

BROMLEY ECONOMIC PARTNERSHIP

Minutes of the meeting held at 4.00 pm on 11 October 2016

Present:

Councillor Peter Morgan (Chairman)
Katy Woolcott, London Biggin Hill Airport (Vice-Chairman)
Sharon Baldwin, Orpington 1st BID Company
Alex Henderson, MSE UK
Lesley Holland, LBB Operations Manager, Bromley Education
Business Partnership
Michael Humphries, Handelsbanken
Terri Johnson, South East London Chamber of Commerce
Mike Lewis, Michael Rogers LLP
Colin Maclean, Community Links Bromley
Tina Nye, Jobcentre Plus
Martin Pinnell, LBB Head of Town Centre Management and
Business Support
Chandra Sharma, Federation of Small Businesses
Lee Thomas, Fairlight Group

Also Present:

Will Curtis, London Biggin Hill Airport
Max Mulcahy, Bromley Education Business Partnership
Kevin Munnely, LBB Head of Town Centre Renewal
David Warnes, London South East Colleges
Steve Wheeler, Federation of Small Businesses

1 APOLOGIES FOR ABSENCE

Apologies had been received from Carol Arnfield – LBB Bromley Adult Education, Dave Freeborn – Proctors, Robert Goddard – Thackray Williams Solicitors LLP, Kate Miller – intu Bromley, Robert Sargent – Acorn Commercial and Adam Smith – Mytime Active.

Colin Maclean, Community Links Bromley apologised for having to leave the meeting early due to other commitments.

The Chairman welcomed Terri Johnson to the meeting who would be joining the Partnership as the new representative of the South East London Chamber of Commerce.

2 MINUTES OF THE MEETING HELD ON 12TH JULY 2016 AND MATTERS ARISING

The minutes of the meeting held on 12th July 2016 were agreed, and signed as a correct record. There were no matters arising.

3 PRESENTATION BY WILL CURTIS, LONDON BIGGIN HILL AIRPORT

Mr Will Curtis, Managing Director, London Biggin Hill Airport gave a presentation to the Partnership.

London Biggin Hill Airport was situated at the southern tip of the London Borough of Bromley, 12 miles from the centre of London. It was the only dedicated international business aviation airport in the capital, and housed 50 business jets, 65 commercial aviation activities and had 1,000 employees.

In the UK, there were very few places where aviation companies could set up operations. Previously companies had based themselves at Heathrow, and once Heathrow became too busy they moved to Luton which had spare capacity and runway availability. Over the summer, runway slots became unavailable at Luton and flights were displaced to Biggin Hill, Stansted and Farnborough. A Government announcement was expected in the next couple of weeks regarding airport expansion, but it would be 2030 before a useable runway would be available.

London Biggin Hill Airport focused on the business and general aviation sector, and had a vision as a 'London Gateway for Business'. As a designated UK Port of Entry with Border Agency on site, competitive opening hours and no runway slots, each visit to London Biggin Hill Airport would bring in between £3k-£20k. They were an 'Aircraft Home Base' for aircraft owners. For each new aircraft based at the airport, it generated an average spend of \$5m and created eight new jobs. The third part of their vision was to be an 'Aircraft Service Centre'. Aircrafts would be on site for an average of 6-8 weeks whilst undergoing in depth inspections costing around \$5m, half of which would be spent on labour. Four aircrafts could be worked on at one time, which would create 54 movements a year and 400 jobs in the long term, all of which would see gross value added to the community.

The development of Biggin Hill as a centre for aviation-led economic growth was supported by planning policies including the Local Plan which supported the development of nearly £1m sq. ft. and the ability to create up to 2,300 new jobs in the sector. They were part of the LoCATE (London Centre for Aviation Technology and Enterprise) project, a partnership that brought together public and private sector organisations that want to drive forward with joined up thinking in relation to promoting London Biggin Hill Airport as a centre base for business, industry and planning.

