

<b>30 November 2016</b>	<b>ITEM:11</b>
<b>Council</b>	
<b>Cabinet Member Report – REGENERATION</b>	
<b>Report of:</b> Councillor Mark Coxshall	
This report is public.	

## 1.0 Introduction and Overview

I am delighted to introduce this report as Portfolio Holder for Regeneration at a time when the growth programme is delivering real opportunities for all Thurrock residents.

The growth programme in Thurrock continues to be one of the largest and most exciting opportunities in the country. Thurrock's reputation as a place full of opportunity has helped attract a number of large scale regeneration projects including The Port of Tilbury, DP World London Gateway, the expansions of Lakeside and the Purfleet Regeneration. These projects in turn have created significant numbers of jobs with the opening of Amazon and UPS facilities in 2017 present further opportunities. In addition to these large scale projects we have also focussed on smaller but nevertheless significant projects for local people such as expanding our small business accommodation offer in the borough, helping local people to find work and improving our town centres.

Good progress has been made in a number of areas as the programme continues to move from plans to deliverables. In particle an agreement of the masterplan for Grays and development appraisals for a number of sites which would generate a positive return to contribute towards delivery of the underpass and a new theatre.

Beyond Thurrock's boundaries we have led the coordination of growth and investment planning across the wider South Essex area and continue to play an important part in the work of SELEP (South East Local Enterprise Partnership). In addition, we have taken the lead in shaping strategic planning discussions in South Essex.

Employment rates remain strong and in the last 12 months to June 2016 (the latest published figures) 72.7% of working age residents were in employment. Unemployment in the same 12 month period was at 4.9% down from 6.6% in the preceding 12 months. With Amazon and UPS both due to open in 2017 with the creation of over 2,000 new jobs the outlook remains very positive.

Development activity in Thurrock remains strong reflecting the growing

confidence of developers and investors in the Borough, not least due to the way in which the Planning and Regeneration services pro-actively and positively conduct their business. This puts us in an enviable position to secure lasting change, to address some of the infrastructure issues in the borough and to create opportunities for local residents.

## **2.0 Progress in the Growth Hubs**

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

### **2.1 Tilbury**

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

A masterplan for the Civic Square and the wider area has been developed, consulted on and now agreed for implementation. The centrepiece of the masterplan is the development of a flagship primary care centre (Integrated Healthy Living Centre) along with associated public realm improvements which will help realise the vision for the Civic Square as the heart of the community and a space resident can be proud of.

As part of the port of Tilbury's work on Port expansion, a wider masterplan is being drawn up with the aim of ensuring that this expansion brings wider benefit to the local community.

Working with colleagues in Thurrock CCG and other NHS partners work is underway to establish the facilities and spatial requirements of the Integrated Healthy Living Centre and to inform further development of the business case. In the meantime the Tilbury Community Hub has formally opened in the Civic Square, providing a resource where local people can get information and guidance from trained volunteers, support services can be delivered and ICT accessed.

Elsewhere in Tilbury the Council is working towards the extension of the Tilbury Riverside Business Centre as part of the Enterprise Units programme. The programme aims to increase the number of small business units available in the borough to support jobs and growth. Building on the success of the Tilbury Riverside Business Centre proposals to extend will provide an additional 20 workshop units. Design work has been completed and the building contract will be tendered shortly.

Our housing company Gloriana is well underway with the delivery of 128 new market homes on a formerly vacant site at St Chads Tilbury, with the first homes being complete early in January 2017, and completion of the whole site by summer 2017. Work is progressing to finalise plans for a 36 unit 'HAPPI' (Housing our Ageing Population: Panel for Innovation) scheme for older residents through the Housing Revenue Account which on completion would help manage the demand for Social Care by reducing or delaying the need for care services.

The Port of Tilbury and associated industries continue to create jobs for local people. NFT Distribution Ltd. opened in March 2016 creating 700 jobs. A number of these jobs remain to be filled and the Council is leading a taskforce including

Job Centre Plus and South Essex College to help the company recruit local people for their workforce. In August 2016 an announcement was made that a new Amazon Fulfilment Centre was to be opened at the London Logistics Park. The Centre, due to open in September 2017, will create up to 1500 permanent jobs. Work is already underway to construct the facility and Thurrock residents have been successful in securing a number of roles. As recruitment is not yet complete final figures cannot be reported but will be available soon. The construction has also created a number of apprenticeship opportunities and the Council is working with McLaren to fill these. Work will shortly begin with Amazon to look at recruitment of their workforce for the fulfilment centre.

