

5 September 2012		ITEM 6
Planning, Transport & Regeneration Overview & Scrutiny Committee		
Purfleet Regeneration Programme		
Report of: Simon de Vere, Strategic Lead – Chief Executive’s Delivery Unit		
Wards and communities affected: West Thurrock and South Stifford	Key Decision: Non-key	
Accountable Head of Service: Simon de Vere, Strategic Lead – Chief Executive’s Delivery Unit		
Accountable Director: Steve Cox – Assistant Chief Executive		
This report is Public		
Purpose of Report: To provide Members of the Planning, Transport & Regeneration Overview & Scrutiny Committee with an up-date of the key work streams being progressed by Officers in respect of the planned delivery of the Purfleet Regeneration Programme and to detail the approved Governance arrangements within which this programme is operating. This Report is provided for information purposes only.		

EXECUTIVE SUMMARY

The Council is continuing to progress the Purfleet Centre Regeneration programme in accordance with the governance arrangements put in place by Cabinet in June 1012. There are presently three key workstreams underway:

1. Procurement of a private sector delivery partner. This is being progressed using the OJEU (Official Journal of the European Union) Competitive Dialogue procedure and will continue until the Council identifies the most economically advantageous solution.
2. Outline Planning Permission. The Council is promoting an application which will be determined by the Planning Committee in the Autumn of 2012 following the completion, analysis and consultation on the Summer 2012 ecology surveys.
3. Land Assembly / Compulsory Purchase. An ongoing strategy is being implemented to obtain control of the land required to deliver the scheme. In the event it is not possible to obtain the land via negotiation, the Council is preparing to promote a compulsory Purchase Order to secure the land.

The CEDU team is ensuring work promoting the scheme is co-ordinated properly. A thorough governance system is in place and the Council in ensuring it complies with the legal processes being used. There are significant links between the workstreams and it is essential for the projects success that Officers and Members ensure work and decisions are co-ordinated so that all three are completed. If decisions are delayed or plans changed the implications on other workstreams should be understood and will be reported to members. The scheme also impacts on a number of different stakeholder groups, notably existing residents and local businesses and the Council must ensure that it balances their interests alongside the regeneration benefits for Purfleet and Thurrock as a whole. The Council is taking this very seriously and a number of measures are being taken to safeguard the independent decision making authority of the Planning Committee and implementing Compulsory Purchase best practice to minimise distress on affected landowners/occupiers.

1. RECOMMENDATIONS:

- 1.1 Members are Recommended to NOTE the contents of this Report

2. INTRODUCTION AND BACKGROUND:

- 2.1 On the 1 April 2012 the Council were transferred the property, rights and liabilities of Thurrock Thames Gateway Development Corporation (TTGDC) and responsibility for the onward delivery of the regeneration proposals at Purfleet. On 13 June 2012 Cabinet resolved to procure a private sector development partner to deliver the remaining work on the project covering land assembly, planning and construction. The proposals also seek the potential inclusion of the Garrison Estate and adjacent land. Cabinet established appropriate Governance; funding mechanism and delegated authorities in order to facilitate the delivery of the project and the procurement process is now underway.

3. ISSUES AND/OR OPTIONS:

- 3.1 There are a number of key issues which were considered and approved by Cabinet on 13 June 2012 the relevant Cabinet Paper and the associated Minutes are provided at **Appendix 1** and **Appendix 2** for information and briefly summarised below:

- Project Governance Arrangements
 - Cabinet delegated authority for interim decisions to be approved by the Assistant Chief Executive in consultation with the portfolio holder. An Officer Board will oversee all day to day activity and make recommendations to the delegated decision makers. No financial commitment will be made without authorisation from Cabinet.

- Delegated authorities to the Assistant Chief Executive
 - The Assistant Chief Executive has delegated authority as the Director in charge of the project to approve the Officer Board recommendations of parties considered suitable to progress through Dialogue. He will consult with the Portfolio holder for Regeneration and present regular update reports to Cabinet throughout the process.
- Land disposal and acquisition approvals necessary to deliver the Project
 - Land assembly work is underway and the Council already owns approximately 50% of the required land to deliver the Project. Discussions continue with the remaining landowners. Should it be necessary, Cabinet has already resolved to use its Compulsory Purchase Powers to acquire remaining sites. Beforehand, discussions will continue and should owners wish to sell, Cabinet has approved the disposal of surplus sites to generate funds and the acquisition of required sites to increase its landholding in scheme without recourse to Compulsory Purchase.

