

CABINET

20 March 2012

Title: Beam Park Prospectus	
Report of the Cabinet Member for Regeneration	
Open Report	For Decision
Wards Affected: River	Key Decision: Yes
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Accountable Divisional Director: Jeremy Grint, Divisional Director Regeneration and Economic Development	
Accountable Director: Tracie Evans, Corporate Director Finance and Resources	
Summary: <p>Beam Park, south Dagenham is a largely vacant piece of land which is south of the A1306 and straddles the border with the London Borough of Havering. It is 30 hectares in size, two thirds of which is in the London Borough of Barking and Dagenham.</p> <p>In the light of the poor progress made over the last 10 years in achieving a residential led development and in the current economic climate, it is considered that a fresh approach is justified in order to achieve early regeneration of the site.</p> <p>Following recent interest from the market, it is considered that a major leisure-led project could provide the essential catalyst to secure regeneration and deliver growth in the wider South Dagenham and Rainham area within which the site is situated.</p> <p>Therefore in response a prospectus has been prepared. It describes the opportunity, the reasons why this form of development should be considered, key development objectives, an illustration of the expected planning benefits and a summary of planning and transport requirements including planning policy considerations.</p> <p>This prospectus has been prepared as a joint statement from the London Boroughs of Barking and Dagenham and Havering. It does not seek to change or replace existing planning policy, but does provide an up-to-date statement of the aspirations and attitude of the authorities to achieve a successful regeneration of Beam Park. Accordingly, it is considered that a departure from the development plan may be justified if it offers exceptional benefits.</p> <p>The Beam Park Prospectus is provided at Appendix 1.</p>	

Recommendation(s)

The Cabinet is asked to recommend the Assembly to approve the Beam Park Prospectus attached at Appendix 1.

Reason(s)

To help deliver the Policy House priority of raising household incomes by delivering the Better Health and Well Being and Better Future themes and the related outcomes of a borough with excellent health and leisure facilities and a borough of rising incomes.

1. Introduction and Background

1.1 Beam Park, south Dagenham is a largely vacant piece of land which is south of the A1306 and straddles the border with the London Borough of Havering. It is 30 hectares in size, two thirds of which is in the London Borough of Barking and Dagenham. Beam Park has also been known as South Dagenham East. The site is owned by the Greater London Authority (acquired by the London Development Agency from Ford Motor Company in 2000).

1.2 The London Riverside Urban Strategy was published in November 2002 and described the potential of the site as follows:

“South Dagenham will deliver a mix of commercial, industrial and residential development on around 80 hectares of land between the main rail corridor and the A1306. It will provide a new heart for Dagenham and a transitional zone between the housing areas to the north, and the industrial areas of Dagenham Dock and the Ford Motor Company estate.”

1.3 The London Plan published in February 2004 designated London Riverside as an Opportunity Area and committed the Mayor to drawing up an Opportunity Area Planning Framework which reflected the vision of the Urban Strategy. The London Plan stated that the framework should:

“Plan for compact mixed urban communities at South Dagenham, along the A1306 East and in Rainham”.

1.4 More recently the London Plan published in July 2011 changed the emphasis slightly in stating that:

“At South Dagenham, along the A1306 East, and in Rainham, there is potential to deliver more compact, residential led mixed use communities”.

1.5 Beam Park is included in the Council’s Local Development Framework (LDF). The LDF identifies that the site has potential for housing, health, education use, car parking facilities for the Ford Pressing Plant and light industrial on the western side fronting Ford. It also highlights that the site has the potential for temporary uses and currently there is a planning application for use of the site for Olympic opening and closing ceremony rehearsals.

1.6 In December 2011, the Greater London Authority (GLA) published a draft Opportunity Area Planning Framework (OAPF) for London Riverside. The aspirations in the OAPF are broadly consistent with existing Development Plan policies but allow for a flexible approach to land uses at Beam Park if this is justified in order to secure regeneration and economic growth. Public consultation on the draft OAPF ends on 17 March 2012. When adopted by the GLA, the document will not form part of the Development Plan, but will be a Supplementary Planning Document. It would be an important material consideration in the preparation of future local planning policy and the determination of any planning application.

2. Proposal and Issues

2.1 In the light of the progress made over the last 10 years and in the current economic climate, it is considered that a fresh approach, as alluded to in the Opportunity Area Planning Framework, is justified in order to achieve early regeneration of the site. This could see a different form of development on the Beam Park site than that currently envisaged in adopted planning policy in order to reinvigorate the market and increase the momentum for the regeneration of the remaining A1306 sites and the wider area of South Dagenham and Rainham.