To help local people enter and remain in the workforce and local businesses to develop and grow the Council has worked with the local community and stakeholders to apply for funding from the Community Led Local Development programme which is funded through the European Union Structural Funds. There are a number of stages to the application process including the development of a strategy outlining use of the funding which has recently been approved by the managing authorities. The next stage in the process will be submission of bids for funds which are required by 31<sup>st</sup> January. If successful the programme could bring c.£3m additional funding to the area to support skills, jobs and business support activity in Tilbury over five years.

## **2.2 Purfleet**

Purfleet Centre will transform Purfleet, delivering more than 2,300 new homes, a new town centre including shops, bars and restaurants, community facilities including schools, health centre and leisure facilities and a c.1million sq ft film and television studio complex on a 30 acre site.

Recently the focus has been on development of a revised planning application to be submitted this winter. The development team have been engaging with stakeholders including Council Officers and a local community design panel to inform their proposals. The development programme indicates that construction work could start with land remediation in 2017 and the first new homes could be completed by the end of 2018.

Elsewhere in Purfleet, the Council continues to support the development of High House *Production* Park. The Backstage Centre at HHPP has been designated as one of seven new National Colleges in the country and the Council has supported development of a bid for funding to build a new facility which will provide accommodation for students at HHPP and commercial units for creative businesses to locate in Purfleet. The scheme is progressing as scheduled and building works are expected to be completed in time for the start of the academic year in September 2018.

Building on the success of the first artists' studios complex at HHPP ACME, who manage the studios have been working with the Council and HHPP to develop proposals for a second building to include additional artist studios alongside additional commercial workspace for creative businesses. Feasibility studies are underway and concept design work is on-going. Partners are working together to

secure a funding package including external grant funding to support the development.

Working closely with Creative and Cultural Skills and High House Production Park the Council is leading a SELEP wide bid for £6.5m of ERDF money to grow the digital, creative and cultural sector across the South East. If successful it will place Thurrock at the centre of a SELEP-wide business support programme which encourages and promotes new business starts, helps existing businesses to grow and links HE institutions with local businesses to promote skills development and facilitate knowledge transfer. The bid has successfully completed stage 1 of the application process and a final application is due to be submitted by 30 November.

### **2.3 Lakeside**

Lakeside Basin provides thousands of jobs for local people, generates significant business rate income and attracts millions of visitors to the Borough every year. We continue to work with landowners and businesses to ensure that the exciting vision for the future transformation and development of the area set out in the Lakeside Area Development Framework becomes a reality.

Under this vision, Lakeside's existing strategic role will be further strengthened and developed through ambitious proposals to expand and diversify the basin to provide more retail floor space alongside greatly enhanced leisure, commercial and residential uses as part of a new Regional Town Centre.

In order to translate the vision into reality the Council has been working closely in partnership with Intu to assist them in bringing forward their proposed £230m investment in new retail and leisure floor space at Lakeside. It is anticipated that revised planning applications for their two currently consented retail and leisure schemes will be considered by Committee before the end of the year.

### **2.4 Grays**

The Council has made great strides in delivering the vision for Grays which is intended to support the growing resident, student and business communities and develop a thriving destination with a day and evening economy. Pulling together the work underway and following consultation a masterplan for Grays has been agreed as the physical incarnation of the vision, transforming Grays and opening up links to the riverfront. Following agreement of the masterplan the Council commissioned development appraisals for a number of sites which could be developed. The appraisals show a significant potential return which could be used to contribute towards the funding pot for major projects in the town centre including the underpass and a new Theatre for Thurrock.

The Council continues to work with Network Rail to prioritise the creation of a foot crossing under the railway line and is continuing to develop the funding package to enable the project to progress. An application for £10.8m of Local Growth Fund monies to contribute towards the funding package has been made.

Following Members agreement that a new theatre be created at Grays Beach the Council has commissioned work to update the market appraisals and to develop a set of operational requirements to feed into a more detailed brief for a professional design team to be appointed.

The Council owns business centres in Grays which accommodate a growing number of small businesses. Alongside the Centre for Business the Council also operates the Old Courthouse (former Magistrates Court) which was converted into a business centre by the last administration and formally opened in December 2015. There is strong demand for space at both centres and occupancy targets are being exceeded. I have asked for a review of arrangements to ensure that we are maximising income to the Council and also, once current contractual arrangements are completed, consideration of options for possible disposal.

