

London Borough of Barking and Dagenham

Notice of Meeting

THE EXECUTIVE

Tuesday, 27 January 2004 - Civic Centre, Dagenham, 7:00 pm

Members: Councillor C J Fairbrass (Chair); Councillor C Geddes (Deputy Chair); Councillor J L Alexander, Councillor G J Bramley, Councillor S Kallar, Councillor M E McKenzie, Councillor B M Osborn, Councillor J W Porter, Councillor L A Smith and Councillor T G W Wade.

Also Invited: Councillor D S Miles for Agenda Item 4.

Declaration of Members Interest: In accordance with Article 1, Paragraph 12 of the Constitution, Members are asked to declare any direct/indirect financial or other interest they may have in any matter which is to be considered at this meeting

19.01.04

Graham Farrant
Chief Executive

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AGENDA

1. **Apologies for Absence**
2. **Minutes - To confirm as correct the minutes of the meeting held on 13 January 2004 (Pages 1 - 3)**

Business Items

Public Items 3 to 7 and Private Items 15 to 17 are business items. The Chair will move that these be agreed without discussion, unless any Member asks to raise a specific point.

Any discussion of a Private Business Item will take place after the exclusion of the public and press.

3. **Rehousing from Service Tenancies (Pages 5 - 7)**
4. **Axe Street Town Square Phases 1 and 2, Planning Brief (Pages 9 - 39)**

5. **London Road / North Street Redevelopment (Pages 41 - 45)**
6. **Housing Revenue Account Estimates and Rent Levels 2004-05 (Pages 47 - 58)**
7. **Land Disposal Sites: Revising Housing Development Schemes (Pages 59 - 61)**

Discussion Items

8. **Procurement Best Value Review (Pages 63 - 77)**

A full copy of the Best Value Review of Procurement is available from the Members' Rooms, on the Internet and at public libraries.

9. **Consultation on the Proposed Urban Development Corporation for East London - Response of the Council (Pages 79 - 114)**
10. **Barking Town Centre Partnership (Pages 115 - 127)**
11. **Future Management of Garages (Pages 129 - 137)**
12. **61 Keir Hardie Way - Uplift of Restrictive Covenant (Pages 139 - 140)**
13. **Any other public items which the Chair decides are urgent**
14. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

Private Business

The public and press have a legal right to attend Council meetings such as the Executive, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant legislation (the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972).

Discussion Items

None.

Business Items

15. **Regrading of an LPOR to LSMR Post and Continued Employment of a Consultant (Pages 141 - 157)**

Concerns a Staffing Matter (paragraph 1)

16. Approval of LSMR Grades within Leisure and Environmental Services Department (Pages 159 - 162)

Concerns a Staffing Matter (paragraph 1)

17. Approval of LSMR Grades within Corporate Strategy Department (Restricted Circulation, circulated separately)

Concerns a Staffing Matter (paragraph 1)

18. Any other confidential or exempt items which the Chair decides are urgent

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THE EXECUTIVE

Tuesday, 13 January 2004
(7:00 - 8:15 pm)

Present: Councillor C J Fairbrass (Chair), Councillor C Geddes (Deputy Chair), Councillor J L Alexander, Councillor S Kallar, Councillor M E McKenzie, Councillor B M Osborn, Councillor J W Porter, Councillor L A Smith and Councillor T G W Wade.

Also Present: Councillor Mrs K J Flint, Councillor M A McCarthy and Councillor Mrs V M Rush.

Apologies: Councillor G J Bramley.

250. Minutes (23 December 2003)

Agreed.

251. Community Empowerment and Engagement Policy Commission

Noted the contents of the final report of the Community Empowerment and Engagement Policy Commission, prior to its submission to the Assembly on 4 February 2004, and placed on record our thanks to those Members and officers who participated.

252. Corporate Performance Assessment Performance Indicators

Received a report setting out an action plan for The Management Team to improve the critical Performance Indicators (PI) that constitute the Corporate Performance Assessment (CPA) service scores on all areas of council services. The Action Plan also contained information on the latest performance on each of these indicators where available.

Agreed to support the emphasis set out in the Action Plan across the critical basket of CPA Performance Indicators in order to improve performance on those areas that positively impact upon the CPA score.

Attached to these Minutes is a breakdown of those PIs on Education and Social Services, which impact upon the Office for Standards in Education (OFSTED) and the Social Services Inspectorate (SSI) scores, which were not circulated with the agenda.

253. Home Office Consultation Paper - Policing: Building Safer Communities Together

Received a report summarising the proposals contained within the Government's consultation paper on policing - *Building Safer Communities Together*, which looks at modernising and reforming the Police Service through developing strong connections between local communities and the Police.

We discussed the proposals set out in the report; and

Agreed that a final response be drafted and agreed by the Leader and Lead Member for 'Making Barking and Dagenham Cleaner, Greener and Safer', Councillor McKenzie, in order to convey this Council's views on the strategic functioning of a reformed Police Service, and how its impact upon crime and disorder in Barking and Dagenham can be maximised.

The response will be circulated to all Executive Members prior to its submission to the Association of London Government and the Home Office within the consultation deadline.

We have also placed on record our thanks to the Community Safety team for their work in helping to reduce crime and the fear of crime in the Borough.

254. * 2004 / 2005 Council Tax Base

Received a report setting out the calculation of the Council Tax Base for 2004 / 2005. The report also set out information on new powers available to the Council to reduce discounts for second homes and long-term empty property, and to award locally determined discounts.

Agreed, in order to comply with statute and assist in the calculation of the Authority's Council Tax for 2004 / 2005:

1. That the report on the calculation of the Council's Tax Base for 2004 / 2005 be approved and that, pursuant to the report and in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the amount calculated by the London Borough of Barking and Dagenham Council as its Tax Base for the year 2004 / 2005 shall be 51,055.3 Band 'D' properties;
2. That the discounts for second homes or long-term empty properties are not reduced for 2004 / 2005; and
3. To recommend to the Assembly that locally determined discounts should not be awarded for 2004/2005.

255. Private Business

Agreed to exclude the public and press for the remainder of the meeting, as the business was confidential.

256. Homelessness Act and Houses to Transfers

Deferred.

257. Mayor, Members and Fleet Transport

Further to Minute 325 (25 February 2003), received a report outlining the actions required to the Mayor, Members' and Fleet Transport service in order to achieve, as far as possible, the budgetary savings agreed at that time of £10,000 in the current financial year and up to £70,000 from 2004 / 2005 onwards.

Noted that the current year's savings can be met through better budgetary controls, but, in order to save an estimated total of £53,500 in the coming year from the budget in question.

Agreed, that with effect from the new financial year:

1. The in-house Members' transport service cease (except for civic functions) but that special arrangements are made through a local mini cab firm for those Members who are eligible for a Disabled Blue Badge, as set out in Option 2 of the report; and
2. The Members' home delivery service be reduced to Fridays only.

258. Award of Residential Respite Care Beds Contract

Received a report highlighting the temporary reduction of residential care beds to provide planned respite care following the re-provision programme for transforming Kingsbridge Residential Care Home to a Nursing Home. The report also outlined the tender process undertaken in accordance with the Constitution (Contract Rules) in order to meet the demands of the service.

Agreed to award the Respite Care Beds contract to Angel Lodge for the period 1 April 2004 to 31 March 2006 at an overall value of £171,029 per annum, in order to establish a consistently managed provision of planned residential respite care beds enabling carers to take planned breaks.

* Item considered as a matter of urgency with the consent of the Chair under Section 100 (4)(b) of the Local Government Act 1972.

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THE EXECUTIVE**20 JANUARY 2004****REPORT OF THE DIRECTOR OF HOUSING AND HEALTH**

REHOUSING FROM SERVICE TENANCIES	FOR DECISION	
<i>This report concerns terms and conditions for employees and policy matters relating to meeting housing need, which are reserved to the Executive.</i>		
<u>Summary</u>		
Due to recent changes in the Housing and Health Department, a number of staff have achieved promotion or no longer need to occupy a specific property to carry out their work activities. The current policy does not cover this situation. This report proposes changes to the Council's Housing Allocations Policy in respect of staff occupying property in order to carry out their work (Service Tenancies).		
<u>Recommendation</u>		
The Executive is asked to agree to provide re-housing to employees leaving their posts that required them to occupy specific properties.		
<u>Reason</u>		
This is in order to free up properties for occupancy by a new service tenant and / or to provide independent accommodation for staff who are no longer required to hold a service tenancy.		
Contact: Tony Draper	Head of Housing Services	Tel: 020 8227 5702 Fax: 020 8227 5705 Minicom: 020 8227 5755 E-mail: tony.draper@lbbd.gov.uk

1. Introduction

- 1.1 The Council's overall housing allocations policy covers a range of policy areas in relation to entitlement to rehousing and sets the Council's policy framework for both entitlement to rehousing and appropriate priority for the various needs groups.
- 1.2 Although the Council has recently agreed to introduce a new approach to housing allocations called More Choice in Lettings (MCIL), this will still need to sit within a framework which determines access to rehousing and priority awarded. All of these categories will need to be reviewed as part of the introduction of MCIL.
- 1.3 In respect of the existing policy on rehousing staff from service tenancies this matter is being brought to the Executive's attention at an early stage due to changes within the Housing and Health service, which have identified the need for urgent changes to address a number of rehousing matters.

- 1.4 The Council's policy on re-housing staff from service tenancies only addresses retirements, resignations and dismissals.
- 1.5 As a result of changes in the Housing and Health Department a number of staff have achieved promotion or no longer need to occupy a specific property to carry out their work activities.
- 1.6 This situation is not covered by the current policy, as historically there has been little or no movement of staff from tied tenancies to other posts within the Council. However, due to the extensive changes within Housing and Health, Wardens and caretakers are achieving promotion or changes in their working circumstances, which requires them to vacate their service tenancies.
- 1.7 The introduction of the new caretaking and cleaning service for housing estates no longer requires the staff to be resident and a significant number have requested rehousing.
- 1.8 Current policy for retiring staff allows staff with 5 years or more continuous service consideration for a flat or a house, taking into account any medical needs.

2. Policy Proposal

- 2.1 Any member of staff who no longer needs to occupy a property to carry out their work activities should be provided with suitable alternative housing.
- 2.2 The aim is to provide alternative housing to release the service tenancy for a new occupant or to move the employee 'off site' to provide respite from out of hours call out when not on duty.
- 2.3 However, it also needs to be recognised that the Council is under considerable pressure to provide housing for a range of different needs. The pressure to meet the need is such that the Council has to consider the types of properties that it can make available to staff moving into new roles.
- 2.4 The new proposal is that housing offers are made available from:
 - LBD Housing Stock
 - RSL Nomination
 - Homes Nomination
- 2.5 An employee with less than 5 years service will only be offered flatted accommodation. Residents with more than 5 years service will be given consideration for accommodation of their choice.
- 2.6 Due to housing pressures, size of accommodation will be restricted to the specific needs of the existing family, consistent with current property size guidance in the Council's Housing Allocations Policy.
- 2.7 When housing options are being discussed with the member of staff consideration will be given as to whether the Council is likely to be able to meet their rehousing needs within 3 months. If this is not possible, the Council will not be able to commit

to these choice options. In this event, the member of staff will be required to expand their options. If the member of staff is not co-operative the Council will seek possession if the property is still required as a service tenancy. A maximum of 2 offers of accommodation will be made available.

- 2.8 In the circumstances where the accommodation is needed for another member of staff, action will be taken to secure possession should both offers be refused. In the instance where there is a request for a move, if 2 offers are refused the application will be suspended for 1 year.
- 2.9 Employees with less than 5 years continuous service will be eligible only for flatted accommodation. The same criteria in respect of offers of accommodation will apply.
- 2.10 Very high priority will be awarded to re-housing employees where the accommodation is needed for another employee, in respect of creating a further service tenancy for an employees to carry out their work duties. A typical example is a warden of a sheltered housing complex.
- 2.11 High priority will be awarded to those staff wishing to leave their service tenancies due to changes in service delivery. An example of this is the new estate caretaking and cleaning service where the existing staff are no longer required to be resident and new staff are not being provided with service tenancies
- 2.12 This policy framework is consistent and appropriate in addressing the rehousing needs of Council employees who are local residents and who are eligible for rehousing. This policy proposal does not provide enhanced priority for employees but places them in the same position as any other resident of the borough that is seeking rehousing.

3. Consultation

- 3.1 These policy proposals are considered to be an enhancement to the current arrangements.
- 3.2 Consultation has taken place with:
 - Director of Education, Arts and Libraries
 - Director of Social Services
 - Director of Leisure and Environmental Policy
 - Director of Corporate Strategy
- 3.3 Any comments received will be reported verbally to the Executive.

Background Papers

Housing Allocations Policy

Reports to the Executive relating to More Choice in Lettings

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THE EXECUTIVE**20 JANUARY 2003****JOINT REPORT OF THE DIRECTOR OF HOUSING AND HEALTH
AND THE DIRECTOR OF LEISURE AND ENVIRONMENTAL SERVICES**

AXE STREET TOWN SQUARE PHASES 1 AND 2 PLANNING BRIEF	FOR DECISION
<i>This report includes recommendations on issues, which are the Executive's responsibility.</i>	
<u>Summary</u>	
Members are formally requested to adopt the revised planning brief for Axe Street Car Park as supplementary planning guidance.	
Public and statutory consultations were carried out from 10 September to 10 October 2003. The responses received are noted in Appendix A and B whilst comments are incorporated (underlined) within the revised brief.	
The brief aims to ensure co-ordination of development in relation to the Axe Street car park (phase 2) and Town Square (phase 1) as seen in Site Location Plan A - contained within the brief, it also specifies requirements that need to be considered in context of any redevelopment.	
The brief takes into consideration current regional guidance for increased urban density, the Barking Town Centre Framework (which advances the need for revitalisation of Barking as an area of unique character and quality within London), and promotes a design led approach for redevelopment. The specified use for the Axe Street car park site centres upon the need for 100% affordable housing to supplement the mixed-use Town Square development (phase 1).	
Members should note that the planning brief requires any potential developer to re-provide the on-site public car park space. Negotiations between the potential developer and Council shall take into consideration management of the public car park and appropriate parking charge regime. During construction there will be a temporary loss to the Parking Revenue Account. If it is not possible to re-provide the public car park there will be loss of annual income attributed to the site in relation to the specified account.	
<u>Recommendations</u>	
The Executive is requested to:	
1. Agree the approval of the revised Axe Street Town Square Phases 1 and 2 Planning Brief as Supplementary Planning Guidance.	
2. Enter into partnership with East Thames Housing Group, as the Council's preferred developer for 100% affordable housing on the Axe Street site, subject to the agreement of the 'Housing Partnership' (the Housing Corporation and English Partnerships).	

<u>Reason</u>		
This will pave the way for the development of new affordable homes allied to the Town Square development (phase 1).		
Contact Officer: Jabed Rahman	Regeneration Officer	Tel: 020 8227 3897 Fax: 020 8227 3774 Minicom: 020 8227 3034

1. **Background**

- 1.1 This report follows on from the draft-planning brief approved by the Executive on 9 September 2003.
- 1.2 The preparation of the development brief was prompted by the need to bring forward sites within Barking Town Centre in order to implement the regeneration agenda as outlined in the Barking Town Centre Framework Plan (approved by the Council in April 2003). The overall aim is to achieve a balanced community with a better mix of housing type and tenure with a view to strengthening Barking Town Centre.
- 1.3 The document identified the potential to build 4000 new (net) homes within Barking. The Axe Street car park was identified as a potential site for housing.
- 1.4 As a consequence of the above, this revised brief (which takes into consideration consultation feedback) has been prepared so as to promote the co-ordinated redevelopment of the Axe Street car park in line with the Framework Plan, and assist to secure maximum regeneration benefits for the local community.

2. **The Revised Planning Brief**

- 2.1 The area being covered by the brief includes both Town Square (phase 1) and the Axe Street car park (phase 2).
- 2.2 Phase 1, which the Council has resolved to grant outline-planning consent, provides up to 35,000 m² of mixed-use development in a range of buildings. This scheme establishes a critical density of development and extends the existing retail and leisure activities into the town square area, helping to create a vital core to the existing town centre. It creates a series of new public spaces and key landmark buildings in a range of building forms and types creating a robust and attractive built fabric.
- 2.3 Barking Town Centre has a key role in delivering the Borough's Housing Strategy (2003-6), the redevelopment of Axe Street car park (phase 2) and its contribution in context of 100% affordable housing, will make a major contribution to meeting the need for additional housing, especially affordable homes for local people.

- 2.4 Along with appropriate land uses, future circulation patterns for pedestrians and vehicles, and access arrangements, the brief incorporates consultation feedback and highlights all the issues that need to be addressed in any major redevelopment proposal.

3. Development Principles

- 3.1 A number of key aims are identified for any redevelopment proposals, these include the need for:
- 3.2 100% affordable housing on site to enable local people to have a choice in housing provision.
- 3.3 The site to retain existing car parking capacity, subject to the forthcoming car parking strategy for Barking Town Centre.
- 3.4 High quality and outstanding design, which will contribute to the distinctive place forwarded by the town square development.
- 3.5 A development that is sustainable environmentally, economically and socially.

4. Consultation

- 4.1 Consultation occurred with an extensive list of stakeholders through the post in the form of a letter, this was sent to 120 plus residents in proximity of the site such as the Gascoigne Estate, Axe Street and Wellington Road as well as a number of businesses and community organisations. Copies of the draft-planning brief were sent to statutory bodies (14 in total) and residents/businesses who requested them. Translations were also made available. The responses received are contained and summarised in Appendix A and B, appropriate changes have also been made to the brief. There will be ongoing engagement with the local community; including those in Axe Street, Wellington Street, and the Gascoigne in the formulation of detailed plans through to development.

5. Financial Implications

- 5.1 Within the planning brief there is a requirement upon potential developers of the Axe Street site to re-provide equivalent on-site public car parking. The Council will enter in to negotiations with any potential developers regarding the management of the car park and to ensure an appropriate car parking charge regime is established.
- 5.2 There will be a temporary loss of income for the Parking Revenue Account from Axe Street as it is being redeveloped. If it is not possible to re-provide car parking there will be a loss of annual income attributed to the site in relation to the specified account. The Head of Property Service will outline the financial implications via a report to the Executive Committee. An early assessment of the implications are that overall any loss of income can be contained within the overall parking revenue account.

6. Implementation

6.1 It is proposed that the Council will enter into a partnership agreement with the East Thames Housing Group to develop the Axe Street site for 100% affordable housing, subject to the agreement of the Housing Partnership. The Housing Partnership – the Housing Corporation and English Partnerships - a government established organisation charged with ensuring the delivery of affordable housing have expressed an interest in the site. Their interest will expedite delivery. East Thames Housing Group is a preferred Registered Social Landlord (RSL) partner for the Council; it also has proven capacity and a track record of delivering projects within tight time scale constraints. The Group has local knowledge and is also currently involved in the redevelopment of the Cleveland, Bloomfields and Wakering estate in Tanner Street.

6.2 The following is the estimated timescale for the development of the Axe Street car park site.

Appoint approved RSL	November 2003
Bid for Approved Development Programme	November 2003
Planning application	February 2004
Housing Corporation Decision on funding	February 2004
Grant Available (if successful)	May 2004
Start on site	July/August 2004
Completion	Approx. 2005

If the Housing Partnership wish to get involved in this site the need for bidding for funding will be removed.

Background Papers

- LBBU Unitary Development Plan 1996
- Planning Policy Guidance (PPG) 1: General principles 1997
- PPG 3: Housing 2000
- PPG 13: Transport 2001
- The Draft London Plan 2002
- LBBU Housing Policy Commission 2001
- LBBU Interim Car Parking Standards 2002
- LBBU Housing Strategy 2002/3
- Barking Town Centre Framework 2003
- Inclusive mobility: A guide to best practice on access to pedestrian and transport infrastructure OPDM 2002

Axe Street Car Park Development – Planning Brief Results of Public Consultation

No	Method of Response	Date (2003)	Comments	Response
1	Local resident: visit	11 September	Was concerned that his property located in Wellington Road would be compulsory purchased. This assumption was based upon encroachment of the proposed Town Square and Axe Street developments.	Letter was sent out on 20 September assuring the resident that Wellington Street was not going to be directly affected by the development at Axe Street or Town Square.
2	Local resident: telephone	15 September	Wished to enquire as to whether the housing specified was social in character such as that in Gascoigne Estate.	Explained to the resident that the development was aimed at affordable housing (this could contain an element of social, intermediate and equity related housing).
3	St. Joseph's R.C Primary School Letter	15 September	Two points were raised: 1) short term parking for parents delivering and collecting their children from the school, 3) pathways for parents and pupils into the town centre.	The comments made did not directly deal with the Axe Street site. The issues raised will be considered in the forthcoming car parking strategy and public realm strategy.

Axe Street Car Park Development – Planning Brief Results of Formal Consultee Consultation

No	Name	Comments	Response
1	English Heritage	Along with the archaeological desktop study as pointed out in the brief - paragraph 4.26, it is probable that an archaeological field evaluation will also be required in advance of any development.	Noted and included in the brief, paragraph 4.26
2	British Telecom	Unable to provide specific comments without a detailed drawing of the development proposed.	Noted – will be further consulted when a planning application is received.
3	London Fire and Emergency Planning Authority	A copy of a map was sent showing the approximate location of existing assets on the site.	Noted – stated in the brief paragraph 6.5
4	Transco	A copy of the company's records showing the approximate location of existing assets on the site was sent.	Noted – a statement was included in the brief paragraph 6.5. Transco will be consulted when the planning application is received.
5	Thames Water	A letter concerning sewage issues was sent.	Noted – changes as advised are included in paragraph 6.7, 6.8, 6.9.
6	Essex and Suffolk Water	Recommended that proposed dwellings would need to be supplied from the existing 9" main in Ripple Road, any potential plans should take this into consideration.	Noted – statement included in paragraph 6.6
7	Metropolitan Police Service – Crime Prevention Design Advisor	Recommended a range of design related inputs.	Noted – the relevant issues incorporated in paragraph 5.8, 5.9 and 5.10.

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1. INTRODUCTION

Vision

- 1.1 Barking town centre's future is to be a lively, urban, mixed-use town centre, incorporating housing, leisure, employment and retail uses with a quality transport hub at its heart. The Barking Town Square scheme is a key part of achieving this vision and is a prestigious and exciting mixed-use proposal, which will radically change the heart of Barking Town Centre.
- 1.2 This brief outlines both phase 1 of the scheme, for which the Council has resolved to grant outline permission and phase 2 – the development of the Axe Street Car park area (this is about 0.45 hectares - see Site Location Plan A). The Axe Street site represents a further opportunity to develop a site for housing using the principles applied in phase 1 of high quality design, density and intensification. These principles were identified in the Urban Task Force report (1999) and have been carried forward by both the Government's Urban White Paper (2000) and the Mayor of London's Draft Spatial Development Strategy (SDS) - The London Plan 2002.
- 1.3 The Council has welcomed the Government's new regeneration agenda and its focus on good design. The Axe Street area will become a high profile location with the implementation of phase 1 Town Square development. The Council therefore wishes to see a development that upgrades and inter-links this part of Barking with the shopping area and is a lively, contemporary high-density development.
- 1.4 This will be a major component in the comprehensive revitalisation of Barking as an area of unique character and quality within London. This area's future should be seen as being an exemplar of sustainable development inspired by the Council's community priorities (attached as Appendix A).

Purpose of the brief

- 1.5 The aim of this brief is to assist in the delivery of this vision, providing a framework for the consideration of development proposals, and to highlight all the key issues that need to be addressed in any major redevelopment scheme.
- 1.6 This brief considers appropriate land uses, future circulation patterns - routes for pedestrians and vehicles, and access arrangements. The brief also includes detailed design guidance. It aims to give the local community, prospective developers and development partners a clear idea of the Council's requirements.
- 1.7 The brief has been prepared within the context of national policy guidance, the Draft London Plan 2002, and the Barking and Dagenham Unitary Development Plan (UDP) 1995. The brief also takes into account the emerging Framework for Barking town centre approved by the Council in 2003.
- 1.8 Consultation has been carried-out in context of the brief incorporating statutory bodies, local residents and businesses. There will be ongoing engagement with the

local community (including the Gascoigne) in the formulation of detailed plans through to development.

Objectives

1.8 The overall objectives for the brief are to:

- Clarify and interpret UDP policies and other policies
- Provide design guidance to achieve a quality development for Barking
- Enable the community's concerns to be addressed effectively, including LBBD's Community Priorities
- Ensure integration of development of this area with the existing town centre
- Ensure environmental improvements within the planning brief area

Aims

1.9 *Regeneration*

- To raise the profile of Barking by creating a development of the highest quality and of outstanding design incorporating a gateway feature
- To act as a catalyst for the continued revitalisation of Barking town centre
- To promote investment and give focused support for local initiatives in the town centre

1.10 *Development*

- To provide affordable housing with mix of tenures to enable local people to have a choice in housing provision
- To provide a safe and pleasant environment that enables people to move between this area and other parts of the town centre and to provide and interface with residential areas to the south, particularly the Gascoigne Estate.

1.11 *Quality design*

- To contribute to the distinctive place being created by the town square development which is based on an attractive public realm of lively streets, and a range of activities to complement and expand the town centre in the most suitable/appropriate way
- To encourage the use of lasting and robust materials

1.12 *Sustainable development*

- To achieve sustainable development which is environmentally, economically and socially viable

Site Ownership.

1.13 Phase 1 – Town Square

This area is in multiple ownership, though the Council owns the majority. The Council is in a joint venture partnership with the innovative developer Urban Catalyst and has signed a Development Agreement to enable the construction of a comprehensive, quality mixed-use scheme outlined in more detail below

1.14 Phase 2 - Axe Street

The site is in the freehold ownership of the London Borough of Barking and Dagenham.

2. DEVELOPMENT AREA, PROPOSED USES AND DESCRIPTIONS

Development Area:

- 2.1 The land and properties referred to in this brief are found within the designated boundary of Barking town centre (UDP 1995). It is less than a 10 minute walk from Barking Station, which is the second most important transport interchange in East London after Stratford. (See site location plan A).

Town Square Phase 1

- 2.2 This project is the flagship of the regeneration of Barking Town Centre. This site consists of the area to the front of the Town Hall. It incorporates the existing Central Library, two over-spill car parks, the Axe Street electricity sub-station, the public car park to the rear of the Magistrates' Court, the Town Yard, the Liberal and Labour Club on Ripple Road and the adjoining parade of shops comprising numbers 10-26 Ripple Road.

Town Square Phase 2 – Axe Street

- 2.3 This site is to the south of phase 1 across Axe Street. The site is 0.45 hectares, regular in shape and is flat. Axe Street, St Paul's Road and Broadway bound the site. It is currently used as a short stay shopper's car park. At the western end is the Victoria PH and across the road the Abbey Road Leisure Centre which provides swimming and other sports facilities. Entrance and exit from the car park are from Axe Street. Both the Public House and the sports centre are approximately 2 storeys in height.
- 2.4 To the east of the site is the single storey Lidl food store with a shopper's car park. Cars dominate this part of the town centre; at present there are three car parks for council employees and visitors to the shops. St. Paul's Road is a busy dual carriageway with bus routes. Across St. Paul's Road is the Gascoigne Estate, a large housing estate with high-rise blocks and medium rise terraces. A comprehensive regeneration initiative is proposed and currently being developed. Proposals for Axe Street will need to incorporate an attractive route between this estate and phase 1 scheme to the Town Hall (square). To the west of the site are two storey residential terraces with gardens.