2.2 Beam Park is seen as a unique proposition because of its scale, location and single ownership. There is an opportunity to capitalise on market and development interest in strategically significant leisure proposals which, in conjunction with transport improvements and further appropriate development, could provide the catalyst to unlock the potential of this area.

2.3 It is envisaged that the site could be comprehensively redeveloped with a scheme which incorporates the following key features:

- a large scale visitor attraction of regional and national significance as an anchor use, which would boost the image and perception of the area and provide a major catalyst to the economy;
- complementary leisure and entertainment facilities, potentially including community leisure provision to meet the needs of local people;
- retail floorspace for specialist sports and leisure shopping, and to increase the choice and convenience of shopping available locally, provided that it is demonstrated that this would not impact unacceptably upon established town centres;
- residential and hotel development if compatible with the overall concept and design of the project;
- development that creates high levels of employment across a range of skills;
- safeguarding and contributing to a new railway station at Beam Park;
- improved links from Dagenham Dock station, and bus service improvements to serve the development including services from Dagenham Heathway (LUL) station;
- road improvements and car parking to accommodate additional traffic coming to Beam Park, without undermining efficient land use;
- a high quality design which makes a positive contribution to the urban environment, with activity fronting onto the A1306 to support the ambition of a more humanised “high road”, and pedestrian routes through the site which provide good relationships with the proposed Beam Park station;
- a good standard of environmental sustainability;

- safeguarding of space for other employment or housing uses

- 2.4 The direct benefits of such a proposal would include the redevelopment of a large derelict site in a highly visible strategic location within a global city; significant job creation and contribution to economic growth; access to high quality leisure and retail uses; funding contributions for a Beam Park railway station; and other improvements to the public transport system and roads.
- 2.5 Therefore in response a prospectus has been prepared. It describes the opportunity, the reasons why this form of development should be considered, outlines key development objectives, includes an illustration of the expected planning benefits and a summary of planning and transport requirements and considerations.
- 2.6 This prospectus has been prepared as a joint statement from the London Boroughs of Barking and Dagenham and Havering. It does not seek to change or replace existing planning policy, but does provide an up-to-date statement of the aspirations and attitude of the authorities to achieve a successful regeneration of Beam Park. Accordingly, it is considered that a departure from the development plan may be justified if it offers exceptional benefits.

3. Options Appraisal

- 3.1 The alternative option is for members not to give their approval to the Beam Park prospectus. The Beam Park prospectus provides an up-to-date statement of the aspirations and attitude of the authorities to achieve a successful regeneration of Beam Park. Not adopting the prospectus would effectively signal to the market that the authorities were not willing to entertain a major leisure-led project which could provide the essential catalyst to secure regeneration and deliver growth in the wider South Dagenham and Rainham area within which the site is situated.

4. Consultation

- 4.1 The London Riverside Opportunity Area identifies the possibility of leisure uses on the Beam Park site. Consultation on this closes on the 17 March 2012. In line with the Localism Act and the Council's Statement of Community Involvement there would need to be comprehensive public consultation as part of the Development Management process for any subsequent planning application.

5. Financial Implications

Implications completed by: David Abbott, Principal Accountant

- 5.1 Beam Park is a vacant piece of land that is owned by the GLA. Therefore there are not any immediate or direct financial implications to the Authority, such as costs associated with making the site ready for development, or capital receipts / rents from the sale of land & property to tenants (or any other ownership issues).
- 5.2 The main financial implications to the Authority will be the medium to long term affects associated with increased development within the borough, which are set out below:

- 5.3 **New Homes Bonus (NHB):** The Local Development Framework identifies Beam Park as having the potential to provide around 2,000 new homes. A new homes bonus would be awarded to the Authority equal to £7,500 for each new home built plus an additional £2,100 for each new affordable home. This could generate total income of £15 million spread over the five – ten year period of the development. However despite being allocated for residential use for over ten years, no progress has been made in bringing a housing scheme forward. Moreover new housing means new demands placed on social infrastructure, which is a cost that would be need to be met by the Council.
- 5.4 **Community Infrastructure Levy (CIL):** This is a charge on new developments resulting in additional floor space, in order to fund the additional pressures on local infrastructure such as schools. As Beam Park is a vacant piece of land, all new development would result in additional floor space and therefore be liable for a CIL charge to the Council. Based on current intentions for the site this could potentially deliver a total CIL charge of £5.2m of which the Mayor of London would take £1.2m for his Crossrail CIL and the Council £4m. In comparison a development of 2000 homes would attract a Crossrail CIL of £3.2m and a Council CIL of £1.6m.¹ In addition to CIL charges a full planning application for a development of this scale would also attract a fee of around £200,000.
- 5.5 **Council Tax:** Each new additional home built would generate additional Council Tax, meaning total additional income of up to over £2 million per year could be generated.
- 5.6 **Business Rates:** The Government's recent consultation on business rate retention mean's that such a proposal would secure additional income to the Council from April 2013 when the new scheme is due to come into effect.

