

<b>23 November 2022</b>		<b>ITEM: 5</b>
<b>Planning, Transport and Regeneration Overview and Scrutiny Committee</b>		
<b>Purfleet Centre Regeneration Programme</b>		
<b>Wards and communities affected:</b> West Thurrock and South Stifford	<b>Key Decision:</b> Key	
<b>Report of:</b> Mike Gappy, Purfleet Regeneration Programme Manager		
<b>Accountable Assistant Director:</b> Kevin Munnelly, Assistant Director for Regeneration and Place Delivery		
<b>Accountable Director:</b> Mark Bradbury, Director of Place		
<b>This report is</b> Public		

## **Executive Summary**

Purfleet Centre is the largest regeneration programme which the Council is supporting delivery. Through a series of reports over recent years, Cabinet has been updated on the progress of this high profile scheme that is being delivered in conjunction with its development partner Purfleet Centre Regeneration Limited (“PCRL”). The project will ultimately deliver more than 2,650 new homes around a new town centre, vastly improved community facilities and a Media Village providing new employment opportunities.

One of the main areas of focus for the early stage of the programme is to deliver the costly strategic infrastructure for the scheme, which will ensure this significant amount of growth for the town centre is well managed.

To this end, Thurrock Council succeeded in securing £75.1m of grant funding from the Ministry of Housing, Communities and Local Government (MHCLG) via the Housing Infrastructure Fund (HIF) of which c£25m has been claimed to date. This funding is significantly assisting the Council and its development partner PCRL to deliver an “infrastructure first” approach for the regeneration of Purfleet Centre, supporting the existing community and unlocking the wider development site, to allow the area to realise its full potential.

The conditions attached to the HIF investment will require changes to be made to the existing Development Agreement to ensure that the Council can maintain its contractual obligations under the Grant Determination Agreement with Homes England.

The scheme has a long-term delivery programme and further amendments to the Development Agreement and funding partners may be required during the lifetime of the scheme to ensure that it continues to respond to the local economic climate and needs.

As part of the Thurrock Council's draft Improvement and Recovery Plan 2022, this project along with others that make up the Council Capital Programme will be subject to a review as part of the objective to achieve long term financial sustainability. This review is currently ongoing and the results of which will form a report to Cabinet and this Overview Committee.

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

- 1.1 Overview and Scrutiny Committee are asked to comment on the positive progress of the scheme in recent months and, in particular, continued success of the £75.1m HIF of Central Government investment into the Borough of which c£25m has been claimed for Purfleet;**
- 1.2 Note the ongoing process needed to negotiate terms with PCRL, Homes England and Thurrock Council to continue with the procurement of additional funding for the next phases of the Purfleet Programme.**

## **2. Introduction and Background**

- 2.1 The Purfleet Centre Project ("the Project") is one of the six Growth Hubs in the Borough, and is a key part of the Council's regeneration programme. Whilst the majority of the Borough's growth is 'private sector' led the Purfleet Centre Project is the largest regeneration programme which the Council is directly involved with, owing to the use of its significant land holding in the area. The Council is working together with development partner Purfleet Centre Regeneration Ltd ("PCRL") to bring forward this major redevelopment. The Council has set out a vision to create a destination in Purfleet, which will include around 2,650 new homes, a new town centre, local shops, a supermarket, a primary school, a health centre, centre and upgraded rail station, to address existing deficiencies in services and facilities, and to maximise the benefit of Purfleet's riverside location.
- 2.2 The Project accords with national and local planning policy including the spatial objectives of the Council's Core Strategy, which promote Purfleet as a centre for regeneration. The Project also broadly complies with a number of adopted Core Strategy Spatial and Thematic policies set out in the Council's Core Strategy and Local Plan, such as Policy CSTP5 (Neighbourhood Renewal) which identifies Purfleet as a priority regeneration area, and Policy CSTP7 (Network of Centres) which designates a "new local centre" at Purfleet.

