

Thurrock - An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future

## Cabinet

The meeting will be held at **7.00 pm** on **11 October 2023**

**Council Chamber, Civic Offices, New Road, Grays, Essex RM17 6SL**

### Membership:

Councillors Andrew Jefferies (Chair), Deborah Arnold (Deputy Chair), Adam Carter, George Coxshall, Barry Johnson, Ben Maney and Graham Snell

### Agenda

Open to Public and Press

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<b>1 Apologies for Absence</b>	
<b>2 Minutes</b>	<b>5 - 16</b>
To approve as a correct record the minutes of Cabinet held on 13 September 2023.	
<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>	
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<b>9 Matters Referred to the Cabinet for Consideration by an Overview and Scrutiny Committee</b>	

**10 Delegated Decisions taken since the last meeting**

<b>ED2 Title</b>	<b>Date of Decision</b>
Asset Disposal Programme – Engagement of Selling Agents ( <i>Exempt</i> )	19 <sup>th</sup> September 2023

- 11 Draft Thurrock Design Charter (Decision: 110670) 17 - 64**
- 12 Direct Payment Support Services (Decision: 110671) 65 - 78**
- 13 Revenue & Benefits SaaS (Software as a Service) -  
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- 14 Grays Underpass Update Report (Decision: 110673) 91 - 102**

**Exclusion of the Public and Press**

Members are asked to consider whether the press and public should be excluded from the meeting during consideration of an agenda item on the grounds that it involves the likely disclosure of exempt information as specified in Part I of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act.

In each case, Members are asked to decide whether, in all the circumstances, the public interest in maintaining the exemption (and discussing the matter in private) outweighs the public interest in disclosing the information.

- 15 Stanford-le-Hope (SLH) Station/ Interchange Update Report  
(Decision: 110674) 103 - 118**
- 16 Purfleet-On-Thames Regeneration (Decision: 110675) 119 - 128**

**Queries regarding this Agenda or notification of apologies:**

Please contact Rhiannon Whiteley, Senior Democratic Services Officer by sending an email to [Direct.Democracy@thurrock.gov.uk](mailto:Direct.Democracy@thurrock.gov.uk)

Agenda published on: **3 October 2023**

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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.**

## Our Vision and Priorities for Thurrock

An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future.

1. **People** – a borough where people of all ages are proud to work and play, live and stay
  - High quality, consistent and accessible public services which are right first time
  - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing
  - Communities are empowered to make choices and be safer and stronger together
  
2. **Place** – a heritage-rich borough which is ambitious for its future
  - Roads, houses and public spaces that connect people and places
  - Clean environments that everyone has reason to take pride in
  - Fewer public buildings with better services
  
3. **Prosperity** – a borough which enables everyone to achieve their aspirations
  - Attractive opportunities for businesses and investors to enhance the local economy
  - Vocational and academic education, skills and job opportunities for all
  - Commercial, entrepreneurial and connected public services

**Minutes of the Meeting of the Cabinet held on 13 September 2023 at 7.00 pm**

**The deadline for Call-ins is 25 September 2023 at 5.00pm**

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**Present:** Councillors Andrew Jefferies (Chair), Deborah Arnold (Deputy Chair), Adam Carter, George Coxshall, Barry Johnson, Ben Maney and Graham Snell

**Apologies:** Director of Human Resources, Organisational Development and Transformation

**In attendance:**

Mark Bradbury, Interim Director of Place  
Asmat Hussain, Director of Legal and Governance and Monitoring Officer  
Wendy Jackson, Head of HR, Resourcing and Improvement  
Rob Large - Programme Director - Asset Disposal  
Steven Mair, Interim Chief Financial Officer  
Stephen Taylor, Head of Freeport  
Rita Thakaria, Assistant Director Adult Community Health Services  
Luke Tyson, Chief Intervention Officer  
Jonathan Wilson, Interim Director Finance & S151 Officer  
Rhiannon Whiteley, Senior Democratic Services Officer

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Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

**159. Minutes**

The minutes of the Cabinet meeting held on 12 July 2023 were approved as a correct record.

The exempt minutes of the Cabinet meeting held on 12 July 2023 were approved as a correct record.

**160. Items of Urgent Business**

There were no items of urgent business.

**161. Declaration of Interests**

No interests were declared.

## **162. Statements by the Leader**

The Leader stated that there was a packed agenda to get through but he would like all members to participate in the debate tonight. The Leader expressed his disappointment that no non-executive members were in attendance at the meeting to ask questions. An extraordinary Full Council meeting is taking place tomorrow at a cost of £3000 to the taxpayer. The Leader highlighted that not one non-executive member has attended a Cabinet meeting when it is the perfect opportunity to hold the executive to account.

The Leader stated that tonight's Cabinet meeting is the first one since the Council has been in intervention for a year. The Leader commented that Thurrock Council is in a recovery process and has a bright future and he looks forward to delivery of this for everyone in Thurrock.

## **163. Briefings on Policy, Budget and Other Issues**

Councillor Carter provided an update on the concrete issues in schools. Councillor Carter confirmed that yesterday he attended the Children's Services Overview and Scrutiny Committee as this issue was called as an urgent item of business. Councillor Carter confirmed it will be an agenda item at the next Committee meeting. Councillor Carter confirmed he will provide updates and briefings as soon as he receives the information. Councillor Carter expressed his thanks to senior offices who had been working hard to resolve these issues.

The Leader echoed Councillor Carter's comments and extended his thanks to the team, the Corporate Director of Children's Services and the Assistant Director for Education and Skills who have been working closely with schools who have not been able to open.

## **164. Petitions submitted by Members of the Public**

No Petitions had been submitted by members of the public.

## **165. Questions from Non-Executive Members**

No questions had been submitted by Non-Executive Members.

## **166. Matters Referred to the Cabinet for Consideration by an Overview and Scrutiny Committee**

Other than those items already contained in the agenda, no items had been referred to the Cabinet for consideration by an Overview and Scrutiny Committee.

## **167. Progress on Thurrock Council's Improvement and Recovery**



The Leader introduced the report and stated that the report is to look at where we are now and what the Council has been doing under intervention to date. The Leader highlighted that the report backs up the message that the Council is now in recovery and not crisis. Changes and Improvements have been made to Governance and the way reports are written and brought to Cabinet has changed to allow for better scrutiny. In terms of finance, a clear path has now been set. There will still be some hard decisions to make. There has also been a culture change in the way officers and Members interact.

Councillor Carter commented on page 24 that in the list of achievements to date report writing training to senior offices is included however this has not been completed.

Councillor Arnold responded that this was due to be finished by the end of this month. The template of the reports is changing and will be looked at in addition to the training programme. The aim is to improve the substance of reports as well as understanding how to write them.

Councillor Coxshall highlighted that it was important the report gets to Full Council as soon as possible so all members can get their teeth into it and ask questions. He commented that it was positive that this report will be provided quarterly for the benefit of residents too.

Councillor Johnson echoed Councillor Coxshall's comments and noted that the Commissioners Comments were absent from the report and it would have been beneficial for the Commissioners comments to have been provided.

The Leader responded that the Commissioners are in the process of preparing a report for Full Council.

Councillor Maney commented that it was important to state that the improvement plan is being worked on every day. Councillor Maney queried if the Constitution Working Group had sat yet as there were serious failings with regard to the Constitution.

Councillor Arnold responded that the Constitution Working Group has met once, the terms of reference has been agreed and an Officer's Constitution Working Group has also been established.

The Interim Director of Legal and Governance and Monitoring Officer confirmed the meetings are now in pace and they will be going through each part of the Constitution. The first meeting discussed the financial regulations and a report will be brought to Full Council shortly once the Constitution Working Group and General Services Committee have agreed the changes.

Councillor Snell queried if the Leader had found attending the staff roadshow beneficial.

The Leader responded that it had been really useful and commented that one team had come back with a report on how they can make savings and work better and it was really exciting to see this.

The Head of HR, Resourcing and Improvement stated that ongoing focus groups and feedback loops are in place as the Council goes through this process.

Councillor Arnold added that in terms of Governance and the project book, work is being completed on a love version. Councillor Arnold commented that they have been engaging with the Centre for Governance and Scrutiny and PWC.

**RESOLVED:**

**That Cabinet:**

- 1.1 Note the progress made on the Council's improvement and recovery.**
- 1.2 Agree to receive quarterly reports on progress.**
- 1.3 Note the work to develop an enhanced Improvement and Recovery Plan.**
- 1.4 Refer this report to Full Council for all Members to consider and comment on the progress to date.**

**168. Re-Procurement of Contract - Managed Services for Temporary Agency Resources (Decision: 110665)**

Councillor Snell introduced the report. Councillor Snell explained that since 2015 the Council has worked with a 'Managed Service Provider' (MSP) for the provision of its agency resources called Matrix. Their performance has been good throughout however the contract is up in December 2023. Councillor Snell confirmed a flexible and skilled workforce of agency staff is needed and there are two options being considered: -

- i.) the re-procurement of an agency worker contract using the ESPO MSTAR4 Framework 653F\_23; or
- ii.) direct award to Essex County Council through the use of their DPS (Dynamic Purchasing System) and through the utilisation of ECC Recruitment Team.

Councillor Coxshall queried on page 37 whether another option had been considered.

Councillor Snell clarified that they had looked at if the Council was able to complete the procurement however it was not considered viable. It would require skills that the Council currently does not have, extra staff would be required and the Council does not have a relationship with agency companies.

Councillor Snell confirmed that Cabinet are not being asked to agree an option tonight.

Councillor Carter queried the risk '*Some specialist agencies may not sign up to supply to this model which can impact availability of skilled workers needed and could result in off-contract spend*'

The Head of HR, Resourcing and Improvement confirmed this was not a huge risk, some agencies may choose not to sign up to the agency agreement and the Council wouldn't want to be engaging with them if they are not on the framework.

Councillor Maney queried if 3 months was sufficient time to resolve this.

The Head of HR, Resourcing and Improvement confirmed it was, substantial research had been completed and they have just two final pieces to tie off regarding the Essex County Council option.

**RESOLVED:**

**1.1 Cabinet agree to progress the re-procurement of an agency worker contract using the ESPO MSTAR4 Framework 653F\_23 or direct award to Essex County Council through the use of their DPS (Dynamic Purchasing System) and through the utilisation of ECC Recruitment Team.**

**The new contract to commence on 15 December 2023, for a period of three years with an option to extend for one year.**

**1.2 Cabinet approve delegation to award to the Director of HR, OD and Transformation in consultation with the Chief Finance Officer and Portfolio Holder in order to ensure maximum lead in time should service transfer be necessary.**

*Reason for the decision: as outlined in the report  
This decision is subject to Call-in*

**169. 2023/24 Quarter 1 Forecast Revenue and Capital Outturn (Decision: 110666)**

Councillor Snell introduced the report and confirmed that the month 3 general fund position is a forecast underspend of £1.036m including the current assumed capitalisation directive of £180.159m as set out in the table on page 55 of the agenda. Councillor Snell acknowledged that Directors with overspends are to review their budget. Councillor Snell confirmed that the Housing Revenue Account, Dedicated School's Budget and Public Health budgets are expected to break even. There are £119m of General Fund projects that are currently on hold. The risks are detailed in section 4 on page 72 of the agenda. Councillor Snell also confirmed there has been an overspend on the IT budget.

Councillor Arnold commented that they all need to take responsibility in the recovery of the Council. Councillor Arnold requested better risk management reports to really understand the risk in corporate performance reports so

controls can be put in place for the risks identified. Councillor Arnold also queried whether there was a duplication of figures in appendix 1.

The Chief Financial Officer confirmed it could be that the expenditure has been split into different categories but he would check this and respond.

Councillor Snell responded that there is no triumph in underspends. There is a piece of work on risk management being completed and it is due to go to the Standards and Audit Committee next month.

The Leader stated that it was disappointing the Council's accounts audit has not been completed yet. Overspends need to be brought under control however he had confidence in the Chief Financial Officer and the Interim Director of Finance and S151 officer to do this.

**RESOLVED:**

- 1.1. That Cabinet note the overall forecast general fund outturn position for period 3 is an underspend of £1.036m.**
- 1.2. That Cabinet note that directors with significant adverse variances will continue to review directorate budgets and identify mitigating actions to resolve the forecast pressure against the 2023/24 budget.**
- 1.3. That Cabinet note the potential risks to the position listed noted in section 4 and the following specific risks noted within the report:**
  - a) There are an ongoing assessment of the investment portfolio values which will need to be reflected on an ongoing basis with the next update scheduled for Quarter 2.**
  - b) The requirement to change the accounting for cloud-based IT costs continues to be assessed in both the current and prior years and is likely to have a material short-term impact.**
  - c) There are ongoing wider financial accounting assessments related to prior periods which may also need to be considered.**

- 1.4. That Cabinet note the HRA, DSG and Public Health project to deliver the budget within the existing funding envelopes.**
- 1.5. That Cabinet note and comment on the capital programme, the current projected slippage of £7.46m and the impact on MRP.**
- 1.6. That Cabinet note that the position will remain provisional as further substantive work is undertaken, notably in preparation of historic accounts, which could have an impact on current or future years.**

*Reason for the decision: as outlined in the report*

*This decision is subject to Call-in*

**170. Asset Disposals Programme - Recommended next tranche of properties for disposal (Decision: 110667)**

Councillor Snell introduced the report and confirmed that it seeks Cabinet's approval to the properties listed in the exempt appendix to be sold.

The Cabinet meeting entered into an exempt session to discuss the exempt appendices.

**RESOLVED:**

- 1.1 We recommend that the attached schedule (Exempt) of property assets are now put on the market and sold.**
- 1.2 This recommendation for disposal is following recommendation by Strategic Property Board and Finance Recovery Board (FRB). Cabinet will delegate authority to agree the method and terms of disposals to the Director of Place in consultation with Property Board and FRB.**

*Reason for the decision: as outlined in the report*

*This decision is subject to Call-in*

**171. Delivery of Thames Freeport as the Accountable Body (Decision: 110668)**

The Cabinet meeting went into exempt session to discuss the exempt appendices.

Councillor Arnold introduced the report and stated that the Freeport was a great opportunity for Thurrock. It is forecast to deliver 21,000 + jobs, £4.6bn of public and private investment and to support regeneration and levelling up activity in line with Freeport policy objectives using retained business rates over the next 25 years. Thurrock has a number of functions in relation to the Freeport as the accountable body and the report describes the responsibilities

of the accountable body. Councillor Arnold highlighted recommendation 1.5 refers to the establishing a Thames Freeport Sub-Committee. Councillor Arnold confirmed that recommendation 1.4 has been amended from the report to include the '*Cabinet Member for Transformational Change, Communications and Governance*' and a hard copy of the amended recommendation has been provided to members and officers at the Cabinet Meeting.

**RESOLVED:**

**Cabinet is asked to:**

- 1.1 Approve the proposed arrangements of the Council to oversee the delivery of Thames Freeport**
- 1.2 Note the resource implications associated with delivery of Thames Freeport; £1m DHLUC capacity funding, £2.257m retained business rates and £25m Seed Capital funding**
- 1.3 Note the progress made to merge the Thames Freeport Final Business Case and Addendum (previous approved by Cabinet) into a single document, a consolidated Thames Freeport Business Case for submission to Government to prepare the Memorandum of Understanding between Government and Thames Freeport Partners.**
- 1.4 Delegate authority to the Chief Financial Officer (Section 151 Officer) in agreement with Commissioners and in consultation with the interim Director of Law and Governance (Monitoring Officer) the Chief Executive, the Cabinet Member for Transformational Change, Communications and Governance and the Leader to:
  - (i) finalise the consolidated Thames Freeport Business case;**
  - (ii) sign the finalised consolidated Thames Freeport Business Case on behalf of the Council;**
  - (iii) submit the consolidated Thames Freeport Business Case to Government on behalf of the Council.****
- 1.5 Approve the establishment of the Thames Freeport Committee as a Cabinet subcommittee, as set out in paragraph 3.7 .**
- 1.6 Note the progress made in developing Business Cases for Thames Freeport Seed Capital Projects and that a further report will be brought back to Cabinet in relation to Thames Freeport Seed Capital Projects.**
- 1.7 Note that legally binding agreements will need to be established between the Council, Thames Freeport Governing Body, Thames Freeport Operating Company and recipients of grant funding.**

**These agreements are to support the Council to effectively discharge its obligations as the Accountable Body and Billing Authority, and also to effectively manage and monitor how money is spent in relation to Thames Freeport Projects and the operation of Thames Freeport. These issues will be brought back to Cabinet in a further report.**

*Reason for the decision: as outlined in the report  
This decision is subject to Call-in*

## **172. Financial Strategy Update (Decision: 110669)**

The exempt appendices and information were discussed in the closed part of the meeting.

Councillor Snell explained that the report provides an update for Cabinet on work being undertaken to address the Council's financial challenges. It focuses on three areas:

- financial strategy
- divestment of the previous investments
- other financial management initiatives

Councillor Snell confirmed that the financial strategy aims to:

- sell £1.035bn of investments to the fullest extent possible and pay down debt.
- generate at least £150m of capital receipts and pay down debt
- save £18.2m from the revenue budget for next 2 years and a further £13.65m 7.5%, for each of the following 3 years

The plan is to divest 93% of the investment portfolio by March 2023. It is recommended that an indicative hurdle rate of 12% (i.e., 7% PWLB rate and 5% MRP) is set for investment yield / return, with anything yielding less being put forward for sale. The Council does not have the expertise to manage the investment portfolio without substantial external advice.

Litigation options are being explored.

### **RESOLVED:**

#### **2.1 It is recommended that Cabinet:**

- i) notes the progress on the investment recovery and divestment strategy**
- ii) notes the progress being made on the other financial actions**
- iii) notes the urgent ED2 decisions made, copies of which are included in the Appendices to this report covering divestments and asset sales**

- iv) agrees the continued use of necessary advisors as required until completion of work associated with divestment of and recovery of value of investments including the conduct of litigation, subject to the review of the programme currently being undertaken by the Council's officers to be reported to Cabinet in November 2023 and the Leader, Finance PFH, Chief Executive and Commissioners being consulted before advisors are instructed on new work streams
- v) agrees that the each council Director involved in delivering the strategy is in consultation with the Leader, Finance Portfolio Holder the Section 151 officer, the Monitoring Officer (where the Director does not fulfil one of those roles) and Commissioners is authorised within their professional area to:
  - (a) subject to recommendation 2.1 iv), to procure and appoint the advisors using the most expeditious and efficient procurement process which is lawfully available under the Public Contract Regulations 2015 and that the financial thresholds in the Council's Contract Procedure Rules are waived for this purpose; and
  - (b) to take all action necessary (within appropriate budgets) to ensure the implementation of the Council's recovery strategy if timescales do not allow for a report to Cabinet as long as a full update is provided at the next available Cabinet meeting.
- vi) the Director of Law and Governance is authorised to the commence legal proceedings for the potential claims set out in Appendix B of this report where there is a supportive advice from a King's Counsel together with any associated action after consultation with the Leader Chief Executive, Section 151 Officer and Commissioner subject to reports on progress being brought to Cabinet.
- vii) the Section 151 Officer in consultation with the Leader and Portfolio Holder, the Monitoring Officer and Commissioners is given delegated authority to take all action necessary to implement the divestment strategy where a divestment meets the criteria set out in the Direction subject to reports on progress being made to members.
- viii) confirms that the main objective is to reduce the Council's exposure to financial risk by delivering a divestment strategy that optimises (sums and timing) receipts to repay the borrowings as long as doing so .secures best value using its criteria set out in this report



- ix) **agrees an indicative hurdle rate of 12% (i.e., 7% PWLB rate and 5% MRP) is set for investment yield / return, with anything yielding less being put forward for sale, subject to the detail of the individual investment, the Council's contractual obligations and the ability to deliver value for money**
  
- x) **notes and agrees the review of the programme as set out in paragraph 4.70 and requests regular reports back to Cabinet on progress on the financial strategy**

*Reason for the decision: as outlined in the report  
This decision is subject to Call-in*

**The meeting finished at 8.30 pm**

Approved as a true and correct record

**CHAIR**

**DATE**

**Any queries regarding these Minutes, please contact  
Democratic Services at [Direct.Democracy@thurrock.gov.uk](mailto:Direct.Democracy@thurrock.gov.uk)**

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<b>11 October 2023</b>	<b>ITEM: 11</b> <b>Decision:110670</b>
<b>Cabinet</b>	
<b>Draft Thurrock Design Charter</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Key
<b>Report of:</b> Councillor Ben Maney, Cabinet Member for Regeneration and Highways	
<b>Accountable Assistant Director:</b> Tracey Coleman, Chief Planning Officer	
<b>Accountable Director:</b> Mark Bradbury, Director of Place	
<b>This report is</b> Public	

## Executive Summary

The Thurrock Design Charter provides an update to the adopted Thurrock Design Strategy SPD (March 2017). The Charter reflects recent changes to national policy, guidance, and best practice in relation to design and place-making as well as aligning with more recent published Council strategies. The development of the Charter and its consultation aligns with the development of the Local Plan and helps inform and provide a baseline for strategic policies on design, including the forthcoming borough-wide design code.

As a Local Planning Authority, the Council is expected to follow the National Planning Policy Framework (NPPF) as a material consideration, which requires Local Plans to set out a clear vision for design, including the preparation of design guides or codes, developed with local communities that reflect local aspirations. Additionally, the Levelling Up and Regeneration Bill intends to make the production and adoption of a design code a statutory requirement for all local planning authorities. The Thurrock Design Charter has been refined to act as a 'vision statement' for a wider design code for Thurrock, preparing for this proposed new statutory duty.

### 1. Recommendation(s)

- 1.1 **That Planning, Transport and Regeneration Overview & Scrutiny Committee note progress on the draft Thurrock Design Charter and provide comment that will help shape this work.**
- 1.2 **That Committee note that the draft Thurrock Design Charter will be used to inform wider community engagement.**

**1.3 That Committee note the opportunity to discuss this work in greater detail as the draft document is developed and engagement feedback is received.**

## **2. Introduction and Background**

2.1 Design (including appearance, materials, layout, and density) is a material planning consideration under the National Planning Policy Framework (NPPF). Under the NPPF, it is expected that Local Plans set out a clear design vision and standards, using design policies developed with local communities that reflect local aspirations, grounded in an understanding and evaluation of an area's defining characteristics (paragraph 127). Additionally, the NPPF expects that all local planning authorities should prepare design guides or codes consistent with the principles set out in the National Design Guide and National Model Design Code, and which reflect local character and design preferences (paragraph 128).

2.2 Currently, Thurrock's design vision and expectations are set out within the Thurrock Design Strategy Supplementary Planning Document (SPD), adopted in March 2017. Design policy is also included within the Core Strategy and Policies for Management of Development (as amended, January 2015), and the Thurrock Residential Alterations and Extensions SPD (July 2017). These documents are now in need of an update due to changes in national policy and guidance around design, which includes:

- Updates to the NPPF in 2019 which placed greater weight on the importance of design within Local Plans and decisions.
- Publication of the National Design Guide as national guidance in 2019.
- Publication of the National Model Design Code as national guidance in 2021.

2.3 Additionally, the Levelling Up and Regeneration Bill (currently at report stage within the House of Lords) intends to make the production and adoption of a design code a statutory requirement for all local planning authorities.

2.4 The draft Thurrock Design Charter seeks to provide an update to the adopted Thurrock Design Strategy SPD, bringing it in line with changes to national policy and guidance. It has been developed in parallel with the emerging Local Plan, to help inform strategic and detailed policies around design. The Charter sets out high-level expectations for design quality within developments, infrastructure, and place-making projects throughout the borough and is intended for use by officers, members, developers, planning applicants and communities. It establishes a clear and shared language and vision for good design in Thurrock, grounded in an understanding of the unique qualities and challenges of the borough.

2.5 By acting also as a 'vision statement' for the production of a future design code, the Charter prepares Thurrock to meet the recommendations of the NPPF as well as new statutory duties regarding design codes proposed by the Levelling Up and Regeneration Bill. Production and public consultation on

an initial 'vision statement' is set out in the National Model Design Code as a key first step in the production of a robust design code.

- 2.6 The main differences between the current adopted Thurrock Design Strategy SPD and this proposed draft Thurrock Design Charter are as follows:
- The document has been shortened and simplified into a clearer and more succinct vision statement around design aspiration and expectation. More detailed requirements around the design process and design features are instead expected to be better addressed within the forthcoming design code.
  - Updating and expanding references to establish best practice, national policy, and national guidance, reflecting significant changes since 2017.
  - Updates to the 'Understanding Thurrock' section to reflect changes to the physical, social, economic, and cultural context of the borough and its communities.
  - Simplifying and updating the 'Designing in Context' section into four 'Core Design Principles', setting out key design themes (Pride in Thurrock, Healthy Places for All, Connecting to Opportunities, Resilient & Sustainable Futures) against which the design of places in Thurrock should deliver good outcomes.
  - Replacing the 'Place Typologies' section with 'Key Design Ideas for Thurrock'. This expands beyond the five 'typologies' previously identified to instead illustrate seven design opportunities unique to Thurrock (such as considering design in the context of the river Thames), as well as more common situations (such as regeneration of our town centres, enhancing existing residential neighbourhoods, developing efficient and well-designed employment areas, how to successfully co-locate different sensitive uses, and how we can protect and enhance the character and quality of our countryside).
  - Simplifying and updating the 'The Development Process' section, acknowledging that more detailed requirements regarding the design and planning process would be better addressed in a future design code.
- 2.7 This draft Design Charter has been developed in parallel with the emerging Local Plan, as well as in consultation internally with wider service areas. The intention is to now submit the draft Design Charter to public consultation to allow for broader feedback on the emerging principles of the Charter, to update it accordingly, and publish it as a corporate strategy.
- 2.8 Following public consultation and update on the draft Design Charter, it is intended that work would progress on a more detailed design code. The design code would build on and follow the core design principles established in the Design Charter and establish a set of simple, concise, illustrated design requirements that provide specific parameters for what would constitute well-designed development in Thurrock. It is intended that the development of the more detailed design requirements in the design code would also be subject to community engagement to ensure it reflects local aspirations, as well as be

subject to viability assessment to ensure the requirements of the design code do not unduly impact the deliverability of acceptable schemes in the borough. It is expected that the design code itself would be formally referenced within the emerging Local Plan and adopted as an SPD to ensure it has material weight in the determination of planning applications.

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

- 3.1 The Council, as a Local Planning Authority, should take account of the policies of the NPPF as a material consideration in the preparation of the Local Plan and determination of planning applications. This includes setting out a clear design vision and standards, and the preparation of design guides or codes consistent with the principles set out in the National Design Guide and National Model Design Code.
- 3.2 While there is an intention within the Levelling Up and Regeneration Bill for the preparation and adoption of a borough-wide design code to become a statutory requirement, the Council is not currently required by legislation to consult on updates to existing design guidance or in the preparation of a 'vision statement' (such as the proposed Design Charter) to support the wider production of a design code. However, it is stated in national guidance (the National Model Design Code) that any 'vision statement' for a wider design code should be prepared and be subject to public consultation.
- 3.3 The preferred option is therefore to consult on the Thurrock Design Charter as the 'vision statement' for a future design code, as this is recognised in national guidance to be best practice. Failure to consult on the Charter risks challenge to the robustness of the eventual design codes in the determination of planning applications, as well as within the examination of the emerging Local Plan to which the Charter is acting as evidence.

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

- 4.1 The Thurrock Design Charter provides an important update to current design guidance, aligning it with changes to national policy and guidance as well as more recent published Council strategies. The Charter also acts as a 'vision statement' for a wider design code, informing development of the Local Plan, while also preparing for the proposed new statutory duty for Local Planning Authorities to prepare and adopt a borough-wide design code under the Levelling Up and Regeneration Bill.
- 4.2 Consultation on the Charter as a 'vision statement' in the development of a wider design code is considered best practice under national guidance (National Model Design Code).