6. Legal Implications

Implications completed by: Paul Feild Senior Lawyer Housing and Planning

- 6.1 The Planning and Compulsory Purchase Act 2004 (the "Act") required the Council to replace its Unitary Development Plan (UDP) with a Local Development Framework (LDF). The Local Authorities (Functions and Responsibilities) (Amendment) (No 2) (England) Regulations 2004 provide that adoption of LDF documents are not an Executive function, so the resolution to adopt LDF documents under section 23 of the Act must be carried out by the Assembly. By the same reasoning a departure or modification of planning policy would require a decision of the Assembly to endorse such a change
- 6.2 Any proposal that represented a significant departure from current planning policy would need to be fully justified. This could require a robust statement regarding the uniqueness of the proposal; the specifics of the site which meant that, when judged on a sequential basis, no reasonable alternatives were available; and/or the scale of benefits that could be delivered.

¹ On the basis each new home was on average 80 square metres and that there was no affordable housing. Affordable housing is not liable for CIL. The Mayor of London's CIL applies from 1 April 2012, the Council's CIL is scheduled to apply from 1 April 2013.

- 6.3 The judgement whether a departure is justified must be made on the merits of specific development proposals for the Beam Park site, by the planning authorities (the Mayor of London and the Boroughs). The decision would need to take account of the responses to public consultation on those proposals, representations by interested parties and other material planning considerations. The outline of development objectives and illustration of benefits in this Prospectus will not prevent or inhibit the planning authorities from deciding whether or not to approve any planning application for the Beam Park site on its individual merits.
- 6.4 The report indicates the freehold of the whole site is owned by the GLA. There will be need for the GLA and prospective development partner(s) to carry out title due diligence checks to investigate any encumbrances that may affect the site and/or proposed use.

7. Other Implications

- 7.1 **Risk Management** - The main risk is around planning and this is dealt with in the legal implications section.
- 7.2 **Customer Impact** - The Beam Park prospectus provides an up-to-date statement of the aspirations and attitude of the authorities to achieve a successful regeneration of Beam Park. It is estimated that a major leisure led development could generate up to 3000 new jobs. The Prospectus emphasises the importance of maximising the number of highly skilled jobs and on maximising the number of jobs generally for local people and the need to include community leisure provision to meet the needs of local people. It is anticipated that a development of this magnitude would act as a catalyst for the regeneration of the wider area and necessitate improvements to the surrounding public transport infrastructure and highways network. The prospectus makes clear that depending on the nature of the development the following planning obligations would be sought:
- Public Transport Improvements:
 - Contribution to Beam Park Station
 - Improvements to bus services
 - Promotion of public transport
 - Provision of Community Facilities
 - Training and Employment opportunities
 - Construction training programme
 - Employment opportunities for local unemployed
 - Supply chain opportunities for local businesses
- 7.3 **Safeguarding Children** - This would need to be dealt with in any Planning Application that comes forward
- 7.4 **Health Issues** - A major leisure proposal of this magnitude is likely to improve the health of the local community provided it is accessible and affordable to them.
- 7.5 **Crime and Disorder Issues** - Section 17 of the Crime and Disorder Act 1998 places a responsibility on councils to consider the crime and disorder implications of any proposals. Any development proposals will need to comply with Policy BC7: Crime Prevention in the Approved Borough Wide Development Policies Development Plan Document (April 2011).

7.6 **Property / Asset Issues** - No Council assets are involved. However a development of this magnitude is likely to stimulate growth and act as a catalyst for the wider area which may have a positive impact on the value of Council assets in the affected area.

Background Papers Used in the Preparation of the Report:

- London Plan, GLA, February 2004
- London Plan, GLA, July 2011
- Consultation Draft London Riverside Opportunity Area Planning Framework, GLA, December 2011
- London Riverside Urban Strategy, London Borough of Barking and Dagenham, London Borough of Havering, London Borough of Newham, November 2002
- Site Specific Allocations, LBBD, December 2010

List of appendices:

Appendix 1 - Beam Park Planning Prospectus