID is £401,918. The smallest is £22,000 and largest is £2,800,000.

7.32 There are currently 189 BIDs existing in the UK, the majority of which are in town centres/high streets and 28 BIDs are currently operating in Commercial/Industrial areas. Successful BID ballots have taken place in predominantly retail or office areas that are not too run-down, where businesses can afford a small extra outgoing to make improvements to their area. When reliant on the levy income from occupiers, it is highly likely that areas of severe decline and high levels of vacancy will not be good candidates for a BID given the marginal nature of the businesses operating there. BIDs will also rely on a certain amount of up-front funding to get them off the ground initially, whether this is from business or property owners, the local authority or public funding from another source.47

7.33 Common examples of BID initiatives are:
- basic area improvements;
- extra safety and security;
- cleansing and environmental measures;
- improved promotion of the area;
- improved events;
- business support services;
- community engagement and CSR;
- regeneration;
- business savings through joint procurement and shared local supply chains;
- building local business networks;
- giving businesses a stronger voice within their local council.

7.34 The local authority may well be involved from the earliest stages, with an officer from regeneration or economic development sitting on the steering group, and there are benefits to this. As well as being a source of support and funding and a statutory consultee for consultation, the local authority is a key partner at several specific stages in developing the BID:
- Arranging and paying for the ballot
- Collecting the levy
- Providing many of the services in the baseline agreement
- Ensuring the BID proposal is aligned with local authority policies and that officers are aware of the level of support expected from them

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47 Local Authority Guide to BIDs,
Case Study: Witham Industrial Watch Ltd

The BID area include Freebournes Road, Crittall Road, Eastways, Colemans Bridge, Swanvale and Atlantic Square and charges 1% of business rates. The 300 businesses on these estates provide employment to thousands of people and it is one of the roles of WIW to ensure the area is safer and cleaner for staff, employers, customers and businesses seeking new premises.

The success of Witham Industrial Watch is due to the determination of a small group of local business people supported by the businesses on the estates, Essex Police and the local councils; without their efforts we would not have the funding raised by the BID to employ an estate manager, salt/grit the roads in snowy weather, install Automatic Number Plate Recognition ANPR cameras and improved signage and CCTV.

Witham is a great location for businesses with excellent road and rail links to London, Felixstowe, Stansted and the M25. The thriving industrial estates next to the A12 produce a huge range of products (from car components to labels) and provide a choice of services (sandwiches to fitness).

In 2014 businesses on the estates voted overwhelmingly (91.5%) in favour of another five year BID term, from 2014-2019, operated by Witham Industrial Watch.

7.35 BIDs are funded by ratepayers with the specified area of the BID. The BID is managed by businesses and operates solely to deliver projects that are chosen by the local businesses it represents, these projects are additional to the baseline services provided by the local authority and public agencies.

7.36 The improvement projects enabled by BID funding would not otherwise be undertaken due to lack of drive, organisation or Council funding:

- Stronger business community engagement and local networks/clusters
- Business savings through joint procurement and shared local supply chains;
- Better management of the specified area
- Improved signage and branding
- Improved appearance and environment
- Crime prevention
- Litter management
- Addressing traffic management and parking issues
- Promotion of the area and better perceptions
- Improving the relationship between the private and public sector and giving businesses a stronger voice within their local council.
- Additional projects, which the local business community deems important

7.37 Based on a typical levy rate of 1.5% of Rateable Value, the Causeway Industrial Area would currently generate a levy income of no more than £145,000 per annum. Depending on the number of businesses benefiting from reliefs and exemptions, this may not result in a meaningful short term fund after deducting overheads for collection, governance and management. However, given the relatively low cost of some of the activities/projects outlined above, and the potential for higher value development and activities within the area, this ongoing fund may prove valuable in the medium to long term. The creation of a BID may also provide a useful governance and management platform for the channelling of other funds and/or delivery of other initiatives.
Enterprise Centre

7.38 There are several larger employers in the Causeway area, including long established local businesses operating in the manufacturing, wholesale and transport and freight sectors. However, the local economy is characterised by the prevalence of small and medium enterprises. 89.6% of companies in the Maldon District are micro businesses with up to 10 employees, the majority of which employ 4 members of staff or fewer. There is also a relatively high proportion of self-employment - 4.2% of jobs, compared to 3.7% across Essex.

