

THE EXECUTIVE

1 JUNE 2004

REPORT OF THE DIRECTOR OF LEISURE AND ENVIRONMENTAL SERVICES

DAGENHAM DOCK INFRASTRUCTURE	FOR DECISION	
<p>This report is being submitted to the Executive to gain approval for three elements required in order to finalise funding bids and progress a major regeneration project.</p>		
<p><u>Summary</u></p>		
<p>Dagenham Dock is one of the Borough's key regeneration employment sites offering potential for thousands of new jobs in a transformed industrial / business environment. Upgrading the infrastructure is recognised as a key action of the Borough's Economic Development Strategy and therefore a key task in 'Regenerating the Local Economy'. Privately owned and poor maintained roads and drainage have deterred inward investment for decades and presented a very negative image of the London Riverside area.</p>		
<p>For the first time in decades the potential to fund and carry out a major upgrading scheme is achievable. In partnership with the London Development Agency (LDA) a £7.5 to £9m upgrading scheme is being progressed with bids to the Government and Europe imminent.</p>		
<p><u>Recommendations</u></p>		
<p>The Executive is asked to support the project and agree to:</p>		
<ol style="list-style-type: none">1. The Council entering into a legal agreement with the LDA to provide the £798,000 former East Thames Side Partnership funds and secured S106 contributions related to the project;2. Support innovative sustainable construction methods and materials to ensure the project is a flagship example of sustainable infrastructure whilst minimising future maintenance costs; and3. Providing the highway is designed and constructed to a 40 year design life approved by the Council's Highways Department, there is no requirement to seek commuted sums.		
<p><u>Reason</u></p>		
<p>In order to finalise the funding bids and progress the project.</p>		
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1. Background

- 1.1 Dagenham Dock is one of the Borough's largest employment sites with potential to generate thousands of new jobs in a high quality industrial estate. The Borough and London Riverside partners have established a strong vision for Dagenham Dock as a Sustainable Industrial Park (SIP) recognising the strong growth potential of the environmental business sector. In 2003 the Council adopted the Vision Implementation Strategy which identified three initial tasks in delivering a SIP – producing planning guidance for the site, progressing the development of the centrepiece Environmental Technology Resource Centre for London (ETRCL) and upgrading Dagenham Dock's infrastructure. Progress on these has been good; Planning Guidance was adopted April 2003, the ETRCL is progressing with potential partners being interviewed in April 2004 and for the first time in decades the opportunity to upgrade Dagenham Dock's infrastructure is available. Planning permission is currently being sought for road upgrading the roads.
- 1.2 The problem of Dagenham Dock's infrastructure has been a long standing deterrent to inward investment resulting in land lying vacant or used for low-grade, low-employment uses. Drainage problems result in regular flooding costing businesses significantly. The poor infrastructure has a knock-on effect making site owners less likely to invest in site appearance and making fly-tipping a regular occurrence.
- 1.3 Last year the LDA purchased the roads from a private owner removing the key obstacle to implementation. The Office of the Deputy Prime Minister (ODPM) earmarked £5m in the Sustainable Communities Plan for Dagenham Dock Infrastructure as a 'B List' project. A further £2.5m of funding is also earmarked under Measure 3.1 of European Union's Objective 2 programme. Both these funding sources are subject to detailed bids in the coming months Work could commence in September 2004 subject to confirmed funding.

2. Dagenham Dock Infrastructure Project

- 2.1 The project involves the reconstruction of Chequers Lane and Hindmans Way to provide a 9m wide carriageway, foul and surface water drainage and a service corridor enabling utilities to lay services without digging up the new highway.
- 2.2 The project aims to achieve the following objectives:
- Make the vacant or under utilised land more likely for development
 - Encourage the development of new employment space
 - Generate direct construction jobs and indirect permanent new jobs
 - Safeguard existing jobs
 - Enhance staff retention/recruitment
 - Improve Inward Investment opportunities
 - Enhance Dagenham Dock's Economic Performance & Competitiveness
 - Promote more sustainable modes of travel (walking, cycling and public transport will all benefit substantially from the project)
 - Increase participation of local businesses
 - Enhance the image of Dagenham Dock (for the benefit of businesses, workforce, visitors and for inward investment opportunities)
 - Improve accessibility to the River Thames

The project has strong support from the Dagenham Dock Occupiers Forum.

3. Legal Agreement

3.1 As road owner the London Development Agency will let the contract with the preferred contractor. The LDA are seeking a legal agreement with the Council to secure two further funding sources:

1. £798,000 is held in the Council's accounts as a contribution from Union Railways from the East Thameside Partnership SRB programme. The funding is restricted to Dagenham Dock and has to be spent in agreement with the LDA. Both the LDA and the Council have previously committed the funding towards this project as a recognised priority for Dagenham Dock. Some of this funding is likely to be required for pre-construction design work.
2. Over a number of years the Council has sought contributions towards infrastructure upgrading from developments in Dagenham Dock. Around £150,000 is in Council accounts with a potential further £500,000 to be paid in. Under the terms of the agreements the funding can only be spent on infrastructure upgrading in Dagenham Dock. The agreement with the LDA would confirm the transfer of relevant payments.

4. A Cutting Edge Project

4.1 Dagenham Dock's focus on environmental technology and the sustainability agenda suggests that the most sustainable methods of construction and materials should be used. This is strongly encouraged by the funding sources and offers the opportunity to make the project a flagship example for the sustainable communities plan. This may mean moving away from traditional standards to showcase a new process/technology. Similarly the potential for more sustainable materials is recognised. For example using materials such as glaspelt (containing one third recycled glass) which is produced in Dagenham Dock. Local sourcing of both materials and labour will be fully encouraged. The focus on sustainability needs to be balanced against the need to minimise future maintenance costs.

4.2 In order to make Dagenham Dock an employment site where local people want to work and businesses want to invest it would be necessary to ensure quality materials (including hard landscaping) and design are used reflecting the importance of the site both as one of the Borough's key employment sites but also as a gateway to Barking Reach.

5. Adoption and Commuted Sums

5.1 For economic development purposes it is essential that the roads are publicly adopted. This was recognised in the Borough's 1995 Unitary Development Plan. Private road ownership is a substantial deterrent to inward investment.

5.2 The roads will be constructed under the supervision of a clerk of works funded by the project and working for the Council as Highways Authority to ensure works are carried out to the required standard minimising future maintenance requirements. The project will also fund the Council's fees for checking designs etc. These will both be established through a Section 38 agreement.

- 5.3 The Council normally seeks commuted sums for future maintenance from residential developments for roads being adopted including the full cost of reconstruction in 40 years time however formally adopted standards have yet to be finalised and approved. If the project is designed and constructed for a 40 year life taking account of the ground conditions and type/volume of traffic using the roads now and in the future there would be no requirement for commuted sums.

Background Papers

Planning Application (DC/04/00341/FUL)

Dagenham Dock Vision Implementation Strategy