



Havering
LONDON BOROUGH

18/10
EXEMPT FROM CALL IN

Notice of Non-key Executive Decision

Subject Heading:	Rainham and Beam Park Housing Zone Borough Intervention Agreement – A1306 Beam Parkway
Cabinet Member:	Councillor Roger Ramsey
SLT Lead:	Steve Moore, Director of Neighbourhoods
Report Author and contact details:	Lauren Gee, Regeneration Officer, Economic Development. X1784 lauren.gee@havering.gov.uk
Policy context:	Mayors Transport Plan Mayor's London 2020 Vision London Riverside Opportunity Area Framework Havering Local Development Framework – Site Specific Allocation SSA11(2008) Rainham and Beam Park Housing Zone submission Rainham and Beam Park Housing Zone, Overarching Borough Agreement (2015) Rainham and Beam Park Planning Framework
Financial summary:	Authorisation to enter into the GLA Housing Zone funding agreement for the A1306 Beam Parkway / Linear Park. Funding identified from the GLA Housing Zone is £4.510m of which £1.250m is recoverable grant

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Relevant OSC:	Towns and Communities
Is this decision exempt from being called-in?	Yes. Exemption from call in agreed by Councillor Ford in an email dated 30 th January 2018

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The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input checked="" type="checkbox"/>
Opportunities making Havering	<input checked="" type="checkbox"/>
Connections making Havering	<input checked="" type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This Executive Decision seeks authority to enter into a Borough Intervention Agreement with the Greater London Authority (GLA), to allow release of Housing Zone funds for the A1306 Beam Parkway Linear Park. This matter is urgent as the GLA have announced the end of the Housing Zone programme and that all outstanding funding agreements are required to be signed before the 31st January 2018, failure to do so will result in the loss of funding.

*

The Beam Parkway will reconfigure the A1306 into a residential scale street and establish a 2km link of green infrastructure which connects the Ingrebourne and Beam river valleys, providing opportunities for leisure, accessible transport routes for pedestrians and cyclists, and an integrated residential feel which will positively alter public and commercial perception of the area.

The total capital project cost is estimated at £12.659m

Funding has been identified from:

TfL Major Schemes £7.849m, allocation approved by TfL in 2015

GLA Housing Zone £4.510m, of which £1.250m is recoverable (see s106 below).

S.106 Dovers Corner £0.500m

S.106. Beam Park £0.557m

S.106. A1306 New Road (4 schemes) £0.213m

The s.106 funds specified are in total and exceed the required repayment for recoverable grant, any surplus will be used for related works. The specific details for s.106 repayment are confirmed for Dovers Corner, and in discussion for Beam Park and A1306 New Road schemes. The calculation for s.106 payments has been agreed as policy in the Rainham and Beam Park Planning Framework

In addition, LIP funding has been identified for four years to carry out related projects 16/17 & 17/18 funding of £0.225m are not part of the main Beam Parkway scheme, however both 18/19 & 19/20 funding elements of £0.300m directly link.

The LBH 16/17 LIP Programme £0.150m

The LBH 17/18 LIP Programme £0.075m

The LBH 18/19 LIP Programme £0.150m

The LBH 19/20 LIP Programme £0.150m

Background

The Rainham and Beam Park Housing Zone is a GLA funded programme which aims to deliver comprehensive regeneration of the area, including 3,454 new homes (of which 941 will be affordable), a new three form entry primary school and expansion of existing schools, a new health centre, a new rail station at Beam Park, and the metamorphosis of the A1306, known as the Beam Parkway project.

The Beam Parkway project - which spans the area between the borough boundary with Barking and Dagenham at New Road, and the Dover's Corner roundabout - proposes to deliver a transformative scheme which will create a new town centre environment, connected to the surrounding area with a series of parks.

* Attached is the agreement. I authorise the Programme Director of Regeneration to make minor amendments as may be required by the GLA or agreed with them. RB

Currently, the A1306 (previously the A13 arterial route) is characterised by its industrial legacy consisting of underutilised carriageway, at some points seven lanes wide. The proposed scheme aims to reduce the carriageway width, using the surplus space to provide a more residential boulevard feel to complement the new housing and facilities to be developed along the A1306 as part of the wider Housing Zone. The divide between the north and south sides of the road will be minimised, and journeys for pedestrians and cyclists will be more accessible, safer and pleasant.

The importance of the London Riverside area and Beam Parkway

London Riverside remains one of the largest regeneration opportunities in east London and the largest reservoir of brownfield land in London, including a substantial proportion of the GLA residential development land at Beam Park currently the subject of a residential planning application by Countryside Properties. The Mayor's London Riverside Opportunity Area Planning Framework (adopted Nov 2015) identifies the potential to generate up to 16,000 new jobs and 26,000 new homes in London Riverside covering the south of Havering and Barking and Dagenham, with Beam Parkway providing the infrastructure and facilities to promote accessible travel, leisure, and a shared sense of space which will help to integrate the existing and incoming communities. An enhanced physical environment will also impact positively on marketing and sales of new homes, and will support prospective commercial investment.