Transport projects

- 2.5 The Mayor of London has decided (May 2002) to progress the East London Transit (ELT) scheme. Phase 1 of which is due for completion in 2006 and will run between Ilford, Barking, Barking Reach and Dagenham Dock station. The scheme will be designed to achieve priority for transit vehicles and by necessity this will change access and priorities along the route. It will form a vital public transport link from Barking to Ilford town centre. The scheme will run past the town square scheme on Ripple Road and use St. Paul's Road as a segregated public transport corridor.

3. THE DEVELOPMENT SITES AND PROPOSED USES

Town Square – Phase 1

3.1 The Council has resolved to grant outline-planning consent for a scheme, which provides up to 35,000 m² of mixed-use development in a range of buildings. This scheme establishes a critical density of development and extends the existing retail and leisure activities into the town square area, helping to create a vital core to the existing town centre. It creates a series of new public spaces and key landmark buildings in a range of building forms and types creating a robust and attractive built fabric. The proposed development comprises:-

- **The Arc** - This building has a curved southern edge and is located on the northern edge of the site spanning from Ripple Road to the new Town Hall Square. It is proposed that the ground floor would be retail with 4 floors of offices above giving 2,185 m² of retail floorspace and 7,345 m² of office space. Discussions are also underway to secure a new Primary Care Trust facility within this building. The building would have a walk through ("The Arcade") to provide a link through to the rear of the Magistrates' Court and the Clockhouse.
- **The Library and Life Long Learning Centre (LLLC)** - It is intended that the Library be completely refurbished and will be extended at ground, mezzanine and first floor levels (2,729 m²) to provide a complementary Life Long Learning Centre. Part of the Life Long Learning Centre will be located above a new retail unit (approx. 392 m²) fronting onto Ripple Road. The broad aim of the LLLC is to develop a flagship centre in the middle of Barking offering learning from adult education to further education and higher education. It would therefore form a 'one-stop' shop for people to access quality educational provision at all levels. The key partners of the project are the Council, University of East London and Barking College. Additional services will be linked to the new centre such as career advice, job search, and the local Sure Start facility.
- **The Lighthouse** - This building will be located on the frontage to Ripple Road and will be 11 storeys in height with the top two floors tapering back. It is intended that the ground floor would be used for retail with residential above. The building comprises 564m² of retail with 54 two bedroom flats above.
- **The Garden Housing** - would be built above the Library and Life Long Learning Centre and comprise 4 floors of residential development incorporating 72 two bedroom flats. The intended layout indicates 2 rows of 9 flats facing each other with an area of amenity space between on a raised deck level (= the roof of library). It is anticipated that a proportion of this housing will be discounted sale ring - fenced to keyworkers in health professions.
- **The Pavilion** - This building would front the southern edge of the new Town Hall Square and incorporates a large front canopy extending to the front of the Town Hall. The intended use of this building would be for leisure purposes and comprise 1,846 m² of floorspace on 3 levels.

- **The Car Park** – This would be located on land at the rear of the Library, primarily located on the site of the over-spill Town Hall car park. The car park would have 4 levels (basement, ground, mezzanine and first floors) and have a gross area of 4,736 m² to provide 141 car-parking spaces.
- **The Courtyard Housing** - This would be located immediately above the car park and comprise 4 floors of residential providing 40 two bedroom flats. The intended layout indicates 2 rows of 5 flats facing each other with an amenity area at second floor level and criss-crossing walkways above.
- **New Public Realm** - The scheme also indicates the provision of 3 distinct public spaces, namely Town Hall Square, Library Square (between the extended library and the Arc) and Gateway (at the Ripple Road frontage). This public realm space will need to be of a high quality and will attract money from the 'Artscape' – and Arts Council funded project - to ensure artist involvement in the final proposals.

3.2 This phase also includes the Axe Street electricity sub-station. It is proposed to screen this building to provide visual improvement and a better outlook for occupants of the development.

Town Square Phase 2 - Axe Street Car Park

3.3 In contrast to phase 1, the Council is seeking only residential development within phase 2. In this location it is anticipated that this will be in the form of high-density flatted development. Any existing public car parking space must be accommodated. Any developer will therefore need to replace the existing 110 public parking spaces with like (subject to the forthcoming car parking strategy for Barking Town Centre). Management of this will need to be negotiated with any potential developer including establishment of an appropriate car parking charge regime.

3.4 Total residential development is being considered on this site to achieve a link between the predominately residential area of the Gascoigne Estate and the commercial heart of the town centre. In addition the provision of housing on this site will contribute to the wider regeneration objectives for the town centre by providing a range of housing tenure type thus helping to secure a mixed and balanced community.

Affordable housing

3.5 The Barking town centre framework plan suggests that it is possible to build 4000 new homes in the identified Town Centre area, these homes will be built on a variety of sites with a range of existing uses. Sites currently not in use, as residential sites will, along with estate renewal schemes assist in the delivery of this target. The aim is to achieve a balanced and mix of housing type and tenures in Barking.

3.6 In order to deliver this a programme of comprehensive estate renewal projects will be undertaken and in the town centre it is likely that over 2500 residents will need to be re-housed. It is envisaged that many of these residents will have re-housing

opportunities as part of their renewal schemes but there will still be a demand for other good quality new affordable housing to assist with these renewal schemes and meet the growing need in the Borough generally.

Therefore across the 2 phases an element of affordable housing will be required, including key worker housing phase 1 though it is anticipated that the majority of the affordable housing will be provided in phase 2.

Services

- 3.7 Developers will be responsible for checking services on site. The Essex and Suffolk Water Company, Thames Water, British Telecom, London Power Networks and Transco assets may be on site. The cost of the provision of any new service infrastructure on site or the need for any remedial works, or the relocation of any service infrastructure would have to be met by the developer and not the service providers (refer to Section 6 for further detail).

Development Timescale

- 3.10 It is expected that phase 1 will be brought forward for development at the beginning of 2004. The first part of the development will be amendments and adoptions to the library to accommodate the Life Long Learning Centre. The timescale for the redevelopment of phase 2 will be dependent on affordable housing funding bids.

4. PLANNING POLICY

National Context

4.1 **Planning Policy Guidance (PPG) 1: General principles 1997** discusses three themes, which underpin the Government's approach to the planning system. These are sustainable development, mixed use and design. It sets out the operational principles to be observed in the planning system. These are:

- Sustainable development
- Mixed use development
- Good design
- Integrated land use and transport
- Importance of town centres in delivering sustainable development

These operational principles are applicable to this site and are incorporated in the aims of this brief.

4.2 **PPG 3: Housing 2000** states the intention that everyone should have the opportunity of a decent home, greater choice and that housing should not reinforce social distinctions. New housing should seek to meet the housing needs of all, including those in need of affordable housing and special accommodation. In order to achieve these objectives, local authorities should plan for the housing requirements of the whole of the community, provide choice and a mix in terms of size, type and location. Sustainable patterns of development should be encouraged with priority given to previously used land within urban areas. This brief aims to address these government intentions and requires any development to provide affordable housing, a range of housing types and to address sustainability issues.

4.3 **PPG 13: Transport 2001.** Paragraph 3 outlines the fact that land use planning has a key role in delivering the Government's integrated transport strategy. By shaping the pattern of development and influencing the location, scale, density, design of and mix of land uses, planning can help to reduce the need to travel, reduce the length of journeys and make it safer and easier for people to access jobs, shopping, leisure facilities and services by public transport, walking and cycling. The area that is the subject of this brief is close to a major transport interchange, and in a town centre. In accordance with this guidance therefore a dense development with a range of uses is considered appropriate.

Regional Planning Guidance

4.4 The Mayor of London has produced his draft 'Spatial Development Strategy' (SDS), ('London Plan'). This plan will replace existing strategic guidance (RPG 3) and seeks to guide development over the next 15-20 years. The Draft London Plan is now a 'material consideration', which the boroughs must take into account when considering planning applications and in the review of Unitary Development Plans.

4.5 The Draft London Plan (2002) has been consulted upon and a government appointed panel held an examination in public on the Plan in Spring 2003. The

report of the panel is due in July 2003. Taking account of the report of the panel, and subject to any direction by the Secretary of State, the Mayor will then publish the final London Plan.

- 4.6 All London Boroughs, in the review of their Development Plans, will be expected to be in general conformity with the London Plan. The Draft London Plan includes an analysis of the issues facing the capital. There is an emphasis on sustainability, the need to tackle the supply of housing particularly affordable housing, the promotion of public transport and the continued focus on the development of east London and the Thames Gateway area. This brief has been prepared in the context of this analysis and the policy recommendations for UDPs.

The Unitary Development Plan

- 4.7 The Barking and Dagenham Unitary Development Plan was adopted in 1995 (published 1996). In light of the recent changes outlined above in the government of London and the regional policy context, the Council is undertaking a review of the existing development plan. The existing UDP, however, is the statutory legal document for land-use planning. All planning applications will be determined in accordance with this document. Where policies have been superseded by national planning policy guidance, these guidance notes will be a material consideration in determining planning applications and are reflected in this brief.

Site specific policies.

- 4.8 The Phase 1 site is covered by policies BTC 21, BTC22, BTC24 and BTC25. These policies envisage the site being developed for a range of uses including shopping, leisure, community uses and offices. Policy BTC 22 proposes the extension of the library to provide additional space for cultural and community facilities. The current scheme is in accordance with these policies.
- 4.9 Phase 2 is covered by policy BTC23 the policy proposes that the site is redeveloped for shopping leisure or community uses and public parking. In the light of current national and regional policy, however, and the established housing need in the borough this site is now considered suitable for housing development. The use of the site for residential also reflects the comprehensive mixed-use nature of the phase 1 scheme. This brief therefore proposes that housing is the preferred use for the Axe Street car park, although public car parking places will need to be provided for within the development either in phase 1 or phase 2.

Departure Procedure

- 4.10 It should be recognised, that the use of the car park site will have to be advertised as a departure from the adopted development plan and referred to the Government Office for London and the Greater London Authority.

Land Use Policies:

- 4.11 Residential is the preferred use in phase 2 and the following policies will be applied to proposals:

Density and mix

- 4.12 Supplementary Planning Guidance (SPG No.1) to the LBBB UDP sets out guidance on residential densities. For this area, policy currently recommends a density in the range of 40-80 dwellings per hectare. However, as stated, the adopted LBBB UDP is under review, as it does not currently comply with current national and regional planning guidance. In addition LBBB has recently published its Housing Strategy for 2003 – 2006. This document states that the Council is 'keen to pursue the option of denser development... aiming for 4,000 homes in Barking town centre' over 20 years.
- 4.13 In addition the LBBB Housing Policy Commission (2001) recommended a density of sites within 300m of Barking Station of 250-700 habitable rooms per hectare and for areas between 300m and 500m of Barking Station of 200-350 habitable rooms per hectare (55 – 116 dwellings per hectare).
- 4.14 In light of the Draft London Plan and the London wide agenda for increasing density in urban areas with good transport links we are seeking a density higher than suggested by the Housing Policy commission. This area has excellent links to Barking Station, transport links and all town centre amenities, therefore a density of around 350 – 500 hr per HA/116-166 dwellings per HA will be considered acceptable subject to the quality of design and layout. This will be net density calculated using the methodology outlined in PPG 3 and includes access roads, private gardens, incidental private space and car parking areas.

Internal space standards

- 4.15 UDP Policy H16 defines the internal space standards to which residential properties are expected to conform. These are *minimum* standards for living space. The standards for *total habitable floor area* are as follows:
- One bed flats or houses 28.5 sq.m
 - Two bed flats or houses 40 sq.m
 - Three bed flats or houses 49 sq. m
- 4.16 In addition in accordance with LBBB's Housing Strategy all units should be built to 'lifetime home' standards. This means they are designed to be capable for adaptation for use by a person with disabilities. A checklist for these standards is included at in Appendix B.

Environment and amenity

- 4.17 The Council will require that adequate private amenity space be provided. UDP policies H14 and H15 set out the following guidelines:
- Houses:
- 2 bedroom houses 50 sq. m
 - 3 bedroom houses 60 sq .m
 - 4 bedroom houses 75 sq. m

Flats

- 1 bedroom dwellings 20 sq. m
- 2 bedroom+ dwellings 40 sq. m

- 4.18 In calculating private amenity space, front gardens open to the public will not usually count towards amenity space requirements. This will include car parking and refuse storage areas.
- 4.19 The Town Square scheme is, however, an example of high-density urban living and with the type of accommodation proposed it is not expected that the entire scheme could comply with the UDP amenity space requirements which were designed with more suburban sites in mind. The eastern part of the site is also located only approximately 150 metres from Abbey Green.
- 4.20 In the circumstances it is considered that an exceptions may be made to UDP standards to reflect emerging Government advice on making the best use of brownfield sites, particularly those with good public transport accessibility. Before such exceptions are made, however, developers must, demonstrate to the satisfaction of the Council that they have made every effort to comply with the existing standards. It will be a requirement in these circumstances that all flats to have access to balconies, terraces or gardens of useable dimensions.

Noise Attenuation

- 4.21 The acoustic comfort of habitable rooms and private amenity areas contributes greatly to the physical and mental well being of the residents/occupants. New development will need to concern itself with keeping the residential quality high. Apart from choosing good quality materials and construction techniques, an appropriate layout and well-located openings will help to keep the noise levels down.

Sustainable development

- 4.22 Developments are sustainable when people like to live there, feel at home and are in control of their surroundings. In general terms the building and spaces should be of human scale and relate to people's desire for assurance and privacy.
- 4.23 All proposals must be of a high standard of design and workmanship, with low maintenance and energy efficient. The layout should be orientated to ensure that courtyards and balconies benefit from sunlight and the number of dual aspect apartments within the housing scheme should be maximised.
- 4.24 Redevelopment proposals should improve markedly on environmental sustainability issues relating to solar gain, water consumption, and wind and waste matters. There are several ways that designers can improve the environmental sustainability of new buildings including:
- Solar designs: including active solar panels, photovoltaic cells, daylight and sunlight gain

- Natural and passive ventilation including 'stack' effects and shading to reduce heat gains
- Water: the collection, storage and recycling of rainwater. The re-use of 'grey' water for households.
- Recycling: including during construction, and the use of buildings and their components and materials

4.25 Materials, technologies and practices that rely on non-renewable energy-sources should be avoided. Reference can be made to the Government publications 'Planning for Passive Solar Design' and 'Planning for Sustainable Development – Towards better practice'. Development standards produced by BREEAM 'EcoHomes' and the National Energy Foundation's 'National Home Energy Rating' should also be considered for benchmarking purposes and applied where possible. Developers are referred to policy H13 in relation to general standards for refuse storage, and recycling facilities.

Archaeology

4.26 The majority of the Axe Street site is within an archaeological priority area as defined in the UDP. It will therefore be necessary for redevelopment proposals to recognise the provisions of UDP policy DE37, an archaeological desktop study and field evaluation maybe required before construction work can take place. This should be prepared with reference to the GLAAS Archaeological Guidance Paper 1 (June 1998) and look at the impact of on potential remains of all aspects of the development.

Section 106 Requirements

4.27 All proposals will be expected to identify impacts, benefits and mitigation measures arising from the proposal. It is expected that the Council will secure any benefit, control or mitigation through the use of a section 106 agreement (Town and Country Planning Act 1990). The following items as identified in the Barking Town Centre Action Plan are likely to be required, although it is anticipated this may change during detailed negotiations and consultation on the scheme:

- Affordable housing (of which at least 50% for rent, and 50% shared ownership/intermediate/covenanted resale)
- Modern communications technology (e.g. broadband) enabling to all new affordable homes
- Easily convertible loft space for learning or work space in all new housing
- Energy efficiency in all new homes
- Contribution towards community facilities
- Contribution towards improving and maintaining the public realm
- Improvements to local social infrastructure
- Contribution towards training
- Contribution towards public transport and traffic management

5. URBAN DESIGN GUIDANCE

Objectives

- 5.1 At present it is expected that the sites will be developed separately, however, none of the sites will be considered in isolation. Developers will be required to consider their site in the context of the entire Town Square/Axe Street area as the Council wishes to ensure that all the developments co-ordinate in terms of design, density, and mix of uses, and the linking of routes and spaces.
- 5.2 Any future schemes should reflect an urban character suitable to the town centre and connect the different neighbourhoods. This will expand the town centre and support the regeneration of Barking. This is an excellent opportunity to reshape a long neglected part of the town centre and reintroduce new volumes for and established urban pattern of streets and walkways.

Principles

Design Quality

- 5.3 The overall design must be of the highest quality to reflect the high ambitions there are for Barking Town Centre, and as advocated by the Commission for the Built Environment (CABE) and the Mayor of London's Architecture and Urbanism Unit (AUU). The design should be informed by the best examples of housing recently completed as illustrated in the AUU's recently produced publication 'Housing for a Compact City' 2003. The design must respond carefully to the site in terms of site layout, form, appearance, materials and access.

Quality of public realm

- 5.4 It will be necessary for developers to demonstrate improved urban quality in line with the Barking Town Centre Public Realm Strategy. This is to be achieved with tight building lines that will complete and enclose the urban pattern. Proposals must address the street to create a legible and attractive urban space. Spaces should be designed to accommodate changing patterns of use.
- 5.5 It is expected that comprehensive proposals will create pleasant and interesting urban spaces that are secured, overlooked and where the disabled, pedestrians and cyclists can move about in comfort and safety. Ground floor uses should provide, as appropriate, interest and security for the occupiers and community. A clear demarcation of public and private areas is required, but all public areas must be open, well lit and welcoming and of the highest quality.

Streets for all

- 5.6 Development of the site must allow for convenient and safe pedestrian and cycle routes throughout the area which link together the various phases of development, adjacent residential development, the town centre and the station. New crossing facilities may be required on Axe Street and/or St Paul's Road.

- 5.7 The proposed scheme will need to define street patterns, access and movement arrangements, and public spaces. Any proposals must also demonstrate an inclusive design approach with a scheme that considers how the whole community might be able to use the area. The needs of disabled people are to be considered as a design principle throughout the scheme. Developers are referred to the Department of Transport publication 'Inclusive Mobility: A guide to best practice on access to pedestrian and transport infrastructure'.

Secured by Design

- 5.8 The site is in an area that suffers from crime, therefore it is of paramount importance that developers should design and build to an acceptable security standard. The Secure by Design certification guidelines produced by the Metropolitan Police and DETR Circular 5/94 'Designing out Crime' are to be followed in principle. Secured by Design Certification is awarded to those developers who achieve a satisfactory standard in design. The Council would encourage developers to aim for this certification and seek dialogue throughout the initial planning stage with local Police Crime Prevention Design Advisors.
- 5.9 Good design of living accommodation will greatly enhance security; the Council wishes to see a high-density flatted development; particular emphasis should be given to guidelines for multi-occupancy dwellings. Communal main entrances should serve a maximum of eight dwellings and incorporate access control. There should be vehicular access to the development via Axe Street, which leads to a secure vehicle parking area. The access may form part of the buildings or be identified by symbolic barriers, brick pillars, or columns and should ideally incorporate a system of access control.
- 5.10 Movement patterns in relation to the development will be expected to produce natural activity and surveillance at street level. All proposed pedestrian links within the site must maintain natural lines of sight and be overlooked. The creation of alleyways, unobserved spaces and recesses that create hiding places must be avoided. Effective artificial and day lighting should be sensitively applied with maximum reduction of shadows. Low-level lighting should be avoided, as it is particularly prone to damage. All street furniture must be robust, discourage graffiti, vandalism and deny climbing access to neighbouring property. The design should also avoid blank flank walls, which appear to lack a sense of ownership, as they can be a target for graffiti, and the creation of recesses and blind corners.

Image and visual impression

- 5.9 It is important to introduce a development that raises the profile of Barking as an attractive place to live work and visit. The involvement of an artist in the design of the scheme and/or the design of features including, lighting, signs/way marking and balconies or bay-windows, will help create an identity and legibility of the area, and make an impact along the public transport routes. Careful consideration must be given to massing, height and appearance.

A sense of place

- 5.10 In addition to high quality architecture, the land use proposals, shop front design, and choice of materials must all contribute to the effective revitalisation of the public spaces. Developers must demonstrate how their proposed scheme links as two phases and a consistent and sensible approach must be taken to street furniture and cluttering routes should be avoided. Proposals will need to solve the ambiguity between private and public space and the backs and fronts of buildings.

Landscape

- 5.11 Within the public realm, carefully designed landscape treatments should be provided to create and define private and public spaces. Innovative landscape schemes should be provided to ensure that any car parking areas and soft landscape treatments are integrated carefully and into the overall public realm. A Landscape scheme should also consider the potential for creating habitats for urban wildlife and contain species with good wildlife value.

6. TRANSPORT AND INFRASTRUCTURE

Parking and servicing

- 6.1 The Council has published interim car parking standards (January 2002). The area is partly within the Barking Town Centre Buffer Zone i.e. located within a 400m radius from Barking Station. The standards are as follows:

Residential

- 6.2 *Maximum* number of car spaces per unit: 0.5 spaces. Car free housing will be considered in areas that are within walking distance and close to public transport facilities.

Further information and other uses

- 6.3 For more detailed information and for the level of car parking required for other uses developers are referred to the interim parking standards. It should also be noted that the site is within the Barking town centre Controlled Parking Zone (CPZ). It is expected that the CPZ will be extended to this site. The costs of this will be required from the developer via a section 106 agreement.

Provision for bicycles

- 6.4 In line with Policy T19 the council requires that proposals have appropriate provision for cycle access and parking. There should also be adequate provision of secure cycle storage in any housing scheme.

Services

- 6.5 Developers will be responsible for checking for services on site. Evidence suggests that along with an existing statutory fire hydrant, Essex and Suffolk Water Company, Thames Water, British Telecom and London Power Networks could have assets on the site. It should be assumed that Transco pipes are on site - hand dug trial holes maybe required.
- 6.6 Any proposed dwellings would need to be supplied from the existing 9" main water supply in Ripple Road. It is therefore recommended that any planning layout take this into account.
- 6.7 It is the developer's responsibility to make proper provision for the drainage of surface water to ground, watercourses or surface water sewer. This should be in accordance with government guidance. If upgrading of sewage is required developers would be required to fund associated studies and upgrading of the network. Thames Water requires 24-hour vehicular access to any pedestrian area to undertake emergency work this should not be impeded by street furniture. Any tree planting should take account of the location of existing or proposed sewers.

Drainage

- 6.8 It is the developer's responsibility to make proper provision for drainage of surface water to ground, watercourses or surface water sewer. It must not be allowed to drain to the foul sewer, as this is a major contributor to sewer flooding. This should be in accordance with government guidance. If upgrading of sewage systems were required, developers would be required to fund associated studies and the upgrading of the network. Tree planting should take account of the location of existing or proposed sewers. Thames Water also requires 24-hour vehicular access to any pedestrianised area to undertake emergency work, this should not be impeded by street furniture.

Foul Sewerage

- 6.9 Under the Water Industry Act, Thames Water has a duty to ensure that its area is effectively drained and to effectively deal with the contents of the sewers. That duty is mindful of available resources. Even small-scale development can have significant impact on infrastructure and, if necessary, developers would be required to fund associated studies and upgrading of the network. In context of this perspective developers should contact Thames Water at the following address:

Thames Water Utilities Ltd
Developers Services Waste
Kew Business Centre
1 Kew Bridge Road
Brentford
Middlesex
TW8 0EE

Contamination

- 6.10 As with all brownfield sites' there is potential for the site to be contaminated. The Council will provide as much information as there is available to developers on the site's history, and previous uses. If contamination is found remediation to current standards will be required.

7. INFORMATION REQUIRED TO SUPPORT APPLICATION - SECTION 106 REQUIREMENTS

Urban Design Statement

- 7.1 The Council will require proposals to be accompanied by a statement explaining the rationale behind the design for the development. This should include the reasons behind the bulk and height of the proposed developments, how they relate to each other and to existing buildings and an analysis of potential movement around the site. The statement should also include information on how quality considerations and sustainability aspects have been addressed in the design approach proposed (see CABA's Design Review) Accurate drawings showing adjoining existing development should be part of the submission.

Transport Impact and Access Requirements

- 7.2 Any development should be of a scale commensurate with the surrounding road infrastructure. A Transport Impact Assessment will be required including the ELT and should be submitted as part of any major development scheme.

Environmental Impact Assessment

- 7.3 The Council although unlikely, may require assessment of the environment impact of the proposed development in the form of an Environmental Impact Assessment. This should be a detailed technical statement with executive summary and show existing and forecast likely impacts.

Noise Impact Assessment

- 7.4 A statement on the impact of noise from the road and how this is to be addressed will be required.

Management of the Public Realm

- 7.5 The Council will require details of the management plans for areas of open space (both public and private) to be submitted with any planning application.

Archaeological Assessment

- 7.6 The Council requires a desk based archaeological desktop study and field evaluation prepared with reference to the GLAAS Archaeological Guidance Paper 1 (June, 1998), and look in detail at the impact on potential remains of all aspects for the redevelopment.

Status of the brief

- 7.8 Executive Committee has approved this planning brief on 25 November 2003. It is therefore a material consideration in the determination of planning applications and supports the Council's Unitary Development Plan.