7.39 With the majority of businesses in Maldon District employing less than 10 people, a diverse range of start-up and micro-businesses will form a key part of Maldon District’s economic future. It is, thus, important that suitable cost effective premises are provided to enable new business start-ups to become established and early stage businesses to grow. Providing facilities on easy-in/easy-out terms will encourage their growth and can offer a focus for Business to Business activities, training and skills development.

7.40 Such a scheme will provide the right environment for business creation and growth, especially if the Council, together with partners, can promote and facilitate a range of other ‘soft’ measures such as upskilling the local workforce; enhanced business support and advice; strategic marketing etc.

7.41 The inward investment and business growth agency Invest Essex is already running three Enterprise Centres in Essex, which offer a stimulating and supportive managed working environment for individuals and small businesses. The centres operate on ‘easy in, easy out’ terms with the flexibility to expand or reduce in size without changing location. Business occupiers benefit from the help and support of the centre’s business manager, links to wider services and the centre’s community of businesses.

Figure 8.9 – Invest Essex and Colbea Enterprise Centres

Source: Invest Essex, Colbea
Case Study: The Basildon Enterprise Centre

The centre is located on the Burnt Mills Industrial Estate, part of the A127 Enterprise Corridor and Basildon's industrial heart. The Centre is a short distance from the Basildon / Wickford A127 junction and offers 34 workspace/units ranging in size from 144 to 392 sq ft (12.5 to 36.5 sq m) with 24 hour access.

This "start-up centre" not only offer the facilities you will need during your start up, they also go out of their way to offer help, advice and support including arranging external experts to attend the centre for workshops, clinics etc.

Cost effective meeting and training room facilities can be hired for half or full day as required. The room can accommodate various seating arrangements. Refreshments are available from our on-site vending machine and external caterers.

The all-inclusive fee includes, rent, business rates, electricity and heating, available on an Easy-in/out license with no long term commitments.

7.42 In addition to providing space for new companies, special efforts need to be made to provide a ladder of accommodation for local businesses, including flexible premises as well as grow-on space. If the supply of premises does not meet demand, companies will relocate to other areas, where such accommodation is readily available.
8. Consultation with the Local Business Community

8.1 BBP Regeneration held a Consultation event for “An Action Plan to Improve the Causeway Regeneration Area”. The event was held on 16th March 2015 at the Combined Military Museum, Station Road, CM9 4QL from 8am to 2pm. Invitations were issued to occupiers, landowners and investors in the Causeway. The event was publicised in advance through the local press.

8.2 There were 25 attendees, amongst which were local occupiers, landowners, developers and other stakeholders, interested in the future of the Causeway, as well as Council members. A list of attendees is attached as Annex A.

8.3 The following boards were presented to the attendees:
- Placemaking strategy, including a proposed land use plan
- Key development sites, including visions for the Leigh Industrial Estate, the two sites at the Fullbridge/Station Road roundabout and the Wyndenham Heron site
- Environmental improvements
- Flooding risk
- Enterprise centre and grow-on space
- Other incentives, including Business Improvement District and Enterprise Area designations

8.4 Attendees were encouraged to leave stickers to Agree/Disagree/No Opinion as well as general comments on the above boards. Details about the information on the display board can be found in the previous section. The feedback from the event is summarised below:

Do you agree with the Land Use proposals?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Further comments:
- Residential among employment area creates conflict in the future – impact on jobs etc
- Needs enabling development to ensure viability
- Current policy stifles development
- Scope for a buffer between residential development on Sadds Wharf and Blackwater Trading Estate – mixed use
- Need residential to make things work
- Heybridge should be an electronics hub
- Servowatch change of use in Tollesbury preventing further investment in Heybridge
- Support use of river/ canal frontages – allow residential
- NO OPINION – not against the proposal but concerned with the issues of infrastructure (roads) and flooding
- More residential could prevent heavy industry – smelly/noisy businesses – i.e. recycling plant

Do you agree with this vision for the Leigh Industrial Estate?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td></td>
<td></td>
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</tbody>
</table>

Further comments:
- Agree but needs to be viable
- Existing B8 building heights too low for current use – no future interest in the current stock
- Supporting opening water frontages
- Infrastructure/ traffic?