Recognising that whilst we continue to develop larger schemes we also need to get the basics right, the Council has introduced permanent Town Centre Management resource to support the Grays Town Partnership and promote the town centre. Between January and April 2016, there was a period of consultation with town centre traders and visitors. This consultation led to the formation of the Grays Town Management Partnership (GTMP) supported by a Town Centres Co-ordinator. GTMP is a business-led organisation and is due to publish a formal business plan focussed on four priorities:

- Safe and welcome
- Community Engagement and Integration
- Improved Street Scene
- 18hr Economy

A marketing and communications working group has also been established to ensure efficient communication of all projects and initiatives. The public destination brand – Love Grays – will be formally launched in February 2017 including a website and social media for users of the town centre.

Following the success of the 2015 event, GTMP will be hosting its second Christmas lights switch on Friday 25<sup>th</sup> November 2016.

## **2.5 London Gateway**

London Gateway Port is establishing itself as a major operator in international shipping. The first three berths (of an eventual six) are now open meaning that the port has 1250 meters of quay wall, providing three deep-water berths and more ultra-large container vessel capacity than any other port in the UK.

Whilst shipping activity clearly continues to build, the development of the logistics and distribution park remains slower than anticipated. The bulk of the jobs anticipated from London Gateway will be generated through the logistics park and, therefore, the Council remains keen to work with the port owners to secure further development and create job opportunities at all levels for local residents.

In August, UPS obtained consent to develop their London distribution centre on 18.6 hectares in the distribution park in just 17 days via the London Gateway Local Development Order. Speed of decision-making is paramount to attracting growth and investment and this case highlights the proactive and efficient approach taken by the Council's award winning Planning Service. The UPS facility will open in September 2017 with the creation of 542 jobs and the Council has formed a taskforce to help UPS to recruit their workforce and to look at improving accessibility to these jobs from across Thurrock.

## **2.6 Thames Enterprise Park**

The Council worked with Thames Oil Port and Thames Enterprise Park to develop and agree the masterplan for the 400 acre site that placed Thurrock at the heart of the emerging Green Technology / Energy market. Demolition of the refinery began in November 2014 and clearance of refinery process units is continuing. In 2015 the site was put up for sale with strong interest from investors and the Council continues to support the sale process and to meet potential inward investors. We are hopeful that further progress will be achieved in 2017 to deliver the shared vision for the site.

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

## **3.0 Wider Regeneration and Economic Development**

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

- Reviewing the Thurrock Economic Growth Strategy to provide a strategic focus for the work of the team. The review was completed in February 2016 and work is underway to develop an implementation plan which will see the strategy delivered.
- Building strong partnerships and playing a leading role in South East Local Enterprise Partnership (SELEP); Thames Gateway Strategic Group; and Opportunity South Essex (OSE). Thurrock provided the lead for the OSE in developing a new Growth Strategy for South Essex providing a renewed focus for the business led partnership which serves as one of four federated boards of SELEP.
- Working with other Council departments and partners to develop a response to the call for proposals as part of the Local Growth Fund Round 3. An announcement on LGF 3 is expected after the autumn statement on 23 November. Working with partners across OSE more than £160m of Local Growth Fund support has already been secured, with nearly £100m coming to Thurrock alone.

- Introducing a new town centre management function to the Council to improve the sense of place and to realise the potential afforded by extra footfall in Grays town centre.
- Working with partners to develop a simplified and co-ordinated approach to business support and engagement through the Business Essex, Southend and Thurrock (BEST) Growth Hub. In the first 6 months of operation the hub engaged with 792 businesses and overall satisfaction from clients is very high. 80% of the businesses that responded to a recent survey were satisfied or very satisfied and 80% advised they would recommend the hub to a friend or colleague. The Hub workshop programme was very successful and over a 6 month period over 403 businesses attended. The Council also gained “Global Entrepreneurship week UK” High impact Host 2015 award for our continued efforts supporting businesses in Thurrock.
- Strengthening the relationship with our business community through two Thurrock Business Conferences; and regular meetings of the Thurrock Business Board and Network Groups facilitating a two-way discussion on a range of strategic issues.
- Successfully applied for funding to deliver an £18.5m business support programme – Low Carbon Across the South East (LoCASE). The programme provides support, including grants, to improve business efficiency and to bring new low carbon products and services to market. The programme officially started on 28 February 2016 and is due to complete by February 2019.
- Funding was secured from the Department for Work and Pensions to pilot a partnership project ‘Back to your Future-Thurrock’, which aims to get young and lone parents back into employment, self-employment or training. The project launched earlier this month.
- Progressed our ambition for Thurrock to become a ‘hub’ for social enterprise, with the first ‘Soup’ project taking place in September, and the second one to follow in November. The event gives budding social entrepreneurs the opportunity to share their business idea and win a sum of money to help get the idea off the ground. A ‘School for Social Entrepreneurs’ will be piloted in 2017 in partnership with a number of local community organisations including Grays Big Local.
- Strong progress has been made through the Economic Development and Skills Partnership in tackling employment and skills issues. Initiatives include:
  - The successful JobTown project ultimately secured over £2m of external resources to tackle unemployment amongst NEETs. Thurrock has now successfully led a bid for JobTown2 which will look to secure additional resources to supplement careers provision and support people into employment or, for those in work, to access better jobs.