7. DRAWINGS ILLUSTRATIONS REFERENCES

Illustrations

Plan A The site Location
Diagram

References

- The Draft London Plan 2002
- The LBBU Unitary Development Plan 1996
- Inclusive mobility: A guide to best practice on access to pedestrian and transport infrastructure OPDM 2002
- Urban White Paper 2000
- Barking Town Centre Framework 2003

APPENDICES

APPENDIX A

LBBD Community Priorities

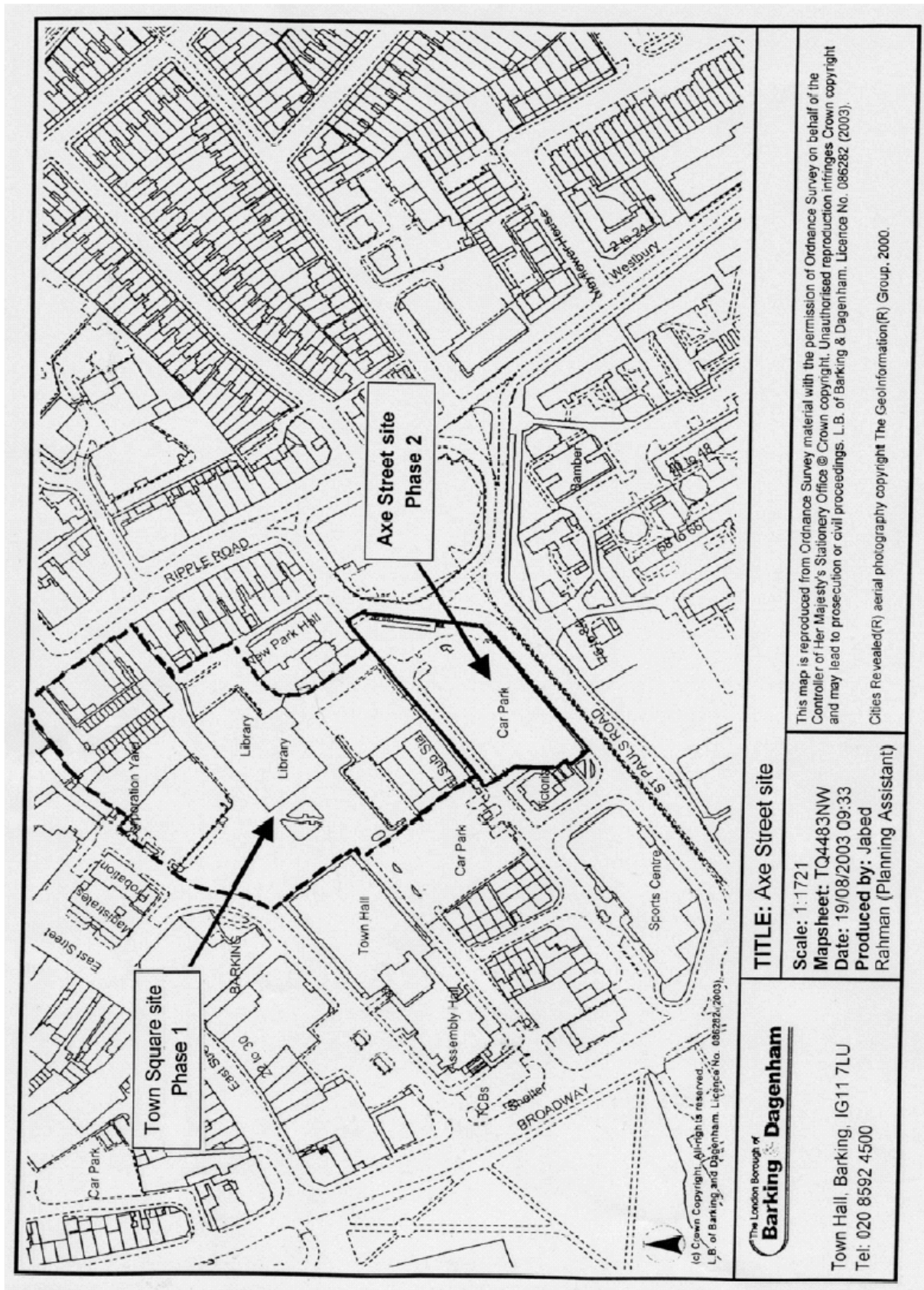
- Promoting Equal Opportunities and Diversity
- Better Education and Learning for All
- Developing Rights and Responsibilities with the Local Community
- Improving Health, Housing and Social Care
- Making Barking and Dagenham Cleaner, Greener and Safer
- Raising General Pride in the Borough
- Regenerating the Local Economy

APPENDIX B: Life Time Homes Summary

- 1 Where there is car parking adjacent to the home, it should be capable of enlargement to attain 3300mm width
- The general provision for a car parking space is 2400mm width. If an additional 900mm width is not provided at the outset, there must be provision (e. g. a grass verge) for enlarging the overall width to 3300mm at a later date
- 2 The distance from the car parking space to the home should be kept to a minimum and should be level or gently sloping
- It is preferable to have a level approach. However, where the topography prevents this, a maximum gradient of 1: 12 is permissible on an individual slope of less than 5 metres or 1: 15 if it is between 5 and 10m, and 1: 20 where it is more than 10m.* Paths should be a minimum of 900mm width
- 3 The approach to all entrances should be level or gently sloping
- See standard 2 above for the definition of gently sloping
- 4 All entrances should:
- The threshold upstand should not exceed 15mm
- a) be illuminated
- b) have level access over the threshold and
- c) have a covered main entrance
- 5 a) Communal stairs should provide easy access and
- Minimum dimensions for communal stairs*
Uniform rise not more than 170mm
Uniform going not less than 250mm
Handrails extend 300mm beyond top and bottom step
Handrail height 900mm from each nosing
- b) where homes are reached by a lift, it should be fully wheelchair accessible
- Minimum dimensions for lifts*
Clear landing entrances 1500x1500mm
Min. internal dimensions 1100x1400mm
Lift controls between 900 and 1200mm from the floor and 400mm from the lift's internal front wall
- 6 The width of the doorways and hallways should conform to the specifications in the next column .
- Doorway clear opening width (mm)*
Corridor/ passageway width (mm)
750 or wider
900 (when approach is head- on)
750 1200 (when approach is not head- on) 775
1050 (when approach is not head- on) 900
900 (when approach is not head- on)
The clear opening width of the front door should be 800mm. There should be 300mm to the side of the leading edge of doors on the entrance level
- 7 There should be space for turning a wheelchair in dining areas and living rooms and adequate circulation space for wheelchair users elsewhere
- A turning circle of 1500mm diameter or a 1700x1400mm ellipse is required
- 8 The living room should be at entrance level
- 9 In houses of two or more storeys, there should be space on the entrance level that could be used as a convenient bed- space

- 10 There should be:
a) a wheelchair accessible entrance level WC, with
b) drainage provision enabling a shower to be fitted in the future
- The drainage provision for a future shower should be provided in all dwellings
Dwellings of three or more bedrooms
For dwellings with three or more bedrooms, or on one level, the WC must be fully accessible.
A wheelchair user should be able to close the door from within the closet and achieve side transfer from a wheelchair to at least one side of the WC. There must be at least 1100mm clear space from the front of the WC bowl. The shower provision must be within the closet or adjacent to the closet (the WC could be an integral part of the bathroom in a flat or bungalow)
Dwellings of two or fewer bedrooms
In small two- bedroom dwellings where the design has failed to achieve this fully accessible WC, the Part M standard WC will meet this standard
- 11 Walls in bathrooms and toilets should be capable of taking adaptations such as handrails
- Wall reinforcements should be located between 300 and 1500mm from the floor
- 12 The design should incorporate:
a) provision for a future stair lift
b) a suitably identified space for a through-the- floor lift from the ground to the first floor, for example to a bedroom next to a bathroom
- There must be a minimum of 900mm clear distance between the stair wall (on which the lift would normally be located) and the edge of the opposite handrail/ balustrade. Unobstructed 'landings' are needed at top and bottom of stairs
- 13 The design should provide for a reasonable route for a potential hoist from a main bedroom to the bathroom
- Most timber trusses today are capable of taking a hoist and tracking. Technological advances in hoist design mean that a straight run is no longer a requirement
- 14 The bathroom should be designed to incorporate ease of access to the bath, WC and wash basin
- Although there is not a requirement for a turning circle in bathrooms, sufficient space should be provided so that a wheelchair user could use the bathroom
- 15 Living room window glazing should begin at 800mm or lower and windows should be easy to open/ operate
- People should be able to see out of the window whilst seated. Wheelchair users should be able to operate at least one window in each room
- 16 Switches, sockets, ventilation and service controls should be at a height usable by all (i. e. between 450 and 1200mm from the floor)
- This applies to all rooms including the kitchen and bathroom

Site Location Plan A



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THE EXECUTIVE**20 JANUARY 2003****JOINT REPORT OF THE DIRECTOR OF LEISURE AND ENVIRONMENTAL SERVICES
AND THE DIRECTOR OF HOUSING AND HEALTH**

LONDON ROAD / NORTH STREET RE-DEVELOPMENT	FOR DECISION	
<p><u>Summary</u></p> <p>This report updates Members on the London Road / North Street project and outlines the process for bringing the site forward for development.</p> <p>It is proposed that a partnership is formed with Metropolitan Housing Trust, one of the Councils preferred RSL partners. The Metropolitan Housing Trust will formulate a comprehensive stakeholder involvement strategy, which will be in line with the Council's consultation strategy.</p> <p>This work will be informed by two strategic studies being carried out for Barking town centre: Retail and Leisure Capacity Study and Car Parking Strategy Study.</p> <p><u>Recommendations</u></p> <p>The Executive is requested to:</p> <ol style="list-style-type: none"> 1. Agree to the partnership with Metropolitan Housing Trust to produce a development brief for the London Road/North Street area. 2. Agree to comprehensive stakeholder engagement to produce the development brief. 3. Agree that funding be sought to facilitate the stakeholder engagement 		
<p>Contact Officers: Julie Davis Jennie Coombs</p>	<p>Project Manager DLES Project Manager H & H</p>	<p>Tel: 020 8227 3947 Fax: 020 8227 5736</p>

1. Background

- 1.1 The London Road/North Street block consists of a medium rise residential block, containing 64 flats with shops units on the ground floor, the majority of which are in Council ownership. There are seven leaseholders within the block. In addition the Council is the owner of the car park to the rear of the block (see Plan **).
- 1.2 A number of factors have prompted the bringing forward of this area for renewal. Firstly the potential for this block to be targeted for improvement or redeveloped has been raised in the past with block residents: tenants and leaseholders. However, funding for any work other than capital programme improvement has not been available.

- 1.3 Secondly in spring 2002 the Council appointed the consultants 'EAST Sergeson Bates' to prepare a Framework Plan for Barking town centre. The Framework Plan was agreed by the Executive on 18th March 03, as the strategy for the development of the town centre. The Framework presents a bold vision of Barking town centre as a lively, urban mixed-use town centre, incorporating housing, leisure, employment and retail uses. The London Road area is identified as an area for change and a number of uses for the site and principles for development are outlined.
- 1.4 The principles and uses identified in the framework were for a dense mixed-use development of new housing, retail and market spaces and community uses. The Framework also identified a new pedestrian access route through the site including the market and considered the pedestrianisation of London Road, if the East London Transit runs along Ripple Road requiring the relocation of Barking market.
- 1.5 At the time of the preparation of the Framework this area was being considered as a potential site for the Barking Foyer now proposed at Wakering Road. However, the other uses and development principles identified are still appropriate, but will be tested during the preparation of the development brief with stakeholders and development partners.
- 1.6 Since the adoption of the Framework Plan residents have been informed by letter of the proposals and it is now imperative that the Council begins to further involve residents in the future of this area.

2. Partnership Development

- 2.1 The Metropolitan Housing Trust has been approached as a preferred partner for the housing part of this development and has been asked to prepare a proposals document for consideration. This proposal will include funding options, suggested timetable, a consultation strategy, and design options and feasibility work for a mixed-use scheme. A private sector developer will be appointed to take forward the non housing parts of the scheme.
- 2.2 There are a number of pieces of land adjacent the Council's land holding which should be considered for inclusion in the whole scheme. As part of the Sustainable Communities Fund money a land acquisition strategy will be brought forward for the Executive's consideration

3. Consultation Strategy

- 3.1 It is key to this project's success that there is active community involvement, the Council and Metropolitan Housing Trust will prepare an extensive involvement strategy as part of the work for the Development Brief. This strategy will be in line with the Borough's Draft Consultation Strategy.
- 3.2 The carrying out of effective consultation is costly; therefore officers are looking at potential funding sources such as a bid to the CABE regional funding programme. If this bid is successful it will be facilitated by the Abbey Gascoigne Community Development Trust

4. Development Feasibility.

- 4.1 A number of elements need to come together to ensure the optimum development of this site. Wide-ranging and in-depth consultation is needed with the local stakeholders to ensure that their needs and wishes are taken account of in any development. In addition a number of technical studies need to be completed to define both the boundary of the site and the precise range of uses to be provided. Any development will replace the 64 affordable units on the site.
- 4.2 These technical studies include the recently commissioned car parking strategy and the proposed retail and leisure capacity study for Barking Town Centre.
- 4.3 *Car Parking Provision* -The North Street car park currently generates income of £50,000 per annum from 61 spaces of which over 90% are shoppers. In addition current development proposals will at Clock House (town Square) Wakering Road (potential Foyer), at Axe Street (town Square phase 2) result in the temporary loss of 125 spaces and the permanent loss of 57 spaces at Wakering road as previously agreed by Executive 12th August 2003.
- 4.4 In addition income will be lost, estimated at £243,608.98 revenue annually taking into account savings in management costs of £28,036.69 if the council does not manage the car parks. The only other car park in the town centre available for public use is Vicarage field, which operates as a private car park. The moving of staff parking from the Town Hall car park and Town Hall over-spill car park in Axe Street 100/50 spaces to London Road multi-story will use up all available parking space. The re-designating of the Town Hall Staff car park as a public car park will only release 100 parking spaces leaving a shortfall of 182 spaces with, at present; no allowance for future growth. Any loss of income as a result of these proposals will be contained within the overall car parking revenue account.
- 4.4 The car parking strategy commissioned attempts to examine these issues in detail and establish the car parking impacts of the proposed regeneration and development of Barking Town Centre. The strategy will look at managing car park provision during the various stages of development, make car parking policy recommendations and provide a strategy to deal with demand, ensuring the continued success of the centre. The completed consultant's report is expected in January 2004; the outline results of this study will be reported to the Executive in February 2003.
- 4.5 At present it is not proposed to remove car parking from this site in line with current Council policy. This report may, however, influence the re-provision of public car parking on this site.
- 4.7 *Mix of uses* -The London Development Agency and English Partnerships jointly funded with LBBB the retail and leisure capacity study. This study aims to establish the existing health of the town centre and then predict the likely amount of retail and leisure development that may be needed in the context of both the renewal of Barking Town Centre and the regeneration of London Riverside. The final consultant's report on is programmed early 2004. This will inform the development of this site.

4.8 Following the results of the studies, stakeholder involvement and the architect's feasibility work a joint development brief for the site will be formulated. This brief will be reported to Members, when prepared, the current timetable is for this to be ready in summer 2004.

5. Development Programme.

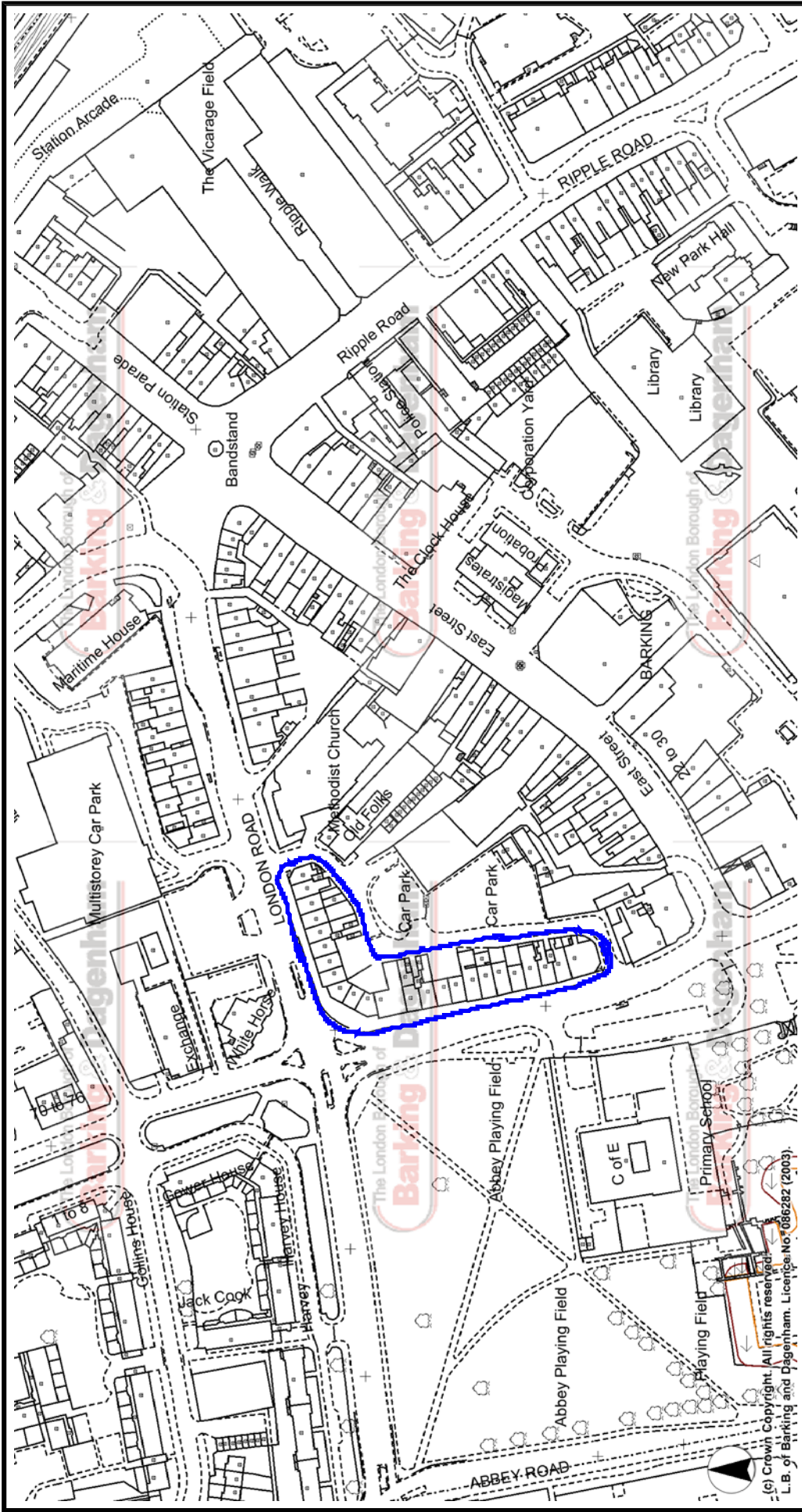
5.1 Tenants will be given the right to return to the new affordable homes on the development site. This will affect the development programme, also as people will be actively involved in the planning of their new homes it may affect the final form of the development though it will be balanced by need to ensure financial viability. The phasing of development may also need to be planned to enable tenants to be moved only once. The provisional development programme to bring the site on stream is as follows:

Action	Date
Stakeholder consultation	First – Second quarter 2004
Results of Retail and Leisure Capacity Study	First quarter 2004
Results of car parking strategy study	First quarter 2004
Joint Development Brief	Third quarter 2004
Planning Application	Forth quarter 2004
ADP funding bid	Third quarter 2004

6. Conclusions

6.1 The London Road/North Street area is a key opportunity to begin the regeneration process for Barking Town Centre in line with the agreed Barking Town Centre Framework.

6.2 The decisions requested in this report would enable this project to proceed to next stage in delivering these outcomes.



TITLE: London Road / North Street Redevelopment

Scale: 1:1749

Mapsheet: TQ4484SW

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Produced by:



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THE EXECUTIVE**27 JANUARY 2004****REPORT OF THE DIRECTOR OF HOUSING AND HEALTH**

HOUSING REVENUE ACCOUNT ESTIMATE AND REVIEW OF RENTS - 2004 / 2005	FOR DECISION	
<p><i>This report requires a decision in respect of rent levels for 2004-05,</i></p> <p><u>Summary</u></p> <p>This report sets out a review of the Housing Revenue Account estimates for 2003-04 and 2004-05 and the level of rents for Council Tenants for 2004-05.</p> <p><u>Recommendations</u></p> <p>The Executive is asked to:</p> <ol style="list-style-type: none"> 1. Consider and approve the revised estimates for 2003-04 and the estimates for 2004-05 as set out on Appendix A with or without amendments. 2. Subject to (1) above, recommend rent increases calculated in accordance with the rent restructuring formula. This will mean an average weekly rent increase of £2.22 per dwelling (3.8%). Tenants in smaller flatted accommodation will generally have lower increases while tenants in larger houses will have higher increases. 3. Recommend that any changes take effect from 5 April 2004. 4. Make representation to ODPM to apply the lower Right to Buy Discount. <p><u>Reason</u></p> <p>There is a statutory duty to review rent levels annually and to ensure they conform with rent restructuring proposals, and to produce a balanced Housing Revenue Account.</p>		
<p>Contact Officer: Colin Rigby</p>	<p>Head of Finance (Housing and Health)</p>	<p>Tel: 020 8227 5710 Fax: 020 8227 5705 Minicom: 020 8227 5755 E-mail: colinrigby@lbbd.com.uk</p>

1. Background

- 1.1 The Government published a Green Paper in April 2000, "Quality and Choice: A decent home for all". This set out its proposals for restructuring rents in the social housing sector. Following extensive consultation, they produced their response in the policy statement "Quality and Choice: a decent home for all, the way forward for housing". The stated objective was to move towards a fairer system for setting affordable social housing rents with the main aims being to:

- Keep social rents affordable and below the private sector
- Limit RSL rents to RPI + ½% with Local Authority rents slightly higher to help achieve convergence and to reflect the anticipated investment in improving the local authority stock.
- Implement a system, which reflects property size, value and local earnings.
- Achieve a coherent structure for social rents within 10 years.
- Fully compensate the majority of tenants through housing benefits and limit increases to RPI + ½% + £2 per week.

- 1.2 Since the publication of the above document, the Local Government Act 2003 has been published together with various consultation papers which have reviewed every component within the housing subsidy formula. Although these add nothing new to rent proposals, they do have implications for the Housing Revenue Account (HRA) as the subsidy received will be significantly reduced. These will be discussed later.
- 1.3 Previously, Local Authorities have had to ensure that rents are reasonable, reviewed from time to time and have regard to rents in the private sector. This has now been repealed by Section 92 of the Local Government Act 2003. They now have to be calculated in accordance with the formula set by the Office of the Deputy Prime Minister (ODPM).
- 1.4 This removes any flexibility local authorities and tenants may have had in determining rent levels, and therefore the level of service provision. Tenants will be protected from potentially large increases, especially in authorities where rents are well below RSL levels and its target (formula) rent, by a capping system.
- 1.5 The rents for the current year were calculated on a weighted basis as the IT systems were not in place to calculate formula rents. The previously used points system has now been phased out. From next year rents will be fully based on the new property specific rent formula.

2. Housing Revenue Account - Subsidy

- 2.1 The Government have completely overhauled the working of the HRA subsidy over the last few months with revisions to all the component parts. These include:
- Introduction of Rent restructuring
 - Housing Benefit reforms
 - Capital Financing proposals.
 - Reforms of Management and Maintenance allowances

When the HRA Business Plan was produced in July 2002, before most of these proposals became known, a balanced HRA was projected for the next 30 years.

The changes that are proposed from 2004-05 will mean a balanced HRA will not be possible if the current level of service is to be maintained.

Based on estimates produced prior to the publication of the above proposals, the HRA would have been able to maintain existing services, make a sizeable contribution to the Capital Programme and retain a working balance between £1m and £3m.

The effects of the above can be summarised as follows:

3. Rent Restructuring

- 3.1 ODPM have introduced rent restructuring because they believe the current rent structures are confusing and unfair. They have evidence that some authorities charge up to a third more than a similar property in a neighbouring borough. They also say RSLs are charging up to 50% more than local authorities for similar properties, and differentials for bedroom sizes etc vary widely from authority to authority.
- 3.2 The methodology for calculating rent under the new system was set out in detail in last years rent report, together with the likely effects it would have on Barking and Dagenham.

The overall effect of rent restructuring will be to ensure rents of similar properties in similar locations, irrespective of the landlord, will have similar rents. Also the rents should reflect more accurately the difference in property types. Therefore the rent of a one bedroom flat in a high-rise block should have a significantly lower rent than a four bedroom house. This has been one of the main flaws of the previous points system where the differentials were narrow and unrealistic.

An example of this is:

	Points	Formula	Difference
	£ p	£ p	£ p
1 bed high rise flats	54.33	44.62	-9.71
4 bed houses	62.17	74.52	12.35
Difference	7.84	29.90	22.06

The table below shows a comparison of the current, formula and subsidy rent levels, together with projected increases in line with ODPM assumptions, for the rent restructuring period.

Year	Rents					
	Formula		Actual		Subsidy	
	Increase	Rent	Increase	Rent	Increase	Rent
	£ p	£ p	£ p	£ p	£ p	£ p
2003-04	2.19	56.38	1.97	58.43	2.42	49.16
2004-05	2.30	58.68	2.22	60.65	3.22	52.38
2005-06	2.35	61.03	2.25	62.90	3.35	55.73
2006-07	2.44	63.47	2.28	65.18	3.40	59.13
2007-08	2.54	66.01	2.30	67.48	3.50	62.63
2008-09	2.64	68.65	2.35	69.83	3.55	66.18
2009-10	2.74	71.39	2.40	72.23	3.62	69.80
2010-11	2.85	74.24	2.45	74.68	3.68	73.48
2011-12	2.97	77.21	2.53	77.21	3.73	77.21

- 3.3 As the current rents are slightly above the proposed formula rent, actual rent increases will need to be just below ODPM's deemed increase in formula rents. As subsidy rents are well below the actual and formula rent, this will increase at a higher rate. We lose subsidy £ for £ for any increase in the subsidy rent, therefore there will be a net loss to the HRA. This will be offset to some extent by the clawback of the

Housing Benefit Limitation which has reduced the subsidy over the last few years due to previous rent increases being above government guidelines.

- 3.4 The subsidy determinations show an increase in formula rents of £2.30 (4.09%) and £3.22 (6.55%) for subsidy rents. If actual rents are increased by RPI + 1% in accordance with the Business Plan and tenants consultation, this will mean an average increase of £2.22. Under rent restructuring, the likelihood is that tenants in flats will have a significantly lower increase than those in houses, however all increases will be limited to 3.3% + £2 in accordance with government caps.

4. Housing Benefit Reforms

- 4.1 Housing Benefits are to be transferred from the HRA to the General Fund with effect from the 1st April 2004. This has been on the Governments agenda for a number of years as they believe housing benefits are not a true Landlord cost. The financial effect of this should be neutral, however in most authorities there will be a small gain to the HRA as a result of the incentive payments. Barking and Dagenham are one of only three authorities where the reverse may apply.

The Benefit Limitation will still remain a charge to the HRA, although the proposals to change it to a property specific basis rather than overall averages, has been put back another year. If rents are increased above the rent restructuring limits, then the charge to the HRA will increase.

5. Capital Financing Proposals

- 5.1 The changes proposed here will have no effect on Barking and Dagenham due to our debt free status. Only authorities with debt may lose out. This will only be during the transitional period, therefore if we planned to go back into debt in the future, there will be no financial loss.

6. Management and Maintenance Reforms

- 6.1 These are by far the most significant changes for Barking and Dagenham, and most of London. ODPM commissioned the Building Research Establishment (BRE) to undertake a review of the M&M allowances used in the subsidy calculation. The elements within the formulas have been completely changed and benefit northern authorities. Although the elements are more transparent and difficult to argue against, data used is limited and not detailed. In the initial consultation paper an additional 10.6% was added to the allowances available nationally, but where an authorities target allowances were lower, the proposal was to freeze them for the first two years with no decision regarding future years. This meant a real cut in subsidy received.
- 6.2 There is currently a separate allowance per dwelling for management and maintenance. Subsidy is calculated by multiplying these figures by the average stock.
- 6.3 The allowances per dwelling for Barking and Dagenham in the initial consultation paper were as follows:

	Management	Maintenance	Total
	£ p	£ p	£ p
Current 2003-04	495.42	1175.73	1671.15
Target 2004-05	477.88	1104.74	1582.62

- 6.4 Whereas we were anticipating an increase of up to 10.6%, the initial consultation paper capped our allowances at the 2003-04 levels, a real reduction. However, following a vigorous campaign by London authorities, ODPM have conceded some ground and have allowed inflation increases. They have also made some other changes to the various elements within the formula, and as a result there has been a shift in our revised target figures.

