

25 November 2015	ITEM: 14
Council	
Cabinet Member Report – Regeneration	
Report of: Councillor Richard Speight, Cabinet Member for Regeneration	
This report is public.	

1.0 Introduction and Overview

I am delighted to introduce this report as Portfolio Holder for Communities at a time when the growth programme is delivering real opportunities for local people.

The growth programme in Thurrock continues to be one of the largest and most exciting opportunities in the country. Thurrock’s reputation as a place full of opportunity has helped attract large projects of national importance such as DP World and Thames Enterprise Park. And we have focussed on smaller but nevertheless significant projects for local people such as expanding our small business accommodation offer in the borough, helping local people find work and improving our town centres.

In the eight months since my last report to Council good progress has been made in a number of areas as the programme continues to move from plans to deliverables. Since March:

- The commercial terms for the Purfleet Centre development, which will create over 2,300 homes as well as a new town centre and a possible new film and television studio complex have been agreed by Cabinet.
- The Royal Opera House Costume Store at High House Production Park has been completed, cementing our relationship with one of the UK’s great cultural institutions.
- The Council has facilitated the sale of the State Cinema in Grays to JD Wetherspoon who will invest some £3million to convert the building into a pub/restaurant, bringing back its art deco splendour.
- New occupiers of DP World have been announced including UPS.
- The Port of Tilbury has continued to expand bringing in major companies such as Travis Perkins and NFT Distribution
- The Thurrock economy has continued to go from strength to strength:
 - The job growth rate since 2007 (7.9%) has outpaced the region (3.5%) and England (3.8%)

- In recent years (2007-12) Thurrock has seen a higher rate of business growth (25%) than London (23.4%) and Essex (6.3%).

Alongside implementation of the growth programme the strategic context in which decisions are being taken has continued to evolve.

Work on the new Thurrock Local Plan is progressing well and Council is being asked to consider and approve the adoption a new Statement of Community Involvement (SCI) at this meeting. The SCI sets out the Council's commitment to working in an open and inclusive way with the local community and stakeholders at all stages of the plan-making process to ensure that the adopted Local Plan fully reflects and responds to challenges and opportunities facing the Borough over the period up to 2035. In addition, beyond Thurrock's boundaries we are leading on the coordination of growth and investment planning across the wider Thames Gateway South Essex area.

Alongside the Local Plan our Economic Development Strategy is being refreshed to reflect the progress and achievements we have made over recent years. The data collated to inform the strategy shows both the strength of the economic recovery in Thurrock and how far we have come since 2007:

- Our employment rate is now above the national average. In the 12 months to December 2014, 73.4% of working age residents in Thurrock were in employment - above the England (72.5%) average and only slightly below the rate for Essex County (74.1%).
- Our unemployment rate is falling. In the 12 months to December 2014, 6.0% of economically active residents in Thurrock were unemployed (5,000 people). The unemployment rate is now in-line with the rates for Essex County (6.0%) and England (6.2%) as a whole.
- Between 2007 and 2013, there was an increase of 5,000 jobs in Thurrock (from 63,000 to 68,000). This is equivalent to growth of 7.9%, which is above the rate of jobs growth in both neighbouring Essex County (5.5%) and double that across England as a whole (3.8%).
- Our skills base has increased. There are now 14,200 more working age residents qualified at NVQ Level 3 and above than in 2007
- The number of active enterprises registered in the local area increased by 1,030 from 2007-2013. At 25.0%, Thurrock saw a higher rate of business growth between 2007 and 2013 than for any region in England, including London (23.4%). This was also significantly above the Essex County (6.3%) and national (7.7%) averages.

Development activity in Thurrock remains strong reflecting the growing confidence of developers and investors in the Borough. This puts us in an enviable position to secure lasting change, to address some of the infrastructure issues in the borough and to create opportunities for local residents.

2.0 Progress in the Growth Hubs

Our focussed approach to securing significant growth within our six key Growth Hubs is delivering results.

2.1 Tilbury

We are now making significant progress in our long-term plan for growth.

