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DATE: 26 January 2018

To: Members of the
EXECUTIVE

Councillor Colin Smith (Chairman)

Councillors Graham Arthur, Peter Fortune, William Huntington-Thresher, Kate Lymer,
Peter Morgan and Diane Smith

A meeting of the Executive will be held at Bromley Civic Centre on **WEDNESDAY 7
FEBRUARY 2018 AT 7.00 PM**

MARK BOWEN
Director of Corporate Services

Copies of the documents referred to below can be obtained from
<http://cds.bromley.gov.uk/>

A G E N D A

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

3 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

In accordance with the Council's Constitution, questions to this Committee must be received in writing 4 working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5pm on Thursday 1st February 2018.

4 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 10TH JANUARY 2018
(Pages 3 - 30)

5 PROGRESS IN IMPLEMENTING CHILDREN'S SERVICES IMPROVEMENTS

6 2018/19 COUNCIL TAX
(Pages 31 - 74)

- 7 **CAPITAL PROGRAMME MONITORING Q3 2017/18 & CAPITAL STRATEGY 2018 TO 2022**
(Pages 75 - 92)
- 8 **LOCALLY ADMINISTERED BUSINESS RATES RELIEF SCHEME**
(Pages 93 - 98)
- 9 **BROMLEY MARKET REORGANISATION UPDATE**
(Pages 99 - 114)
Bromley Town Ward
- 10 **SCADBURY PARK MOATED MANOR**
(Pages 115 - 132)
Chislehurst Ward
- 11 **MAYORAL COMMUNITY INFRASTRUCTURE LEVY (MCIL2) DRAFT CHARGING SCHEDULE CONSULTATION**
(Pages 133 - 140)
- 12 **BROMLEY'S RESPONSE TO THE DRAFT LONDON PLAN CONSULTATION**
(Pages 141 - 222)
- 13 **CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**
- 14 **LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000**

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

<u>Items of Business</u>	<u>Schedule 12A Description</u>
15 UPDATE ON COMMUNITY CONTRACT AWARD (Pages 223 - 230)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
16 CAPITAL PROGRAMME MONITORING Q3 2017/18 AND ANNUAL CAPITAL STRATEGY 2018 TO 2022 - APPENDIX F: CAPITAL RECEIPTS (Pages 231 - 232)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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EXECUTIVE

Minutes of the meeting held on 10 January 2018 starting at 7.00 pm

Present:

Councillor Colin Smith (Chairman)
Councillors Graham Arthur, Peter Fortune,
William Huntington-Thresher, Kate Lymer, Peter Morgan
and Diane Smith

Also Present:

Councillor Nicholas Bennett J.P., Councillor Simon
Fawthrop and Councillor Angela Wilkins

380 APOLOGIES FOR ABSENCE

There were no apologies for absence.

381 DECLARATIONS OF INTEREST

Councillor Simon Fawthrop declared that he was an employee of British Telecom.

382 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

Five questions had been received for oral reply and three questions for written reply. Copies of the Questions and replies are attached in Appendices A and B to these minutes.

383 TO CONFIRM THE MINUTES OF THE MEETINGS HELD ON 1ST, 6TH & 15TH DECEMBER 2017 Report CSD18006

RESOLVED that the minutes of the meetings held on 1st, 6th and 15th December 2017 be confirmed.

384 PROGRESS IN IMPLEMENTING CHILDREN'S SERVICES IMPROVEMENTS

The Executive Director of Education, Care and Health Services and Deputy Chief Executive gave an update on progress with implementing improvements to Children's Services. The Executive Director emphasised three issues –

(i) The next Ofsted monitoring visit was due in March 2018 and officers were working hard to ensure that this was as positive as previous visits.

Executive
10 January 2018

(ii) The Caseload Promise was being met in all but one team. The target was to reach 90% permanent staff, and further recruitment activities were planned to target agency social workers.

(iii) Working with HR, officers were finalising a strategy for social workers. A key focus would be on retention.

The Executive Director also commended a member of staff, Linda Whybrow, who had just retired from his Department after forty-seven years – the Leader added his thanks to her for this remarkable service.

Questioned by Members, the Executive Director explained that there were around 120 frontline staff, with about 30-35 additional permanent staff since May 2017. The Council had been particularly effective at recruiting managers, and very few permanent social workers had left.

In terms of the Adoption Service, an action plan was in place to improve the service and reduce delays, but the Executive Director cautioned against focussing too much on statistics. Bromley would persist in finding the right family for children, even if this appeared as a delay in the statistics.