	Management	Maintenance	Total
	£ p	£ p	£ p
2003-04 Current	495.42	1175.73	1671.15
2004-05 (2003-04 inflated)	508.23	1206.02	1714.25
2004-05 Target	538.41	974.18	1512.59

- 6.5 Although this means there will be a small increase in the allowances for 2004-05, when the transitional arrangements come to an end, the HRA will be worse off as our target spending level is nearly 10% below our current allowances.
- 6.6 The effect of all the above changes will mean the HRA will no longer be able to remain in balance without cuts being made in service delivery.

7. **Proposed Rent Levels**

- 7.1 As part of Resource Accounting, there is a requirement for local authorities to produce meaningful Business Plans. A 30 year plan was produced in 2000 with members and tenants fully involved in the consultation process. Arising from the consultation, it was agreed to limit rent increases, to an average of RPI + 1% for the next few years, plus or minus a factor to meet rent convergence with RSLs.
- 7.2 As can be seen from the table in paragraph 3.2, average rents in Barking and Dagenham are already close to the formula rent. This will mean that to be at the formula rent by 2012, the rents will need to increase in line with the year on year increases set by ODPM. The determinations for 2004-05 have increased the formula rent by 4.09%
- 7.3 Inflation set by ODPM for subsidy purposes is 2.8%, therefore an average increase of RPI + 1% (3.8%) will be in line with the rent restructuring proposals and the agreement of tenants. This will mean an average increase for 2004-05 of £2.22 per week.
- 7.4 If a lower increase is adopted, then cuts in the levels of service outlined later in the report, will need to be considered, and higher than average rent increases will be required in later years. If a higher increase is proposed, then additional growth could be considered in the short term, however, as the 2012 target will still need to be adhered to, lower than average increases will be required in the future.

- 7.5 Any increase significantly different from the rent restructuring proposals is likely to be challenged by the External Auditor.
- 7.6 The Government are also proposing converging Local Authority and RSL rents by 2012. As RSL rents are currently higher than Local Authority rents, their annual increases are being capped to RPI + ½%.

Based on the proposed rent levels for 2004-05 and projecting forward in line with the ODPM proposals, our rents will still be slightly below RSL rents in the borough by 2012. However, as ODPM cannot influence RSL rents in the same way as local authority rents, there is no guarantee the RSLs will keep to the restricted increases which could mean that if ODPM still want to achieve convergence, local authority rents may need to be increased over and above the current proposals.

- 7.7 Barking and Dagenham have always had the lowest or second lowest rents in Outer London. Under the new rent restructuring proposals, this is unlikely to change as the only variable in the new rent setting formula is the property value. Although Barking and Dagenham currently have the lowest values in Outer London by some margin, property prices in the borough have increased by 32% over the last year and have outstripped all other London Boroughs.
- 7.8 Any further comments received from tenants following the on going consultation will be reported to Members.

8. The Housing Revenue Account - 2004-2005

- 8.1 All relevant estimates within the HRA have been increased in line with the agreed inflation factors. Due to the reduction in HRA subsidy, even with the transitional concessions, there will still be a deficit on the HRA. This is without any provision for existing and future pressures and maintaining the revenue contribution to capital in line with the Business Plan. This deficit is projected to rise year on year as follows:

Year	Deficit
2004-05	£1.1m
2005-06	£1.8m
2006-07	£2.3m
2007-08	£2.5m
2008-09	£2.9m
2009-10	£2.9m
2010-11	£3.0m
2011-12	£3.2m

- 8.2 Two pressure areas have been identified which need to be considered. The first is a catch up repair programme. Over the years, the condition of many of the housing estates have deteriorated, especially the communal areas of medium and high rise blocks. Now that the repairs service is being run in partnership with Thames Accord, noticeable improvements are being achieved in the current service delivery. Also the MRA programme of extensive refurbishments inside tenants properties is also having a positive effect. On the back of this, it would be the ideal time to introduce a programme to address the outstanding works required not being covered by existing programmes. An initial budget of £500,000 per annum for three years is proposed and delegated to the CHPs.

- 8.3 The second pressure is as a direct consequence of government legislation requiring all local authorities to carry out a complete review of its stock, which needs to be assessed and approved by ODPM by July 2005.
- 8.4 This work is being undertaken by the Housing Futures Steering Group and is detailed and prescriptive. An initial budget has been agreed for essential set up costs and consultation, however it is necessary to undertake a stock condition and housing needs survey as well as maintain extensive tenant consultation throughout the process. At this stage it is not known how detailed the surveys will need to be and what the cost will be, but based on the survey undertaken three years ago, a budget provision of £400,000 is requested for 2004-05 only.
- 8.5 The revenue contribution to capital was initially set up to part fund the Shape Up for Homes programme. Now that it is coming to an end, the contribution could stop. However, the business plan has assumed annual contributions in the region of £3m, will continue at least until 2010, to ensure the decent homes target could be met.
- 8.6 Since the business plan was established, ODPM have made wholesale changes to the capital financing rules. These have been reported to members previously, but as far as the decent homes target is concerned, it now means there will be a shortfall in funding in excess of £100m.
- 8.7 The importance of the revenue contribution to meet the decent homes target is no longer as crucial as originally anticipated, therefore it is proposed that it is reduced in order to ensure the HRA remains in balance whilst allowing for the identified pressures to be funded.

Proposed contributions will be as follows:

Year	Contribution
2004-05	£1m
2005-06	£2m
2006-07	£2m
2007-08	£2m
2008-09	£1m
2009-10	£0

- 8.8 The Major Repairs Allowance (MRA) paid by ODPM will reduce by approx £1m in 2004-05 due to a change in the methodology used in its distribution. This coupled with the proposed reduction in the revenue contribution and the already sizeable shortfall in the decent homes target, will mean a complete review of the funding of the Housing Capital Programme is required. RTB receipts and other Housing receipts (apart from the transitional period), are not ring fenced for housing therefore a bid will need to be made for a larger share of these receipts. The actual position will become clearer once the Housing Futures Review is completed.
- 8.9 The proposed Housing Revenue Account for 2004-05 is attached at Appendix A and ensures all the spending proposals can be funded from the proposed rent levels. No subsidy will be received in 2004-05 following the transfer of rent rebates from the HRA to the General Fund. In future, as the subsidy calculation shows a surplus, then this will need to be repaid to ODPM. For 2004-05, this is estimated to be £7.5m. Appendix B shows the HRA projected to 2011-12 based on current assumptions.

- 8.10 Service charges have been introduced from 2003-04 for certain new or additional services. A detailed report has been submitted to Members setting out the conditions and procedures to be adopted. The first service charge was introduced for the tenants at Goresbrook Village for the concierge system. This is to be phased in over a five year period and tenants have been fully consulted. Current security schemes have been drawn up in conjunction with the CHPs and tenants have been fully consulted as to the level of service charge. These will be fully operational during 2004-05.
- 8.11 Service provision will continue to be evaluated on an ongoing basis to ensure further savings can be identified, however this will need to be balanced against the need to improve our overall CPA rating for management and maintenance.
- 8.12 Following an extensive review of the grounds maintenance service, it has been identified that the HRA has been paying for services not related to the Landlord function. This will mean a reduction of expenditure to the HRA in the region of £500,000. It has been recommended this is phased in over two years, £250,000 in 2004-05 and £250,000 in 2005-06. This sum will now need to be met from the General Fund.
- 8.13 The Thames Accord contract is due for its annual review in May. The estimate for 2004-05 has been increased in line with inflation less an allowance for the reduction in stock and efficiency savings as a result of the new management arrangements.

9. Summary

- 9.1 This report has tried to bring together all the current factors that are likely to influence the HRA for 2004-05, especially the significant effect rent restructuring will have in the future.
- 9.2 It will be necessary to constantly monitor the HRA to ensure that as far as practical, it remains in balance. Should any deficit arise at the end of the year, then that deficit will need to be recouped in the following year unless it can be met from the working balance. It is normal practice to maintain a working balance of between £1m and £2m to meet any unforeseen circumstances. However, as the effect of the government proposals will be phased in due to the transitional arrangements, it is suggested a higher working balance be maintained in the next couple of years to offset the full effect in later years. If circumstances change, then this policy can be reviewed.
- 9.3 The full affect of Resource Accounting and Rent Restructuring has been reflected in the estimates for 2004-05, based on information received to date.
- 9.4 A review of existing services is planned for 2004-05 to consider whether service charges can and should be introduced, providing they would be eligible for housing benefit. The outcome of this review will be reported to Members in due course.
- 9.5 Regular consultation has taken place, and will continue to take place, with tenants in respect of the Business Plan, future rent levels and spending options. They currently support the proposals set out in the report and the Business Plan. The Portfolio Member, Deputy Leader and the Director of Finance have also been consulted.
- 9.6 ODPM have published a booklet explaining rent restructuring and it is proposed to distribute this to all tenants with their rent notification letter. A copy has been circulated to all Executive Members and is available in the Members Rooms.

10. Right To Buy Discounts

- 10.1 In March 2003, the Government reduced the discount tenants in London are entitled to from £38,000 to £16,000 as they were concerned by the significant housing market pressures in London as evidenced by the high levels of homelessness and high local house prices. Other changes were also implemented in an attempt to slow down the rate of sales and to ease the homeless problems.

Barking and Dagenham, along with Havering and Greenwich, were excluded from the reduced discount as the Government did not believe we had the same pressures, especially regarding homelessness, as the rest of London.

- 10.2 Over the last few years, the success of the LA SHG programme has enabled properties lost through the right to buy to be replaced almost one for one. These have generally been better quality accommodation and have given tenants greater choice.

Following the cessation of the LA SHG programme, the capacity to replace dwellings has diminished and is regarded as a contributory factor in the rise in homeless in the borough.

- 10.3 Sales over the last few months have increased significantly and are projected to continue at this level for several months. Also market values in Barking and Dagenham have risen faster than any other London Borough over the last year.

On the plus side, this means a higher level of capital receipts will be generated to fund capital projects, however from 1st April 2004, 75% will have to be paid to the Government. There will be transitional arrangements in the first three years for debt free authorities.

On the negative side, the loss of rent is greater than estimated therefore having a detrimental effect on the HRA.

As the benefits from the capital receipts will reduce from 1st April 2004, the impact on rents will remain, the homeless problems will worsen, and valuable accommodation will no longer be replaced. It is therefore recommended that officers make representation to ODPM for Barking and Dagenham to apply the lower discount in order to retain much needed accommodation. It is understood that Greenwich has made such a request and have been successful.

Background Papers used or referred to in the preparation of this report

- Business Plan for the Future Housing Service
- ODPM Consultation Papers on Resource Accounting, Rent Restructuring, Capital Finance and Management and Maintenance Allowances
- Local Government Act 2003
- DWP Guidance on Housing Benefit Reforms
- ODPM Guide to Social Reforms
- ODPM Subsidy Determinations

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APPENDIX A

HOUSING REVENUE ACCOUNT		2003-04	2003-04	2004-05	Increase	Comments
	Original	Revised	Estimate	%		
INCOME						
Rents of Dwellings	£ 63,549,000	£ 62,561,150	£ 63,294,000	1.17	Rents increased by RPI+1% overall (ave £2.22). Stock reduced by 2.9%	
Non Dwelling Rents	2,033,000	2,094,000	2,157,000	3.01	Charges to be increased in line with inflation	
Other Charges	2,383,000	2,093,000	2,156,000	3.01	Charges to be increased in line with inflation	
Government Subsidy	26,500,000	26,565,180	7,548,000		Change in subsidy rules, including the removal of rent rebates. Payment now due to ODPM.	
Total Income	94,465,000	93,313,330	60,059,000			
EXPENDITURE						
General Management	12,865,000	12,650,710	13,701,000	8.30	u/s projected in 03-04. 04-05 includes full effect of 02-03 growth. Provision for stock survey	
Special Management	6,031,000	6,543,420	6,722,000	2.73	Full effect of 03-04 growth + amenity green phase 1 saving	
Repairs and Maintenance	17,300,000	18,250,000	18,172,000	0.43	Inflation less allowance for sales and efficiency + catch up repairs growth	
Depreciation - M.R.A.	15,559,000	15,512,720	14,412,000	7.10	Change in government formula, detrimental to B&D	
Depreciation - Other HRA Assets	700,000	500,000	500,000	-		
Rent Rates & Other Charges	1,405,000	1,252,180	1,277,000	1.98	Increased in line with inflation. Payment to Redbridge for transferred debt reducing.	
Capital Charge	38,000,000	38,000,000	38,000,000	-		
Increase in Bad Debt Provision						
Housing Benefits	36,758,000	36,751,570	4,864,000		Rent rebates transferred to General Fund from 1/4/04, only benefit limitation remaining	
Total Expenditure	128,618,000	129,460,600	97,648,000			
Net cost of Services	34,153,000	36,147,270	37,589,000	3.99		
Capital charges	38,000,000	38,000,000	38,000,000			
Interest receivable	1,752,000	2,127,000	1,721,000		Projected reduction in Cash balance interest. Interest rates unchanged.	
Net Operating Expenditure	- 5,599,000	- 3,979,730	- 2,132,000			
Appropriations						
Revenue Contribution to Capital	6,868,000	6,868,000	1,000,000		Rev con has been reduce to counter loss of subsidy.	
Depreciation non dwellings	- 700,000	- 500,000	- 500,000			
Working Balance B/F	2,064,000	3,481,400	1,093,130		Projected end of year balance	
Working Balance C/F	1,495,000	1,093,130	2,725,130		Higher than usual to counter later year losses.	
Net Cost	-	-	-			

HOUSING REVENUE ACCOUNT		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
		Estimate Original	£	£	£	£	£	£	£	£
INCOME										
Rents of Dwellings		63,549,000	63,294,000	64,474,000	65,702,000	66,964,000	68,257,000	69,527,000	70,820,000	72,136,000
Non Dwelling Rents		2,033,000	2,157,000	2,210,925	2,266,198	2,322,853	2,392,539	2,464,315	2,538,244	2,614,392
Other Charges		2,383,000	2,156,000	2,210,000	2,265,000	2,321,000	2,392,000	2,463,000	2,536,890	2,612,997
Government Subsidy		26,500,000	-	-	-	-	-	-	-	-
Total Income		94,465,000	67,607,000	68,894,925	70,233,198	71,607,853	73,041,539	74,454,315	75,895,134	77,363,388
EXPENDITURE										
General Management		12,865,000	13,701,000	14,112,000	14,465,000	14,826,000	15,197,000	15,577,000	15,966,000	16,366,000
Special Management		6,031,000	6,722,000	6,682,000	6,849,000	7,020,000	7,195,000	7,375,000	7,560,000	7,749,000
Repairs and Maintenance		17,300,000	18,172,000	18,212,000	18,300,000	17,648,000	17,643,000	17,656,000	17,688,000	17,739,000
Depreciation - M.R.A.		15,559,000	14,412,000	14,217,000	14,294,000	14,402,000	14,506,000	14,644,000	14,780,000	14,914,000
Depreciation - Other HRA Assets		700,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Rent Rates & Other Charges		1,405,000	1,277,000	1,309,000	1,342,000	1,375,000	1,417,000	1,459,000	1,503,000	1,548,000
Capital Charge		38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000
Payment to ODPM		-	7,548,000	9,315,000	11,180,000	13,415,000	15,454,000	17,612,000	19,894,000	22,355,000
Increase in Bad Debt Provision		36,758,000	4,864,000	4,545,000	3,921,000	3,266,000	2,548,000	1,739,000	860,000	-
Housing Benefits		128,618,000	105,196,000	106,892,000	108,851,000	110,452,000	112,460,000	114,562,000	116,751,000	119,171,000
Total Expenditure		34,153,000	37,589,000	37,997,075	38,617,802	38,844,147	39,418,461	40,107,685	40,855,866	41,807,612
Net cost of Services		38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000
Capital charges		1,752,000	1,721,000	1,569,000	1,529,000	1,806,000	1,777,000	1,765,000	1,765,000	1,765,000
Net Operating Expenditure		-	2,132,000	1,571,925	911,198	961,853	358,539	342,685	1,090,866	2,042,612
Appropriations										
Revenue Contribution to Capital		6,868,000	1,000,000	2,000,000	2,000,000	2,000,000	1,000,000	-	-	-
Depreciation non dwellings		-	700,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Working Balance B/F		2,064,000	1,094,000	2,726,000	2,797,925	2,209,123	1,670,976	1,529,515	1,686,830	1,095,964
Working Balance C/F		1,495,000	2,726,000	2,797,925	2,209,123	1,670,976	1,529,515	1,686,830	1,095,964	446,648
Net Cost		-	-	-	-	0	0	0	0	0

THE EXECUTIVE**27 JANUARY 2004****REPORT OF THE DIRECTOR OF HOUSING & HEALTH**

LAND DISPOSAL SITES: REVISED HOUSING DEVELOPMENT SCHEMES	FOR DECISION	
<i>This report deals with major new housing developments on Council land disposal sites</i>		
<u>Summary</u>		
<p>This report gives the background to the proposed development of the former allotment sites at Blackborne Road, Digby Gardens, Hedgemans Road and Reede Road. The report sets out the revised balance of the mix of property tenure types and the reason for the changes. It then goes on to propose the acceptance of the housing developments on the new basis working in partnership with the Registered Social Landlords (RSLs) specified. Consultation with local residents and Ward Members has been a particular feature of these schemes and the report refers to the next stage of this process.</p>		
<u>Recommendations</u>		
<p>That the Executive agree to proceed with the disposal and development of Blackborne Road, Digby Gardens, Hedgemans Road and Reede Road sites on the basis of the housing mix schemes shown in para. 3.3 with the RSLs, Metropolitan Housing Trust and Stort Valley (set out in 2)</p>		
<u>Reasons</u>		
<p>The revised tenure mixes for the housing developments deliver the Council's objectives in terms of capital receipts and a range of new homes to help meet local housing needs and aspirations.</p>		
Contact: Ken Jones	Head of Housing Strategic Development	Tel: 020 8227 5703 Fax: 020 8227 5799 Minicom: 020 8227 5755 E-mail : ken.jones@lbbd.gov.uk

1. Background

- 1.1 The Executive agreed to the disposal of the disused former allotment sites at Blackborne Road, Digby Gardens, Hedgemans Road, and Reede Road on 26 November 2002. This was to achieve a capital receipt to support the Council's capital programme and to create high quality new homes to meet local housing needs and aspirations. Following this decision ongoing involvement of local residents and Ward Members has been maintained on the formulation of the quantity of new homes to be built as well as other planning and design aspects of the schemes.

- 1.2 From the outset it was planned that the affordable homes would be financed by Local Authority Social Housing Grant (LASHG), which meant that all nominations would be retained by the Council. Whilst it was known that ODPM intended to terminate LASHG all indications were that this would be effective from April 2004. However, an announcement was made at the end of February 2003 that this funding mechanism would end at the end of March 2003. The implication was that any homes subsidised by Housing Corporation grant will be subject to sharing of nominations with other London Boroughs in the sub region.
- 1.3 The sites were successfully marketed and developers were selected. Outline planning consent had been obtained for the schemes – detailed planning applications have now been submitted for Reede and Blackborne and the other 2 will have been made by the date of this meeting.

2. RSL development partners

- 2.1 From the Council's panel of RSL partners, Stort Valley Housing Association were selected to work on the development of affordable homes for Blackborne and Digby. Reede and Hedgemans have been allocated to Metropolitan Housing Trust. The RSLs have been attending the local residents' and Member meetings and have established good relationships, which augur well for the future beyond the construction phase of these projects.

3. Revised housing development proposals

- 3.1 A meeting was held with the potential developers and RSLs together with Cllr B. Osborn and Council officers to seek ways to make adjustments to the schemes to deliver the aims set out in the Borough's Housing Strategy.
- No reductions to the anticipated capital receipts (£16 million)
 - No changes to the density of developments
 - No sharing of nominations for the social rented homes
 - The schemes deliver large family size houses to help meet local housing needs.
- 3.2 The RSLs in negotiation with officers have come forward with fresh proposals for tenure mixes. The essence of this is that the proportions of homes for outright market price sale and shared ownership / keyworker have increased and the social rented element has consequently reduced. The rented homes are now being cross subsidised by homes for sale – this means that there is no need for Housing Corporation grant for the rented homes, therefore, nominations are not shared. The RSLs have made bids to the Housing Corporation under the Approved Development Programme for the shared ownership and keyworker homes.

3.3. The revised housing schemes are shown in the table below:-

	Market price sale homes no.	Rented homes no.	Shared ownership / keyworker homes no.
Blackborne Road	46	11 (4 x 3 bed + 7 x 5 bed houses)	25 (1 + 2 bed flats – keyworkers)
Digby Gardens (all bungalows targeted for older and / or disabled people)	10	14 (6 x 1 bed, 6 x 2 bed and 2 x 3 bed)	13 (10 x 1 bed and 3 x 2 bed) - not keyworker
Hedgemans Road	83	17 (15 x 4 bed + 2 x 2 bed houses)	22 (18 x 2 bed + 4 x 1 bed flats)
Reede Road	177	24 (18 x 4 bed + 6 x 2 bed houses)	54 (property size mix to be determined)

3.4 Proposals were put for discussion to an informal meeting of Members on 9 December, which was attended by the Leader, lead Member for Housing, Health and Social Care and the Members in whose wards the schemes are sited. Since then some adjustments have been made to the tenure balance for Reede Road, which has resulted in an additional 18 homes, all of which to be specifically marketed for keyworkers and less rented 2 bed flats and a further 13 fewer houses for sale.

3.5 The objectives and conditions set out in paras. 3.1 and 3.2 have not been compromised in the revised proposals. These are also consistent with:

- Housing Strategy action plan
- Regeneration Best Value improvement plan
- Current Unitary Development Plan

4. Future consultation

4.1 The local focus groups will continue to meet to consider the details of the schemes.

Background papers used in the preparation of this report:

- Executive report 26 November 2002
- Members' briefing note for meeting of 9 December 2003

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THE EXECUTIVE**27 JANUARY 2004****REPORT OF THE DIRECTOR OF CORPORATE STRATEGY**

PROCUREMENT BEST VALUE REVIEW	FOR DECISION
<p data-bbox="148 450 1452 555"><i>This report concerns the Best Value Review of Procurement, the Procurement Strategy and Improvement Plan, which are reserved for the Executive and Assembly for consideration.</i></p> <p data-bbox="148 595 300 629"><u>Summary</u></p> <p data-bbox="148 667 1452 958">The attached reports (Executive Summary and full Review Report) were produced by the Procurement Best Value Review Team at the conclusion of the review that was undertaken during 2003. The Project Leader was Robin Tuddenham, Interim Head of Policy and Performance; Stefanie Goldsmith, Corporate Procurement Officer was the Project Manager and Nazli Choudhary provided Best Value Team Support. The Portfolio holder for Procurement - Councillor Wade - played an active part in the review team and additional challenge was provided by the Member Panel (Councillors Cook, Denyer and Davies), chaired by Councillor Miles.</p> <p data-bbox="148 999 1452 1216">The reports detail the process followed by the review team in assessing the Council's procurement capacity and the support function provided specifically by Corporate Procurement, Procurement and Stores and Social Services Contracts Team. The review incorporated comprehensive challenge including an external Peer Review by the IDeA, an external "critical friend" and has been part of the Staged Best Value Review process introduced in 2003 by the Audit Commission.</p> <p data-bbox="148 1256 1452 1323">At the conclusion of the review, a number of recommendations have been made which include:</p> <ul data-bbox="197 1368 1452 1742" style="list-style-type: none"> • Adoption of a formal Procurement Strategy (included within the full Review Report). • Strengthening of organisational capacity through the establishment of a new "Strategic Procurement Unit" incorporating recruitment of a "Head of Procurement" post. • Review of the Contract Rules to meet Best Value requirements - which will be accompanied by a stronger regime of monitoring and compliance • Implementation of a dedicated procurement training/development programme for Officers and Members. • Continuing to build on good progress made so far in e-procurement, sustainable procurement and handling of workforce issues. <p data-bbox="148 1783 1452 1928">Whilst indicative costs for the proposed new structure for a Strategic Procurement Unit have been included within the report, these will be subject to final agreement and the outcome of the job evaluation process. It is proposed the cost of the structure will be offset through realistic savings targets as detailed within the report.</p>	

Recommendations

The Executive is asked agree:

1. The findings of the Procurement Best Value Review report and the Improvement Plan;
2. The Procurement Strategy as set out in Appendix 1 of the Review Report.
3. In principle to the establishment of a Strategic Procurement Unit subject to final post evaluation and cost analysis;
4. To a growth bid of £150,000 to support the development of the Strategic Procurement Unit; and
5. To receive a future report on the overall structure, role and responsibilities of the Strategic Procurement Unit from the Director of Finance following full job evaluation

Reason

This report identifies the key actions the Council needs to agree to implement the findings of the Best Value Review of Procurement. The proposed Improvement Plan will lead to significant improvement over the next five years.

Contact: Councillor D Miles	Chair of the Procurement Best Value Review	Tel: 020 8592 1677
Robin Tuddenham	Interim Head of Policy and Performance (Project Leader)	Tel: 020 8227 2248 E-mail: robin.tuddenham@lbbd.gov.uk
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Best Value Review

Procurement

Executive Summary

Key Messages

Procurement Mission Statement

“To consistently deliver the best possible services to the community through effective procurement and partnerships, taking into account whole life costing, innovation and continual improvement”

Procurement Key Outcomes

By 2006 Procurement in Barking and Dagenham will:

1. Be explicitly compliant with UK and European legislation and industry Best Practice, and be delivered in a fair and transparent way across all processes and exercises
2. Be delivered and supported by skilled, motivated professional officers and upheld by the culture of the authority
3. Be innovative yet sustainable in sourcing best value cost effective solutions, whilst better delivering key social objectives and Council priorities
4. Through partnership work and capacity building deliver a mixed economy of service provision, with a variety of in-house, voluntary sector and commercial suppliers
5. Deliver savings and efficiencies in areas of major spend within the Council
6. Improve contract performance through revised documentation and robust monitoring procedures which are reported and acted upon appropriately
7. Ensure that the views of staff, suppliers and the wider community shape processes and the delivery of services within a rapidly changing local environment

Best Value Review of Procurement Executive Summary

1. Introduction

- 1.1 Procurement activity in Barking and Dagenham is currently devolved to departments within the Council, with differing responsibilities. Whilst there are many buyers in the Council, purchasing everything from a box of paperclips to a new school, there is only limited procurement support available.
- 1.2 Historically Barking and Dagenham has had a reputation for “conservative” procurement practices. During the CCT regime the Council demonstrated a clear policy of “keeping services in-house” and in fact, only one service (1 out of 3 leisure centres) was outsourced. The Council has tended to be risk averse but poor in project management leading to both budget overspend and inability to spend the Capital Programme.
- 1.3 However, this has now changed and there have been key improvements in the last few years, including the development of the Best Value/Contracting Workforce Policy in conjunction with Trades Unions; considerable steps forward in both “e” and “sustainable” procurement; advice and guidance facilitating inclusion of corporate objectives – including Equalities and Diversity - within specifications where possible; and successful outsourcing of Housing Repairs and the development of the Schools PFI project.
- 1.4 In addition, Social Services have developed a complete mixed economy of provision through advanced joint commissioning utilising needs analyses of the population based on the Director of Public Health's report and further informed by consultation with the community, service users and front line staff.
- 1.5 This year the Council has been shortlisted for LGC Public Private Partnership of the Year for Barking Market.
- 1.6 Although these are excellent improvements and clearly Members are committed now to procuring on the basis of “what works best is best”, the lack of a strategic lead at senior level or a Corporate Procurement Strategy providing a framework for developments has made progress slower than desired and the Council still appears to be under-performing and under-resourced in certain areas.
- 1.7 In addition, criticism by the Auditors and CPA further confirmed that procurement was weak in some areas. Wishing to continue with, and build upon the improvements already made, the Council therefore decided to carry out a Procurement Best Value Review in 2003.