The Council has appointed a master planning team to begin realising the vision for the Civic Square as the heart of the community with quality services and public realm and importantly a place that local residents can be proud of. Working with Thurrock CCG and NHS England our proposals for a flagship primary care centre will kick start the wider regeneration of the Civic Square. And we have supported the Tilbury Community Hub to open providing a resource where local people can get information and guidance from trained volunteers and access to computer equipment.

Our housing company Gloriana is progressing plans for housing development on two vacant sites in Tilbury and is focussing attention on how improvements could be delivered on the Broadway Estate as part of the Estate Regeneration Programme.

The Port of Tilbury continues to create jobs for local people. Nearly a quarter of the staff recruited to the new Travis Perkins facility come from Tilbury and a further 45% live elsewhere in Thurrock.

When NFT opens in March 2016 it will create 700 jobs and the Council is leading a taskforce including Job Centre Plus and South Essex College to help the company recruit local people for their workforce. If successful the taskforce approach will be rolled out in the future.

2.2 Purfleet

Purfleet Centre will deliver more than 2,300 new homes and a 600,000 sqft. film and television studio complex as part of a new town centre providing a range of local facilities including a supermarket, primary school, health centre and leisure facilities. Since the preferred developer – Purfleet Centre Regeneration Limited (PCRL) – was selected in March 2014 all efforts have been focussed on agreeing funding and commercial terms for the development agreement.

Last March I was able to report that discussions were continuing and the relationship with PCRL was increasingly bearing fruit. Since then the negotiations have gained pace and, in October, Cabinet approved the commercial terms of the deal with the developer and signing of the development agreement by all parties is expected imminently.

This will trigger further design work, public engagement and development of a new outline masterplan for the scheme over the next 12 months. The first phase of

development includes public infrastructure to support the whole scheme, including the GP surgery and a new primary school and a supermarket.

Elsewhere in Purfleet, the Council continues to support High House Production Park's (HHPP) development. The Royal Opera House's (ROH) Costume Centre was formally opened in October and provides state of the art storage facilities for the ROH costume and historic collections. Through a partnership with University of the Arts London and South Essex College the ROH are also sponsoring a new costume making degree course to provide specialist skills for the industry.

Also on HHPP Creative and Cultural Skills have received designation as one of seven new National Colleges in the country and the Council has supported development of a bid for funding to build a new facility which will provide accommodation for students at HHPP and commercial units for small creative businesses to locate in Purfleet.

Working closely with Creative and Cultural Skills and High House Production Park the Council is leading a SELEP wide bid for European money to grow the digital, creative and cultural sector across the South East. If successful it would place Thurrock at the centre of a SELEP-wide business support programme which encourages and promotes new business starts, helps existing businesses to grow and links HE institutions with local businesses to promote skills development and facilitate knowledge transfer.

2.3 Lakeside

Lakeside Basin provides thousands of jobs for local people, generates significant business rate income and attracts millions of visitors to the Borough every year. We continue to work with landowners and businesses to ensure that Lakeside can grow and thrive in the coming years.

We have jointly developed an exciting vision for the future development and transformation of the Lakeside Basin which is set out in two Council commissioned reports - "Planning for the Future of the Lakeside Basin: A Framework to deliver Town Centre Potential" (David Lock Associates) and "Transport Strategy for Lakeside Regional Town Centre" (Integrated Transport Planning and David Lock Associates).

Under this vision, Lakeside's role will be diversified to improve the leisure and community offer as part of a network of Borough 'town centres'. As part of the vision we have developed ambitious proposals to expand and diversify the basin to provide more retail floorspace alongside greatly enhanced leisure, commercial and residential uses as part of a Regional Town Centre supporting growth in jobs and new homes.

To kick start our ambitions the Council has granted planning consent for Intu, the owners and operators of the Lakeside Shopping Centre, which is seeking to bring forward ambitious plan to deliver £230m retail and leisure expansions.

We are seeking to increase transport capacity within the Basin; encouraging the use

of public transport and reducing reliance on the car to move around the Basin. The Lakeside bus link became operational at the beginning of November improving public transport connections between the bus station and Lakeside shopping area. Looking ahead the Council is leading a South East Local Enterprise Partnership (SELEP) bid for a Public Transport Inter-change, which proposes relocating the existing bus station next to Chafford Hundred Rail Station footbridge allowing train passengers to easily access the 16 bus routes at Lakeside Bus Station and vice versa.