The Portfolio Holder for Education, Children and Families reported that there would be a celebration of the achievements of looked after children on 15th February – all Members would be invited and he encouraged Members to attend.

The Leader thanked the Portfolio Holder for Education, Children and Families and the Executive Director and his team, and encouraged them to continue their hard work.

**385 DRAFT 2018/19 BUDGET AND UPDATE ON COUNCIL'S
FINANCIAL STRATEGY 2019/20 TO 2021/22**
Report FSD18001

The Executive considered the initial draft 2018/19 Budget including the full year effect of changes agreed as part of the 2017/18 Council Tax report including savings approved during the year with the resultant impact on the Council's medium term budget gap. A key part of the financial strategy was to highlight the budget issues that would need to be addressed by the Council over the coming financial years, by forecasting the level of available resources from all sources and budget pressures relating to revenue spending. Details of the capital programme would be reported to the Executive separately.

The report provided details of the third year of the four year local government finance settlement (2018/19 to 2019/20), the impact of the Chancellor's Autumn budget 2017 and the provisional local Government Financial Settlement 2018/19. There were still outstanding issues and areas of uncertainty remaining. Any further updates would be reported to the Executive's next meeting.

The views of all PDS Committees would be sought prior to the Executive making recommendations to Council on the 2018/19 Council Tax and Adult Social Care precept levels.

The report had been scrutinised by the Executive and Resources PDS Committee on 4th January 2018. The Committee had supported the recommendations with two additional suggestions – that the Council should consider raising the empty homes premium to 100% of Council Tax, and to note that action will need to be taken by Chief Officers to fund increasing costs through alternative savings in the event that inflation exceeds the budget assumptions. It was accepted that raising the empty homes premium could not be implemented for 2018/19 but Members agreed that this should be fully investigated for possible implementation for 2019/20.

The Portfolio Holder for Resources drew attention to the benefits of a four year financial settlement, and emphasised how the Council was now looking for opportunities and innovations, rather than just efficiencies. He confirmed that he was assuming a 2% pay increase for staff in 2018/19 – he would make a full statement on this to Council.

In view of the reservations about the London Business Rates pilot pooling arrangements it was suggested that the Executive should only agree to the proposals “in principle.” However, officers advised that this would not provide sufficient authority, and would require a further meeting of the Executive to provide final approval. Members were reassured that the delegation arrangements provided sufficient protection and the Leader accepted that advice. It was also confirmed that the arrangement committed the Council for one year only.

RESOLVED that

(1) The initial draft 2018/19 Budget as detailed in Appendix 7 of the report be agreed.

(2) The initial draft 2018/19 budget for each portfolio be referred to the relevant PDS Committees for their consideration.

(3) The financial projections for 2019/20 to 2021/22 be noted.

(4) It is noted that there are still areas of financial uncertainty which will impact on the final 2018/19 Budget and future year forecasts.

(5) The setting of the School Budget, mainly met through Dedicated Schools Grant, be delegated to the Education, Children and Families Portfolio Holder, allowing for consultation with head teachers, governors and the Schools Forum (section 12 of the report).

(6) It is noted that the outcome of consultation with PDS Committees will be reported to the next meeting of the Executive.

(7) The outcome of the public consultation meetings detailed in Appendix 10 be noted.

(8) The proposed contribution of £248,033 in 2018/19 to the London Boroughs Grants Committee (as in section 11 of the report) be agreed.

(9) The outcome of the Provisional Local Government Financial Settlement 2018/19 as detailed in the report be noted.

(10) The significant budget gap remaining of an estimated £38.7m per annum by 2021/22 be noted, and that any decisions made for the 2018/19 Budget will have an impact on the future year projections.

(11) It is noted that any final decision by the Executive on recommended Council Tax and Social Care Precept levels will normally be undertaken at the next meeting of the Executive.

(12) Authority be delegated to the Director of Finance in consultation with the Director of Corporate Services, the Leader of the Council and the Resources Portfolio Holder in relation to the operational details of the London Business Rates pilot pooling arrangements with the participating authorities.

(13) It is agreed that the Council enters into a Memorandum of Understanding with the participating authorities as may be necessary to implement and/or regulate the pool and to delegate authority to the Director of Finance in consultation the Resources Portfolio Holder and with the agreement of the Leader of the Council to finalise the arrangement on behalf of the Council.

(14) It is noted that action will need to be taken by Chief Officers to fund increasing costs through alternative savings in the event that inflation exceeds the budget assumptions.