London Biggin Hill Airport was increasingly becoming an attractive offer for businesses. Extended opening hours had been agreed, and would see the airport operating between 6.30am – 11.00pm on weekdays and 8.00am – 10.00pm on weekends from 2017. It was noted that since March 2015 when the initial Council decision regarding operating hours had been made, the onward trends of growth and their London Market Share had increased. This showed that the decision was a driver of economic growth and would continue to be so. All weather access was now assured as new precision GPS approaches for both runways were being implemented. This would allow aircraft to come in to land from both directions, and would reduce the amount of traffic causing noise and disturbance whilst circling over Bromley.

The airport also offered a helicopter shuttle service which was very popular with clients, particularly during rush hour. Castle Air operated this service which took only six minutes to travel from Biggin Hill to the London Heliport based in Battersea at a cost of £2,300. A complimentary door-to-door chauffeur car service was then offered for clients to reach their final destination.

Planning permission had been granted for a 4 star hotel, 50 bed hotel, with the ability to extend to 75 beds in the future, and construction was due to commence in 2017. Members of the Partnership queried the choice of building a 4 star hotel on site, considering the clientele that used the airport. Mr Curtis responded that the hotel would not be used by airport's clients, the customers would be aircrew and visiting engineers.

Customer complaints were considered to be a high priority at London Biggin Hill Airport. They currently received on average 10-15 complaints a quarter, the lowest number of complaints for an airport in the UK. In contrast, London Heathrow Airport received 95,000 complaints last year. A further priority was to provide jobs for local residents, with an aim to keep younger and older generations together. A new London Aviation Technical College would be established on site and operated by London South East Colleges. The location was still under negotiation, but it was planned to train 120 engineering apprentices a year from September 2018.

The Chairman thanked Mr Curtis for his fascinating presentation, and noted that work was underway on the Heritage Museum next to the Chapel at Biggin Hill and was due to open in spring 2018.

4 PRESENTATION FROM TERRI JOHNSON, SE LONDON CHAMBER OF COMMERCE - REGARDING SME VIEW OF BREXIT AND CONSEQUENCES

Ms Terri Johnson, Vice President, South East London Chamber of Commerce gave an overview of the Chambers' role.

The South East London Chamber of Commerce provides their members with a point of contact to resolve issues with their business. The Chamber were

able to provide businesses with practical support and help. A new President, Helen McIntosh, had been appointed and Ms Johnson had been appointed to the role of Vice President. The Chamber of Commerce covered four boroughs. It had been established in the Greenwich borough, but had since expanded to cover Bromley, Bexley and Lewisham.

The Chamber of Commerce had previously distributed a publication named Masthead, which had become unviable, but due to an increase in membership it was to be reinstated. Members of the Partnership were advised that each quarter a different borough would be focused on, and they were welcome to advertise their businesses if they wished. The Chamber were also looking for new facilities and venues in which to meet, for events such as their Link 'n' Drink networking event and Chamber lunches which usually involved between 40-60 members.

The next meeting of the Chamber would involve a presentation on their Talent Bank which connected young graduates to local employers. Businesses were able to advertise at a low cost and source graduates from the Chambers' database. Members of the Partnership were advised that Ms Johnson could be contacted if they were interested in being involved.

Ms Johnson informed the Partnership of the results of a Brexit Referendum survey that the South East London Chamber of Commerce had carried out.

The Chamber had conducted two surveys to forecast how local people would vote in the Brexit Referendum. The survey had been conducted via Survey Monkey and had been sent out to over 4,000 people on the Chamber's database. The first survey had been sent out on Wednesday 24th February 2016 and received 259 responses. The results were in favour of staying in the European Union (EU), with 48% of the vote. 42% of respondents said they would vote to leave the EU and 10% did not know how they would vote. The second survey had been sent out on Monday 23rd May 2016, a month before the Brexit Referendum vote. There were 134 responses, with 54% of respondents inclined to vote to stay in the EU. 43% said they were inclined to vote to leave the EU and 3% did not know how they would vote.