- 2.3 An outline planning application for the Project was granted on 20th December 2019 (planning application reference 17/01668/OUT) which establishes the principle of comprehensive redevelopment of central Purfleet with a residential-led, mixed use development, including a film, television and media studio complex, a new primary school and new local facilities. The outline permission was followed by numerous reserved matters applications for individual sites within the Project which will be brought forward over a number of years.
- 2.4 The introduction of HIF joins other positive milestones for the project over the past 12 - 24 months including:
- Securing outline planning consent for the whole masterplan area.
  - Securing full planning consent for the first 61 homes and development now well advanced
  - Other Key RMA consents being considered by the LPA for new road and bridge infrastructure
  - Completing some key land acquisitions to support phase 1 of the scheme.
  - Agreeing an outline brief for the Integrated Medical Centre (IMC) and the new primary school.
  - PCRL have commissioned a design team to progress these designs and their work will integrate both the primary school and the IMC as core parts of the regeneration of Purfleet, together with advance GRIP design for the complete upgrade of the Purfleet rain station.

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

- 3.1 As part of obligations set within the current Development Agreement 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 phases.
- 3.2 The Council is working with PCRL and Homes England to provide the required support to satisfy this condition. PCRL have engaged with the private sector funding market and are now in a period of due diligence with a potential chosen funding provider.
- 3.3 For any such funding to be considered the precise mechanism and terms remain the subject of discussion between both the Council, HE, and PCRL with specialist advisors. However, it is likely that the DA between the Council and PCRL will need to be amended to achieve this and further Cabinet approvals to agree any such potential conditional funding offer.
- 3.4 The original DA was negotiated with PCRL at the end of a competitive dialogue process and has been subject to further Deeds of Variation to serve

and govern the project through its early milestones. As the scheme moves forward the DA 's ability to allow the scheme to adapt to changing economic circumstances will be tested. Further changes to the DA may be required to ensure that the Council can effectively manage performance and that the scheme continues to address local needs.

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

- 4.1 The Council's strategies have identified Purfleet as one of the Borough's Growth Hubs where housing and employment growth are to be concentrated.
- 4.2 The HIF grant has greatly assisted with the delivery of the project but in order to satisfy contract conditions and the requirement for additional development funding changes will need to be made to the DA to accommodate those conditions of any potential investor.
- 4.3 The projects currently in progress support the council's current priorities for regeneration in the town centre as detailed in the Cabinet reports referenced in this report.

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

- 5.1 The local plan includes a comprehensive framework for stakeholder engagement and statutory consultation.
- 5.2 Securing the delivery of the Purfleet Centre project has been reported to Cabinet and Overview and Scrutiny Committee on a number of occasions as shown below.
- 5.3 Progress has been reported regularly to the Purfleet Community Forum and PCRL continue to maintain the ourpurfleet.com website to keep the wider community updated on progress. PCRL have also re-instigated the Purfleet Community Design panel.
  - March 2020 – Cabinet – Purfleet Centre Regeneration  
<https://democracy.thurrock.gov.uk/ieListDocuments.aspx?CId=129&MId=5584#A111402>
  - November 2018 - PTR O&S – Briefing: Purfleet Centre Update  
<https://democracy.thurrock.gov.uk/ieListDocuments.aspx?CId=170&MId=5464&Ver=4>
  - March 2018 – Cabinet – Purfleet Centre Update  
<https://democracy.thurrock.gov.uk/ieListDocuments.aspx?CId=129&MId=5212&Ver=4>
  - January 2018 – PTR O&S - Purfleet Centre Update  
<https://democracy.thurrock.gov.uk/ieListDocuments.aspx?CId=170&MId=5197&Ver=4>
  - October 2015 – Cabinet – Purfleet Centre: Award of Contract

## **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 Financial Accountant**

The current DA has clear mechanisms and thresholds for assessing financial viability. Homes England aim to facilitate the recovery of public funding back to the public sector for reuse in other housing schemes. Under the current DA If successful this will provide a positive benefit to the Council in delivering its wider housing aspirations. Funding will only be recovered where returns allow so the overall viability of the Purfleet scheme will remain intact. A full financial assessment will need to be undertaken at the agreed decision points within the DA ensuring the scheme only progresses to delivery when viability and value for money to the Council is confirmed.

### **7.2 Legal**

Implications verified by: **Helen Graydon**  
**Principal Property Lawyer**

The Cabinet decisions referenced at 5.3 above included consideration of legal issues arising. Gowlings WLG and CBRE have advised the Council on all aspects of the DA to date with input as necessary from Internal Legal Services. Gowlings WLG will advise the Council on any necessary changes to the clauses of the DA with input as necessary from internal legal services including in relation to compliance with the Council's own rules, codes and protocols including its procurement rules.

### 7.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon**  
**Community Engagement & Project Monitoring 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 groups

The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the 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

- None

### Report Author:

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