



Office of the
Deputy Prime Minister

Creating sustainable communities

Sustainable Communities: An Urban Development Corporation for the London Thames Gateway

Decision Document



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May 2004
Office of the Deputy Prime Minister: London

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Background

1. In February 2003, the Deputy Prime Minister set out an action programme to deliver sustainable communities for all ("Sustainable communities: building for the future" ODPM February 2003).
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 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.
3. 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:
 - East London Gateway - Stratford and the Lower Lea;
 - South of the Thames from Greenwich Peninsula to Woolwich;
 - North of the Thames at Barking Reach;
 - Thurrock; and
 - Ebbsfleet and North Kent Thameside.
4. 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 an Urban Development Corporation (UDC) with its focus, planning powers, integration of regeneration effort and ability to generate increased private investor confidence. These UDCs were to be in the London Thames Gateway and Thurrock.
5. Consultation on the Thurrock proposals took place in the spring of 2003, and an order to establish the UDC was laid in July and debated in Parliament in October 2003. The Thurrock UDC was formally established on 29 October 2003.

Consultation

6. On 17 November 2003, a consultation paper was published on the proposed London Thames Gateway Urban Development Corporation (UDC). The paper sought comments on the area the UDC should cover, the planning powers it should have and its relationship with the London 2012 Olympic bid. Views were invited on four specific questions:
 - i) The most appropriate boundary for the London Thames Gateway UDC.

- ii) Any other boundary options that should be considered.
 - iii) 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;
 - iv) How best the UDC and joint borough planning team could work together in the areas where the main Olympic facilities would be located.
7. In total, ninety-eight responses to the consultation were received. Replies were received from individuals, the voluntary and community sector, the private sector, local authorities, non-Governmental organisations and Government agencies. The complete set of responses have been deposited in the Office's own Library, and in the Libraries of the Houses of Parliament.
8. There was general support for a UDC that would deliver **sustainable** regeneration, especially amongst local authorities. However, a handful of respondents believed regeneration would be better taken forward by a democratically accountable body – either the Boroughs through an Urban Regeneration Company (URC) or by the London Development Agency (LDA). Ministers have carefully considered this argument, but believe that the UDC has the right powers and focus for the regeneration task in the London Thames Gateway.

Roger Tym & Partners

9. In parallel with the consultation process, consultants Roger Tym and Partners were appointed by the Office to provide a factual analysis of the issues relevant to a decision on the boundaries. Their final report will be available on the ODPM website.

Lifespan

10. In the consultation paper, it was suggested that the London Thames Gateway UDC should have an indicative lifespan of seven years, with a full review after five years. Respondents felt this would not be long enough.

“The consultation paper suggests a lifespan of 7 years for the London Thames Gateway UDC. We are concerned that, given the complexities and the size of the task, this is unlikely to be adequate.” (Valli van Zijl, Southern Housing Group)

“We think that this is a twenty-year task and suggest that it would be more realistic to give the UDC a ten-year lifetime, with an option for its life to be extended for a further defined period if necessary.” (Paul Brickell, Leaside Regeneration)

11. Having carefully considered these representations, Ministers have decided that 10 years is a more appropriate indicative lifespan for the complex regeneration challenges the UDC will face in the London Thames Gateway. The full review will still take place after five years.

Relationship with the Local Authorities

12. The consultation paper proposed that the new UDC would co-operate with the Boroughs and the GLA, working together closely in those areas, where responsibility remained with the Boroughs, but which were important for regeneration.
13. Respondents, including the Boroughs and GLA, broadly welcomed this commitment and the related proposal to have strong Borough representation on the UDC's Board.

“The consultation's paper commitment to co-operation is welcome.”
(David McCollum, London Borough of Greenwich)

“The Mayor, LDA and TfL support the proposal for a London Thames Gateway UDC, and hope it will add value in bringing forward sustainable communities, in line with the Mayor's draft London Plan, and Transport and London Development Agency strategies.” (Ken Livingstone, Mayor of London)

14. Ministers will ensure that, through Board membership (see paras 43-45) and the UDC's guidance and targets, the UDC works closely with local authorities to deliver sustainable regeneration.

Relationship with Existing Agencies

15. The consultation paper set out the need for the UDC to co-operate with other public agencies involved in delivering regeneration.
16. Respondents, including public bodies, broadly welcomed this commitment.

