

25 March 2015	ITEM: 20 (i)
Council	
Cabinet Member Report – Communities and Regeneration	
Report of: Councillor Richard Speight, Cabinet Member for Communities and Regeneration	
This report is public.	

1.0 Introduction/Overview

Thurrock's growth agenda continues to be one of the largest in the country. It is telling that through the recession, whilst other areas have seen their programmes stall or slow, ours has continued to progress with a range of exciting, transformational schemes delivering tangible results on the ground.

Activity over the past 12 months has included the completion of some of the first generation of Thurrock's strategic projects (the opening of South Essex College's new Thurrock Campus), the establishment of strategic partnerships to secure the delivery of others (appointment of a Development Partner for Purfleet Centre) and the securing of funding which will support the ultimate delivery of critical infrastructure including £80m to support the widening of the A13.

With the worst of the recession apparently now behind us it is clear that development activity is on the rise with an 18% increase in planning applications this year; the consistency of message around our ambitions is a critical factor in securing vital private sector investment. The progress of the past year puts us in an enviable position to secure lasting change in Thurrock; addressing many of our historic infrastructure deficits through the investment generated through growth and creating exciting opportunities for our residents.

2.0 Progress in the Growth Hubs

Our focussed approach to securing significant growth within our six key Growth Hubs has delivered strong progress over the past year. With the Council playing a variety of roles as dictated by the nature and needs of the various programmes, we have been able to concentrate our efforts alongside those of our partners and stakeholders in the public, private and community sectors. Progress in each of the Hubs is briefly reviewed below:

2.1 Purfleet

Having selected Purfleet Centre Regeneration Limited (PCRL) as our development partner for the Purfleet Centre project in March 2014, the past year has seen all efforts focussed on securing the funding necessary to deliver the scheme which features around 2,500 new homes and a 600,000sqft film and television studio complex set around a new town centre providing a range of local facilities including a

supermarket, primary school, health centre and leisure facilities.

The Council's strong partnership relationship with PCRL is increasingly bearing fruit with the scheme having secured an allocation of £20m in loan finance from the HCA's Large Sites Infrastructure Fund (currently going through due diligence) and a further £5m in grant funding through the recently announced second round of the Local Growth Fund. Both sources require significant private sector match funding. PCRL are leading the effort to secure this with discussions well progressed with three potential funders for the first phase of the scheme.

I am hopeful that we will secure the necessary finance in the coming months which will enable a start to the planning activity with a view to works starting on site in 2016 and the first homes coming forward in 2018.

Elsewhere in Purfleet, the Council continues to support High House Production Park's (HHPP) development with the Royal Opera House's (ROH) Costume Store and Archive expected to open imminently and discussion already underway on further new builds including accommodation to support The Backstage Centre's recent designation as one of only seven sector specific National Colleges. The building skills offer through HHPP has seen the cultural entitlement programme rolled out to all Thurrock schools, an increase in the numbers of South Essex College (SEC) students studying creative and cultural courses and the provision of the first University of the Arts London (UAL) accredited degree course in costume making through a trailblazing partnership between the ROH, SEC and UAL.

2.2 Lakeside

The continued strength of the Lakeside basin is of major importance to the Thurrock economy; the various operators provide thousands of jobs – many of which are taken by local people, generate significant business rate income and attract millions of visitors to the Borough every year. Over the past 12 months the Council has continued to work with the landowners and businesses in the area to develop a clear vision for the future of the Lakeside Basin to ensure that it continues to thrive in the coming years.

The vision, which will ultimately be enshrined within the Council's Local Plan, focusses on broadening Lakeside's role to encompass a more coordinated leisure offer as part of a network of Borough 'town centres'. With a strong focus on addressing the environmental, highways and infrastructure challenges which currently typify the Lakeside basin; the Council is likely to take a leading role in coordinating the work of the various landowners and delivering those measures which straddle existing boundaries.

