

Thurrock: A place of opportunity, enterprise and excellence, where  
individuals, communities and businesses flourish

# Planning, Transport, Regeneration Overview and Scrutiny Committee

The meeting will be held at **7.00 pm** on **30 July 2014**

**Committee Room 1, Civic Offices, New Road, Grays, Essex, RM17 6SL**

## **Membership:**

Councillors Sue Gray (Chair), Tom Kelly (Vice-Chair), Roy Jones, Martin Kerin,  
Gerard Rice and Simon Wootton

## **Substitutes:**

Councillors Robert Ray, Garry Hague, James Halden and Michael Stone

## **Agenda**

Open to Public and Press

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<b>1 Apologies for Absence</b>	
<b>2 Minutes</b>	<b>5 - 10</b>
To approve as a correct record the minutes of the Planning, Transport, Regeneration Overview and Scrutiny Committee meeting held on 4 March 2014.	
<b>3 Items of Urgent Business</b>	
To receive additional items that the Chair is of the opinion should be considered as a matter of urgency, in accordance with Section 100B (4) (b) of the Local Government Act 1972.	
<b>4 Declaration of Interests</b>	

<b>5</b>	<b>Budget Update and Savings Proposals</b>	<b>11 - 28</b>
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**Queries regarding this Agenda or notification of apologies:**

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Agenda published on: **22 July 2014**

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# DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

**Breaching those parts identified as a pecuniary interest is potentially a criminal offence**

## Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

## When should you declare an interest at a meeting?

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**



Does the business to be transacted at the meeting

- relate to; or
- likely to affect

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

**What is a Non-Pecuniary interest?** – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

### **Pecuniary**

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

**Unless you have received dispensation upon previous application from the Monitoring Officer, you must:**

- **Not participate or participate further in any discussion of the matter at a meeting;**
- **Not participate in any vote or further vote taken at the meeting; and**
- **leave the room while the item is being considered/voted upon**

**If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps**

### **Non- pecuniary**

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature



**You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.**

**Thurrock: A place of opportunity, enterprise and excellence, where individuals, communities and businesses flourish**

To achieve our vision, we have identified five strategic priorities:

**1. Create a great place for learning and opportunity**

- Ensure that every place of learning is rated “Good” or better
- Raise levels of aspirations and attainment so that local residents can take advantage of job opportunities in the local area
- Support families to give children the best possible start in life

**2. Encourage and promote job creation and economic prosperity**

- Provide the infrastructure to promote and sustain growth and prosperity
- Support local businesses and develop the skilled workforce they will require
- Work with communities to regenerate Thurrock’s physical environment

**3. Build pride, responsibility and respect to create safer communities**

- Create safer welcoming communities who value diversity and respect cultural heritage
- Involve communities in shaping where they live and their quality of life
- Reduce crime, anti-social behaviour and safeguard the vulnerable

**4. Improve health and well-being**

- Ensure people stay healthy longer, adding years to life and life to years
- Reduce inequalities in health and well-being
- Empower communities to take responsibility for their own health and wellbeing

**5. Protect and promote our clean and green environment**

- Enhance access to Thurrock’s river frontage, cultural assets and leisure opportunities
- Promote Thurrock’s natural environment and biodiversity
- Ensure Thurrock’s streets and parks and open spaces are clean and well maintained

## **MINUTES of the meeting of Planning Transportation and Regeneration Overview and Scrutiny Committee held on 4 March, 2014 at 7.30pm**

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**Present:** Councillors Gerard Rice (Chair), Gary Hague (Vice-Chair), Charles Curtis, Sue Gray, Pauline Tolson, Oliver Gerish

**In attendance:** S. Cox – Assistant Chief Executive  
A. Millard – Planning  
M. Gallagher – Planning  
M. Essex – Regeneration  
S. Taylor – Regeneration  
J. Natynczyk – Democratic Services

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### **19. MINUTES**

The minutes of the meeting held on 9 January 2014 were agreed as a correct record and signed by the Chair, subject to adding Councillor Gray to the list of apologies.

### **20. LONDON GATEWAY**

Andrew Millard, Head of Planning and Growth, introduced the report, giving a general overview.

Matthew Gallagher, Principal Planner, briefed the Committee on background to the projects including the Local Development Order, made by Full Council in November 2013.

The Chair welcomed representatives of DP World to the meeting, who proceeded to give a detailed presentation on:

- History of the site;
- Marine programme;
- Development Progress;
- Facilities;
- Ecology clearance;
- Commercial plants;
- Sustainable transport;
- Future works;
- Local employment;
- Community activities;
- Health and safety.

Members asked questions/commented as follows:

- Interested parties – Members were informed that there would be 3 further new buildings this year with other major companies being targeted;
- Volume of Change – Members commented on the impressive volume of change and congratulated DP World for its endeavours;
- Impact of Freight Trains, East Tilbury – Representatives from DP World acknowledged this long standing problem, which was evident long before the London Gateway Project and they were working with local residents to push for an upgrade to facilities. It was noted that Network Rail had now committed funds for a feasibility study to be carried out. The issue of the level crossing was a major problem and this was being addressed on a Borough wide basis, along with other crossings in the area;
- Lorry Park- Members asked if provision had been made for a lorry park and were informed that a particular area of land was being utilised for this purpose at present. However, a long term solution needed to be found. The Head of Planning and Growth reported that this would be looked at as part of the review of the Core Strategy.

The Chair thanked representatives from DP World for their excellent presentation and emphasised that the Authority wanted the project to succeed and would do everything within its power to help it succeed.

Finally, it was requested that a site visit be arranged to London Gateway.

**RESOLVED that**

1. **the report and presentation be noted;**
2. **a site visit to London Gateway be arranged.**

**ACTION: HEAD OF PLANNING AND GROWTH**

**21. PURFLEET REGENERATION PROGRAMME – SELECTION OF PREFERRED DEVELOPER**

Steve Cox, Assistant Chief Executive, gave a general overview and stated that this report updated the Committee on the Purfleet Centre Project and outlined the procurement process used to select a development partner in advance of a recommendation to formally appoint a preferred developer being made to Cabinet on 19 March, 2014. It was emphasised that a rigorous scoring matrix was used and



the preferred developer scored strongly on their overall vision and placemaking strategy with the film and television studio proposal a particularly interesting point. It was noted that the proposal was marked down because of the lack of a clear funding strategy but that overall the submission met the Council's requirements.

Members asked questions/commented as follows:

- Members were very happy with the scheme, with the scope of the vision being outstanding;
- Structure of Proposition – Members asked how the scheme would work in terms of land, financing etc. Officers replied that there would be a partnership, governed within a development agreement and explained how this would work in practice.
- Level Crossing – Concerns were expressed about the existing level crossing. Officers explained that the topography in this instance wasn't helpful. It would be necessary to remove the level crossing and install alternative routes. This would have an impact on neighbouring properties and would be reliant on Network Rail.

**RESOLVED that the procurement process used to select a development partner be endorsed by this Committee and Cabinet be assured that it is appropriate to follow any recommendation that follows to appoint a preferred developer to secure the delivery of the Purfleet Centre Project.**

**ACTION: HEAD OF REGENERATION**

## **22. GRAYS SOUTH AND RAIL STATION REGENERATION**

Steve Cox, Assistant Chief Executive, gave an overview and explained that there was an urgent need for an enhanced gateway into Grays.

The Head of Regeneration detailed progress on the Project, outlining the anticipated delivery route and sought views and comments from Committee on the approach to developing the project.

He also emphasised the need to remove the level crossing and move the station, to link with the High Street, resulting in an obvious arrival and departure point.

It was also noted that Network Rail were engaging in very positive dialogue with the Council as they were concerned about the impact of the new college opening.

Members asked questions/commented as follows:

- The project was extremely exciting;
- It was essential to engage the wider community;
- Residents' main concerns related to the level crossing and State Cinema.

**RESOLVED that**

1. **the approach to developing the project, as set out in section 3 of the report be endorsed by this Committee;**
2. **the approach for project development, as set out in section 4 of the report, be endorsed by this Committee.**

**ACTION: HEAD OR REGENERATION**

**23. THAMES ENTERPRISE PARK - SITE VISIT**

It was agreed at the last meeting of the Committee, that the above site visit should be held.

Members were requested to indicate their preference in terms of a date and time.

**RESOLVED that the site visit be held at 10am on 18 March 2014.**

**ACTION: HEAD OF REGENERATION/HEAD OF PLANNING AND GROWTH**

**24. WORK PROGRAMME**

Attention was drawn to the Work Programme.

**RESOLVED the Work Programme be noted.**

**The meeting finished at 8.57pm.**

Approved as a true and correct record

**CHAIR**

**DATE**

**Any queries regarding these Minutes, please contact  
J. Natynczyk, telephone (01375) 652031,  
or alternatively e-mail [jnatynczyk@thurrock.gov.uk](mailto:jnatynczyk@thurrock.gov.uk)**

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<b>30 July 2014</b>	<b>ITEM: 5</b>
<b>Planning, Transport and Regeneration Overview and Scrutiny</b>	
<b>Budget Update and Savings Proposals</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> No
<b>Report of:</b> Cllr Andy Smith, Portfolio Holder for Regeneration, Highways & Transportation	
<b>Accountable Head of Service:</b> Karen Wheeler, Head of Strategy and Communications; Sean Clark, Head of Corporate Finance; Andy Millard, Head of Planning & Growth; Ann Osola, Head of Highways & Transportation; Matthew Essex; Head of Regeneration	
<b>Accountable Director:</b> Graham Farrant, Chief Executive; David Bull, Director of Planning & Transportation; Steve Cox, Assistant Chief Executive	
<b>This report is public</b>	

## **Executive Summary**

As a result of significant reductions in the money received from the Government and other pressures on services the Council will have to make £37.7m of savings over the three years between 2015/16-2017/18.

Cabinet received two reports in July 2014 (2013/14 Draft Outturn and MTFs Update; Shaping the Council 2015/16 and Beyond), setting out unprecedented reductions in funding requiring a change in the way the Council approaches addressing the budget gap and in considering the future shape of the organisation going forward.

This report sets out the overall context and principles upon which the MTFs is based and therefore the backdrop to developing savings proposals to address the budget gap.

A number of savings proposals were agreed by Cabinet for further development and public consultation. This committee is asked to consider the savings proposals for Planning & Transportation and Regeneration and comment on them as part of the consultation process and to inform further development and decision making.

## **1. Recommendation(s)**

### **1.1 That Members consider and comment on the savings proposals within Planning & Transportation and Regeneration listed in Appendix 1 and detailed in Appendix 2**

## **2. Introduction and Background**

2.1 As a result of significant reductions in the money received from the Government and other pressures on services the Council will have to make a further £37.7m of savings over the three years between 2015/16-2017/18. This is on top of the significant savings already made.

2.2 The Council has faced unprecedented financial pressures over the last four years. Over this period, the Council has exercised sound financial management within all services with the following headlines previously reported:

- Savings of £50m have been identified over the last four years;
- The audit of the financial statements has confirmed that the Council, despite further in-year pressures, has contained expenditure within budget for the three financial years 2010/11 through to 2012/13;
- The General Fund balance has been increased from £2.1 as at 31 March 2010 and maintained at £8.0m;
- The Council has, for the last two audited years, received an unqualified Value for Money opinion;
- The draft outturn for 2013/14, as reported to Cabinet in July, shows for the fourth consecutive year the Council has contained the financial pressures and delivered within the budget constraints.