“There are a number of agencies already working on the ground trying to overcome the enormous problems that face the residents of East London. The new London Thames Gateway UDC will need to work as part of a broad community of interest.” (Vic Grimes, Learning and Skills Council, London East)

“The PCT feels it is imperative that the NHS has a strong voice at the very centre of the decision making process to make sure that any potential inequalities of health are not in-built within the Gateway

development but are 'designed out' at the initial planning stages." (Ralph W. McCormack, Havering Primary Care Trust)

"English Heritage and others, such as the Environment Agency in view of flood risk and contamination issues, should be given full recognition as partners." (Alan Byrne, English Heritage)

"The London Thames Gateway has a number of unique environmental features such as its position in the flood plain, the sparse water supplies in South East England, the high proportion of brownfield land proposed for redevelopment and the air quality issues created by the urban setting. In seeking to achieve the Gateway's regeneration aims, it will be important for the UDC to honour the Government's commitment to work closely with the Agency." (Bob Treacher, Environment Agency)

"The SRA has no objections to the establishment of such a UDC, and would support the proposal in that it will further enhance the deliverability of the growth plans for this area, as proposed in the Sustainable Communities Plan." (Matthew Lodge, Strategic Rail Authority)

17. Ministers continue to believe that the UDC must be able to work with all existing bodies that can contribute to regeneration in the area and offer leadership in delivering successful regeneration and growth. They will ensure that the UDC guidance and targets recognise the need to liaise closely with existing agencies to deliver sustainable regeneration.
18. The joint Greater London Authority (GLA) response highlighted the need for clarity with regard to the London Development Agency's (LDA) role in the Lower Lea Valley, especially in the context of the London 2012 Olympic bid, and the roles of the LDA in Dagenham and English Partnerships in Barking Reach. Ministers have considered this issue and believe that the LDA should retain the lead role in supporting the Olympic bid process. In other areas of the Lower Lea valley - where the LDA has significant land holdings - the LDA will work on behalf of the UDC to deliver the current EDAW masterplan which represents the current shared vision for the area.
19. A similar arrangement will apply in respect of working with partners in the Barking/Havering Riverside. The UDC will develop a strategy for that area and invite existing public and private sector landowners including English Partnerships, the LDA and the London boroughs, to work with it to deliver the strategy. In both areas – the Lower Lea and Barking/Havering – the UDC will wish to exploit the delivery capacity that already exists within the LDA and EP to achieve timely development on key sites. The UDC will therefore not necessarily seek to deliver regeneration on the ground itself, but will take a lead in determining the strategy for development and will be held accountable with its partners in the public and private sectors for achieving comprehensive and integrated development

Relationship with Communities

20. The consultation paper set out the intention to have the local community at the heart of the UDC. Respondents welcomed this proposal, but were concerned that the words would not be backed up by the reality in such a large UDC, especially with regard to the exercise of planning powers.

“The local community groups LTGF represents feel most strongly that their views and local expertise are likely to be ignored.” (Genia Leontowitsch, London Thames Gateway Forum)

“The statement that ‘the existing local community will be at the heart of the UDC’s programmes’ is a meaningless platitude.” (Bill Ellson, Creekside Forum)

21. Ministers will ensure that the commitment to the local community is set out in the guidance issued to the UDC and the targets set for them. With regard to planning powers, Ministers will ensure that the UDC adopts a Statement of Community Interest – which enshrines how it will ensure the involvement of the local community in its exercise of planning powers.

Boundary

General

22. The consultation paper set out a boundary encompassing three areas; the Lower Lea valley, London Riverside and Thamesmead/Belvedere/Erith. Some respondents were concerned about the size of the UDC, and suggested a variety of solutions from three separate UDCs, two separate UDCs, one UDC without the Lower Lea, and one UDC without the area south of the river.

“London Liberal Democrats are not convinced of the wisdom or necessity of including the Lower Lea within the UDC boundaries.” (Simon Hughes, Joint Liberal Democrat response)

“There appears to be a danger that once set up the UDC will focus on the more glamorous Olympic bid and the Lea Valley, leaving Bexley out in the cold (again).” (Mrs Jean Fraser, Bexley Local Agenda 21 Natural Environment Focus Group)

“We think it important that South London should not be marginalised in the activities of the UDC.” (Professor Richard Trainor, University of Greenwich)

23. A number of respondents suggested that the boundaries of the UDC should be extended. The Thames Gateway London Partnership and the Boroughs proposed very large extensions, arguing that the UDC should act as a catalyst for integration between existing communities and new developments. The boundary, they felt, should encompass adjacent residential areas, such as Canning Town in Newham, the Gascoigne estate in Barking, and large areas of social housing in Tower Hamlets. Boundary enlargement was also suggested in Bexley to include Slade Green, Crayford Marshes and Erith Quarry.