The major landowners and investors have already bought into this vision with Intu, owners and operators of the Lakeside Shopping Centre, bringing forward ambitious plans for a £230m retail and leisure expansion which the Council has already granted planning consent for.

2.3 Grays

The opening of SEC's new Thurrock Campus in September 2014 has had an immediate impact on the level of activity in the town. With admissions to the College up by 50%, the increased footfall through the High Street is benefitting local

businesses and is now attracting other operators all of which justifies our efforts to secure the relocation of the campus from Woodview.

The momentum is clearly building in Grays with the Council focussing its considerable collective effort to deliver real change through, for instance, the changes to the one way system, the refurbishment of the Magistrates Court to provide business accommodation and the refurbishment and new development on Seabrooke Rise. The challenge is going to be maintaining that momentum and using it to address the continuing severance of the level crossing. The Council continues to work with Network Rail to secure the delivery of the boulevard underpass and station redevelopment to provide a high quality arrival point in the town centre.

2.4 Tilbury

Tilbury remains one of the most deprived communities in Thurrock. Whilst the Council works with a variety of agencies to address issues such as health inequalities and unemployment, it is clear that addressing the challenges which remain and capitalising on the opportunities within and around the town is going to require a long term, coordinated effort that works with the community.

The town remains strongly linked to the Port of Tilbury which continues to thrive. The most obvious sign of which is the ongoing development of the London Distribution Park as part of the expansion of the Port. The accommodation for the first occupier (Travis Perkins) is under construction and the Council continues to work the Port of Tilbury to support local labour provision to ensure that local people can access the jobs created on the site as well as those within the Port itself.

2.5 London Gateway

The DP World owned and operated London Gateway Port has now enjoyed a full year of operation and is establishing itself as a major operator in international shipping. The first three berths (of an eventual six) have hosted some of the largest ships in the world over the past 12 months, including the largest ship to ever sail the Thames just last month.

Whilst shipping activity clearly continues to build, the development of the logistics and distribution park remains slower than anticipated. The bulk of the jobs anticipated from London Gateway will be generated through the logistics park and the Council is continuing to support DP World to address the lack of identified occupiers. However, it will be important to see what impact the c.400,000 sqft Common User Facility and c.300,000 sqft speculative Prologis development has on broader development appetite. Both of these building will be completed this year and have been brought forward under the Local Development Order; the largest development consent ever granted in the country.

2.6 Thames Enterprise Park

The announcement of the GreenSky project in 2014 – a \$550m partnership between Solena Fuels and British Airways – highlights the potential of the 500 acre Thames Enterprise Park site to place Thurrock at the heart of the emerging Green Technology/Energy market. The Council has continued to support the consortium behind Thames Oil Port and Thames Enterprise Park in their development of a site-wide masterplan which will ultimately form part of the Council's Local Plan.

Alongside this work, the Council has brokered a range of discussions with local and national skills providers to ensure that the ultimate occupiers of the site have access to a suitably skilled workforce and that local people can access the jobs being created. This activity has seen Thames Enterprise Park, SEC and the University of Northampton develop a series of industry designed courses which will be delivered through SEC's Thurrock Campus from September 2015.

3.0 Regeneration and Economic Development

The Regeneration Service is located within the Chief Executive's Delivery Unit and is responsible for leading a broad range of the Council's regeneration, growth and economic development work from policy/strategy through to implementation. To secure maximum benefit for the Borough, the Regeneration Service is increasingly working in partnerships beyond Thurrock's boundaries and plays a leading role in both the South East Local Enterprise Partnership (SELEP) and Thames Gateway South Essex Partnership (TGSEP) - one of the four 'federated areas' which make up SELEP.

The Council's work with partners across TGSEP has yielded impressive results with TGSEP having been awarded more than £160m through the Local Growth Fund; more than 40% of the total awarded to SELEP, with nearly £100m coming into Thurrock alone. This funding will support the widening of the A13, the development of Purfleet Centre, the redevelopment of Stanford-le-Hope rail station to provide better access to London Gateway and the implementation of a range of sustainable transport measures across the Borough. We are now working to address Government's various requirements with a view to drawing down the first of those funds in 2016/17.