It was noted that despite the majority of respondents wanting to remain in the EU, the members of the South East London Chamber of Commerce had reported that their businesses had not yet been affected by the decision to leave.

The Chairman thanked Ms Johnson for her presentation, and asked members of the Partnership for any feedback regarding the consequences of the Brexit Referendum. Members commented that they were not yet seeing any effects of the vote to leave the EU, and those that exported products overseas saw the current weak exchange rate as a bonus. Some members expressed the view that they felt the United Kingdom was currently the most competitive place to do business in the western world.

5 UPDATES ON MAIN PARTNERSHIP THEMES AND OTHER RELEVANT COUNCIL INITIATIVES:

Members of the Partnership gave an update around progress across the main themes of the Partnership.

a TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE (VERBAL UPDATE)

Mr Kevin Munnelly, LBB Head of Town Centre Renewal attended to provide an update on Town Centre Development across the Borough. Progress was continuing across the sites that made up the Bromley Town Centre Area Action Plan.

The scheme design for the Beckenham Town Centre Improvements had been agreed and funding of £4.5m had been secured and works were due to commence in early 2017. Work was also continuing on the public realms in Orpington and Penge town centres.

As part of the Growth Project, Bromley Central Library Building had been identified as being underutilised and a potential space to develop flexible, managed workspace for start-up businesses and small to medium enterprises. Although some areas of the town centres were protected, the reduction in available office space in the borough had been impacted by change of use applications being granted to convert offices in to residential units. It was hoped that this could provide a solution and it was noted that as part of the development of the West Camp of London Biggin Hill Airport, business floor space would be provided.

The Growth Project had also been focussing on certain strategic development sites within the Cray Corridor. These were the Klingers building, land to the rear of Edginton Way and the Allied Bakery site. Work was continuing with site owners to bring forward development. Officers had met with representatives from commercial developers Chancerygate with respect to the Klingers site, and Allied Bakery had expressed that they planned to stay in their current location and reconfigure the site.

Members of the Partnership enquired about Opportunity Site G: West of the High Street. Mr Munnelly replied that the closing date for bids was 21st October 2016 with final presentations being made at the beginning of November 2016. Recommendations would be made to Members of the Executive early in the new year.

RESOLVED that the update on the town centres development programme be noted.

b LOCAL PLAN DEVELOPMENT UPDATE (VERBAL UPDATE)

Partnership members were informed that the consultation on the Local Plan was due to start from the end of October 2016, for a period of six weeks. Details of the website for consultation would be distributed to the group, and members were encouraged to give feedback.

RESOLVED that the update on the Local Plan be noted.

c BUSINESS IMPROVEMENT DISTRICTS AND BUSINESS SUPPORT UPDATE (VERBAL UPDATE)

Mr Martin Pinnell, LBB Head of Town Centre Management and Business Support, gave an update on Business Improvement Districts and Business Support in Quarter 2, 2016/17.

Two further Business Improvements Districts (BIDs) in Beckenham and Penge were planned for the London Borough of Bromley, following the positive outcome of a feasibility study. Funding had been released by the Council and additional resources would be brought in, in the form of specialist BID consultants. They were expected to be appointed and in place by the end of October 2016.

Tina Slater had temporarily filled the role of Town Centres and BID Development Manager, and had met with managers of local businesses and a number had expressed an interest in being involved with the BID working groups for each town centre. It was expected that ballots for each town centre would take place in Autumn 2017, with a view to launch in April 2018.

Kate Miller, Chair of the Bromley BID was not present at the meeting but provided a written update:

Following a successful food festival the Bromley BID team were now focussing on Christmas events. The lights switch on would take place on Sunday 20th November, 4.00pm - 4.30pm. Further details were available on www.yourbromley.com

With regards to business support, Invest Bromley magazine had launched and copies were distributed to the members of the Partnership. Members were advised that if they required further copies, they could be obtained by contacting Martin Pinnell. Bromley Business Guide 2017 was currently being finalised and publication was planned in the next couple of months.