“The UDC boundaries must be drawn wider than those proposed to include certain key sites (particularly those with environmental potential) and allow for proper integration between regeneration, development and communities.” (Eric Sorenson, Thames Gateway London Partnership)

“The boundary should be expanded to include the Royal Docks at least.” (Ray Welsh, PRC Planning)

“The UDC’s powers to acquire land and facilitate development are required in areas such as Canning Town, North Woolwich and Silvertown.” (Councillor Conor McAuley, Access to Excellence)

24. Ministers have carefully considered the proposals put forward by consultees, and concerns raised by the Boroughs and others over the possible creation of ‘cliff-edges’ that act as barriers to regeneration – by which is meant the need to produce integrated regeneration across the UDC boundaries. They have also noted that the Roger Tym report recommends widening the boundary to take in some residential areas, though not to the same scale as the local authorities’ proposals.

25. Ministers are concerned that extensive widening of proposed boundaries over such a large and significant area of east and south London, would risk diluting the UDC’s energies to achieve real and lasting regeneration. Rather, they believe that it should be given a clear geographic focus and a clear remit. They have therefore decided that the UDC boundary should be widened only where to do otherwise would limit its ability to deliver sustainable regeneration.

26. The UDC area will be extended to include: the Gascoigne estate in Barking which enables Barking Riverside to be planned in an integrated fashion; the Trowbridge estate in Hackney whose natural hinterland is the Lower Lea Valley; Canning Town centre because the shopping centre and transport interchange is critical to regeneration in the Lower Lea; and the immediate area north of the A13 in Dagenham, including the commercial parts of Rainham Village.

27. Ministers accept that the UDC must seek to avoid creating ‘cliff edges’ at the boundary of its area and will expect it to work with relevant housing providers, including the Housing Corporation, RSLs and London boroughs

to seek to ensure that existing communities are integrated as far as possible with new developments. The UDC will *not* be precluded from working in partnership with appropriate agencies in areas outside its boundaries to support relevant programmes, such as access to training, jobs or community space.

28. In keeping with Ministers' view that the UDC should have a strong delivery focus, they have specifically considered the role that the UDC might play in Greenwich and Bexley. On one hand, they were attracted to including parts of both boroughs in the boundaries for the UDC to enable it to work both north and south of the river and were particularly mindful of the potential effect of the proposed Thames Gateway bridge linking Barking with Greenwich. On the other hand, they felt that it was important that Greenwich and Bexley were properly supported by a focused delivery body or bodies.
29. Ministers concluded in the light of consultation that, at this stage, the UDC should concentrate on the two large development opportunities in the Lower Lea valley and in Barking/Havering Riverside and should not have a presence south of the Thames. Delivery mechanisms will therefore be established to tackle the specific structural and strategic regeneration issues in Greenwich and Bexley. Further discussions will take place with these boroughs and other partners to determine the nature and scope of the organisation(s) required.

Rainham Marshes

30. A number of respondents welcomed the proposal not to include Rainham Marshes in the UDC boundary. However, some responses, including from the RSPB, argued that the Marshes should be within the UDC, if the organisation were to have sustainable development at its heart. They believed that the UDC was ideally placed to help protect the Marshes and support increased accessibility from neighbouring communities.

“We would not wish to see the boundaries of the UDC include Rainham and Wennington Marshes, Hackney Marshes or Crayford Marshes.”
Amanda Brace, Campaign for the Protection of Rural England)

