

**By:** Mark Dance, Cabinet Member for Economic Development

**To:** Growth, Economic Development and Communities Cabinet Committee - 8 July 2014

**Subject:** Ebbsfleet Garden City Urban Development Corporation

**Classification:** Unrestricted

**Past Pathway of Paper:** None

**Future Pathway of Paper:** None

**Electoral Divisions:** Dartford and Gravesham

**Summary:**

This report provides an update regarding the recent announcement in respect of Ebbsfleet Garden City and proposals to set up an Urban Development Corporation (UDC). It also outlines the opportunities and issues and sets out the next steps to be taken

**Recommendation:**

The Growth, Economic Development and Communities Cabinet Committee is asked to CONSIDER the report and to NOTE the progress to date and immediate next steps.

## **1. Introduction**

### **1.1 Background**

In the budget speech of 19<sup>th</sup> March 2014 the Chancellor of the Exchequer announced the first new Garden City in almost a hundred years at Ebbsfleet; proposing to set up an Urban Development Corporation (UDC) and build 15,000 homes with associated infrastructure. In this respect £200m has also been ring fenced by Central Government to help fund delivery. Explaining the decision to choose Ebbsfleet the Chancellor cited reasons including it's location in the South East "where pressure on housing has been high", land availability and "fantastic" infrastructure with the high speed line. A location plan is attached at Appendix A.

### **1.2**

Whilst the formation of a UDC and the associated funding is to be welcomed particularly as a vehicle to assist delivery, it should be noted that much development is already consented and ready to go subject to market conditions. Therefore, it is important to ensure that the UDC serves to accelerate delivery of development rather than delay it.

## **2. Establishment of UDC / Interim Governance**

- 2.1** The interim governance structure currently consists of a 'Senior Delivery Board', chaired by the Director of Housing DCLG, which includes elected Members and an 'Officer Working Group' chaired by the Deputy Director of Housing DCLG, and including representatives from HMT, DEFRA, DfT, DCLG and from the local authorities. For KCC, the Leader and Barbara Cooper are representatives on the Delivery Board and Barbara Cooper, Sharon Thompson and Nigel Smith are representatives on the Working Group. Sub Groups of the Working Group are also being formed to take forward specific topics/issues and these currently include 'Planning & Powers' and 'Infrastructure' (the relevant KCC officers attend accordingly). It is anticipated that there will be a specific transport sub group given the scale and complexity of this issue. KCC has also formed an internal working group with membership from each of the relevant disciplines and service providers.
- 2.2** Regarding the recruitment of key personnel, the recruitment process for a Chairman closed on 30 May and is being managed by DCLG. It is anticipated that an appointment will be made by late July. As to Board membership, the DCLG is looking at other examples of UDCs' Board composition. Currently it is envisaged that there will be one representative from each of the local authorities plus three others (including skill sets such as finance/audit, masterplanning/garden city experience and housing delivery/infrastructure). It is proposed that the Board should meet quarterly although possibly more frequently at the outset.

### **3. Vision & Objectives for the UDC**

- 3.1** Taking on board the ideals of the Garden City Movement, the Delivery Board has proposed that the Vision for an Ebbsfleet Garden City should be: -
- A planned development providing a balance between housing and jobs that is inclusive, bringing benefits to existing adjacent communities whilst delivering economic growth to the Boroughs of Dartford and Gravesham and the wider North Kent area. The Garden City would be self-sufficient in terms of community facilities and provide parks, open spaces and green corridors. There would be a strong emphasis on sustainable transport running through the development connecting to a wider transport network.
- 3.2** In addition to traditional 'Garden City Principles' the Board has already agreed that Ebbsfleet Garden City should, nevertheless, be contemporary, fit for purpose and embrace modern working practices and lifestyle choices including, for example, access to high speed broadband, live/work options and energy efficient construction technology.

### **4. Location & Scale of Development**

- 4.1 The Government's announcement referred to the delivery of 15,000 homes. The draft site map is attached at Appendix B although it should be noted that this is still currently under discussion. Consented development in the Ebbsfleet Valley area (covering the major sites of Ebbsfleet, Eastern Quarry, Northfleet Embankment and Northfleet West Sub-Station) would deliver across an area of roughly 1,300 acres (530 hectares): -
- Up to 11,100 homes
  - Up to 753,000m<sup>2</sup> of employment floorspace
  - Over 10,000 jobs
- 4.2 There are further allocations within Gravesham BC's Local Plan for the Northfleet Embankment & Swanscombe Peninsula area (excluding the London Paramount proposals) for a further 500 homes and 87,500m<sup>2</sup> of employment floorspace. The final phase of the Ingress Park development site, which is nearing completion, will see a further 370 homes delivered.
- 4.3 The consented development has a good balance between residential and employment development which make it more sustainable in the long term and would bring economic benefits to the wider area.