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

- 5.1 The purpose, structure and emerging principles of the Design Charter were previously presented at the online public Developers Forum on the 12<sup>th</sup> of

September 2022. While no comments were raised at the time on the proposed structure and content of the Design Charter itself, one comment was received on how the Charter would deliver on proposals within the Levelling Up and Regeneration Bill around the proposed statutory duty to prepare and adopt a borough-wide design code. As a result of this, clarification as to the role of the Charter as forming the 'vision statement' for a potential future design code was provided.

5.2 Following agreement by this committee, public consultation will be carried out on the draft Thurrock Design Charter prior to its adoption. It is intended that public consultation is undertaken in parallel with the proposed draft consultation of the regulation 18 Local Plan given the clear parallels and interdependencies between the two documents.

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

6.1 The draft Thurrock Design Charter aligns with several of Thurrock Council's priorities, including:

- 'People – communities are empowered to make choices and be safer and stronger together' through an emphasis on community engagement and co-design within the design process
- 'Place – roads, houses and public spaces that connect people and places, and clean environments that everyone has reason to take pride in' through an emphasis on creating well-connected and integrated developments, and the importance of embedding stewardship within place-making
- 'Prosperity – attractive opportunities for businesses and investors to enhance the local economy' by promoting the place-quality of the borough, including employment areas, to help create an attractive environment for investment.

6.2 The draft Thurrock Design Charter was developed in parallel with the emerging Local Plan, helping to inform strategic, and detailed policies around design and place-making. Significant internal consultation on the Design Charter through a series of officer workshops and 1-2-1 interviews from across the Council was also used to ensure the Charter supports and aligns with wider council strategies and helps identify design opportunities within them. This includes the Collaborative Communities Framework, the Health & Wellbeing Strategy Refresh, Housing Strategy, and Transport Strategy. Internal consultation also sought to ensure that the Design Charter considers emerging strategies including Local Plan, Economic Growth, Green & Blue Infrastructure, Transport, Climate Change, Housing, and Cultural strategies, as well as considering the emerging Health in All Policies document and Thurrock Transport 2050 Vision.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Rosie Hurst**  
**Interim Senior Management Accountant**

Within the Local Plan budget there is a dedicated budget for plan making to cover the basic costs of preparing and consulting on planning documents, which includes the Thurrock Design Charter.

## 7.2 **Legal**

Implications verified by: **Caroline Robins**  
**Locum Principal Solicitor**

As a Local Planning Authority, the Council is expected to follow the NPPF, which is a material consideration in the development of the Local Plan and determination of planning applications. The consultation on the Thurrock Design Charter would help ensure that the Council takes account of the national policy, in particular within paragraphs 126, 127 and 128 (namely, being clear about design expectations and how these will be tested, and to set out a clear design vision and expectations developed with local communities that reflect local aspirations grounded in an understanding and evaluation of an area's defining characteristics, and to prepare design guides or codes consistent with the principles set out in the National Design Guide and National Model Design Code, and which reflect local character and design preferences).

Additionally, the Levelling Up and Regeneration Bill intends to make the production and adoption of a design code a statutory requirement for all local planning authorities. The Thurrock Design Charter has been refined to act as a 'vision statement' for a wider design code for Thurrock, preparing for this proposed new statutory duty.

Failure to consult on the Charter risks challenge to the robustness of the eventual design codes in the determination of planning applications, as well as within the examination of the emerging Local Plan to which the Charter is acting as evidence.

## 7.3 **Diversity and Equality**

Implications verified by: **Becky Lee**  
**Team Manager – Community Development and Equalities**

The Thurrock Design Charter will be subject to a Community Equality Impact Assessment to ensure that all sections of the community, including harder to reach groups, will have the opportunity to be involved in helping to shape the future planning and development of Thurrock, both through plan-making and the consideration of development proposals.



The Thurrock Design Charter has been developed to deliver broad positive impacts to Thurrock's local communities by promoting good design and best-practice in development and place-making. The Charter aligns with, and references, established best practice in inclusive design as captured within the National Design Guide, National Model Design Code, and Building for a Healthy Life guidance. The Charter particularly considers the benefits of good design in improving outcomes for different ages (by incorporating HAPPI principles), disability (by incorporating universal design principles), and the health and well-being of residents (by incorporating Building for a Healthy Life as well as the principles established in Thurrock Health & Well-being Strategy Refresh). The Charter includes: 'involving residents in the decisions that affect their lives, using co-design and co-production methods in the issues facing Thurrock as well as the solutions' through the Charter's emphasis on community engagement, co-design, and stewardship throughout the design process.

**7.4 Other implications** (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children

None

**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):

- Thurrock Design Strategy SPD (March 2017) [Thurrock Council - Design Strategy: strategic planning document, March 2017](#)
- Thurrock Design Guide – Residential & Alterations SPD (July 2017) [Thurrock Council - Design guide: residential alterations and extensions](#)

**9. Appendices to the report**

- Appendix 1: Draft Thurrock Design Charter – August 2023

**Report Author:**

Alec Scragg

Place & Design Manager

Strategic Services

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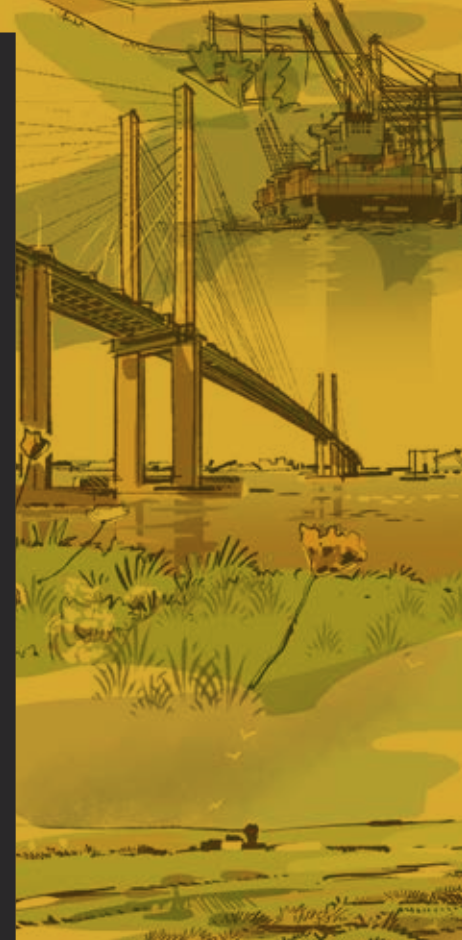
DAVID LOCK  
ASSOCIATES

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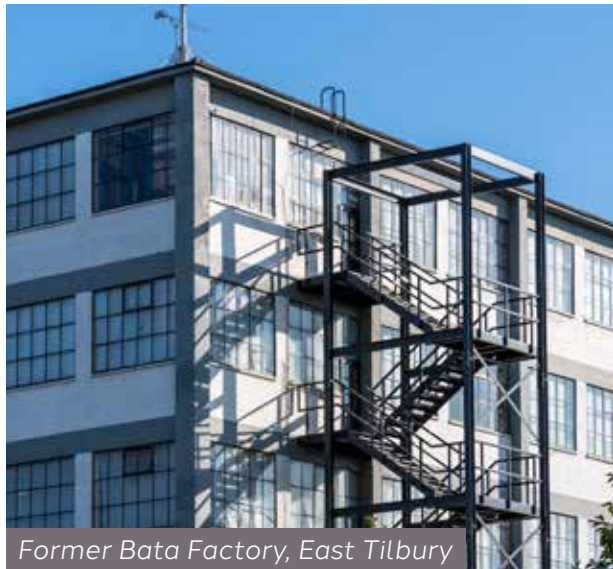
# THURROCK Design Charter

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Former Bata Factory, East Tilbury



Port of Tilbury



Davy Down Country Park



Thames Path, Purfleet



High House Production Park



Bruyn's Court, S. Ockendon © Killian O'Sullivan

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The outcomes that good design for proposals in Thurrock should deliver, arranged across four key principles.

### Key Design Ideas for Thurrock

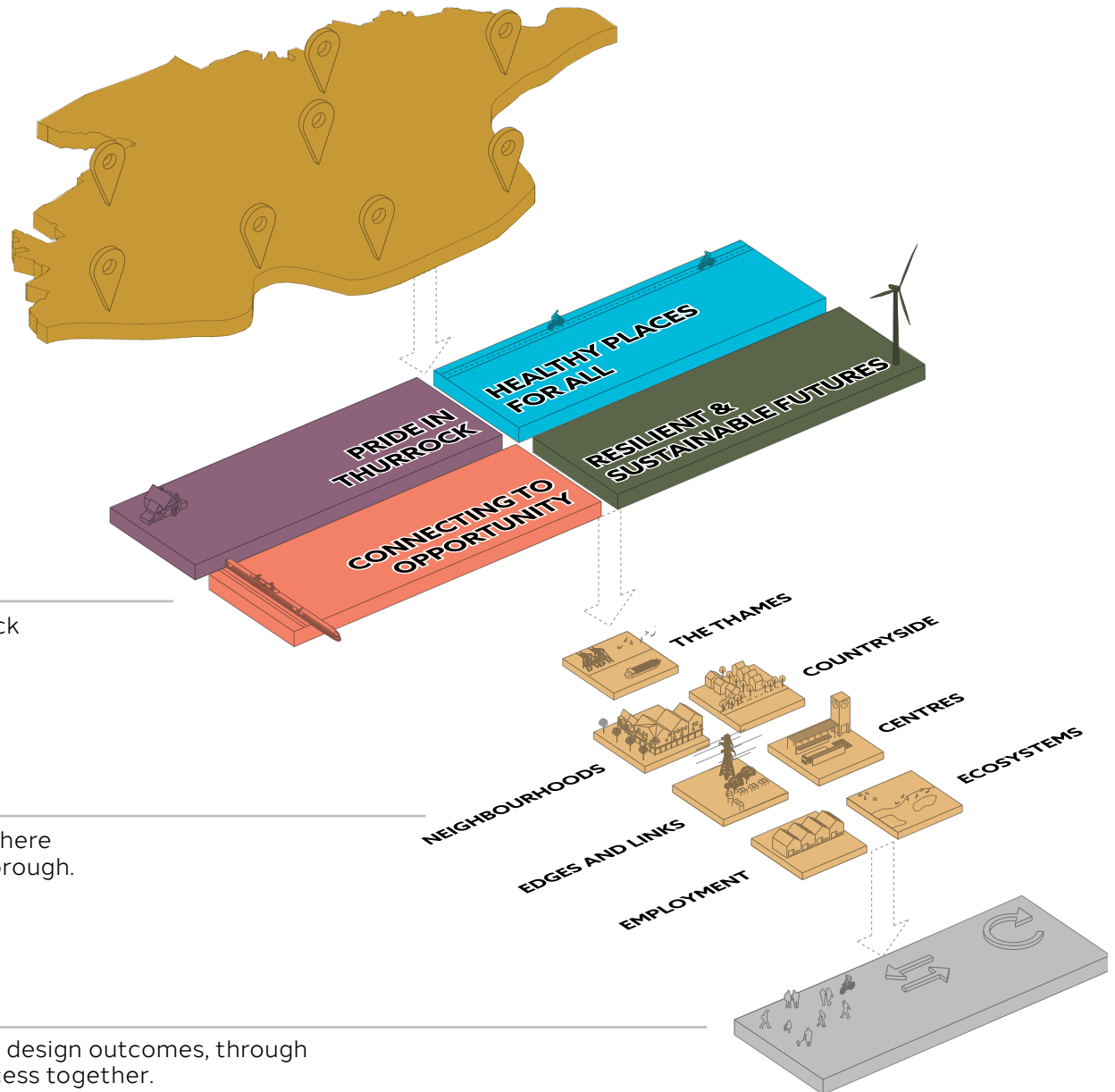
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Identifying some of the most important opportunities where good place design could make a big difference in the borough.

### Making it happen

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How we can all work together to produce better quality design outcomes, through engagement and marrying the planning and design process together.



# The Importance of Good Design for Thurrock

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Good design brings out the best in place, through a creative pursuit that recognises and builds on the needs and desires of local communities.

Good design not only provides creative solutions to complex problems, it helps us to experience and connect with the world in a meaningful way.

High-quality, considered design is essential to improving the quality of life of Thurrock's communities. Good design can help deliver revitalised services, build community wealth, empowerment, and economic prosperity. It can retrofit and enhance existing places, raising the quality of new places to provide new services and infrastructure, with access to new jobs, skills and education opportunities.

Good design enhances our natural environment and historic places, while delivering sustainability and resilience to climate change. Good design engages with people meaningfully, so that communities can shape the places around them.

Design is an iterative, collaborative process. While there are no 'right answers' but there can be poor outcomes. Design alone cannot fix every issue in our communities, but it has a valuable and enabling contribution to set the right conditions, through genuine and positive engagement, to ensure our neighbourhoods and places are well considered, where people feel at home and have access to a range of opportunities to live a fulfilling and healthy life.

## AIMS & STATUS

The Thurrock Design Charter sets a clear Council commitment to good design and place-making, identifying our aspirations around design and place quality to our stakeholders, communities, and developers; all those involved in design, development, place-making, and place-keeping.

The Charter stimulates better, more holistic design thinking ensuring development enhances the quality of our places and supports the well-being and prosperity of Thurrock's communities.

The Charter identifies high-level design principles and opportunities which set the vision for the forthcoming borough-wide **Thurrock Design Code**. Whereas the Charter outlines a broader vision for good design, the Design Code will provide a set of simple, concise, illustrated design requirements that provide specific, detailed parameters for all development.

The Charter principles will be integrated with the emerging Thurrock Local Plan, with the Design Code to be adopted as part of the Local Plan to provide material weight to planning

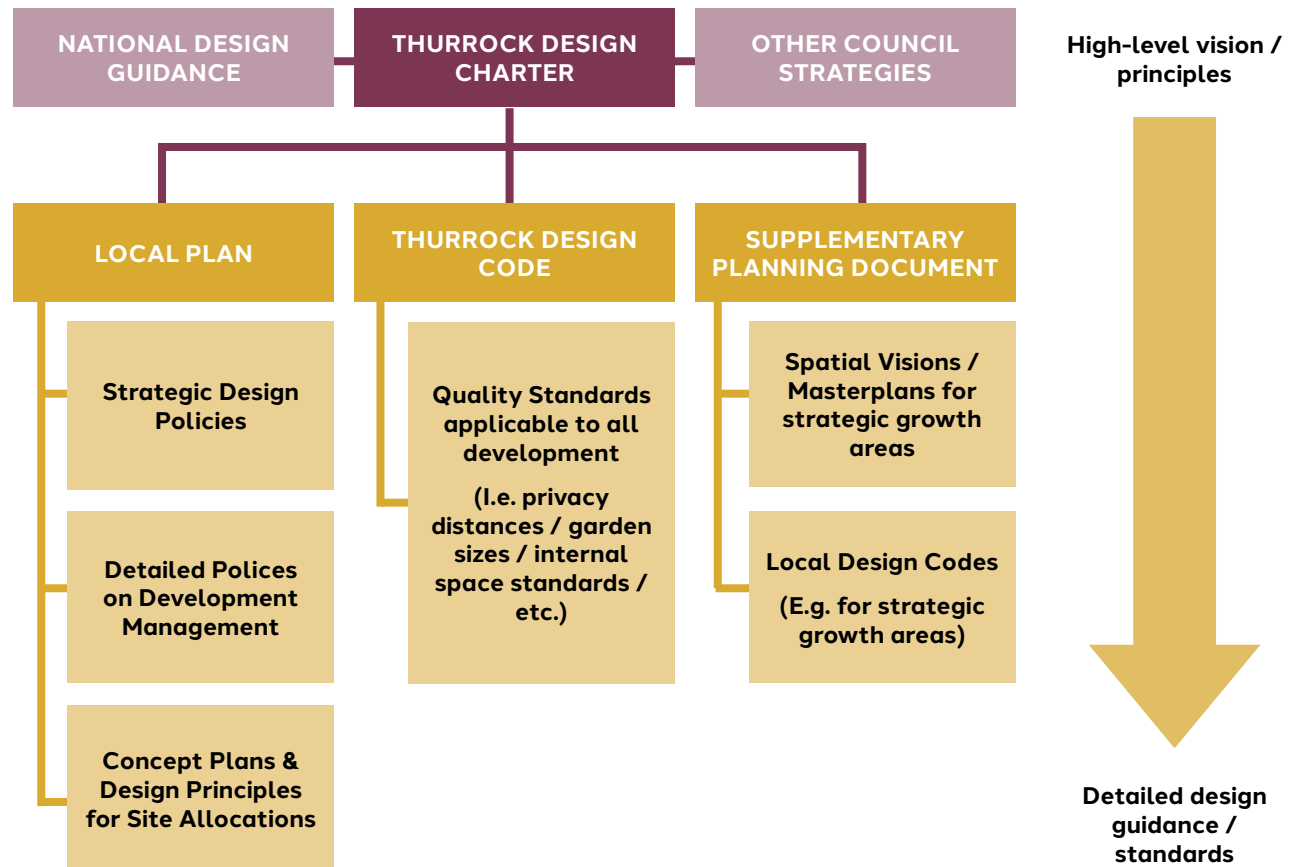




applications, and ensuring good design is supported from policy to delivery.

National policy places great emphasis on good design in the planning system. The Charter builds on the ten characteristics of the National Design Guide, the principles of the National Model Design Code, as well as established best practice including Building for a Healthy Life, and Building with Nature Standards.

However the Charter goes further, setting out a wider agenda specific to the unique characteristics of Thurrock, and across all aspects of Thurrock Council's work, allowing everyone involved to play their part. To this end, the Charter has been developed to align and link into the wider place mission of the Council, referencing and integrating with the emerging Local Plan, 'Health and Well-being Strategy Refresh', emerging 'Thurrock Economic Growth Strategy', as well as supporting and aligning with other Council strategies.



# Understanding Thurrock

Good design begins with a deep understanding of our places and communities.

Page 30

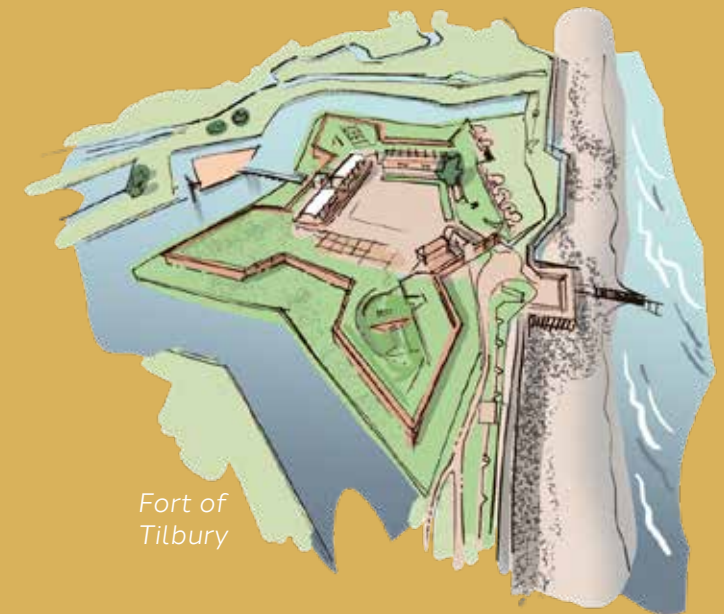
Properly responding to Thurrock's varied places, complex infrastructure, and unique environmental qualities is critical to improving the environment and quality of life of our communities.

Any development proposal must embody a 'whole-place' approach, looking beyond its site boundary to respond to its wider physical, environmental and social context. Site and context appraisal needs to be both evidence-based and informed through active and continuous engagement with communities throughout the design process. As well as considering the physical aspects of the natural and built environment, there must be an understanding of local communities, their needs, concerns, and desires.

The history of Thurrock is entwined with the story of the River Thames. Riverside settlements, defensive forts, ports, quarries, and industries have all left their mark and form the context for the design of new places. There is also a strong relationship to London and international relationships through a network of trade. Changes in the capital, along with the construction of national infrastructure have seen rapid growth in the borough since the mid-1900s.

The landscape is full of contrasts, from rich agricultural fields and fenland, to extensive marshes, former chalk quarries, and industrial

uses near the Thames. Much of the countryside is now protected by Green Belt status. Thurrock is a hard-working and productive landscape, full of visible agricultural and industrial influence, where industry sits side by side with nature. These natural spaces are vital places for biodiversity, to appreciate and enjoy the beauty of the Thames estuary landscape.



Fort of  
Tilbury





## Nature

Thurrock is home to some of the UK's most important coastal and marine habitats, such as Fobbing and Mucking Marshes, as well as diverse inland natural space such as fenland and river valleys.

These spaces link into a wider regional landscape along the Thames estuary of international significance as well as local value. More recently, the importance and opportunity for a regional approach to nature has been highlighted within the South Essex Estuary Park (SEE Park) vision.



## Water

Thurrock is defined by its relationship to the Thames and its tributaries, including the Mardyke. Much of the borough sits within natural floodplains, demonstrating the significant flood risks that Thurrock contends with, but also creating rich areas of marshland and fenland.

While the Thames brings trade, industry, and connections to the borough, it also addressed important needs of public amenity, access, and nature conservation.



## Countryside

The countryside of Thurrock is diverse, from rolling hills to estuary marshes. It is a source of local pride but also serves a wider regional strategic purpose with much of the countryside designated as Greenbelt.

The green landscapes of Thurrock have a long history of agricultural and quarrying that still influences settlement patterns. Strategic projects and partnerships including the Thames Chase Community Forest all help contribute to the protection, enhancement and promotion of Thurrock's countryside.



## Green Space

Although there are some deficiencies in the quality and provision local green spaces and sports provision, Thurrock benefits from significant wider strategic green spaces include the Mardyke Valley, Chafford Gorges, Rainham Marshes and Thames Nature Reserve.

Some of these are of important heritage and environmental quality such as the Belhus Woods and Langdon Hills Country Parks, and there are great benefits in better connecting these spaces to existing communities.



*London International Cruise Terminal*



## Ports & Infrastructure

Criss-crossed by major national infrastructure, Thurrock powers much of the wider region, and providing vital services to London and the South East. Our ports and docks are pivotal to Thurrock's ambitious growth agenda, exemplified by the Thames Freeport.

However, this infrastructure has the impacting of severing many of our places and is poorly integrated with existing neighbourhoods contributing to issues of noise, pollution, and congestion. There are opportunities to rethink the design of infrastructure to not only mitigate these effects but provide local benefits.



## Connections

Thurrock is well connected nationally to the strategic road and rail networks, and internationally through its three international ports and global commerce links.

However, local connectivity is severed by large pieces of infrastructure and the river Thames, with poor transport connections between neighbourhoods.



*St Clements Church*



## Heritage & Culture

Thurrock has a long history of defence, trade, immigration, agriculture, economic and industrial change. This includes: landmark military forts at Tilbury and Coalhouse, ancient monuments from Roman and neolithic times, and international Modernist buildings at East Tilbury.

However, Thurrock's heritage and culture is not just our designated heritage assets but also in the qualities of our High Streets, landscapes, and neighbourhoods. New cultural landmarks such as the High House Production Park demonstrate how we can successfully save and grow from our heritage while creating new cultural industries for the future.



## Towns & Villages

The settlements of Thurrock are incredibly varied for a Borough of our size, from rural villages through to conurbations of towns linked together.

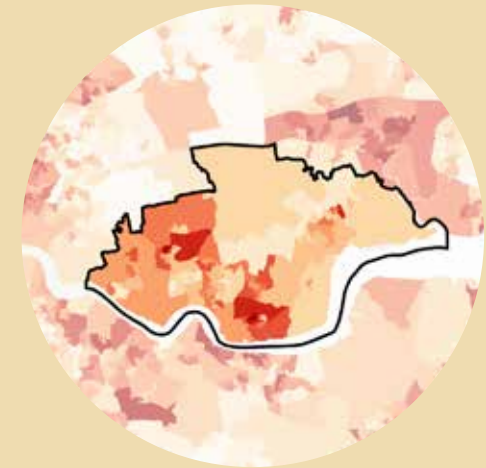
Settlement origins are varied, from historic ports, farmsteads, factory towns, through to post-war developments resettling populations from a war-torn East End, and out of town leisure developments like Lakeside shopping centre. As a result, the design and character of our places varies significantly create a variety of memorable identities and local landmarks.



## Communities

Population density varies significantly across Thurrock, from dense town centres such as Grays through to wide open fenland and villages in the north.

Thurrock has pockets of some of the wealthiest areas in the UK as well as some of the most deprived, reflecting both its significant local economy, as well as the legacy of structural changes to its major industries over time.



## Health & Well-being

There are significant variations in population health and well-being levels relating to this disparity in wealth, with higher rates of obesity and lower levels of physical activity than the UK average.

Life expectancy, the highest-level indicator of health inequality, for both males and females are significantly lower than both the East of England and England averages.



# Design Principles for Thurrock

Page 34

The Design Charter sets out four principles against which the design of places in Thurrock should deliver good outcomes.



QEII Bridge

- 1 Pride in Thurrock**
- 2 Healthy Places for All**
- 3 Connecting to Opportunity**
- 4 Resilient and Sustainable Futures**

This chapter sets out:

**WHY** each principle is important to Thurrock

**OUTCOMES** that are expected from good design in each principle

These principles will form the framework for good design in Thurrock. Proposals will be expected to demonstrate how they deliver good outcomes for Thurrock's communities against these principles.



Orsett Village



Grays Riverside



Saxton Close, Grays



# Pride in Thurrock

## WHY?

Page 36

Thurrock already has many beautiful places that communities rightly take pride in and identify with. Thurrock's places and communities are diverse and it is expected that any new development should deliver a positive sense of place to help communities develop a sense of belonging. This requires that Thurrock's communities are at the centre of the design process, helping to shape the places around them through genuine and continuous engagement ensuring developments enhance quality of life.

The borough has diverse built, landscape, and social heritage that needs to be protected and celebrated, including iron age earthworks, medieval churches, Victorian industry, and modern history. Making space for our heritage and culture is critical to building local pride, celebrating our people, heritage, and landscapes, and showcasing our collective story in a distinctive way.

With our ambitious economic growth agenda, Thurrock deserves all new development to be of a high-quality, sympathetic to local character, and delivering broader benefits beyond their site boundary to local communities. Regeneration has the potential to create memorable places and distinctive new identities that reference our collective story while not establishing innovative and new creative opportunities for local communities.



*Horndon-on-the-Hill*

# OUTCOMES

## 1.1 Engaging widely and considering everyone

Thurrock's communities must be the starting point for any design process, and they should feel a sense of belonging and ownership over the development of their local places. Creative and collaborative engagement using physical and digital methods tailored to diverse user groups, should be undertaken from the start of the design process. Proposals should show how they have responded to the needs, concerns, and desires of local communities. Thurrock is a diverse borough and development project teams should reflect and take into account this diversity in experience and identity.

## 1.2 Distinctive places, informed by their context

Proposals should respond imaginatively to their surroundings demonstrating how they have considered nearby green infrastructure, connectivity, views, landscape, character, culture and heritage as part of their underlying concept. A clear vision for each development, how it will fit into its context, and how it will deliver wider benefits for health and well-being, inclusion, and sustainability should be carried through all stages of design.

## 1.3 Designed for the long term

The successful stewardship and management of places is as important to local pride in Thurrock as their original design. This includes effective management and activation of spaces as well as good maintenance. An approach to stewardship should be set out at an early stage of design, and include opportunities to involve local communities pro-actively in the stewardship of their local places.

## 1.4 Delivering wider benefits for Thurrock's communities

New proposals must show how their designs have considered the wider ambition and strategies of the borough, and how they can contribute to it. Proposals must also demonstrate how they will deliver benefits for existing communities in the local area, such as through new or improved connections, facilities, or spaces.