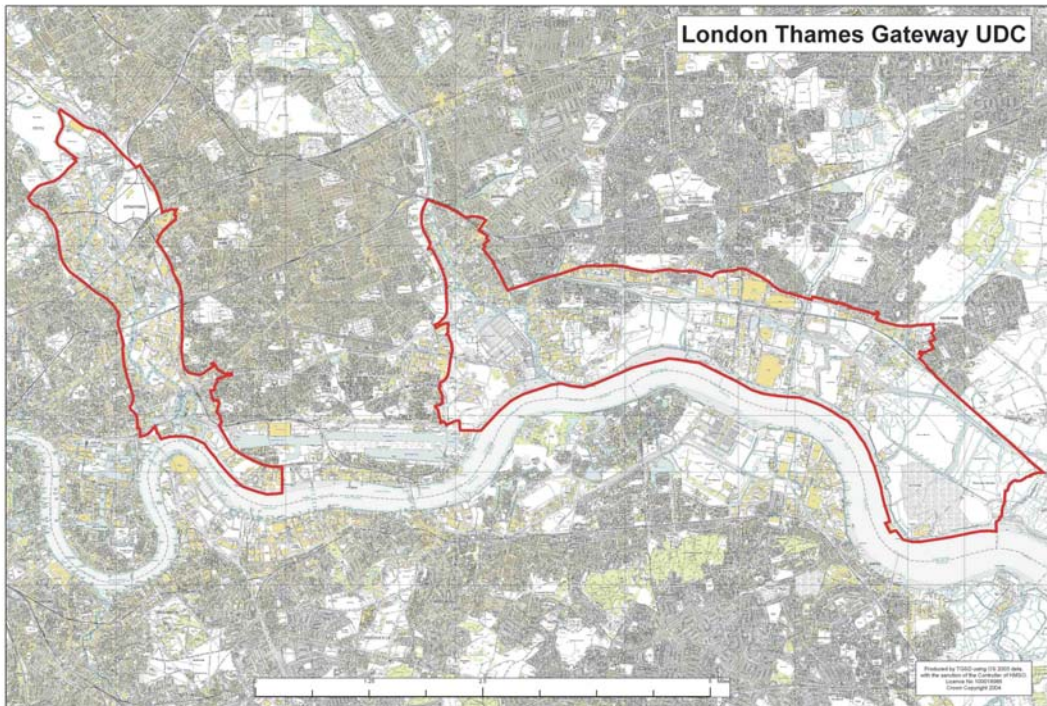
“The RSPB strongly believes that the development of the London Thames Gateway and Thurrock must proceed in an integrated and coherent manner and that this should include a holistic vision for the proposed Conservation Park. We believe therefore that the eastern boundary of the London Thames Gateway UDC should be coterminous with the western boundary of the Thurrock UDC.” (Steve Gilbert, Royal Society for the Protection of Birds)

“Much of the justification for including green open space in the Thurrock UDC applies equally to the London UDC – for example, improving public access to the countryside, regeneration of degraded and inaccessible green open space; using it as a driver to enhance the

environmental quality of constrained urban areas; creating new green corridors; linking the riverside area with its green hinterland and providing a clean, green, healthy and safe environment for public use.”
(Councillor Eric Munday, London Borough of Havering)

31. To resolve these issues, officials met with representatives from environmental groups, including the RSPB and Campaign for the Protection of Rural England (CPRE), who had either explicitly supported the inclusion or exclusion of the Marshes. At this meeting the consensus was that the Marshes could play an important role as the “green lungs” of the UDC, and should be included within the boundary – as long as it was made clear at the outset that the Marshes were not a location for development.
32. Ministers have accepted the conclusions from this discussion, and Rainham Marshes will be included within the UDC boundary.

London Thames Gateway Urban Development Corporation (UDC)



Planning Powers

33. In the consultation paper, it was proposed that once established, a further Order enabling the UDC to become the local planning authority for applications relevant to its purpose – major, strategic applications – would be required.
34. The majority of respondents, including the local authorities from whom powers would transfer, welcomed this approach. Some respondents felt that the UDC should become the local planning authority for all planning applications, while a number felt that all planning powers should remain

with the democratically elected local authorities.

35. Some respondents asked how the UDC's powers would interact with the Mayor's. The Port of London Authority were particularly concerned with the Mayor's power to issue direction to the UDC in respect of strategic wharves strategic wharves.

"We feel it is essential that the UDC should have the development control powers to decide major applications, but that there must be close co-operation and partnership working with the boroughs on planning." (Richard Henschley, East Thames Housing Group)

"The UDC should not be given the role of determining (larger strategic) planning applications. This power should remain with the elected Boroughs (and Mayor of London)." (Jean Lambert, Green Group on the London Assembly)

"Given the rationale behind the establishment of the UDC, it would appear appropriate that the full planning powers provided under the Local Government, Planning and Land Act 1980 should be conferred to the UDC" (Laurie Heselden, Southern and Eastern Region TUC)

"The PLA therefore presumes that the planning powers of the Mayor of London in relation to both the primacy of the London plan and the power to issue direction to the UDC in respect of safeguarded wharves, as set out in Circular 1/200, will be maintained following the initiation of any London Thames Gateway UDC." (James Trimmer, Port of London Authority)

36. Having carefully considered these representations, Ministers are satisfied that planning powers are of considerable importance to the effectiveness with which a UDC can deliver regeneration. They are equally clear that it would not be appropriate to give the UDC powers over applications not relevant to its purpose. Subject to Parliamentary approval, Ministers will therefore specify in the Order giving the UDC planning powers that it will be the local planning authority for applications relevant to its purpose, but exclude householder and minor applications, from its remit. These will remain with the relevant Boroughs. The precise definition of applications for which the UDC will become the local planning authority for development control decisions has yet to be determined but will be discussed with the London boroughs concerned and the GLA.