Do you agree with this vision for the Fullbridge/Station Rd corner site (South)?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2</td>
</tr>
</tbody>
</table>

Further comments:

- Retail requires parking to the front of the unit not at the rear
- Surrounding owners/ buildings could benefit from a new scheme but attention to design as it will open viewing corridors to neighbouring properties

Do you agree with this vision for the Fullbridge/Station Rd corner site (North)?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
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</tbody>
</table>

Further comments: none

Do you agree with this vision for the Wyndeham Heron site?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
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<tr>
<td>1</td>
<td></td>
<td></td>
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</table>

Further comments:

- Positive active frontage over the canal
- Integrate Bentalls Shopping Centre to the canal footpath
- The Street Industrial Estate is a barrier to water frontage
- Could be of interest to larger occupiers expanding in the future

Do you agree with the statements on the proposed environmental improvements?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td></td>
<td></td>
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</tbody>
</table>

Further comments:

- Area needs lifting up
- Conflicting uses on the Causeway
- Businesses can benefit from a wider main road

Do you agree that there should be a comprehensive review with a view to identify/ investigate options for a strategic approach to flood defence?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td></td>
<td></td>
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</tbody>
</table>

Further comments: none

Do you agree that there is a need for an ‘Enterprise Centre’ and for ‘grow on’ flexible business space?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td></td>
<td></td>
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</tbody>
</table>

Further comments:

- Small businesses, local people
• Don’t forget the existing businesses (not shiny …)
• Joint venture could deliver an enterprise centre as a ‘quick win’

Do you think that there is a need for further measures such as skills/training programmes or business support?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td></td>
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</table>

Further comments:

• Companies tend to train own staff

Do you think local businesses will benefit from a BID scheme?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
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</tbody>
</table>

Further comments:

• BID scratching the surface
• Crime and Safety less of an issue – making the area more attractive is important

Are you in favour of creating an Enterprise Area?

<table>
<thead>
<tr>
<th>Agree</th>
<th>No opinion</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td></td>
<td></td>
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</tbody>
</table>

Further comments:

• Most businesses need support/subsidy with business rates
• Not lose out on character through simplified planning

Other general comments:

• Use the Museum as an asset – currently some parking issues and need for extension
• Take a flexible/ realistic approach
• Accessibility – issue
• Reducing business rates can help businesses to grow
• Road improvements and heavy traffic
9. Proposed Interventions

9.1 This section sets out a range a proposed interventions developed as a result of the proposals in the previous section. The suggested interventions below are presented as project plans and each includes details on:

- Project Description
- Strategic Fit
- Evidence for Demand/Need
- Potential Premises/Sites
- Project Costs
- Project funding
- Next Steps
**Project description**

Focus on business friendly initiatives and activities in order to achieve long-term economic development targets:

i. Business retention – building a strong relationship between public and private sector to understand the needs of the local business

ii. Establish a representative forum/network of businesses

iii. Support to start up and micro businesses

iv. Discretionary business rates relief – to stimulate growth opportunities and increase investment and growth

v. Commercial premises improvement grants with matched Council funding

vi. Lobbying for Transport and Infrastructure improvements

vii. Branding/Promoting the Causeway – establishing a name (e.g. “The Causeway Enterprise Area”); improving the signage/way marking

viii. When good progress has been made with the above promote a Business Improvement District (BID)

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**Case Study: Herefordshire Council**

The Redundant Building Grant scheme supports existing and start-up businesses in converting or refurbishing redundant buildings. Grants of up to £100,000, or 45 per cent of eligible project costs are awarded to provide facilities for Manufacturing, Crafts or Service businesses, Office premises. Applicants can be either owner-occupiers or tenants with a fixed term lease of min 4 years left on the lease.

---

**Strategic Fit**

This proposal is strongly supported by a range of policies, strategies and initiatives and is closely aligned with the strategic objectives set out in this report.