## 1.5 Celebrating our heritage and culture

Heritage in Thurrock is more than our designated assets. It embodies the spaces, landmarks, buildings and monuments that together tell our collective story. Proposals should use design to investigate and refer to aspects of an area's history that help provide a sense of place, and a distinctive identity. This may include its relationship to the Thames, our social history, past industrial activities, common local materials and landscape character.

## 1.6 Beautiful buildings with well-integrated built form

All proposals should be visually attractive, using well-composed built forms, details, and high-quality materials. Densities should be design-led, responding sympathetically to surrounding character while delivering creative architectural responses and sustainable forms of development. Taller buildings need careful consideration in terms of form and location, ensuring they are of higher design standard, create appropriate and logical landmarks, and enhance the character of places.

# Healthy Places for All

## 2

### WHY?

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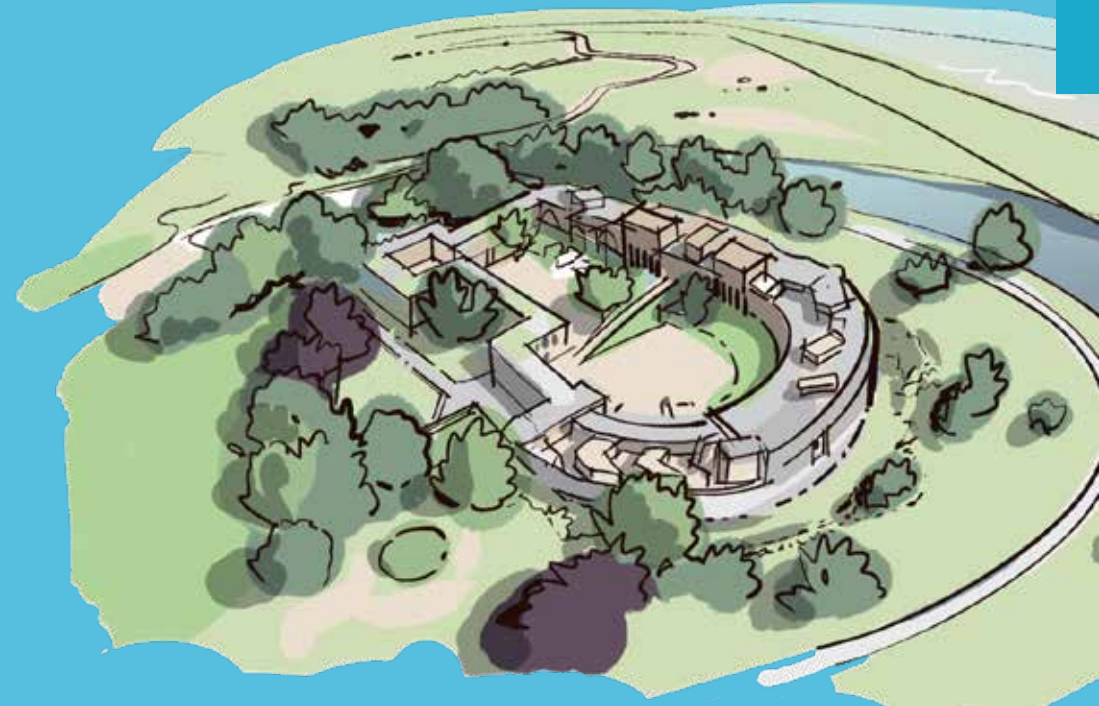
Our built, natural and social environment has a major impact on our overall health and well-being. Thurrock's population has a higher prevalence of long-term health conditions and lower life expectancies than the national average. As such it is vital that focus is given to addressing the wider determinants of health to improve population health and well-being, and reducing health inequalities. As we face the challenges of an ageing society, we must ensure that design and place-making empowers and enables healthy environments.

Well-designed, compact, attractive and well-connected places encourage walking, cycling, and wheeling by placing everyday services and facilities in easy reach. Social connections are better established around well-designed services, facilities, and public spaces, supporting good mental health and better enabling people to access support networks.

Planning and design can ensure good environmental health, such as better air and water quality, as well as mitigating noise and light pollution, in both our homes and outdoor spaces. Easy access to high-quality nature and open spaces a short distance from one's doorstep is also essential to physical and mental health.

Our homes and public spaces are often not designed to be adapted for independent living into old age or for those living with long-term health conditions. Well-designed places should provide a variety of places and spaces accessible and usable by all.

*Coalhouse Fort*





# OUTCOMES

## 2.1 Enabling and encouraging daily physical activity

Proposals should demonstrate how they have maximised opportunities for active travel in daily life, with safe, attractive, and convenient walking and cycling networks linking between facilities and places. Places must be designed for a diversity of physical activity, from formal sport to informal recreation. This must include safe and attractive facilities as well as safe and usable routes to access them. Public spaces and buildings must be designed with accessibility in mind and be adaptable for different abilities and age groups.

## 2.2 Access to safe, high-quality green spaces and public realm

Every community should have nearby access to a choice of high-quality green areas. Proposals should ensure that public spaces are delivered in the right places, with development centring around them to provide safety and overlooking, and with a plan for long-term stewardship. The public realm and streets should be designed for people first, not determined by minimum highways standards. All streets should include street trees, planting and sustainable drainage systems as a features. Integrating green and blue infrastructure helps deliver healthier streets that help improve wider environmental quality around heat stress, air and noise pollution.

## 2.3 Homes for all ages and needs

Homes should be diverse in type, tenure, and size, responding to Thurrock's housing needs. Designs should be tenure-blind across market, genuine affordable and social housing, and be adaptable to meet the requirements of a range of users including those with learning disabilities and/or mental health issues. Homes should be

designed to consider people at all stages of life and should support independent living. Homes for older residents should adhere to HAPPI housing standards. Ensuring homes are designed to be well ventilated, well insulated and can be heated in an affordable way is also critical to ensure homes protect and enhance the health of residents.

## 2.4 Growing communities

Communities should have convenient local access to a range of healthy food options, to support healthy lifestyles. Opportunities for personal and community food growing should be embraced within developments, such as designing in opportunities for allotments, orchards, community gardens, roof gardens, and individual outdoor spaces such as gardens, roof terraces, and balconies.

## 2.5 Infrastructure and facilities first

Early delivery of social and community infrastructure within new development, is vital to generating healthy and inclusive communities, where residents can feel part of a place with the services they need. Proposals should quantify what infrastructure is needed to support this goal (and wider policies), and be clear how this will be secured, phased, and stewarded for the future. This could also include opportunities for meanwhile uses, and temporary infrastructure. Phasing must be sensitive to local contexts and ensure minimum disruption to existing communities.

# Connecting to Opportunity

## 3

### WHY?

Page 40

Connected places are prosperous places, offering opportunities both for those living there while also helping to unlock the benefits of growth and regeneration. Connected places allow communities to access education, employment, leisure, health, and culture in a manner that is efficient, inclusive, safe, affordable, promotes good health outcomes and improves quality of life.

While Thurrock is well-connected nationally and internationally by significant infrastructure, many of our local communities have historically suffered from poor connectivity and under-provision of services. This has led to inequalities and a lack of opportunities.

Designing walkable, compact neighbourhoods, combining homes and facilities with good active travel and public transport connections helps provide greater choice in terms of travel modes. This helps reduce the need and cost of private car ownership, and ensuring better accessibility to services for households with no

access to a private vehicle.

Good design helps provide the foundation for places that can deliver robust and inclusive economic prosperity, delivering on Thurrock's ambitious economic growth agenda.

By planning well-designed, denser, compact development around public transport and existing services we can improve and intensify neighbourhoods with more investment, reducing congestion and enhancing the quality of green spaces. Designing denser, compact development, also strengthens the case for future transport investment, making existing services more viable by providing a catchment population within walking distance.

*London Gateway*



# OUTCOMES

## 3.1 Connecting to services and facilities

Neighbourhoods should be designed to provide safe and secure walkable connections to everyday facilities. Less frequented facilities should be conveniently accessible by bicycle or public transport along routes that are safe both during the day and night, easy to navigate and direct. Provision of services in existing neighbourhoods should be strengthened through creative opportunities for development and investment, where this provides clear benefits to local communities and enhances existing local character.

## 3.2 Connecting to nature

Green infrastructure must be woven through all new developments, within streets, parks, open spaces and connections to wider natural habitats, in line with Building for Nature standards. Sustainable drainage systems should be designed to be multi-use and incorporate natural habitats, play, or spaces to rest. Access to nature, open space, the countryside, and outdoor leisure should be considered a fundamental part of any design proposals.

## 3.3 Connecting to jobs and opportunities

Convenient, attractive, and safe sustainable travel routes for walking, cycling or frequent public transport should connect homes with jobs, and education opportunities. Strategic proposals should consider how they can better integrate schools and wider education facilities, as well as appropriate employment spaces, within the heart of places to create attractive mixed-use communities where people can live and work.

## 3.4 Connecting to culture and leisure

Diverse forms of culture, events and leisure opportunities should be easily accessible by everyone, regardless of background, age, ability and location. New development should look to embed culture in the heart of new place, such as through meanwhile uses, temporary events, public art, spaces for cultural production and consumption, and children's play. Co-locating facilities in and around centres, including with schools, enables access, use and occupation by different users throughout the day and evening.

## 3.5 Connecting across barriers

A well-designed, safe, overlooked, and connected street network, that provides excellent and inclusive walking and cycling options, will ensure people can all get around our local area easily and conveniently. Proposals should show how they have maximised networks and future-proofed them for additional connections. Investing in infrastructure such as active travel and multi-modal bridges is an important part of addressing the severance between neighbourhoods caused by major infrastructure.

## 3.6 Walkable, compact forms of development

New development should make efficient use of land, preserving our open countryside as much as possible. Densities should be optimised in areas that are well served by local public transport, facilities, open spaces, and local services. By bringing people together in walkable compact neighbourhoods, we can better support the vitality of our town centres and provision of new transport connections.

# Resilient & Sustainable Futures

# 4

## WHY?

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Thurrock is home to internationally significant wildlife, however biodiversity loss is having a major effect on our countryside and ecosystems, depriving communities of the value of local nature. Facilitating effective and sustainable nature recovery not only helps reverse this decline, but provides great opportunities to deliver wider green and blue infrastructure to support our local communities.

Thurrock is particularly susceptible to the effects of climate change, given the far reaching effects of potential rising sea levels within the Thames estuary. In line with the council's declaration of a climate emergency, we must do all we can to reduce negative impacts on our environment, and ensure our landscapes and settlements are resilient for the next generation. We must use resources wisely, and develop in ways that are sustainable, flexible, maximise passive strategies for heating and cooling, and consider creative opportunities for remediation and habitat creation.

The borough's history of industry has unfortunately led to local instances of ground extraction, contamination, and pollution. Ensuring industrial uses are well-designed and sensitively co-located would help prevent this harm in the future. At the same time, thinking about the construction process at the earliest design stage is critical to ensuring developments are low energy and long life. This could considering recycled and natural building materials, and low-waste and low impact construction methods.



*Fobbing Marshes*

# OUTCOMES

## 4.1 Delivering a net zero carbon future

All development should be designed from the outset for a zero-carbon future, against specific and clear environmental performance targets agreed at an early stage. Following the Net Zero energy hierarchy, proposals should start from a principle of re-use first, and only then consider demolition and rebuild of existing buildings. We will require efficient building operation through orientation, façade design, natural ventilation, passive heating, and cooling. Where there are opportunities to generate clean, sustainable energy on site or nearby they should be delivered.

## 4.2 Resilient and future-proofed development

We want to ensure that what we build today is robust, adaptable and easy to maintain. Proposals should demonstrate how buildings and developments can adapt to different seasons and ranges of weather using primarily passive methods. Spaces should be flexible and adaptable, so they can change over time with minimal resource investment. This includes both ensuring adequate storage for homes, as well robust material choices and infrastructure provision for public spaces so that they can be used for a variety of purposes.

## 4.3 Space for nature and biodiversity

All development must consider how to include a variety of new and improved natural habitats, and aim to exceed Biodiversity Net Gain targets. This ranges from small-scale interventions such as street trees and sustainable drainage swales through to extensive networks of landscapes. Opportunities to retain, enhance and connect locally distinctive habitats and species should be identified from the earliest stages of design, especially if this can help deliver on strategic ambitions for more connected green and blue infrastructure networks.

## 4.4 Nature-based solutions

Nature-based solutions to flood resilience, remediation, and water management should take precedent over engineered solutions, reducing overall maintenance requirements, providing new connected habitats, and reducing our reliance on major infrastructure. Examples include sustainable drainage solutions that enhance water quality and minimise flood risk, regenerative agriculture, restoration of former landfill to nature and landscapes where stewardship needs are minimal through the choice of habitat.

## 4.5 Embedding circular economies

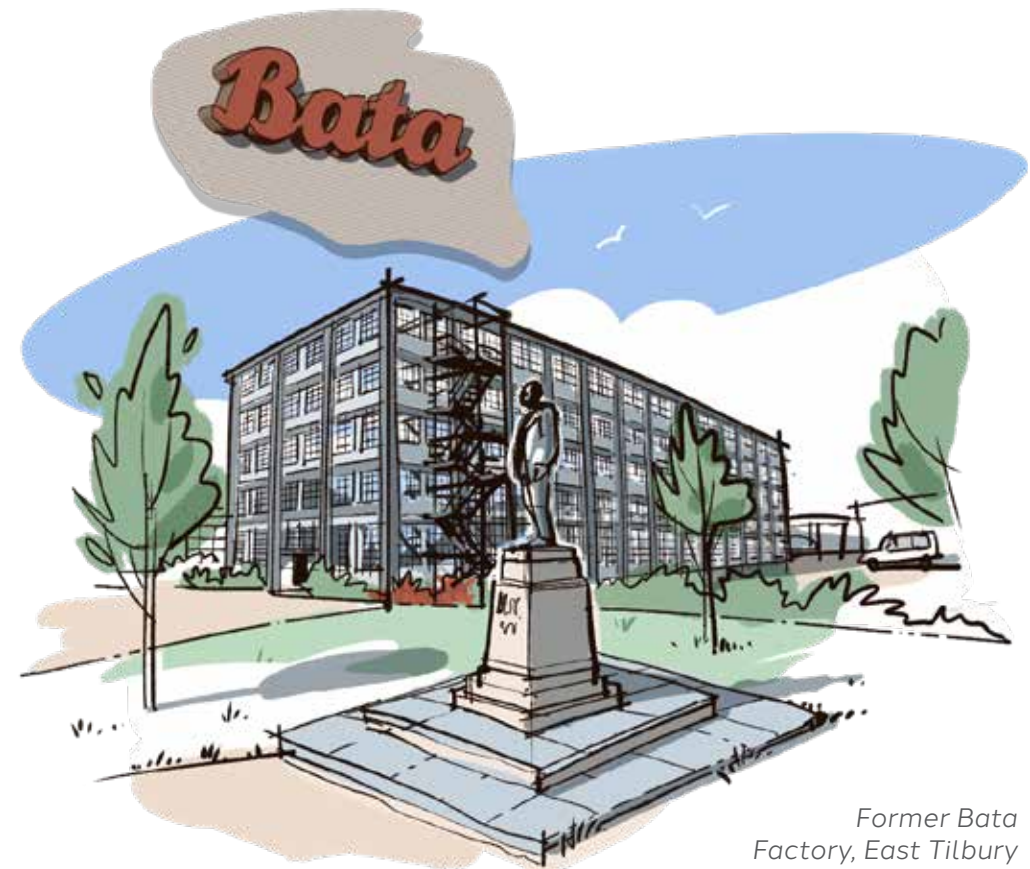
The full life-cycle of material use, from construction and consumption through to re-use and disposal, must be considered as part of the design process. Proposals should show how they can re-use materials, adapt existing buildings, and provide everyone the opportunity to recycle and reduce waste. Local procurement of materials for construction will be encouraged where it reduces the embodied carbon of new construction.



# Key Design Ideas for Thurrock

This section of the Design Charter illustrates a series of potential design opportunities on seven strategic areas where a step change in design quality could deliver big differences to quality of place and overall outcomes for communities. Design teams should take inspiration from these design approaches where the areas of opportunity intersect with their proposals.

The themes and ideas of these studies will be supported by the emerging Design Code and Local Plan, and future design guidance.



*Former Bata  
Factory, East Tilbury*



Mardyke Valley



The Echoes, Grays © Killian O'Sullivan



Parish Church of St Peter and St Paul, Grays



# THE THAMES

## CELEBRATING THE THAMES IN THE FUTURE DESIGN OF PLACES

Proposals should recognise and respond to the profound effect the River Thames has on Thurrock, and make the most of the opportunities presented to create exceptional designs that respond to this setting in order to deliver a distinctive sense of place.

**P**age 46 The river and its frontage is a place in its own right, but is fragmented by industry and infrastructure, and poorly accessible in places. Opportunities to provide further public access through footpath connections should be pursued. The Thames and other waterways are crucial to the sense of place and distinctiveness of the borough.

The diagram shows how some of the opportunities, conditions and landscapes that exist along the Thames in Thurrock could be incorporated and considered in the future design of successful places.

### DESIGN OPPORTUNITIES ALONG THE THAMES

1. Enhancing and delivering the Thames Path, addressing severance of access to the Thames due to the ports, and integrating links to town centres and settlements
2. Restoring tributary habitats to provide space for nature, leisure links and flood resilience
3. Opening up connections between the town centres, settlements, and the river front
4. Creating new vibrant public spaces and parks along the river front
5. Consider how water traffic and cross-river links such as ferries and water taxis can be integrated and future-proofed
6. Restoring wetland habitats to provide carbon sinks and sequestration, flood resilience and biodiversity net gain
7. Innovative approaches to the design of employment and national infrastructure should provide benefits and quality places for local residents, as well as acting as landmark gateways to the UK
8. Creating opportunities for clean energy generation wherever possible
9. Connect and celebrating our tangible and intangible heritage assets along the river, such as forts and our social history of the ports, helping to tell the rich history of Thurrock



## GLOBAL GATEWAYS

Trade and international connections will continue to play a vital part in the future of the Thames in Thurrock. The places and infrastructure around these uses should look to the future, and reflect the highest-quality design standards, as the UK's gateway to the world.

## NATURE RECOVERY

The tributaries of the Thames, such as the Mardyke, are vital ecosystems corridors and provide natural connections between places and the estuary. Designs should seek to restore these connected habitats and consider their role as potential green links for nature and people.

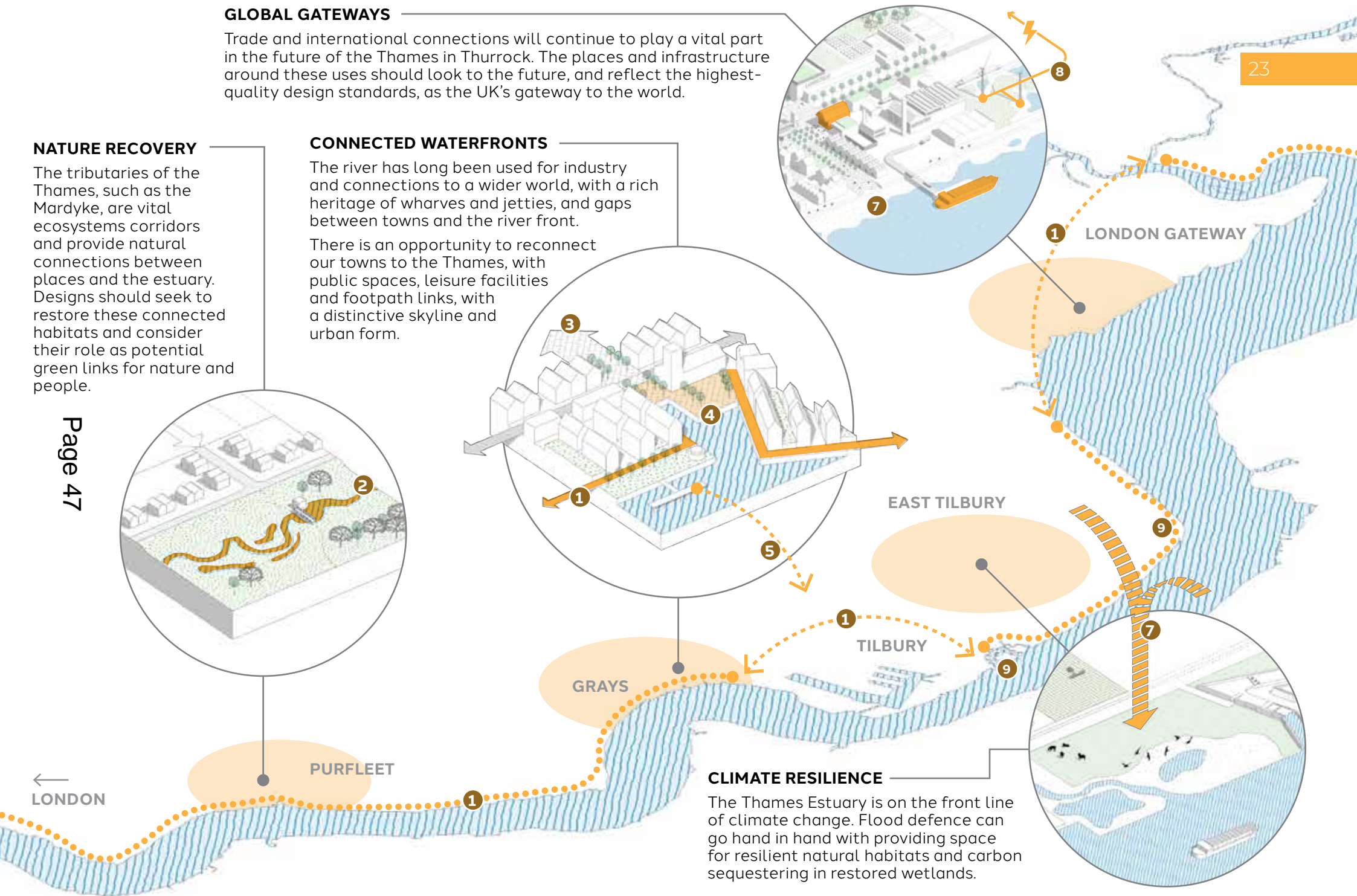
## CONNECTED WATERFRONTS

The river has long been used for industry and connections to a wider world, with a rich heritage of wharves and jetties, and gaps between towns and the river front.

There is an opportunity to reconnect our towns to the Thames, with public spaces, leisure facilities and footpath links, with a distinctive skyline and urban form.

## CLIMATE RESILIENCE

The Thames Estuary is on the front line of climate change. Flood defence can go hand in hand with providing space for resilient natural habitats and carbon sequestering in restored wetlands.



# NEIGHBOURHOODS

## IMPROVING THE QUALITY OF OUR NEIGHBOURHOODS

Bringing services, facilities, nature and green space closer to people's homes can offer everyone greater choice, a healthier lifestyle through active travel, better access to facilities, and help bring communities together socially. With ongoing changes and interventions, existing neighbourhoods can be transformed over time to offer a richer mix of facilities, spaces and access to nature, reducing inequalities and enhancing health, opportunity and quality of life for all.

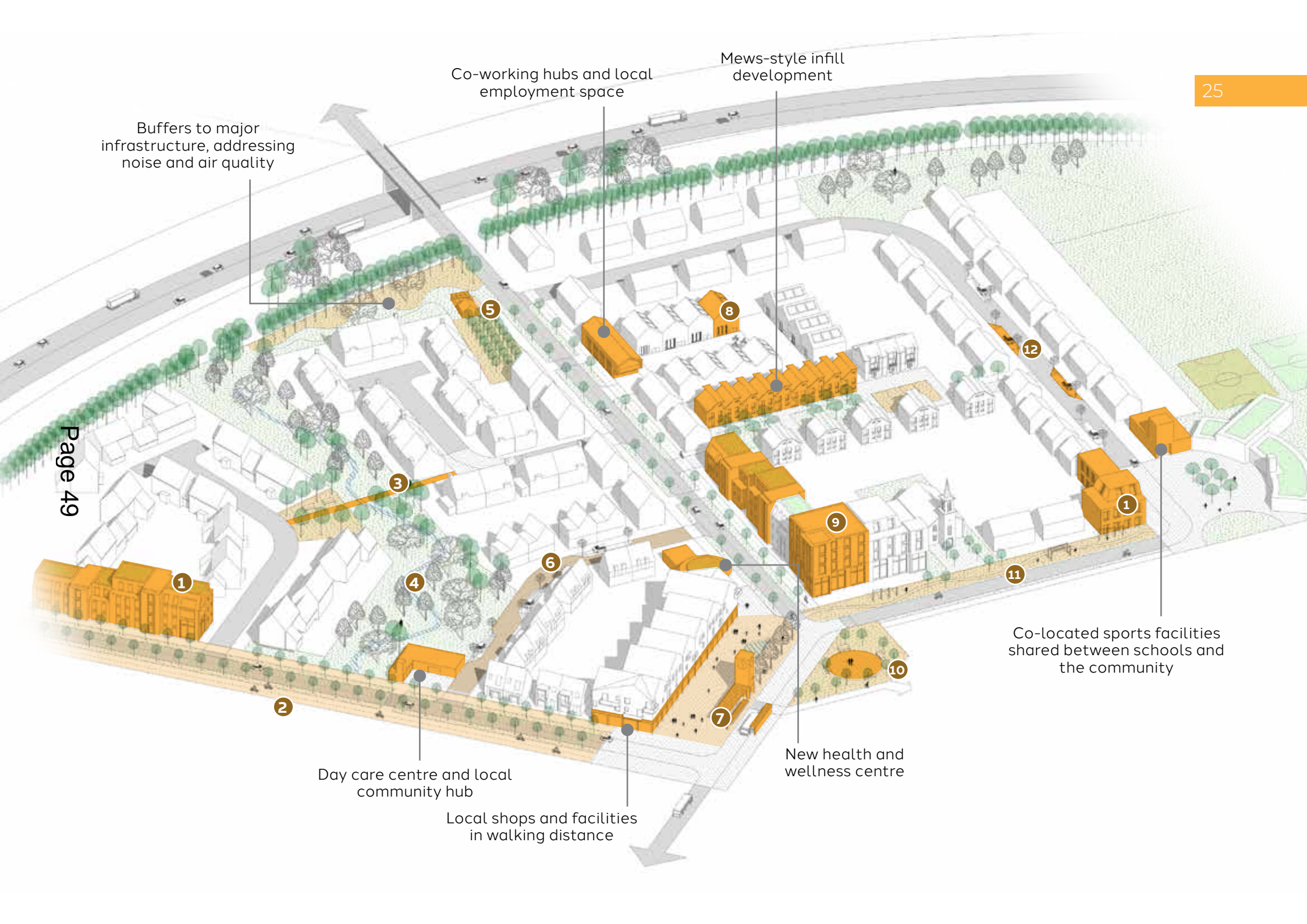
Many of Thurrock's existing neighbourhoods are under-provisioned for services and dominated by highway infrastructure, making getting around without a car inconvenient, unpleasant, or unsafe. With simple interventions, this can change.

The diagram explores how a typical existing neighbourhood may change to improve quality of life and service provision in the future through investment, sensitive development and regeneration.