(15) The option of raising the empty homes premium to 100% of Council Tax be investigated for possible implementation in 2019/20.

386 GATEWAY REPORT 1 - MEMBERS REPORT: REVIEW OF CORPORATE CUSTOMER SERVICES IT SYSTEMS
Report CSD17165

(Having declared an interest as an employee of British Telecom, the Chairman of the Executive and Resources PDS Committee left the Chamber for this item and took no part in proceedings.)

On 14th September 2016 the Executive had agreed expenditure of £50k to fund a review of alternative options for the Customer relationship Management (CRM) system both in the short and long terms. The report updated Members on progress and the options considered. British Telecom (BT) had been commissioned, as part of the current IT Support contract, to

develop a new IT strategy, and upgrading the CRM system would not be in conflict with this strategy.

The Environment Portfolio Holder commented that with the re-tendering of the environmental services contracts the new contractor might want to implement a more cost-effective system.

The Renewal and Recreation Portfolio Holder reported that, in relation to the comments in the report about maximising digital uptake, he was investigating what needed to be done to overcome the problems that residents in some areas had with obtaining broadband.

The report had been scrutinised by the Executive and Resources PDS Committee on 4th January 2018 and the Committee had supported the proposals.

RESOLVED that

(1) The need to upgrade the current CRM system is noted as outlined in this report.

(2) BT be commissioned by variation to their existing contract to upgrade to Dynamics Version 2011 to avoid critical service interruption for the reasons set out in section 6 of the report.

(3) BT be commissioned by variation to their existing contract to provide a fully costed options appraisal for the longer term provision of IT services currently delivered by the current CRM system, as set out in section 7 of the report.

(4) The addition of £480k to the capital programme, funded from a £37k reduction to the existing capital scheme for the website upgrade, and £443k from capital receipts, be agreed.

387 CONTINGENCY DRAWDOWN: HOMELESSNESS AND TEMPORARY ACCOMMODATION PRESSURES
Report CS18116

The report updated Members on homeless pressures during 2017/18 and the range of initiatives undertaken to try and reduce the rising budget pressures wherever possible and forthcoming challenges arising from the introduction of the Homelessness Reduction Act 2017 and the roll out of universal credit in Bromley.

A drawdown of £844K was requested from the central contingency for homelessness and welfare reform pressures, together with the Homeless Reduction Act New Burdens funding and flexible homelessness support grant introduced in 2017/18 to replace the management fee element for temporary accommodation previously claimed through housing benefit.

The Leader noted the ongoing trend in this difficult area and commented positively in respect of the Administration's forward financial planning, which had ensured sufficient contingency funding had been set in place to meet the additional demand.

The Renewal and Recreation Portfolio Holder reported that he was aware of concern from a landlord about not being able to get his property back at the end of a fixed term lease, and in a suitable state of repair. Officers confirmed that this should not be the case.

It was noted that in paragraph 3.10, bullet point 4 of the report the missing figure relating to the refurbishment of Benedict House was 40 units of temporary accommodation.

The report had been scrutinised by the Care Services PDS Committee on 9th January 2018 and the Committee had supported the proposals.

RESOLVED that

(1) £844K for 2017/18 be released from central contingency set aside to offset the current homelessness and temporary accommodation budget pressures.

(2) Drawdown of the ring fenced grants as set out below be agreed:

	2017/18 £	2018/19 £	2019/20 £
Homeless Reduction Act New Burdens	254,713	233,317	220,697
Homelessness Reduction ACT IT upgrade for new reporting requirements	9,022		
Homelessness flexible support grant	2,106,890	2,359,717	

(3) The forecast pressures going forward in relation to homelessness, welfare reform, temporary accommodation and the new duties arising from the Homelessness Reduction Act 2017 be noted.

(4) The release of the additional resources required for implementation and administration of the new statutory duties contained within the Homelessness Reduction Act be approved.

388 FEASIBILITY STUDY FOR BANBURY HOUSE, CHISLEHURST

The Executive considered a report updating them on the feasibility assessment undertaken in respect of Banbury House for refurbishment and use as temporary accommodation to meet statutory housing need. It was

concluded that proceeding with a refurbishment scheme would not be economically viable.

The report was scrutinised by the Executive and Resources PDS Committee on 4th January 2018; the Committee supported the recommendations, subject to an additional recommendation that Officers be asked to investigate whether modular homes would be a possibility once the site has been cleared. It was confirmed that all options would be explored.