2.4 Grays

The Council has made great strides in delivering the vision for Grays which is intended to support the growing resident, student and business communities and develop a thriving destination with a day and night time economy. Pulling together the work underway a masterplan for Grays is being developed as the physical incarnation of the vision, transforming Grays and opening up links to the riverfront. The emerging masterplan will be consulted on next year.

The opening of South Essex College has brought large numbers of people in to the town centre. National chains are now looking to invest with the recent sale of the State Cinema building to JD Weatherspoon's and companies such as Costa Coffee showing interest in locating in the town centre.

Later this year the former Magistrates Court will open as a small business centre, generating local employment opportunities. New houses have been built in Seabrooke Rise and a new Community House is nearing completion. The Council continues to work with Network Rail to prioritise the creation of an underpass under the railway line and is continuing to develop the funding package to enable the project to progress.

Building on the town's role as the Civic Hub of the borough an options appraisal is progressing for the future of the Thameside Complex which will be reported to Cabinet in the near future.

Recognising that whilst we continue to develop larger schemes we also need to get the basics right, the Council has worked in partnership with Southend to bring in additional Town Centre Management resource to support the Grays Town Partnership and promote the town centre. The first big partnership event was the Christmas light switch on held on 19th November

2.5 London Gateway

London Gateway Port 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 and the next berth is under construction.

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 therefore the Council is keen to engage and continue to work with the port owners to

further development and secure job opportunities at all levels for local residents.

In August, UPS obtained consent to develop their London distribution centre on 18.6 hectares in the distribution park in just 17 days via the London Gateway Local Development Order. Speed of decision-making is paramount to attracting growth and investment and this case highlights the proactive and efficient approach taken by the Council's award winning Planning Service.

2.6 Thames Enterprise Park

The Council has continued to work with Thames Oil Port and Thames Enterprise Park to develop and agree the masterplan for the 500 acre site that places Thurrock at the heart of the emerging Green Technology / Energy market. The site has recently been put up for sale and there is strong interest from investors. The Council is supporting the sale process and will seek early meetings with the new owners to reinforce the commitment to the shared vision for the site and will continue to work with Thames Oil Port on the proposals for their site.

The Council has worked with the Joint Venture company to submit an application to secure Enterprise Zone status for the site, which will enhance the proposition to developers if approved. A decision is expected sometime this month.

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 Wider Regeneration and Economic Development

The Council's Regeneration Service is responsible for leading a broad range of regeneration, growth and economic development work. Outside of the growth hubs and capital projects the service has focussed on:

- Revision of the Thurrock Economic Development Strategy which provides the strategic focus for the work of the Regeneration Service. In light of the progress that's been made and changes to local, regional, national and international context, the strategy is being reviewed and brought up to date. This review will be complete by December 2015.
- Building strong partnerships and playing a leading role in South East Local Enterprise Partnership (SELEP), Thames Gateway Partnership and South Essex Growth Partnership (SEGP).
- Working with other Council departments to secure and manage Local Growth Funding. Working with partners across SEGP more than £160m of Local Growth Fund support has been secured, with nearly £100m coming to Thurrock alone.

- Developing a stronger working relationship with Southend Council to achieve our aspirations. We are currently sharing Southend's highly regarded town centre management and, in a reciprocal arrangement, we are now in talks with Southend about how the Council's successful Learning and Skills Team can support them.
- Working with partners to develop a simplified and co-ordinated approach to business support and engagement through the Business Essex, Southend and Thurrock Growth Hub – which formally opened on 21st October.
- Strengthening the relationship with our business community through the very popular Thurrock Business Conference held on 4th November, regular meetings of the Business Board and Network Groups facilitating a two way discussion on a range of strategic issues.
- Continuing our successful programme of business engagement and support activity 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.
- Working across TGSEP, SELEP and with our Business Rates Pooling partners (London Boroughs of Barking & Dagenham and Havering and Basildon District Council) to secure external resources with a particular focus on European Union funds. The Council is leading or a key partner in a number of new bids for funding which will provide support services to priority growth sectors and make finance available to businesses to support their own growth plans.