### DESIGN OPPORTUNITIES IN EXISTING NEIGHBOURHOODS

1. Gentle densification of development located close to public transport routes to support greater footfall and viability of new local services
2. Street transformations of major roads to include trees, generous pavements, and safe cycling networks
3. Providing opportunities for new links to improve pedestrian permeability of areas
4. Opening up and integrating existing green features, such as streams, into neighbourhoods
5. Providing community growing, such as orchards and allotments, supporting local community shops
6. Traffic calmed streets to provide alternative quiet and safer walking and cycling routes
7. Mobility hub for buses with secure bike storage, providing EV and cycle charging points
8. Regenerating smaller industrial estates in residential areas to provide a mix of new, local businesses, with improved safe pedestrian access and buffers to surrounding residential areas
9. Infill development to sensitively intensify centres and key locations, stepping down to blend with existing built form, provide affordable homes and specialist accommodation
10. Simplifying space-intensive highway arrangements, such as oversized roundabouts, to provide better junctions and public spaces
11. Linear park and trim-trail along street to school
12. Car parking better integrated within attractive streets, close to front doors but not car dominated, separated by street trees and contributing to traffic calming





Buffers to major infrastructure, addressing noise and air quality

Co-working hubs and local employment space

Mews-style infill development

Page 49

Co-located sports facilities shared between schools and the community

Day care centre and local community hub

Local shops and facilities in walking distance

New health and wellness centre

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# COUNTRYSIDE

## RELATING SENSITIVELY TO THE THURROCK COUNTRYSIDE

Thurrock's countryside has a diverse character and provides space for agriculture, leisure, nature and many other uses. Much of it is protected by Green Belt designation and is important in preserving the openness and character of rural areas and the setting of historic villages.

**Page 50** Preserving and enhancing the quality of, and access to, our Green Belt is vital. Design has a role in ensuring new development forms attractive edges to settlements, facilitates better access and use of the countryside, and considers local landscape character as well as strategic views in and out of places.

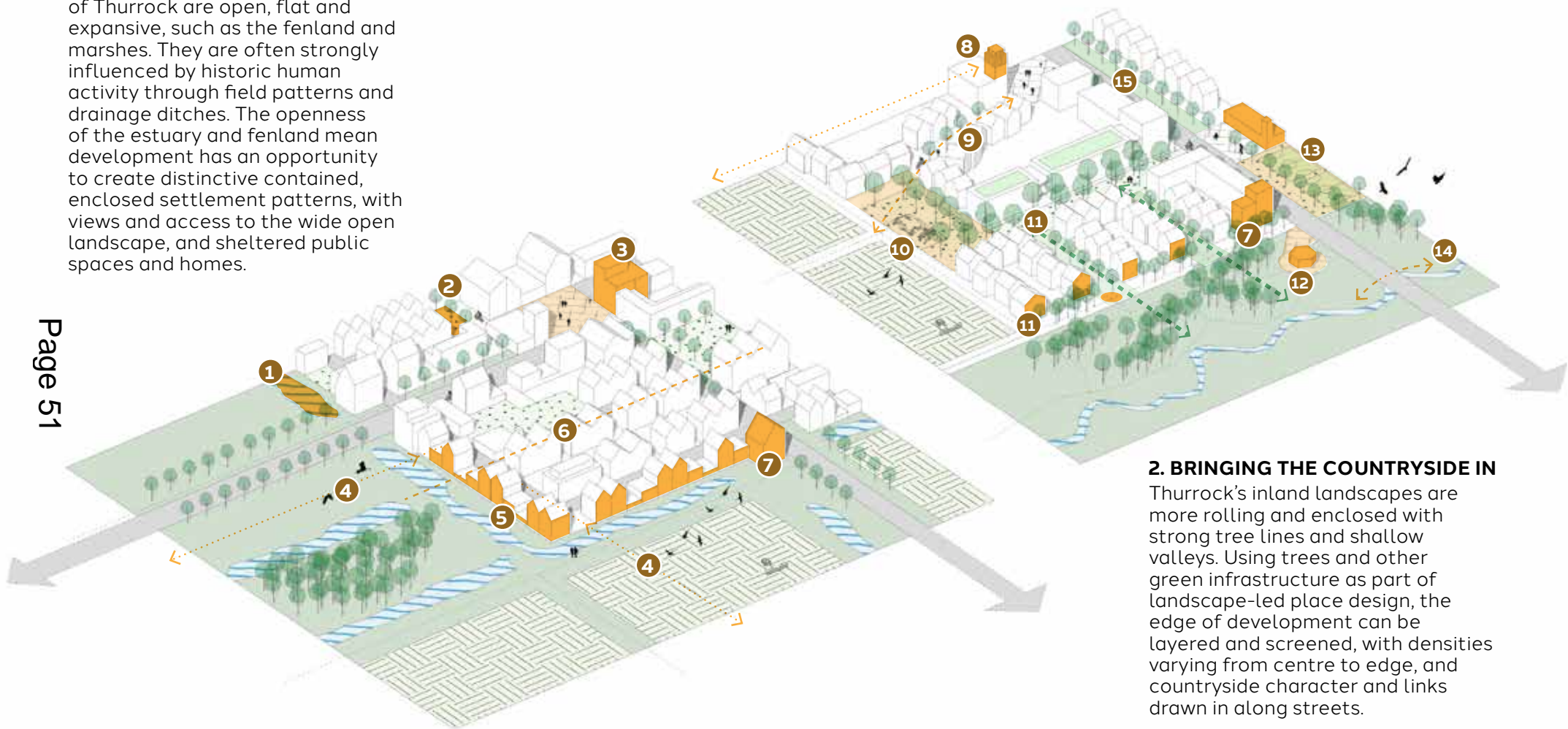
The diagram sets out how new development at the edges of towns and villages can deliver benefits to existing communities, enhance their settlement, protect rural character, and be inspired by their countryside edge setting in different contexts.

### DESIGN OPPORTUNITIES AT THE COUNTRYSIDE EDGE

1. Strategic sustainable drainage systems (SuDS) throughout, delivering wider water management benefits and draining to the countryside edge
2. Variety of public green open spaces with opportunities for biodiversity, amenity and food production
3. Varied density and built form throughout, with a clear centre and heart to places to create a memorable and distinctive townscape
4. Views out to the open countryside, from homes and public spaces
5. Distinctive, high quality built form with active frontages that form a clear and attractive edge to settlements
6. Using historic field boundaries to provide a clear structure to development and landscape
7. Architecturally distinctive buildings at key locations to articulate gateways and local landmarks
8. Considering high-quality skyline features within long views to help define a place within its context
9. Green cycling and walking links from countryside edges to centres along historic desire lines and paths
10. Well-connected parks to soften countryside edges
11. Layers of green infrastructure screen development views, providing amenity space, biodiversity net gain and a natural gradient of density towards the countryside edge
12. Access and activation of natural green open spaces, with facilities and footpaths
13. Locating school playing fields as part of green infrastructure networks
14. Drainage and nature corridors through infrastructure
15. Street trees, swales, and rain gardens within streets linked to open countryside

## 1. OPENNESS AND ENCLOSURE

Many of the countryside landscapes of Thurrock are open, flat and expansive, such as the fenland and marshes. They are often strongly influenced by historic human activity through field patterns and drainage ditches. The openness of the estuary and fenland mean development has an opportunity to create distinctive contained, enclosed settlement patterns, with views and access to the wide open landscape, and sheltered public spaces and homes.



## 2. BRINGING THE COUNTRYSIDE IN

Thurrock's inland landscapes are more rolling and enclosed with strong tree lines and shallow valleys. Using trees and other green infrastructure as part of landscape-led place design, the edge of development can be layered and screened, with densities varying from centre to edge, and countryside character and links drawn in along streets.



# GOOD NEIGHBOURS

## CONSIDERING EDGES AND CO-LOCATING DIFFERENT USES

There is a huge diversity of land uses within Thurrock, from quiet neighbourhoods, to major industry, nationally significant infrastructure, all the way to wide open natural spaces. This brings challenges as to how these different uses, including sensitive residential areas, meet and relate to each other and can create environmental issues and severance that are detrimental to communities living nearby.

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Edges between different uses and facilities are critical interfaces that present opportunities to think creatively about how different uses meet and how they co-locate, bringing overall benefits in addressing severance to ensure people have good access to local facilities, while providing space for natural habitats and networks for wildlife. Where buffers are proposed to noisy uses or busy infrastructure, these should primarily be designed to be effective screening, and not as low quality public open space, at the expense of higher-quality open space located in a more central and accessible locations within neighbourhoods.

The diagram illustrates potential approaches and opportunities for different types of edges, and places of potential co-location commonly seen in Thurrock.

### DESIGN OPPORTUNITIES AT EDGES OF DIFFERENT USES

1. Co-locating shops and centres where neighbourhoods and employment meet to serve both residents and workers
2. Opening up active travel connections between old and new neighbourhoods to create spaces and centres that serve both
3. Integrating clean local energy generation in appropriate locations
4. Creating amenity space, such as sports pitches, at edges and buffers where this is part of a considered approach to place design
5. Delivering connected habitat creation and enhancement for biodiversity net gain and nature recovery
6. Using trees and planting to screen sensitive uses, and supplemented with bunding and acoustic treatments, where necessary, to achieve functional buffers to noisy uses.
7. Addressing severance by providing new pedestrian and cycle links over major infrastructure that are safe, accessible, well-lit, and inclusive.

**INDUSTRY**

Green walls and roofs  
Solar panels on large units  
Woodland screening with habitats  
Effective green bunding and barriers

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**MAJOR ROADS**

Effective noise barrier, screened with vegetation  
Green habitat bridges, addressing severance

**RAILWAY**

Solar power roofs on stations  
Active travel bridges, addressing severance  
Screening railways through planting

**PYLONS**

Linear parks along route  
Long distance paths and green links  
Community gardens and allotments  
Planting near pylons

**AGRICULTURE**

Natural habitats & hedgerows  
New countryside walks  
Blue infrastructure, such as swales and ponds

**LOGISTICS**

Running loops & outdoor gyms  
Screening to loading bays  
Using roofs for community facilities, such as sports provision

**EXISTING NEIGHBOURHOODS**

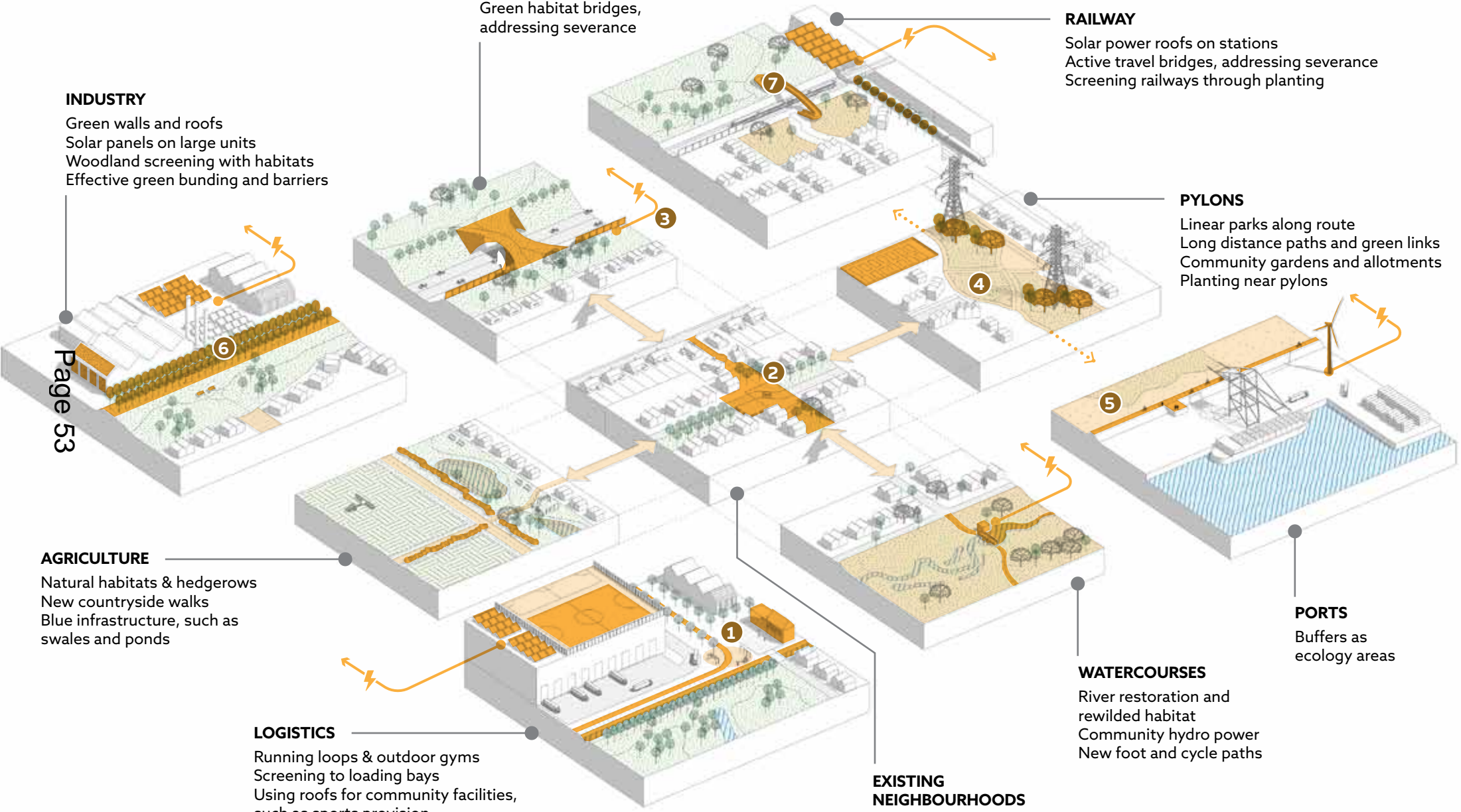
Locating facilities both at the centre and edges of places to serve multiple communities

**WATERCOURSES**

River restoration and rewilded habitat  
Community hydro power  
New foot and cycle paths

**PORTS**

Buffers as ecology areas



# TOWN CENTRES

## VIBRANT, ACCESSIBLE, AND WELL-CONNECTED CENTRES

We have the potential to strengthen our local and town centres, as the nuclei around which transport hubs, mixed-use development, and distinctive public spaces can grow more sustainably. By creating denser, walkable, more compact centres based around active travel, public transport, and the co-location of new services and facilities, urban sprawl can be limited and precious green spaces and countryside better protected. These approaches provide the foundation for the economic prosperity of our centres, helping increase footfall and local population, supporting the vitality of the local economy and its ability to deliver new uses, including evening and night-time uses, cultural and community functions.

Vibrant centres such as at Grays, Lakeside, and within the future of Purfleet, must host a wide variety of uses and be brought together through high quality public realm. Uses should be both for those living in the immediate area, and for those in a wider catchment who will be able to access them via sustainable transport options.

The diagram shows how the ingredients of a connected place based around a transport interchange can come together successfully.

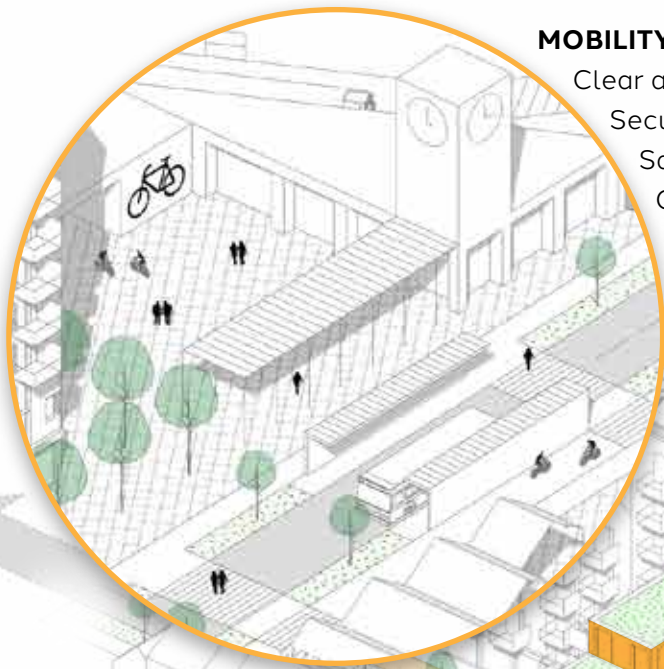
### DESIGN OPPORTUNITIES FOR VIBRANT CENTRES

1. Providing a mix of new houses and apartments within comprehensive mix of uses, supporting a diverse new town centre community
2. Streets designed for people first with continuous footways at junctions
3. Active frontages, along ground floors with opportunities for 'spill-out space' to activate streets
4. Continuous, connected safe cycling network
5. Focal points created around community and cultural spaces
6. Natural habitats and surface water management integrated into public green spaces
7. Flexible spaces for community events and markets in high quality public realm for all seasons and uses
8. Co-locating wider social infrastructure within new typologies of schools in central locations
9. Sports and leisure provision in accessible locations close to existing communities and public transport provision
10. Offices, workshops and co-working spaces providing a mix of different employment types
11. Enhancement and reuse of distinctive local heritage to become key landmarks in our town centres
12. Reuse and retrofit of existing buildings to new uses
13. Design-led densification that delivers sustainable development, supporting local services and better public transport, while being sensitive to local character
14. Space for night-time / evening economy uses
15. Balconies, roof terraces and podiums to provide a range of communal amenity space for new residents
16. Step-backs and height variations on taller buildings, to integrate with existing built form

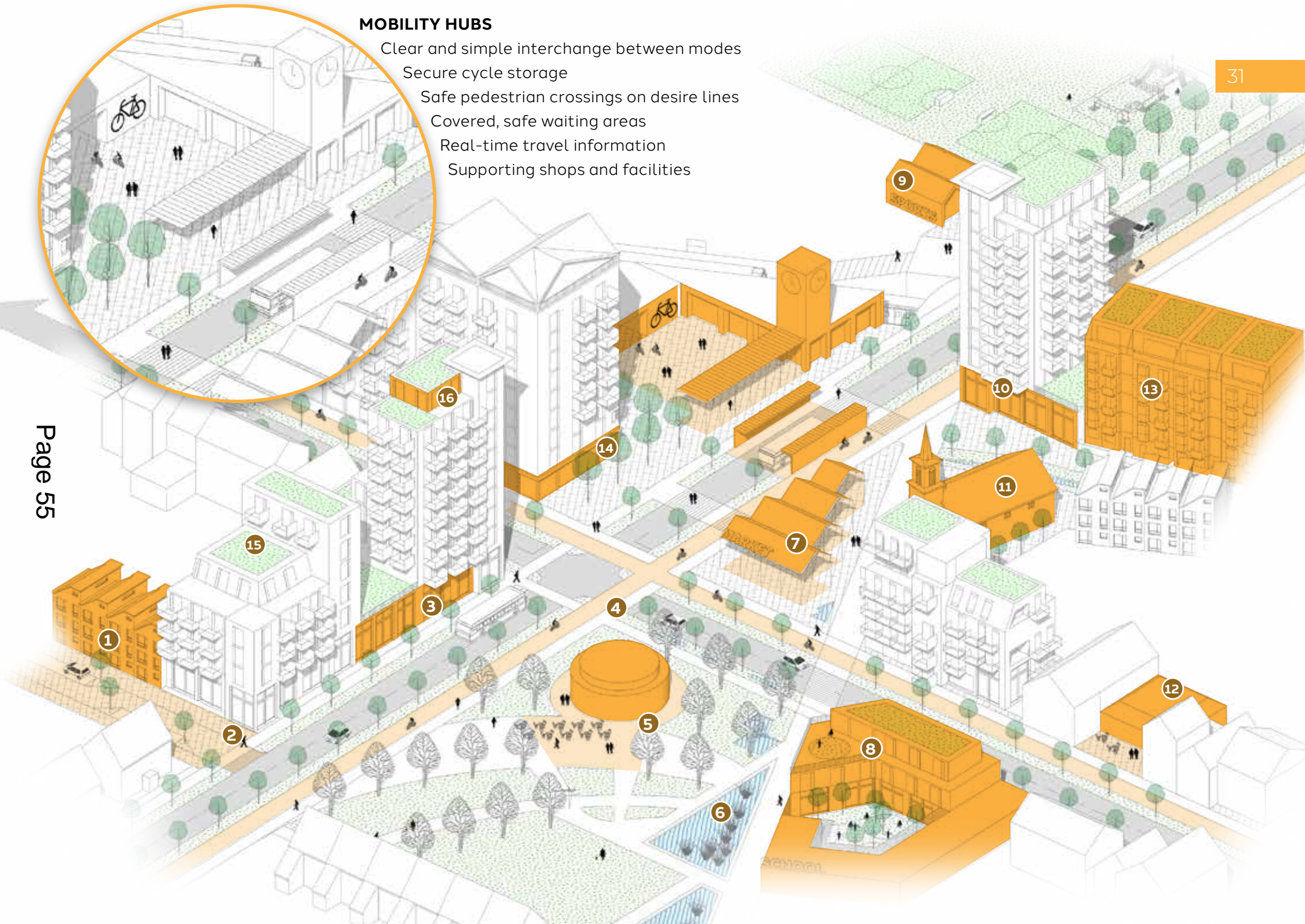


### MOBILITY HUBS

- Clear and simple interchange between modes
- Secure cycle storage
- Safe pedestrian crossings on desire lines
- Covered, safe waiting areas
- Real-time travel information
- Supporting shops and facilities



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# EMPLOYMENT AREAS

## CREATING PLACES FOR GROWTH AND PROSPERITY

Thurrock is an economic powerhouse, with a wide variety of employers, with very different space needs. There is an important logistics sector, dominated by large warehousing needs, reflected in our Ports and associated employment areas. Employment areas should be well-designed, efficient, functional, and considered as environments where design adds value to economic growth, well-being of staff, better integration with the surrounding community, and benefits the environment.

Employment areas need to be responsive to change, flexible and practical, but also need to be attractive for people to work in, and support healthy lifestyles, an increasingly important consideration for employers and investors. This can contribute to employee retention, reduced sickness rates and improved job satisfaction.

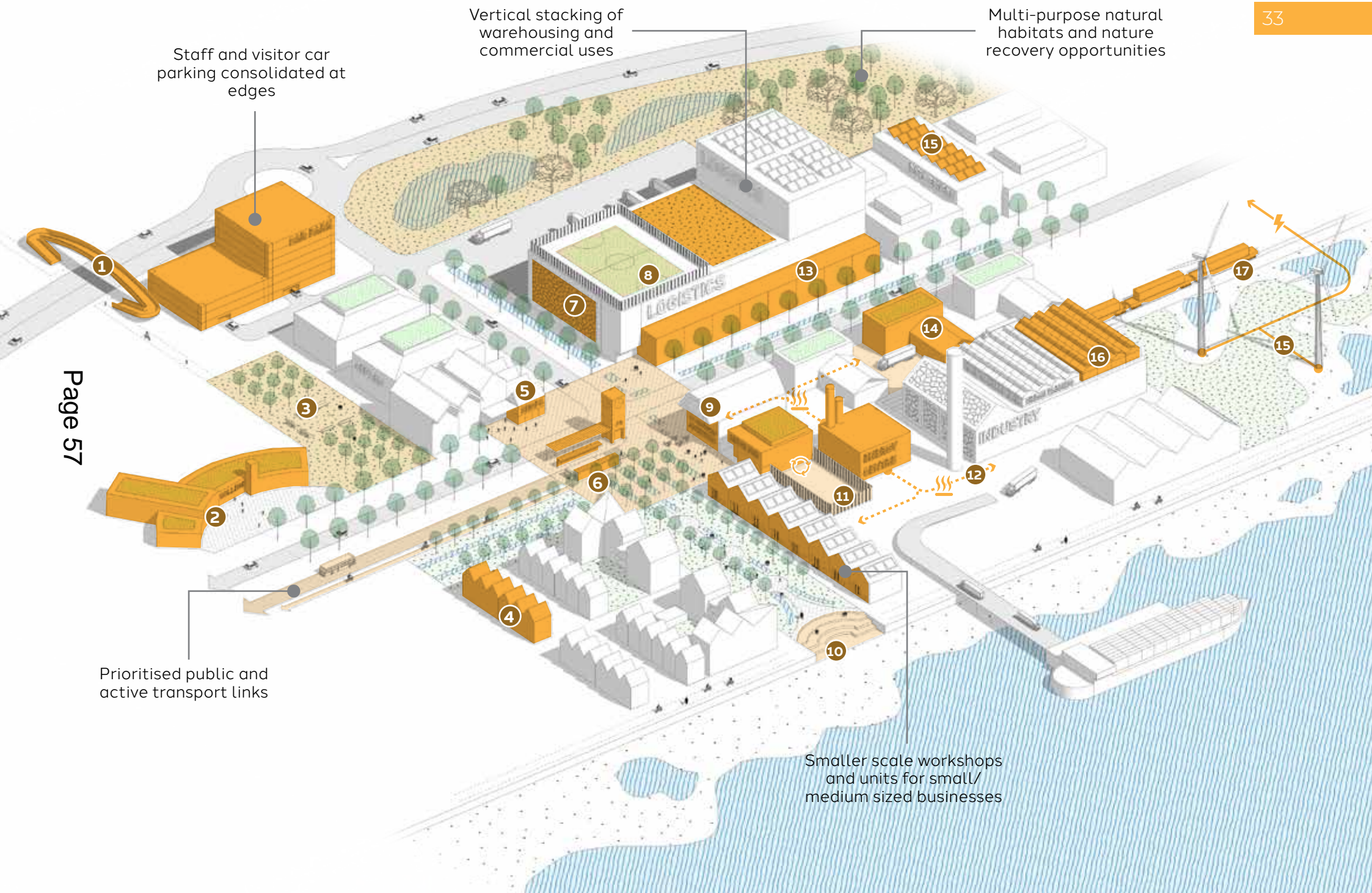
Design must recognise and respond to changes in working patterns such as working from home, and shift work. It should ensure spaces are well-designed for their purpose and context, i.e., co-working spaces, business centres, flexible units, small workshops, as well as last-mile logistics. The public realm should bring places together and provide safe environments at night for shift workers.

The diagram imagines how the components in a mixed employment area might work together in Thurrock.

### DESIGN OPPORTUNITIES FOR PLACES OF WORK

1. Active travel connections into employment sites, connecting communities to jobs and addressing severance
2. Opportunities for incorporating learning spaces, including skills academies, to better integrate educational opportunities with employment
3. Gardens and orchards for staff breaks and meetings
4. Effective buffers with nearby residential uses, providing mitigation while reducing severance.
5. Shops and facilities for workers at accessible locations
6. Mobility hub within a central meeting space
7. Green walls and roofs
8. Sports, recreation, health and well-being facilities
9. Opportunities for co-working hubs
10. Focal point public spaces with potential for improved access to the river around the ports
11. Shared reuse and recycling hub to limit waste
12. Heat sharing networks and energy centre recovering heat from nearby uses
13. Small units 'sleeving' larger buildings
14. Multi-purpose flexible units facing street
15. Solar and wind power opportunities
16. Urban and vertical agriculture
17. Maximising sustainable freight transport opportunities





Staff and visitor car parking consolidated at edges

Vertical stacking of warehousing and commercial uses

Multi-purpose natural habitats and nature recovery opportunities

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Prioritised public and active transport links

Smaller scale workshops and units for small/medium sized businesses

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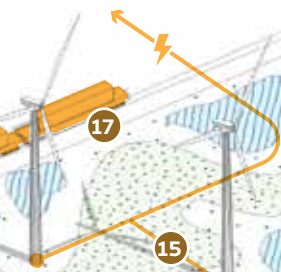
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# LANDSCAPES

## ECOSYSTEM CONNECTIONS BETWEEN NATURE, LANDSCAPE AND PEOPLE

The hardworking landscapes of Thurrock are intensively used and are the source of the borough's environmental quality and biodiversity. They provide environmental protection, flood mitigation, agriculture, amenity space for a large local population, infrastructure provision and space for nature.

**Page 58** The connected ecosystems of Thurrock must be considered as a fundamental part of the design of places, and all opportunities to connect and enhance them taken. Incorporating nature-based solutions and habitats within towns and urban areas, as well as in the countryside.