RESOLVED that

(1) The outcome of the feasibility assessment for use of Banbury House as temporary accommodation and the decision not to proceed with refurbishment as this does not offer an economically viable scheme and demonstrate best use of the site be noted.

(2) The demolition of the existing building to ensure the site is secured and prepared for future use to maximise future development opportunities be approved.

(3) Officers be authorised to complete a final feasibility options appraisal to be reported back in May for decision on future use of the site to meet housing need or for methods for marketing and disposal of the site to secure best value.

(4) The estimated cost of £166k be added to the Council's Capital Programme for demolition and site preparation - this sum will be funded from any future sale proceeds, or added to any future capital scheme for alternative use of the site.

389 UPDATE ON SERVICE PROPOSALS AND PROCUREMENT STRATEGY FOR MODULAR HOMES

Bromley, along with all London local authorities was experiencing a significant increase in demand for assistance and accommodation. Members had received regular reports detailing the current pressures in the Housing Division including the significant increase in the number of placements and associated costs with night paid temporary accommodation.

The Council spent more than £4.5m (net) procuring temporary accommodation (TA) for homeless households every year and demand for this service was forecast to increase.

The Executive on 24th May 2017 had agreed to the principle of inviting bids from potential suppliers for the development and management of a modular constructed site on York Rise, subject to further market engagement to inform the tender and specification and feasibility study of the site considering both suitability and potential length of use.

The report provided an update on the market engagement undertaken and a feasibility analysis, and requested permission to progress to formal tender to appoint a supplier for modular homes (as set out in paragraphs 3.6-3.10.) The final cost, and whether the units were purchased outright or leased, would be determined by the tenders received – Members expected that the scheme would produce savings and a better return than disposing of the site.

Members commented that the quality of modular homes had vastly improved, and suggested that all members be invited to a site visit to view them in situ in a neighbouring borough. Officers confirmed that arrangements were being made.

The report had been scrutinised by the Care Services PDS Committee on 9th January 2018; the Committee supported the recommendations, subject to proposing that support for the proposals should be “subject to appropriate planning permission being agreed.” Comments from ward councillors had been submitted to the PDS Committee and were tabled for the Executive. These are attached as Appendix C to these minutes.

RESOLVED that

(1) The proposals proceed to formal tender for provision of modular build accommodation together with a management contract for a period of 15 years as set out in paragraph 3.6 of the report.

(2) The use of the identified site at York Rise for the use of modular constructed accommodation be approved.

(3) It is agreed in principal that officers look to identify other suitable sites for use of modular homes which will be reported back to the Executive as and when identified.

(4) It is noted that capital funding may be required for the preparation, construction and planning of any modular home site and this will be dealt with in the award report.

390 HEALTH SUPPORT TO SCHOOL AGE CHILDREN
Report CS18114

At its meeting on 30th November 2016, the Council’s Executive agreed to fund a new service to support the health of school age children for 2 years, funded by the Better Care Fund to a total value of £606k. The first £303k was released for the new service in 2017/18. The new service started 1st April 2017. The drawdown of a further £303k for 2018/19 was subject to a further report to the Executive.

Bromley CCG had procured the service from Bromley Healthcare on behalf of the Council under a Section 75 agreement.

An evaluation of the new “Health Support to Schools Service” in October 2017 showed that the small team were only able to offer very limited safeguarding support due to capacity. The Designated Safeguarding leads in Bromley CCG and Public Health worked together to identify the gaps and risks to safeguarding in the new service.

Five of the proposed six additional posts were for safeguarding. Schools had indicated that they would not be willing to pay for statutory School Nurse functions such as safeguarding. The contribution from schools to the Health Support to Schools Service would be explored in a paper to the Executive in spring/summer 2018.

Officers explained that the new contract was a more modern and responsive service built around the needs of children and schools; the provision of data from schools was much improved. Health partners recognised the need to provide additional resources and their role with the Council in jointly safeguarding children. The Leader drew attention to the recommendation which was to release up to £300k, and commented that if all the money was not needed it should be diverted to other services.

The report had been scrutinised by the Care Services PDS Committee on 9th January 2018 and the Committee had supported the proposals.

RESOLVED that

(1) The drawdown of £303k from the Better Care Fund for continuing the existing service into 2018/19 be agreed.

(2) The drawdown of up to an additional £300k from the Better Care Fund to appoint an additional 6 nurses for the remainder of the existing Health Support to Schools contract, to end March 2019, be agreed (in line with paragraph 1.4 and the issues outlined in Section 3 of the report.)