37. Plan making powers will also stay with the local authorities but the UDC will produce its own regeneration framework which will need to take account of the local plan and the Mayor's London Plan

38. In order to enhance the existing UDC powers, the Planning and Compulsory Purchase Bill, presently before Parliament, proposes that UDCs should be able to set up their own planning committees. This addition to a UDC's powers enables it to exercise its planning

responsibilities in a way analogous to other local planning authorities, including setting up Planning subcommittees to exercise development control functions in particular areas. It will be for the UDC board to decide whether to establish these.

39. The UDC will discuss with the Boroughs whether an agreement might be made, whereby planning advice might be prepared for the UDC by officers employed by one or more London boroughs to the UDC's Planning Committee and Board. The precise nature of the arrangement will need to be negotiated by the UDC and put in place by its board.
40. The transfer of planning powers to the UDC would not affect the Mayor's planning powers. Where the UDC becomes the local planning authority it will be subject to the same relationship with the Mayor as the local authority would have had. This includes the primacy of the London Plan, and the power to issue direction with regard to strategic wharves as set out in Circular 1/200.

Olympics

41. The consultation paper proposed that the UDC cover the proposed Olympic zone, but not take planning powers as the boroughs had already established a dedicated handling team. Respondents broadly supported this proposal. However, some also noted that this proposal would mean that parts of the Stratford Rail Lands development would fall to the UDC and parts wouldn't.

"In terms of the boundary for the UDC, at the very least there is an absolute requirement for the entirety of the Olympic Zone (including key infrastructure and the Village) to be included." (Mike Power, London 2012)

"It will be important that the UDC utilise the borough team, and particularly their local knowledge to ensure that important issues raised in consultations are successfully resolved and planning permissions are achieved quickly." *Roger Draper, Sport England)

"The SRA would note that extensive plans to redevelop the land in the Stratford area already exist. This area is part of the UDC area and the SRA would assume that the proposed establishment of the UDC would not negatively impact on such plans." (Matthew Lodge, Strategic Rail Authority)

"SCDL suggest, therefore, that the statutory instrument which will be drawn up to define the planning powers of the UDC should exclude the geographical area of Stratford City and the off site roads which are integral to its planning application." (Nigel Hugill, Chelsfield; Sir Stuart Lipton, Stanhope; Stephen Jordan, London & Continental Railways)

42. Having considered these points, Ministers have decided that the UDC will not take planning powers in either the Olympic zone or in respect of the proposed Stratford City development.

UDC Board Membership

43. The Deputy Prime Minister has announced that he has asked Lorraine Baldry to chair the UDC board.

44. The Board of the UDC will be comprised of 12 people, including the Deputy Chair. By agreement with the Office of the Commissioner for Public Appointments, up to six of the Board appointments can be filled by candidates nominated by London boroughs or the GLA. Ministers have decided that each of the local authorities whose area falls within the UDC boundary will be able to nominate candidates to a seat on the Board, with the exception of Waltham Forest, where UDC involvement is minimal, and planning powers are not being taken. Candidates to fill these posts will be selected using a fair and transparent process. However, it is a basic principle of membership of all management boards established under statute that board members do not represent the interest of any other organisation while acting in that capacity but represent only the interests of the UDC.

45. A number of respondents suggested that additional seats on the board should be reserved to represent other interests. In line with OCPA guidance all these appointments will be made on merit.

Resources

46. A number of respondents asked about the resources to be made available for the UDC.

47. Up to March 2006, the UDC will be funded directly through the £446m made available in the last spending review for the Thames Gateway sub-region over the three years beginning 2003/04. Allocations for 2004/05 and 2005/06 from this pot across the whole sub-region, and the share that will go to the UDC, are in the process of being finalised, taking into account the views of partner organisations. Levels of funding for later years will be dependent upon the Regeneration Framework produced by the UDC and the outcome of future spending reviews.