The diagram explores some of the many ways that healthy, connected ecosystems can work with each other and provide essential, sustainable services to people. Good design should enhance and work with nature to ensure connected ecosystems can continue to provide these benefits.

### DESIGN OPPORTUNITIES FOR LANDSCAPE

1. Creating and connecting into long-distance paths and regional parks
2. Green bridges providing habitat links over major roads and railways
3. Opportunities for community growing and urban food production
4. Making space and safeguarding marginal green spaces for wildlife refuges and 'sinks'
5. Integrating opportunities for children and young persons' play in imaginative and creative ways
6. Celebrating our heritage and their setting
7. Delivering urban nature restoration through regeneration
8. Integrating leisure and sport activities while preserving the ecological value of green open spaces
9. Integrating opportunities for allotments and local growing in residential areas
10. Surface water management and natural water filtration through sustainable urban drainage systems
11. Doorstep access to nature from residential areas
12. River re-wilding and restoration
13. Long-distance green corridors for nature and people
14. Space for clean, renewable, local energy production
15. Procuring local extracted material for local construction materials, and ensuring former quarries are restored
16. Designing new habitats as effective carbon sinks
17. Enhancing access along the Thames, integrating with new flood defences
18. Wetland habitats for biodiversity and natural flood protection



**SOURCE**

Habitat restoration and restoring links severed by infrastructure is the priority to ensure healthy ecosystems downstream.

**COUNTRYSIDE**

Land is intensively used across Thurrock's countryside for agriculture, leisure and industry.

**TOWNS AND COMMUNITIES**

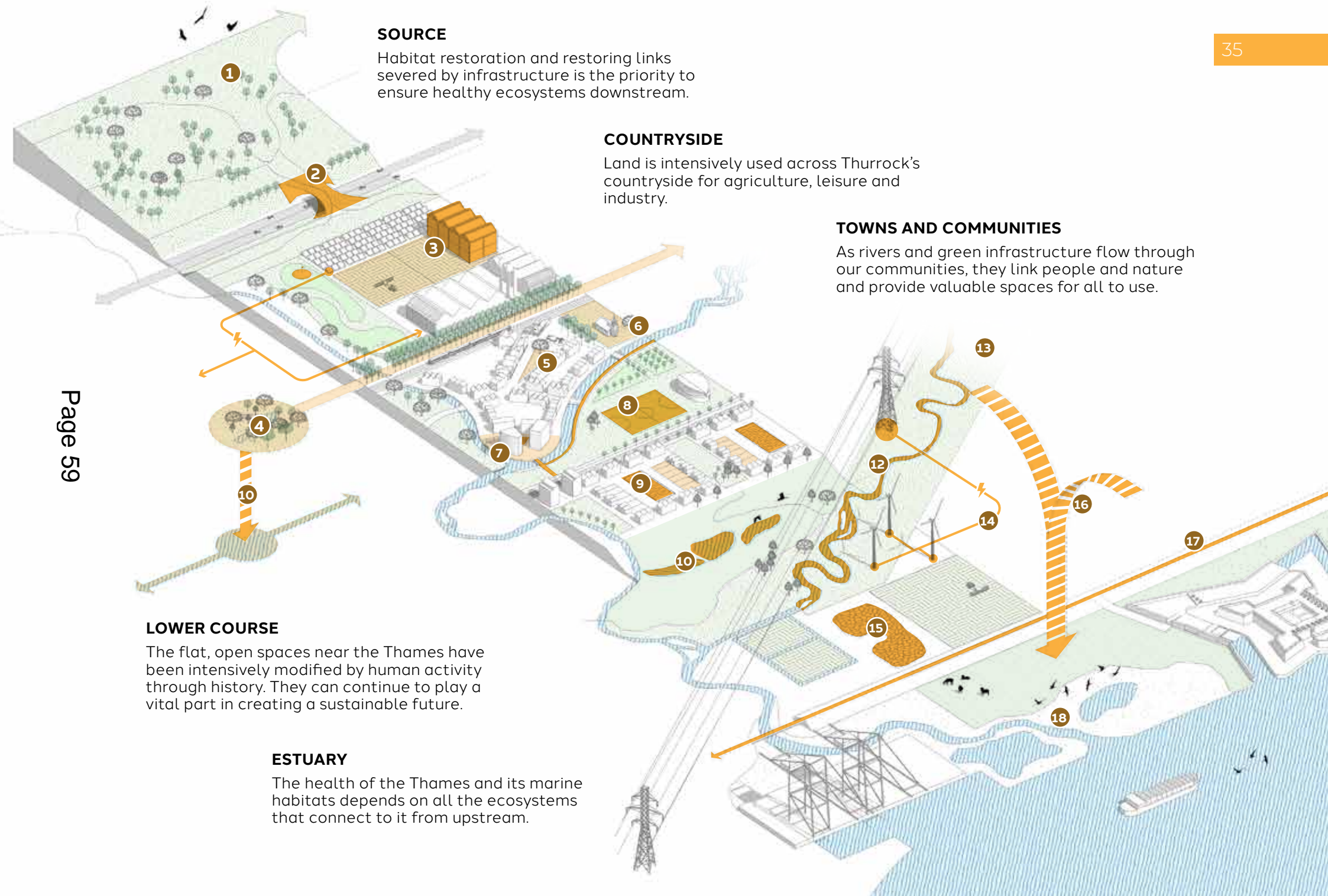
As rivers and green infrastructure flow through our communities, they link people and nature and provide valuable spaces for all to use.

**LOWER COURSE**

The flat, open spaces near the Thames have been intensively modified by human activity through history. They can continue to play a vital part in creating a sustainable future.

**ESTUARY**

The health of the Thames and its marine habitats depends on all the ecosystems that connect to it from upstream.



# Making it happen

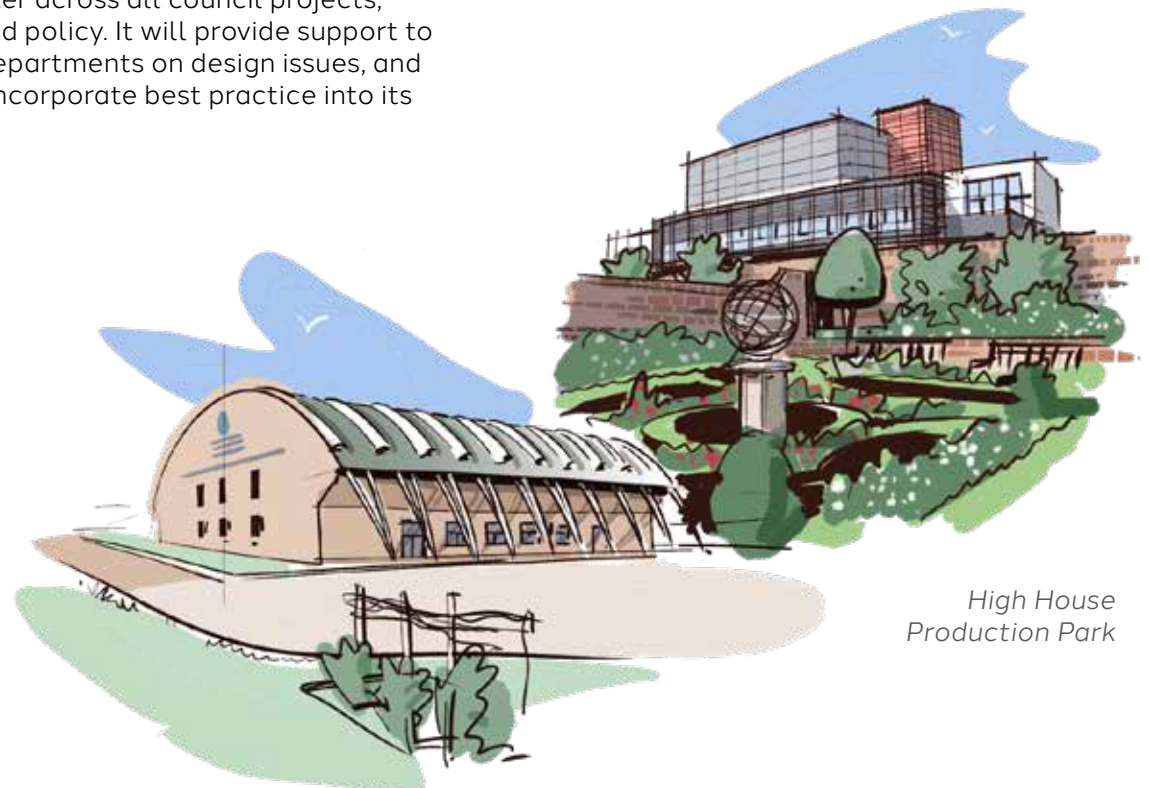
**Thurrock Council is committed to delivering good design, and to working with partners, applicants and stakeholders collaboratively to support and enable good design.**

This section sets out:

- How communities should be placed at the heart of the design process, steering good design through continuous engagement
- How Thurrock Council will take forward the Design Charter throughout its future work
- What we expect from partners, applicants and stakeholders working on development proposals, and the tools and processes we will offer to support our partners

Thurrock Council will support ambitious developers to deliver high-quality design and place-making, through a comprehensive design process that considers the places and people of Thurrock, and delivers on the principles set out in this Charter.

The Place & Design Team at Thurrock Council is a dedicated team with the remit of improving design quality and fulfilling the aims of the Design Charter across all council projects, strategies and policy. It will provide support to all council departments on design issues, and continually incorporate best practice into its work.



*High House  
Production Park*



## WORKING TOGETHER TO DELIVER GOOD DESIGN

**Collaboration is critical, and we want to support applicants and stakeholders through the design process to deliver better design outcomes for Thurrock.**

To this end, we have set out how clear expectations as to what we expect to see within a comprehensive design process as part of any development proposal.

We will encourage everyone involved in the design of our places to embrace the following principles in the way they go about design and development of proposals:

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Chafford Gorges

### Getting the right design team in place

- Putting together the right skills and team to best respond to the particular constraints and challenges of each project, making the most of the opportunities of each site
- Embracing multi-disciplinary and collaborative working, to create complete places that are designed by a holistic team that deliver the wider benefits to the area
- Ensuring design teams reflect the diversity of experience and identity of Thurrock's communities, bringing in local knowledge, experience and skills where possible.

### Site and context appraisal as the starting point of design

- Thinking beyond the application boundary, understanding the strategic role of the site, its local setting, and key views to and from
- Integrating with wider strategic green and blue infrastructure and landscape opportunities
- Appreciating the distinctive character and features of the wider area, and considering how these can be integrating into a memorable design
- Thinking carefully about site boundaries and how the proposals relate to adjacent land uses
- Understanding local community needs and priorities (including health, well-being, equalities and inclusion)

### Engagement with Thurrock's communities at all stages

- Identifying and engaging meaningfully with a wide range of stakeholders and the local community from earliest stages to post-occupancy
- Using engagement as a critical tool to understanding places, acknowledging that local communities and stakeholders are experts in their areas
- Recognising that engagement can take any number of methods, but must be wide, frequent, accessible and tailored to each unique site and project.

### Following a clear, structured, iterative, and robust design process

- Developing a clear concept and vision, considering how the design can deliver wider benefits
- Justifying design decisions through evidence
- Demonstrating a range of options and assessing them transparently against a clear criteria
- Factoring in multi-disciplinary pre-app discussions and Design Reviews

### Demonstrating how proposals deliver on the Charter's principles

- Aligning design proposals to the outcomes across all principles in the Charter
- Discussing and agreeing at an early stage how sites and projects can most effectively deliver good outcomes for Thurrock's communities
- Communicating clearly with Thurrock's communities on how the design of proposals will deliver on the Charter's principles

## PLANNING & DESIGN SUPPORT SERVICES

**The council offers the following services to support applicants, developers, and communities in securing the best design outcome for development proposals.**

### *Local Plan & Design Code*

The forthcoming Local Plan and Design Code will set out formal design policy for application determination, building on the vision of the Design Charter. They should form the basis of an initial review of design quality expectations.

The Local Plan will set out strategic and detailed design policies, as well as specific design principles to allocations. The Design Code will set out a set of simple, concise, illustrated design requirements that provide specific, detailed parameters for all development. The Code will also provide more guidance on the design process itself, including what we would expect from a site appraisal, and guidance on undertaking effective community consultation.

Local Plan design policies, this Design Charter, and the Thurrock Design Code will align with national guidance (encapsulated within the National Design Guide and National Model Design Code), and established best-practice (including Building for a Healthy Life and Building for Nature standards).

### *Pre-application advice*

Pre-application discussions should be the starting point for all proposals. Come to us at an early stage to discuss your proposal and we will advise you on what you would need to do to have the best chance of achieving planning permission. We will be able to ensure that wider council teams, such as public health, transport, and others are able to feed into early discussions to ensure integrated thinking and better design outcomes.

Although there is a cost to applicants, you will benefit from a better-quality application and a clearer route to the determination of your planning application. The iterative nature of design means that, particularly for larger applications, a number of pre-application reviews are advised as you progress your design proposals.

### *Planning Performance Agreements (PPAs)*

These are voluntary agreements between the applicant and the Thurrock Council that set out the actions, resources and time-scales for handling a particular planning application. They can be used to support good design through a continuous and iterative process of officer engagement across the council, and will include dedicated design workshops.

They can be used for any type of planning application but usually for large-scale, complex proposals. They can be used at any stage from early brief development through to conditions and reserved matters.

Fees for PPAs depend on size and complexity of the proposal, and are regularly updated and published on Thurrock Council's website.

### *Design Review*

Design Review is an independent and impartial evaluation of proposals best undertaken at pre-application. It is a collaborative process, where constructive feedback can be given to improve the design quality of proposals. Design review panel comments have formal weight in determining applications.

We require that Design Review is undertaken for proposals that have significant impacts in relation to design or public interest. Further guidance and detail on the criteria for projects we expect to go to Design Review would be included within the forthcoming Design Code.



Lakeside Shopping Centre

## PUTTING COMMUNITIES AT THE HEART OF PLACES

**People are at the heart of places, and their engagement at all stages of the design is critical to ensuring places deliver benefits to local people, meet their needs and wishes, and promote a sense of belonging. This goes beyond tick-box consultation and should be integrated comprehensively into the design process. A good design and engagement process encompasses:**

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Thameside  
Nature  
Discovery Park

- Use engagement to inform the initial brief, collaborating with local communities and stakeholders to properly investigate the site and its context, highlighting issues and opportunities that may not be immediately visible.
- Building out a design and project team that responds to this initial engagement and reflects the diversity and experiences of the local communities where development is proposed.
- Using co-design opportunities, such as design charettes, workshops, and digital tools, to explore what is desired and needed by local communities, and how this can be integrated within emerging designs.
- Testing and iteration of options with communities and stakeholders, and ensuring views are factored into a transparent and robust assessment of those options.
- Discussions and engagement with local communities and groups around the potential for long-term community management and stewardship of places and spaces.
- Demonstrating at the application stage how the community have meaningfully shaped the designs through submitted planning applications materials.

Engagement should include all groups equitably and should reach beyond groups that typically get involved in planning issues. Involving these under-represented groups, especially younger people and those with learning disabilities or mental health needs, will yield a better and more representative design solution that is more widely owned by its community.

Thurrock Council is committed to following comprehensive and deep consultation when developing policies and regeneration proposals, based on the principles of engagement, empowerment and equality. This includes the use of a range of methods, including digital process, and the recent Design Charettes undertaken by the Princes Foundation in support of the developing Local Plan. These consultations remain critical to ensuring Thurrock continues to develop into a great and inclusive place.



RSPB Rainham Marshes



<b>11 October 2023</b>	<b>ITEM: 12</b> <b>Decision: 110671</b>
<b>Cabinet</b>	
<b>Direct Payment Support Services</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Key
<b>Report of:</b> Councillor George Coxshall, Portfolio Holder for Health, Adult Social Care, Community and Public Protection	
<b>Accountable Assistant Director:</b> Les Billingham, Assistant Director for Adults and Community Development	
<b>Accountable Director:</b> Ian Wake, Corporate Director for Adults, Housing and Health	
<p><b>This report is</b> Public with an exempt appendix</p> <p>The appendix contains exempt information which falls within schedule 12A of the Local Government Act 1972 - <i>Information relating to the financial or business affairs of any particular person (including the authority holding that information)</i>. In all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
<b>Date of notice given of exempt or confidential report:</b> 3 October 2023	

## Executive Summary

The report outlines the statutory duty under the Care Act (2014) to provide support services to eligible direct payment users. This service enables vulnerable adults and children to live within their family home and maximise independence and choice of care provision.

This report seeks views from Cabinet, on a proposed recommendation that the procurement for this service should go to market as an open tender.

### 1. Recommendation(s)

- 1.1. That Cabinet agree that the contract be put out to tender with no fixed price point enabling the market to price against the activities required to



**ensure a sustainable service for the lifetime of a contract (four + one + one years).**

- 1.2. That Cabinet agree that the contract be resourced to ensure statutory obligations can be appropriately met and responsibility for the awarding of any tender be delegated to the responsible Director (Corporate Director for Adults, Housing and Health) in consultation with the Portfolio Holder for Adult Social Care.**

## **2. Introduction and Background**

- 2.1 At present Thurrock Council discharges its legal duties to support the use of direct payment, as defined in the Care Act (2014), via a competitive tender process that is currently fulfilled by the incumbent provider for the sum of £73,422 per annum. The contract is set to expire on February 1, 2024.
- 2.2 The Adult Social Care contract also covers children's direct payment users at present accounting for nearly a quarter of all direct payment users.

At the time of writing the broad breakdown of service usage is as follows:

- 388 active managed adult account users.
  - 489 active adult and 161 child direct payment users provided with information and advice.
  - 110 adult and 161 child direct payment users accessing Personal Assistant recruitment and / or payroll support.
- 2.3 The service currently provides:
- Personal account manager who will track the account to be able to resolve any issues quickly.
  - Direct payment holding accounts for funds.
  - Regular statement of client funds in an accessible way to assist the service user to manage their life.
  - Monitoring information at agreed times. Processing payroll and pay invoices within appropriate timeframes.
  - Pay slips for employees and liaising with HM Revenue and Customs

(HMRC) on the client's behalf as the agent.

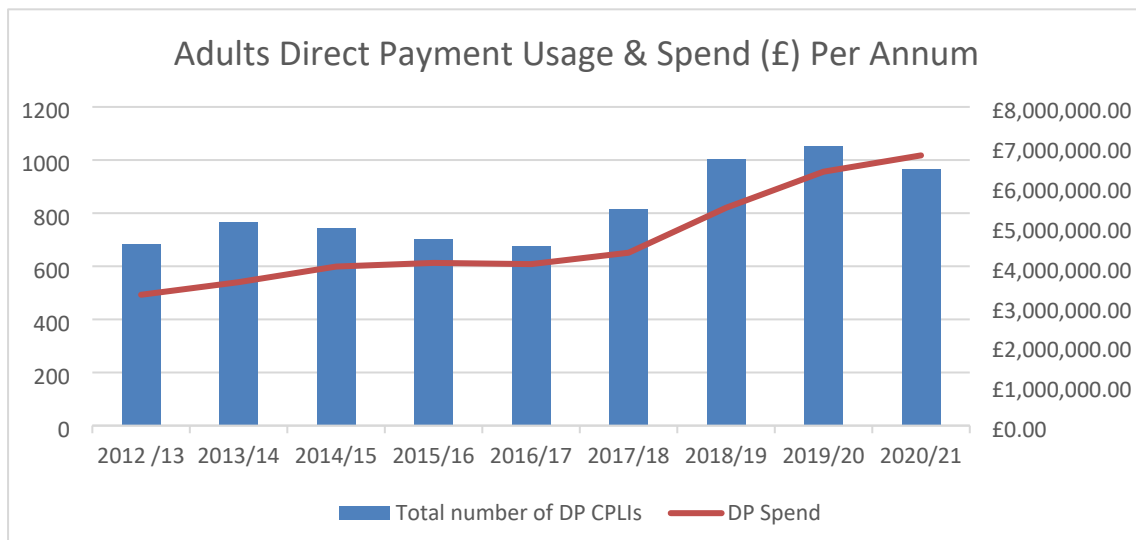
- Submitting all HMRC monthly and annual returns as required by law and making required monthly payments direct to HMRC.
- Assurance that monies exceeding the eight-week tolerance level are returned promptly to the Authority after all relevant deductions and payments are made.

2.4 These are either services that the Council is unable to provide due to lack of appropriately skilled staff or system functionality which precludes the Authority taking on this role. Moreover, the staffing budget required to manage such activities would render internal provision financially unappealing.

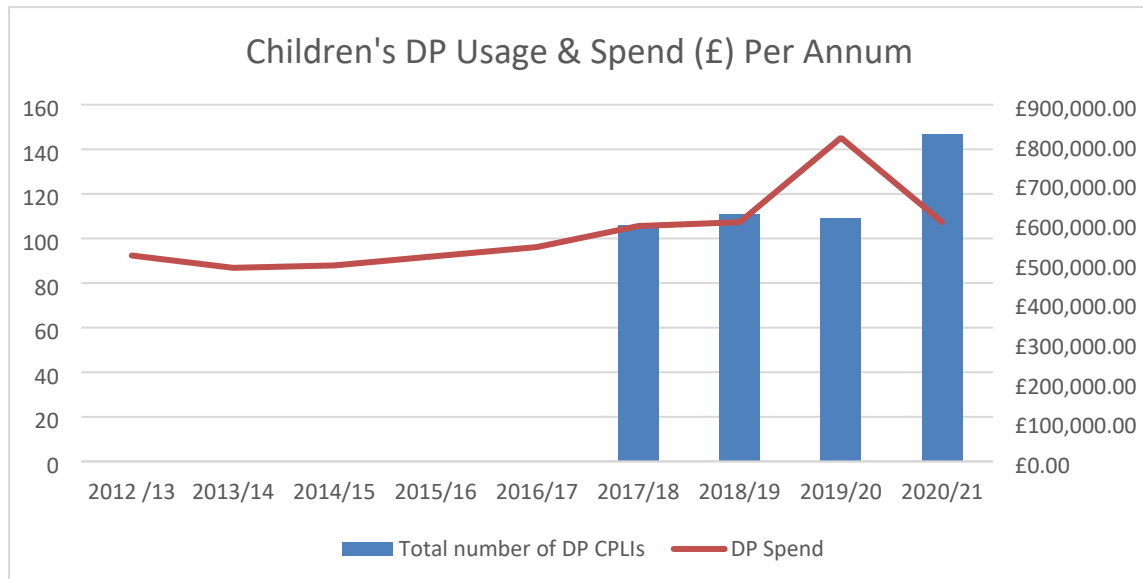
2.5 There was only bidder due to the limited funding available. When challenged on the sustainability of the support contract the incumbent provider stated it was only sustainable given the economies of scale they currently operate. Given the current financial climate these efficiencies will be increasingly strained and difficult to maintain.

2.6 The last two times the service was contracted for (covering nine years) the funding to support statutory requirements saw no significant increases, being commissioned at a yearly price of £70,200 per annum in 2013 rising to £71,984 in 2019, a rate which is set to last until this contract expires. This equates to only a **4.3% increase over what will be a ten-year period** and has resulted in funding not keeping pace with demand, usage and external pressures.

2.7 During this time, although the funding has not increased, direct payment usage and spend has increased dramatically as can be seen below:



- 2.8 Spend on adult direct payment provision over this period has increased by **107%** while volumes of care package line items (individual commitments of spend) have increased by over **41%**. The current Adult Social Care resource panel states all new cases should consider a direct payment, meaning that numbers are likely to continue to rise placing further strain on the contract.
- 2.9 Children's data below<sup>1</sup>, while less drastic than adults, shows increased usage and spend over the same period and account for only 8% of spend but 23% of overall individuals accessing direct payments in 2020/21.



- 2.10 Inflation pressures alone would account for a cumulative percentage increase of **23.3%**<sup>2</sup> for 2013 to 2021. This would account for **£16k** on the bottom line of original contract price before demand increases, employer pension contributions, National Insurance rises or demand factors are even considered.
- 2.11 Soft market testing before the previous tender exercise in 2018/19 indicated that the contractual value was too low. Activity and pricing comparisons against external organisations indicated the funding of the contract was at around only 45% its required level, based on adults users only. A typical account management service, transactional costs and processing costs would amount to over £325 per person per annum (based on only two transactions per four weekly period). This was undertaken again in 2021/22 and a similar level of disparity was found.
- 2.12 Given the situation outlined above the annual contract price is being reviewed as the current rate is now viewed as unsustainable but options are limited given the financial situation.

<sup>1</sup> Children's service were unable to provide number of individuals accessing Direct Payments before 2017/18.

<sup>2</sup> [RPI All Items: Percentage change over 12 months: Jan 1987=100 - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/rpi/all-items/percentage-change-over-12-months-jan-1987=100)

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

#### **3.1 Undertake Commissioning Exercise with a Declared Price (not recommended)**

This would leave the budget for procuring direct payment support services 'as is' and offer no additional support for the administration of the direct payment support function.

This would limit the effectiveness of any competitive tender, for example only a single bid was received on the last tender exercise due to the extremely low contract value. This option therefore would present the financial risk of an unsuccessful tender process resulting in the need to increase the base funding of this contract as well as the delaying, or inability, to recoup monies above tolerance levels. Additionally, should there be no successful tender a provider would not be in place to ensure payment of invoices, collection of income etc, to ensure the eligible needs of individuals are met thus result in a failing of our statutory duties.

#### **3.2 Undertake Commissioning Exercise Enabling Providers to Competitively Price (recommended)**

This enables the market to set a sustainable price for the lifetime of the contract, though this is likely to cause an increase in the current budgeted amount of up to £120k per annum. Weighting the contract based on price to incentivise more competitive pricing model from potential providers that will mitigate this impact to some degree but still create a financial pressure for the service.

Any additional financial spend will be met by the Directorate's external purchasing budget (which may result in additional efficiencies) as well as the recovery of Direct Payment funds from managed and self-managed accounts that exceed eight weeks tolerance levels that this contract manages.

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

- 4.1 The recommended course of action would be the only reliable way of attracting competitive bids from the open market, thus ensuring that the Authority can fulfil its statutory requirements under the Care Act (2014).

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

- 5.1 Engagement has taken place with direct payment users via the User Led Organisation as well as Thurrock's Direct Payment Officers and Care Practitioners who have reviewed the quality of the Service as well as fitness for purpose of the current service specification. It is felt the current quality of service is high, which is reflected in key performance indicators, and value for money.

5.2 This report was considered and its recommendations endorsed by Health and Wellbeing Overview and Scrutiny on 19<sup>th</sup> July 2023.

## **6. Impact on Corporate Policies, Priorities, Performance and Community Impact**

6.1 The contract to provide direct payment support services aligns with the aspirations of Better Care Together Thurrock: The Case for Further Change 2022-2026 and the Corporate Priority:

- *People – a borough where people of all ages are proud to work and play, live and stay.*

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Mike Jones**  
**Strategic Lead Finance Corporate Finance**

The current funding for the provision of this contract of £73,422 is contained within the Directorate's existing budget allocation. Any cost as a result of a procurement exercise would result in an additional financial risk to the Authority.

### **7.2 Legal**

Implications verified by: **Mark Bowen**  
**Interim Project Lead**

The recommendation if agreed is for a procurement process to support the delivery of a statutory duty and is legally sound.

### **7.3 Diversity and Equality**

Implications verified by: **Rebecca Lee**  
**Team Manager Community Development**

The provision of this contract will support the Council to uphold responsibilities set out in the Care Act (2014), the Children and Families Act (2014), Equality Act (2010) and Public Sector Equality Duty.

Social value has been considered as part of the commissioning process for this service and will be monitored as part of the standard contract review cycle with the agreed supplier.