Havering Borough has highlighted the importance of Beam Parkway in its planning, transportation and regeneration strategies including the adopted Havering Local Development Framework and Site Specific Allocations (2008), the Rainham and Beam Park Planning Framework (2016), and the proposed submission of the Havering Local Plan (2017).

How Havering has taken this work forward

The Rainham and Beam Park Housing Zone submission, as approved by Cabinet Sept 2015, includes the construction of the Beam Parkway as a key enabling infrastructure project. The Housing Zone was approved by the Mayor of London on the 25th July 2015 and Cabinet authority to enter into the GLA Housing Zone Overarching Borough Agreement was approved at the 4th November 2015 Cabinet.

The Rainham and Beam Park Housing Zone has a funding allocation of £4.510m of which £1.250m is recoverable via S106 agreements from the GLA to contribute to the delivery of the Beam Parkway scheme, with a further £0.300m available through the Borough's 2016/17-19/20 LIP allocations and £7.849m from TfL's Major Scheme programme.

LBH commissioned Steer Davies Gleave in 2015 to undertake Step 1 of TfL's Major Scheme programme, resulting in a business case which identifies objectives, key components, estimated costs and a delivery programme. In 2016, Step 1 was approved and the Step 2 process began, with an expected end date of mid-2018. Step 2 will include collation of all baseline information, traffic modelling, a detailed cost estimate, risk assessment, performance indicators, stakeholder consultation and

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design review, and a business case which brings all of these together. It is anticipated that LBH will be in a position to present this business case in ~~January~~ ^{February} 2018, with Step 3 work (scheme delivery) beginning later in 2018.

There are two proviso's with this detail – 1, that the scheme has to progress through the TfL steps for future year funding to be released, which includes submission and approval of a business case, as an example. 2 – that the annual TfL business plan has sufficient funding in future years.

Work has also begun on procurement of a contractor to deliver the scheme.

What the GLA Housing Zone funding will deliver

The funding will facilitate the delivery of affordable housing, through the creation of new public amenities and space that successfully eliminates perceived community barriers and dramatically improves the aesthetics of the area.

Specifically, the Beam Parkway scheme will deliver:

- 2km Green infrastructure link to tie together the Ingrebourne and Beam River valleys
- De-trunking the A1306, creating a remodelled carriageway with residential feel
- Remodelling of major junctions, establishing effective North/South linkages
- A bi-directional cycleway on the south side of New Road
- A river crossing at Rainham Creekside, linking Rainham Village to the new housing development and highlighting the heritage of the area. A series of parks will be created, each with individual features and planting carefully designed to provide high quality opportunities for interaction and activity
- A pleasant and accessible route to the new Beam Park station

AUTHORITY UNDER WHICH DECISION IS MADE

The Leader is exercising his executive powers to make this decision (Local Government Act 2000 (as amended) and the Council's constitution.

STATEMENT OF THE REASONS FOR THE DECISION

This Decision is necessary to ensure that the A1306 Beam Parkway scheme can be fully delivered.

OTHER OPTIONS CONSIDERED AND REJECTED

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The option has been considered and rejected to deliver the scheme without the GLA Housing Zone funding. The reduction in available funding would result in the scheme not being delivered comprehensively, which would have implications on quality, aesthetics and viability for the Housing Zone as a whole.

Identify alternative funding methods – rejected. There are no alternative funding opportunities which would offer the level of funding required to deliver this scheme.

PRE-DECISION CONSULTATION

N/A

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: C. R. SMART

Designation: Programme manager

Signature: 

Date: 31-1-18

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

As described in the Borough Intervention Agreement, the funding is dependent on certain conditions being met, including specific terms governing use of the funds. Failure by LBH to satisfy the conditions will mean that GLA is not obliged to make Housing Zone funding available.

GLA has wide ranging rights to recover the Housing Zone funding in certain circumstances including where:

- (a) certain outputs are not met, including failure to meet milestone dates; and
- (b) any representations and/or warranties made by LBH are incorrect when made.

There are a number of default events, the occurrence of which enables GLA to exercise any one of a number of rights including terminating the BIA, suspending the availability of Housing Zone funding or reduce the maximum amount of Housing Zone funding available.

The BIA contains requirements as to how the Works required for the development are procured and delivered including:

- (a) compliance with EU procurement rules (including state aid);
- (b) legislation (including health and safety, equality and diversity); and
- (c) London living wage and mayoral concordat.

Provided the terms and conditions of the BIA are met there are no legal risks to entering into the agreement.

Funding for the TfL element of the project for financial years 2016/17, 18/19 and 19/20 is contained within the Capital programme. The balance of £10.512 million will need to be considered by Council *as below* -

This will be funded by £4.51 million GLA finding (of which £1.25 million is refundable) and £6.002m TfL funding.