2. Review Objectives/Scope

2.1 The review considered:

1. The structure and organisation of procurement across the Council – the relationship between the different officers, departments and sections who carry out and advise on procurement activity,
2. The purpose of procurement and how it fits in with strategic objectives. As part of this it will be necessary to challenge Officers and Members on their views about procurement, process and outsourcing.
3. The level of skills and capabilities at the appropriate levels to deliver an effective procurement function, whether that is centralised or devolved.
4. The standards and controls in place to ensure procurement are carried out correctly.
5. Where improvements could be made through innovation or consolidation

2.2 In summary, the review challenged

- The awareness and understanding of procurement as a core Council activity and how it links with the Council's strategic objectives.
- Whether the structure and organisation of procurement is appropriate for Barking & Dagenham's needs.
- Whether there is sufficient "control" to ensure procurement is carried out economically, effectively, legally, and in the Council's best interest.
- The level of savings or improvements possible through innovations such as collaborative purchasing, e-procurement and more corporate working.

It should be noted that the wider aspects of the Council's commissioning strategy were not included as part of the scope for this review.

2.3 The review examined in some detail the Council's progress with regard to implementing the recommendations of the Byatt Report, and how the Council's Procurement Principles "The Barking and Dagenham 12" can be effectively taken forward. In addition, during the timeframe of the review, the Draft (and then agreed) National Strategy for Procurement by the ODPM proved an effective benchmark against which the Council's procurement was measured.

2.4 Procurement affects large areas of Council activity; however in terms of scope, the review concentrated on the "support" and "facilitating" functions, within the overall strategic role of procurement in the organisation. Therefore the following were examined.

1. Corporate Procurement
2. Procurement & Stores (see 2.5)
3. Social Services Contracts Team

2.5 The Procurement and Stores section (currently located within DLES) has both a support and an operational function. Procurement support in terms of

setting up corporate contracts, providing advice on supplies and (smaller) services purchasing and e-procurement/Oracle interface is the responsibility of the purchasing side which was analysed within the scope of the review. The operations of the Central Stores was not considered as part of the review, however the team did recognise that this was an area that should be further evaluated, particularly in light of the Accord contract where some of the stores responsibility had already been outsourced.

3. The Four “C’s”

3.1 Officers undertook a comprehensive review process under the four “C’s” areas. The process and key areas to address are identified below and a summary of the positive findings – which were considerable – are detailed in Section 4.

3.2 Challenge – Process

The Review team challenged the Procurement Service in a number of ways including:

- Internal challenge by the review team including a challenge event, skills audit and contract challenge exercise
- External challenge by a Critical Friend; and
- AQ detailed Peer Review “Procurement Fitness Check” carried out by the IDeA (Improvement and Development Agency)

3.3 Challenge – Key Areas to Address

- The Council needs to develop a formal Procurement Strategy
- LBBD is weak on compliance issues
- Members need to be more involved with the procurement process for larger exercises in some cases
- Monitoring is patchy and needs a formal reporting structure
- Skills need to be developed, particularly with regard to facilitating professional qualifications for Procurement Officers

3.4 Consult – Process

Consultation was carried out in a number of ways within the scope of this review.

- Survey questionnaires were sent out to Service Managers, Admin and Schools Staff, and both successful and unsuccessful suppliers (commercial and voluntary sector).
- Two focus groups with the Council’s Citizens’ Panel were held in August with the help of an external facilitator
- Service Managers (particularly those responsible for strategic development – such as Customer First and Regeneration) were consulted on the development of the review.
- An options appraisal workshop was held in early December to consider the way forward for the service.

3.5 Consult – Key Areas to Address

- A considerable percentage of managers and staff do not feel equipped to carry out good procurement and although some have received valuable support, others do not know where to look for help.
- The majority of managers responding agreed that action should be taken against officers who persistently fail to comply with the Contract Rules.
- Monitoring is random and inconsistent
- Staff purchasing low value items (such as stationery) has limited information on the total expenditure in these areas, indicating poor budget monitoring and potential wastage.
- Further development of e-procurement and on-line catalogues seen as generally positive.
- Whilst the Council provides generally clear and helpful tender documentation and are quick and responsive to queries, suppliers still find it difficult to market their services.
- Development of on-line tendering was welcomed by suppliers although there was some dissatisfaction with the use of Constructionline.
- Residents are primarily concerned with the quality of services provided, rather than who delivers them, and were generally keen to see prices reduced as long as this is reflected in their Council Tax payments.

3.6 Compare – Process

Officers carried out a comprehensive exercise within the scope of the BV Review comparing the performance of Barking and Dagenham with comparable local authorities and the private sector:

- A paper exercise was carried out comparing resources, structures and general procurement practices across a range of organisations
- An e-procurement survey was sent out to more than 10 local authorities.
- The Review Team visited three “best practice” Councils – Westminster, Wandsworth and West Sussex to look at their set up and procurement processes.

3.7 Compare – Key Findings

Whilst Barking and Dagenham performed better in comparison than expected, due to recent progress through the Workforce Policy, E-Procurement and Equalities, a number of weaknesses were still apparent:

- Councils with a higher level of resources were better able to manage increasing workloads and control compliance.
- Devolved procurement can only work well with strong central control.
- Member involvement in procurement needs strengthening – Procurement Boards work well in other Councils.
- Training and ongoing development is key
- A step-by-step procurement process helps to ensure a consistency of approach and stronger compliance
- Officers in the “Best Practice” Councils felt that compliance with procurement processes, contract rules and relevant legislation is essential; whereas at Barking and Dagenham, this is generally not the case.

3.8 Compete – Process

This was a difficult aspect of the review as whilst there is a developed market for procurement advice in the private sector, this has tended to concentrate on consultancy for business review or support for individual projects. Wholesale outsourcing of procurement advice/support has not happened, even in the “best practice” Councils. Where outsourcing has occurred – as with LB Westminster, this has been the “operational” side of procurement – payments/purchasing/compliance, and banded together with other services such as Finance/HR/Customer Services. However, the Review team did:

- Look at a model service for procurement and how this could be structured/resourced.
- Carry out an options appraisal (below)
- Consider whether there would be further benefit in looking at Central Stores aside from the review.

3.9 Options Appraisal

The Review Team carried out an Options Appraisal workshop on 4th December 2003 to which Members, Managers and Officers across the Council were invited. Options for the future of procurement were discussed with the following outcomes:

- In-house restructuring (with additional resources) was considered to be the favoured option with the creation of a central procurement unit (as directed by the National Strategy) headed up by a JNC Head of Service and senior level staff.
- The Council could continue to benefit from joint commissioning and partnership projects, including developments likely to come from regeneration and the establishment of the UDC.
- The review of Central Stores (to be completed in March 2004) will inform options for this aspect of procurement.

4. Positive Findings

4.1 On a positive note, the review (endorsed by the IDeA Fitness check) established that Barking and Dagenham has improved procurement practice considerably in the last few years. It was found that:

- There is increasing involvement of Members in the procurement process
- There is a marked culture change in senior management with a committed “procurement champion” (the Director of Finance) at TMT and increasing willingness to engage with good procurement practice.
- Recent procurement exercises (eg. Housing Repairs and the Schools PFI) have demonstrated a commitment to a mixed approach to service delivery and openness to considering modernisation in procurement including awarding contracts on the most economically advantageous basis rather than lowest price.
- The Council has acknowledged the potential contribution of sustainable procurement, has signed up to the Mayor’s Green Purchasing Code and is working towards inclusion of whole-life costing criteria.

- The Council has developed a procurement “Workforce Policy” in conjunction with Trade Unions thus facilitating easier TUPE transfer and procurement outsourcing.
- The Council is committed to partnering – with the public, private and voluntary sectors and the ethos of “Rethinking Construction”
- The Council is pro-active in seeking out best practice and learning and sharing with others
- A comprehensive and user-friendly procurement manual is available for officers.
- E-Procurement is well developed and on target to meet the e-government agenda
- The Council is active in working with local businesses to encourage and capacity build
- Stakeholders’ views are sought through surveys and involvement in contract packaging and evaluation panels.
- There are some examples of good contract management and monitoring (Leisure, Social Services)
- The Council has progressed inclusion of Equalities and Diversity criteria and implementation of the Race Relations Amendment (2000) Act.

4.2 Whilst complacency is obviously unwise and continuous improvement key, progress in good procurement practice over the past few years has been considerable, achieving a significant step-change so far and the Review Team feels that this should be recognised.

5. The Procurement Vision

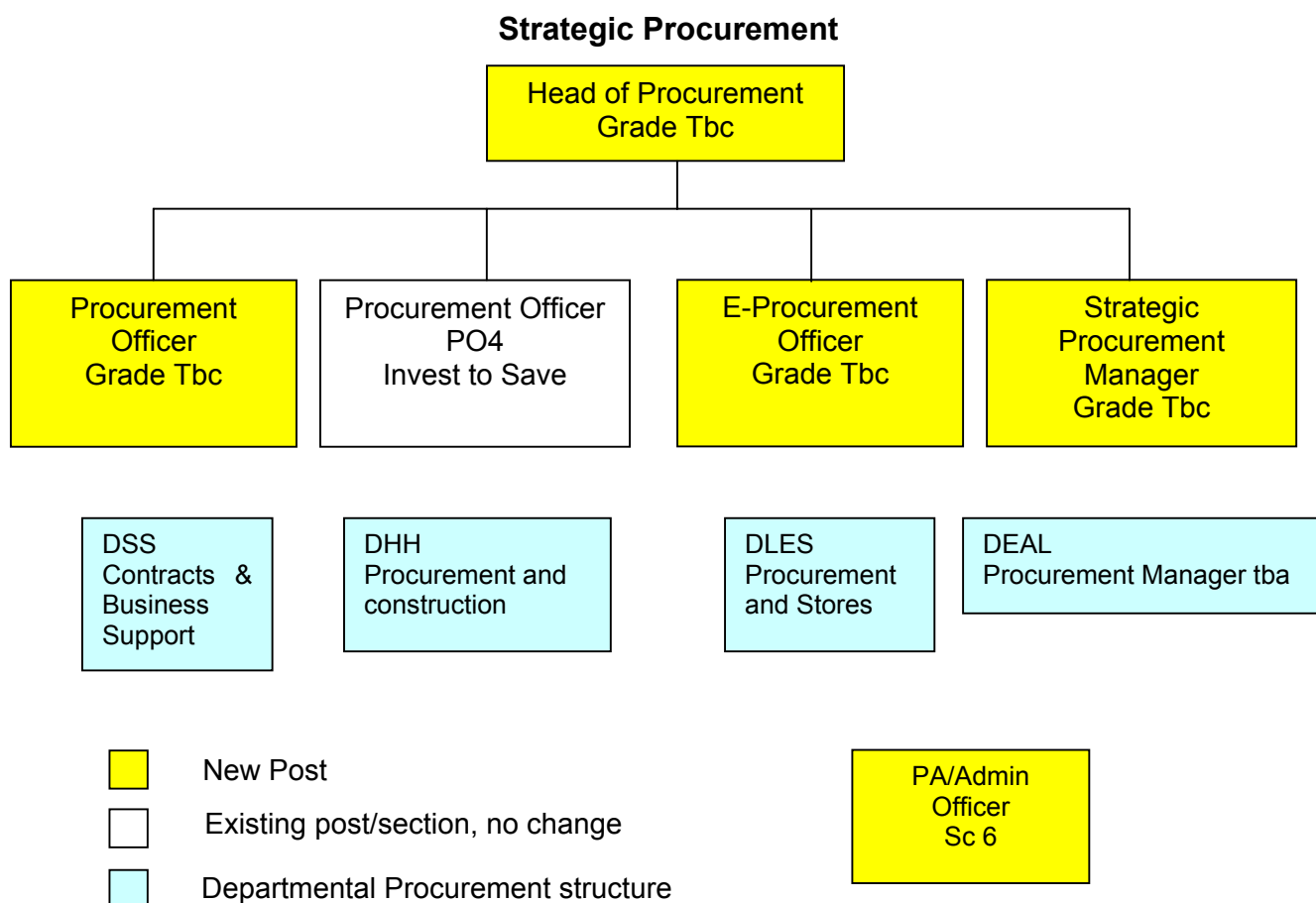
5.1 How then does Barking and Dagenham move forward to ensure good, consistent procurement practice is cost effective and aligned to the Council’s key corporate objectives? Parallel with the conclusion of the review was the development of the Procurement Strategy and the Improvement Plan which contains the actions required to build on recent achievements and enable the Council to realise its full potential in this area.

5.2 *The Procurement Strategy*

The Procurement Strategy (attached to the full review report) sets out the Council’s aims and objectives for procurement in the long term. Whilst it covers issues and weaknesses raised by the review, the strategy also deals with wider procurement matters such as further development of equalities, workforce matters and e-procurement.

5.3 Strategic Procurement Unit

It is recommended that a “Strategic Procurement Unit” is established within the Finance Department. As an outline, the structure could look like this.



The overall structure, roles, responsibilities and grades will be subject to consideration by the Director of Finance and further reports as required. Early indications at this stage are that the additional costs of the team would be in the region of £220k. The final cost will be dependent on the final gradings of the team (subject to job evaluation). It is recommended that funding for this team is considered as part of the 2004/05 budget process, with consideration being given to Invest to Save opportunities. It is recommended that a growth bid of £150k is made, with the balance of funding of £70k funded from the Invest to Save activities.

5.4 The Strategic Procurement Unit will work closely with the departmental procurement structures, including Social Services Contracts, Procurement and Construction in Housing and Health and Procurement and Stores in DLES. A post will be recruited to in Education, Arts and Libraries which will report to the Head of Finance and be responsible for service procurement advice and direction within Education at the operational level.

5.5 Whilst there are no additional resources identified currently in the other sections, it is recognised that the rising workloads incurred through more

innovative procurement need to be managed appropriately and potentially with the addition of additional staff. This structure is still very lean in comparison with other centralised good practice authorities such as West Sussex. As an interim structure, it will be the responsibility of the new Head of Procurement to identify how best the demands can be met and if appropriate, seek funding to create additional central or departmental posts.

- 5.6 This structure may necessitate the deletion of the post of Corporate Procurement Officer (PO6).
- 5.7 The existing additional post of Procurement Officer is currently funded by a 3 year Invest to Save bid. This will be kept under review.
- 5.8 It is proposed that the initial costs are funded by growth on a further “Spend to Save” basis.

Invest to Save – Progress

- 5.9 Since the Procurement Invest to Save bid was approved (March 03) a Procurement Officer has been recruited and work carried out in a number of high spend areas (corporate advertising, agency staff, external legal fees etc) to establish potential savings targets for the procurement service.
- 5.10 The table on the following page gives an indication of the potential savings that the Council may be able to make through proactive procurement activity. These savings could be used in part to fund the cost of the team.

Procurement Savings Targets

Service	Current Spend 02/03	Action	Saving Target	Realised from
Legal Services external fees	£2,150,000	Continue to work with Legal (liaison group established) to reduce cost through: <ul style="list-style-type: none"> securing fixed price costs for legal advice projects establishing and enforcing use of corporate contract templates for standard procurement procedures reducing use of external legal advice on procurement issues 	£215,000 (10%)	2005-6
Agency Staff	£14,000,000	Work with HR to look at improved procedures for management and procurement of Agency Staff. One option proposes use of "Managed Service Provider" as adopted by LB Lambeth and Luton BC. These councils are looking to save upwards of 4% on their agency spend. LBBD should achieve similar.	£420,000 (3%)	2005-6 (Possibly staged process full savings 2006-7)
Whole Council – efficiency savings through E- Procurement	Total annual spend £180,000,000	Savings are currently being achieved by use of e-payments through BACS. A target of 90% has been set – approx 75% achieved to date. Further savings are available, but require input of an e-procurement officer to address systems issues, suppliers and to deal with e-ordering, invoicing and payment.	£180,000 (0.1%) efficiency saving alone, could be higher.	2005-6
Security Services	£1,500,000	Review/renegotiation of current contracts and look at potential for consolidation for the future.	£75,000 (5%)	Start 2005-6 May be staged process
Consultancy	£1,073,000 (conservative estimate)	Review of use of consultants. Look at approval procedures and consider similar to those in place for agency staff. Establish framework contracts for regular professional services requirements. Savings in current Invest to Save bid at £50K per annum.	£50,000 (in addition to Invest to Save – total £100K)	2005-6
		TOTAL SAVINGS TARGET	£940,000	From 2006-7

5.13 The Improvement Plan

Set out in the “Improvement Plan” (attached to the main report) are the key improvements required that have been identified by the Review and the Procurement Strategy. Each action is set out to realise the “Key Outcomes” as set out within the Strategy and listed para 5.2 of this report. In summary, the key improvements are listed below:

- There will be improved Procurement and Contract Compliance through new guidance and regulations; and through risk assessment, monitoring and review.
- The Council will ensure Best Value Procurement Practice is consistently applied at all times including closer procurement support to BV Reviews.
- There will be improved collaboration and joint working with legal services to ensure consistency of process and advice
- Council contract documentation will be consistent with legal requirements including new guidance on TUPE and workforce issues.
- Officer Procurement Capacity in terms of skills will be developed, with competency in procurement required for senior posts. Procurement Officers will be encouraged to gain professional qualifications.
- The Council will work towards increasing Member Procurement Capacity – in terms of skills/training and governance arrangements.
- Additional resources and a new structure for procurement will increase Council Procurement Capacity.
- Chief/Senior Officers will actively promote and own good procurement practice and the Council will work towards raising the profile of procurement generally.
- The Council will implement a robust Procurement Project Management process to ensure best value outcomes with improved and consistent standards in selecting Contractors
- E-Procurement will continue to develop in line with E-government agenda and there will be a greater emphasis and profile for sustainable procurement
- The Council will improve collaboration with local businesses, SMEs and the voluntary sector in delivery of services and ensure joint Commissioning proactively used to enhance procurement practice
- There will be improved Contract spend within budget, reduction in maverick spend and generation of procurement savings where appropriate.
- The quality and consistency of Contract Performance information will be improved and communicated across the organisation.
- The Council will continue to develop and improve procurement with regard to RRA Amendment Act 2000 and Equalities Issues

6. Conclusions

- 6.1 The review has identified that the Council has improved procurement practice considerably during the past few years, particularly in terms of workforce issues, equalities, e-procurement and partnering.
- 6.2 However, compliance issues and low levels of resources when compared with other key London Boroughs and good practice authorities and the lack of a professional “Head of Service” has caused the progress to be slower than it might otherwise have been.
- 6.3 The Council is keen to improve procurement and move towards achievement of “Best Practice” status and intends to participate in the ODPM sponsored Regional Centres for Procurement Excellence. The Procurement Strategy and Improvement Plan have therefore been developed to build on the improvements already made and specifically the new structure will provide the resources and expertise to drive through these challenging developments.

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THE EXECUTIVE**20 JANUARY 2004****REPORT FROM THE DIRECTOR OF LEISURE AND ENVIRONMENTAL SERVICES**

CONSULTATION ON THE EAST LONDON URBAN DEVELOPMENT CORPORATION - RESPONSE OF THE COUNCIL	FOR DECISION
<p><i>This report deals with a matter of policy, therefore the decision is reserved to the Executive.</i></p> <p><u>Summary</u></p> <p>The Sustainable Communities Plan, published earlier this year recommended that a number of special purpose vehicles should be established in the Thames Gateway and the other growth areas to take forward their regeneration. The government proposed at that time that an Urban Development Corporation (UDC) should be established in two areas in the Thames Gateway, namely Thurrock (covering a single borough) and East London. This was in accord with the Council's policy objectives for the regeneration of London Riverside and that of its partners in the Thames Gateway London Partnership, subject to caveats relating to representation on the Board of the UDC, its geography and the exercise of its powers.</p> <p>On 17 November 2003, the Office of the Deputy Prime Minister (ODPM) published the formal consultation paper on the proposed UDC for East London. Responses are required by 6 February 2004. The consultation paper is attached as Appendix 1.</p> <p>The major issues for Barking and Dagenham remain issues of geography (in terms of the boundary of the UDC), representation on the Board and the exercise of powers in particular under the Town and Country Planning Act 1990 and related legislation. It would be fair to say that the consultation paper is weak and inadequately detailed for the Council to genuinely ascertain the Government's intentions in relation to the powers to be exercised by the UDC. Equally, there is no indication whatsoever in relation to its budget, or any indication regarding how it will relate to other partnerships and agencies in the Thames Gateway.</p> <p>The response to the consultation is attached as Appendix 2. The key issue is the continuing support of the Council to the establishment of the UDC and the delivery of the objectives contained in the Sustainable Communities Plan, but the serious concerns the Council has in relation to the Government's draft proposals need to be addressed before the Council can confidently endorse the establishment of the UDC.</p> <p><u>Wards Affected</u></p> <p>This will have a substantial impact on all Wards in the Borough, with a particular emphasis on the south of the Borough.</p>	

Recommendations

The Executive is recommended to:

1. Endorse the Council's response to the UDC consultation attached as Appendix 2, noting that the Council is currently unable to endorse the establishment of the UDC due to fundamental issues remaining unresolved;
2. Agree that Officers bring forward a report on the Government's final proposals, when these are known in the Spring of 2004, when a final decision on whether to support the establishment of the UDC will be made by the Executive; and,
3. Note that it is unlikely that the UDC will be operational until Winter 2004 and as a consequence, planned work on regeneration and renewal should continue.

Reason

To assist the Council achieve its Community Priorities of "Regenerating the Local Economy", and "Improving Health, Housing and Social Care".

Contact:

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1. Background

- 1.1 The establishment of an Urban Development Corporation in East London was proposed by the Government in February 2003 with the publication of "Sustainable Communities: Building for the Future" (the "Communities Plan"). The Communities Plan set out a long-term programme of action including tackling issues of housing supply in the South East and London and major reforms to the planning system and housing.
- 1.2 In order to achieve the step change in regeneration and renewal, the Deputy Prime Minister also announced substantial resources to ensure the achievement of the ambitious targets included in the Plan. This consisted of £446 million for the Thames Gateway for the period 2003/04 – 2006/07 out of a total commitment of £22 billion for the same period for all projects and programmes across England.
- 1.3 In July 2003, the apportionment of these resources was announced, with Barking and Dagenham receiving an initial allocation of £22 million as accountable body for the same period. This investment will release the development potential of a number of sites in Barking and Dagenham and other complementary expenditure by key partners such as English Partnerships, the London Development Agency and the Housing Corporation will also assist in this process.

- 1.4 Notwithstanding this welcome investment in regeneration projects in the Borough, the need for major investment in the London Riverside area and Barking Town Centre to secure the delivery of the Communities Plan's objectives will require concerted effort and considerable resources (with estimates as high as £2 billion for infrastructure improvements alone). Recognising this, the Council has been broadly supportive of the proposal to establish an Urban Development Corporation both independently and as a partner in the Thames Gateway London Partnership.
- 1.5 The Office for the Deputy Prime Minister published a consultation paper on the proposed Urban Development Corporation for East London on 17 November 2003. A copy of this consultation paper is attached as Appendix 1.

2. Consultation Issues

- 2.1 The consultation paper is considered to be inadequate at present for the Council to take a view on whether to support the establishment of the UDC.
- 2.2 Major issues of concern remain unresolved. These relate to the balance and availability of resources (in particular in relation to the regeneration proposals emerging for the Lower Lea Valley and the proposed 2012 Olympics), the geography of the UDC (in particular in relation to Barking Town Centre and the inclusion of existing communities in the boundary of the UDC), the use of planning powers and the associated governance arrangements and of paramount importance, the composition and membership of the Board.
- 2.3 It is considered that the lack of definitive direction from the Office of the Deputy Prime Minister on all of these issues makes it impossible for the Council to unreservedly support the establishment of the UDC. Indeed, if these outstanding issues are not resolved to the satisfaction of the Council, it will be difficult, (if not impossible) for Officers to recommend that the Council supports the establishment of the UDC.
- 2.4 On this basis, it is recommended that the Executive reconsider the proposals for the UDC when the final proposals of the ODPM are published in Spring 2004.
- 2.5 The Council's draft response to the consultation is attached as Appendix 2, which contains a detailed assessment and response to these issues.

3. Financial Implications

- 3.1 There are no direct financial implications as a result of this report.
- 3.2 It should be noted that there are likely to be substantial financial implications as a result of the establishment of the UDC, depending on the powers that it takes. These are impossible to assess at present, due to the lack of information on these matters included in the consultation paper. Further details on this will be provided in the subsequent report later this year when the Government's intentions are known fully.

4. Internal Consultation

4.1 The following officers have been consulted on the report and the draft consultation response:

- Regeneration Board, 23 December 2003. (All Chief Officers, Jeremy Grint, Head of Regeneration Implementation and Rob Shooter, Acting Group Manager Partnership Development and Performance and Councillor Kallar [apologies from Director of Corporate Strategy and Chief Executive]).
- Graham Farrant, Chief Executive
- Robin Tuddenham, Interim Head of Policy and Performance
- Peter Wright, Head of Strategic Planning and Transportation
- Gordon Glenday, Group Manager, Sustainable Development
- Philip Baldwin, Regeneration and Partnerships Manager, PCT/Social Services

Background Papers

- Letter from Rt. Hon Keith Hill MP dated 17 November 2003, enclosing the consultation paper “Sustainable Communities: An Urban Development Corporation for the London Thames Gateway – A Consultation Paper” (attached as Appendix 1).



OFFICE OF THE
DEPUTY PRIME MINISTER

Sustainable Communities:

An Urban Development Corporation for the London Thames Gateway

A Consultation Paper

Office of the Deputy Prime Minister
November 2003



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Executive Summary

In February of this year, the Deputy Prime Minister set out an action programme to deliver sustainable communities for all. To accommodate the economic success of London and the wider South East and ensure that the international competitiveness of the region is sustained, four growth areas including the Thames Gateway have been identified.

The programme included a commitment in these growth areas to set up strengthened local delivery agencies with the necessary powers to drive forward development. In some locations, delivery will be achieved by the RDA, local authority, EP or other agency - in some cases working in partnership together. In a few locations, with particularly difficult sites, the focus and special powers of an Urban Development Corporation (UDC) will be required to deliver the necessary change and maximise private investment. This approach will be needed in the London Thames Gateway and Thurrock.