7.4 **Other implications** (where significant) – i.e., Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children

N/A

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):

N/A

9. **Appendices to the report**

N/A

**Report Author:**

Ian Kennard

Commissioning Manager

Adults, Health and Housing

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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<b>11 October 2023</b>	<b>ITEM: 13</b> <b>Decision: 110672</b>
<b>Cabinet</b>	
<b>Revenue &amp; Benefits SaaS (Software as a Service) – Reprocurement</b>	
<b>Wards and communities affected:</b> N/A	<b>Key Decision:</b> Key
<b>Report of:</b> Councillor D Arnold, Deputy Leader and Cabinet Member for Transformational Change, Communications and Governance	
<b>Accountable Assistant Director:</b> Andy Best – Strategic Lead - IT	
<b>Accountable Director:</b> Jackie Hinchliffe – Director of HR, OD and Transformation & Steven Mair – Chief Finance Officer	
<b>This report is Public</b>	

## Executive Summary

Thurrock Council has a range of Software as a Service (SaaS) and software licence agreements with the current supplier NEC Software Solutions UK Limited; across multiple business areas: Housing, Revenue and Benefits (R&B), Blue Badge case management.

Due to the expanding relationship with the current supplier since 2004, several Revenue and Benefits agreements were running with mis-aligned start and end dates. An exercise was carried out in 2022 to align smaller agreements under one amalgamated CCS (Crown Commercial Services) agreement for Revenue and Benefits SaaS.

In line with internal governance guidance and PCR 15 a further competition procurement exercise needs to be undertaken to:

- Identify a provider to supply the Council with Revenue & Benefits SaaS
- Award services under one CCS (Crown Commercial Services) Vertical Applications Solutions framework RM6259

This report considers options and proposes a two stage approach. Phase one replaces the existing contract with a three year contract via CCS (Crown Commercial Services) with NEC, this allows the service time to work up a robust specification, tender documents etc to enable the Council to then undertake phase two, a



competitive process for the supply of the Revenue and Benefits software to ensure best value for the Council.

## **1. Recommendations**

### **That Cabinet**

- 1.1 Approve the procurement of a 3 year contract from November 2023 using the Crown Commercial Services Contract (CCS) Framework as set out in section 3.2 of this document**
- 1.2 Approve the commencement of a competitive procurement exercise from November 2023 to enable a 5-year contract (with the option to extend for 5 years) to be in place for November 2026, utilising the CCS Framework or other framework or competitive process.**
- 1.3 Delegate authority to Director of HR, OD and Transformation and the Chief Financial Officer to agree and award a new contract in consultation with the Portfolio Holder.**

## **2. Introduction and Background**

- 2.1 The current Revenue and Benefits (SaaS) application provides the system required to operate all matters pertaining to Council Tax, Non Domestic Rates and Housing Benefits; it is one of the largest applications at the Council and has been in operation for nearly 20 years. The current contract ends in November 2023. A competitive exercise has not taken place in this time for a number of reasons. Issues which have been used to justify this in the past along with current circumstances are set out below:

### **Importance, Complexity and Development of the System**

- 2.2 The functionality the Revenues and Benefits system provides is integral to supporting the annual billing and collection of Council Tax and Business Rates totalling over £240m, along with the assessment and administration of circa 6,000 claims for Housing Benefit and 9,000 for Council Tax support. The current software package also includes integrated document management, the customer portal (where residents can self-serve information and submit changes in circumstance) along with Risk Based Verification technology which minimises requesting and gathering additional information from claimants. The stability of remaining with the current supplier has enabled the service to deliver a number of process enhancements to work alongside the base product, which have contributed to significant efficiencies/ improvements in service outcomes to the benefit of both the resident and the Council. In terms of collection the latest national data set shows that Thurrock has one of the best collection rates in the country exceeding the national average by 2.3% for council tax and 2.8% for business rates – in monetary terms the combined effect means that Thurrock currently collects over £5m a year more

of the amount billed, in the year it was billed, when compared to the national average. It is therefore vital that any decision regarding procurement considers the impact that changing systems would have on performance/revenue and hence the lead in time proposed.

- 2.3 Any change to the existing Revenues and Benefits system would require a corporate project that would need to be fully scoped and resourced and would also require significant input from both the Revenues and benefits and IT teams at a time when larger project require organisational focus. Based on the last time the system was changed the cost of change would be in the region of £250k.
- 2.4 The database is the single largest in operation at the Authority and has over a thousand differing tables. The interfaces between this and multiple other authority systems is significant and there are complex relationships that means any changes would impact multiple systems.
- 2.5 There are over 70,000 properties and migration to a new system would require significant planning and resource and would take a minimum of 12 months work in advance of implementation – it would represent a major project for the council. At this stage the cost benefit of implementation versus savings over the term of the contract is unknown.
- 2.6 In addition to the improvements noted above exploratory work is underway to examine areas that can be further developed/improved. At this exploration stage these include:

#### Billing

- Review of remaining discretionary discounts/exemptions – underway;
- Consider business case to introduce Direct Debit for Sundry debt – underway;
- Consider business case to introduce of E billing for Sundry Debt and Business Rates – underway for Sundry debt;
- Use of RPA and workflow to enter Sundry invoice requests to remove duplication of work and risk of error – underway;
- Introduce Direct Debit functionality for Sundry Invoices – underway;

#### Benefits

- Review of Local Council Tax scheme – underway;
- Expansion of cheaper contact channels for outgoing benefits correspondence – linked to progression of the corporate INS solution

#### Debt

- Further phases of Single View of Debtor (SVOD) - subject to business case and current xantura review;
- Introduction of generic recovery stages – linked to SVOD;
- Expansion of multi contact channels – underway but also linked to SVOD;

## Accounts Payable

- Use of existing Oracle scanning functionality for Accounts Payable – underway;
- Review to identify duplicate payments – initiative commenced.

2.7 As these are at the exploratory stage they have not yet been costed but give an indication of the planned potential improvements

## Limited Competitors on Which to Conduct a Market Study

2.8 A market study has not taken place in the past due to there being few competitors in this market space, our current provider is 1 of 3 main operators.

## Multiple Add on Contracts with Varying End Dates

2.9 An exercise was undertaken in September 2022 to align the end dates of multiple smaller contracts. These multiple agreements had arisen over time as a result of new and additional service modules increasing the capability and functionality of the Revenue and Benefits SaaS. Legal support was required to assist with this work and have the current provider commit to terminating all roll on services and amalgamating onto a 1 year contract which ends in November 2023. This now ensures the ground work for conducting a Go to Tender or Market Study.

## Universal Credit Uncertainty

2.10 The Council has taken the view that Universal Credit has stalled developments of introducing new systems, new vendors, new modules and options because of the uncertainty of the proposed operating model. Local Authorities essentially operate Benefits on behalf of the DWP; given this could change or be withdrawn at any time has been a factor in delaying any previous new procurement exercises.

2.11 This failure to re procure competitively for this service for almost 20 years exposes the Council to risk, principally arising from:

## Supplier Leverage

2.12 The current supplier's expanding relationship with the Council over the last 5 years has continued to operate on the suppliers terms and conditions. In 2022 the terms of engagement transitioned over to a direct award CCS framework agreement.

2.13 Regardless of this framework agreement the supplier is unwilling to provide service level commitments, service credits for failed commitments and

reporting inline with the Council's expectations.

- 2.14 It is clear there is complacency and imbalance in the relationship between the Council and the supplier. As such a competitive exercise will help to readdress this imbalance.

### **Compliance Issues**

- 2.15 Due to the undertaking of an R&B SaaS change being an extensive exercise and the cost of implementation being an unknown factor the current supplier agreements have been rolled over on an annual basis for a number of years without any form of competition or market testing; from a procurement perspective it is currently in contravention of the Council's Constitution and PCR 15.

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

### **3.1 Option 1: Procure a 1 Year contract under the CCS framework – Rejected**

- 3.1.1 Procure a 1 year contract on the CCS Vertical Applications Solutions framework RM6259 on a direct award basis 1 year which will cost £364k.

#### **Benefits**

- The undertaking of a Revenue & Benefits SaaS change is a lengthy and time consuming exercise which usually forms part of a major transformation project. Remaining with a direct award framework agreement would be the least disruptive option for Revenue and Benefits operational business continuity.

#### **Risks**

- It would be anti-competitive
- Based on initial negotiations it is unclear if the prices offered are competitive.
- There is some complacency in the relationship between the current supplier and the Council; resulting in a reluctance by the supplier to provide sufficient reporting to monitor and manage the performance of the service provided
- There will continue to be a lack of transparency in the random and sporadic charges for software upgrades and releases
- It does not address the imbalance of power between the supplier and the council

- 3.1.2 This solution is rejected as 1 year does not give the Council enough time to plan for a tender exercise and it is financially the worst option as it represents a £150k increase in the current 1 year contract cost.

### **3.2 Option 2:**

**Phase 1: Award a 3-year contract from November 2023 using the CCS Vertical Applications Solutions framework RM6259 on a direct award basis, then;**

**Phase 2: Commencement of a competitive procurement exercise from November 2023 to enable a 5-year contract (with the option to extend for 5 years) to be in place for November 2026, utilising the CCS Framework or other framework or competitive process – Recommended**

3.2.1 Procure a 3 year contract using the CCS Vertical Applications Solutions framework RM6259 on a direct award basis for a 3-year contract at a total cost of £1.147M to allow sufficient time for the service to document and streamline all current processes and procedures. Having done this then specify what it is the Council needs and can afford and cleanse all data and test it in time for a potential migration. Within the first 12 months of the contract award the Council will undertake the necessary work to prepare for competition under CCS Vertical Application Solutions framework RM6259 or other suitable framework to conduct a market study and award the Revenue and Benefits SaaS agreement to the most economically advantageous provider.

#### **Benefits**

- The undertaking of a Revenue and Benefits SaaS change is a lengthy and time consuming exercise which usually forms part of a major transformation project. Remaining with a direct award framework agreement would be the least disruptive option for Revenue and Benefits operational business continuity.
- Opting for a three year renewal and committing to a competitive procurement to be implemented following that would evidence the Council's medium term commitment to a full tender exercise and allow compliance with procurement regulations
- Three years lead in would allow the service to fully and properly prepare for a rigorous competition, review and implement changes internally to the service and ultimately ensure best value for the Council

#### **Risks**

- Would still be considered anti-competitive but would acknowledge the intent to procure in the medium term
- Based on initial negotiations it is unclear if the prices offered are competitive.
- There is some complacency in the relationship between the current supplier and the Council; resulting in a reluctance by the supplier to provide sufficient reporting to monitor and manage the performance of the service provided. This may be changed when the commitment to procure is made clear
- There will continue to be a lack of transparency in the random and sporadic charges for software upgrades and releases in the period to re procurement



- Does not address the imbalance of power between the supplier and the council until the full procurement is undertaken

3.2.2 This option is recommended on the basis that this will enable the Council to prepare fully for a competitive tender exercise in the first 12 months of contract ward and in the event that another supplier has a cheaper solution enable the Council to transition to that supplier in a controlled manner.

### 3.3 **Option 3: Procure a 5 Year contract under the CCS Framework - Rejected**

3.3.1 Procure a 5 year contract under the CCS Vertical Applications Solutions framework RM6259 on a direct award basis at a total cost of £1.03M

3.3.2 The same benefits and risks apply as in option 2 except that the Council would be carrying the anti competitive risk for an additional 2 years, the Council does not need 5 years to prepare and complete such an exercise and while the annual costs appears to be lower cost than the 3 years price it does not take account of what financial and service benefits may arise from a competitive exercise

## 4. **Reasons for Recommendation**

4.1 Although there are no major reported issues or concerns with the current product or relationship, the long term relationship has resulted in an imbalance of power and the contract does not give any recourse for service credits and regular reporting on service performance. Option 2 is an opportunity to ensure the Council is working towards securing best value for the service supplied in the medium term whilst allowing the Revenues and Benefits service to prepare for improvements in the service and a fully robust competitive process in a managed way.

4.3 It will ensure effective performance measurements are put in place for the duration of the future competitive contract.

4.4 It will enable the Council to mitigate challenges to its continuation with the existing provider while as noted pro-actively improving the situation in the near future.

4.5 It will put the Council in a stronger position with the current incumbent when the commitment to procure competitively is made public.

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

5.1 Meetings and emails to discuss scope of the agreement between ICT and Revenue & Benefits

5.2 Presented to Strategic Approval Panel and Senior Leadership Team in March and May 2023 respectively.

- 5.3 Meetings and emails to discuss procurement options under framework.
- 5.4 The service will engage with other local authorities to ensure that enhanced practice is adopted and that options for shared services are explored.

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

- 6.1 Any platforms will be accessible and enable positive equality outcomes.

**7. Implications**

**7.1 Financial**

Implications verified by: **Jo Freeman**  
**Finance Manager**

- 7.1.1 The current annual cost of the contracts in place (which are due to end in November 2023) is **£0.214m**.

**Option 1**

- 7.1.2 To re-tender on a one-year contract (option 1) would result in a 70% increase in the annual cost for year 1:

Option 1	2023/24	Year 1
	£'000	£'000
Current cost	214	
One-year contract cost		364
Cost increase		<b>150</b>
% Cost increase		70%

- 7.1.3 It would be prudent to assume that there would be inflationary uplifts applied each year if this approach was taken and this leads to uncertainty in determining the full costs over a longer period.

**Option 2**

- 7.1.4 The recommended option of an initial 3-year award (option 2) would be comparable in cost to procuring on an annual basis (if inflation is assumed at 5%):

Option 2	Year 1	Year 2	Year 3	Total
	£'000	£'000	£'000	£'000
Procure on annual basis	364	382	401	<b>1,148</b>

Procure for 3 years	336	381	430	<b>1,147</b>
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7.1.5 This option, if approved, would require a budget increase of £0.216m over the three years (£0.122m in year one, a 57% increase on current costs), growth will need to be allocated in the Medium-Term Financial strategy:

Option 2	Year 1	Year 2	Year 3	Total
	£'000	£'000	£'000	£'000
Revised Budget requirement	336	381	430	1147
<b>MTFS impact Option 2</b>	<b>122</b>	<b>45</b>	<b>49</b>	<b>216</b>

7.1.6 Securing a 3-year contract manages the inflation risk and costs are known for the length of the contract.

7.1.7 Costs for phase 2 (to enter a 5-year contract from November 2026) are unknown at this stage but indicative costs suggest savings can potentially be achieved.

### Option 3

7.1.8 To procure on a 5 -year term would be considered the most cost-effective approach compared to an annual procurement:

Option 3	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Procure on annual basis	364	382	401	421	442	<b>2011</b>
5 Year	155	180	205	230	260	<b>1030</b>

7.1.9 Growth would still be required in the MTFS of £0.121m over 5 years with an initial saving of £0.059m in year 1:

Option 3	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Revised Budget requirement	155	180	205	230	260	1030
<b>MTFS impact Option 3</b>	<b>-59</b>	<b>25</b>	<b>25</b>	<b>50</b>	<b>80</b>	<b>121</b>

7.1.10 This option is not recommended as it runs an increased risk of challenge externally and potentially from subsequent reviews of the Council.

7.1.11 The one-off costs of change/implementation will be financed from the Council's investment funds. The increase in contract costs will be financed from further anticipated increases in the Council's base budget income/reduced expenditure as a consequence of the work planned to take effect noted in the report

## 7.2 Legal

Implications verified by: **Lauretta Faulkner**

- 7.2.1 The recommendation is for the Council to approve Option 2, namely (1) to undertake a competitive process using the CCS Framework or other suitable framework or process to provide a system for the Revenue and Benefits services for a period of 3 years, to take effect from November 2023 and also (2) the approval to commence a procurement process for a new Revenue & Benefits contract for a period of 5 years with an option to renew for 5 .
- 7.2.2 Where the estimated value for a contract for services exceeds £213,477 (inclusive of 20% VAT) ( both contracts will exceed this value) the Council must observe:
- the Public Contracts Regulations 2015,
  - the Council's Contract Procedural Rules and general fiduciary duties and
  - the Local Government Act 1999, which requires the Council to make arrangements to achieved best value in the exercise of its functions.
- 7.2.3 Legal understands from the report that the original contract was with the current supplier since 2004, the contract was rolled over and in addition there were several amendments (including systems additions) which resulted in different contracts with different start and end dates. Legal previously provided the department with advice and legal risks concerning the status of these contracts. In summary there had been breaches of the Public Contract Regulations 2015 ('Regulations'), where there is a breach of the Regulations an interested party may bring a challenge and if successful the contract may be set aside and/or an award of damages made against the Council.
- 7.2.4 Legal understands from the report that an exercise was carried out by the department in 2022 to align the termination dates of the various agreements. The intention was for the Council to award one amalgamated contract for one year and regularise the situation. The vehicle for awarding the one-year contract was to use the CCS (Crown Commercial Services) framework agreement for Revenue & Benefits SaaS the one-year contract will expire in November 2023. Legal provided advice to the department concerning this contract and the risks in not using the CCS Framework in accordance with the Regulations and/or the terms of the Framework.
- 7.2.5 The proposal is now to undertake another procurement for 3 years using a framework for the reasons outlined in the report. Provided the Council observes 7.2.2 and in particular the Regulations and the requirements of the Framework there is very little risk of a successful challenge with the resulting consequences as set out in 7.2.3.

- 7.2.6 Similarly in undertaking the procurement for the 5 year contract, if the Council follows the requirements under paragraph 7.2.2 of these Legal comments there will be very little risk of a successful challenge.
- 7.2.7 Legal has informed the department that data protection issues will have to be considered in any procurement process, together with ICT security. Where the ICT contracts are maintenance service contracts, TUPE may apply on termination, these type of ICT contracts have very low risk of TUPE applying, however the department will have to make enquiry with the incumbent contractor as to whether TUPE will be applicable, so this can be mentioned in the procurement process.
- 7.2.8 Given the value of both proposed contracts they will need to be published on the forward plan.

### 7.3 **Diversity and Equality**

Implications verified by: **Rebecca Lee**  
**Community Development and Equalities Lead**

A Community Equality Impact Assessment will be carried out prior to procurement to ensure the platforms are accessible and enable positive equality outcomes

- 7.4 **Other implications** (where significant) – i.e., Staff, Health Inequalities, Sustainability, Crime and Disorder, or Impact on Looked After Children

None

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):

Thurrock council contracts register: [www.thurrock.gov.uk/our-contracts/current-contracts](http://www.thurrock.gov.uk/our-contracts/current-contracts)

### 9. **Appendices to the report**

None

### **Report Author:**

Andy Best  
Strategic Lead  
ICT



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<b>11 October 2023</b>	<b>ITEM: 14</b> <b>Decision: 110673</b>
<b>Cabinet</b>	
<b>Grays Underpass Update Report</b>	
<b>Wards and communities affected:</b> Grays Riverside, Grays Thurrock	<b>Key Decision:</b> Key
<b>Report of:</b> Councillor B Maney, Cabinet Member for Regeneration and Highways	
<b>Accountable Assistant Director:</b> Kevin Munnelly, Assistant Director Regeneration and Place Delivery.	
<b>Accountable Director:</b> Mark Bradbury, Director of Place	
<b>This report is</b> Public	

## Executive Summary

The forecasted project costs for the selected Underpass Design have increased significantly since the original budget of £27.4m was approved by Cabinet in 2017. Cabinet approved a further increase in the forecasted budget to £37.3m in 2021. The current budget forecast is £46m, based on the latest costings from Network Rail (GRIP 4) design. Forecasted cost estimates have consistently increased as the detailed design for the Underpass have been developed and greater certainty around the implementation impacts on the operational railway. This has resulted in a significantly longer build programme and more expensive technical solutions required to deal with utility diversions, track possessions and changes required for planning. The main increases on the 2021 forecast relate to a revised construction programme of works, changed construction methodology and works sequencing. Additional costs have been incurred in developing a revised rail access strategy, accommodating design changes proposed as part of the planning process and taking account of the inflationary impact of 15.4% due to revised pricing base dates.

The project review process has highlighted that in addition to the spiralling forecasted costs there have been significant issues with the management of the programme, with reference to design process management, planning and utility diversion planning. The findings of the review process are that the Underpass scheme in its current form is not in a technical state to move forward, and it does not continue to represent value for money. In addition, it is considered that the Council is holding too much of the financial risk on this project given current funding imbalance and benefits arising. The recommendation of the review process is that the Underpass design should not be pursued and that the current planning application for the Underpass be withdrawn.

However, the Review did acknowledge that the existing level crossing continues to represent a clear safety risk and whilst there have been no fatalities or serious injuries the number of 'near misses' has increased significantly. The review recommends that an alternative design and delivery approach is examined based on the development of the Station Quarter concept. This would seek to deliver the new pedestrian crossing over the railway, potentially as part of a new station and mixed-use residential development. It is proposed that Cabinet approve the adoption of this approach and instruct officers to examine the potential for the establishment of a strategic partnership with Network Rail and others, including the drafting of operational principles covering possible design options, partnership arrangements for delivery and roles and responsibilities. A further report on development options, including funding options will be brought back to Cabinet for consideration before the SELEP (Southeast Local Enterprise Partnership) Accountability Board meeting in February 2024.

## **Recommendation (s)**

### **CABINET**

- 1.1 Agree to cease further development work on the Underpass scheme and withdraw the planning application.**
  - 1.2 Delegate to the Director of Place, in consultation with the Portfolio Holder for Regeneration, Strategic Planning and External Relationships and Commissioners authority to implement the development strategy set out in Paragraphs 4.1- 4.3 and to assess operational principles covering a potential Station Quarter development partnership with Network Rail and other strategic partners.**
- 2. Introduction and Background**
- 2.1 The Grays South project forms part of the Grays South Regeneration Area (GSRA) scheme which consists of a number of interventions designed to support the economic and social vitality of Grays Town Centre. The main aims of the Underpass project are to: Improve public safety through replacing the existing level crossing with a fully compliant and unimpeded route under the railway line; improve connectivity; and create a series of public squares designed to provide active urban spaces suited to a wide range of events.
  - 2.2 Members will be aware of the safety concerns related to the level crossing in Grays and of the way in which the gate closures create a barrier to movement between the town centre and the southern side of the level crossing towards the riverfront. In response to these issues, in July 2013 Cabinet agreed to work up a scheme to replace the level crossing with a high-quality pedestrian underpass.
  - 2.3 Historically the Council has taken a leading role in delivery and has entered a series of contracts with Network Rail to progress the design work. The Council is also the largest funding partner to the scheme (£26.3M), followed by the

SELEP LGF grant (£10.8m) and Network Rail contributing a relatively small amount (£700k). There have been a number of design iterations which have resulted in a review of costings in November 2021 which saw total costs increase from £28.7m to £37.9m. A planning application for the Underpass scheme was submitted in May 2022 and this has been held in abeyance subject to the outcome of the review process.

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

#### **Thurrock Improvement and Recovery Plan**

- 3.1 The Improvement and Recovery Plan (IRP) was formulated out of the initial review report produced by the Essex Commissioners. As part of the Improvement and Recovery Plan, the Council was required to review all of their major capital projects, including those that make up the Regeneration programme. This was with a view to ensuring delivery capacity and financial control and to ensure that robust governance arrangements were in place going forward. This was to enable Thurrock Council to clarify what aspects of the IRP it is going to enable or facilitate, and which major projects the Council will continue to deliver directly, recognising the financial constraints it is operating under and the need to facilitate more and directly deliver less.
- 3.2 In the light of the Improvement and Recovery Plan, it is important to assess whether the Underpass Scheme in its current form is still the right one to pursue or if the current design proposal could be either scaled back or delivered in a different form to achieve the same outputs, outcomes and benefits, whilst reducing further financial exposure to Thurrock Council. Key to this engagement have been discussions with SELEP, Network Rail and c2c on the current design, delivery, and funding options.
- 3.3 To support this reassessment a number of reviews have been completed and the findings arising from these reviews have informed the recommendations for this Cabinet report.

#### **Inner Circle Strategic Review**

- 3.4 This review by Inner Circle Consulting reassessed the current strategic regeneration priorities in Grays Town Centre. Strategic stakeholders were interviewed for their input in reassessing the strategic priorities. These stakeholders included Network Rail; c2c; New River Retail; Morrisons Supermarket; South Essex College; Thurrock Adult Community College (TACC); the Association of South Essex Local Authorities (ASELA); Grays Business Partnership; and key community and civic stakeholders.
- 3.5 The IC review concluded that many of projects that make up the current Grays regeneration programme were not supportive of future growth forecasts. The review findings concluded that projects, especially the Underpass project,

were conceived in a different economic climate and assessed against a different appetite for risk, which is not sustainable going forward. The IC Review found that the Underpass project lacked strategic rigour and was not aligned with the development plans of strategic partners, Network Rail and New River Retail. The review concluded that in its current form the Underpass solution was not the right project to pursue as it did not represent value for money or deliver the quantum of regeneration benefits required for an investment of this scale.

- 3.6 The IC review recommendation is that the design process for Underpass scheme should not be pursued and the current planning application should be withdrawn. As part of a wider reassessment of options the IC review recommends examining options for an alternative strategy focused around a more ambitious Station Quarter concept. This would involve examining a potential strategic partnership with Network Rail and others focused on the delivery of the new crossing as part of a wider regeneration redevelopment. Utilizing both Council and Network Rail controlled land the focus would be a new bridge crossing potentially as part of a new rail station and delivered as part of a mixed-use scheme. The design would require less third-party lands, be less technical challenging and costs and risks could be shared equitably between stakeholders.

### **Internal Gateway Readiness Review**

- 3.7 An internal gateway readiness review has been completed; this type of review is routinely carried out at key decision points in a project's lifecycle to provide assurance that it can progress successfully to the next stage when assessed against: Time; Cost; Benefits; and Quality. The gate readiness review of the Underpass project was carried in March 2023 and was assessed with a RED RAG Rating. The review found that the initial budget forecasting for the Underpass scheme was based on preliminary design work and whilst project contingency was included, these were inadequate given the level of change required to accommodate the detailed design.
- 3.8 A key problem with the project was the interface between the rail facing (Network Rail) works and the non-rail (Council) works relating to utility design and planning. Poor internal project management controls led to extensive design changes, required for planning, not being relayed to the Network Rail team responsible for the technical design and build programming. Prolonged delays in getting into contract with Network Rail on the GRIP Stages 3 and 4 works, resulted in technical work having to be redone as Network Rail had in the interim changed term contractors and this additional work was required by the new term contractors for cost and design assurance. The review found that there was a poor understanding on how to deal with the complex utility diversions required both rail side and outside of the rail corridor. Significant funds (£7.5m) had been allocated to this project element and design work had not been progressed to the point where the design and costs could be



rationalised. Equally the land acquisition strategy and costs (£7.4m) supporting the scheme had ballooned as more land was required to accommodate an increasing ambitious public realm approach. It is acknowledged that there should have been more rigorous gateway challenges of these design elements to manage the forecasted budget increases.

- 3.9 The readiness review findings were that the project should not proceed to the next stage, as the review identified major flaws with the project scope, design, and buildability. To address the significant technical and operation difficulties identified with the Underpass design, the readiness review recommended considering design solutions that span over the railway and approach roads as opposed to technically challenging and costly Underpass solution.

### **Network Rail Design & Cost Review**

- 3.10 The forecasted project costs for the selected Underpass Design have increased significantly since the original budget of £27.4m was approved by Cabinet in 2017. This forecasted budget was based on concept designs, and these were reassessed following receipt of a detailed cost plan from Network Rail in 2021 that reflected further design work and a better understanding of the proposed construction methodology. As a result, the forecasted costs of the infrastructure elements of the scheme increased significantly, as did the build programme.
- 3.11 In July 2021 Cabinet was advised that the Network Rail cost plan forecasted a cost estimate between £22.2 and £25.2m for the infrastructure elements of the project (i.e., the elements proposed to be delivered via a contract with Network Rail). Additionally, land assembly and public realm costs, required to be delivered separately by the Council, brought the forecasted total project costs to between £34.9m and £37.9m, with option C 'The Plaza' as the option being taken forward.
- 3.12 The findings of the recent GRIP4 design and costings commissioned from Network Rail have highlighted further forecasted cost increases in the construction and associated costs. The GRIP 4 report has provided a revised cost range for the construction costs which increases from £18m to £26m.