391 CONTRACT AWARD FOR ADVOCACY SERVICES - PART 1
Report CS18118-1

The Executive considered a request to approve a contract award for a single Advocacy Service for all client groups, replacing seven contracts with four different providers. This would ensure better access to Advocacy Services through a single point of access. This was a three year contract with a 1+1 year extension option to start on 1st April 2018. A part 2 report had also been provided with additional details, including the evaluation of the tenders received.

The report had been scrutinised by the Care Services PDS Committee on 9th January 2018 and the Committee had supported the proposals.

RESOLVED that

(1) The contract award for Advocacy services for a period of 3 years starting 1 April 2018 with the option of two one year extensions (3+1+1)

at a whole life contract value of £1,430,635 be approved as recommended.

(2) Authority be delegated to the Deputy Chief Executive and Executive Director of Education, Children and Families, in consultation with the Portfolio Holder for Care Services, the Director of Commissioning, the Director of Finance and the Director of Corporate Services, to extend this contract for the two one year extension options.

392 CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

There were no additional items reported from Executive and Resources PDS Committee.

393 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summaries
refer to matters
involving exempt information**

394 EXEMPT MINUTES OF THE MEETINGS HELD ON 1ST AND 6TH DECEMBER 2017

RESOLVED that the exempt minutes of the meetings held on 1st and 6th December 2017 be confirmed.

395 CONTRACT AWARD FOR ADVOCACY SERVICES - PART 2

The Executive considered exempt information relating to the proposed award of a contract for Advocacy Services – see minute 391 above.

The Meeting ended at 8.16 pm

Chairman

EXECUTIVE

10th January 2018

QUESTIONS FROM MEMBERS OF THE PUBLIC

(A) Questions for oral reply

1. From Jane Ward to the Care Services Portfolio Holder

Will the Council be reflecting on the new legislation on Homeless reduction coming into use in April 2018 when considering changes to their Homeless strategy?

Reply:

The Council already has and will continue to reflect on the new legislation that you refer to.

Supplementary Question:

Ms Ward asked for a more specific response.

Reply:

The draft Homelessness Strategy which is currently published for formal consultation already reflects the key changes and requirements coming into force under the Homelessness Reduction Act in April 2018.

The outcome of the consultation will directly feed into and closely influence Bromley's overarching and evolving Housing Strategy which is due to come to Members for discussion and approval during Q2 2018.

The early intervention initiative is part of the range of activities being undertaken to prepare for the requirements of the Homeless Reduction Act and to address the current cost pressures in relation to temporary accommodation provision.

2. From Diana Evans to the Care Services Portfolio Holder

How many homeless households have been rehoused outside of the borough in the last four years and why?

Reply:

The total number over the last four years is 2,904.

The reasons include personal choice, safety concerns, access to specialist medical, family or employment support or outright necessity in cases where no suitable local housing exists to meet an individual client's needs.

I would add that the situation is not being helped in any way by better funded neighbouring London Boroughs, who can afford to do so, paying higher private landlord rates than Bromley can afford, forcing rent levels higher whilst at the same time reducing the available housing stock for Bromley residents more locally.

This marks yet another reason for us all, as to why the ongoing discussions for 'Fairer Funding' for Bromley Council must be heard and fully responded to.

Supplementary Question:

Mrs Evans asked whether the Portfolio Holder considered this to be a failure of the system.

Reply:

The Portfolio Holder responded that, like other Councils pan-London, the Council was acting out of necessity at the current time.

3. From Stephen Evans to the Leader of the Council

Will the Leader invite the Secretary of State of the Department for Communities and Local Government (now Housing, Communities and Local Government) to attend a public meeting in the borough to explain how the Government's housing policies will benefit the people of Bromley?

Reply:

Were a genuine wider local interest to do so demonstrate itself by all means, although being somewhat presumptuous, I suspect were he to do so or be here today, he would point to measures and facts as he has recently done elsewhere, which include:

- The number of new homes in England has increased by more than 217,000 last year, the highest level of net additions since the depths of the recession and the first time in almost a decade that the 200,000 milestone has been reached.
- Allowing housing associations to be reclassified as private sector organisations, freeing them from the shackles of public sector bureaucracy, enabling them to concentrate on their core, crucial mission which is building homes and providing them with £2bn to do so.
- A year on year rise in 2017 of 27% in the number of new affordable homes over the year before.
- £9 billion being invested in affordable housing.