Business events taking place included LBB officers working with Pro Actions and the Institute of Chartered Accountants in England and Wales for joint business seminars. It was also noted that Global Entrepreneurship Week would take place in mid-November 2016, with start-up workshops planned for 17th November 2016.

As part of the New Homes Bonus, LBB officers were working with Orpington 1st BID Company to provide business workshops, start up support, enterprise markets and pop up shops. In Penge, LBB officers were working with Retail Revival to provide business mentoring, workshops, start up support, a new website for the town and exploring the possibility of a pop up shop.

The Partnership were informed that business rates revaluation had taken place and the headline change overall for the borough was +16.88%, and London was +11% as a whole. They had not been provided with specific details of where any increases or decreases had taken place, but a paper from the Department for Communities and Local Government (DCLG) gave a bit more information. Transitional relief arrangements were under consideration by DCLG until 26th October 2016, and it was noted that guidance for appealing the revaluation could be found on the Gov.uk website. Links to these would be circulated to the Partnership.

RESOLVED that the recent work around the Business Improvement Districts and Business Support in the 2nd Quarter of 2016/17 be noted.

6 PARTNER UPDATES AND OPPORTUNITIES FOR JOINT WORKING TO INCLUDE:

Updates are provided in the relevant sub sections.

a COMMERCIAL PROPERTY (VERBAL UPDATE)

Mr Mike Lewis, Michael Rogers LLP commented that they had built stock of 1 million sq. ft. which had an average availability of 10%. Availability was currently at 6% which was felt to be as a result of a loss of office space, but also a good take up. Office rents had increased over the last five years between 40% - 90%, with the majority of the increases seen over the last two and a half years. Current rates were at £25 per sq. ft., and there was not much vacant space available.

In Sevenoaks they had broken the £30 per sq. ft. mark, and it was considered that Sevenoaks and Bromley were a similar market. In the future more new stock would be needed, and there was certainly a demand for it. It would not be thought unrealistic that £40 per sq. ft. could be achieved over the next three years.

It was noted that the level of enquiries this year compared to last year were down. This had happened at the beginning of the year, with people waiting to see the outcome of the Brexit Referendum, and not as a result of the vote itself.

b COMMUNITY LINKS BROMLEY (VERBAL UPDATE)

Mr Colin Maclean, Community Links Bromley advised the Partnership that two Corporate Social Responsibility Expo events were planned. The first would take place on Thursday 10th November 2016, 5.30pm – 7.30pm and would be hosted by London South East Colleges at their Orpington Campus. These events were to showcase the work of the voluntary sector and allow them to develop relationships with local businesses. Further information would be circulated to the Partnership when it became available.

c GENERAL NEWS ROUND (VERBAL UPDATE)

Members of the Partnership had undertaken a range of activities since the last meeting.

Ms Kate Miller (intu Bromley) was not present at the meeting but provided a written update to the Partnership as follows:

- The 5 new restaurants on the terrace adjacent to the Queen's Gardens were continuing to perform exceptionally well.
- Other new tenants, Lovisa (accessories) and Joules (fashion) had both opened their units. More new openings would follow before Christmas. Bering (jewellery) had opened on the mall and would soon be joined by Lola's Cupcakes.
- Footfall in the centre for September 2016 was +7% compared to September 2015. Year to date footfall was -1.5% on 2015.

Mr David Warnes, London South East Colleges, informed the group that the BR6 restaurant development Phase 2 was now underway. The restaurant would be extended to provide a bistro, coffee shop and patisserie. He was also pleased to announce that the BR6 restaurant was currently ranked as the number one restaurant in Orpington on the TripAdvisor website. The co-working and shared office space at the Innovation Centre – Orpington Campus was being redesigned and would be completely relaunched under the London South East Colleges brand.