### **Table 1. GRIP 4 Forecasted Infrastructure Cost Range**

Revised Cost Range				
Group Element	NR Baseline ES3 2Q21	ES3 Inflated to 1Q23	Revised NR Cost Range	
			Low	High
POINT TOTAL (Excluding Utilities)	10,966,195	12,650,254	16,100,000	16,100,000
Utilities Cost	-	-	1,300,000	1,300,000
Risk Total	3,003,475	3,464,713	1,300,000	3,300,000
POINT + RISK TOTAL	13,969,670	16,114,967	18,700,000	20,700,000
Total Inflation	1,073,490	-	2,000,000	2,200,000
Project Cost (Less COWD)	15,043,160	16,114,967	20,700,000	22,800,000
COWD	3,049,084	3,198,942	3,200,000	3,200,000
<b>Cost Range (Including COWD)</b>	<b>18,092,244</b>	<b>19,313,909</b>	<b>23,900,000</b>	<b>26,000,000</b>

- 3.12 The current budget forecast is £46m, based on the latest costings from Network Rail (GRIP 4) for the infrastructure element. Forecasted cost estimates have consistently increased as the detailed design for the Underpass has been developed and there has been greater certainty around the implementation impacts on the operational railway. This has resulted in a significantly longer build programme and more expensive technical solutions required to deal with utility diversions and track possessions. The main increases on the 2021 forecast relates to a revised construction programme of works, changed construction methodology and works sequencing. Additional costs have been incurred in developing a revised rail access strategy, accommodating design changes proposed as part of the planning process and taking account of the inflationary impact of 15.4% due to revised pricing base dates.
- 3.13 A Full Business Case (FBC) for the project was produced in 2019 to secure the allocation of the SELEP Local Growth Fund grant allocation of £10.8m. With forecasted costs at £27.4m, the benefit-cost-ratio (BCR) for the project was assessed at this time as 2.4:1. A revised value for money assessment was undertaken in March 2022 based on the increased forecasted costs of £37.9m. This value for money assessment calculated the BCR for the total remaining project costs at 2:1. As a general rule to secure SELEP LGF funding schemes are expected to generate a BCR of at least 2:1. There is a real danger that with forecasted cost now projected to be at £46.1m that any further value for money assessment would generate a BCR below the threshold figure and the scheme would become marginal and challenging to continue to justify proceeding with the scheme at this stage in its design development.
- 3.14 The SELEP Accountability Board have placed the Underpass LGF grant on hold pending the outcome of the current review process. The Accountability Board are aware of the technical and cost issues and are keen to support the project through the review process. However, the Accountability Board will need to consider any alternative design option being developed that significantly change the nature of the project outcomes or any revision could

be treated as a new project. In the event of a new Business Case or updated Business Case being required it is considered that this could not be completed, assessed, and considered by the Board prior to the February 2024 Board meeting. That being the case and with the current uncertainties around the LEP's future, it proposed that if the alternative delivery option is approved by Cabinet a report will need to be brought to the February 2024 SELEP Accountability Board meeting that includes an explanation as to how the project will be managed going forward in respect of the LGF spend and its compliance with the SELEP Assurance Framework.

### **Review Recommendations**

- 3.15 The project review process has highlighted that there are significant issues with the current scheme design in terms of budget, escalating costs, land acquisition and buildability of the Underpass. The recommendation of the review process is that the Underpass scheme in its current form should not be pursued. One option available is to recommend to the Cabinet to cancel the Underpass scheme in its entirety, return the £10.8m LDF grant to SELEP and reallocate the funding and/or reduce borrowing. However, removing the scheme's current allocation within the Capital Programme could be viewed by stakeholders, particularly SELEP, as a lack of commitment to the strategic project and adversely impact on SELEP's and Network Rail's consideration of alternative options.
- 3.16 The strategic review did continue to identify addressing the severance issues caused by the current level crossing as strategic priority. Moreover, the Network Rail operations team have continuously raised the issue of the safety of the current level crossing arrangements. There is significant risk that a failure to agree a feasible and affordable design could result in Network Rail Operations taking a unilateral decision to close the level crossing without providing an appropriate alternative means of pedestrian crossing.

### **4. Alternative Design Approach - Station Quarter**

- 4.1 The review process has highlighted the technical and cost issues that have been encountered with the Underpass design. Given these issues it is not considered practical to pursue this design option and the review process has highlight an alternative route forward. Through stakeholder engagement, undertaken as part of strategic review, contact has been made with the Network Rail Strategic Property team, who have expressed a strong interest in exploring the development of Station Quarter concept. This would see a crossing solution being delivered potentially as part of an integrated design for a new Rail station and a wider mixed use residential scheme.
- 4.2 To progress this design solution for the Station Quarter will require clear leadership by the Council, acting as a catalyst major stakeholder, with significant leverage through land ownership and stewardship obligations. This will require revisiting the art of the possible in design terms and move up a level or two in terms of ambition – scaling up the potential station redevelopment and

integrating the rail crossing, looking at a more managed and less land hungry solution. Key to this approach will be establishing strategic partnership with Network Rail and others and agreeing a set of operational principle covering possible partnership arrangements for delivery and roles and responsibilities.

- 4.3 Given the lack of staff with the requisite experience it is proposed that this work is commissioned from an external development consultancy, using an appropriate Procurement Framework. The initial output of this stage of the design development will be an outline design and delivery option with a high-level appraisal and recommendations as to the partnership delivery structure for driving the scheme forward. It is anticipated that this phase of work could take up to 6 months to complete and would include engagement with stakeholders to crystallise appetite, scale, barriers, contribution, potential delivery options in terms of structure.

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

- 5.1 This report will be considered by a special meeting of the Planning, Transport & Regeneration Overview and Scrutiny Committee before the September Cabinet meeting.
- 5.2 The recommendation is to withdraw the current planning application for the Underpass and provide a written explanation to consultees of the decision following the Cabinet consideration of the report. It is also proposed to contact landowners, businesses and residents who have been contacted for land referencing purposes as part of the land acquisition strategy, to similarly advise them of the proposed change of approach.

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

- 6.1 The adopted Thurrock Local Plan identifies Grays as a Growth Hub where economic regeneration and housing growth are to be focussed. The Grays Town Centre Framework Refresh was approved by Cabinet in November 2017 and out a vision for Grays town centre along with objectives aimed at regenerating the town centre economy. The new local will be one of the Council's key strategy documents and the new town centre strategy will be an integral part of this strategy.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Mark Terry**  
**Senior Accountant**

Cabinet approved the Grays Station programme November 2021, the total budget of £37.3m, this was an updated design and increased budget from the

cabinet approval in 2017 of £27.4m. This was primarily an increase due to a redesign of the programme. The funding of the programme is set out in the table below.

To date approximately £6.007m has been defrayed on design costs and site acquisitions and there are £353k in outstanding contractual commitments.

#### Funding Structure & Current Spend

Budget	TC Funds through S106, Capital Contributions	26,359,726.00
	SELEP	10,840,274.00
	Network Rail	700,000.00
		<u>37,900,000.00</u>
Spend	2016/17	23,939.00
	2017/18	99,877.00
	2018/19	268,944.00
	2019/20	3,659,317.00
	2020/21	831,404.00
	2021/22	650,882.00
	2022/23	472,641.00
		<u>6,007,004.00</u>
	<i>Note: 19/20 spend includes costs relating to CO3 land purchases</i>	

The current budget is underpinned by a Local Growth Fund (LGF) allocation of £10.8m from SELEP. In line with CIPFA rules the LGF Grant has been applied first to cover project costs. The SELEP Accountability Board at their April 2023 meeting placed the scheme on hold subject to the outcome of the internal Thurrock reviews.

The review has concluded that this current design should not go ahead. The council will need to agree with SELEP alternative use if the funding or risk clawback of the £10.8m LGF funding.

The spend of £6.007m will need to be treated as revenue should no revised scheme go ahead.

It is proposed that the costs for the initial phase of the Station Quarter design review will be funded from allocated Regeneration budgets, and this will be subject to the current expenditure control in place.

Any future capital contribution on a redesigned programme will require Thurrock Council funding through prudential borrowing. The borrowing will

incur an annual charge to revenue (Minimum Revenue Provision (MRP)) representing the repayment of the loan over the life of the asset, and interest payable on the amount borrowed and using the current average rate of 4.5%. This will be calculated once the costs of any redesign are known. Consent for any proposed funding changes, which have capital borrowing implications will also need to be secured from both DLUHC and the Treasury (HMT).

## 7.2 Legal

Implications verified by: **Kevin Molloy**  
**Principal Lawyer / Manager- Contracts & Procurement Team**

None for the purposes of this report provided the grant monies referred to are returned as outlined.

## 7.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon**  
**Community Engagement and Project Monitoring Officer**

There are no diversity implications arising from this report. Any future design proposal will consider accessibility needs.

## 7.4 Other implications (where significant) – i.e., Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children

None

## 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):

## 9. Appendices to the report

None

### Report Author:

Kevin Munnelly  
Assistant Director Regeneration & Place Delivery  
Place Directorate





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<b>11 October 2023</b>	<b>ITEM: 15</b> <b>Decision: 110674</b>
<b>Cabinet</b>	
<b>Stanford-le-Hope (SLH) Station/ Interchange Update</b>	
<b>Wards and communities affected:</b> Stanford Le Hope West	<b>Key Decision:</b> Key
<b>Report of:</b> Councillor B Maney, Cabinet Member for Regeneration and Highways	
<b>Accountable Assistant Director:</b> Kevin Munnely, Assistant Director, Regeneration and Place Delivery	
<b>Accountable Director:</b> Mark Bradbury, Director of Place	
<b>This report is</b> Public with an exempt appendix 2  Appendix 2 contains exempt information which falls within schedule 12A of the Local Government Act 1972 - <i>Information relating to the financial or business affairs of any particular person (including the authority holding that information)</i> . In all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	
<b>Date of notice given of exempt or confidential report:</b> 3 October 2023	

## Executive Summary

The delivery of the new Stanford- le-Hope Train station has faced many challenges and expenditure to date on the project has been considerable, whilst progress on delivery had been disappointing. This report provides Cabinet with an update on progress in delivering the Stanford-Le-Hope Train Station and Transport Hub project. The report sets the key issues that have impacted on the delivery of the scheme, provides an update on the current programme, funding and budget situation.

In the light of the financial challenges the Council is facing the Senior Leadership Team have prioritised the completion of the design and obtaining planning permission for Phase 2 – SLH Transport interchange. Work is underway to secure the interchange design and costs which will support the submission of a planning application in October 2023. This work will also inform the production of a Business Case for consideration by the SELEP Accountability Board in February 2024 needed to secure the retention of the SELEP funding.

## Recommendation(s)

**CABINET**

**1.1 Note the outcomes of the project review process and funding options set in Paragraph 8.8.**

**1.2 Approve for Phase 2 SLH Transport Interchange design option and the submission of the planning application.**

## **2. Introduction and Background**

2.1 For the Members benefits the main aims of the Project are set out below:

- Develop a Transport interchange that will connect bus, rail, cycle, taxi, and pedestrian modes of transport at Stanford-le-Hope Train station.
- Expand capacity at Stanford-le-Hope Train Station.
- Implement a package of works that meets the requirements of travel plans for London Gateway and unlocks the next phase of development at London Gateway.
- Provide improvements to public transport infrastructure and service reliability to new housing developments and to the major employment growth sites at London Gateway/Coryton.
- Help curb traffic growth and minimise growth in transport emissions in the area through this new transport interchange.

2.2 There are several stakeholders involved in the project including UK Power Networks, SELEP, Train Operating Company - c2c, Network Rail and DP World. The Council has actively promoted the redevelopment of the SLH train station building and was instrumental in the demolition of the old station building on the proviso that a new station building would be procured. This is still the expectation of both Network Rail and train operator c2c. Failure to procure the new station building could result in separate financial claims from both Network Rail and c2c seeking redress. Increasing passenger and intermodal capacity at Stanford-le-Hope station was also seen as key investment unlocking employment growth at the ports.

2.3 The Stanford-le-Hope train station has been subject to significant design changes since it was originally promoted and costed using a design and build contract in 2018. This followed an assessment of the original design which identified significant project complications and financial risks. This was linked initially to a technical design solution that sought to deliver the infrastructure requirements of the scheme on a relatively small land area of land, in order not to build over the adjacent Mucking Creek and keep the station building away from neighbouring residential properties. Costs also increased because of significant changes being made to the design of the station following completion of site investigations (floodplain), consideration of environmental constraints and the practicalities of construction. During this period the original station buildings were demolished and temporary structures for ticketing and staff accommodation were put in place.

- 2.4 Following concerns over the proposed design and the associated costs, a project review terminated the design and build contract and an alternative procurement approach was adopted. The total projects cost incurred up to this change of delivery strategy (31/03/2020) stage were £6,534,411.
- 2.5 The revised delivery strategy involved the Council undertaking the management of the design phase, using a team of external consultants with MACE providing the direct project management of the project. To manage the delivery of this complex scheme, the new delivery strategy proposed to split the project into two stages: Phase 1 the delivery of a replacement train station building and; Phase 2 covering the wider facilities including car and cycle parking, bus interchange on the footprint to the north of London Road.
- Station building - with passenger toilets, widened platforms, level access to building and station platforms, staff welfare facilities, real time customer information systems (Phase 1).
  - Transport Multi-modal interchange – 2 car passengers drop off positions with landing island, 2 taxi rank positions with landing island and shelter, 84 secure cycle parking spaces, 2 drop off positions and 1 pickup position for a bus with waiting facilities, protected pedestrian walking routes and desire lines (Phase 2).
- 2.6 To expedite the delivery of the station, land was acquired to the north of the station site (former Daybreak Windows site). This was intended to assist with the development of a more strategic approach to area-wide regeneration including the opportunity for future improvements to sustainable movement and access. This land would also assist the construction of the new SLH Train station facilities whilst maintaining operability of the station.
- 2.7 Planning approval was granted in July 2021 for the Phase 1 (SLH train station) building revised design, followed by the commencement of a fixed price tender process between September 2021 and March 2022. The costs associated with the scheme have increased as the design process has evolved alongside inflationary pressures. As a result, the provisional assessment of the revised budget increased and additional funding was sought from the Council in July 2021. The 2017 cost estimate of £29.09m is the forecasted budget for both phases of the Project. This budget forecast will be subject to confirmation of future costs through tender processes and final completion audits of both phases of the Project.

### 3. **Progress to Date**

- 3.1 Work to execute the SLH train station building construction contract was hindered by the issues around soaring inflation, national procurement lead in times, the allocation of liabilities and risks between the parties to satisfy the fixed price contract and rail possession availability.

#### **Phase 1 Station building Upgrade.**

- 3.2 Contract award for Phase 1 of the Project (the new station building) to the successful contractor - Volker Fitzpatrick Limited - was made in early March 2022. Whilst this was subject to further clarifications, to ensure mobilisation as quickly as possible a Letter of Intent was issued pending formal contract execution.
- 3.3 The planned Contract with Volker Fitzpatrick Limited was a NEC4 Engineering and Construction Contract June 2017 main Option A. This was a fixed priced contract with an activity schedule where the risk of carrying out the work at the agreed prices is largely borne by the contractor. Execution of the contract was initially delayed due to continued concerns regarding cost inflation, national supply chain for manufactured goods issues, scope change risk with Network Rail and c2c as design approvers and rail possession availability impacting the contractors risk liability.
- 3.4 Volker Fitzpatrick Limited proposed alternative or changed terms and conditions to execute the contract, which Thurrock Council rejected as they are outside the corporate procurement rules. In September 2022, Thurrock Council and Volker Fitzpatrick Limited developed a proposal that could allow the parties to execute the contract and manage the risks step by step and incrementally within the existing contract terms and conditions.
- 3.5 It was planned to execute the contract by 31 October 2022, subject to further clarifications of detail and agreement on matters such as the treatment of inflation, possession availability, prolongation and increased costs. The parties were not able to agree terms and conditions on the detailed elements and Thurrock Council terminated the procurement process as it was clear that both parties could not agree satisfactory terms.

## **Phase 2 : SLH Transport Interchange**

- 3.6 This has led the Council to review the programme in the light of the above financial challenges. In December 2022, SLT prioritised the completion of the design and planning for Phase 2 the interchange element and the provision of a new business case to secure the retention of £7.5m of SELEP LGF Grant.
- 3.7 As work on Phase 2 has progressed some initial work preceding reactivating Phase 1 is now being undertaken.:
- Design review with c2c the train operators taking into consideration changes in travel trends post covid, employee behaviours, increased automation and the government decision to remove ticketing offices.
  - Liaison with Network Rail and c2c on concluding Governance for Railway Investment Projects-Single Option Development (GRIP 4) and progressing to (Governance for Railway Investment Projects-Detailed



Design Stage) (GRIP 5) splitting the entire project into work packages starting with the restoration of the missing gateline.

- Working with the councils legal and procurement teams to identify procurement options for the design and construction of Phase 1.

**Phase 2: SLH Transport Interchange:**

3.8 AECOM have completed Stage 1 of the design process by submitting 3 design options (attached as Appendix 1) which were reviewed by internal/external stakeholder group and Option 2, was selected as the preferred.

**Option 1:** A mobility Hub with no onsite bus turnaround facilities which does not meet most of the technical requirements and benefits in the original business case.

**Option 2:** A multi- modal transport interchange with onsite bus turnaround facilities, car parking, cycle parking, bus shelter etc. Most of the technical requirements and benefits in the original business case are met within the lower flood risk zone area and a more affordable option compared with Option 3.

**Option 3:** A multi-modal transport interchange with a combined single entrance and onsite bus turnaround facilities. Some of the technical requirements are in the high flood risk areas and intrude into the higher level of land making it undeliverable construction wise due to difference of about one floor height. It also requires land owned by Network Rail (NR) which cannot be transferred as replacement land is not available for statutory operational requirement use.

3.9 AECOM are now progressing the preferred design option for the submission of a planning application in October 2023. The existing stakeholder group, Project Board meet monthly to provide oversight of this design development.

3.10 In parallel to the design development by AECOM, a supplier has been appointed to produce a revised Business Case required for consideration by the SELEP Accountability Board in February 2024. The programme below sets out the timeline for delivering the planning submission for Phase 2 of the Project.

The key milestones and dates are set out in Table 1 below:

Milestone	Timeline	Status
Submission of design Options by AECOM to Thurrock Council	June 2023	Complete
Appointment of consultants for preparation of the revised Business Case	June 2023	Complete

Options selection workshop with Stakeholders	7 June 2023	Complete
Preparation of preferred option for planning	July 2023 - October 2023	Ongoing
Pre-Planning Application Meetings	July 2023/August 2023	Complete
Production of Draft Business Case	August 2023	1 <sup>st</sup> draft submitted
Early consultation with statutory consultees to de-risk the planning process.	August 2023	Ongoing discussions with Environment Agency.
Scheme sign off by Thurrock Council Cabinet	11 October 2023	
Submission of Full planning application for Phase 2	October 2023	Target date
Submission of Business Case to SELEP for ITE evaluation	29 November 2023	Target date
Business Case considered by Accountability Board	February 2024	Target date

*Table 1: Key Milestones*

### **Next Steps**

#### Phase 1: Station Building

- 3.11 Option selection of procurement route to reactivate Phase 1 with the consideration of splitting the work packages into enabling works/construction design and main contract works.

## RAG Risk Rating

3.12 The Project Risk log for the pre-design element of the project has been updated below:

Risk	RAG rating (June 2023)	Change since last cabinet meeting	Current RAG rating (October 2023)	Progress & Actions
Delay in deciding the option for Phase 2 will delay the costings required for inclusion in the updated Business Case	Red	→	Green	Option 2 selected at stakeholder meeting in June 2023 and AECOM progress
Existing funding is insufficient to deliver the design for Phase 2 and construction of Phase 1	Red	→	Red	Preliminary costs estimate for the design have been received and Phase 2 design is progressing. Identifying gap funding and alternative funding sources are being explored.
Delays from getting sign off for statutory approvals from Network Rail and c2c for proposed works on their land. The knock-on effect would be delays to the delivery programmes of Phases 1 & 2.	Amber	→	Amber	Ongoing early engagement with c2c to ensure timely grant of any approvals.
Increasing costs of project delivery due to further delays and inflationary pressures.	Red	↓	Amber	Completion of the Phase 2 pre-feasibility study and planning will enable the team to understand the impact of costs. Phase 1 project delivery/programme of work cost saving/value engineering opportunities will be sought. Additional funding options will be explored.
Some stakeholders object to Phase 2 planning application.	Amber	→	Amber	Early and ongoing stakeholder engagement and communication.
Managing the interdependency of the construction phases 1 & 2 due to existing site constraints.	Amber	→	Amber	Construction Planning starting with Phase 2 so Phase 1 can be completed. Transport Interchange as construction of Phase 1 is completed then Phase 2 can progress to completion.
The risk of not starting construction of Phase 1 before planning permission expires in July 2024 resulting in the need for a	Amber	→	Amber	Work with c2c and Network Rail to ensure planned phased construction before July 2024.

new planning application to be prepared.				
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## **5. Reasons for Recommendation**

- 5.1 The Council has actively promoted the redevelopment of the SLH Train station building and was instrumental in the demolition of the old station building on the proviso that a new station building would be procured. This is still the expectation of both Network Rail and train operator c2c. Failure to procure the new station could result in separate financial claims from both NR and c2c seeking redress. Increasing passenger and intermodal transport capacity at Stanford-le -Hope station was also seen as key investment unlocking employment growth at the ports.

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

- 6.1 Consultation was undertaken as part of planning process and further stakeholder engagement is continuing. This includes meetings with the residents of Chantry Crescent and local Councillors.

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

- 7.1 The Stanford-le-Hope scheme supports the Place corporate priority, in particular:
- roads, houses, and public spaces that connect people and places.

## **8. Implications**

### **8.1 Financial**

Implications verified by: **Mark Terry**  
**Finance Team**

The SELEP Accountability Board approved an LGF allocation of £7.5m of the estimated £29m project cost. The allocation has been applied to the project and have been used in supporting design development, ground investigation, site de-risking, planning process and demolition works. SELEP have required that an updated Business Case is produced to reflect the revised full design costings and delivery programme. This will need to be done for the SELEP funding to be continued to be allocated to this project. If the project was to be stopped or put on hold, the £7.5m from SELEP is at risk of needing to be repaid. If this was to happen, those costs previously funded from the SELEP grant would need to be converted to Thurrock Council borrowing. This may have an impact on increasing the Council's current capital financing requirement and increase associated costs.

The current budget forecast of £29m is for both phases of the Project. A new budget estimate will be subject to confirmation of future costs emerging from the Interchange design work.

To date approximately £13,460,000 has been spent out of a budget of £29m, with the Council being the largest financial contributor to this project (£17.2m). The expenditure breakdown in Table 2 below sets out project spend to date. Future profiling is currently estimated and will be subject to review in the Business Case to reflect any revised forecasted cost and build programme.

Financial Profile (£m)					
Source of Funding	Actual Spend to end 2022/23	Expected Spend 2023/24	Expected Spend 2024/25	Expected Spend 2025/26	Total
Thurrock Council Capital	3.453	4.007	5.26	3	15.72
LGF	7.5	0	0	0	7.50
C2c/NSIP	0.74	2	1.047	0	3.79
DP World	0	0.55	0	0	0.55
S.106	1.533	0	0	0	1.53
<b>Total</b>	<b>13.226</b>	<b>6.557</b>	<b>6.307</b>	<b>3</b>	<b>29.09</b>

*Table 2. Breakdown of expected expenditure by provider*

Should the programme not go ahead, the spend to date of £13.5m would be required to be charged to revenue, and there would be clawback of LGF by SELEP of £7.5m. Consent for any proposed funding changes, which have capital borrowing implications will also need to be secured from both DLUHC and the Treasury (HMT).

### Revised Costings

The remaining budget to deliver the design costs for Phase 2 and the complete build costs for both Phases is £15.6m. An internal project team review has concluded that the remaining budget allocation will not be sufficient to deliver the whole scheme outputs and additional funding will be required to complete the scheme in its entirety. As part of the Phase 2 design work and the production of the revised business case officers have used an external cost consultant to provide costing for the Phase 2 options. The cost consultant has also reviewed the Phase 1 (Train Station) costings based on the revised tender price received in August 2022 as part of the Phase 1 tender. As these costing related to commercially sensitive tender information the full detail is contained in exempt paper attached as Appendix 2. These revised cost estimates at this stage are high level and are provided for guidance only to illustrate the potential construction costs and the level of additional funding required to deliver the revised scheme.

Based on the selection of Option 2 by the stakeholder group and the uplifted cost estimate for Phase 1, officers estimated that the current budget will need to be increased by a further £5.6m to complete the scheme in its entirety. The forecasted scheme costs are based on design options and contain all



necessary and risk and contingency provisions needed for a scheme interfacing with the railway. Officers are exploring options for meeting the funding gap. These include : the use of unallocated Active Travel funding from Thames Freeport Seed Fund; and the reallocation of SELEP Local Growth Fund monies from Grays Underpass Scheme. An update on funding options will form part of the next update report.

## 8.2 Legal

Implications verified by: **Kevin Molloy**  
**Principal Lawyer / Manager- Contracts & Procurement Team**

There are no new legal implications arising in this report.

## 8.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon**  
**Community Engagement and Project Monitoring Officer**

There are no direct implications arising specifically from this update report. Station improvements will adhere to any accessibility requirements.

## 8.4 Other implications (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder and Impact on Looked After Children

Not applicable.