S106 contributions will be used to fund the refundable GLA grant

So there is no call on LBH borrowing provided that TfL funding is provided and the risks set out below) are contained

FINANCIAL IMPLICATIONS AND RISKS

Havering propose to deliver a comprehensive transformation programme for Beam Parkway, which will deliver an attractive urban street with enhanced public realm, leisure amenities, cycle and pedestrian routes at an estimated cost of £12.659m

These costings were assessed as part of the Step 1 TfL Major Schemes proposal, and will be further assessed prior to the conclusion of Step 2.

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Spend and funding have been identified as follows:

	2016/17	2017/18	2018/19	2019/20	2020/21	2022/23	2023/24	2027/28	TOTAL
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Expenditure									
Design Cost	0.498	0.599	0.075						1.172
Implementation Cost			0.825	7.452	3.210				11.487
	0.498	0.599	0.900	7.452	3.210	0.000	0.000	0.000	12.659
Funding									
TFL Major Scheme Funding	0.498	0.599	0.750	3.096	2.906				7.849
TLF Lip			0.150	0.150					0.300
GLA Grant				3.039	0.221				3.260
GLA Recoverable Grant				1.167	0.083	-0.550	-0.300	-0.400	0.000
s.106 Dovers Corner						0.500			0.500
s.106 Beam Park						0.557			0.557
s.106 (3 Schemes)						0.213			0.213
	0.498	0.599	0.900	7.452	3.210	0.720	-0.300	-0.400	12.679
any surplus funding will be used for related works	0.000	0.000	0.000	0.000	0.000	0.720	-0.300	-0.400	0.020

The following conditions apply to these funding sources:

The GLA grant funding has been agreed in principle in the Housing Zone Overarching Borough Agreement that was approved by Cabinet on the 4th November 2015. The provision of this funding is subject to completion of an Intervention Agreement between the GLA and Havering, which must be agreed prior to 31st January 2018 or funding will be withdrawn.

£1.250m of the total £4.510m funding available is recoverable grant, which must be repaid by:

Agreed intervention milestone	Milestone date
repayment of £550,000	31 March 2023
repayment of £300,000	31 March 2024
repayment of £400,000	31 March 2028

The intention is that the recoverable grant (bridging grant) of £1.250m will be funded

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through future s106 receipts. All developments on the A1306 are subject to a contribution towards the Linear Park. This is policy in the Rainham and Beam Park Planning Framework 2016. The project will be delivered in phases that will enable up to five individual S106s to be utilised for each phase.

£0.500m Dovers Corner ref P0922.15 (use within 10 years of receipt)

£0.577m Beam Park Coutryside (not signed)

£0.213m Various possible schemes identified.

The LIP funding identified for the related projects are on the condition that expenditure is incurred by the end of each financial year.

This project will be closely monitored to ensure that all funding sources are maximised, and any surplus funding will be directed to other relevant priority schemes and reported as appropriate.

All spend is capital, as the Beam Parkway scheme will create a new carriageway and boulevard which will be an asset for the Borough.

Risk

The risk of exposure to overspend if

- a) the annual TfL business plan does not have sufficient funding in future years (£6.002m) or b) the s106 receipts do not materialise (1.250m)

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no direct human resources implications and risks associated with a decision to accept the funding from the GLA. The workload associated with delivering the project will be managed within existing staff resources.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

Primary and secondary research, technical studies and initial equality analysis show that the proposed Beam Parkway infrastructure project will have a very positive long-term impact on local residents and commuters across all protected characteristics.

Currently, communities living in the large and relatively deprived area between Dagenham Dock and Rainham experience a deficiency in amenity and social infrastructure, with an environment that appears defensive rather than inclusive. There is also a lack of accessible public transport, which significantly reduces access to job opportunities and increases social and economic exclusion in the area. Beam Parkway will enhance accessibility and provide new leisure opportunities for pedestrians and cyclists, users of the new Beam Park station, and new and existing

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local residents. The new park land and leisure facilities will act as a shared focus for the new Beam Park neighbourhood, reducing the current divisive nature of the A1306 carriageway. It is therefore envisaged that the proposed infrastructure project will reduce economic and social exclusion, deliver increasingly positive health outcomes, contribute to the regeneration of the wider London Riverside Opportunity Area and potentially deliver sustainable economic growth.

An Equality Analysis, design work and consultation will be carried out to ensure that Beam Parkway complies with the required Health and Safety standards, accessibility and inclusive design requirements, and meets resident, visitor and commuter needs. Accessibility and inclusivity will be assessed at every stage of the project's progress and sub-projects will be subject to separate EAs, where required. Every effort will be made to minimise any potential temporary disruptions for local residents with protected characteristics.

BACKGROUND PAPERS

None

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Proposal NOT agreed because

Details of decision maker

Signed



Name: Councillor Roger Ramsey

Cabinet Portfolio held: Leader of the Council

Date: 31st January 2018

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 31 JANUARY 2018

Signed