Procurement Process

- 3.2 The OJEU (Official Journal of the European Union) Notice was published on 26 June 2012 and Pre-Qualification Questionnaires (PQQ) were required to be submitted by interested parties by 24 July 2012. Officers have now completed the Evaluation and Scoring of all compliant PQQ submissions and the Assistant Chief Executive has approved the issue of Invitations to Participate in Dialogue (ITPD) to shortlisted parties. Officers are now in formal dialogue with these parties. It is intended that Outline Solutions will be discussed, submitted, evaluated and scored which will thereafter enable a further down-select of Bidders with whom the Council can undertake detailed commercial dialogue.
- 3.3 During Dialogue it is likely the Council will determine the outline planning application for the scheme. This will be a milestone of considerable interest to the private sector as it will be a clear statement of the Councils commitment to delivery of the scheme.

Planning Application

- 3.4 Prior to its demise TTGDC applied in its capacity as land owner and applicant for Outline Planning Permission to itself as Local Planning Authority. This application has now been novated to the Council as applicant. The application seeks to establish the principle of development of the following uses and quantum:

Purfleet Centre Outline Planning Application (11-50401-TTGOUT) Summary Development Schedule

Use	Minimum	Maximum	Fixed	Illustrative Masterplan	Environmental Statement	Unit	Explanation
Housing Total		3,000		3,000	3,215	no.	Maximum combined no. of houses and flats across all development zones
Houses				989	1,210	no.	
Flats /Apartments				2,011	2,005	no.	
Retail A1-A5		6,900		6,900	6,900	sq m	
Commercial Total (B1,B2/B8)		31,000		39,600	39,600	sq m	
Commercial B1		20,100		20,000	20,100	sq m	Maximum combined B1, B2/B8 limited to maximum quantum of 20,100 sq m for B1 and maximum quantum of 19,500 sq m for B2/B8.
Commercial B2/B8		19,500		11,000	19,500	sq m	
Hotels C1		3,300		3,300	3,300	sq m	Includes 3 star Hotel
Non residential Institutions / Assembly and Leisure (Community) D1/D2	6,550			6,550	6,550	sq m	Station: 270 sq m
Public Open Space	13.12			13.2	13.12	ha	
Development Zones			58.12	58.12	58.12	ha	
Development Area				33.8	33.8	ha	
Existing Rail/Road Area				0.94	0.94	ha	
Open space (limited access)	3.23			3.23	3.23	ha	
Balancing Pond	1.63			1.63	1.63	ha	
Botany Way				1.93	1.93	ha	
School ground		2.7		2.7	2.7	ha	
Energy centres		0.28		0.28	0.28	ha	
Jetties (excl in PCDF)				0.41	0.41	ha	

- 3.5 The application is accompanied by an illustrative masterplan (reproduced at **Appendix 3**) and a series of Design Codes and Parameter Plans. These Codes and Plans seek to impose appropriate controls over future development location, scale, massing, configuration and locations whilst maintaining the ability for development innovation and design flare. It will be for the Council in its capacity as Local Planning Authority to determine future applications for Reserved Matters and discharge of Conditions.
- 3.6 There is a requirement to undertake ecological surveys to inform the Environmental Statement. These surveys are scheduled for completion in September 2012 and will be formally submitted to inform the decision making process. It is anticipated that the Outline Planning Application will be in a position to be considered by the Council's Planning Committee in December

2012. In the event that the Council resolve to grant Outline Planning Permission then this Resolution will need referral to the Secretary of State due to the scale of retail floorspace proposed.

- 3.7 Members will note that in this instance the Council is both applicant and Planning Authority. This arrangement is not uncommon on complex public sector sponsored projects and is permitted by law. Members should be assured the division of the two functions (Applicant and Decision making body) is taken extremely seriously to ensure the Council is seen to follow due process and consider all material considerations in arriving at a recommendation for Members to determine the application at Committee. CEDU officers lead the project and act as applicant. The Planning Department's Major Projects team are the officers for the Council in its role as Local Planning Authority.
- 3.8 Finally, the link between the application and procurement should be noted. By overlapping the two workstreams, the Council is able to clearly set out the parameters for development it considers to be acceptable and address a major area of risk for the private sector. This will enable the private sector bidders to understand the Council's aspirations for the area and to enable more detailed contractual terms and pricing, reducing the risk premium in any bid and leading to greater value for money for the Council. There is also a significant programme saving to the project which will bring forward the delivery of the scheme and therefore the realisation of homes and jobs by a period of circa 12 months. It should be noted the Council's position is further safeguarded by its status as Local Planning Authority to determine all reserved matters applications and in the event a Development Agreement is agreed with a partner, the Council would remain a party in the public/private vehicle promoting the development.