---

**Evidence for need/demand**

- Need to improve the relationship between the Council and the local business community
- Potential to create clusters of business activities and improve supply chains
- Reliance on a small number of large occupiers is a threat to the local economy
- Start up and micro businesses represent are key for the future of the local economy
- The Causeway lacks a place making character and the existing stock is aging and becoming unfit for purpose

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** Costs**

- Some of these activities will be carried out as part of the normal economic development workload
- The cost of running a Discretionary Business Rates Relief scheme may be in the range of £250-500k

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**Funding**

- Potential for Council forward funding against future growth in business rates
- BIDs are funded by business ratepayers with the specified area of the BID – some Council pump priming might be needed
- Potential for partnerships - e.g. Invest in Essex
- Premises improvements programme may be funded through ERDF funding
- Other improvements may be funded through a BID

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**Outputs**

- Indigenous business growth; improved business survival rates and increased business retention in the area.
- Stronger business community engagement and local networks/clusters
- Increased inward investment contributing towards local economy growth and improved competitiveness.
- Potential for business savings/efficiencies freeing up resources for further investment and/or employment.
- Stronger, working relationship between the Council and the local businesses.
- Improved signage and branding
- Promotion of the area and better perceptions

---

**Next Steps**

- Consider in principle proposals
- Define scope of discretionary rates relief scheme and allocate budget
- Define costs and seek Council financial authority
## Environmental Improvements

### Project description
- Prepare a strategic landscape and public realm strategy for the Causeway. This would identify detailed projects and a coherent approach to planting, signage, boundary treatments and landscape. This strategy would need highways consultants with an understanding of public realm. They will need to explore opportunities to change the environment along Causeway, including a cycle strategy.
- Intergrade the agreed strategy into policy to direct development proposals.
- Secure funding through public sector programmes and developers’ contributions to implement the proposed projects.

### Strategic Fit
- This proposal is strongly supported by a range of policies, strategies and initiatives and is closely aligned with the strategic objectives set out in this report.

### Evidence for need/demand
- Various studies have concluded that the local environment is poor and needs upgrading.
- At present, the Causeway area is largely dominated by vehicles. With a range of uses and an increasing retail offer in the area, it is important that provision for pedestrians and cyclists is improved to encourage less use of cars.
- Pedestrian and cycle links to the proposed North Heybridge Garden Suburb also need to be considered.
- Tree planting and boundary treatment, with increased pedestrian crossings could help soften the environment of The Causeway.
- There are opportunities for some ‘early win’ landscape enhancements on the main roundabouts.

### Costs
- A budget for the strategic landscape and public realm strategy will be approx. £10K, dependent upon the level of technical detail required. The study will need to involve consultation with the Highway Authority.
- Indicative cost for the environmental improvement projects will be in the range of – £600,000 to £850,000 depending on the level of soft and hard landscaping required.

### Funding
- Council funding for the Landscape and Public Realm Strategy.
- The individual projects can be funded/achieved through a public sector programme, planning requirements or development contributions.

### Outputs
- Improve the image and environment of the Causeway and the approach to Maldon Town Centre.
- Improved signage and branding.
- Improved market appeal, aiding inward investment, business retention and staff retention.
- Create a link to the new Garden Suburbs.

### Next Steps
- Procure a consultant to prepare the landscape and public realm strategy.
- Develop a funding strategy and delivery plan.
**Project description**

Suitable cost effective business support provisions to small businesses to enable new business start-ups to become established and early stage businesses to grow, options to be considered:

- **Option 1:** 'Soft' business support with no accommodation – quick solution, which may take the form of business plan support, business angels, promotion, networking as well as legal and financial advice needed in early stages of business formation
- **Option 2:** Small hatchery/incubator of c.90-150 sq m – short to mid-term solution, facilitated in an existing building and offering space and hot desking together with business support as described above
- **Option 3:** New build, permanent Enterprise Centre of 450-930 sq m - purpose-built enterprise centre in the Causeway, providing facilities and business support on easy-in/easy-out terms.