2.3 The Leadership Group has been working over recent months to refresh the Medium Term Financial Strategy (MTFS) through reviewing the 2013/14 outturn and reflecting the latest information and forecasts within services. These have:

- Highlighted some 2014/15 pressures – Cabinet have endorsed the management actions being taken including for 2015/16 and beyond;
- Identified the need to change the approach for budgeting and accounting for transformation and procurement savings; and
- Led to a revised MTFS budget deficit for the period 2014/15 through to 2017/18 of £37.7m.

2.4 Specific pressures for 2015/16 and beyond, in addition to the overall reduction in Government grant, are set out in the body of this report. In addition Thurrock has and will continue to experience significant demographic changes. The Census 2011 showed that the population increased to 157,705, up 14,000 (10%) since 2001, and is projected to rise from 159,500 in 2012 to

176,500 in 2022. This is a 10.6% increase and is significantly higher than forecast for England (7.2%) and the Eastern region (8.6%).

- 2.5 This report sets out the overall context and principles upon which the MTFS is based and therefore the backdrop to developing savings proposals to address the budget gap.
- 2.6 A number of savings proposals were agreed by Cabinet for further development and public consultation. This committee is asked to consider the savings proposals and comment on them as part of the consultation process and to inform further development and decision making.

### 3. Issues, Options and Analysis of Options

#### Medium Term Financial Strategy 2015/16 – 2017/18

- 3.1 The Council agreed a MTFS at their meeting on 26 February 2014 based on the following key assumptions:
  - i. That further grant reductions in central government support would reduce year on year throughout the life of the MTFS in line with government fiscal announcements;
  - ii. That there would be annual increases in the amount that the Council would receive through business rate growth and New Homes Bonus;
  - iii. That there would be a 1.99% annual increase in council tax along with an increase of 400 properties per annum;
  - iv. That there would be a 1% pay award for all staff with the exception of senior management as well as incremental progression where staff are not at the top of their grade;
  - v. That inflation would be limited to the Serco and Waste Disposal contracts as well as a provision for utilities;
  - vi. That the Council would start to fix its temporary debt from the end of 2014/15, phased over the life of the MTFS;
  - vii. That growth for services, including for demographic demand, be set at a minimal level; and
  - viii. That savings agreed at the budget Council meeting on 27 February 2013 over the two year period be delivered.

- 3.2 Based on these assumptions, the reported budget deficits were as follows:

2015/16	2016/17	2017/18	Total
£m	£m	£m	£m
15.8	11.7	9.4	36.9

- 3.3 Since the Council meeting, the following changes to the MTFS have been made and so set the basis for future savings:
  - Ongoing costs of New Ways of Working – With the level of savings to be achieved over the medium term and the changes that the Council will go

through, it is the Head of Corporate Finance's opinion that the approach should not be to budget for these centrally, but to recognise any related costs as a central expense that enables service transformation and to identify savings within the services (including central services such as legal and finance). The financial logic of transferring the responsibility to reduce cost to the services is to reduce the possibility of double counting and ensure that the ownership of savings requirements is clearer.

- NNDR Appeals – there are a number of appeals currently lodged with the Valuation Office by local businesses that, if successful, could be backdated as far back as 2005. In the past these would have been met by the government but, despite the fact that the main proportion of this falls into the period before business rate retention, any impact is now shared between the government and the Council. This line reflects the Collection Fund Deficit treatment but there will be an ongoing adverse impact on business rate income that is factored into the MTFs elsewhere; and
- Purfleet – as land is drawn down for the development there will be a net loss to the Council in terms of income offset by maintenance etc. no longer required. Once complete, the development will realise additional income through Council Tax, Business Rates and the New Homes Bonus.

	2014/15	2015/16	2016/17	2017/18	Total
	£m	£m	£m	£m	£m
27 February 2014 Council Meeting	-	15.8	11.7	9.4	36.9
2014/15 Service Budget Changes	(0.2)				(0.2)
Ongoing Costs of New Ways of Working		0.5			0.5
NNDR Appeals		2.0	(1.0)	(1.0)	-
Purfleet			0.2	0.3	0.5
<b>Revised Budget Deficits</b>	<b>(0.2)</b>	<b>18.3</b>	<b>10.9</b>	<b>8.7</b>	<b>37.7</b>

3.4 The savings required to meet these deficits will be challenging and the Council does not have excess reserves to be able to fall back on should there be slippage in their delivery. As such, the approach is to bring forward £3.5m of the savings requirements that will serve three purposes:

- It will provide a cushion should some of the savings not be achieved fully in 2015/16;
- It will help manage any adverse outcomes on the assumptions made; and
- It will provide an opportunity to make a contribution into the Budget Management Reserve to provide further resilience to the Council's financial position.

	2014/15	2015/16	2016/17	2017/18	Total
	£m	£m	£m	£m	£m
Revised Budget Deficits	(0.2)	18.3	10.9	8.7	37.7
Adjustment	-	3.5	-	(3.5)	-
<b>Adjusted Budget Deficit</b>	<b>(0.2)</b>	<b>21.8</b>	<b>10.9</b>	<b>5.2</b>	<b>37.7</b>

3.5 The proposals to bridge these budget deficits are included later in this report



## **Other Assumptions Excluded from MTFS Totals**

- 3.6 The main assumptions that have led to the totals above have been set out in this and previous reports. However, the following assumptions **have not** been included within these totals:
- i. The Care Act 2014 will increase the costs to the Council considerably through the new legal responsibilities that fall on the Council from April 2015 and the funding reforms / Dilnot changes from April 2016 (both the cap on individual contributions but mainly through the change to the capital threshold). A full report on these will be going to the Health and Well-Being Board and DB. The government has stated that these costs will be fully reimbursed but there remains a risk that this will not happen in which case a further report will need to come back to Cabinet on how these costs will be met;
  - ii. There may be development surpluses through Gloriana Ltd – these have not been included at this time as there is a degree of uncertainty;
  - iii. Limited provision for an increase in the demand for services has been included – careful monitoring of the impact of regeneration, welfare reform and general demographic pressures will be required, especially in Adults', Children's, Planning and Transportation, Environmental and Housing Services.
  - iv. There will undoubtedly be a cost of severance from savings proposals and the Voluntary Redundancy scheme. A separate budget has not been set aside for this and so the first approach will be for the services to contain the costs within their services with any excess being met from the Budget Management Reserve.

## **Savings proposals 2014/15 – 2017/18**

- 3.7 In recent months Directors Board has been considering how to reshape services given the forecast financial position. This has been particularly challenging due to the scale of savings already achieved and the continuing growth of pressures on services, mainly due to the demographic changes as set out above. As part of this process during January and February all staff were invited to put forward their suggestions. Over 400 were received and have been considered by Directors Board, directorate management teams and at the executive boards, feeding into the proposals put forward to Members as part of this report.
- 3.8 Directorates have been able to identify both efficiency savings and more significant or innovative ideas as to where reductions in budgets can be made. Where possible alternative service delivery options have been considered to prevent considerable reductions in the level of service. Inevitably though there are some proposals where significant services would reduce or stop.

- 3.9 Initial savings ideas involving changes to services were shared with Cabinet members as part of Strategy Week in June 2014 in order to provide a policy steer. Cabinet agreed a number of the proposals in July 2014 for further development and public consultation including consideration by the relevant Overview and Scrutiny committees. These include some ideas that are particularly challenging, innovative and financially significant.
- 3.10 Appendix 1 sets out the savings proposals for Planning & Transportation and Regeneration.
- 3.11 Appendix 1, Section 1 sets out the savings proposals for further consideration by this committee. Appendices 2a-c set out the initial business cases for these savings proposals.
- 3.12 Appendix 1, Section 2 has been included for information only, as these have already been endorsed by Cabinet on 2 July 2014.
- 3.13 In relation to the proposals around investment in highways, there is a detailed report going to Cabinet in August. This will come back to the next meeting of Overview & Scrutiny, subject to Cabinet agreement.
- 3.14 This committee is asked to consider the savings proposals for Planning & Transportation and Regeneration in Appendix 1 Section 1 and detailed in Appendices 2a-c, and comment on them as part of the consultation process and to inform further development and decision making.

### **Remaining Budget Gap**

- 3.15 Despite the efficiencies and management action already agreed and proposals put forward, which total £26.5m across all services, this leaves an £11.2m shortfall against the budget gap in the MTFS of £37.7m over the three financial years. This assumes that all proposals are implemented. As set out above the Council does not have sufficient reserves to meet this gap or to replace any proposals that may not be agreed, fail to be implemented or if there is slippage in their delivery. Additional savings proposals will need to be developed particularly to address the £5.4m gap for 2015/16 (the net effect of 2014/15 and 2015/16 as below). Directors Board will develop these during July for consideration at a budget focused additional Cabinet meeting in August. This meeting will also focus on the cumulative impact of the reduction in budget and implementation of all the proposals on service delivery including our ability to meet statutory duties and the implications for staff.

- 3.16 These are summarised as follows:

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>Total</b>
	£m	£m	£m	£m	£m
Adjusted Budget Deficit	(0.2)	21.8	10.9	5.2	37.7
Appendix 2 Savings (2014/15)	(0.1)	(9.3)	(4.4)	(2.8)	(16.6)

	2014/15	2015/16	2016/17	2017/18	Total
	£m	£m	£m	£m	£m
savings already accounted for)					
Appendix 3 Savings	(0.4)	(6.4)	(2.5)	(0.6)	(9.9)
Remaining Projected Deficits	(0.7)	6.1	4.0	1.8	11.2

#### **4. Reasons for Recommendation**

- 4.1 The Council has a legal obligation to set a balanced budget. The reduction in funding to the Council is unprecedented at a time when demand on services is growing, requiring a fundamental change in the way the Council approaches addressing the budget gap and in considering the future shape of the Council going forward. Members are asked to consider the specific savings proposals proposed for Planning & Transportation and Regeneration services as part of the consultation process to inform further development and decision making.

#### **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 During Strategy Week, Directors Board, the Leader and Cabinet have been consulted on the key elements feeding into this report. Senior managers throughout the council have also been involved in identifying potential savings options and all staff have been widely consulted for additional ideas, which have also been considered.
- 5.2 Specific savings proposals will require detailed business cases and, where appropriate, be subject to public consultation including:
- Overview and Scrutiny committees to consider the proposals in July
  - Public consultation during the summer as required
  - Cross party Member and partner working group to consider all proposals
  - Budget focused additional Cabinet meeting in August covering specific issues including community hubs
  - Partner and supplier consultation on specific proposals as required
  - Consultation with staff including trade unions from July and August
- 5.3 The outcomes of the consultation will feed into the final proposals put forward for decision making at the earliest opportunity in September and October 2014 followed by implementation.
- 5.4 The consultation will be supported by a comprehensive communication plan for external engagement during the consultation and decision making process.
- 5.5 Internal consultation with staff on specific proposals particularly where there is a restructure will be in line with HR policy and guidelines.