Land acquisition and CPO update

- 3.9 Members should note the approvals authorised by Cabinet on 13 June and summarised above in paragraph 3.1.
- 3.10 Discussions are ongoing with a number of parties. These fall into three categories
- Commercial property Freeholds – A number of holdings in Botany Quarry and the Purfleet waterfront
 - Residential property Freeholds – the scheme requires the acquisition of 6 residential properties – one of which was acquired by the Corporation prior to its demise. Residents have been aware for a number of years of the proposals and their impact and have professional representation to assist them in discussions. The number of homes required has been kept to an absolute minimum in order to minimise the number of residents displaced.
 - Residential and employment property access/maintenance rights – the proposals include a strategy for cliff stabilisation on the southern and eastern boundaries of Botany Quarry. At the top of the quarry are a number of blocks of flats on Beacon Hill and employment uses which will

benefit from the stabilisation works. In order to ensure these are maintained properly, the Council will require Rights over a c.5 metre wide strip of land at the top of the cliff. It will also require rights to access this strip through the car parks of the flats and the neighbouring business property. Discussions are underway to seek to obtain these Rights through negotiation, although the Council may need to utilise its compulsory purchase powers should this prove necessary. Members should note that the Council will be seeking to secure only the access rights to undertake works and for future maintenance but the land will remain in the ownership of the present owners.

- 3.11 Members should note that the officers are aware of the stress, disruption and uncertainty these proposals create for people whose homes and jobs are directly affected. A range of measures are being taken to mitigate this. All affected landowners are advised to take independent advice from a Chartered Surveyor on their situation and their fees are met by the Council. Any questions can be referred to the contact on the Councils project team. Where possible, the Council is looking to assist in relocating businesses to other premises in Thurrock. The search for suitable sites is ongoing and under constant review. In a number of instances, commercial occupiers have sold their freehold but remain in occupation on short term leases. This allows time for them to find alternatives. Members should note that the earliest any construction work will commence is anticipated as being during the course of 2014. Work will be phased over 10-15 years and therefore not all of the land will necessarily required at the outset.

4. CONSULTATION (including Overview and Scrutiny, if applicable)

- 4.1 Consultation with the public, key stakeholders and statutory consultees has been undertaken as required in considering the planning application. Once the remaining ecology surveys are undertaken, the additional information will be submitted for review and advertised so that interested parties can comment on the application.
- 4.2 Ward Members have been briefed prior to submission of the planning application and continue to receive regular updates.
- 4.3 The Portfolio holder is aware of the scheme and Officers are required to consult him on all interim decisions as set out in the delegations established by Cabinet on 13 June.
- 4.4 Officers are in the process of updating the Council website in order to provide more information. Members should be aware that the procurement process is a commercial negotiation and much of its content remains confidential in order to protect the financial interests of the Council and to limit the potential of suppliers to collude. Whilst Cabinet will be made aware of all developments, not all information will be made publically available as a matter of course.

5. IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT

5.1 The project will deliver the regeneration required by the Community Strategy, the Thurrock Economic Development Strategy and the Community Regeneration Strategy and set out in the LDF Core Strategy for Purfleet. The Council's strategies support the development of approximately 3,000 new homes and employment, retail and community facilities.

6. IMPLICATIONS

6.1 Financial

Implications verified by: **Sean Clark**
 Telephone and email: 01375 652010
 sclark@thurrock.gov.uk

The financial implications of this project are detailed in the appended Cabinet paper (Appendix 1)

6.2 Legal

Implications verified by: **Dan Toohey**
 Telephone and email: 01375 652049
 Daniel.Toohey@BDTLegal.org.uk

The legal implications of this project are detailed in the appended Cabinet paper (Appendix 1)

6.3 Diversity and Equality

Implications verified by: **Samson DeAlyn**
 Telephone and email: 01375 652472
 sdealyn@thurrock.gov.uk

The equality and human rights implications of this project are detailed in the appended Cabinet paper (Appendix 1)

6.4 Other implications (where significant) – i.e. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental

None

7. CONCLUSION

- 7.1 From the above it can be seen that the three key workstreams (Planning, Acquisition and Competitive Dialogue) are progressing and in a way which accord with governance arrangements approved by Cabinet in June 2012. There remain several risks associated with this project which are being actively managed in order to deliver the project in a way which delivers the outcomes and outputs in a way which maximises value for money.

BACKGROUND PAPERS USED IN PREPARING THIS REPORT:

- None

APPENDICES TO THIS REPORT:

- **Appendix 1** 13 June 2012 Cabinet Paper
- **Appendix 2** 13 June 2012 Cabinet Paper Minutes
- **Appendix 3** Purfleet Centre indicative masterplan

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