Consultation on the Thurrock proposals took place in the spring, and the UDC was established on 29 October. This consultation paper sets out the options for the area of the London Thames Gateway. It also describes the powers of the new UDC and the composition of the Board required to ensure it delivers sustainable regeneration.

The consultation is scheduled to last for twelve weeks, finishing on 6 February 2004. An Order setting up the UDC could then be laid before Parliament early in 2004. Subject to approval from Parliament, the intention is to then have the UDC established in the late spring.

CHAPTER 1

Introduction:

Purpose of consultation

- 1.1 “Sustainable Communities: building for the future” (ODPM, February 2003 <http://www.communities.gov.uk/plan/main/>), set out the Government’s aim of a step change to deliver successful, thriving and inclusive communities. The Deputy Prime Minister issued a progress report on 30 July (ODPM, July 2003 <http://www.communities.gov.uk/plan/main/>).
- 1.2 To accommodate the economic success of London and the wider South East and ensure that the international competitiveness of the region is sustained four growth areas, one of which is the Thames Gateway, have been identified.
- 1.3 The Thames Gateway presents a huge opportunity. Its growth potential was recognised over 10 years ago. It covers an area 43 miles long by 20 miles across and:
 - Is in a strategic location on major transport links to the continent;
 - Has one of the largest concentrations of brownfield sites in the country with exceptional potential for sustainable development; and
 - Offers the opportunity to regenerate existing deprived communities through access to 180,000 new jobs that could be accommodated by 2016.
- 1.4 The regeneration of the Gateway is a broad-based project that needs to tackle brownfield development, economic growth, environmental improvement and urban renewal in an integrated way and contribute to the sustainable development goals of the sub-region as a whole. The Government is keen to realise the potential of the Gateway, working in partnership with local authorities, the Greater London Authority, the Regional Development Agencies (RDAs) and other stakeholders in the region. The Housing Corporation and English Partnerships, as key national delivery agencies, also have important roles.
- 1.5 On 30 July 2003, the Deputy Prime Minister reported progress on the development of regeneration proposals and the delivery of projects in the Thames Gateway, focusing in particular on five priority areas:
 - i) East London Gateway - Stratford and the Lower Lea;
 - ii) South of the Thames from Greenwich Peninsula to Woolwich;
 - iii) North of the Thames at Barking Reach;
 - iv) Thurrock; and
 - v) Ebbsfleet and North Kent Thameside.

1.6 In some of these locations, such as Ebbsfleet and North Kent Thameside and the Greenwich Peninsula, delivery will be achieved by the RDA, local authority, English Partnerships or other agency, co-ordinated, in some cases on a partnership basis. However, in other locations, the scale and intensity of the task of land assembly and site preparation are more suited to a UDC with its focus, planning powers, integration of regeneration effort and ability to generate increased private investor confidence. Under the proposed approach to UDCs, there will be substantial local accountability with a strong element of local representation. These UDCs are to be brought forward, in agreement with local partners, in the London Thames Gateway, and in Thurrock.

1.7 Consultation on the Thurrock proposals took place in the spring, and an Order to establish the UDC was laid in July and debated in Parliament in October. Thurrock UDC was formally established on 29 October.

1.8 This consultation paper sets out the Government's proposals for the area the London Thames Gateway UDC will cover, and the powers it will have. Responses to this consultation paper should be sent to:

Charlotte Eveleigh
Thames Gateway Strategic Executive
Office of the Deputy Prime Minister
Zone 4/G10
Eland House
Bressenden Place
London
SW1E 6DU
charlotte.eveleigh@odpm.gsi.gov.uk

1.9 Responses should reach the Office **no later than 6 February 2004**. The ODPM may wish to publish the responses to the consultation paper, or to deposit them in the Libraries of the Houses of Parliament, or in the Office's own Library, unless specifically requested to treat a response as confidential. Confidential responses may nevertheless be included in any statistical summary of numbers of comments received and views expressed.

1.10 A copy of this document will also be made available on the internet at:

www.odpm.gov.uk

CHAPTER 2

Urban Development Corporations

The Role of a UDC

2.1 The statutory objective and powers of a UDC are set out in section 136 of the Local Government, Planning and Land Act 1980. A UDC's objective is to secure the regeneration of its area. This is to be achieved in particular through:

- Bringing land and buildings into effective use;
- Encouraging the development of existing and new industry and commerce;
- Creating an attractive environment; and
- Ensuring that housing and social facilities are available to encourage people to live and work in the area.

2.2 For the purpose of achieving the regeneration of its area, a UDC may

- Acquire, hold, manage, reclaim and dispose of land and other property;
- Carry out building and other operations;
- Seek to ensure the provision of water, electricity, gas, sewerage and other services;
- Carry on any business or undertaking for the purposes of regenerating its area; and
- Generally do anything necessary or expedient for this purpose, or for purposes incidental to those purposes.

2.3 UDCs are intended as limited-life bodies. It is important that they focus on achievement within a clear timescale rather than regard themselves as having an open-ended remit. Typical lifespans for past UDCs have been seven to ten years. This gives them sufficient time to develop and implement a strategy to tackle the complex land assembly problems in the area. Because of the number of complex issues in London, we are proposing that the London Gateway UDC has an indicative lifespan of seven years, with a full review after five years.

Relationship with Local Authorities

2.4 It is the Government's intention that the new UDC will operate, as far as possible, in co-operation with the boroughs in whose area the UDC will be established and with the London Mayor and the Greater London Authority (GLA). Informal discussions have, therefore, already taken place with the GLA and, on behalf of the boroughs, the Thames Gateway London Partnership (TGLP). The issues set out below for planning powers, boundaries and board membership, reflect these discussions.

2.5 The UDC will need to work closely with the boroughs in areas important to regeneration where the responsibility remains with the boroughs - for example in relation to the boroughs' role as the transport authority. This will ensure there is a consistent approach across the area. The UDC will also need to liaise closely with local planning departments and environmental health departments to ensure a balanced environmental approach when developing brownfield sites.

Relationship with Existing Agencies

2.6 A number of other Government agencies already exist to deliver sustainable regeneration. English Partnerships is the Government's national regeneration agency. The London Development Agency is responsible for sustainable regeneration in the London region. The UDC will work co-operatively with these agencies.

2.7 The UDC will also need to liaise closely with other Government bodies and agencies that, while not directly involved in regeneration activity, are responsible for the wider social infrastructure that will influence the UDC's ability to deliver sustainable communities. The NHS will be a key stakeholder. Developing sustainable communities that are healthy will be important. In addition, the NHS has a substantial service improvement and capital investment taking place in East London, and with population growth, enhanced levels of service provision will need to be planned and delivered. Improvements to transport infrastructure can fall under the remit of several organisations – including the boroughs, Transport for London and the Strategic Rail Authority, who each have differing roles, responsibilities and powers. It is important that the UDC works closely with all of the responsible bodies in this key field.

Relationship with Communities

2.8 It is the Government's intention that whilst the UDC's core role will be as a catalyst for physical regeneration and development, the existing local community will be at the heart of the UDC's programmes. Working in partnership with existing agencies on social infrastructure and skills will be key to the UDC delivering sustainable development.

CHAPTER 3

Boundaries

London Thames Gateway

3.1 Regeneration of the London Thames Gateway is focussing on 11 key locations that have the opportunity to enhance their contribution to the regeneration/overall homes and jobs outcomes in the Gateway. They are:

1. Stratford City
2. Lower Lea
3. Royals
4. Isle of Dogs
5. Greenwich Peninsula
6. Deptford Creek/Greenwich
7. Barking
8. Dagenham
9. Woolwich
10. Thamesmead
11. Belvedere/Erith

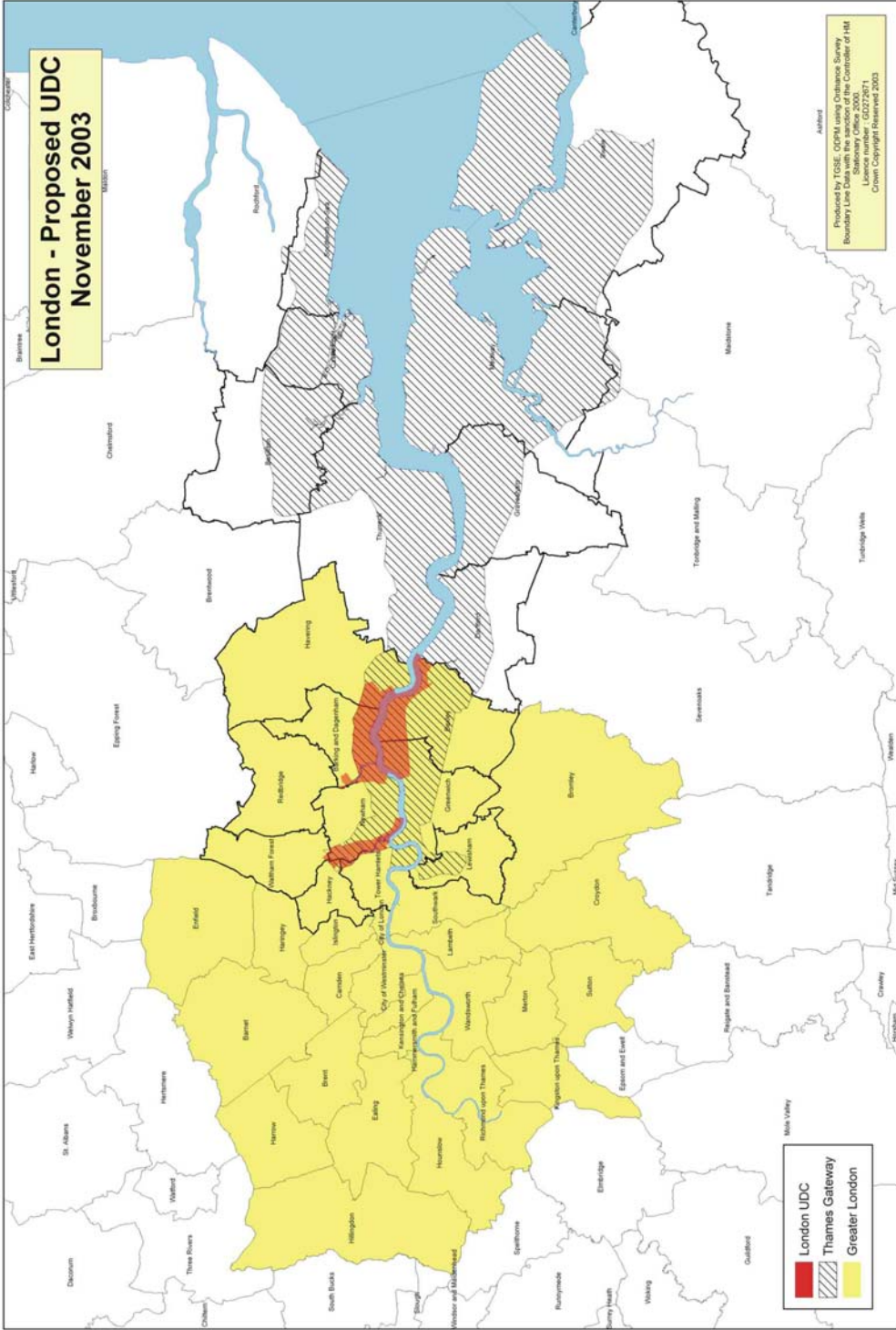
3.2 The range of interventions required to maximise that potential varies.

There is general agreement amongst the Mayor, the local authorities and the Government of the need for strong, focussed well resourced delivery agencies in three key locations where comprehensive intervention will release potential:

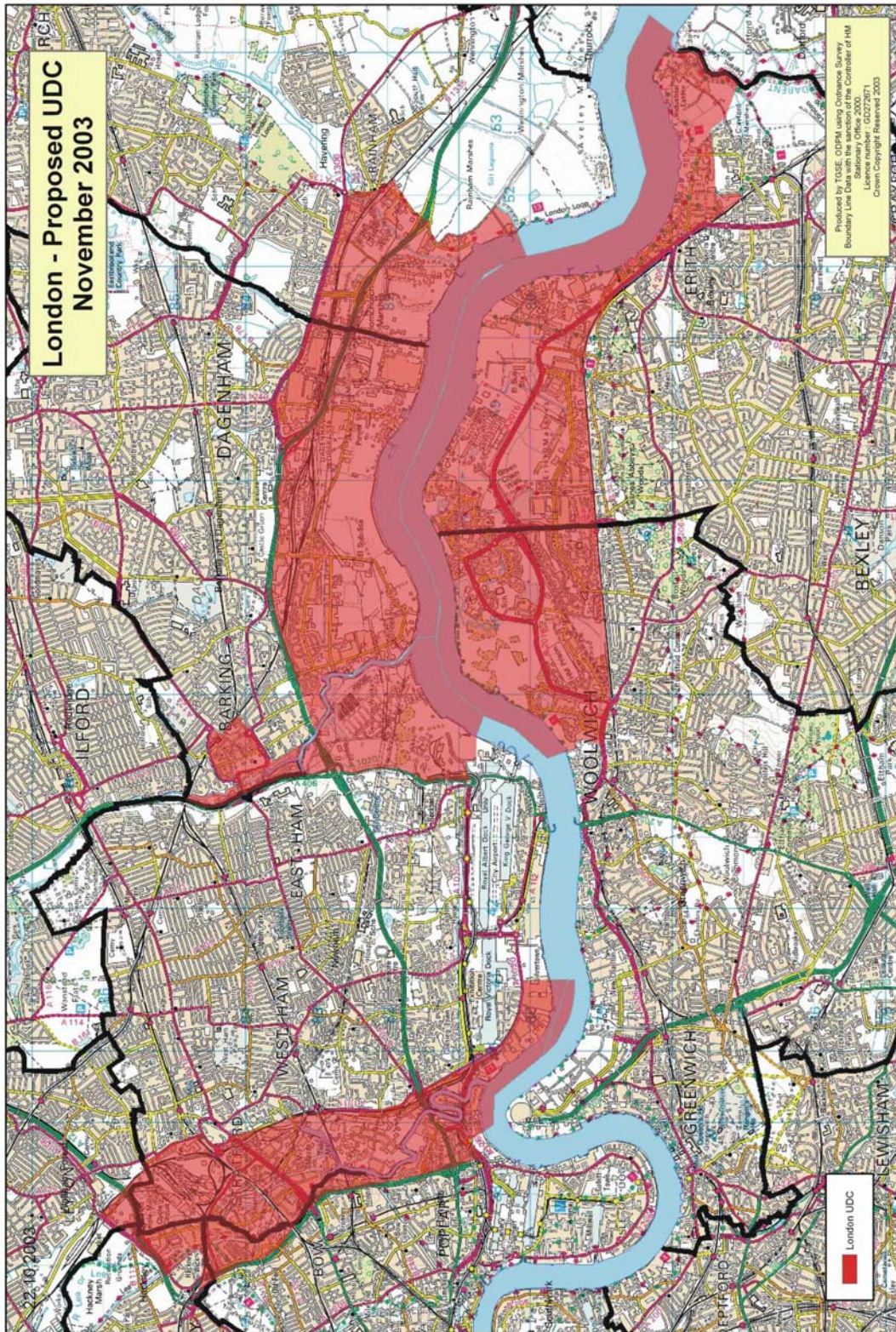
- a) East London Gateway - Stratford and the Lower Lea - incorporating 1 and 2 above;
- b) South of the Thames - Thamesmead, Belvedere/Erith - incorporating 10 and 11 above; and
- c) North of the Thames - Barking/Dagenham ('London Riverside'), incorporating 7 and 8 above.

London - Proposed UDC November 2003

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Legend:
London UDC
Thames Gateway
Greater London



- 3.3 These three areas would represent the core areas of the Urban Development Corporation in London Gateway. Characteristics of these three areas include:
- disparate land ownership
 - large scale potential across administrative boundaries
 - major environmental challenges
 - local infrastructure/access issues
 - major programme management requirements
 - marketing/inward investment challenges
 - significant community exclusion/ serious skills deficit
 - scale of contamination/groundwork issues.
- 3.4 These characteristics are common in different measure to all three core areas. Other locations may also exhibit some of these characteristics, but the primary focus for the UDC will be to tackle large dysfunctional areas that appear unlikely to realise their potential without significant intervention, ensuring successful integration with surrounding areas.
- 3.5 The Government believes that a single UDC covering the three core areas (see 3.2) would provide the best structure to support the delivery of growth and regeneration in the London Thames Gateway. A UDC would allow for a more strategic approach, a concentration of skills and expertise and better co-ordinated delivery on the ground. It would also enable the UDC to support London's Olympic bid.
- 3.6 The Lower Lea Valley has been identified as the focus for London's bid to stage the 2012 Olympic and Paralympic Games, and the preferred site for the core Games facilities. The London Development Agency (LDA), on behalf of all stakeholders, has commissioned a masterplan for the Lower Lea that is expected to be completed by December. It will identify the preferred locations of the main Olympic facilities. The masterplan will set out a flexible vision to regenerate the Lower Lea Valley. Regardless of the success of the bid, the masterplanning will provide a basis for investing in the lasting regeneration of the Lower Lea within the broader context of the London Thames Gateway.
- 3.7 We have looked at a number of boundary options for the UDC and propose for the reasons outlined above that the London Thames Gateway UDC covers the core areas of Stratford and the Lower Lea, Thamesmead, Belvedere and Erith, and Barking, Dagenham and Havering riverside. During this period of consultation, the Lower Lea Valley masterplan will be completed and submitted to the LDA and partners for consideration, and decisions on the UDC boundary will take the outcomes of the masterplanning process into consideration.
- 3.8 This boundary would mean the UDC operated in the areas of eight London boroughs: Barking and Dagenham, Bexley, Greenwich, Hackney, Havering, Newham, Tower Hamlets and Waltham Forest.

Views are invited on:

Q1: The most appropriate boundary for the London Thames Gateway UDC.

Q2: Any other boundary options that should be considered.

CHAPTER 4

Planning Powers

UDCs and Planning Powers

- 4.1 Giving UDCs the role of determining planning applications directly relevant to their purposes allows them to deliver action quickly and effectively in areas of intended change. This transfer of planning powers would not change the nature of those powers, nor would it lessen the transparency of the planning process. The UDC, as a local planning authority, would follow the same or similar procedures as the borough. So, for example, where the borough would have consulted, so would the UDC. Where the public has a right of appeal against borough decisions, they would enjoy that same right against the decisions of the UDC.
- 4.2 The Local Government, Planning and Land Act 1980 empowers the Secretary of State to provide by Order for a UDC to be the local planning authority for the whole or any part of its area. This would mean that the UDC received all planning applications in the specified area, for all kinds of development, whether from businesses, householders or otherwise.
- 4.3 To avoid overloading the UDC Board with planning decisions, the legislation allows the Secretary of State to confine the scope of the Order to specified purposes of Part III of the Town and Country Planning Act (control over development), and to certain kinds of development.
- 4.4 It is the Government's intention to use this legislation to give the UDC the role of determining planning applications only in so far as they are relevant to its purpose. This would mean large, strategic applications were for the UDC to determine, but householder and other minor applications would remain with the boroughs.
- 4.5 Confining the planning powers of the UDC in these ways will require a clear definition of precisely what powers are to be passed to the UDC as local planning authority. There is a risk that key strategic decisions may sometimes fall outside the scope of the UDC's powers. Any adjustment to these arrangements would require a further Parliamentary Order.
- 4.6 While the UDC Board must take all planning decisions within its remit, it could ask the local authorities to assist by giving advice, undertaking administrative tasks, and seconding suitable staff to work within the UDC. UDCs in the past have effectively used local planning authorities as their agent in handling planning applications.
- 4.7 Legislation has also been proposed to enable the UDC Board to delegate planning decisions to Committees, sub-Committees and officers. The proposed legislation envisages that those with expertise in planning

matters but not on the Board (e.g. the chair of a local authority planning committee) could be co-opted onto the UDC's planning committee or sub-committee with the consent of the Secretary of State.

Planning and the Olympics

4.8 The Lower Lea masterplan will set out the location for the key facilities for London's bid for the 2012 Olympics and Paralympics. Having planning consents in place for these facilities as soon as possible would improve the likelihood of a successful bid. It is therefore important that planning matters relating to the bid are handled efficiently in the context of wider plans to regenerate the Lower Lea.

4.9 The main Olympic facilities are likely to range across several boroughs in and around the Lower Lea Valley. These boroughs have formed a joint team dedicated to handling planning applications relating to the main Olympic facilities. The Government therefore proposes, at this stage, to allow the joint borough team to continue its work.

Views are invited on:

Q3: The scope of an Order transferring planning powers to a UDC; as regards the area for which the UDC would be local planning authority, and the development control functions that it ought to undertake.

Q4: How best the UDC and joint borough team could work together in the areas where the main Olympic facilities would be located.

CHAPTER 5

Board Membership

The Board's Role

- 5.1 The role of the Board is to set the strategic vision for the UDC and take the decisions required to deliver that vision. The Board will appoint the Chief Executive and take decisions, including those related to planning, on behalf of the UDC.
- 5.2 Positions on the Board have been advertised in the national and local press in accordance with guidance from the Office of the Commissioner for Public Appointments (OCPA), and will be filled in due course. To promote local accountability a number of seats on the Board have been set aside for nominees from the local authorities most significantly affected by the proposals and the GLA. However, the Government does not believe that any one interest group should have a majority of seats on the Board. The Government is discussing the implications of this further with the boroughs.
- 5.3 The Chair and Deputy Chair positions will be appointed on merit from open competition following the procedures set out in the OCPA guidance. The Government does not believe these positions should be reserved for any interest group. However, as with other Board members, an understanding of the regeneration issues in the UDC area will be important criteria for these positions.

CHAPTER 6

Next Steps

6.1 Following the consideration of the responses to this consultation, it is the Government's intention to bring forward the Order setting up the London Thames Gateway UDC early in 2004. Subject to Parliamentary approval, it is expected that the UDC will be established in the late spring of 2004.

List of Issues

6.2 Views have been specifically invited on the following issues:

Q1: The most appropriate boundary for the London Thames Gateway UDC.

Q2: Any other boundary options that should be considered.

Q3: The scope of an Order transferring planning powers to a UDC; as regards the area for which the UDC would be local planning authority, and the development control functions that it ought to undertake.

Q4: How best the UDC and joint borough team could work together in the areas where the main Olympic facilities would be located.

6.3 Views on these issues, and any other comments should be sent to the address below **by no later than 6 February 2004.**

Charlotte Eveleigh
Thames Gateway Strategic Executive
Office of the Deputy Prime Minister
Zone 4/G10
Eland House
Bressenden Place
London
SW1E 6DU
charlotte.eveleigh@odpm.gsi.gov.uk

PARTIAL REGULATORY IMPACT ASSESSMENT FOR THE INTRODUCTION OF LONDON THAMES GATEWAY URBAN DEVELOPMENT CORPORATION (UDC)

Background

1. This partial regulatory impact assessment accompanies the consultation paper on the London Thames Gateway Urban Development Corporation (UDC). Subject to the views of consultees, the Government is proposing laying the Order to establish this UDC in early 2004. A full regulatory impact assessment will accompany that Order.

Objective

2. To unlock the regeneration and growth potential of the London Thames Gateway.

Issue

3. As set out in the Sustainable Communities Plan (ODPM, February 2003 <http://www.communities.gov.uk/plan/main/>), growth in the South East can only be managed in a sustainable way, if the potential for development on brownfield land in the Thames Gateway is unlocked. The London Thames Gateway is a key location for this growth in the Thames Gateway. However, the area suffers from:
 - disparate land ownership
 - large scale potential across administrative boundaries
 - major environmental challenges
 - local infrastructure/access issues
 - major programme management requirements
 - marketing/inward investment challenges
 - significant community exclusion/ serious skills deficit
 - scale of contamination/groundwork issues
4. The issue is, therefore, what organisational arrangements are needed to tackle these problems and unlock the area's potential, and what would the impact of these arrangements be.

Who is Affected?

5. Unlocking the potential for growth and regeneration in the London Thames Gateway would have the effect of improving the quality of life for those in the area now, and in the future, with particular benefits for those currently living in areas of high deprivation. To unlock this potential, the

establishment of an Urban Development Corporation (UDC) for an indicative period of seven years is proposed.

6. A UDC is a corporate body. Its objective is to promote regeneration in a particular area. It is run by a Board answering to the First Secretary of State. Their main source of finance is grant-in-aid from central Government, supplemented by European Regional Development Funds and receipts from the sales of land and capital assets. The Board comprises eleven members plus a Chair and Deputy Chair and is appointed by the First Secretary of State. In making these appointments the First Secretary of State is required to have regard to the desirability of securing the services of people having special knowledge of the locality.
7. UDCs are tasked with bringing land and buildings into effective use, encouraging the development of existing and new industry and commerce, creating an attractive environment and ensuring that housing and social facilities are available to encourage people to live and work in the area. For these purposes, a UDC may acquire, hold, manage, reclaim and dispose of land and other property; carry out building and other operations; seek to ensure the provision of water, electricity, gas, sewerage and other services; carry on any business or undertaking for the purposes of regenerating its area; and generally do anything necessary or expedient for this purpose.
8. Additionally, the proposals recommend establishing the UDC with planning powers, restricted to strategic applications and not householder or minor applications. The main groups directly affected by this would be the large developers and businesses who would typically seek to utilise strategic sites, the local authorities, who would be giving up planning powers, and the local community.

Options

9. The organisational options for unlocking London Thames Gateway's potential are:

Option 1: Do nothing. This is the base case scenario where no changes are made to the existing organisational arrangements, and regeneration is taken forward by existing bodies.

Option 2: Set up an Urban Regeneration Company (URC) to bring together the partners involved in regeneration in London Thames Gateway to create the conditions for sustained private sector investment. URCs are independent Companies established by the relevant local authority and Regional Development Agency, as well as English Partnerships, the private sector and other key partners. URCs work towards a co-ordinated approach to the problems and opportunities in their target areas. While their principle focus is engaging the private sector in an agreed physical and economic regeneration strategy, this needs to be within the wider context of a comprehensive

approach to tackling the problems, and identifying the opportunities, of an area.

Option 3: Set up an Urban Development Corporation with statutory powers to focus on regeneration and development within its area of operation.

Identification of risks, costs and benefits

Risks

10. The major risk is that the regeneration and growth potential in the London Thames Gateway is not realised, and the opportunity to deliver extra housing and employment is missed. This could happen through inaction, where limited development takes place, or through development being taken forward in a way that fails to deliver balanced sustainable communities.
11. Another risk identified from the formal evaluation of previous UDCs (DETR 1998), is that the UDC concentrates on growth to the exclusion of benefits to the existing community. The proposed strong representation of the local authority on the UDC Board will mitigate this risk, as will the setting of social and community outcome and output targets by Government.

Costs

Option 1

12. No direct cost to Government, but a large opportunity cost in terms of missed growth and regeneration benefits.
13. No additional costs to business are expected.
14. The Local Authorities will continue to have to grapple with the large scale regeneration problems, which will distract them from other community priorities.

Option 2

15. The URC approach is resource intensive. It requires considerable investment up-front by the URC partners in running the Company and commissioning baseline and masterplanning work.
16. No additional costs to business are expected, beyond the contribution of any partners in the URC.
17. The Local Authorities will need to engage fully with the URC to make it a success. This incurs resource and opportunity costs.