#### **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 The proposals set out in this report have wide ranging implications for the Council, the way it works and the services it provides. Some of these will improve the way the Council does business and the service provided to residents by making them more targeted and efficient, however the cumulative impact of such a significant reduction in budget and the implementation of savings proposals will change service delivery levels, our ability to meet statutory requirements and therefore impact on the community and staff. The potential impact of the savings proposals on the Council's ability to safeguard children and adults will be kept carefully under review and mitigating actions taken where required.
- 6.2 The Council has commenced a voluntary redundancy process with staff. The outcomes from the process and full impact of the savings proposals on staff will be known over the next few months feeding into the implementation of management actions and decision making for savings proposals.
- 6.3 The changes and impact for each proposal in Appendix 1 is set out in the detailed business cases attached to this report including where policies and performance may change as a result. The impact on the community is covered under section 7.3 below.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Sean Clark**  
**Head of Corporate Finance**

The financial implications are set out in the body of this report and appendices. Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. This must also include a consideration of the risk in achieving that budget and so robust monitoring of accepted proposals will be essential throughout the coming years.

### **7.2 Legal**

Implications verified by: **Fiona Taylor**  
**Head of Legal and Democratic Services**

There are no specific legal implications as a result of this report, however, any implications of specific savings proposals are set out in individual business cases to inform consultation and final decision making. The Council's Section 151 Officer has a statutory requirement to set a balanced budget.

### 7.3 Diversity and Equality

Implications verified by: **Natalie Warren**  
**Community Development and Equalities**  
**Manager**

Each savings proposal with changes to the service requiring public consultation has a detailed business case setting out how the saving will be achieved including the level of service reduction and mitigating actions. As part of developing the business case a comprehensive Community and Equality Impact Assessment (CEIA) will be completed, informed by the public consultation. An assessment of the cumulative impact from all the CEIAs will be completed by the Community Development and Equalities team to inform final decision making on the savings to be made for 2015/16.

It is recognised that there is likely to be a cumulative impact on the voluntary and community sector due to proposals to both reduce core grants and specific grants currently provided by services across the Council. A full assessment will be completed in consultation with the CVS to determine the implications for the sector and impact on the wider community.

### 7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

Other significant implications are identified in each business case to inform the consultation process and final decision making.

## 8. Background papers used in preparing the report

- Budget savings proposals working papers
- Cabinet reports, July 2014: 2013/14 Draft Outturn and MTFs Update; Shaping the Council 2015/16 and Beyond

## 9. Appendices to the report

- Appendix 1: Planning & Transportation and Regeneration savings proposals for 2014/15 – 2017/18
- Appendix 2: Business cases
  - a) Cease grant funding to Transvol
  - b) Reduce public transport subsidies (bus)
  - c) Increase car parking charges

### Report Authors:

Sean Clark, Head of Corporate Finance, Chief Executive's Office  
Karen Wheeler, Head of Strategy & Communications, Chief Executive's Delivery Unit  
David Bull, Director of Planning & Transportation  
Ann Osola, Head of Highways and Transportation  
Steve Cox, Assistant Chief Executive

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## Appendix 1: Planning/Transportation & Regeneration savings proposals for 2014/15 - 2017/18

### Section 1: Savings Proposals for 2014/15 - 2017/18 for development & consultation

Savings Proposal	2014/15	2015/16	2016/17	2017/18
<b>Planning &amp; Transportation</b>				
Cease grant funding to Transvol		100		
Reduce public transport subsidies (bus)			190	
Invest in modern highway maintenance				260
Increase car parking charges	15	85		
<b>Total for Directorate</b>	<b>15</b>	<b>185</b>	<b>190</b>	<b>260</b>

### Section 2: For noting - Efficiency Savings 2015/16 - Management Actions

Savings Proposal	2014/15	2015/16	2016/17	2017/18
<b>Planning &amp; Transportation</b>				
Transportation restructure and highways efficiencies		550	50	250
Increase planning fee income			25	25
Planning - increased income and/or efficiencies		152	12	10
<b>Total for Directorate</b>	<b>0</b>	<b>702</b>	<b>87</b>	<b>285</b>

<b>Chief Executives Delivery Unit</b>				
CEDU Restructure (including Regeneration)	100	100	200	300

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**Appendix 2a  
Shaping the Council 2015-16 and beyond  
Preliminary Savings Proposal**

<b>Lead Director</b>	<b>David Bull</b>	
<b>Savings Proposal</b>		
Cease grant funding to TransVol to provide transport for those with mobility impairment.		
<b>Strategic rationale</b>		
TransVol is a charity which aims to address areas of social exclusion by providing transport to people who, for whatever reason, are unable to access public transport. Whilst the Transport Act 1985 gives Thurrock BC the statutory obligation of 'considering unmet travel needs', the Council is not obliged to provide public transport as such. Furthermore, the majority of service users will be in receipt of Personal Independence Payments which could be used to procure the services they require from the private sector		
<b>Approximate Cost Savings</b>		
£100k		
<b>Timescales</b>		
<b>Activity</b>	<b>Timescale</b>	
Engage with Social Services to establish the adequacy of the local private sector service offering. If necessary, facilitate mitigation package with client representatives and private sector providers.	3 months	
Notice period to TransVol	1 year	
Inform client groups of new arrangements	3 months	
<b>Risks /Consequences</b>		
The client groups for this service are the most vulnerable in the Borough. The impact will fall disproportionately on clients in rural areas.		
<b>Mitigation</b>		
It may be possible for community groups or organisations such as Age UK to negotiate preferential rates with local Private or Third Sector suppliers, including TransVol.		
<b>Next steps – Service ownership and Board Scrutiny &amp; Challenge</b>		
<b>Step</b>	<b>Service</b>	<b>Board Scrutiny &amp; Challenge</b>
Discuss proposals with Social Services and User Group representatives.	Transportation & Highways	

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**Appendix 2b  
Shaping the Council 2015-16 and beyond  
Preliminary Savings Proposal**

<b>Lead Director</b>	<b>David Bull</b>	
<b>Savings Proposal</b>		
Reduce public transport subsidies (bus)		
<b>Strategic rationale</b>		
Thurrock currently funds none-commercial transport services within the Borough at a cost of £500K per annum. This subsidy is intended to preserve minimum standards of access, particularly from rural areas, into the core network.		
<b>Approximate Cost Savings</b>		
£250K		
<b>Timescales</b>		
<b>Activity</b>	<b>Timescale</b>	
Develop detailed options for Service Reduction	3 months	
Consult on Service Reduction Options	3 months	
Develop and agree definitive proposals	3 months	
Implement proposals:		
- notice period to operators	56 days	
- information to public	3 months	
<b>Risks /Consequences</b>		
The initiative will reduce connectivity for service users and potentially increase social exclusion.		
<b>Mitigation</b>		
Careful planning and consultation will minimise adverse impacts		
<b>Next steps – Service ownership and Board Scrutiny &amp; Challenge</b>		
<b>Step</b>	<b>Service</b>	<b>Board Scrutiny &amp; Challenge</b>
Commission detailed Options Paper for service reduction and associated consultation materials.	Transportation & Highways	

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**Appendix 2c  
Shaping the Council 2015-16 and beyond  
Preliminary Savings Proposal**

<b>Lead Director</b>	<b>David Bull</b>	
<b>Savings Proposal</b>		
Increase in parking charges .		
<b>Strategic rationale</b>		
<p>Car parks Parking enforcement is necessary for managing demand on our roads. Any parking charges and fines received can be invested in transport infrastructure, however, the Transport Act requires Thurrock Council to publish an annual parking report showing precisely where our parking revenues come from and how any income is being used. Car parking in Thurrock have not increased for the last 3 years. Comparing our charges with that of other authorities in the area indicates that there is potential to raise parking fees in the Borough to at least cover costs. It is proposed that Cabinet considers proposals for a 20% increase – i.e. a 50p an hour parking charge would become 60p an hour, or a £1 charge becomes £1.20 an hour. It has been agreed that on all Saturdays during December there will be free parking in all on-street and off-street pay and display parking spaces.</p>		
<b>Approximate Cost Savings</b>		
Increased charges, coupled with increased demand for parking in Grays centre resulting from consolidation of Council staff into the Civic Offices and the opening of South Essex College should raise £15K in the 2014/15 financial year, with a further £85K in 2015/16. (T		
<b>Timescales</b>		
<b>Activity</b>	<b>Timescale</b>	
Cabinet Report	November 2014	
Introduction of new charges	December 2014	
<b>Risks /Consequences</b>		
Increased charges do not deliver the required increase in parking income.		
<b>Mitigation</b>		
Close monitoring of car park receipts, and promotion of use of Council Car Parks		
<b>Next steps – Service ownership and Board Scrutiny &amp; Challenge</b>		
<b>Step</b>	<b>Service</b>	<b>Board Scrutiny &amp; Challenge</b>
.Preparation of Cabinet Report	Transportation & Highways	

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<b>30 July 2014</b>	<b>ITEM: 6</b>
<b>Planning, Transport and Regeneration Overview and Scrutiny Committee</b>	
<b>Local Highways Infrastructure (including public transport)</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> No
<b>Report of:</b> Ann Osola, Head of Transportation & Highways	
<b>Accountable Head of Service:</b> Ann Osola, Head of Transportation & Highways	
<b>Accountable Director:</b> David Bull, Director of Planning & Transportation	
<b>This report is Public</b>	

## Executive Summary

As a Unitary Borough, Thurrock Council is responsible for maintaining local highways infrastructure such as roads, footpaths, street lights, signs, traffic lights, bollards and gullies. It is also responsible for trying to ensure that all communities across the Borough retain a basic public transport service, and remain accessible for people who do not have the use of private cars. In recent years, the amount of money available to spend on discharging these responsibilities has reduced and will continue to reduce further, as set out in the budget paper set to be discussed later in this meeting. This report sets out the actions being taken by the Transportation & Highways Team to ensure that we get the best possible value from the money we have available to spend, and, as far as possible within budget constraints, retain accessibility for local communities. In times of reduced budgets, clear priority setting is essential, and the input of Planning, Transportation & Regeneration Overview and Scrutiny Committee is sought in establishing these priorities.

### 1. Recommendation(s)

**That the Committee:**

- 1.1 Supports ongoing work to improve value for money in relation to local highways infrastructure maintenance and support for local bus services.**
- 1.2 Agrees to participate in the stakeholder activities which will be organised during the autumn to agree a way forward on how we make the best use of the resources we have for the benefit of communities in Thurrock.**

## **2. Introduction and Background**

### *Local Highways Infrastructure*

- 2.1 Local highways infrastructure is the term used for the roads, footways, crossings, street lights, traffic lights, signs, bollards and gullies which the Council maintains for the safety and amenity of local communities, businesses and visitors. It is one of the few Council services which has a direct impact on almost everyone in the Borough, from parents with pushchairs, through to businesses relying on deliveries, to commuters relying on cars to get them to work.
- 2.2 The Council is responsible for maintaining:
- 560km of carriageway
  - 1000km of footway
  - 133 structures
  - 168 roundabouts
  - 50 traffic signals
  - 1,750 lighting columns
  - 3,500 illuminated signs
  - 1,500 illuminated bollards
  - 30,000 signs and
  - 20,000 gullies
- 2.3 Current budget savings proposals are £250K efficiency savings by 2017, delivered through more targeted investment, less fire-fighting and more streamlined supply chains.