## 5. Planning Framework & Powers

- 5.1 A comprehensive planning history of the core 7 strategic sites is being compiled, along with the Local Plan framework, outlining the planning policy context from DBC and GBC Local Plans' and Kent's Waste & Minerals Plan. It is proposed that a 'Supplementary Planning Document' be prepared for the UDC area to support the overall strategy and delivery of objectives including the pace of delivery. More work is required through the previously mentioned sub groups to deal with specific issues including the treatment of existing S106 agreements and future CIL along with identifying the constraints on major sites. KCC has already undertaken a significant amount of work in this respect and will share information with the working group.
- 5.2 As to the planning function, it is currently proposed that all planning powers for the UDC area (excluding plan making) are transferred to the UDC **including the County Council's Waste and Minerals** - with the proviso that further consideration will need to be given to the strategic implications of removing mineral and waste management matters from the County Council and that any potential consequences will need to be fully addressed; including the treatment of wharfs on the riverfront – which are used to transfer a significant proportion of minerals coming into the County and beyond, and, of course, the overall implications for the County's emerging Minerals and Waste Local Plan. Therefore, as things currently stand, the intention is that the **UDC will determine all planning applications, including both major strategic and minor sites.**

## 6. Opportunities

### 6.1 London Paramount

One of the key opportunities for the Ebbsfleet Valley area is the proposed London Paramount leisure park being promoted on the Swanscombe Peninsula by London Resort Company Holdings (LRCH). This would deliver the largest leisure park in the UK potentially creating 27,000 jobs. The leisure park would comprise around 747,000m<sup>2</sup> of non-residential development on a site of 198 hectares (490 acres) and it is estimated that some 2,700 homes would be needed for staff accommodation.

6.2 Including the staff accommodation for London Paramount with the consented development and additional allocated housing for the area would bring the housing numbers close to the Government target of 15,000 homes. However, there are a number of considerations with the London Paramount proposals that may not have been taken into account:

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1. Whilst the main leisure complex for London Paramount would be located on Swanscombe Peninsula there is a large element of the development that would be located in Ebbsfleet which would replace the existing consented development.
2. No additional land has been identified for the staff accommodation; therefore, there is a need to be aware of the possibility of double counting.
3. The current consented development has been determined on the key principles of sustainability. London Paramount would have much wider regional and strategic impacts that have yet to be assessed.
4. There is, of course, a possibility that proposals may not proceed, so consideration may need to be given to contingency provisions.

### 6.3 Ebbsfleet International Station

The Ebbsfleet International Station at the heart of the proposed Ebbsfleet Garden City is undoubtedly a key piece of infrastructure that has yet to realise its full potential. The station gives access to HS1 with services to Lille, Brussels and Paris. Domestic high speed services also provide a service to London St Pancras within 17 minutes and to Stratford (with connections to Docklands) and the Olympic Park within 11 minutes. In addition, it acts as a potential magnet for commercial development. Indeed the station was a key factor in the decision by LRCH to locate the London Paramount leisure park on Swanscombe Peninsula.

## 7. Progress of Consented Development

7.1 Outline consent for a large proportion of the development in Ebbsfleet Valley was granted before the recession and while various concessions have been made in respect to S106 requirements to help unlock these

developments, progress by the developers has been slow. Whilst there have been recent signs of movement in the market, developers are still submitting viability arguments regarding the provision of infrastructure. The current status of the major development sites in Ebbsfleet Valley is as follows: -

**a) Ebbsfleet :**

Outline consent granted in 2002.

Springhead Park

Countryside Properties has already started delivering houses at Springhead Park, one of the four quarters of the Ebbsfleet consent. To date, 290 dwellings have been completed. A variation to the Ebbsfleet consent allows up to 1,064 dwellings. Development has stalled due to viability issues relating principally to the provision of a primary school and a bridge over the Ebbsfleet Stream. Countryside is considering submitting a revised application to reduce the scale/envelope of development as later phases are likely to be affected by the Swanscombe proposals. This would also allow Gravesham to reconsider infrastructure triggers.

Northfleet Rise, Station Quarter North & Station Quarter South

Master Plans were approved for Station Quarter North in May 2008 and for Station Quarter South in October 2007. However, no development has started on either of these sites, nor the Northfleet Rise site. The London Paramount proposals would have a significant impact on the current consent for these sites.

**b) Eastern Quarry:**

Outline consent granted in 2007.

Castle Hill

Construction to deliver the first 150 homes at Eastern Quarry was started by Ward Homes at Castle Hill in 2013. The first show homes are expected imminently. Discussions between KCC and the developer have started regarding the provision of the first primary school on the site. The developer has invested heavily in land formation and preparation works to unlock the early phases. Later phases are dependent on off-site transport improvements particularly by the HA.