Outside of the Growth Hubs and capital projects, the Council continues to provide a highly regarded business engagement and economic development offer in support of local firms. Great effort has been made to closely align the business engagement work with our growth agenda so that local firms can input into the proposals and, critically, the Council can be confident that its agenda benefits from broad local support. This has seen the Council strengthen its relationship with local businesses with the Annual Business Conference, Business Board and network groups facilitating a two way discussion on a range of strategic issues.

Much of our business engagement and support activity has been supported through the very successful Low Carbon Business and TIGER programmes. Collectively, these programmes have provided 48 workshops, supporting 500 businesses and provided more than £1.78m in funding which has supported the creation and safeguarding of 365 jobs in the Borough. However, both of these programmes will be coming to an end shortly and it is important that we secure the necessary resources to maintain the elements of those programmes that local businesses find particularly valuable.

Going forward, our work across TGSEP, SELEP and with our Business Rates Pooling partners (London Boroughs of Barking & Dagenham and Havering and Basildon District Council) will be critical to securing external resources with European Union funds, particularly the European Regional Development Fund (ERDF) and European Social Fund (ESF), being immediate targets with bidding

rounds opening shortly.

4.0 Strategic Planning

Strategic Planning is responsible for Planning Strategy and Policy which includes the following key areas of work:

- The preparation, consultation and production of the Local Plan (including Supplementary Planning Documents, Local Development Scheme, Statement of Community Involvement and Authority Monitoring Report);
- Assistance and involvement in other corporate plans and strategies (such as Asset Management, Community Strategy, Housing Strategy, Green Grid/Open Space Strategy, Transport, Economic Development and the Municipal Waste Strategy); and
- Involvement in sub-regional strategies and plans (including work associated with the Plans of other authorities).

The Thurrock Core Strategy, adopted in 2011, has had a key role to play in supporting growth and regeneration and in the determination of planning applications.

As set out in the report to Cabinet in February 2014, a review of the Core Strategy is now required to address changes in Government planning policy and to deliver a 'step change' in the progress being made by in driving forward the Council's vision and ambitious growth agenda for Thurrock.

To date the Core Strategy has been instrumental in helping to bring forward proposals for the creation of thousands of new jobs and £2.6bn of new investment in the Borough's six Growth Hubs.

The review of the Core Strategy will further accelerate the growing momentum behind the regeneration of Thurrock by ensuring that the right development opportunities and infrastructure are available in the right place, and at the right time, to make the most of proposed improvements to the Borough's strategic accessibility and as a focus for growth across the wider Thames Gateway South Essex area.

It is important to recognise that the Core Strategy is not "broken" – it simply requires up-dating to build upon the enormous growth potential and opportunities that have been delivered under the current strategy.

Until its replacement, the Core Strategy will remain in place and play a crucial role in maintaining investor confidence and economic growth in Thurrock as demonstrated by the planning permissions at Lakeside, the delivery of the Local Development Order at London Gateway and the expansion of Tilbury Port.

Over the next year, our focus will be on engaging with communities to develop a strong spatial vision for the future of the Borough that seeks to build upon the many opportunities that exist to bring in infrastructure investment that will accelerate the delivery of jobs and homes.

5.0 Development Management

The Development Management Service is responsible for the following:

- The determination of Planning Applications;
- Pre-application enquiries and advice service;
- Appeals;
- Discharge of conditions; and
- Enforcement of planning controls.

The Service's performance is assessed using a set of national indicators. These relate to the speed of decision making and show that extremely high performance levels have recently been achieved across all types of application.

Indeed, I am pleased to report that our Development Management Service is, according to the most recent DCLG figures (2013/14), one of the most efficient in the Country. This is particularly important in a regeneration area, as it is a vital factor in generating investor confidence as delays in the Planning system are a major deterrent to those looking to invest in an area.