Our efforts over the past four years have ensured that Thurrock was able to buck the national trend and achieve significant growth despite the severe economic downturn. We are now strongly placed to realise further benefits and provide local communities with significant opportunities.

4.0 Strategic Planning

The Council's Strategic Planning Team is responsible for the development and implementation of planning policy and strategy 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, and
- Involvement in sub-regional strategies and plans (including work associated with the Plans of other authorities).

The Thurrock Core Strategy was adopted in 2011 and has had a key role to play in supporting growth and regeneration across the Borough.

A review of the Core Strategy and the preparation of a new Local Plan is now underway to build on our progress. This included consultation on the development of a new Statement of Community Involvement (SCI) which will set out how the Council will involve and engage with local communities in developing a sound and deliverable Local Plan. A recommendation on this is before the Council at this meeting. The Council has undertaken a 'call for sites' and in total nearly 600 will be assessed in terms of their suitability for development and inclusion within the new Local Plan. The outcome of this assessment will help inform future stages of the plan-making process.

Strategic Planning has continued to take the lead on behalf of the Council in coordinating and inputting into key national and regional infrastructure projects that could have a significant impact on Thurrock. Officers from planning have led on the coordination of Duty to Cooperate arrangements on strategic planning matters with other South Essex Authorities. This has supported a review of the area Strategic Housing Market Assessment, which will be completed by the end of 2015. Thurrock is also leading on behalf of those other authorities on the coordination and preparation of a Statement of Cooperation, a planning vision and employment studies.

5.0 Development Management

The Council's Development Management Service is responsible for:

- 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 and I'm proud to say that extremely high performance levels have recently been achieved across all types of application.

I am delighted to highlight that the team has been shortlisted for 'Local Authority Team of the Year' at the National Planning Awards. In addition, the team have been shortlisted for the 'Award for Planning for Economic Growth' for its proactive approach to planning at Thames Enterprise Park. Having an efficient Development Management Service and a strong and competitive Building Control service is particularly important in a regeneration area as credibility and reputation has a considerable influence on investor confidence, helping to attract growth and investment in Thurrock.

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.

6.0 Challenges In the Coming Year

As my report makes clear, there is a significant amount of exciting activity underway in the borough with major schemes now being delivered and generating jobs and economic prosperity. Thurrock is proving increasingly attractive to investors and developers and we have fantastic opportunities to improve the place we live, work and socialise, create jobs and enhance the lives of our communities.

The major challenge going forward will continue to be maintaining momentum in the face of competing demands and with reduced resources because of public sector funding cuts

In the coming months there will be a particular focus on: -

a) Securing maximum benefit through external funds

External funding to deliver the programmes and projects that will create opportunities for local people is increasingly competitive and difficult to secure.

Thurrock won significant funding allocations in past SELEP rounds of the Local Growth Fund. We will continue to work to turn these allocations into secured funding and make the case for our priorities.

Positive relationships with the Arts Council, Historic England and the Heritage Lottery Fund are of increasing importance as we work to transform the heritage, arts and culture opportunities available to local people. Further development of these relationships and the development of a portfolio of projects will continue.

We will bid for European Regional Development Fund and European Social Fund monies. Thurrock is leading or a major delivery partner in four applications already and we will continue to scan for opportunities to access additional funding to support priorities in the borough.

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. We will play an active role in creating and nurturing these opportunities and developing relationships with partners and investors so that projects are delivered and local people benefit.

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. 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. 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 investment that will

accelerate the delivery of infrastructure, jobs and homes.

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 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	888,164	888,164	516,552	424,271	(92,282)	858,164	(30,000)
Strategic Planning, Growth & Development Management	1,047,448	1,182,337	358,763	285,924	(72,839)	1,122,337	(60,000)
Grand Total	1,935,612	2,070,501	875,315	710,195	(165,121)	1,980,501	(90,000)

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 both services there is a small underspend projected at the end of the financial year. These are both being reported as part of the corporate budget monitoring position, and will therefore count favourably towards the Councils overall financial position.

The main reasons for the favourable variance are as a result of planned salary underspend within Regeneration (2015/16 only), and Planning and Growth has received a higher than anticipated level of income within its development control budget.