Northfleet West Sub Station:

Outline consent granted in 2005, subject to completion of a S.106 Agreement. A revised application was submitted by Redrow Homes in December 2013 and consent for 950 homes granted in March 2014. The developer has started clearing the site and expects to start construction in Spring/Summer 2015.

**c) Northfleet Embankment:**

The area consists of two main sites Northfleet Embankment West and Northfleet Embankment East.

### Northfleet Embankment West

This site covers the former Northfleet Cement Works, Vineyard Pit and Church Path Pit. There are two distinct outline planning consents.

KCC granted consent in June 2011 for the development of a Bulk Aggregate Import Terminal with a direct rail connection capable of handling 3million tonnes per annum.

Outline consent has also been granted, subject to the completion of a S.106 Agreement, for the mixed-use development of 532 homes and 46,000m<sup>2</sup> of employment floorspace. Negotiations have been taking place regarding the S.106 but there are viability issues principally concerning expansion of a local primary school.

### Northfleet Embankment East

The main area of development on this site is under the ownership of the Homes & Communities Agency (HCA). Land-raising to create a development platform is currently taking place. The site is expected to deliver 250 homes and 87,550m<sup>2</sup> of employment floorspace. The HCA plans to put the site out to market later this year and is open to a change in the development mix which could potentially deliver more housing depending on the market response.

## 8. Issues

### 8.1

- **Transport** – The Kent Thameside Strategic Transport Programme aims to deliver improvements to key locations on the transport network to enable the planned level of development to be realised. It is funded through a mix of public sector funding (e.g. £13m from the HCA) and development contributions/tariff. It includes the A2 Bean and A2 Ebbsfleet junctions which have now been included in the Government's National Infrastructure Plan and are being taken forward by the Highways Agency and these should be treated as ongoing priorities. Any additional housing for Ebbsfleet Garden City and the London Paramount proposals would have a significant impact on the transport network/transport solutions and this needs to be determined as a matter of urgency. This means that transport modelling of the planned development for Ebbsfleet Garden City will need to be multi-modal. Consideration should also have regard to proposals for the Lower Thames Crossing
- **Education Provision** – Indigenous growth across Dartford and Gravesham is putting severe pressure on existing primary and secondary schools across both boroughs. The net result is that new development will need to meet its own demand. In the Ebbsfleet Valley area future provision has been based on the following:-
  - 3 x 2FE primary schools at Eastern Quarry
  - 1 x 2FE primary school at Northfleet West Sub-Station
  - 3 x 1FE primary schools at Ebbsfleet
  - 1 x 8FE secondary school at Eastern Quarry

## **9. Negotiations with Developers**

- 9.1** DCLG, together with Infrastructure UK, will engage with landowners regarding their strategies, investment proposals, constraints to delivery, potential interventions etc. However it is recognised that there are already ongoing discussions/negotiations routinely taking place between developers and each of the local authorities regarding S.106. It is imperative that the pace and acceleration of delivery does not compromise funding of essential infrastructure provision - for schools for example. The Delivery Board is to be used as the forum for feedback in this respect.

## **10. Next Steps**

- 10.1** The immediate next steps for the UDC include:
- Appointment of a Chairman, followed by appointment of a Chief Executive.
  - Formal setting up of the UDC Board.
  - The requisite Statutory Instruments to be laid before Parliament and the House of Lords.
  - Premises for the UDC identified and staffing resources secured.

## **11. Conclusion**

- 11.1** Since the announcement of the Garden City in March, good progress has been made regarding the interim governance and establishment of the UDC. The UDC is welcomed as a vehicle to accelerate the delivery of housing, jobs and significant economic growth in Dartford, Gravesham and the wider North Kent area - capitalising upon Ebsfleet's 'unique selling point' of its location, land availability and excellent infrastructure including Ebbsfleet International Station. There are also significant future opportunities such as London Paramount and the Lower Thames crossing. However, there remain a number of issues which will need to be addressed including, making sure that the UDC serves to accelerate delivery of development rather than delay it (particularly given that many strategic sites are already consented) and ensuring that any investment strategy is clearly linked to the delivery of the infrastructure necessary to support growth. In addition, there is substantial work required regarding transport required and the detail of the UDC's planning powers. KCC representation has already been established on the relevant groups being formed within central government; we have also formed multidisciplinary internal groups and will continue to actively support the establishment of the UDC whilst fully protecting our interests in respect of infrastructure delivery and service provision.

## **12. Recommendation**

The Growth, Economic Development and Cabinet Committee are asked to CONSIDER the report and to NOTE the progress to date and immediate next steps.

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### **Background Documents:**

None

**Appendix A:** Location Plan

**Appendix B:** Draft Site Map