Option 3

18. UDC running costs would have to be found from the Thames Gateway programme.
19. No additional costs for business are expected.
20. The local authorities would be required to give control over strategic planning applications to the UDC.

Benefits

21. Following the Government Spending Review in 2002, a £446m Thames Gateway programme has been established. London Thames Gateway partner organisations, along with other areas in the Gateway, will be able to access this money for regeneration and growth purposes.

Option 1

22. Without organisational change, projects in the London Thames Gateway would still be able to seek funding from the Thames Gateway programme. However, without any focal point for identifying projects and working them into viable propositions, the area may not maximise its potential access to these resources.
23. No deductions are made from the Thames Gateway programme for the UDC's running costs.

Option 2

24. The UDC would be able to act as a focus for developing projects that could potentially access the Thames Gateway programme. Significantly more resources might become available to the London Thames Gateway than would otherwise have been the case.

Option 3

25. The UDC would be funded by a significant slice of the Thames Gateway programme. This would be made available over an initial three year period. The amount of resources available to the UDC for delivering its activities will be determined by its operational boundary, and by the development framework.
26. Other regeneration partners would still be able to develop projects outside of the UDC for access to the Thames Gateway programme.
27. Targets for UDC outputs are still to be decided. However, it could facilitate the provision of up to 30,000 new homes, a significant proportion of which would be affordable, and the majority of which would be on brownfield

land. This would help to protect greenfield sites elsewhere in the South East. Coupled with the programme of environmental improvements the UDC would also take forward, the London Thames Gateway would become a more attractive and affordable place for key workers to live.

28. The employment potential of the area is currently being worked up. However, potentially up to 18,000 new jobs could be attracted to the area.

Small Business

29. Initial discussions with the Small Business Service (SBS) on the role of UDCs indicate that the proposed UDC is unlikely to directly affect small businesses. However, further work is ongoing and, in consultation with the SBS, a comprehensive statement on impact will be prepared for the full regulatory impact assessment.

Competition

30. The Office of Fair Trading (OFT) suggest nine questions to consider to assess the impact of proposals on competition. These are:

- In the market(s) affected by the new regulation, does any firm have more than 10% market share?
- In the market(s) affected by the new regulation, does any firm have more than 20% market share?
- In the market(s) affected by the new regulation, do the largest three firms together have at least 50% market share?
- Would the costs of regulation affect some firms substantially more than others?
- Is the regulation likely to affect the market structure, changing the number or size of firms?
- Would the regulation lead to higher set-up costs for new or potential firms that existing firms do not have to meet?
- Would the regulation lead to higher ongoing costs for new or potential firms that existing firms do not have to meet?
- Is the market characterised by rapid technological change?
- Would the regulation restrict the ability of firms to choose the price, quality, range or location of their products?

31. Only one question “Is the regulation likely to affect the market structure, changing the number or size of firms?” appears relevant to the UDC proposals, which are aimed at making the London Thames Gateway a more attractive place for businesses to operate. This implies that a competitive impact is unlikely. However a more detailed consideration of this question will be prepared, in co-operation with OFT, and included in the full regulatory impact assessment.

Securing compliance, monitoring and review

32. ODPM is establishing a framework for managing the proposed UDC. This will include detailed guidance on appraisal, management, monitoring and evaluation. A range of outcome and output targets will also be agreed. These will be monitored by Government on a quarterly basis.

33. A full review of the UDC would take place after five years.

Consultation

34. Consultation on these proposals within Government has taken place with:

- Treasury, Cabinet Office, Department of Trade and Industry, Small Business Service, Department for the Environment, Food and Rural Affairs, Department for Transport, Home Office, Department of Health, Department for Education and Skills, Department for Work and Pensions, and Department of Culture, Media and Sport.

35. Public consultation on the proposals is being undertaken with the local authority, business, voluntary and community groups and the local community. In line with Cabinet Office guidance, the consultation period will be 12 weeks.

Summary of Pros and cons of each option

	Option 1: Do nothing	Option 2: Establish URC	Option 3: Establish UDC
Business	No direct financial consequence.	Expected Costs – No direct financial consequence, unless part of the URC. Expected Benefits – Greater certainty of public sector action.	Expected Costs – No direct financial consequence. Expected Benefits – Greater certainty of action, especially if the UDC has planning powers.
Local Government	Expected Costs – Scale of regeneration problems continues to distract from other priorities.	Expected Benefits – Greater certainty of action by regeneration partners to tackle market failures that prevent regeneration or optimal growth.	Expected Costs – Loss of control over strategic planning applications. Expected Benefits – Extra resources brought into the borough for regeneration

			<p>purposes. Involvement in the UDC Board. Greater certainty of action through a single-minded organisation.</p>
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Recommendation

36. Option 1 will not enable the London Thames Gateway to achieve its regeneration and growth potential. While Option 2 would be a step in the right direction, the complex land assembly problems in the area support the argument for a single-minded body (Option 3) with statutory powers, including planning. The dedicated funding stream the UDC will receive from Government is another strong benefit.

Declaration

I have read the regulatory impact assessment and I am satisfied that the benefits justify the costs.

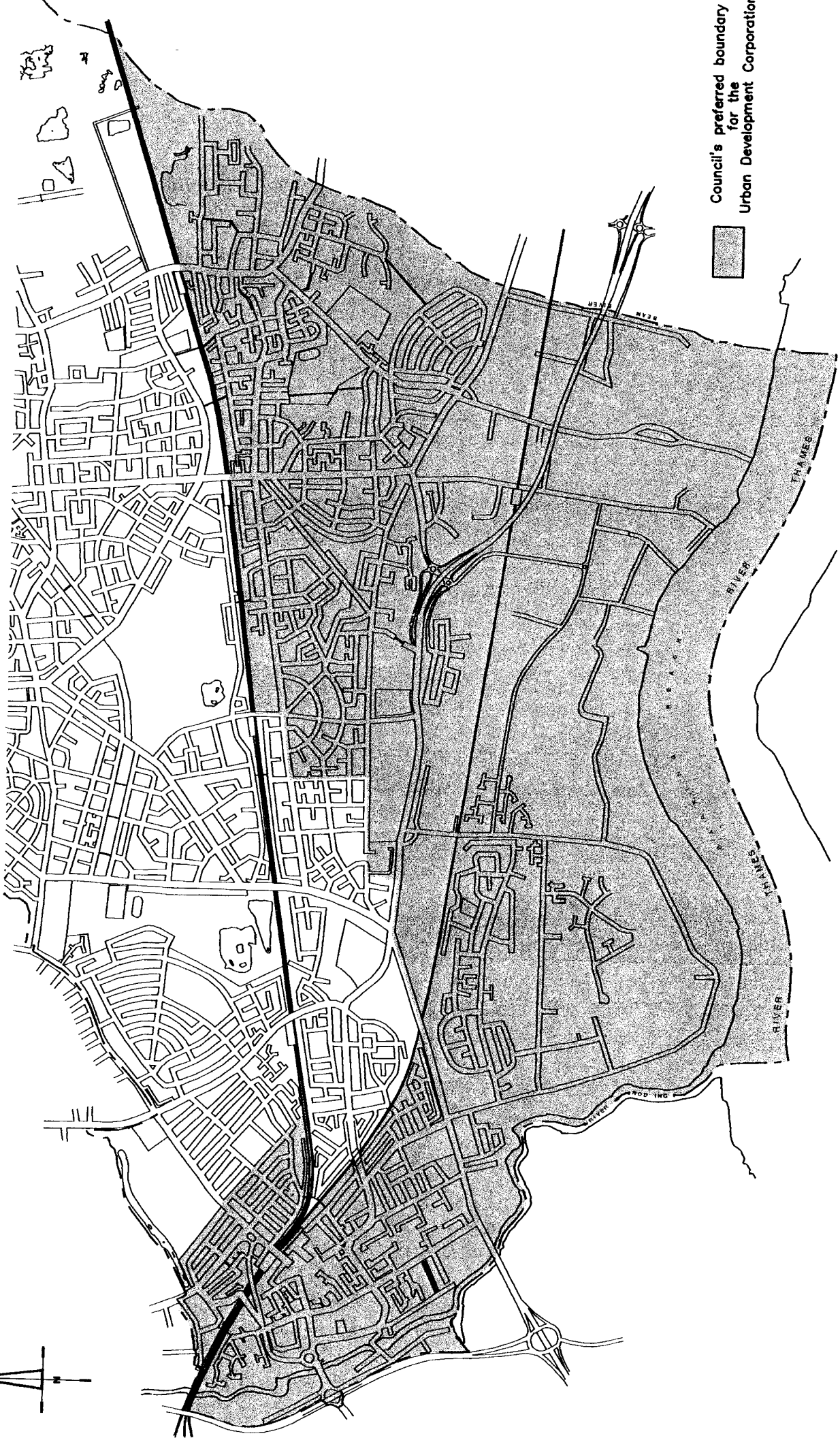
Signed.....
Date
Keith Hill, Minister of State,
Office of the Deputy Prime Minister.

Contact Point

37. Please send comments on this partial regulatory impact assessment to the address below **by 6 February 2004**. A full regulatory impact assessment will be compiled to accompany the statutory instrument establishing the London Thames Gateway UDC next year.

Charlotte Eveleigh
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Bressenden Place
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Council's preferred boundary
for the
Urban Development Corporation



The London Borough of

Barking & Dagenham

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Draft Response

Rt Hon Keith Hill MP
Minister of State for Housing and Planning
Office of the Deputy Prime Minister
26 Whitehall
London SW1A 2WH

Dear Minister

Sustainable Communities: An Urban Development Corporation for the London Thames Gateway – A Consultation Paper**Response of the London Borough of Barking and Dagenham**

Thank you for your letter dated 17 November 2003, consulting the Council on the above matter.

As you are aware, this matter is of paramount importance to the Council in taking forward the regeneration of the borough and we welcome the commencement of the consultation. We would urge you, however, to reach a swift conclusion on the consultation responses as soon as possible after the end of the consultation period on 6 February 2004. It is essential, in our view, that the regeneration programme is able to proceed as quickly as possible, within a known governance and investment framework.

Firstly, before turning to the details of the consultation paper, the Council would restate its support for an UDC that includes the relevant parts of Barking and Dagenham. We believe that the UDC has the potential to increase the pace and momentum of regeneration in the borough and to ensure that the government's vision of sustainable communities is realised.

However, we must state at the outset that there are a number of fundamental issues that will need to be addressed before the Council can fully endorse the establishment of the UDC. These comments are included in this response and we would place on record that the Council will re-consider the government's proposals when these are published after the consultation period.

We are somewhat surprised to note that the consultation paper is absolutely silent on some fundamental issues, in particular the resources that the UDC will have at its disposal, how it will relate to other statutory agencies and voluntary partnerships in London and how priorities will be set. We are deeply disappointed that the role of the UDC in transport and environmental infrastructure (including land assembly) in the consultation paper is thin since we believe, and it is acknowledged by the Mayor, the GLA and the Government, that improving transport infrastructure in the London Riverside area is crucial to releasing the enormous development potential.

We would require explicit statements on these matters to be provided prior to fully endorsing the establishment of the UDC, since without these the Council would find it difficult to see the justification for the establishment of the UDC.

In relation to the specific questions included in the consultation paper, the Council's response is as follows.

Questions 1 and 2 – The Boundary of the UDC

The Council notes that the boundary of the UDC covers eight boroughs. We also note that the boundary crosses the Thames and includes some of the existing partners in the Thames Gateway London Partnership. We also note that the boundary is geographically separated into a western portion, covering the Lea Valley and a much larger eastern portion covering London Riverside and Woolwich/Bexley.

This division of the UDC is of very real and deep concern to the Council if as a consequence it represents an internal tension within the UDC between the development needs of the Lea Valley and the far longer established development potential of London Riverside. As stated, the Council welcomes the establishment of the UDC if it will provide momentum and resources to enable the regeneration of the Borough. We would be very unwilling to see our efforts and those of our partners over several years being subsumed into the UDC, only for that effort to be negated by a disproportionate focus on the Lower Lea Valley, particularly in the context of the work which is continuing on planning for the London 2012 Olympic bid. In stating this, the council is seeking a balance of investment across the UDC in terms of both phasing and scale to ensure equity and fairness in the allocation of resources.

On this basis, the council would require a guarantee that the balance of investment and activity of the UDC will be fairly and equitably shared between these two geographical portions prior to finally endorsing the establishment of the UDC.

A further concern of the Council is that the boundary of the UDC should make sense in terms of the regional, sub-regional and local planning that has been undertaken in recent years and which is now beginning to deliver real improvements. This is particularly the case in relation to transport infrastructure and the anchoring of the development opportunities in the south of the borough to the London economy. The exclusion of the residential communities within the town centre is of great concern to the Council, as is the exclusion of existing residential communities beyond the town centre and to the north of the A13.

Substantial work has been undertaken on detailed planning and programming of improvements in Barking Town Centre, some of which has been funded by the government with resources released as a part of the Sustainable Communities Plan. As a consequence, a strong partnership between the Council, the London Development Agency, English Partnerships, the Housing Corporation and the Greater London Authority has been established to take forward the Barking Town Centre Action Plan. This partnership does not shirk the need to regenerate the social housing contained in the boundaries of the Action Plan on the Gascoigne Estate and the Harts Lane Estate in particular, the two most deprived areas in the borough. The Council believes that the UDC should not shirk this responsibility either. Hence, we consider that it will be crucial for the whole of the Barking Town Centre action plan to be taken forward and further developed by the UDC and the Town Centre partners, as a means of securing early delivery by the UDC which will support its credibility and acceptability to the local community.

We would require that the existing plans for Barking Town Centre and its proposed relationship as the town centre for Barking Reach are included in the boundaries for the UDC

Whilst acknowledging that there will inevitably be a need for a boundary to be drawn around the UDC, the Council is deeply concerned that the benefits of the development in the London Riverside area should aim to include the existing communities of the Borough as much as plan for future communities. We consider that this will be best achieved by the explicit inclusion of existing communities within the boundaries of the UDC. The Council would urge this approach in order that potential problems of community cohesion between existing and new communities can be properly and thoroughly dealt with at the outset.

Hence, the Council would strongly suggest that the boundary of the UDC should extend beyond the A13 to the line of the District Line.

A map of the Council's preferred boundary for the UDC in Barking and Dagenham is attached as Appendix 1.

As an alternative, we believe that consideration should be given to publishing a map which provides for a core area where capital investment will be focussed, possibly using the existing boundary as set out in the consultation paper, but with a wider boundary drawn to include the existing communities, which would represent the community of interest that the UDC will be serving, which should include the 2 Community Forum areas in Barking and Dagenham, in their entirety. This is the boundary that we have shown in Appendix 1. Our officers and members have extensive experience of operating area-based programmes for UDC's, Housing Action Trusts, City Challenge, SRB and European Funding. We believe that this proposal would draw the best of experiences from each of those programmes.

Question 3 - The scope of Planning Powers, the UDC as Local Planning Authority and the use of Development Control powers.

The Council notes and welcomes that the government would intend that the UDC will be more inclusive in the use of its planning powers than some of the original generation of UDCs. We have already suggested with our partners in the Thames Gateway London Partnership a protocol for dealing with planning matters and this has been submitted for consideration by your officials.

We note that the UDC would intend to take powers under Part III of the Town and Country Planning Act 1990 (as amended) and that it is the intention of the government that this should be exercised in the context of strategic applications and that such consideration should be relevant to its purpose. Whilst agreeing broadly with this principle, there is clearly a need for the Order to be clear about the types of application that will be reserved exclusively to the UDC Board or its Planning Sub-committee. Hence, defining the "major applications" in the context of existing Regulations and Statutory Instruments will be required, since a number of definitions of what is meant by this are apparent, such as that used for statutory Best Value Performance Indicators and the Greater London Authority referral criteria. The Council's preference would be for the GLA referral criteria to be the basis of reserved decisions to the UDC.

The operational effectiveness of the UDC in relation to “major applications” (however defined) will be dependent on the Board having exclusive authority for taking decisions swiftly. Hence, it would seem logical that the powers exercised by the GLA in respect of planning applications would also need to be clarified. We would suggest that this should be reflected in any Order placed before Parliament.

The consultation paper is silent on the draft provisions included in the Planning and Compulsory Purchase Bill. It is suggested that any Order should be adequately comprehensive to deal with these matters as they emerge.

The Council would aim to provide a service to the UDC as an agent in determining applications for permission, dealing with all planning matters within the UDC’s jurisdiction with the Borough’s boundaries in order to ensure economy and efficiency. The Council is acutely aware of the skills shortage in the planning profession at present and would seek to ensure that human resources were effectively deployed for both the Council and UDC as planning authorities for this purpose. The Council would ensure that such arrangements were based on effective and proper contractual arrangements.

Should these arrangements not be accepted, the Council would seek to ensure that the employment rights of its current employees were properly considered and we would request the government’s views on this in the final proposals.

The proposal of the option to co-opt Members of the Council’s Development Control Board onto the proposed planning committee of the UDC is welcomed as a very real indication of the government’s intention that the UDC will collaborate and co-operate with the boroughs. However, this Council would be very concerned if there was any proposal to co-opt any individual who was either not locally and democratically elected or a member of the UDC board to participate in local planning decisions. We believe that the consultation paper should be more clear on this point.

Question 4 – UDC and the Joint Borough team and the Olympics

I refer you to our comments on the Olympics above.

The Council’s concern is that whatever arrangements are put in place for the planning of the Olympics, this must not be to the detriment of the regeneration of Barking and Dagenham and must not dilute the attention the UDC gives to London Riverside and Barking Town Centre. Hence, whatever arrangements are agreed, there will need to be a proper and effective balance of views on the Board and in any planning arrangements that may be established.

Board Membership

This is a matter of acute concern to the Council.

The UDC will cover a substantial area of the Borough and will take forward long-planned regeneration. The Council is therefore very naturally concerned that an effective voice for Barking and Dagenham is represented on the Board, whilst also quite rightly taking forward the vision for the UDC area in general.

We note that the recruitment to the Board will be in accordance with OCPA guidance, including open and fair competition for places. We also note that the government intends that no single voice of any “interest group” will dominate on the Board and that places will be reserved for the boroughs and for the GLA to ensure this occurs.

We understand that current interpretation of the “local authority interest group” will result in no more than 6 local authority representatives being accommodated on the Board and that, in effect, including the GLA (although it is unclear whether the LDA or any other public sector body will be considered separately) this will result in at least three local authorities not having such a seat. It is considered that this could prove divisive in taking forward the regeneration agenda of the UDC and our strongly held view is that each of the Boroughs affected should have representation on the Board, notwithstanding the OCPA requirements.

Whilst we acknowledge that this is a difficult issue for the government to resolve, if the Council is not represented on the Board given the substantial land area covered by the UDC, the Council would object strongly to the inclusion of any part of the borough in the proposed UDC boundaries.

We would therefore suggest that the recruitment exercise, in whatever form, is completed before the UDC is finalised, to prevent major issues arising when it is too late to deal with them effectively.

We look forward keenly to the government’s proposals on how this will be dealt with.

Relationships with Other Agencies

Currently, there are a wide range of statutory and voluntary agencies operating in the proposed boundaries of the UDC. These agencies and partnerships have served a useful purpose in taking forward and raising the profile of the regeneration needs of the Thames Gateway in London. However, the consultation paper makes no commentary on the government’s intentions in relation to other agencies at present and the Council believes that this lack of attention to the institutional architecture in the context of the proposed UDC should be addressed in the final proposals. There is a clear opportunity to simplify the governance landscape and this should be taken whilst setting up the proposed UDC.

This should be absolutely clear about roles, responsibilities and relationships and if the government believes that any organisations should be re-focussed or terminated. The Council considers that some rationalisation may be beneficial, but we are also acutely aware that the institutional infrastructure also needs to be adequately robust to articulate the needs of the London Thames Gateway as a whole.

Resources and Timescales

It is very disappointing that the consultation paper does not make clear that the UDC will require adequate and effective resources to truly realise the development and regeneration potential of the Thames Gateway. The Council considers that the final proposals need to be far more explicit in this respect in order to secure investor confidence and community engagement. There is a risk that this gap in the government’s proposals represents a serious risk that the UDC will be considered to be another layer of bureaucracy and this must be avoided at all costs.

On the proposal that the UDC will be time limited to 7 years, from 2004 to 2011, the Council considers that this is far too short a period of time given the scale, complexity and investment needs of the UDC area. In addition, this proposal would see the UDC terminate a year before the 2012 Olympics (if London were to be successful in securing them), which is somewhat tautological given the content of the consultation paper on this matter.

The Council considers that the UDC should be established for a period of 15 years, with tri-annual reviews of its performance and delivery which should include all stakeholders, including community views on its performance.

Social and Economic Dimensions and Community Engagement

These matters are not dealt with in the consultation paper. The Council considers that this is unacceptable and clarity about the relationship of the UDC with current and future communities in particular is critically important.

The Council acknowledges that the work of the proposed UDC will concentrate on the essential and critical physical infrastructure of the area it will cover, but it will also need to work in partnership with other agencies and Local Strategic Partnerships to secure social inclusion, economic development and improvements in the quality of life of the Thames Gateway if it is to be perceived to be successful. This must be reflected in the final proposals. Indeed, this is at the core of the government's objectives for the creation of sustainable communities and these objectives should be effectively and clearly represented in the UDC's memorandum and articles of association.

The Council would suggest that this area is very important in developing confidence in our communities and ensuring a vision of a sustainable future is realised. Small scale projects as well as large flagship projects should be a concern for the UDC, working closely with others to ensure their delivery whilst not losing its focus on the primary objective of large scale infrastructure improvement.

Finally, the Council would restate its absolute commitment to ensuring the delivery of the Sustainable Communities Plan in Barking and Dagenham and we look forward to receiving the final proposals for the UDC at the earliest opportunity.

Yours sincerely

Cllr Charles Fairbrass
Leader of the Council

Councillor Sidney Kallar
Executive Member for Regeneration

THE EXECUTIVE

20 JANUARY 2004

**JOINT REPORT OF THE DIRECTOR OF LEISURE AND ENVIRONMENTAL SERVICES
AND THE DIRECTOR OF HOUSING AND HEALTH**

BARKING TOWN CENTRE PARTNERSHIP		FOR DECISION
<p><u>Summary</u></p> <p>This report informs Members of the progress made in establishing collaborative working by agencies at national and sub regional level in pursuit of the plans set out in the Barking Town Centre Action Plan and seeks endorsement for the setting up of Barking Town Centre Partnership as an unincorporated organisation.</p>		
<p><u>Proposed Partnership</u></p> <p>It is proposed that the partnership will consist of officers from LBBD, London Development Agency (LDA), English Partnerships (EP), Housing Corporation (HC), Greater London Authority and Transport for London (TFL). The East London Urban Development Corporation when established should also be represented on the Board if Barking Town Centre is included in their area of operation. The draft terms of reference are set out in the annex along with a joint statement of intent both of which are based on the Council's own action plan. The partnership will be chaired by the Chief Executive or the Director of Leisure and Environmental Services and will make decisions by consensus</p>		
<p><u>Timescales</u></p> <p>It is anticipated that the Partnership will be in existence for the lifetime of projects associated with the transformation of the Town Centre. Initially for a three year programme. The draft programme for Barking Town Centre is attached as an Appendix.</p>		
<p><u>Recommendations</u></p> <p>The Executive is asked to agree to the establishment of the Barking Town Centre Partnership and endorse the draft Terms of Reference and Joint Statement of Intent (appendix 1)</p>		
<p>Contact Officer: Jeremy Grint</p>	<p>Head of Regeneration Implementation</p>	<p>Tel: 020 8227 2443 Fax: 020 8227 3231 E-mail: Jeremy.grint@lbbd.gov.uk</p>

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**Barking Town Centre Strategic Partnership
Joint Statement of Intent**

Contents

Introduction

The Partners-key roles and responsibilities

The Strategic Vision

The Strategy

Objective one:

To achieve a more sustainable economy for Barking Town Centre and its hinterland.

Objective two:

To improve local people's skills to enable them to widen their employment opportunities and improve their incomes

Objective three:

To improve the image and raise the profile of Barking Town Centre

Objective four:

To encourage cultural development and encourage the development of creative industries

Objective five:

To maximise the potential of Barking Town Centre provided by its very good transport links, particularly Barking station

Objective six:

To improve the quality of the environment and the linkages between key destinations

Objective seven:

To improve the quality and range of housing and deliver the Housing Strategy within Barking Town Centre and its hinterland.

Objective eight

To ensure that suitable and good quality public service infrastructure is provided

Introduction

- 1.1 The London Borough of Barking and Dagenham (LBBD) has drafted this statement of intent in conjunction with the Greater London Authority Group, Thames Gateway London Partnership, English Partnerships and the Housing Corporation. It sets out how the partners will work together and with other agencies to achieve the objectives of regenerating Barking Town Centre.
- 1.2 The statement draws together the common objectives of each of the partners and the national and regional priorities set out in the Communities Plan and the draft London Plan.
- 1.3 The statement is a dynamic document which will change as we make progress on the individual objectives. There are a number of planning and other policy documents that will guide our work, these are listed in appendix one. It is anticipated that most of the individual projects outlined in this statement will be completed within the next ten years.

2 The Partners – Key roles and responsibilities

- 2.1 It is envisaged that the strategic partnership will have as its core membership six partners:
 - London Borough of Barking and Dagenham
 - London Development Agency
 - English Partnerships
 - Greater London Authority
 - Housing Corporation
 - Thames Gateway London Partnership

The Office of the Deputy Prime Minister through the Thames Gateway Strategic Executive support the Partnership, although they are not full members.

By establishing the core partnership we will create the right circumstances to secure the involvement of other organisations. Invitations to collaborate and participate will be issued in the near future. The value of the partnership will demonstrated by effective joint working.

We set out below the anticipated contributions from the core partners.

- 2.2 London Borough of Barking and Dagenham:
 - Community leadership and leverage for other partners on specific projects

- Lead on the Local Strategic Partnership and Community Strategy preparation
- Political accountability and many statutory functions
- Forward planning and local policy framework
- Development Control
- Highway authority
- Environmental stewardship
- Local knowledge
- Project management

2.3 London Development Agency

- Capital wide development programme with major stake in Thames Gateway
- Specialist support and professional resources in the development process
- Investment programme in Barking and London Riverside
- Influence with the GLA group

2.4 English Partnerships

- National development programme with major stake in Thames Gateway
- Specialist support and professional resources in the development process
- Investment programme in London Riverside and commitment to assist Barking Programme
- Influence with other national agencies and government departments

2.5 Housing Corporation

- National development programme and major stake in Thames Gateway
- Specialist support and resources in housing development
- Investment programme in the Thames Gateway and commitment to assist the Barking Programme
- Influence with other national agencies and government departments

2.6 Thames Gateway London Partnership

- The partnership of Thames Gateway London local authorities
- Sub regional planning and development co-ordination
- Support for Barking as a town centre pilot programme

2.7 Others to be put in TGSE, NELSHA, TfL UDC

- 2.8 The Development Partnership will be affiliated to the Thames Gateway London Board and the Thames Gateway Steering Committee as well as the latter's Operations Group. Throughout this network there is a commitment to practical co-operation, investment co-ordination and the sharing of best practice.