### *Public Transport*

- 2.4 Thurrock Council oversees bus services running in the Borough, and has a responsibility for seeking to ensure that, as far as possible, communities can access basic amenities such as schools, jobs, health care and larger town centres without relying on access to private cars.
- 2.5 Where there is a need for a bus service, but providing the service is not commercially viable for operators, the Council can provide subsidies to ensure that residents in isolated areas have basic provision. There are two types of subsidy:
- Services such as the 11, 374 and 201 which are fully funded by the Council, and
  - De Minimus payments where operators receive smaller payments to arrange commercial services such that they make diversions, operate later in to the evening or at weekends, in ways which provide basic amenity to local people, but which would not be commercially viable. Department for Transport guidelines state that, for Authorities such as Thurrock, where the annual bus subsidy budget is less than £600,000 per



year, no operator can be paid more than £29,999 per route for a de minimus payment per year.

- 2.6 In 2014/15, Thurrock spent £585K on bus subsidies, of which £190K came from the Transportation & Highways Service Budget. This budget is set to be reduced to zero in 2016/17.
- 2.7 Appendix A shows the Thurrock Public Transport Map, which illustrates the current level of provision.

### **3. Issues, Options and Analysis of Options**

#### *Local Highways Infrastructure*

- 3.1 In recent years, Thurrock, like all Local Highway Authorities, has faced dwindling maintenance budgets, and has struggled to invest in a way which maintains the condition and value of its Highways Asset. As road conditions deteriorated and complaints/service requests rose, Thurrock has spent more and more of its maintenance allocation on reactive maintenance, leaving less money to spend on strategic interventions and approaches which would prolong the life of the assets and allow the service to be delivered more efficiently. Top up funds from Government have provided additional investment, but have not allowed Thurrock to break out of a culture of short-termism.
- 3.2 The Department for Transport has recognised that Local Highway Authorities are being asked to do more with less, and have funded a programme (the Highways Maintenance Efficiency Programme) to provide advice and resource to help them do this. In the coming months, Thurrock will be working with this Programme with the aim of delivering a better highways maintenance service at reduced cost for the people of Thurrock.
- 3.3 Key areas of work will be:
- Making better use of information technology to improve our understanding of the overall condition of our highways assets, and sharing this information with local communities
  - Linking in with the next phase of development for Thurrock on line so that service requests can be made and tracked through the Council website
  - Working with both existing and potential delivery partners to develop better and more cost-effective ways of delivering work
  - Taking a more strategic view of 'whole life asset management', and developing pro-active programmes in the knowledge that intervening at the right time will prevent bigger problems later on
  - Sharing more information online, so that people know the work programme and when it will be delivered, and also the principles we are applying in deciding how money will be spent.

- Converting our illuminated street furniture to low emission diode (LED) operation to reduce energy bills and reduce our carbon footprint.
- 3.4 Work has already begun to deliver this programme. Stakeholder engagement on detailed proposals is due to take place late autumn 2014. A detailed proposal is being developed which allows up front capital investment in highways assets which will generate revenue budget savings in future years. This will be brought to Planning, Transportation & Regeneration Scrutiny in September.
- 3.5 Planning, Transportation and Regeneration Overview and Scrutiny Members are further invited to be involved in a Local Government Association Strategic review of Highways Maintenance in Thurrock, which is scheduled for later in the autumn. This will provide Peer Challenge to refine the delivery programme and possibly identify further areas for savings.

### *Public Transport*

- 3.6 As the Council is faced with increasing pressures on its revenue budgets, it becomes increasingly difficult to afford to subsidise bus services. However, for non-car drivers, bus services play a vital role in giving access to basic amenities. In the coming months, discussions will take place with bus operators, Council Directorates such as Adults, Health & Commissioning, and Housing, and with major employers across the Borough to explore new ways of retaining basic services within increased budget constraints. As proposals are developed, we would propose to bring these back to Planning, Transportation & Regeneration Scrutiny Committee for consideration.

### **Conclusions and Next Steps**

- 3.7 The Council's Transportation & Highways is committed to delivering the best possible services for the people of Thurrock with limited and shrinking budgets. It seeks the support of PTR O & S for the programmes of work outlined above and the active involvement of Committee Members in the development of detailed proposals for implementation.

### **4. Reasons for Recommendation**

- 4.1 It is believed that the objectives set out above are shared by all political parties in the Borough and PTR O & S Committee provides the opportunity to engage in developing a shared and agreed way forward.

### **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 This report is being brought to Overview and Scrutiny at the start of the project development and engagement process. Once developed, detailed proposals will be the subject of formal consultation.

## **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 Ensuring physical access to jobs, education, healthcare and other local amenities contributes to a positive sense of place and community. It also supports the Council objectives of creating a great place for learning and opportunity, encouraging and promoting job creation and economic prosperity, and protecting and promoting our clean and green environment.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Mike Jones**  
**Management Accountant**

There are no financial implications of the current report. Further financial assessment will be undertaken once detailed proposals have been developed.

### **7.2 Legal**

Implications verified by: **Fiona Taylor**  
**Head of Legal and Democratic Services**

There are no legal implications as a result of this report, however, any implications of specific savings proposals will be set out in future business cases to inform consultation and final decision making.

### **7.3 Diversity and Equality**

Implications verified by: **Rebecca Price**  
**Community Development Officer**

Changes to access and amenity have the potential to impact upon our communities, particularly those that are vulnerable. To mitigate the risk of negative outcomes, individual Equality Impact Assessments will be undertaken from the development stage for each new proposal.

### **7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)**

There are no other significant implications of this report.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

None

9. **Appendices to the report**

- Appendix 1 – Thurrock Public Transport Map

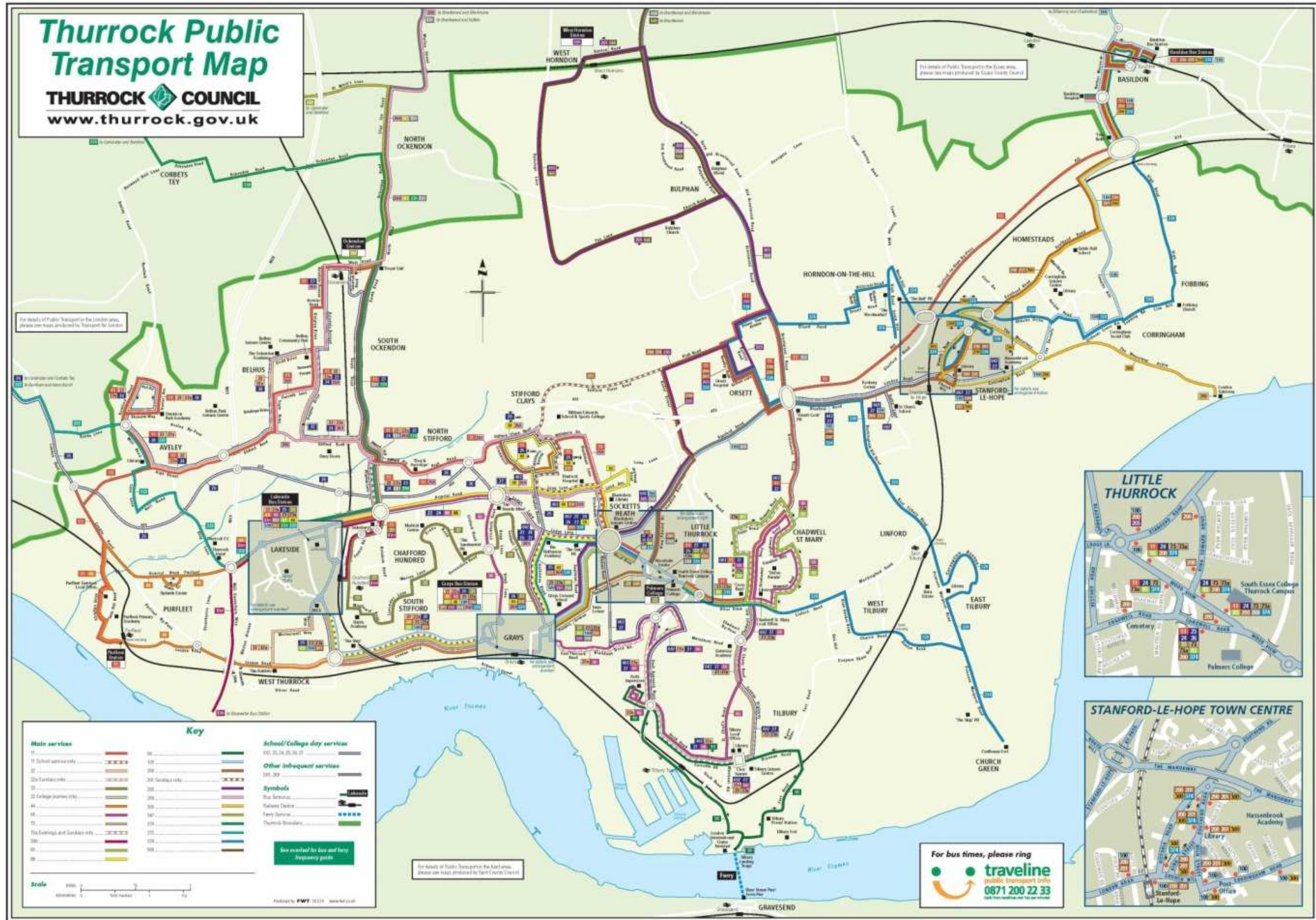
**Report Author:**

Ann Osola

Head of Transportation & Highways

Transportation & Highways





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<b>30 July 2014</b>	<b>ITEM: 7</b>
<b>Planning, Transport and Regeneration Overview and Scrutiny Committee</b>	
<b>SELEP Single Local Growth Fund Update</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> No
<b>Report of:</b> Matthew Essex, Head of Regeneration	
<b>Accountable Head of Service:</b> Matthew Essex, Head of Regeneration	
<b>Accountable Director:</b> Steve Cox, Assistant Chief Executive	
<b>This report is</b> Public	

## Executive Summary

Government economic development policy places a strong emphasis on Local Enterprise Partnerships (LEPs) to drive forward the growth agenda. In 2013 the 39 LEPs, including the South East Local Enterprise Partnership (which includes Thurrock) were asked to prepare Strategic Economic Plans (SEPs) to inform negotiation of a growth deal in each area. The final version of the SEP was submitted in March 2014 and, in July, the Government announced the first round of Growth Deal investment packages.

The Growth Deal includes a number of funding commitments for projects starting in 2015-16, provisional allocations of funding for projects starting in 2016-17 and beyond and commitments by departments and agencies to work with the LEP to drive forward growth. This is matched with a series of commitments made by SELEP partners. Thurrock has been successful in attracting approximately 25% of the new funding announced in the SELEP Growth Deal, including a large provisional allocation to support the widening of the A13.