- Building on the success of the Opportunity Thurrock careers fair a new jobs@opportunitythurrock Facebook page has been launched to provide businesses with somewhere to advertise vacancies and to raise the profile of vacancies in Thurrock communities.
- Spent £40,000 through a High Street Innovation Fund on improving the appearance of shop fronts of small businesses in local parades and high streets throughout Thurrock.
- With our Business Rates Pooling partners (London Boroughs of Havering, Barking & Dagenham and Basildon District Council) Project Quad provided specialist 1-2-1 business support to SME's looking to realise their growth potential.
- Working across Opportunity South Essex and SELEP and to secure external resources. The Council is leading or a key partner in a number of new bids for funding which will support employment programmes, provide support services to priority growth sectors and make finance available to businesses to support their growth plans.

Our efforts to date have ensured that Thurrock was able to buck the national trend and achieve significant growth. We are now strongly placed to realise further benefits and provide local communities with significant opportunities.

#### **4.0 Strategic Planning**

The Council's Strategic Planning and Growth Strategy Teams coordinate and lead on sub-regional and local planning documents and events, including but not limited to:

- Co-ordinating sub-regional technical studies such as the South Essex Strategic Housing Market Assessment; South Essex Strategic Retail Study and the South Essex Economic Development Needs Assessment.
- Organising the South Essex Health Wellbeing and Planning Summit with colleagues in Public Health.
- Preparing a Design Strategy that will seek raise design standards and promote quality place making throughout the borough.
- Preparing a new Local Plan for the borough that will guide the development of the borough over the next 20 years.
- Developing a comprehensive evidence base to support the emerging Local Plan and to aid decision making.
- Devising interim Planning Guidance Notes on topics like Off-Site Affordable Housing Contributions to support the implementation of national policies and policies in the Core Strategy and respond to emerging planning challenges.



- Undertaking capacity building work on planning matters with members of the public through the Local Plan Residents and Youth Forums.
- Contributing to corporate plans and strategies like the Health and Wellbeing Strategy.

The Strategic Planning Team also coordinates the Council's responses to planning consultations from other authorities and key stakeholders.

### Local Plan

In February-April 2016 the Council undertook its first formal consultation on the emerging Local Plan to obtain the views of stakeholders, local businesses and the community on the key issues that the Local Plan will need to address.

During the consultation period the Council undertook a range of activities to ensure that everybody who wanted to could get involved in development of the Local Plan at an early stage. To promote effective cross-boundary working relationships with neighbouring local authorities and other prescribed bodies the Council organised a Local Plan Issues and Options (Stage 1) Workshop for representatives from local authorities drawn from across Essex, London and North Kent together with statutory consultees such as Natural England to advise them of the programme and timescales for preparing the Local Plan; and to ascertain their initial views on the scope and nature of the cross-boundary issues which will need to be addressed as part of the plan-making process. In total of 70 bodies/persons provided formal responses to the consultation document. They raised 548 separate comments.

Since the end of the Issues and Options (Stage 1) consultation the Council has continued to engage key stakeholders through the creation of four discussion forums and through the use of summer roadshows. Both the Local Plan Developer Forum and the Local Plan Residents Forum now meet regularly and have been very successful in providing an effective means of engaging local businesses and the community in shaping the future development of the Local Plan. The Growth and Strategy Team will also be involved in this year's Youth Summit at High House Production Park with the aim of encouraging young people to find out a bit more about planning and get involved in shaping the future of Thurrock. Adopting more of an ongoing engagement approach to producing the Local Plan will ensure that it is prepared in an open and inclusive way and give the community an increased sense of ownership.