3 The Common Strategic Vision

- 3.1 The vision for Barking Town Centre (BCT) is that by 2010 Barking Town Centre will become a vibrant, environmentally sustainable, prosperous and well designed destination with a distinctive character, serving as the retail, leisure and commercial centre for the borough residents and growing in vitality and significance as it plays a full part in the expansion of the Thames Gateway.”
- 3.2 The principal partners in the programme to transform Barking Town Centre each have their own set of operational objectives. Jointly they are able to commit to a comprehensive programme, led by the Borough, which will realise the vision broadly set out above.
- 3.3 The documents which are either complete or in advanced draft which substantiate the joint approach to the work on Barking are as follows:
- The draft London Plan
 - The Thames Gateway draft development framework
 - The Area Development Framework for Barking Town Centre
 - The Framework Plan for Barking Town Centre
 - London Housing Strategy
 - English Partnerships Business Plan 2003-8 (?)
 - The Regeneration Strategy for Barking & Dagenham
 - The Barking Town Centre Action Plan (2003/4)
 - The London Development Agency Economic Development Plan 2002
- 3.4 From these documents one central objective can be stated which relates directly to the central purpose of every one of the partners: “To secure funding for major projects and initiatives and helps secure large scale high quality private sector investment in Barking Town Centre and contributes to the wider objectives of partners”

4. The Strategy

- 4.1 The vision needs to be translated into actions. Key projects supporting the objectives have been identified and set out below. Each of the partners will be expected to play their part in promoting these schemes either through tacit support that could provide leverage for others, or through direct involvement, providing funding and project management.

4.2 Objective One

To achieve a more sustainable economy for Barking Town Centre and its hinterland

This will be achieved by:

- a. ensuring the economic linkages between BTC and the proposed development on London Riverside are understood, clarified and incorporated in the work programme
- b. The sub regional economic potential of Barking is fully exploited
- c. The retail and leisure potential of the Town Centre being fully assessed and an action programme devised to fulfil that potential
- d. A full assessment of the potential of Barking as a creative hub.
- e. A set of actions devised that build on the success of the Borough's educational service.
- f. Specific work on a business improvement district
- g. Preparation of a prospectus and marketing strategy that seeks to attract and secure new private sector investment
- h. Developing the potential of the Barking night time economy.
- i. Ensuring substantial new investment in a wide range of uses.

4.3 Objective two

To improve local people's skills to enable them to widen their employment opportunities and improve their incomes

This will be achieved by:

- a. Developing a skills strategy that seeks to combine the partners' actions with the resources of the education sector and the Learning and Skills Council in a comprehensive programme of targeted sector and skills development for the local population.

- b. A focus on the needs of the creative industry sector within the sub region and particularly in potential of the Malthouse and the Broadway Theatre
- c. Ensuring the success of the Barking Lifelong Learning Centre within the Town Square development
- d. Building on the progress already made by neighbourhood renewal projects in the Borough that have related the needs of local people to the local labour market

4.4 Objective three

To improve the image and raise the profile of Barking Town Centre

This will be achieved by:

- a. Establishing a prospectus for private sector investment and with it a marketing strategy that directly counters the apparently negative image of the Borough.
- b. Ensuring there is a vigorous community strategy in place in the Borough, properly resourced and funded during this period of major physical and social change.
- c. Promoting and implementing public art projects which provoke a renewal in sense of place and pride of place.
- d. Running design competitions for the major parts of the framework plan. Seeking the best European design as a matter of course.
- e. by delivering the Town Square development

4.5 Objective four

To encourage cultural development

This will be achieved by:

- a. Successful development of the Malthouse and adjoining land and the Broadway Theatre
- b. Developing a programme which promotes investment in Barking as a creative hub; a centre for cultural innovation within the Capital.

4.6 Objective five

To maximise the potential of Barking Town Centre provided by its very good transport links, particularly Barking Station

This will be achieved by:

- a. In 2003/4 completing a mode by mode analysis of the outline movement strategy and confirm the surface transport investment programme within the Town Centre
- b. Confirming the investment in East London Transit

- c. Establishing excellent walking and cycling routes between the nearby residential areas and the Town Centre
- d. Confirming the sites for private sector housing development, preparing design briefs for those sites and marketing the opportunities, actively seeking high quality investment, at substantially increased density levels.
- e. Confirming the impact of Riverside development on the Town Centre and assuring the surface transport upgrade.

4.7 Objective six

To improve the quality of the environment and the linkages between key destinations

This will be achieved by:

- a. Completing consultation on the draft public realm strategy and establishing and resourcing an implementation programme
- b. Establishing a River Roding banks strategy
- c. Building up an urban design service in the Borough.
- d. Completing a full range of high quality walking and cycling routes
- e. Improving the vitality and public use of Abbey Fields and Barking Park.
- f. Completing and implementing the car parking strategy.

4.8 Objective seven

To improve the quality and range of housing and deliver the Housing Strategy within Barking Town Centre and its hinterland

This will be achieved by:

- a. Guiding the successful private sector development of the following housing and mixed use sites: Town Square, Abbey Road, Fresh Wharf, Leisure Fields, The Station Quarter, Tanner Street Triangle and Tesco Car Park.
- b. Successfully renew and/or redevelop the following housing and mixed use sites that are currently in the public sector: London road/North Street, The Lintons, Harts Lane, Gascoigne Estate, Tanner Street, Axe Street.
- c. Collaborating with Partners on the development of London Riverside in a way that ensures a beneficial impact in economic and civic and environmental terms on the function of the town centre.

4.9 Objective eight

To ensure that suitable and good quality public service infrastructure is provided

This will be achieved by:

- a. Assuring the expansion of primary and secondary school facilities.

- b. Providing new health service facilities in the Town Centre
- c. Securing the success of the local Surestart programme
- d. Increasing the supply of nursery places.
- e. Encouraging investment in Broadband and providing training facilities to encourage its use.

BARKING TOWN CENTRE STRATEGY PARTNERSHIP

Terms of Reference

The members of the Barking Town Centre Partnership (BTCP) will be collectively responsible for overseeing and co-ordinating the delivery of Barking Town Strategy, Framework Plan and Action Plan

The Partnership will have the key role in providing the development and regeneration of Barking Town Centre with vision, direction and leadership. It will;

- Ensure that the wide range of tasks needed to deliver sustainable regeneration and development are planned and carried out
- Lead and supervise the work of the Delivery Team
- Set the overall quality standards for the project
- Ensure that the resources are in place and private sector partners sought to support development and regeneration projects
- Ensure that the projects represents best practice in terms of delivering sustainable development
- Ensure that innovative solutions are incorporated during all stages of planning and implementation

It will have as its overarching objectives, the following:

- **To achieve a more sustainable economy for Barking Town Centre and its hinterland;**
- **To improve local people's skills to enable them to widen their employment opportunities and improve their incomes;**
- **To improve the image and raise the profile of Barking Town Centre;**
- **To encourage cultural development**
- **To maximise the potential of Barking Town Centre provided by its very good transport links, particularly Barking Station;**
- **To improve the quality of the environment and the linkages between key destinations;**
- **To improve the quality and range of housing within Barking Town Centre and its hinterland;**
- **To ensure that suitable and good quality public service infrastructure is provided;**
- **To encourage the development of creative industries**

The success in delivering Barking and Dagenham strategic development will be dependent upon the collective endeavour of the Partnership – not just the individual action of the partner organisations.

Role of the Partnership Members

The BTCP is a Partnership of all organisations represented. Members act as representatives of their organisation and as champions of the overall project. Each member will also ensure delivery of the individual projects that their organisation is responsible for.

The Partnership will be responsible for overseeing the preparation and delivery of a number of key projects.

These projects will be set out in the Business Plan in more detail in the individual project plans that will identify the work required, assumptions regarding project costs and sources of funding, as well as the lead organisation responsible for each work item and the formal relationship between the different organisations (i.e. levels of service, development and infrastructure delivery that is required of the Partnership, partner organisations and government).

In order to access government spending in the long term that will in turn influence/inform budgets for the partner's organisations, it is important to contribute to the 2004 Comprehensive Spending Review as well as the spending review of each partner.

Once the Project Plans have been prepared and approved the role of the Partnership will be:

- Monitor progress
- Act to ensure that targets and objectives are met on time
- Oversee the review of the projects over time
- Work collectively to deliver agreed targets

It will be the role of the Delivery Team to prepare these Project plans for approval by the Partnership and coordinate the delivery of the projects in line with Partnerships decisions.

Legal Status

The BTCP has no separate legal status. The Partnership cannot employ staff, enter into contracts or acquire and hold land, although separate partners can.

Powers of the Partnership

The Partnership will not have any powers in its own right. The powers used to deliver development and regeneration will be drawn from the partner organisations as they relate to the individual projects.

In general terms the lead partner for each project has been identified on the basis that their powers and responsibilities make them the most appropriate lead organisation.

Many projects will require the cooperation of a number of organisations represented on the board, in addition to the lead body. Where this is the case the service standards required of all organisations involved in joint projects will need to be covered in the PSA type contract or specific agreements/contracts relating to the project.

The ability to deliver strategic development and regeneration will require partner organisations to;

- Acquire land (including the ability to use CPO powers)
- Hold land
- Act as developer
- Provide infrastructure
- Enter into contracts
- Employ staff
- Borrow money
- Master plan
- Grant planning permission
- Act as provider and statutory authority for a range of public services including housing, education, highways and social care
- Co-ordinate the work of other agencies
- Promote development, Barking and Dagenham and the Partnership

Management of the Delivery Team

As the Partnership has no legal status it cannot directly employ the Delivery Team however, the Delivery Team will need to work for and be answerable to the Partnership.

London Borough of Barking and Dagenham will perform the role of employer for the core delivery coordination team.

The team will most likely consist of a Director, a Strategic Development Coordinator and an Assistant. Any additional staff must be approved by the Partnership. The Team will be based in the Basildon Centre and provide workspace for partner representatives.

The team's core duties will be:

- To provide administrative support for the partnership;
- To manage and coordinate at a strategic level projects and initiative, including the appointment of consultants and specialist advisors;
- To support project delivery through the management of funding, project management and calling on specialist skills, such as for land assembly;
- To liaise with other partners and agencies, and support the SDP Partners with additional workloads; and
- Support and promote community engagement in projects

The Director of the Delivery Team will report to the Partnership and will attend partnership meetings. The Partnership will set the overall priorities and work of the development team. The Director will be responsible for budgetary control of the partnership.

The Lead Organisations will be responsible for budgetary control of each project.

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THE EXECUTIVE**27 JANUARY 2004****REPORT OF THE DIRECTOR OF HOUSING AND HEALTH**

THE FUTURE MANAGEMENT OF GARAGES	FOR DECISION
<i>This report seeks Members agreement to a range of proposals to bring about more efficient management Council owned garages.</i>	
<u>Summary</u>	
This report suggests proposals to change the current policy on the letting and management of Council owned garages following the report to the Scrutiny Management Board on 25 June 2003.	
<u>Recommendation</u>	
The Executive is asked to agree:	
<ol style="list-style-type: none"> 1. To introduce a reduced rental for new garage tenants for a six-month period as an incentive in areas where garages are difficult to let. If this is agreed in principle, then it is recommended that decisions on the rent setting of garages for this exercise could be delegated to The Director of Housing and Health in consultation with The Director of Finance; 2. To relax the policy around garage usage and delegate the decisions around this to the Director of Housing and Health in consultation with the Community Housing Partnership Boards; 3. To the continuation of garage rental income being ring fenced and being used for: <ol style="list-style-type: none"> a) The provision of additional security to garage sites. b) The demolition of sites where it is considered this to be the only option or where there is a development opportunity. c) The continuation of a refurbishment programme. It is proposed that decisions around these matters be delegated to The Director of Housing and Health in consultation with The Community Housing Partnership Boards. 4. To increase rents in line with inflation i.e. 19p per week net. This is in line with the Charging Policy Commission recommendations; 5. To set up a cleaning team to carry out cyclical cleaning of garage sites. The funding of this team to be met from the ring fenced garage income; and 6. To the targets set for the reduction of void garages in the next financial year. 	

<u>Reason</u>		
These proposals aim to increase the uptake of garages and reduce the void level by 10% in the next financial year. This will ensure that rental income is maximised and the repair and cleanliness of garages can be enhanced.		
Contact: Jim Ripley	Head of Landlord Services	Tel: 020 8227 3738 Fax: 020 8227 5705 Minicom: 020 8227 5755 E-mail: jim.ripley@lbbd.gov.uk

1. **Background**

- 1.1 Following the report to the scrutiny Management Board, individual reports were submitted to each of the 6 Community Housing Partnership Board meetings. An example of the report submitted to the Heath, Alibon, and, Eastbrook Board is attached at appendix A.
- 1.2 When the original report was considered by the Scrutiny Management Board, there were 1049 empty garages across the 6 Community Partnership Housing Areas. It was decided that in the short term some reduction in the void level might be achieved by better advertising until a strategic approach could be agreed. As a result of this, leaflets advertising garages to let in the less popular sites were delivered in each Partnership area. In 2 of the Partnership areas "Garages to Let" signs were fixed on some of the sites. This has been quite effective and in one of the areas voids have decreased by 2.95%. This method of advertising will be carried out over the remaining Partnership areas. Despite the advertising, voids have increased overall by 8 during the period from June until November and therefore a range of measures in addition to publicity will be needed to increase take up.
- 1.3. There was a lot of discussion at the Partnership Board meetings and options 1,2,3,4 and 6 all received Members support. Other comments were also raised, and can be summarised as follows:
 - a) Garages should be for local people, not for those living outside of the Borough
 - b) Garages should not be let for commercial use
 - c) Rent income should be spent on the maintenance of garage sites
 - d) Better publicity is essential
 - e) Regular weeding and cleaning of garage sites should be carried out

Generally all of these points have been included in the recommendations of this report

2. Proposals

2.1 There is an on street parking problem in the Borough and whilst there is a strategy to manage on street parking there is currently no strategy to reduce it. However if the wheel clamping pilot schemes being introduced by this Department are successful and are extended to other housing estates it could result in an increase in the number of residents applying for garages. In the meantime the following action could help to ease these problems.

2.2 Garage Rentals

This suggestion was detailed in option 6 of the report to the Boards but it would be difficult to operate from the accounting point of view. It is therefore suggested that any new tenant signing up for a garage in an area which is considered as being difficult to let be offered a reduced rental of say £5.00 per week for a period of six months as an incentive. In terms of accounting this would be easier to operate.

The current rental for existing garage users is £6.84. In accordance with the Charging Policy Commission recommendations, an increase in line with inflation from 5th April 2004 is suggested. This would increase the weekly rental by 19p to £7.03 and based on current occupancy levels, generate an additional £23,500.00 per annum. This sum would continue to be ring fenced and go towards the initiatives set out in the recommendations of this report.

2.3 Publicity

This was felt to be the key to the present problems by some Board Members and as previously mentioned some steps have already been taken to improve this. A web page is presently under construction specifically relating to the availability of Council owned garages.

2.4 Garage Use

At present, the use of a Council garage is restricted to the storage of a private motor vehicle. Many tenants do not keep to this condition, but store household items such as decorating equipment, etc. In some cases, it has been found that garages are being used for storing building materials and car parts. When this information comes to our attention, action is taken to repossess the garage. This course of action is acceptable if the garage is in an area where there is a high demand, although, if this is not the case, then the garage becomes another void with the subsequent loss of income and a target for vandalism.

Some of the restrictions on the use of garages could be eased particularly in areas of low demand. These are detailed in option 2 of the report to the Partnership Boards but taking into account that Board Members are not in favour of garages being used for commercial purposes

2.5 Garage Security

In some of the areas where locking gates/fencing have been provided, there has been an increase in the take up of vacant garages and certainly vandalism has decreased. These sites cease to be a dumping ground for abandoned vehicles and money spent on refurbishment and improvements such as lighting represent good value for money.

Whilst this will not make some of the unpopular sites lettable, it is felt that this type of improvement selectively carried out is very worthwhile.

2.6 Demolition

Some sites have deteriorated to the point where demolition or partial demolition is the only viable option. Demolition costs for one-off sites are high, and it is felt that it is better to identify several suitable sites and let the demolition work as one contract. It is suggested that this type of work is funded from the garage rental income

2.7 Disposal

This option will need further investigation if Members wish. It is fair to say that private companies appear to have no difficulty letting garages at considerably higher rents than those charged by the Council. However they do not have the same restrictions of use as those imposed by the Council and readily let garages for storage purposes with very few questions being asked.

3. The Community Priorities

How do the proposals fit in with the Community Priorities?

Making Barking & Dagenham Cleaner, Greener, and Safer

- 1) The proposal to increase the security of garage sites will make them less vulnerable to dumping of abandoned vehicles and fly tipping generally.
- 2) It will also ensure that children are unable to access the sites, which can be very dangerous areas for play.
- 3) A demolition programme for the non-viable sites will again remove the potential for injury to children

Creating better opportunities for all

- 1) By relaxing the "1 private motor vehicle " clause opportunities are created for better usage of the garage stock

Developing rights & responsibilities

- 1) There is evidence to show in the sites that have already been “gated” garage users take more responsibility when security is increased. Increased consultation around the use and management of sites is likely to receive a greater and more meaningful response

Raising general pride in the Borough and projecting a positive image

- 1) Increased security, better maintained sites and clearance of non-viable sites all lead the projection of a better image of the Borough.

Regenerating the local economy

- 1) Variable garage rentals may lead to more money in the pockets of people on lower incomes allowing them more choice when spending on other items

4. Conclusions

- 4.1 Garages are valuable assets when they are provided and managed as part of an overall strategy to reduce on street parking. If at some time in the future it is decided to reduce on-street parking, then many residents may come back to this Department for a garage. If large scale demolition were followed through, then the garage resource would be lost for the future. It may be sensible that, before a demolition programme is agreed, the chosen sites should be secured until such time as the Council considers the overall policy of on street parking.
- 4.2 It should also be noted that, whilst some of the sites where garages have been demolished are quite large, very few represent development opportunities, and, had they not been secured, they would have become areas where rubbish and abandoned vehicles were dumped.
- 4.3 It is anticipated that by implementing a range of improvements and alterations to the way in which garages are presently managed it should be possible to improve occupancy by at least 10% in the next financial year. Examples of what this would mean in the individual CHP areas is set out below based on the void levels at the end of November

	Void at 30 November 2003	estimated reduction
Area 1	239	24
Area 2	257	26
Area 3	171	17
Area 4	208	21
Area 5	19	N/A
Area 6	160	16
Total	1057	104

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Present position Heath Alibon and Eastbrook CHP area

There are 654 garages located in the 32 garage sites in the Heath, Alibon, and Eastbrook area.

12 of these sites already have a measure of security in as much as they have locking steel gates to the service /approach road. These security measures were funded from previous year's environmental improvements budgets in order to improve the viability of sites which were difficult to let due to vandalism and disrepair.

Whilst there has been a small increase in the take up of vacant garages on these sites, it is fair to say that each year at the time of the rent increase a number of garage tenancies are terminated by residents who no longer see the renting of a garage as good value for money.

Of the 654 garages in the area, 188 are currently empty, which represents 28% of the stock. 83 of these are ready for letting, but there are no applicants registered waiting for the areas in which the vacancies occur. The remaining 105 are not ready due to various reasons. A number of the garages require repair and whilst minor repairs are carried out to bring an individual garage back to a suitable standard for letting, if major repairs are required a decision has to be made whether it is worthwhile having the repairs completed if, on completion the garage cannot be re-let because there is a lack of registered applicants. Other garages have been subject to fly tipping of rubbish and again whilst small amounts of rubbish can be removed by the scavenger, due to the high cost of removing large quantities of garden or building waste and the possibility of further fly tipping, it is not always viable to have a garage cleared where there are no waiting applicants.

Where a site is on the margins of occupancy the decision is usually clear and demolition and subsequent clearance of the site is normally the course followed.

No action leads to a spiralling effect and the site tends to deteriorate further.

In particular there 5 sites in this area where most of the empty garages are situated, All 5 have security gates fitted and whilst all located in fairly high density areas continue not to have waiting lists.

- 1) **Stour Road**, This is a fairly secure site and is located on the Becontree Heath Estate where parking space is at a premium. There are 11 vacant garages on this site
- 2) **Stansgate Road**, This is located behind the shops on the Heath Park Estate and would appear to be ideally situated. There are 25 vacant garages on this site.

- 3) **Highland Avenue**, This is a large site which is secure but has been subject to high levels of vandalism. There are 29 vacant garages on this site.
- 4) **Hunters Hall Road**, This is a large site located in a fairly high density area. The site is secure but there is no demand from local residents .There are 12 vacant garages on this site.
- 5) **Trefgarne Road**, This is a fairly large garage site located on the_Heath Park Estate. It is secure and well maintained but again there is no demand from local residents. There are 11 vacant garages on this site.

The options set out below are for discussion and consideration by Board Members.

Options for consideration

1 Better Publicity

An article has already been drafted for inclusion in the Citizen.

A page on the Councils web site is currently under construction

A leaflet drop in specific areas of low demand could be organised including delivery to private households and other Social Landlords.

Advertising in local shops

Advertising in local free papers

Advertising in "speciality" press, e.g. Dalton's Weekly

2 Consider relaxing the policy around garage usage and delegate the decisions around this to the Director of Housing and Health in consultation with local residents via the Community Housing Partnerships.

At present garages are let on the basis that they are used for storing a private motor vehicle, which must be insured. This could be relaxed in the following ways:

In areas of low demand

Allow tenants to use the garage for storage generally on the understanding that they arrange their own insurance on the goods stored and indemnify the Council against loss or damage to the garage

Allow residents to store untaxed vehicles provided they are subject to SORN (Statutory Off road Notification).

Allow small businesses to use the garages for storage on the understanding that they do not cause a nuisance to other garage users or local residents and have adequate insurance to indemnify the Council

3 Carry out security improvements to garage sites in order to prevent further deterioration of sites prior to any refurbishment programme.

Many garage sites have already been provided with locking security gates. In some areas this will be sufficient to stimulate demand.

Security lighting could be installed in some locations subject to a suitable power supply being available, although there is only a budget of £200,000. Across all 6 CHP areas for this type of work

4 Consider selective demolition of garage sites, bearing in mind the implication any future policies to deal with the problems of "on street parking" may have on the demand for garages.

Demolition of individual garage sites is expensive and in order to get the best value for money it is beneficial to have a number of sites demolished at the same time.

Sites could be secured for a temporary period but as there is no time scale around dealing with the problems around "on street parking" this could lead to sites becoming derelict through vandalism and creating a health and safety risk to children. It is likely that the introduction of residents parking permits and subsequent wheel clamping of vehicles not displaying a permit may very well stimulate demand.

5 Consider the disposal of garage sites either through sale or a leasing arrangement, putting the management of garage sites onto a contracted out basis. This may have implications for staffing in terms of redundancy, possible need for TUPE arrangements.

This will need further investigation if it is considered to be a viable option.

6 Rent Options

The current rental for a garage is £6.84 for Council Housing tenants and this is increased by £1.19 for VAT when garages are let to other residents

In order to encourage take up of vacant garages, particularly in areas of low demand, the introduction of an incremental rent structure could be considered. An example of this would be to freeze the rental for 1 year of garages where the security improvements have been carried out and to reduce the rental by say £2.00 on the marginal sites.

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THE EXECUTIVE**27 JANUARY 2004****REPORT OF THE DIRECTOR OF HOUSING AND HEALTH**

61 KEIR HARDIE WAY - UPLIFT OF RESTRICTIVE COVENANT	FOR DECISION	
<p><i>This report sets out for decision a request for removing a restrictive covenant at 61 Keir Hardie Way.</i></p> <p><u>Summary</u></p> <p>A planning application has been made by a development consultant to develop a site that currently consists of a single house into a small block of flats. Although planning consent has been granted a restrictive covenant exists that prevents the contractor from proceeding. In order to proceed with this development the council needs to uplift or remove this restrictive covenant. It is not a decision that would be made within the planning process.</p> <p>The authority to make this decision rests with the Executive alone.</p> <p><u>Recommendation / Reason</u></p> <p>The Executive is asked to agree to the removal of the restrictive covenant at 61 Keir Hardie Way, in order for the named developer to undertake a project compatible with one of the council's Community Priorities.</p>		
Contact Officer Anthony Alexander	Community Housing Manager	Tel: 020 8227 3538 Fax: 020 8227 2841 Minicom: 020 8227 2685 E-mail aalexander@lbbd.gov.uk

1. Background

- 1.1 Barking and Dagenham council include within the freeholds of properties sold under the Right to Buy a restrictive covenant that restricts use of the site to single occupation, (**covenant 4 iii**).
- 1.2 An application has been made by a property and land consultant, Alistair Stuart (Cranbrook) Ltd to replace an existing single residential property with a building comprising 12 residential units. This consists of 11 x 1 bedroom units and 1 x 2 bedroom units.

2. Planning Application Process

- 2.1. An outline planning application was submitted to Barking and Dagenham council by Alistair Stuart (Cranbrook) seeking consent to change a single residential property into a building comprising 12 residential units.

- 2.2. This application was made over in the summer of 2003 by the development consultant.
- 2.3. As part of the process of application for planning consent the development consultant contacted the Housing Strategy section. It was agreed as a consequence that 35% or 4 of the units would be allocated to key workers.
- 2.4. The application fits in with one of the Council's Community Priorities, 'Improving health, housing and social care'. In this respect the application has already been given the implicit support of the Housing Strategy section.
- 2.5. The planning application matter was heard at the Development Control Board meeting of 4th November 2003.
- 2.6. An initial decision on the project was deferred until an on-site meeting took place. This on-site meeting occurred on 10th December 2003 and the Development Control Panel has subsequently agreed that the scheme for 61 Keir Hardie should go ahead.

3. Restrictive Covenant - Implications

- 3.1. In practice the development application has therefore overcome the hurdle of the planning system.
- 3.2. The issue of the restrictive covenant lies outside of the planning system. The covenant will lie in the deeds relating to the property and "run with the land".
- 3.3. In practice the development consultant are asking that the council uplift the covenant, (i.e. remove it from the land), so that it cannot be enforced in future.
- 3.4. A very brief review of Land Tribunal decisions on lifting covenants indicates that appeals to maintain covenants on land are more likely to be upheld when strong objection exists about a proposed scheme and its possible disbenefit.
- 3.5. Other than concerns about the increase in volume of traffic no objections were made to the design of the property itself. This is reflected in the notes of the Development Control Panel.
- 3.6. Previously, when approving the lifting of covenants it was possible for the Council to seek to gain financial benefit from this process as lifting the Covenant increases the value of the land. However, a legal precedent has been set which now prevent local authorities from achieving any financial benefit. The Chief Executive has asked officers to consider raising this matter with Government in order that benefit can be achieved on uplift of covenants.
- 3.7. On this basis it would seem reasonable to allow the uplift of the restrictive covenant.

Background Papers used in the preparation of this report

Development Control Board Report - 4 November 2003.

Development Control Visiting Panel - Wednesday 10 December 2003.

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