In this regard, volumes of work have increased this year, with the number of applications received up 18%. At the same time, the key performance indicators continue to improve (despite a reduction in the team's size due to the need to contribute towards savings targets) and the number of planning applications approved remains high (over 80%).

I am also delighted to highlight that the team received a High Commendation at the inaugural National Planning Awards and also won the Royal Town Planning Institute's national award for contribution to growth and employment as a result of the work in securing the London Gateway Local Development Order.

Looking ahead, my priority will be on maintaining and improving these levels of performance wherever possible, and working on initiatives to further improve the quality of service delivery and outcomes so as to make Thurrock an even more attractive place for high quality development and investment.

Having a strong, competitive Building Control service is also important to achieving these aims, as that function has a fundamental part to play in the development process.

6.0 Challenges In the Coming Year

Whilst it is clear from the contents of this report that there is a significant amount of activity underway in the Borough it is important to note that it has taken a number of years of continuous effort to get to the point where many of these schemes are underway or ready to be implemented. The primary challenge going forward is maintaining the momentum we have created in the face of significant financial constraints and competing demands.

In addition, I believe that whilst continuing to deliver growth we must also renew our efforts to secure real benefit for local people and address the historic infrastructure and service deficits which we face.

For the remainder of the year, the significant areas of work will be:-

a) Securing maximum benefit through external funds

Having secured significant allocations of funding through the first rounds of the Local Growth Fund to support major works in Thurrock we must continue to ensure that Thurrock's voice is heard at SELEP level and that these allocations are translated into firm commitments. Alongside this, we must work with partners to secure maximum benefit from further funding rounds – particularly those related to ERDF and ESF funding – and other sources.

b) Leading the delivery of key projects

With many projects now underway the Council must continue to focus on securing their delivery in order to secure tangible benefits. Our work in Purfleet, Lakeside and Grays is moving rapidly but there remains much to be done. The Authority must continue to take the lead on complicated projects to broker relationships and use its influence, including committing its own resources, to achieve its ambitions.

c) Progressing the development of the Local Plan

Having a clear and positive policy framework in place is critical to the delivery of the Council's wider regeneration ambitions. Thus, there will remain a clear focus on ensuring that the momentum created by the 2011 Core Strategy is maintained in the ongoing work on the Local Plan.

d) Assisting in the delivery of growth and investment in the Borough

Dealing effectively and efficiently with development proposals is vital to ensuring that Thurrock becomes a key location for investment and growth. The work of the Development Management service enables and assists in this being achieved. Major developments expected to progress over the next 12 months and beyond include further commercial developments associated with London Gateway and the Port of Tilbury, retail and leisure developments at Lakeside and major education projects and housing developments including at the new Purfleet Centre.

7.0 Financial Information:

Sub Service	Original Budget	Revised Budget	Budget To Date	Actuals To Date	Variance to Date	Forecast Outturn	Forecast Variance
Regeneration	1,062,657	1,095,939	628,115	826,321	198,206	1,095,939	0
Strategic Planning, Growth & Development Management	1,291,127	1,254,514	1,049,308	424,623	(624,686)	1,054,514	(200,000)
Grand Total	2,353,784	2,350,453	1,677,423	1,250,943	(426,480)	2,150,453	(200,000)

The financial position for the Regeneration Portfolio is show in the table above

The services which form the Regeneration portfolio are contained within two separate directorates; the Chief Executive's Delivery Unit and Planning and Transportation.

Within the table above, there is currently a variance to date of £426k across all of the services. However, particularly in relation to regeneration projects, there is additional funding that will be brought into the service at the end of the year. This is through the utilisation and application of funds held within ear-marked reserves for specific ring-fence projects.

The variances which are currently shown within the Strategic Planning, Growth and Development Management section include additional costs which were not part of the base budget, i.e. redundancy payments of £83k. However, there is a considerable amount of the services which is funded from external grant income, which is claimed in arrears of the expenditure. Therefore this will show as an adverse year to date variance, but will be resolved at the end of the year.