Each option should perform a training and networking function, promoting business to business events

These alternative approaches could be considered sequentially as pilots

<table>
<thead>
<tr>
<th>Strategic Fit</th>
<th>This proposal is strongly supported by a range of policies, strategies and initiatives and is closely aligned with the strategic objectives set out in this report.</th>
</tr>
</thead>
</table>
| Evidence for need/demand | • 89.6% of companies in the Maldon District are micro businesses  
• High proportion of self-employment - 14.5% in the area  
• Existing supply of small workspace has high rates of occupancy, but no special incentives/help for early stage businesses  
• A typical drive time catchment is 30mins - other enterprise centres in Essex (Ongar, Clacton, Basildon, Colchester and proposals for Witham) are outside this catchment |

**Potential Sites & Premises**

Enterprise Centres need to be well located within an urban or well established employment setting with good local amenities and services. Good road access and public transport connections are important as well as car parking provision. New businesses require modern, efficient and business friendly premises. A few options have been identified:

**Option 2 Incubation Centre**

1. Lease space in ICS House  
2. Lease space in Heybridge Business centre

**Option 3 Enterprise Centre**

3. New build as part of Wyndham Heron site redevelopment  
4. New build as part of Leigh Industrial site redevelopment  
5. New build as part of site redevelopment  
6. New build as part of site redevelopment  
7. Using existing building, subject to Museum relocation

| Costs | Indicative costs  
|-------|-----------------|  
| Option 1 | Business support, revenue costs £20-£30k pa  
| Option 2 | Premises and business support, revenue costs £30-£40k pa  
| Option 3 | A new build centre can be delivered privately or through public-private partnership - Capital costs £1m-£2m, revenue costs c £50k pa

| Funding | Option 1 – Council funding; explore partnership opportunities  
|---------|-----------------------------------------------------------------|  
| Option 2 | Council funding; explore partnership opportunities e.g. Invest in Essex, existing property owners  
| Option 3 | Potential for S106 contributions, partnership with Invest in Essex. |

| Outputs | Increase number of start-ups  
|---------|-----------------------------------------------------------------|  
| | Improve business survival rates  
| | Locally grown businesses will improve economic sustainability  
| | Scope for supply chain and skills benefits |

| Next Steps | Council to consider the options ‘in principle’  
|-------------|-----------------------------------------------------------------|  
| | Refine/develop the costs, funding and delivery arrangements for the preferred approach  
| | Seek financial authority to proceed  
| | Formulate policy e.g. to support S106 contribution |
### Key Development Sites

<table>
<thead>
<tr>
<th>Project description</th>
<th>A more strategic approach to planning through preparation of Development Briefs for particular sites/areas. These will:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Indicate how the development should contribute to the Council’s vision</td>
</tr>
<tr>
<td></td>
<td>- Explain how the policies and objectives of the Local Development Plan should apply to specific sites</td>
</tr>
<tr>
<td></td>
<td>- Address key objectives such as site/area constraints and opportunities; development concept, land uses, layout, capacity, massing, and financial viability</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sites/Projects</th>
<th>Development Briefs should be prepared for:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Leigh Industrial Estate (A)</td>
</tr>
<tr>
<td></td>
<td>- Wyndeham Heron site (B)</td>
</tr>
<tr>
<td></td>
<td>- Station Road wider area (C)</td>
</tr>
</tbody>
</table>

A more comprehensive approach to Station Road would be beneficial to:
- Consider both sides of the Fullbridge roundabout
- Reflect land ownership boundaries
- Balance the employment, residential and potential live-work uses
- Deliver environmental improvements to the road and the river walkway
- Consider options for the existing museum to retain as currently used, intergrade with the new retail development or relocate to an alternative site.
- This development brief would need to be commissioned soon, as sites are coming forward already.

### Strategic Fit

The preparation of Development Briefs for key sites and areas in the Causeway is supported by the emerging Local Development Plan and is also aligned with the strategic objectives of this study.

