

Ebbsfleet Development Corporation

Board Meeting Part One
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Date of meeting :	20 December 2017	Paper Number:	EDC 017-085
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Title of paper	Strategic Priorities Update
Presented by	Ian Piper, Interim Chief Executive
Sub-committee	Not applicable

Purpose of Paper and Executive Summary	
To provide the Board with an update on key matters, affecting the Corporation's priorities and performance since the last meeting.	
EDC business plan and KPIs	Matters covered will impact on some or all of the priorities within the business plan and associated KPIs.
Recommendation	<p>FOR INFORMATION</p> <p>The Board is asked to NOTE the matters identified and their impact on performance and progress.</p> <p>That Board approve the appointment of Sandra Fryer to the Planning Committee as Vice Chair.</p>
Annexes	
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, Corporate and Business Plan.

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1. Introduction

- 1.1 Firstly, I would like to welcome Sandra Fryer to the board and I and the team look forward to benefitting from Sandra's considerable expertise.
- 1.2 A first action is for the Board to approve Sandra's appointment to the Planning Committee as Vice Chair.
- 1.3 Since the last board meeting there have been a number of significant announcements by government in respect of housing generally and garden towns more specifically. Further details of some of the salient points for EDC are set out below, but one in particular is worthy of highlighting. In a speech to the National House Building Council, the Secretary of State for Communities and Local Government, Sajid Javed, amongst other things, made specific reference to the need to improve design quality of new housing. He commented that delivering quantity of homes could not be at the expense of quality – we need both. This is a really important message for us at EDC. It does not of course say that delivering increasing numbers of homes should be sacrificed for quality, but is a really important endorsement and encouragement for our pursuit of high quality design and place making here in the Garden City.
- 1.4 In this context, as agreed at the last board meeting, the sub-group to assist us with design of a new 'quality mark' will meet for the first time immediately prior to board on the 20th. We will bring that work back to the board in due course, but we expect this to be before March 2018.
- 1.5 On 16 November in Bristol, the Secretary of State for Communities and Local Government gave a speech on the Housing Market. This set out the Government's position on a number of issues including:
- The reclassification of Housing Associations as private sector organisations, enabling these organisations to concentrate on innovative ways of doing their work and building more homes;
 - Emphasising Government's continued commitment to providing affordable homes, continuation of the Help to Buy scheme, making the rental market fairer/more affordable, and encouraging the construction of more sheltered and supported housing;
 - The intention to increase the number of new homes delivered each year from the 217,000 delivered in 2016/17;

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- The crucial role of infrastructure in unlocking major development, and the Government's commitment to ensure infrastructure is at the heart of major development;
- The requirement of private developers to play their part and build homes more quickly, and Government removing planning barriers to enable faster build-out; and
- The question of whether central Government should take a bigger, more active role in building homes, taking the concept of Garden Towns and Villages to the next level and creating larger Garden Cities.

1.6 On 22 November the Chancellor delivered his Budget, with key announcements on housing. The Chancellor targeted the delivery of 300,000 homes per year by the mid-2020s, announced that first-time buyers will now pay zero stamp duty on the first £300,000 of any home that costs up to £500,000, set out further reforms of the planning system, and confirmed that the HCA will be re-launched as Homes England, with a bigger and more active role in working with local places to drive up housing supply. £1 billion of additional borrowing headroom on the Housing Revenue Account was announced, giving local authorities greater freedom to build Council homes in their areas, and there were a series of announcements on the rental market.

1.7 On 29 November, the Secretary of State gave a speech to the National House Building Council, highlighting the target of at least 300,000 homes each year, and also stating that quality is just as important as quantity in house building. He said that there should not have to be a choice between building more and building better, and that the industry should do both, adding that we should not be satisfied with simply meeting minimum standards.

1.8 Finally, the Board will want to be aware of a new Government consultation launched in early December on the New Towns Act 1981 (Local Authority Oversight) Regulations. Government is seeking views on draft regulations which will enable the creation, via further statutory instruments, of locally led New Town Development Corporations. This consultation highlights measures to ensure that new town development corporations plan for the creation of a high quality settlement which is a sustainable community, support sustainable development and good design, and plan from the outset for the long-term stewardship of new town assets for the benefit of the community.

1.9 I have continued to meet a wide range of stakeholders from across the garden city and beyond. With Paul Boughen, I met with the Bean Residents

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Association and presented progress across our priorities. Main issues raised were the provision of adequate health facilities and affordable housing.

- 1.10** We hosted a visit from the Urban Growth Company in Solihull who have responsibility for delivering development around the proposed Interchange Station outside Birmingham on the HS2 line. It was a great opportunity to share experience and we discussed a number of matters which were of potential benefit to our delivery. It was great to see how Ebbsfleet is becoming known as a place where good progress is being made, and where others can learn from.
- 1.11** On budget day, we hosted a visit from Sir John Armit the newly appointed Chairman of the Thames Estuary Commission. Sir John is a highly experienced Chair with detailed knowledge of infrastructure delivery, transport and housing. He is a board member of Berkley Homes. During the visit we were able to describe the relationship between the Central Area and the London Resort, explain how EDC work has overcome infrastructure constraints in the Garden City and explain the importance of the Crossrail extension to Ebbsfleet.