Since the last meeting, workshops on the new apprenticeships levy had been held in Orpington and Greenwich with 30 employers attending. It was felt that interest had started, and further workshops were planned in the region during November and December 2016.

Mr Michael Humphries, Handelsbanken, reported that business was extremely busy. They had seen no downturn since the Brexit Referendum and it was 'business as usual'. A large commercial property auction with 240 lots had taken place on 10th October 2016, and it was felt that there was a lot of positivity in the auction room. As a bank they were also very active in the lending market.

Mr Chandra Sharma attended the meeting representing the Federation of Small Businesses (FSB), and introduced Mr Steve Wheeler who was a newly elected Facilitator for the FSB in Bromley. Mr Sharma informed the Partnership that the FSB AGM would be held at the Churchill Theatre in Bromley on the evening of the 24th November 2016, with speakers from the sales and marketing sector. FSB would also be sponsoring the Bromley Business Awards 2016.

Ms Sharon Baldwin, Orpington 1st BID Company, was pleased to report that vacancy rates in the town centre were the lowest for 10 years at 7.4%. The unit by the Odeon cinema that would house Nando's restaurant was currently undergoing a £1.5m fit out and was scheduled to open on 7th December 2016. Christmas events were planned in Orpington town centre on Thursday 17th November 2016, and would see the high street pedestrianised with Christmas stalls, Santa and his reindeer and fireworks from 7.00pm.

The Partnership were also informed that there was currently a consultation underway until 2nd November 2016 with regards to the Post Office moving from its current location to be situated in WH Smiths.

Ms Katy Woolcott, London Biggin Hill Airport, reported that year to date they were currently ahead of budget. They were now fully occupied with quality companies such as Bombardier and Signature, and Zenith Aviation had recently moved into the old Heritage Hangar. Proposals for the development on a new hangar had been submitted, as there was continuing demand for space.

Mr Alex Henderson, MSE UK, informed the group that he was continuing with his work to encourage the NHS to buy British goods. He was now working in collaboration with James Bradshaw, who previously had media exposure when he completed a project to buy only British produce for a year. They had established the British Manufacturers Lobbying Group that would be meeting between 5.00pm – 7.00pm on 22nd November near Regents Park, to get people involved and lobby Government.

Mr Henderson expressed concerns over anti-social behaviour and fly-tipping on the vacant land opposite their premises on Kangley Bridge Road.

Lee Thomas, Fairlight Group, reported that he had improved his client profile, and the serviced offices were currently full all the time. More space was needed as demand was strong.

Ms Tina Nye, Jobcentre Plus, reported the latest figures to the end of July 2016. The number of people claiming Job Seekers Allowance (JSA) remained stable at 1,900. Claimants in the 18-24 year old category had dropped dramatically, but the number of claimants in the 50+ category remained high due to the increase in redundancies. It was noted that currently 59% of JSA claimants were back in work within 13 weeks, and 94% within a year.

RESOLVED that the updates be noted.

**7 BROMLEY ECONOMIC PARTNERSHIP WORK PROGRAMME
2016/17 (VERBAL UPDATE)**

Members of the Partnership considered the forward rolling work programme for the Bromley Economic Partnership for 2016/17.

In considering the next meeting of the Partnership, it was suggested that a representative from the Bank of England attended to give a general view of London's economy. It was also suggested that a presentation be made on workspace, possibly by the Greater London Authority.

RESOLVED that the update on the Work Programme be noted.

8 ANY OTHER BUSINESS

The Chairman thanked Katy Woolcott, Estate Manager on behalf of the Partnership for hosting the meeting at London Biggin Hill Airport, and for providing a tour of the airport to members of the Partnership in advance of the meeting.

9 DATES OF FUTURE MEETINGS

4.00pm, Tuesday 10th January 2017
4.00pm, Tuesday 11th April 2017

The Meeting ended at 6.00 pm

Chairman