### 1. Recommendation(s)

**That the Committee:**

- 1.1 Note the report and welcome the success that Thurrock has had in attracting Government funding as part of the Growth Deal**

**1.2 Support the on-going work to progress the projects outlined in the deal and to develop proposals for the next round of the Growth Deal investment programme.**

## **2. Introduction and Background**

- 2.1 Local Enterprise Partnerships (LEPs) have been formed by groups of businesses and local authorities across the country to drive forward growth and job creation. In total 39 LEPs have been created including South East Local Enterprise Partnership (SELEP) which includes Thurrock, Southend-on-Sea and Medway unitary authorities together with Essex, Kent, and East Sussex County Councils. SELEP is the largest LEP outside of London and, given its size and diverse nature, a federal model and structure has been adopted with four sub-LEP areas – Essex, Thames Gateway South Essex (TGSE), Kent and Medway and East Sussex. The TGSE federal area includes the unitary authorities of Thurrock and Southend-on-Sea together with Essex County Council, Basildon, Castle Point and Rochford Councils.
- 2.2 The 2012 Heseltine Review ‘No Stone Unturned’ set out a plan to improve the UKs ability to create wealth. The report proposed rebalancing responsibilities for economic development between central and local government and between government and the private sector. In response to the Heseltine review the Government set out its vision to support and encourage growth by devolving resources and responsibility and placing a strong emphasis on the role of LEPs to drive forward the agenda. Proposals included the devolution of some funding streams into a single pot of funding to be made available from 2015 and LEPs were asked to prepare multi-year Strategic Economic Plans (SEPs) to inform negotiation of a ‘Growth Deal’ with central Government. The SEP includes commitments (including funding) from SELEP partners and a number of ‘asks’ of central Government that will, together, form a Growth Deal to deliver infrastructure projects, transport improvements, job creation, new homes and business support. Alongside the development of the SEP each LEP was also charged with drawing up investment plans for European Structural and Investment Funds for the 2014-20 programme period which align with local growth priorities.
- 2.3 In December 2013 Cabinet received a report outlining the development of the SEP and seeking endorsement of the Thurrock Growth Story as part of the Council’s input into the development of the plan. Cabinet also supported the work of officers leading the development of the Thames Gateway input into the SEP, including the development of the Thames Gateway Chapter and the direct dialogue with SELEP partners on project prioritisation and funding.
- 2.4 The final version of the SEP was submitted in March 2014 and, in July, Government announced the first Growth Deals. Alongside the pledges made by SELEP partners the Growth Deal includes a number of commitments made by central Government including funding commitments for projects starting in 2015-16 and provisional allocations of funding for projects starting in 2016-17 and beyond.



- 2.5 The Planning, Transport and Regeneration Overview and Scrutiny Committee is asked to note and welcome the Growth Deal announcement and to support the approach taken to maximise benefit for Thurrock from the investment programme.

### 3. Issues, Options and Analysis of Options

- 3.1 On the 7<sup>th</sup> July the Government announced the Growth Fund allocations to the Local Enterprise Partnerships. SELEP was allocated £442 million made up of the Local Growth Fund award (£208.2m), previously committed funding (£69.5m) and a provisional allocation for projects starting in 2016/17 and beyond (£164.4m). The Growth Deal announcement is divided into four themes - Transport Connectivity, Business Support and Connectivity, Raising Skill Levels and Supporting Housing and Development. The investment proposals for Thurrock and Thames Gateway South Essex are set out in the following tables.

#### Government Investment in Thurrock

Project	Funding allocation
Provisional allocation of funding to improve access to London Gateway from Stanford-le-hope and reconstruction of the A1014	£7.5m
Provisional allocation of funding to improve the Thurrock cycle network	£5.0m
Allocation of £5m for the development of the A13 widening scheme plus up to £75m for delivery 'subject to due diligence and alignment with decision-making on the preferred option for the Lower Thames Crossing'	£80m
<b>Total</b>	<b>£92.5m</b>

#### Government Investment in TGSE

Project	Funding allocation
Capacity improvements along the A127	£35.6m
Integrated Transport Package for Basildon	£9m
Transport works to deliver the Southend Central Area Action Plan	£7m
Investment package to support delivery of the Southend Central Area Action Plan	£6.7m
TGSE Local Sustainable Transport Fund capital funding (funding for the whole of TGSE including Thurrock)	£5m
<b>Total</b>	<b>£63.3m</b>
<b>Thurrock Total</b>	<b>£92.5m</b>
<b>TGSE Total</b>	<b>£155.8m</b>

#### Funding for SELEP wide projects including TGSE

Project	Funding allocation
Growth hub business support and	£0.8k

co-ordination across the LEP	
Skills Capital Funding	£22m
Total	£22.8m

3.2 In addition the Growth Deal includes a number of other commitments made by Government Departments and Agencies. Commitments include:

- Proactive engagement in the long term rail planning process and in rail franchise specification together with encouraging franchise holders to engage with the LEP priorities through the bidding process and beyond
- The Highways Agency engaging with the LEP to help address local priorities
- UK Trade and Industry working with the LEP to help build capability and secure inward investment and to double the number of partnership managers to 16
- The Technology Strategy Board working with the LEP to develop the emerging Growth Hub and explore how the Local Enterprise Partnerships can help drive up local business awareness and engagement in programmes and activities
- Ensuring that local priorities are fed into the operations of the new National Careers Service providers
- Involving the LEP in the procurement of new skills provision, in holding providers to account, in setting allocations and triggering intervention
- Holding discussions with Thurrock Council to further consider increasing the Housing Revenue Account borrowing limit to help support the development of new affordable homes
- The Homes and Communities Agency (HCA) working with SELEP partners to develop housing priorities and options for delivery
- The HCA and the Department for Communities and Local Government working with SELEP partners to discuss proposals for large scale housing development
- The Government Property Unit working with LEP partners to examine the potential to release government land and property to promote local economic growth and/or housing development

## Conclusions

3.3 A significant proportion of the funding announced in the SELEP Growth Deal was allocated to projects in Thurrock. Excluding the previously committed funding the SELEP Growth Deal includes commitments and provisional

allocations of new funding which total approximately £372m. Of this Thurrock can anticipate benefitting from approximately £92.5 million – nearly 25% of the total. In addition Thurrock could receive additional support through funding allocated to the TGSE Local Sustainable Transport Fund, Growth Hub business support co-ordination and the Skills Capital Funding.

- 3.4 Thurrock's success in winning investment through the Growth Deal is reflected in the rest of Thames Gateway South Essex. The investment in the TGSE federal area (including Thurrock) announced in the Growth Deal is over £155m, or approximately 40% of the new funding announced. In addition the area can expect to benefit from a share of the Skills Capital Funding and the Growth Hub business support co-ordination project.
- 3.5 However the Growth Deal is not just about new investment. It also contains important commitments from Government Departments and Agencies that will help to deliver the Council's objective of 26,000 new jobs and 18,000 new homes in Thurrock.

### **Next Steps**

- 3.6 The Council will continue to work with partners across SELEP to deliver the projects funded through the Growth Deal and use the commitments made to deliver growth and prosperity to benefit local residents. Work-streams include: -
- Working with partners across SELEP to further develop proposals for the new European Structural Funds and Investment Programme that align with the Growth Deal and LEP priorities
  - Strengthening governance across the LEP including support for the federal structure set out in the Strategic Economic Plan
  - Developing monitoring arrangements to enable the LEP to track progress on the projects supported, ensure implementation and demonstrate success
  - SELEP will also begin working on a pipeline of new projects and programmes in preparation for the next round of Growth Deals committed to by the Government.
- 3.7 The Council is also working with local partners to develop detailed delivery plans for the A13, Stanford-le-hope and cycle network projects outlined in the Growth Deal.

## **4. Reasons for Recommendation**

- 4.1 The SELEP is an important partner in the delivery of Thurrock's growth ambition. Funding allocated through the Single Local Growth Fund will contribute to the delivery of projects across the borough.

## **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 Development of the Thurrock Council submission to the SEP was overseen by the Growth Board and was widely consulted on across the Council. The emerging priorities were discussed and endorsed by the Business Board. Cabinet endorsed the priorities set out in the Thurrock Growth Story and supported the ongoing work with TGSE partners to develop the Thames Gateway Chapter to the SEP.

## **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 The Growth Deal is a mechanism for securing the delivery of the Council's regeneration and growth ambitions detailed in the Corporate Plan, Local Development Framework, Regeneration Strategy and Economic Development Strategy.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Sean Clark**  
**Head of Corporate Finance**

The amounts awarded to Thurrock and the SELEP area is clearly set out in the body of the report. There will need to be funding spent on developing the projects and this can be met from existing resources and amounts within the award identified for this purpose.

### **7.2 Legal**

Implications verified by: **Alison Stuart**  
**Principal Solicitor**

The report is in essence providing an update to Members. Legal advice can be considered on implementation of the projects moving forward.

### **7.3 Diversity and Equality**

Implications verified by: **Rebecca Price**  
**Community Development Officer**

The funding and commitments announced as part of the Growth Deal all seek to promote greater economic growth which will create opportunities for combating deprivation, enabling fairness and increasing community cohesion. Specific projects funded through the deal will be subject to Equality Impact Assessments.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

There are no other significant implications of this report.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

None

9. **Appendices to the report**

- Appendix 1 - SELEP Growth Deal

**Report Author:**

Stephen Taylor

Programmes and Projects Manager

Regeneration

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## **SOUTH EAST LOCAL ENTERPRISE PARTNERSHIP GROWTH DEAL**

The South East Growth Deal aims to contribute to the Local Enterprise Partnership's Strategic Economic Plan by helping to renew the physical and intellectual capital of the South East. The Deal will focus initially on transport infrastructure and meeting the skills capital requirements identified by the Local Enterprise Partnership but will lay the foundations for increased growth across the South East Local Enterprise Partnership area. It will give renewed impetus to the delivery of much-needed new jobs and homes in the Thames Gateway and in other key growth locations, including at a new garden city of Ebbsfleet and will act as a spur to the revival of the area's many coastal towns.

The Growth Deal, subject to a satisfactory conclusion of the funding agreement, will bring together local, national and private funding as well as new freedoms and flexibilities to focus on four key priority areas as identified in the Local Enterprise Partnership's Strategic Economic Plan:

- Enhancing Transport Connectivity
- Increasing Business Support and Productivity
- Raising Local Skill Levels
- Supporting Housing and Development

The South East Local Enterprise Partnership has secured **£442.1m from the Government's Local Growth Fund to support economic growth in the area – with £64.6m of new funding confirmed for 2015/16 and £143.6m for 2016/17 to 2021.** This includes:

- as part of the Government's ongoing commitment to the South East LEP a provisional award of a further £164.4m of funding for projects starting in 2016 and beyond; and
- £69.5m of funding which the Government has previously committed as part of Local Growth Deal funding to the area.

This substantial investment from Government will **bring forward at least £190m of additional investment from local partners and the private sector. Combined together this will create a total new investment package of £632.1m for the South East LEP area.**

By 2021, this Deal will create at least 35,000 jobs and allow 18,000 homes to be built

The South East Local Enterprise Partnership brings together business, local government and education partners from the counties of Kent, Essex and East Sussex and the unitary authorities of Medway, Thurrock and Southend-on-Sea.