### Evidence for need/demand

- A number of sites coming forward for redevelopment in the short-term.
- High proportion of the existing property stock is aging and unfit for purpose.
- Need for improvements of the commercial stock.
- Opportunity to improve the townscape and environment.
- By addressing viability as part of the development brief the case for enabling development can independently be tested
- Justification for a strategic planning approach on key development areas providing a clear framework for developers to respond to and helping to avoid a piecemeal approach to development
- There is development pressure on a number of key sites with a number of proposals by developers for non-conforming uses to achieve viability
- There is a history of planning appeals on several important sites
- Will provide a more fine grained approach towards infrastructure planning and securing developer contributions

### Costs

The following indicative costs assume the work is procured externally

- **Leigh Industrial Estate**: Approx. £7,500 - £3,500 (design and planning) + £2,000 (highways/flooding) + £2,000 (viability testing).
- **Wyndeham Heron Site**: Approx. £11,500 - £6,000 (design and planning) + potentially £3,000 (highways/flooding) + £2,500 (viability testing).
- **Station Road wider strategy**: Approx. £22,000 - £10,000 (design and planning) + potentially £4,500 (highways) + potential £3,500 (civil/flooding) + £4,000 (viability testing).

### Funding

Council funding – potential for landowners contributions

### Outputs

The Development Briefs will inform the redevelopment of key sites and:
- Provide more clarity and ease the process for both the Council and applicants.
- Provide a more proactive approach and increase the planning certainty for new redevelopment projects.
- Form the basis for negotiation between the Council and the developers in order to avoid expensive appeals and secure S106 agreements.
| **Next Steps** | Procure a consultant to prepare Development Briefs for key sites/areas |
## Strategic Flooding Review

### Project description
Preparing a brief to assemble the issues of flooding on The Causeway and propose solutions to provide guidance on strategic technical solutions that could facilitate development in line with the local policies and ambitions.

### Strategic Fit
A proposal to create a strategic flooding defence in the Causeway is strongly supported by a range of regional and local policies, strategies and initiatives and is closely aligned by the strategic objectives of this study.

### Evidence for need/demand
- The site is located in a Flood Zone 3A.
- River level data highlights the river is capable of flooding.
- Maldon receives 327mm less than the national UK average in rainfall; the site is currently a water-stressed area.
- A Flood Alleviation Scheme has been requested and rejected following a cost: benefit analysis.
- Further defence is needed to protect this area – further investigation is required.
- Risks to flooding are:
  - Overtopping
  - Breaching
  - Structural failure
  - Surface water and
  - Groundwater
- The 5 main causes to flooding are; tidal, fluvial, overland flow, arterial drainage networks and groundwater.
- Resilience and resistance to all flooding types must be incorporated into development design. For example; utilising ground floors as car parks.

### Costs
£10-15,000

### Funding
Council funding/EA/LEP funding

### Outputs
This review will be produced to facilitate emerging Council Planning policy and the output of the study should be capable of both informing such policy and of being understood by third parties without specialist knowledge.

### Next Steps
Procure a Strategic Flooding Review brief
10. Programme Delivery

10.1 The report describes a wide ranging programme of projects and initiatives. Successful delivery will require implementation to be carefully timetabled and all resources, public, private and where appropriate, third sector, brought to bear. Maldon District Council have a key leadership role to play, but local authority resources alone will not be sufficient. Crucially, it will be necessary to engage the local business community and for them to take ownership and steer the direction of the programme.

10.2 The programme includes policy based initiatives (e.g. development briefs for the opportunity sites) which will need to be led by the planning authority and other initiatives which should be led by economic development linking back to the Council’s corporate objectives to promote the local economy.

10.3 As has been referenced in this report, we received some negative feedback about the role the Council has played historically in supporting local businesses. Commissioning this report, and the renewed priorities given to economic development, are a positive start to addressing this relationship. Our view is that the Council will need to take a lead role at the initial stages and needs to be seen to be ‘doing something tangible’. Once this happens, given the positive feedback from the local business community and other stakeholders we engaged with on the project plans, we believe there will be much more willingness for local businesses then to become involved. At this stage efforts should be made to establish a Causeway Business Forum.

10.4 Once established, a Causeway Business Forum would be expected to steer the programme. It is local businesses who will need to determine whether there is an appetite for promoting a Business Improvement District. It is for this reason we consider a BID is best taken forward after a) the Council has been able to implement some of the proposals outlined in the report and b) a Business Forum has been established.

