13 September 2016		ITEM: 5
Planning, Transport and Regeneration Overview and Scrutiny Committee		
Purfleet Regeneration Update		
Wards and communities affected:	Key Decision:	
West Thurrock and South Stifford	No	
Report of: Matthew Essex, Head of Regeneration and Assets		
Accountable Head of Service: Matthew Essex, Head of Regeneration and Assets		
Accountable Director: Steve Cox, Corporate Director Environment & Place		
This report is Public		

#### **Executive Summary**

The Purfleet Centre project is the largest regeneration programme that the Council is directly responsible for delivering. The high profile scheme will ultimately create more than 2,300 new homes and a state-of-the-art film, television and media studio complex around a new town centre featuring primary and secondary schools, a health centre and local shops, leisure and community facilities whilst opening up riverfront access alongside 1km of the Thames. It is critical to the delivery of the Council's Regeneration and Economic Growth strategies.

The implementation of these longstanding proposals took a massive step forward when, building upon approvals provided by Cabinet in October 2015, the Council entered into contract with its chosen development partner (Purfleet Centre Regeneration Limited (PCRL)) in January 2016 with those agreements going unconditional in March 2016. These agreements secured the funds necessary to deliver the first phase of the project which is anticipated to include several hundred new homes and much of the community infrastructure (schools, health centre, shops and local facilities) that the area currently lacks.

Since entering into contract, the Council and PCRL have been working together to review the initial proposals for the scheme with a view to developing a new masterplan which will support the submission of the necessary planning applications in late 2016 to enable a start on site in Summer 2017.

Within the contract between the Council and PCRL, the Council must approve the new masterplan and confirm that it is content that the scheme remains in line with the vision which was set out by PCRL through the procurement process. This paper

accompanies a presentation from PCRL which will be given to members of the committee on the night as part of the wider consideration process with a view to the Council ultimately granting the necessary approvals.

#### 1. Recommendation(s)

1.1 That the Committee welcome the progress made on the Purfleet Centre project, review and comment upon the emerging masterplan proposals and identify any areas which they consider require further development.

#### 2. Introduction and Background

- 2.1 Purfleet is one of six Growth Hubs in the Borough identified within the Council's Economic Growth and Regeneration Strategies and the Local Development Framework. Whilst the majority of the Borough's growth is private sector led; the Purfleet Centre proposal is the largest regeneration programme which the Council is responsible for directly delivering through maximising the value of its significant land holding in the area. The Council has set out a vision to create a new town centre in Purfleet to support the development of more homes but also address existing deficiencies in services and facilities as well as maximising the benefit of Purfleet's riverside location.
- 2.2 In February 2014 the Council closed the OJEU Competitive Dialogue process which sought to identify and select a development partner who would be responsible for delivering the proposals for Purfleet. In March 2014 Cabinet approved the selection of PCRL and delegated authority to the Assistant Chief Executive in consultation with the Portfolio Holder for Regeneration, Highways and Transportation to negotiate the remaining terms of the Development Agreement and associated documentation.
- 2.3 Following a lengthy period of negation, within which PCRL sought and secured a funding partner to support the delivery of the project, Cabinet was presented with a report in October 2015 which outlined the final commercial terms which had been reached and sought approval, duly given, to enter into the relevant contractual agreements. The Council entered into the various agreements in January 2016 which went unconditional in March 2016 thereby committing PCRL to the delivery of the first phase of the project with the remaining phases subject to viability.
- 2.4 PCRL's initial submission in response to the procurement process contained a high level masterplan that set a vision for the scheme. This has been presented to members of the Committee and other forums in the past. The proposals, at the time, included:
  - A film and television studio complex of approximately 500,000 square feet
  - A redeveloped station
  - More than 2,300 homes
  - A new primary school; and

- Local facilities including a health centre, community hall, retail units and spaces for cafes and bars
- 2.5 Since the parties entered into contract, the initial masterplan has been the subject of intense review to reflect changes in market conditions and the development of the team's thinking in respect of the size and location of the film and television studios (now almost 700,000sqft), the broader commercial opportunities which exist linked to the studios and the potential to create a real destination around the riverfront. In addition, further proposals have emerged to include a Secondary School within the scheme and space for a new model of health delivery; an Integrated Healthy Living Centre combining primary and community healthcare.