## **5.0 Development Management**

The Council's Development Management Service is responsible for:

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

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

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

## **6.0 Corporate Property**

- Community Asset Transfer (CAT). The council's CAT policy was approved by cabinet in July. It sets out the Council's approach to support the VCFS to achieve sustainable community managed assets that meet local needs, maximise social value, support growth and resilience in the sector. Through its application, the policy seeks to deliver the most efficient use of publicly owned buildings and spaces in Thurrock.
- Plot A Hogg lane (0.15acres). The sale to the adjoining business R T Rates has been completed. This will allow expansion of the existing business.
- Plot B Hogg lane. Terms have been agreed for the sale of (0.22 acres) which will enable the adjoining business to expand.
- Treetops, Dell Road. The sale of this former school site to Keepmoat was completed in September and they are now on site. The development will accommodate c. 74 residential units. Working in partnership with the Lands Trust the developer will be creating a woodland path and walk for the benefit of the local community.
- Jack Lobley/Olive Academy. The construction of the replacement facilities for the PRU commenced in January and will be completed by early in the new year. This will enable the academy to relocate from their existing location, which is not fit for purpose, and free up the culver centre for redevelopment.
- Corporate landlord. The Council has agreed the principle of adopting a corporate landlord model for the management of its property assets. This will lead to the more efficient use and management and allow the council to maximise value and opportunity from its asset base. The approach is now being rolled out over time.
- Dell Road/Orsett road (1.5acres). Negotiations for the sale of this site are in progress and it is anticipated will be drawn to a conclusion fairly shortly. The site has the potential for the development of c.34 residential units.

## **7.0 Challenges in the Coming Year**

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

The major challenge going forward will continue to be maintaining momentum in the face of competing demands.

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

### **a) Securing maximum benefit through external funds**

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

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

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

We will continue to pursue all opportunities to secure external funding for the borough. Thurrock is leading or a major delivery partner in four applications already and we will continue to scan for opportunities to access additional funding to support priorities in the borough.

### **b) Leading the delivery of key projects**

With many projects now underway the Council must continue to focus on securing their delivery in order to secure tangible benefits. We will play an active role in creating and nurturing these opportunities and developing relationships with partners and investors so that projects are delivered and local people benefit.

### **c) Progressing the development of the Local Plan**

Having a clear and positive policy framework in place is critical to the delivery of the Council's wider regeneration ambitions. Over the next year, our focus will be on engaging with communities to develop a strong spatial vision for the future of the Borough that seeks to build upon the many opportunities that exist to bring investment that will accelerate the delivery of infrastructure, jobs and homes. This plan making process does, however, face a number of challenges:

- Uncertainty surrounding the location of the Lower Thames Crossing.
- Further changes to the National Planning System (starter homes, revision to CIL regulations etc.) and our need to respond and react to these changes in timely manner.
- Lack of five-year housing land supply and an increased number of speculative green belt planning applications.
- Increased need to engage with residents in the plan making process as we explore site allocations and alternative approaches to new development

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

Dealing effectively and efficiently with development proposals is vital to ensuring that Thurrock becomes a key location for investment and growth. The work of the Development Management service enables and assists in this being achieved.

Major developments expected to progress over the next 12 months and beyond include further commercial developments associated with London Gateway and the Port of Tilbury, retail and leisure developments at Lakeside and major education projects and housing developments including the new Purfleet Centre.

## 8.0 Financial Information:

Sub Service	Original Budget	Revised Budget	Budget To Date	Actuals To Date	Variance to Date	Forecast Outturn	Forecast Variance
Regeneration	891,166	891,166	519,813	849,327	329,514	891,166	0
Assets Planning and Growth	1,130,708	1,130,708	773,845	913,980	140,135	1,130,708	0
	2,776,839	2,703,204	1,576,836	1,116,749	(460,087)	2,683,204	(20,000)
<b>Grand Total</b>	<b>4,798,713</b>	<b>4,725,078</b>	<b>2,870,494</b>	<b>2,880,056</b>	<b>9,562</b>	<b>4,705,078</b>	<b>(20,000)</b>

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

Regeneration and Assets are forecasting a balanced position at year end and Planning and Growth are forecasting £20,000 underspend. This is being reported as part of the corporate budget monitoring position, and will therefore count favourably towards the Council's overall financial position.