10.5 In terms of improvements to the local physical environment, there are a number of steps, which Maldon District Council can take to promote the Causeway area and retain its existing businesses. The Council should aim to act as a facilitator of improvement and development in the Causeway in order to broker and signpost potential developers towards the range of support which is available, in particular sources of finance. Targeted financial support might be made available by the Council supported by a business case. The Council should vigorously pursue all other economic development, environmental and heritage based funding programmes. Close working with Essex County Council will be important to ensure all County and Local Enterprise Partnership based programmes are considered.
Annex A - Consultation with Local Business Community

Attendees of the Consultation Event (16 March 2015)

<table>
<thead>
<tr>
<th>#</th>
<th>Name</th>
<th>Organisation</th>
<th>Attending</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Andy Ambrose</td>
<td>Arrow Taxi Group</td>
<td>Y (2 people)</td>
</tr>
<tr>
<td>2</td>
<td>Roy Chandler</td>
<td>Essex Waterways</td>
<td>Y</td>
</tr>
<tr>
<td>3</td>
<td>Graham Brown</td>
<td>Essex Waterways</td>
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</tr>
<tr>
<td>4</td>
<td>Jim Allison</td>
<td>Allison and Partners</td>
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<tr>
<td>5</td>
<td>Gareth Spero</td>
<td>Proform Europe</td>
<td>Y</td>
</tr>
<tr>
<td>6</td>
<td>Wayne Ross</td>
<td>Servowatch</td>
<td>Y</td>
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<tr>
<td>7</td>
<td>Tim Collins</td>
<td>Kemsley</td>
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<tr>
<td>8</td>
<td>Trevor Hollinger</td>
<td>Aquila</td>
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<td>9</td>
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<td>Aquila</td>
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<tr>
<td>10</td>
<td>Bill Hiron</td>
<td>Stevensons Bus Depot</td>
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<tr>
<td>11</td>
<td>Robert Smith</td>
<td>Green Recycling</td>
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<td>12</td>
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<td>PSL Group</td>
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<tr>
<td>13</td>
<td>Allan Wiseman</td>
<td>Tavern Garage</td>
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<tr>
<td>14</td>
<td>P. O'Donnell</td>
<td>Royal Mail</td>
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<tr>
<td>15</td>
<td>Alan Cheshire</td>
<td>MDC - Heybridge West Councillor</td>
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<td>17</td>
<td>Richard Bailey</td>
<td>Invest in Essex</td>
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<td>18</td>
<td>Andrew Ransome</td>
<td>PlainView</td>
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<tr>
<td>19</td>
<td>Daniel Hurst</td>
<td>Eltime Ltd</td>
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<tr>
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<td>Cllr Penny Channer</td>
<td>MDC</td>
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<tr>
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<tr>
<td>22</td>
<td>Angela Bliss</td>
<td>Combined Military Museum</td>
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<tr>
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<td>Cllr Hacker</td>
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</tr>
<tr>
<td>26</td>
<td>Cllr Mrs Harker</td>
<td>MDC</td>
<td>Y</td>
</tr>
</tbody>
</table>

List of Stakeholders Consulted as part of the Study

- Gareth Jones, Hardesty Jones (consultant)
- Roger Haywards, Fenn Wright (property agent)
- Rob Pearson, White Young Green (consultant)
- Michael Richards, Aquila (developer)
- Richard Moffat, Lambeth Smith Hampton (consultant for the Sadds Wharf residential-led scheme)
- Nicholas Mann, Bentalls (owner/developer of the South Maldon Garden Suburb)
- Gary Duncan, Countryside Properties (lead developer of the North Garden Suburb)
- Gareth Spero, Lodestar Properties (owner of Leigh Industrial Estate)
- Andrew Ransome, Plain View (Lodestar Properties’ planning consultant)
- Richard Bailey, Invest in Essex
- Nick Hardy, GVA Bilfinger (planning consultant)
- David Lewis, Commercial Estate Group (South Maldon Garden Suburb developer)
- Tim Collins, Kemsley (property agent)