### **Summary of South East Local Enterprise Partnership Growth Deal projects and funding**

The South East Local Enterprise Partnership Growth Deal brings together different funding streams designed to support local growth with a share of the new Local Growth Fund.

<b>South East LEP Local Growth Fund breakdown (£m)</b>			
	<b>2015/6</b>	<b>2016 onwards</b>	<b>Total</b>
<b>Local Growth Fund award</b>	64.6	143.6	208.2
<b>Previously committed funding</b>	19.4	50.1	69.5
<b>Provisional allocation to projects starting in 2016/17 and beyond</b>	-	164.4	164.4
<b>Total</b>	84.8	358.1	442.1

The table above includes the provision of £4.78m loan funding (subject to due diligence) to Camland Hythe Ltd. to accelerate the delivery of 1050 homes on the Martello Lakes site.

The table above includes increases to the Housing Revenue Account borrowing limit for Eastbourne Borough Council by £0.38m to help support the development of new affordable homes. The Government will hold discussions with Thurrock Council and Ashford Borough Council to further consider their bids for an increase in their Housing Revenue Account borrowing limit to help support the development of new affordable homes.

These totals exclude match funding for European Social Fund (ESF) skills activities. The total amount of ESF skills activity LEPs have planned in their draft strategies over the 7 year programme is currently just over 1 billion euros. Actual skills ESF match will be used on the basis of the skills activity which is delivered at LEP level according to their final strategies.

**South East Local Enterprise Partnership and Central Government have agreed to co-invest in the following jointly-agreed priorities from 2015-16:**

- **33 transport projects across the Local Enterprise Partnership area** - to enable major new developments, address existing pinch points and congestion issues, and encouraging increased use of sustainable transport modes
- **the development of Growth Hubs**
- **improved flood defences at Newhaven**
- **broadband infrastructure in Colchester business parks**
- **a skills capital programme for the South East Local Enterprise Partnership area**

**In later years, there is a provisional allocation for transport schemes starting in 2016/17 and beyond:**

- widening of the A13 in Thurrock
- a new link road in Canterbury (Sturry Road)
- a new parkway station in Thanet
- an Eastbourne Town Centre access and improvement package
- improvements to the A28 Chart Road in Ashford
- an integrated transport package for Maidstone
- a package of transport works to deliver the Southend Central Area Action Plan (SCAAP)
- a package of Route Based Strategies in Essex covering the A131 Chelmsford to Braintree, A414 Harlow to Chelmsford, A133 Colchester to Clacton, and A131 Braintree to Sudbury
- an integrated transport package for improving access to the London Gateway from Stanford-le-Hope and reconstruction of the A1014
- a Hastings and Bexhill walking and cycling package
- improvements to the Thurrock cycling network
- a Hastings and Bexhill junction capacity and improvement package

**Local flexibility over Growth Deal programme:** The Government recognises the significant steps that the South East LEP have taken to deliver a successful and achievable Local Growth Deal and that the programme agreed in this Growth Deal represents a step up in the ambition of, and therefore expectations on, the LEP. The LEP will be expected to deliver all the projects in the Deal document and to achieve this the Government will disburse funds to the LEP quarterly in advance – with any changes to projects agreed each quarter. The Cities & Local Growth Unit will



work closely with the LEP to resolve any outstanding concerns that will allow the South East LEP to achieve increased flexibility ahead of the first payments in April 2015. In this context, Government recognises the LEP's intention to establish a South East Fund (SEFUND) and will work with the LEP to help deliver the Fund and bring forward an implementation plan with South East LEP within the next three months.

The Growth Deal does not amount to an endorsement of everything in the submitted Strategic Economic Plan. All development decisions for specific proposals must go through the normal planning process and be guided by the Local Plan, taking into account all material considerations.

## The South East Local Enterprise Partnership Growth Deal

The investment secured by the deal will be focused on four key areas to deliver transformative growth:

### Enhancing Transport Connectivity

Investment in the transport networks, both local and national, is pivotal for enabling local sites for development, alleviating pinch points and other congestion issues, and increasing use of sustainable modes of transport. Committed and provisional investment for the Local Growth Fund and local investment, and wider commitments, address all three of these aims. New housing and employment sites will be supported and journey times for commuters and businesses will be reduced.

<b>South East Local Enterprise Partnership commitments</b>	<b>Central Government commitments</b>
<b>Projects starting in 2015-16</b>	<b>Projects starting in 2015-16</b>
<ul style="list-style-type: none"> <li>• Invest £11.65m in congestion and pinch point transport projects in Kent and Medway.</li> <li>• Invest £18.25m in integrated and sustainable transport projects in Kent and Medway.</li> <li>• Invest £6.4m in congestion and pinch point transport projects in Thames Gateway South Essex.</li> <li>• Invest £4.0m in integrated and sustainable transport projects in Thames Gateway South Essex.</li> <li>• Invest £17.0m in congestion and pinch point transport projects in Essex.</li> <li>• Invest £11.5m in integrated and sustainable transport projects in Essex.</li> <li>• Invest £9.125m in integrated and sustainable transport projects in East Sussex.</li> </ul>	<ul style="list-style-type: none"> <li>• Invest £19.8m in congestion and pinch point transport projects in Kent and Medway (including £5.4m in 2015/16).</li> <li>• Invest £48.3m in integrated and sustainable transport projects in Kent and Medway (including £13.0m in 2015/16).</li> <li>• Invest £35.6m in congestion and pinch point transport projects in Thames Gateway South Essex (including £1.5m in 2015/16).</li> <li>• Invest £14.0m in integrated and sustainable transport projects in Thames Gateway South Essex (including £5.0m in 2015/16).</li> <li>• Invest £12.0m in congestion and pinch point transport projects in Essex (including £6.0m in 2015/16).</li> <li>• Invest £15.0m in integrated and sustainable transport projects in Essex (including £10.7m in 2015/16).</li> <li>• Invest £5.0m in congestion and pinch point transport projects in East Sussex, all in 2015/16.</li> <li>• Invest £10.7m in integrated and sustainable transport projects in East Sussex (including £0.6m in 2015/16).</li> </ul>
<b>Projects starting in 2016-17 onwards</b>	<b>Projects starting in 2016-17 onwards</b>
<ul style="list-style-type: none"> <li>• The Local Enterprise Partnership and local partners provisionally commit funding to the following projects starting in 2016/17 or beyond: <ul style="list-style-type: none"> <li>○ a Hastings and Bexhill walking and cycling package (£1.7m)</li> <li>○ a Hastings and Bexhill junction capacity and improvement package (£1.5m)</li> <li>○ an Eastbourne Town Centre access and improvement package (£4.9m)</li> <li>○ improvements to the A28 Chart Road in Ashford (£9.3m)</li> <li>○ an integrated transport package for Maidstone (£6.9m)</li> <li>○ a new link road in Canterbury (Sturry Road) (£22.7m)</li> <li>○ a new parkway station in Thanet (£4.0m)</li> <li>○ an integrated transport package for improving access to the London Gateway from Stanford-le-</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Government gives a provisional allocation to the following projects starting in 2016/17 or beyond: <ul style="list-style-type: none"> <li>○ a Hastings and Bexhill walking and cycling package (£6.0m)</li> <li>○ a Hastings and Bexhill junction capacity and improvement package (£6.0m)</li> <li>○ an Eastbourne Town Centre access and improvement package (£6.0m)</li> <li>○ improvements to the A28 Chart Road in Ashford (£10.2m)</li> <li>○ an integrated transport package for Maidstone (£8.9m)</li> <li>○ a new link road in Canterbury (Sturry Road) (£5.9m)</li> <li>○ a new parkway station in Thanet (£10.0m)</li> <li>○ a package of transport works to deliver the Southend Central Area Action Plan (SCAAP) (£7.0m)</li> </ul> </li> </ul>

<p>Hope and reconstruction of the A1014 (£4.6m)</p> <ul style="list-style-type: none"> <li>○ improvements to the Thurrock cycling network (£1.1m)</li> <li>○ a package of Route Based Strategies in Essex covering the A131 Chelmsford to Braintree, A414 Harlow to Chelmsford, A133 Colchester to Clacton, and A131 Braintree to Sudbury (£11.9m)</li> </ul>	<ul style="list-style-type: none"> <li>○ an integrated transport package for improving access to the London Gateway from Stanford-le-Hope and reconstruction of the A1014 (£7.5m)</li> <li>○ improvements to the Thurrock cycling network (£5.0m)</li> <li>○ a package of Route Based Strategies in Essex covering the A131 Chelmsford to Braintree, A414 Harlow to Chelmsford, A133 Colchester to Clacton, and A131 Braintree to Sudbury. (£11.9m)</li> </ul>
<p><b>Other commitments</b></p>	<p><b>Other commitments</b></p>
<ul style="list-style-type: none"> <li>● The Local Enterprise Partnership agrees to produce a business case in line with its assurance framework which will be scrutinised by the Department for Transport for the Strood Town Centre Journey Time and Accessibility Enhancements scheme.</li> <li>● The Local Enterprise Partnership agrees to take a more proactive role in consultation on long-term rail planning and franchise specification, and provide a co-ordinating role between constituent local authorities.</li> <li>● The Local Enterprise Partnership agrees to take a more proactive role in consultation on long-term strategic road network planning and provide a co-ordinating role between constituent local authorities.</li> <li>● The Local Enterprise Partnership and partners, including Essex County Council, commit to fund technical feasibility work and to produce the outline business case for the M11 Junction 7a scheme.</li> <li>● The South East Local Enterprise Partnership and local partners will work together and with the Highways Agency to identify an acceptable local funding package to support the A2 Bean Junction and A2 Ebbsfleet Junction schemes.</li> <li>● The Local Enterprise Partnership and partners (including Kent County Council and Ashford Borough Council) commit to use pre-committed Local Growth Fund allocations and local contributions underwritten by Ashford Borough Council to invest £35.7 million in the major HA project at M20 Junction 10A rather than in the smaller SELEP scheme.</li> <li>● Progress on the development and delivery of the priority transport schemes identified by the South East Local Transport Body that are fundable within available pre-allocated Local Growth Fund resources.</li> </ul>	<ul style="list-style-type: none"> <li>● The Department for Transport and Network Rail commit to more proactive engagement of the Local Enterprise Partnership in the long-term rail planning process (e.g. Route Studies) and in rail franchise specification through targeted local engagement of the Local Enterprise Partnership as part of an enhanced consultation process. The Department for Transport also commits to encourage bidders for franchises to identify and take into account the priorities of the Local Enterprise Partnership and other key local stakeholders as part of the franchising process, and will also encourage Train Operating Companies to continue with, and enhance where possible, their engagement with the Local Enterprise Partnership as a key local stakeholder.</li> <li>● The Highways Agency commits to developing a more proactive and collaborative approaches to promoting national and local growth supported by a substantially strengthened economic development and strategic planning capability, and commits to continue building strong relationships and working arrangements both with the Local Enterprise Partnership and the Local Enterprise Partnership Network, in the same way as with Local and Combined Authorities and the Local Government Association. Through its Route Strategies, the Highways Agency will engage the Local Enterprise Partnership in better understanding the challenges and opportunities associated with the network and to develop evidence based long-term plans to support local economic growth and development, and commits to providing each Local Enterprise Partnership with a named contact, generally the relevant regional director. The Highways Agency commits to forming a Growth and Economic Development Group to support Local Enterprise Partnerships at a national and sub-national level, and a draft licence published on 23<sup>rd</sup> June 2014 for the new Highway Agency company includes a requirement to co-operate, which will underpin the arrangements described above.</li> <li>● The Highways Agency will work with the South East Local Enterprise Partnership and partners to conduct necessary technical work required to develop the</li> </ul>

