

Ebbfleet Development Corporation

Board Meeting Part One

Date of meeting :	20 July 2016	Agenda item :	EDC-016/052
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Title of paper	Strategic Priorities Update
Presented by	Paul Spooner, Interim Chief Executive
Sub-committee	Not applicable

Purpose of Paper and Executive Summary	
To provide the Board with an update on the interim Chief Executive's assessment of the EDC's strategic priorities.	
EDC business plan and KPIs	The EDC's strategic priorities are geared to enable the business plan and KPIs to be achieved
Recommendation	FOR INFORMATION The Board is asked to DISCUSS and NOTE the progress on the strategic priorities.
Annexes	Annex A – EDC Performance Dashboard
Delegation	Not applicable

Financial impact	Not applicable
Legal impact	There are no legal implications associated with this paper
Stakeholder impact	Not applicable
Sponsor impact	DCLG have been engaged in agreeing the strategic priorities and further details will be contained in the Corporate Plan and Business Plan.

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Strategic Priorities

1. Brexit

1.1 We are carefully tracking the impact of the referendum decision on the EDC's programme and our aim to deliver at pace. Although it is too early to assess the long term impact on residential and commercial development and to understand what effect a protracted period of uncertainty may bring, first reports from our existing housebuilders remain positive. There is considerable demand for housing in the Garden City location and there are no signs that this has abated in the last few weeks. There have been no cancellations by prospective purchasers.

1.2 The overriding message from our developers which we have adopted in media questions is 'business as usual', with planning timetables being adhered to, infrastructure and site preparation works progressing as per programme, and projected starts on site for this year remaining strong at over 600.

1.3 Land owners and developers in the Garden City have been keen to ensure the EDC remains committed to our delivery programme and we have provided this assurance, backed by the endorsements given to us by DCLG. The continuing commitment of government to the EDC's role and to our capital investment is even more important during this period of uncertainty. As a tangible example of the DCLG's support I am pleased to report we have received approval to our request for a £900k pre-development feasibility budget for 2016/17. This has been provided as 'over-programming' of our revenue budget which means we will not need to provide for it within our own resources. This approval will enable us to progress our programme more efficiently and importantly will give more confidence at this time of uncertainty.

2 Master Plan – Implementation Framework

2.1 Following the meeting of the Board's Master Plan sub-group on the 5th July, we are progressing the completion of the Implementation Framework. AECOM have concluded their assignment for us with the EDC retaining both the intellectual property of the work and the software capability to update detailed information. The evolving Implementation Framework will be informed further by the on-going work on the Ebbsfleet Central area (including the planned layout of Lift and Shift) and by Paramount's preferred access route which will be determined in due course.

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2.2 Subject to the Board's endorsement of the Master Plan, our aim remains to establish a calendar of public engagement meetings in late September/early October when this outstanding work is scheduled to be completed.

3 EDC Corporate Plan and Business Plan 2016/17

3.1 We have provided further detailed information to DCLG as requested and both plans have now been approved.

4 Overall Performance of the EDC

4.1 The updated EDC dashboard is attached (**Annex A**) which confirms over 600 planned housing starts on site this year with 300 completions. In her planning report, Tracey sets out the timetable for the planning applications in relation to the major residential schemes on our strategic development sites which will be determined by Planning Committee over the next period.

4.2 I am pleased to report that the government's Investment Sub-Committee has now approved the Springhead Bridge project. This decision sends a very positive message of continuity and commitment at this time. IIP has endorsed our plan to work with the NHS, Department for Health and Kent Neurosciences on the proposed medical centre of excellence within the Ebbsfleet Central area. DCLG have helpfully provided a steer on the issues we will need to respond to in readiness for a planned meeting with government at a senior level on this important project.

5 The residential market in Ebbsfleet and North West Kent

5.1 Board has requested a regular market report on house prices and land values in this area. As mentioned earlier there is no suggestion that the Brexit decision has softened values at this stage and while commercial agents have anecdotally indicated that there are early signs of a slowdown in commercial lettings, reports from local agents show demand for new industrial space from occupiers remains good with demand greater than supply. Typical industrial rents in Kent for new small-medium size stock are £8.50 sq ft whilst office rents range between £16.50 to £24.00 sq ft for units generally 5,000 – 25,000 sq ft in size. Housing developers continue to demonstrate a range of sales values from between £280 -£340 per square foot and there has to date been no reported impact on values arising from Brexit. I anticipate we will have a

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fuller picture for our September Board meeting when I will complete a quarterly report on the overall moment the overall movement in land values.

6 EDC Team

6.1 We have appointed the Director of Projects who is due to start in September, and we are now out to the market for our new Director of Development position. The Programme Manager role application period has just closed and we anticipate DCLG approval to advertise the full time Community Manager shortly. This will complete our establishment. Anastasia Bernard who joined us in June has successfully completed her post graduate urban design course. David George has been appointed by KCC and ourselves as the project manager for the Fastrack upgrade project, (the post being funded by KCC).

7 Programme Management

7.1 In line with the recommendation of the recent Cabinet Office review, we have taken steps to strengthen our programme management capability and capacity. With Nina Shuttlewood having joined us to lead on governance and government links, James Richardson takes on the role of EDC Programme Manager until the permanent position is filled. While James now leads on managing our own programme we are conscious that there is considerable inter-dependency between our work and the work of others in the Garden City. This includes, for example, transport and highways programmes, house building development programmes, Paramount's programme and EIGP's Lift and Shift programme.

7.2 To enable a comprehensive and integrated approach to the planning and implementation of all these developments, to take forward the Master Plan Implementation Framework, and to give confidence to investors (and support our business cases where we need to show these interdependencies) we have commissioned some additional capacity through a procurement exercise to set up a Single Integrated Development Programme (SID) for the Garden City. We will have the first fully integrated programme ready for September.

8 Stakeholders

8.1 We continue to meet regularly with key stakeholders within the local authorities community, government and the business community.

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Presentations of our emerging Master Plan were made to both Gravesham and Dartford Councils and I am meeting with KCC Cabinet in August to update them on our progress. We were represented at the Thames Estuary Commission's launch on the 14th July and I will update the Board on Lord Heseltine's work.