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

- 3.1 Members of the committee will receive a presentation from PCRL at the meeting on the work completed to date to review the masterplan and the emerging proposals. This will outline the drivers for any changes and the remaining issues still to be resolved.
- 3.2 Under the terms of the contracts between the Council and PCRL, the Council's express consent is required to any amendments to the original masterplan. However, given that it was always anticipated that the masterplan would have to change once detailed design work commenced, the major consideration is whether any revisions remain consistent with the original vision and intent which PCRL committed to deliver through the procurement process. The presentation to members of the Committee and any comments received form part of that approval process.
- 3.3 Alongside the drivers identified above (housing market conditions, film and television studios, secondary school and health centre etc) the masterplan has also been revised to reflect the input of a broad range of public and private stakeholders, including local residents. PCRL has led an effort to engage local agencies and people in the definition and refinement of the proposals which has included:
  - The establishment of a community chaired, 20 strong Design Panel which has supported the process of reviewing the masterplan and acted as a sounding board for particular elements of the scheme;
  - Engagement of more than 300 people in various workshops exploring personal visions for Purfleet, identifying strengths and weaknesses and considering what the scheme should be providing; and
  - Establishment of the 'Our Purfleet' website (<u>www.ourpurfleet.com</u>) which has already attracted more than 10,000 hits and has seen more than 120 images submitted by members of the public to an 'inspiration board' showcasing buildings, designs and facilities that they would like to see in Purfleet.

PCRL's efforts have generated a great deal of positive support for the project with a tangible excitement about the scheme among local people. It is anticipated that, as the masterplan develops, it will be presented back to people who have taken part in the process to date and be made available for broader public consideration and comment.

3.4 Assuming that the Council ultimately signs off the revised masterplan, PCRL are working to a programme which sees a new outline application for the whole masterplan being submitted alongside a full application for the first phase in late 2016. This would conceivably see planning consent granted in Spring 2017, allowing a start on site in Summer 2017. There is a great deal of infrastructure work required as part of the first phase of the scheme, but there is the potential for the first homes to come forward in late 2018/early 2019. To hit this programme, PCRL and their design team need to freeze the design in September/October 2016 to allow sufficient time to work up the applications.

#### 4. Reasons for Recommendation

4.1 Under the terms of the agreements between the Council and PCRL the Council's approval is required to any changes to the masterplan. In considering whether to provide this consent, the Planning, Transport and Regeneration Overview and Scrutiny Committee are asked to provide their views on the emerging proposals.

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

5.1 Members have been updated on the progress of the Purfleet Centre project through a series of reports to Cabinet and the Planning, Transport and Regeneration Overview and Scrutiny Committee. Specific briefings have been offered to each of the Groups in the run up to the committee meeting. As noted within the report, local stakeholders including residents have been engaged through a Community Design Panel, Workshops and a bespoke website. Further consultation will take place as the project progresses

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

6.1 Securing the delivery of the Purfleet Centre project is a key priority within the Council's Economic Growth and Regeneration Strategies together with the Local Development Framework. It is anticipated that, as well as local housing and employment opportunities, the nature of the development will serve to greatly increase the profile of the Borough and raise aspirations among developers and communities in terms of the benefits that new development can bring.

#### 7. Implications

#### 7.1 Financial

Implications verified by:

#### Carl Tomlinson Finance Manager

There are no direct financial implications as a result of this paper. There is an approved capital budget of £16.848m included in the capital programme in respect of this project with spend to date of £2.961m. The MTFS allows for an anticipated loss of income due to the loss of income generating assets within 2017/18 and 2018/19, however, the scheme is expected to deliver a significant return on investment over the longer term. Additional locally generated income, such as council tax, is projected, however, there will also be additional costs to the authority due to an increased demand for services, such as the collection of waste. Capital allocations for the provision of the Integrated Healthy Living Centre will require further approval.

#### 7.2 Legal

Implications verified by:

# Vivien Williams Planning and Regeneration Solicitor

There are no legal implications arising from this report.

#### 7.3 **Diversity and Equality**

Implications verified by: Natalie Warren Community Development and Equalities Manager

Whilst there are no direct implications from this report, the proposed regeneration of Purfleet has the potential to support residents access to improved housing, healthcare, employment opportunities and access around the area. Public consultation has helped shape the emerging master plan which will be subject to a Community and Equality Impact Assessment.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

There are no other significant implications of this report.

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:**

Matthew Essex Head of Regeneration and Assets Environment and Place