	<p>business case for the M11 Junction 7a scheme.</p> <ul style="list-style-type: none"> <li>• The Highways Agency reaffirms its commitment to deliver the A2 Bean Junction and A2 Ebbsfleet Junction between 2015 and 2020 subject to the Highways Agency and South East Local Enterprise Partnership and partners working together to agree the funding package and local contributions. The form and timing of the improvements will take into account the delivery of the Ebbsfleet Garden City and, as appropriate, other major development proposals.</li> <li>• The Highways Agency will commit to deliver the major HA project at M20 J10a and provide funding for the total cost of the delivery of the scheme minus the Local Enterprise Partnership contribution (£35.7 million) and maintain agreed timescales with the South East Local Enterprise Partnership and partners for scheme delivery.</li> <li>• Government commits to provide funding of £5m capital grant from the Local Growth Fund for the development costs of the A13 Widening project. Up to £75m of further funding will be made available from the Local Growth Fund subject to due diligence and alignment with decision-making on the preferred option for the Lower Thames Crossing.</li> <li>• The Department for Transport, Highways Agency and Network Rail commit to continue working with local partners on the joint planning and delivery of schemes for improved accessibility to and connectivity along the Stansted-Cambridge Corridor.</li> <li>• The Department for Transport commits to work with the Local Enterprise Partnership to develop further the business case for the Dover Waterfront - Town Centre Links scheme, to identify more clearly the costs and benefits arising directly from it and also to understand better the inter-relationship with the Port's Dover Western Docks Revival scheme.</li> </ul>
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### Increasing Business Support and Productivity

The South East has a dynamic business environment. Through the federated areas, the South East Local Enterprise Partnership will have a market-driven approach to business support, with a focus on Small and Medium Enterprises (SMEs). Building upon the learning and experience of the Southend-on-Sea Growth Hub funded through its City Deal, the Local Enterprise Partnership will use this to inform the delivery of signposting services and business engagement. In addition, the Local Enterprise Partnership will support business through proactive engagement with UK Trade and Industry and the Technology Strategy Board. The Local Enterprise Partnership will also support superfast broadband roll-out to businesses.

<b>South East Local Enterprise Partnership commitments</b>	<b>Central Government commitments</b>
<ul style="list-style-type: none"> <li>• Invest £3.0m in a Kent and Medway Growth Hub</li> <li>• Invest £51.1m in Southend Central Area Action Plan (SCAAP) - Growth Hub and Victoria Avenue</li> </ul>	<ul style="list-style-type: none"> <li>• Invest £6.0m in a Kent and Medway Growth Hub, including £1.0m in 2015/16.</li> <li>• Invest £6.7m in Southend Central Area Action Plan (SCAAP) - Growth Hub and Victoria Avenue</li> </ul>

<p>Improvements.</p> <ul style="list-style-type: none"> <li>• Invest £7.5m in Newhaven flood defences.</li> <li>• Invest £0.3m in Colchester NGA Broadband for business parks.</li> <li>• Provide a clear model for coordinating and simplifying business support so that it joins up national, local, public and private support and creates a seamless customer experience for businesses, which makes it easy for them to get the right support at the right time</li> <li>• Provide £400,000 of public and private funding in 2015/16 to support the delivery of the Growth Hub, and leverage at least £5.0m from other local sources.</li> <li>• Support the extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects. The Local Enterprise Partnership will commit to work with local partners and BT to support delivery. To support extension of superfast broadband coverage to 95% of UK premises by 2017, the Local Enterprise Partnership will also work with local partners to help ensure match funding is in place for the next round of projects.</li> </ul>	<p>Improvements (including £0.1m in 201/16).</p> <ul style="list-style-type: none"> <li>• Invest £1.5m in Newhaven flood defences (including £0.75m in 2015/16).</li> <li>• Invest £0.2m in Colchester NGA Broadband for business parks in 2015/16.</li> <li>• Provide £800,000 of revenue funding in 2015/16 for Growth Hub business support co-ordination, subject to minimum conditions that reflect the position agreed by the Government review on business support and services.</li> <li>• UK Trade and Industry will commit to effectively communicating its strategic priorities to LEPs and where possible help them access relevant opportunities. UK Trade and Industry will double the number of Partnership Managers to 16. This will ensure that UK Trade and Industry can work more closely with LEPs and help build their capability to secure more inward investment.</li> <li>• The Technology Strategy Board commits to developing a strong and effective relationship with the Local Enterprise Partnership to build on the valuable role the Local Enterprise is playing in promoting and supporting innovation. The Technology Strategy Board is committed to supporting the Local Enterprise Partnership in developing the emerging Growth Hub and in exploring how the Local Enterprise Partnership can help drive up local business awareness and engagement in Technology Strategy Board programmes and initiatives.</li> </ul>
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## Raising Local Skill Levels

Improving skills levels is a key factor in stimulating local growth and taking advantage of new economic opportunities. Government and the South East Local Enterprise Partnership are committed to ensuring that adult skills provision is increasingly responsive to the needs of business and supports local economic growth and jobs.

This includes investment in improving the estate condition of Further Education colleges, as well as investing in new infrastructure to support training provision aligned to the local areas economic growth sectors. In addition, the Local Enterprise Partnership, local partners and Government will work together to improve information, advice and guidance for young people regarding education, skills and employment. All parties will also work together to lower the number of young people not in employment, education or training. The Government expects South East Local Enterprise Partnership to open up new jobs associated with the Local Growth Fund to local unemployed and long-term unemployed people working closely with local and national back to work initiatives. This would be part of a wider expectation that local areas use the Social Value Act, drawing on best practice across local councils and central expertise in maximising social value.

South East Local Enterprise Partnership commitments	Central Government commitments
<ul style="list-style-type: none"> <li>• Invest £44.0m in a South East Local Enterprise Partnership Skills Capital programme (in years</li> </ul>	<ul style="list-style-type: none"> <li>• Invest £22.0m in a South East Local Enterprise Partnership Skills Capital programme (including £11m</li> </ul>

2015/16 and 2016/17).

- The Local Enterprise Partnership will facilitate stronger linkages between education providers and local businesses. The Local Enterprise Partnership will work with relevant local stakeholders to identify and communicate local priorities, and communicate and align the local offer to the National Careers Service providers ahead of the new service's roll-out in October 2014 in order to augment the service.
- The Local Enterprise Partnership will consider skills implications as part of decision taking on growth strategies.
- The Local Enterprise Partnership will clearly articulate and evidence their skills priorities in the light of strategic national and local growth opportunities and communicate them to the Further Education and skills sector
- The Local Enterprise Partnership will positively engage the Further Education and skills sector in key strategic partnerships e.g. Employment and Skills Boards
- The Local Enterprise Partnership will recognise where the private sector has a responsibility to invest in skills provision and work with business and the skills system to realise that investment.

in 2015/16).

- The Government commits to working with the Local Enterprise Partnership to help ensure that local priorities are fed into the operations of the new National Careers Service providers in local area.
- Government, through the Skills Funding Agency, will support the process to ensure that provision meets local priorities and that increasing responsiveness is delivered through a three-pronged approach:
  - Procurement of New Provision: The Local Enterprise Partnership will be involved throughout the procurement process (e.g. co-commissioning skills with the Skills Funding Agency through use of its European Social Funding match funding); and providers' track records against its requirements will be considered as part of this assessment.
  - Accountability: Providers will be required through their funding agreements with the Skills Funding Agency to explain to the Local Enterprise Partnership details of its provision and planning and we are testing ways in which it can be most effectively held to account for being responsive to local economic priorities.
  - Allocations and Intervention: In future years providers' records in delivering to Local Enterprise requirements will be taken into account when setting allocations and triggering interventions. From 2015/16 the Skills Funding Agency will take into account the outcomes of three national Skills Incentive Pilots in making allocations to those providers in scope; subject to evaluation of the pilots, these mechanisms will be rolled out to the South East Local Enterprise Partnership in future years.
- Government will set out revised information for the Local Enterprise Partnership on how they can take advantage of this approach and options for seeking advice if provision is not responsive to its needs. The Skills Funding Agency will publish information during summer 2014 on how the Local Enterprise Partnership can influence the use of all skills budgets in its local area, and the steps they can take if they are dissatisfied with the pattern of delivery.
- Government will seek to improve the provision of skills data for Local Enterprise Partnerships and will develop and publish new reports that will quantify and assess responsiveness to local skills needs. In the summer of 2014 the Skills Funding Agency will provide the Local Enterprise Partnership with a data set that updates

them on the provision delivered in their areas.

## Supporting Housing and Development

The South East has some of the greatest housing supply pressures in the country. Along with investment in transport to enable housing sites, key local and central government partners will proactively work together, share information and plan and deliver innovative solutions. In addition to increasing housing supply and affordable housing levels, priorities for the Local Enterprise Partnership include coastal communities and housing for older people.