2. Progress and Performance

Stewardship & Legacy

- 2.1 Work on the stewardship options is now well underway and the Board will have a pre-board session with the team and consultants to go into this in more detail.

Community Cohesion

- 2.2 Helping to develop a strong and vibrant community is a key objective for our work in the Garden City and creating an increasing sense of cohesion across new residents and existing communities is vital. To this end, I agreed a one off grant to a local community project which not only contributed to community cohesion but also to our Green Corridors programme and the Healthy New Town programme objectives. To ensure that we are able to provide small amounts of support that further our aims of cohesion in an open and transparent way, we are putting together a proposal for a, relatively, small, Community Investment Fund. We will bring this to the board in January.

Housing Delivery

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2.3 So far this quarter we have had 189 starts and 60 completions bringing the annual totals to 465 and 237 respectively. We are now forecasting 444 unit completions for the full year, compared to the initial business plan target of 519. There appears to be no obvious reason for the shortfall, other than the usual factor of 'optimism bias' behind the original forecast. The house builders report that the market remains strong and there are no obvious production problems, other than the constraints on brick supply, which we do not believe are a factor yet in this shortfall. Neither do we think that it is as a result of a shortage of serviced land being available.

Central Area

2.4 On 23 November we attended the latest in a series of regular meetings with partners with an interest in the central area (EIGP, LRHC, HS1, HE, and EDC). LRCH took us through their latest work, which they explained had focussed mainly on master planning within the resort area itself. The meeting gave us an opportunity to raise and discuss a number of issues and concerns we have about the emerging Central Area master plan, and we have subsequently sent the partners some thoughts and considerations that we feel need to be further addressed.

2.5 It was explained that the alignment of the Resort access road through the central area has been more or less agreed. We in particular though raised questions about the form of the road, for example, to what extent tunnel or cut and cover, had been explored. We came away reflecting that these issues need further work and consideration.

London Resort

2.6 I circulated to the Board a note that has been issued by LRCH that explains their progress and target future milestones for submitting the DCO. The following is an extract:

"...We are pleased to advise that this will not impact on our plans to open in 2023. We will be consulting in Q2 of 2018 and submit our DCO later in the year. It is absolutely critical that we take the time to get this right and we all look forward to sharing detail in forthcoming months."

This moves the consultation process back by one quarter from previous announcements, and is notably unspecific regarding DCO submission date.

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Additional Housing Programme

- 2.7 The 6 month review of performance highlighted the need for us to increase the emphasis of delivering new housing outside of the core sites within the Garden City area. We have developed up an approach to this priority which we discussed with IIP earlier this month. A separate paper is included in part 2.

Strategic Transport Proposals

South Eastern Rail Franchise

- 2.8 The Invitation to tender (ITT) has been issued by the Department for Transport on the 29th November 2017.
- 2.9 The Department have indicated that the overarching objectives of the ITT are to increase capacity across the network, improved longer trains with WIFI by 2022, the first region to have a joint team with Network Rail running day to day operation to improve performance, to introduce smart ticketing, including a pay as you go pilot, improved compensation, improved customer service and removal of first class accommodation on all services with 18months of the new franchise being implemented.
- 2.10 The residents of the Garden City would expect to benefit from all of these changes. It should be noted that within the ITT some of the High Speed services have been set as a minimum service level allowing bidders flexibility to increase services if they can develop a timetable with sufficient train paths and station capacity.
- 2.11 Bidders will be expected to submit their bids by 14 March 2018, the Franchise awarded in November 2018 and winning Franchisee starts from April 2019.
- 2.12 A copy of the Stakeholder document with information on the ITT has been circulated to Board Members.

Network Rail Kent Route Study

- 2.13 The outcome of the consultation to the Kent Route Study is expected imminently and Board Members will be circulated a copy once published.

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Cross Rail Extension

- 2.14 Both the communications strategy and the business case for the Crossrail extension are continuing to move forward. The partnership of TfL, KCC, GBC, DBC and EDC have completed a tender exercise to procure a Strategic Outline Business Case. The costs have come in slightly higher than previously anticipated and EDC will need to increase its contribution by £13,300.

Strategic Road network Consultation

- 2.15 In order to set investment in the Strategic Road Network (SRN) the government published a multi-year 'Road investment strategy' (RIS) on the 13th December. The second RIS (RIS2) will cover the financial years 2020/21 to 2024/25.
- 2.16 As the first step in the process for setting RIS2, Highways England has published its Strategic Road Network initial report and supporting documents. The SRN initial report sets out:
- Highways England's assessment of the current state of the SRN;
 - The potential future needs;
 - Proposed priorities for RIS2.
- 2.17 To inform its response to the initial report, the Department for Transport is first seeking views on:
- The proposals made by Highways England in the SRN initial report;
 - Our analytical approach for developing RIS2 and whether it is sufficiently robust;
 - Whether we have heard the full range of views that should be incorporated into the RIS2 programme, including about the shape of the SRN.
- 2.18 The EDC will consider the documents published and respond accordingly.

3 Staffing

- 3.1 Our Accounts Manager has tendered his resignation in order to pursue more leisurely activities and will leave at Christmas. He was appointed on a fixed term contract in order to establish appropriate systems within the organisation

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which has now been done. I am working with the Finance and Projects team to agree how best to replace this resource, given current work requirements.