## 9. 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

## 10. Appendices to the report

Appendix 1: Phase 2 Transport Interchange design options  
Appendix 2: Exempt ( August 2023 Costs for Phases 1 & 2)

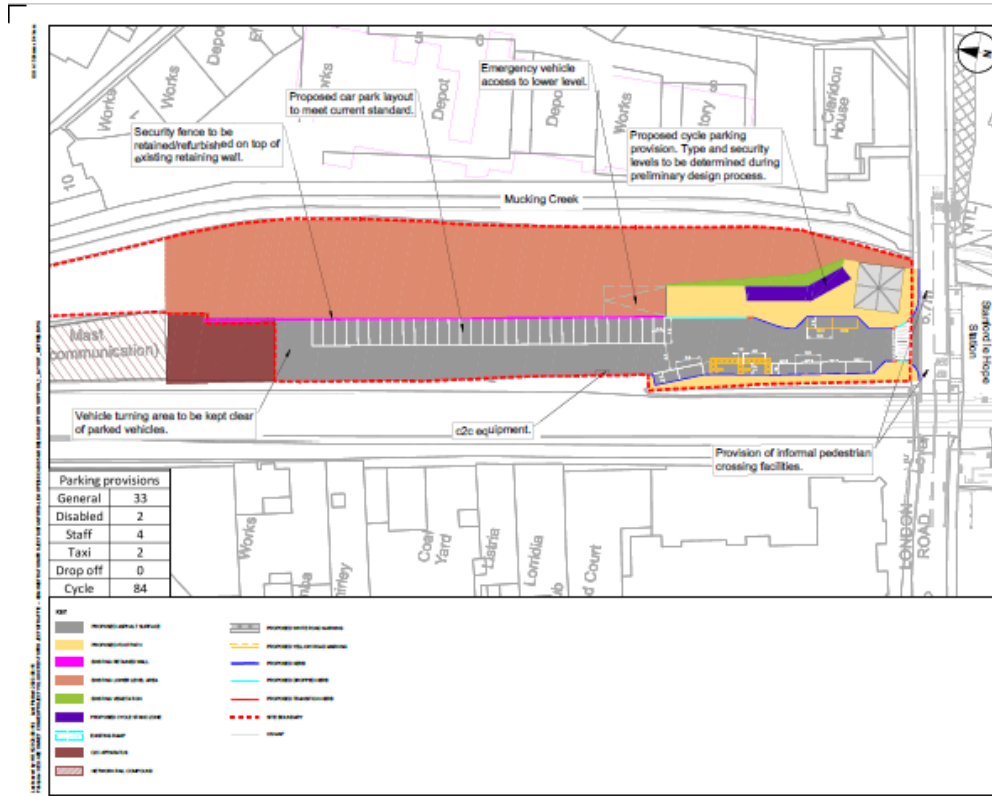
### Report Author:

Kevin Munnely  
Assistant Director, Regeneration and Place Delivery

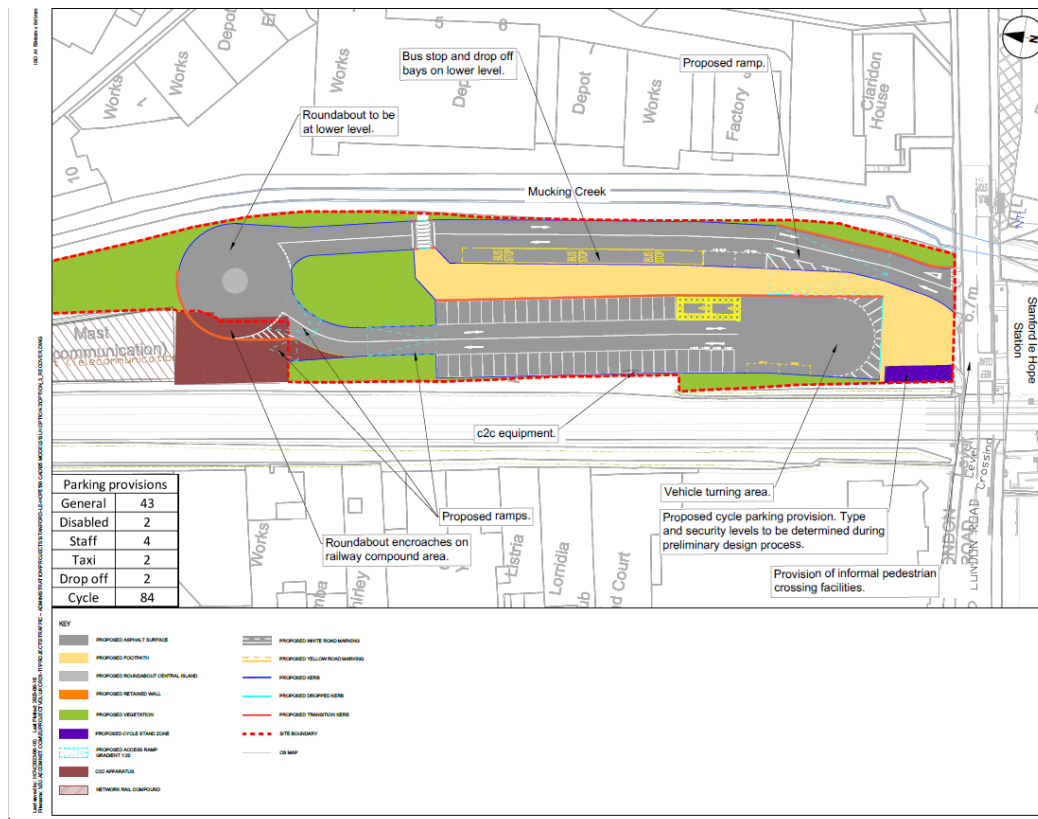


# STANFORD-LE-HOPE TRANSPORT INTERCHANGE DESIGN OPTIONS

## OPTION 1

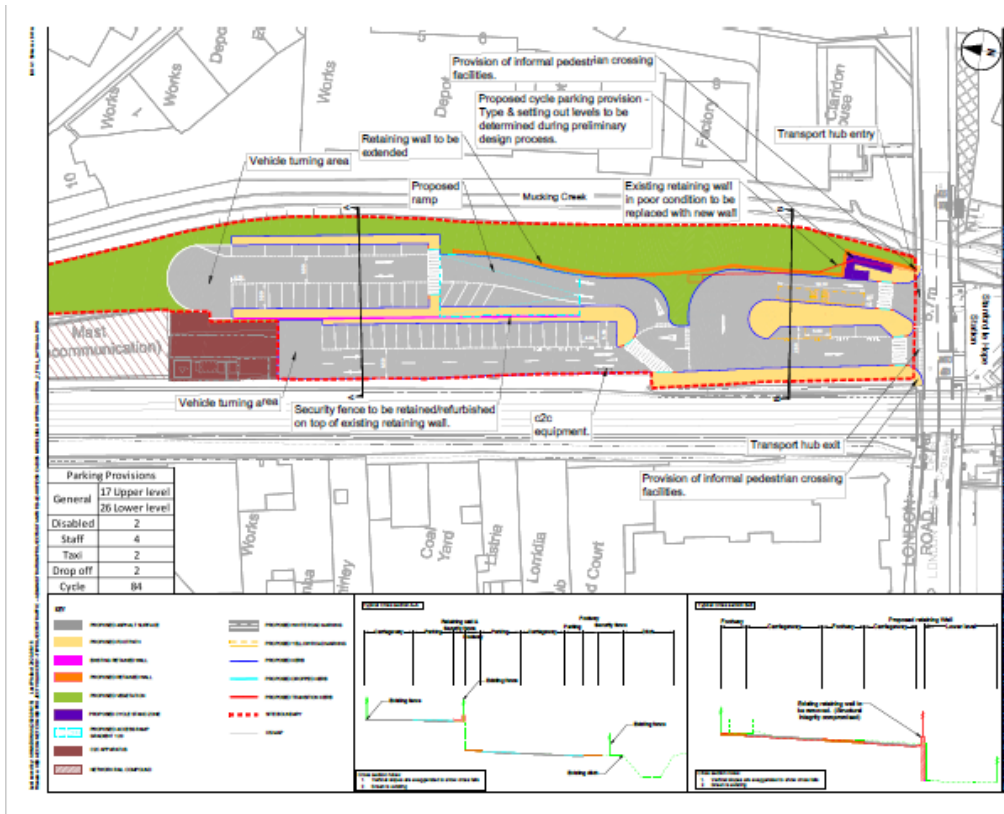


## OPTION 3

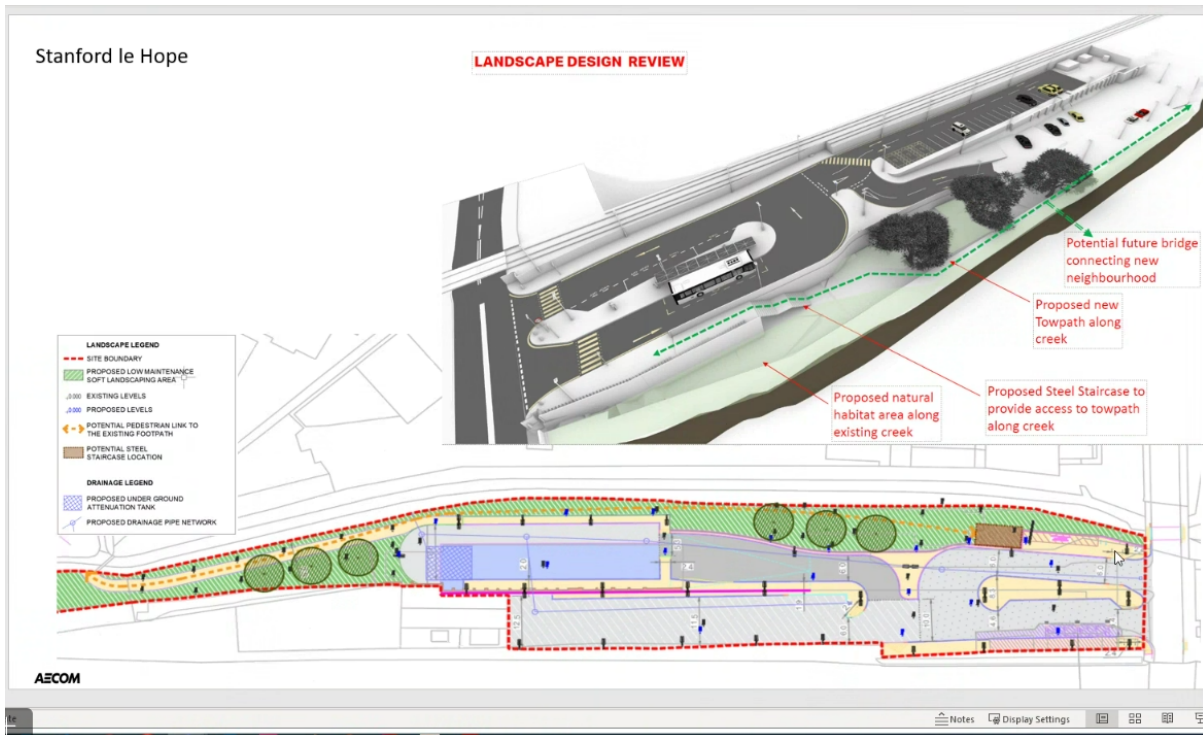


# STANFORD-LE-HOPE TRANSPORT INTERCHANGE DESIGN OPTIONS

## OPTION 2 – (Preferred Option)



## 3D MODEL OF OPTION 2 ( WITH LANDSCAPE DETAILS)



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

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<b>11 October 2023</b>		<b>ITEM: 16</b> <b>Decision:110675</b>
<b>Cabinet</b>		
<b>Purfleet-On-Thames Regeneration</b>		
<b>Wards and communities affected:</b> West Thurrock and South Stifford	<b>Key Decision:</b> Key	
<b>Report of:</b> Councillor B Maney, Cabinet Member for Regeneration and Highways		
<b>Accountable Assistant Director:</b> Kevin Munnely, Assistant Director Regeneration and Place Delivery.		
<b>Accountable Director:</b> Mark Bradbury, Director of Place		
<b>This report is</b> Public		

## Executive Summary

In order for Purfleet Centre Regeneration Limited (PCRL) to fulfil its role as lead developer and deliver the planned programme set out in the Development Agreement (DA) they are required to access sufficient additional levels of funding (equity, debt and grant) to bring the project forward and a well-resourced team able to effectively manage all workstreams. PCRL has insufficient equity funding and have sought investment from a number of third parties.

The persistent failure by PCRL to secure additional funding and advance the delivery programme has resulted in a ninth Reservation of Rights letter (RoR) to be issued by Homes England (HE) to Thurrock Council and the Back to Back Agreement with PCRL, in relation to the Grant Determination Agreement (GDA), covering the £75m Housing Infrastructure Fund grant.

The Council is concerned that there is a material risk that the development milestones as set out in the GDA cannot be achieved. Given the prolonged and continued default position there is a real possibility that Homes England will invoke provisions with the GDA and withdraw the HIF funding and commence legal proceedings against the Council to clawback grant expenditure to date. Officers have assessed, with external legal support, all legal remedies available to the Council to address this default situation and minimise any financial exposure to the Council. Following this assessment it is recommended that the Council agree to mutually withdrawal, with Homes England, from the GDA. This effectively terminates the Purfleet HIF Grant Determination Agreement with Homes England and the Back to Back HIF Grant Determination Agreement with PCRL. Homes England have



confirmed in writing that it will not demand or seek repayment of any funding in connection with the Funding Agreement. This is subject to the Council agreeing to the mutual withdrawal and entering into the appropriate deed to enact this.

PCRL have continued to attempt to address the funding situation and the Council is mindful to examine alternative funding options; the latest being a proposal involving the English Cities Fund, a consortium of Homes England, Legal & General and Muse. Whilst encouraging, the response from PCRL to the current RoR letter does not contain sufficient detail for the Council to realistically conclude that the scheme can be delivered within the terms or timeframe of the current Grant Determination Agreement. However, following early engagement with PCRL and representatives of the English Cities Fund, officers believe there is merit in examining further the current proposal. Officers are therefore recommending that the Council work with PCRL and ECF, over a period of up to 3 months, to establish whether there are firm proposals that could be taken back to cabinet with a recommendation to proceed. Any proposal would need to be developed and delivered outside of the terms of the current GDA and within the terms of the current Development Agreement.

## **Recommendation**

### **CABINET**

- 1.1 Notes the written legal opinion, and the financial risk assessment and delegates authority to the Director of Place, in consultation with the Director of Law and Governance and the Portfolio Holder for Regeneration, Strategic Planning and External Relationships and Commissioners (1) to endeavour to negotiate a tripartite exit agreement with Homes England and Purfleet Centre Regeneration Limited and if that is not a viable option to agree a mutual withdrawal, with Homes England, from the Purfleet Housing Grant Determination Agreement which will lead to the determination of the Back to Back GDA with Purfleet Centre Regeneration Limited and (2) to take all steps necessary to terminate the Development Agreement and other associated agreements following the termination of the Grant Determination Agreement and the Back to Back GDA if he is satisfied this is the best option for the Council.**
  - 1.2 Agree to examine the development option being proposed by PCRL and English Cities Fund and delegates authority to the Director of Place, in consultation with the Director of Law and Governance and the Portfolio Holder for Regeneration, Strategic Planning and External Relationships to negotiate and bring back to Cabinet an alternative development proposal no later than 13<sup>th</sup> March 2024 Cabinet Meeting.**
- 2. Background**

2.1 The Purfleet regeneration scheme is regulated by a number of legal documents which set out the obligations of the various parties. In summary the key agreements are

- Homes England/Council Grant Determination Agreement ("GDA Agreement"). This is the grant funding agreement under which Homes England has committed c.£75m of HIF grant funding to the Project of which we over £25m has already been spent;
- Council/PCRL Back to Back Funding Agreement ("GDA Back to Back Agreement"). Under this agreement the Council is under an obligation to pass through the HIF funding it receives under the GDA Agreement;
- Purfleet Development Agreement ("Development Agreement"). This is the development agreement under which PCRL has contracted to undertake the development of the Project.
- Council/PCRL Phase 1 Agreement for Leases ("Phase 1 Agreement for Leases"). Under this agreement the Council agrees to grant PCRL building leases over Phase 1 of the site subject to the satisfaction of certain conditions precedent. The majority of these conditions precedent remain outstanding.
- Swan New Homes Limited's funder Step In Agreement ("Swan Step In Agreement"). Swan, now owned by Sanctuary, has step in rights under the Development Agreement and the Phase 1 Agreement for Leases in the event that the Council seeks to terminate those agreement.

2.2 Thurrock Council entered in a Development Agreement with PCRL to deliver more than 2,650 new homes around a new town centre, including a new primary school and integrated medical centre. To date it is probable that only thirty-four homes will be completed by the end December 2023. It was the intention of PCRL in the role of lead developer, to directly build out all/most of the scheme themselves. They would have constructed the site wide infrastructure and built out the residential and commercial elements of the scheme and sold the completed units to individual purchasers. The Council was to receive its financial return via a sales overage from individual housing units on the completion of each phase. The Council and Homes England are the only parties to the GDA. However, the Council also entered into a back to back Grant Determination Agreement with PCRL which governs the contractual expenditure of £75m of Housing Infrastructure Fund (HIF) grant which had been allocated to the project in December 2020.

2.3 As part of obligations set within the current GDA and to enable the continuation the HIF claim process, Homes England have provided the Council and PCRL with a number of conditions contained within the Grant Determination Agreement that need to be addressed. The main condition being that PCRL are required to procure private sector equity development funding for the Purfleet scheme to continue to the next development phase.

However, the Council remains the accountable body under the GDA and if Homes England terminated the agreement it would look to the Council and not PCRL if it wishes to clawback any of the funding already provided. When the Council's section 151 Officer issued the Notice under section 114 of the Local Government Finance Act 1988, that placed the Council in fundamental breach of the GDA and as a consequence Homes England could terminate the agreement at any time.

- 2.4 The current scheme covers approximately 58Ha (140 acres) of brownfield land, around c60% of which is in Council ownership. In June 2012 Cabinet delegated authority to officers to continue acquiring sites in support of the project set within obligations under the Development Agreement.

### **3. Current Position**

- 3.1 PCRL has consistently struggled to obtain funding (debt and additional equity) for the project and this has been its main obstacle to unlocking delivery. In 2020 the Council restructured the delivery route for Phase 1 by entering into the Phase 1 Agreement for Leases to accommodate the HIF funding and make it easier for PCRL to secure the funding it needed but it has still not managed to obtain funding. It is important to note that a major shareholder in PCRL, Swan Housing, has faced significant financial challenges in recent years which have impacted on their ability to continue to engage effectively and have now merged with Sanctuary Housing.
- 3.2 PCRL appointed Knight Frank Capital Advisory in August 2021 to source an equity investment partner for the Purfleet regeneration project. Owing to viability challenges within the project this exercise was unsuccessful. Legal & General (L&G) were subsequently approached to consider bidding on the project and Heads of Terms were agreed in June 2022 for L&G to acquire the entire issued share capital of PCRL. Following a period of due diligence and against a background of adverse economic conditions L&G withdrew from the proposed sale in December 2022. They have however indicated that they would be willing to consider forward funding a certain percentage of affordable housing in a progressed scheme, but no further details have been offered.
- 3.3 As Grant Recipient and in order to protect Thurrock Council's contractual position within the Grant Determination Agreement between Homes England and Back to Back Agreement with PCRL and the Development Agreement, the Council has sought legal advice regarding how to proceed with mutually dissolving the Grant Determination Agreement between Homes England and the Council and potentially ending its relationship with PCRL.

#### **Default**

- 3.4 Homes England (HE) have issued to the Council a sixth Reservation of Rights letter in respect to the Purfleet HIF Grant Determination Agreement (GDA). HE has expressed significant concerns about the deliverability of the Programme and the failure of PCRL to secure the necessary funding to

deliver the project. A general default has occurred in terms of missed milestones and funding conditions, and HE have indicated that they are proposing to exercise their rights under Clause 12 (Events of Default) of the Grant Determination Agreement. However the point made in paragraph 2.3 on the Council being in fundamental breach of the GDA remains material.

- 3.5 Given the severity of the situation HE previously requested in the fifth RoR letter a detailed proposal from PCRL for delivering the Project, which had to be returned to them by 9<sup>th</sup> April 2023. The information provided by PRCL did not identify an equity funder or address the programme issues and this did not accord to the requirements set out in section 2.7 of the Reservation of Rights letter deadline.
- 3.6 The Council understood from PCRL that the equity funder would be identified prior to the submission to Homes England in response to the fifth Reservation of Rights letter. Failure to do so only highlights the concerns raised over the ability to secure funding. Historically, the specific milestone date to procure equity funding was 31<sup>st</sup> December 2021 and this was subsequently extended to 30<sup>th</sup> April 2022 via a Deed of Variation without success.
- 3.7 Homes England (HE) have issued to the Council a sixth Rights of Reservation letter in respect to the Purfleet HIF Grant Determination Agreement (GDA). HE continues to express significant concerns about the deliverability and the failure of PCRL to secure the necessary funding to deliver the project. However, since the last Reservation of Rights letter the Council has received letters from PCRL dated 19 June 2023, which indicate that the English Cities Fund (which is backed by Homes England, Muse and Legal & General) has expressed material interest in funding the Project. The Council have reviewed the letters and the expression of interest from the English Cities Fund, with specific reference to the need to provide a detailed proposal to address the outstanding development funding issues. Whilst encouraging, the response from PCRL does not contain sufficient detail for the Council to realistically conclude that the scheme can be delivered within the terms or timeframe of the current GDA.
- 3.8 The Council is concerned that there is a material risk that the development milestones as set out in the GDA cannot be achieved. Given the prolonged and continued default position there is a real possibility that Homes England will invoke provisions with the GDA and withdraw the HIF funding and commence legal proceeding against the Council to clawback grant expenditure to date.
- 3.9 Even if funding is achieved it is unlikely that the scheme can be delivered within the time frame and structure of the present set of documents. If any changes are proposed, they would need to be considered against the procurement framework set out in the Public Sector Contracts Regulations 2015.

- 3.10 If the GDA and Back to Back agreement are terminated that will not automatically lead to the termination of the Development Agreement. If an event of default does occur and the Council seeks to rely on this ground to terminate the Development Agreement, the Council's right is contingent on Swan (Sanctuary) not exercising its rights to step in under the Swan Step In Agreement to perform the development obligations in the Development Agreement and Phase 1 Agreement for Lease.

#### **4. Reasons for Recommendations**

- 4.1 PCRL were appointed by Thurrock Council (TC) to deliver the Purfleet Centre. After several years, PCRL had not secured a funder, other than thirty-four units of the Phase 1A. In the sixth RoR letter the Council has been given until 30<sup>th</sup> June 2023 to indicate whether it wishes or is able to deliver the project in accordance with the GDA. The information PCRL have provided to date on funding and the build programme is considered inadequate to address the contractual requirements of HE and there is no realistic chance this position will change.

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

- 5.1 This report will be considered by a special meeting of the Planning, Transport & Regeneration Overview and Scrutiny Committee before the September Cabinet meeting.
- 5.2 Early engagement will be required with the Purfleet On Thames Community Forum, Ward Councillors and residents to provide an update and reassurance that the critical social infrastructure to be provided by the scheme is considered in any alternative options. This engagement will also extend to the providers of the infrastructure, including the NHS, Gateway Academy and Network rail.

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

- 6.1 Purfleet Centre is referenced in the Council's Economic Development and Regeneration Strategies and the Local Development Framework. The receipt of HIF is making a significant contribution to achieving the Council's vision for Purfleet and is of great benefit in bringing the programme forward.

#### **7. Implications**

##### **7.1 Financial**

Implications verified by: **Mark Terry**  
**Senior Service Accountant**

The majority of the Council landholdings are concentrated in Phases 1-3 of the phased programme. This is made up of: historic land interests,

heavily concentrated in Phase 3 industrial sites. This consists of lands transferred from the Thames Gateway Development Corporation and land acquired using SELEP and Thurrock Capital funding as set out in Table 1 below, which also includes the project management spend to date.

<b>Funding Source</b>	<b>Spend to date (£'000)</b>
Housing Infrastructure Fund	27,158
SELEP Funded Land Purchases	4,881
Thurrock Funded Land Purchases	3,343
Thurrock Fees (legal etc.)	1,474
<b>Total Spend</b>	<b>36,856</b>

The invoking of the default provision in the GDA and the withdrawal of funding will collapse the GDA and could expose the Council to clawback provisions with the GDA. The table below sets out the HIF Claim spend to date: 03/04/2023.

**Table 1 HIF Claim spend to date: 03/04/2023**

	<b>Overall Claim Value (Net)</b>
<b>1. Land Assembly - Tennants Ltd 2. Land Assembly NRW Tranche 1</b>	£15,862,323
<b>3. Enabling Works, Remediation &amp; Land Reprofilng Package 1 (Sub- Phase 1A)</b>	£2,095,961.59
<b>4. Subsurface Hydrocarbon Remediation &amp; removal (Phase 1) 2</b>	£93,379.87
<b>5. Enabling Works, Remediation &amp; Land Reprofilng Package 2 (Phase 1)</b>	£1,160,149.42
<b>6. Infrastructure Works Package 1 (Sub-Phase 1A)</b>	£522,262.69
<b>7. Infrastructure Works Package 2 (London Road &amp; Bridge, Civil Works) Design- fees &amp; Planning</b>	£563,490.95
<b>8. Infrastructure Works Package 3 (Phase 1 North Civil Works)</b>	£506,201.20
<b>9. Temporary Rail Station Works Design fees – aborted</b>	£195,826.31

<b>10. Permanent Rail Station Works Design fees GRIP 5</b>	<b>£2,051,577.34</b>
<b>Historic Expenditure By PCRL Site / Ground Investigation work Engineering fees Gleeds / Waterman</b>	<b>£4,106,349.80</b>
<b>Total by Claim</b>	<b>£27,157,523.80</b>

Homes England have confirmed in writing that should the Local Authority decide to proceed with the withdrawal of the Project by mutual agreement, Homes England:

- will not demand nor seek repayment of any funding and/or sums paid to the Local Authority to-date pursuant to the Funding Agreement; and
- will make payment of further claims to the Local Authority (up to a maximum aggregate amount of £1,000,000) in respect of the costs that it has incurred directly in relation to the Infrastructure Works (as defined in the Funding Agreement), provided that supporting evidence is provided satisfactory to Homes England that the relevant costs claimed have been incurred by the Grant Recipient directly in relation to the Infrastructure Works.

The above is conditional on:

- the Local Authority confirming that it wishes to mutually withdraw the Project by mutual agreement, in writing, within 10 Business Days of its Cabinet meeting on 11 October 2023; and
- the Local Authority and Homes England entering into and completing a deed providing for the withdrawal and the ancillary matters outlined in this email by 30 November 2023

## 7.2 Legal

Implications verified by: **Mark Bowen**  
**Interim Project Lead - Legal**

### **Legal Remedies Assessed.**

Homes England are in a position where they could terminate the agreement at any time. As is set out in paragraph 2.3 above the issue of Notice under Section 114 Local Government and Finance Act 1988 amounted to a fundamental breach of the agreement. There are also other breaches which



rest with PCRL. However the Council are the accountable body under the agreement and it is against the Council that Homes England would seek to “clawback” any funding. Termination of the GDA would lead to termination of the Back to Back agreement but it would not automatically lead to the termination of the Development Agreement and associated agreements.

If the GDA Agreement is terminated for Council breach, including Fundamental Default PCRL may have a claim in damages against the Council under the GDA Back to Back Agreement. If Homes England claws back any funding, the GDA Back to Back Agreement allows the Council to claw this back from PCRL. However, if the agreement is terminated for Fundamental Default PCRL would likely be able to prevent any such claw back by making a counterclaim against the Council for causing the breach triggering the Fundamental Default. Homes England has an absolute discretion as to how it chooses to terminate the GDA Agreement.

As is set out in paragraph 1.3 of this report Homes England has agreed in writing that it would not pursue clawback if the Council agrees to mutual termination and enters into the necessary deed. To remove risk the best course of action would also be to persuade PCRL to enter into a tripartite withdrawal from all agreements. Proceeding without PCRL’s agreement is not without risk. Leading Counsel has advised that if the Council agrees to termination of the GDA Agreement without PCRL’s consent, which could place the council in breach of its duties to PCRL under the GDA Back to Back Agreement. There are also risks in the Council encouraging Homes England to terminate the GDA Agreement for a PCRL General Default (to the exclusion of any Council breach). However, in the absence of a tripartite agreed termination of the GDA Agreement and GDA Back to Back Agreement a mutual agreement to terminate with Homes England would be the preferred option given Homes England’s written confirmation that subject to the completion of the necessary deed it would not pursue clawback in these circumstances. This approach would carry a potential risk of challenge from PCRL which at this stage is a theoretical risk which needs to be balanced against removing the very real prospect of clawback.

Termination of the Purfleet HIF Grant Determination Agreement with Homes England and the Back to Back HIF Grant Determination Agreement with PCRL would not terminate the Development Agreement and related agreements and there would need to be breaches of those agreements which carry the sanction of termination to allow this to happen.

### **7.3 Diversity and Equality**

Implications verified by: **Roxanne Scanlon**  
**Community Engagement & Project Officer**

The Development Proposals for this Project support long-term achievement of the Council’s equality objectives and specifically those associated with

resident's access to services in addition to supporting community integration and cohesion. Through construction to delivery, employment opportunities will be introduced along with the provision of new community facilities and a diverse mixture of housing types in Purfleet. The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different group.

These duties are considered as part of the decision making process and delivery of services.

**7.4 Other implications (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children**

None

**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**

Counsel Written Opinion

**Report Author:**

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