<b>South East Local Enterprise Partnership commitments</b>	<b>Central Government commitments</b>
<ul style="list-style-type: none"> <li>• The Local Enterprise Partnership commits to working with all Local Authorities to:               <ul style="list-style-type: none"> <li>▪ Ensure they positively engage with the Duty to Cooperate to deliver strategic planning priorities and update their local plans in accordance with the timetable submitted as part of the Local Enterprise Partnership monitoring, given the position on local plan-making in the area and the challenges relating to effective strategic cross boundary working, supporting the 32 local planning authorities in its area.</li> <li>▪ Identify large and priority sites, including the blockages associated with them, to be brought forward for development across the Local Enterprise Partnership area;</li> <li>▪ Make their local public asset data publically available (including to the Government Property Unit) by April 2015 and agree to the Right to Contest and challenge from the Government Property Unit;</li> <li>▪ Publish Asset Management Strategies by April 2015;</li> <li>▪ Review local planning processes to simplify them for commercial and housing development;</li> <li>▪ Review the potential for Community Infrastructure Levy and publish schedules where appropriate; and</li> <li>▪ Review the potential for the pooling of strategic economic development spend.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• The Homes and Communities Agency commits to work with the Local Enterprise Partnerships and Local Authorities on the development of their housing priorities and options for delivery.</li> <li>• The Homes and Communities Agency and the Department for Communities and Local Government has approved flexibility on the Strood Riverside Site to allow the Public Works Loan Board loan to go forward to enable the site to deliver nearly 600 housing units and deliver a return to Homes and Communities Agency and the Council (subject to Her Majesty's Treasury approval).</li> <li>• The Department for Communities and Local Government welcomes the Local Enterprise Partnership and its partners to discuss proposals for large scale housing development with officials.</li> <li>• The Government Property Unit commits to engage with the Local Enterprise Partnership to examine the potential to release government land and property to promote local economic growth and / or housing development.</li> <li>• The Government has an existing programme of support for large scale housing developments, including through the Homes and Communities Agency's ATLAS team, and Department for Communities and Local Government's large sites infrastructure fund, local authority capacity fund and garden cities programme. Local authorities are welcome to discuss proposals for large scale housing development with officials in the Homes and Communities Agency and Department for Communities and Local Government to determine what support may be available.</li> </ul>

**As part of the deal, the LEP will:**

- **Strengthen Governance:** review the structure and resourcing of the groups below Board level, including area partnerships, to ensure the available resources focus on delivery of the Local Enterprise Partnership's objectives and that there are clear reporting lines to the Board from officer groups. Agree monitoring metrics by September 2014 and reporting arrangements with the Government by December 2014.
- **Ensure implementation and demonstrate success,** by accepting the funding agreement, and by tracking progress against milestones and agreed core metrics and outcomes in line with a monitoring and evaluation framework. This will include agreeing monitoring metrics and reporting arrangements with the Government by September 2014. The LEP will also produce an evaluation plan for the projects contained in the Deal before April 2015.
- **Ensure value for money** by developing robust processes that will guide local decision-making. This will include agreeing an assurance framework with the Government by September 2014, building on existing local and national frameworks
- **Communicate the ongoing outputs and outcomes of the Deal to the local community and stakeholders** by publishing the Growth Deal and reporting regularly, and publically, on their progress to implement the strategy, ensuring that local people understand how Government money is being spent via the Growth Deal, and what the benefits are for them and the area. The Cities and Local Growth Unit will continue to work with the LEPs on communications activities, and help make the links with other Government communications teams.

Funding for projects starting in 2016/17 will be subject to conditions that Government will discuss with the LEP over the next few weeks and months, along with establishing the best timetable for the project, taking into account practicalities and affordability.

The Government commits to opening discussions with the LEP right away on its priorities for the next round of Growth Deals.



<b>30 July 2014</b>	<b>ITEM: 8</b>
<b>Planning, Transport and Regeneration Overview and Scrutiny Committee</b>	
<b>Purfleet Regeneration Update</b>	
<b>Wards and communities affected:</b> West Thurrock and South Stifford	<b>Key Decision:</b> No
<b>Report of:</b> Matthew Essex, Head of Regeneration	
<b>Accountable Head of Service:</b> Matthew Essex, Head of Regeneration	
<b>Accountable Director:</b> Steve Cox, Assistant Chief Executive	
<b>This report is</b> Public	

## **Executive Summary**

The Purfleet Centre project is the largest regeneration programme that the Council is responsible for directly delivering. It will create employment opportunities and new homes around a high quality town centre featuring a new school, health centre, shops and services. It is critical to the delivery of the Council's Regeneration and Economic Development strategies.

In 2012 Cabinet gave authority to commence an OJEU competitive dialogue process to identify a delivery partner for the scheme. The outcome of the competitive dialogue process was reported back to Cabinet in March 2014 and the preferred development partner – Purfleet Centre Regeneration Limited – was approved. The consortium proposals will transform the area through a high quality scheme featuring a film and television studio complex, a redeveloped station, more than 2,300 new homes, a primary school and community and health facilities.

Since approval the Council has sought to work with the preferred development partner to secure the development agreements, to begin preparation of detailed planning applications and the compulsory purchase / land acquisition process and to engage with stakeholders. This report seeks to update members of the Planning, Transport and Regeneration Overview and Scrutiny Committee and will be accompanied by a presentation summarising the main components of the scheme, progress to date and next steps.

## **1. Recommendation(s)**

### **1.1 That the Committee welcome the progress made on the Purfleet Centre regeneration project.**

## **2. Introduction and Background**

2.1 The Purfleet Centre proposal is the largest regeneration programme which the Council is responsible for directly delivering. In June 2012 Cabinet gave authority to commence an OJEU Competitive Dialogue process to identify a delivery partner and to pursue a land disposal and acquisition strategy for the Purfleet project. The report committed to providing regular progress updates and to report back with a recommendation for the approval of a development partner at the conclusion of the procurement process.

2.2 Cabinet has received progress reports in January 2013 and July 2013. The reports outlined progress against three work streams:

- Promotion of an Outline Planning Application for the scheme. The July 2013 update report explained that the Department for Communities and Local Government Secretary of State had confirmed the application would not be called in and that Outline Planning Consent had been given with the Decision Notice published on 23rd May 2013.
- Procurement of a private sector development partner – Cabinet received updates on the procurement process and a full report and recommendation was the subject of a report to the Planning, Transport and Regeneration Overview and Scrutiny Committee and Cabinet in March 2014
- Land acquisition. The scheme covers approximately 58Ha (140 acres) of brownfield land, around 55% of which is in Council ownership. In June 2012 Cabinet delegated authority to officers to continue acquiring sites in support of the project and there was one acquisition by March 2014.

2.3 In March 2014 Cabinet received a further report outlining the process followed to procure a private sector development partner and recommending the appointment of Purfleet Centre Regeneration Limited (PCRL) to deliver the scheme. Their vision for Purfleet is for the area to be transformed through the delivery of a high aspiration, high quality scheme featuring:

- A film and television studio complex of approximately 500,000 square feet
- A redeveloped station
- More than 2,300 homes (60% of which are houses)
- A new primary school; and
- Local facilities including a health centre, community hall, retail units and spaces for cafes and bars

### **3. Issues, Options and Analysis of Options**

- 3.1 Good progress has been made since the March 2014 Cabinet Report. The three immediate work streams are:
- To secure the formal development agreements
  - To secure planning consent for the proposals
  - Commence the compulsory purchase process to acquire the remaining land interests not yet within the Council's ownership.
- 3.2 Since being selected as the Council's development partner, PCRL has worked intensively to build the internal capacity necessary to bring a scheme of this scale forward. As well as additional members of staff joining the team, PCRL have now appointed design teams to take forward the detailed master planning work and the media village proposals. It is anticipated that PCRL will work to develop planning applications to be submitted by the end of the year in order to gain the consents necessary to commence development in 2015.
- 3.3 Outside the planning process, PCRL and Council Officers have held a series of meetings with stakeholders (including Network Rail, C2C and various Council departments), funders and Government Departments as part of the partnership effort to obtain the consents, support and funds necessary to secure delivery. A significant work stream has been the development and submission of an application to the Homes and Communities Agency Large Sites Infrastructure Fund for loan finance to support the costs of remediating and servicing the first three phases of the development. A decision on whether the project has been included on the short list is anticipated imminently.
- 3.4 It is anticipated that, subject to funding and planning, works will start on site next year with the first residential properties and the media village expected to come forward in 2017. This report seeks to update members of the Planning, Transport and Regeneration Overview and Scrutiny Committee and will be accompanied by a presentation summarising the main components of the scheme, progress to date and next steps

### **4. Reasons for Recommendation**

- 4.1 The Planning, Transport and Regeneration Overview and Scrutiny Committee are asked to note progress since the March 2014 report.

### **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 Members have been updated on proposals through a series of reports to Cabinet and the Planning, Transport and Regeneration Overview and Scrutiny Committee. Purfleet residents have been engaged through the Purfleet Forum, who will receive a further update report in August 2014. Further consultation will take place as the project progresses

## **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 Securing the delivery of the Purfleet Centre project is a key priority within the Council's Economic Development and Regeneration Strategies together with the Local Development Framework. It is anticipated that, as well as local housing and employment opportunities, the nature of the development will serve to greatly increase the profile of the Borough and raise aspirations among developers and communities in terms of the benefits that new development can bring.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Sean Clark**  
**Head of Corporate Finance**

This report is for noting, there are no further financial implications arising from the report.

### **7.2 Legal**

Implications verified by: **Alison Stuart**  
**Principal Solicitor**

This report is for noting, there are no further legal implications other than those arising from the report.

### **7.3 Diversity and Equality**

Implications verified by: **Teresa Evans**  
**Equalities and Cohesion Officer**

The Purfleet Centre Regeneration proposals have the potential to transform Purfleet. The commitments made by the development partner in terms of local service provision and employment opportunities should be secured early to maximise the potential local benefit

### **7.4 Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

There are no other significant implications of this report.

**8. Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Purfleet Regeneration Programme – Selection of Preferred Developer, Report to Cabinet, March 2014
- Purfleet Regeneration Programme – Selection of Preferred Developer, Report to the Planning, Transport and Regeneration Overview and Scrutiny Committee, March 2014

**9. Appendices to the report**

None.

**Report Author:**

Stephen Taylor

Programmes and Projects Manager

Regeneration

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## Work Programme

**Committee:** Planning, Transport & Regeneration Overview and Scrutiny

**Year:** 2014/2015

Item	Date Added	Request By (Members/Officers)	Lead Officer	Progress / Update required
<b>30 July 2014</b>				
Budget Savings	April 2014	Officers	Sean Clark, David Bull & Steve Cox	
Local Highways Infrastructure (including public transport)	April 2014	Members/Officers	Ann Osola	
SELEP Single Local Growth Fund Update	April 2014	Members/Officers	David Bull & Steve Cox	
Purfleet Regeneration Update	April 2014	Members/Officers	Matthew Essex	
Work Programme	Continuous	Members/Officers	Democratic Services Officer	
<b>17 September 2014</b>				
SELEP Single Local Growth Fund	April 2014	Members/Officers	David Bull & Steve Cox	
Grays Centre	April 2014	Members/Officers	Matthew Essex	
Work Programme	Continuous	Members/Officers	Democratic Services Officer	
<b>12 November 2014 (Budget)</b>				
Budget Savings	April 2014	Members/Officers	David Bull & Steve Cox	
Lakeside Update	April 2014	Members/Officers		
Economic Development	April 2014	Members/Officers	Matthew Essex	
Work Programme	Continuous	Members/Officers	Democratic Services Officer	
<b>21 January 2015 (Budget)</b>				
Budget Savings	April 2014	Members/Officers	David Bull & Steve Cox	
Thames Enterprise Park Update	April 2014	Members/Officers	Andy Millard	
Work Programme	Continuous	Members/Officers	Democratic Services Officer	
<b>2 March 2015</b>				
Local Plan Update	April 2014	Members/Officers	Andrew Millard	
Purfleet Regeneration Update	April 2014	Members/Officers	Matthew Essex	
Work Programme	Continuous	Members/Officers	Democratic Services Officer	

## Work Programme

To Be Allocated				
Item	Date Added	Request By (Members/Officers)	Lead Officer	Committee Date
Lower Thames Crossing		Members/Officers	David Bull, Andrew Millard & Ann Osola	
Comprehensive report on DP World		Members/Officers	Andrew Millard	

Full details of Member's decisions can be viewed in the Minutes on the Council's Committee Management Information System - <http://democracy.thurrock.gov.uk/thurrock/>

### FOR CONSIDERATION

There are currently no items for consideration.