- A doubling of the housing budget to deliver a million more homes, including hundreds of thousands of affordable homes.
- Reformed planning rules, leading to record levels of planning permissions being granted.
- The freeing up of unprecedented levels of public sector land to build on.
- The provision of hundreds of millions of pounds of finance for small and innovative builders to accelerate construction speeds.
- Tens of thousands of derelict homes being brought back into use
- The ongoing need to identify more suitable Brownfield sites
- The need to scope new Garden Cities, which is clearly going to be a very serious discussion.

I believe that he would also claim that this has only proved possible because this is a government of deeds, not words. A government that is getting things done, whilst at the same time acknowledging there is still much work still to be done in terms of building more homes.

Supplementary Question:

Mr Evans asked if the Leader would condemn the management of public sector housing?

Reply:

The Leader stated that he would condemn nothing, but that there was a pan-London housing crisis and it was up to all Councils to meet their current housing targets. Bromley achieved its targets, but not all other Councils did. The market was the market – unfortunately Bromley did not have the money to provide housing that other boroughs did, and this was forcing up rents.

4. From Jane Ward to the Resources Portfolio Holder

How do the Council see the proposed cuts to housing benefit for vulnerable tenants in supported housing, and its proposed replacement with ring fenced funding, affecting the support and housing contribution costs that are currently being provided in the borough to vulnerable tenants?

Reply:

The latest consultation on funding for supported housing only recently closed. This included the current proposals which would come into effect in 2020. As we have not yet received the final proposals we are unable to say exactly what impact there may be. However, overall the government has undertaken that the changes should not result in any reduction to funding. The Director of Housing has indicated that the latest consultation proposed that sheltered, extra care housing and long-term supported housing continue to be funded through the welfare system, as such a grant would not replace existing arrangements. The key issue here will be to provide sufficient detail to ensure that rental levels able to be paid through the welfare system are reflective of the true costs. The government has indicated that they will consult extensively before setting maximum levels payable.

For short term supported housing a ring fenced grant will be introduced. The government has stated that this will be reflective of costs, take into account current and future needs and give greater security to providers. As no detail has as yet been provided on how this will be administered or likely levels of funding it is not possible to assess the overall impact, but we continue to work closely with government to try and develop a funding formula which achieves these goals ensuring there is no reduction to the housing and support contributions.

Supplementary Question:

Ms Ward asked whether the Council would be lobbying the Government for full consultation to protect vulnerable tenants, and what form the consultation would take?

Reply:

The Portfolio Holder responded that the Council regularly lobbied Ministers – leading members had met with two Ministers in the previous month to explain the implications for Bromley people of the Government's policies.

5. From Jane Ward to the Resources Portfolio Holder

What is the expectation of Bromley Council as Universal Credit continues to be rolled out this year of the impact on homelessness in the borough, and will the Council make representations to the government to halt these measures and prevent the escalation of homelessness for families on lower incomes and pressure on local council funding and housing services?

Reply:

The Leader wrote to the Secretary of State about the changes needed to Universal Credit on 20th November 2017 and I am pleased that many positive changes have been made to reduce the impact on homelessness (the response will be circulated with the minutes). The Council will continue to endeavour to seek the best funding settlement possible towards supporting people on universal credit to prevent homelessness. It is not possible to identify the full impact on homelessness of the roll out of Universal Credit but some of the recent changes already made by the Government made have been helpful.

The Council will also continue to use its Discretionary Housing Fund which is available to support people on low incomes who need support with housing costs.



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Councillor Colin P Smith
Leader of the Council
London Borough of Bromley
Room P15, Old Palace, Civic Centre
Stockwell Close, Bromley
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Our ref: POS(2)4065/52

18 DEC 2017

 Mr Smith,

Thank you for your letter of 20 November to the Secretary of State about Universal Credit. I am replying as the Minister responsible for this area of the Department's work.

We have listened to recent concerns about Universal Credit and have now announced a number of further improvements to Universal Credit. These will begin to be delivered over the coming months. This package of measures not only addresses concerns raised around the first assessment period and the budgeting issues faced by some claimants at the start of their claim, but also supports the vast majority of claimants transitioning onto Universal Credit.

We are making advances in Universal Credit more generous in three key ways. We are increasing the repayment period to 12 months from the current six months, increasing the maximum amount people can claim up to 100 per cent of their estimated monthly entitlement and making advances available to apply for online. This will make it even easier for claimants to receive the support that they need.

We are also removing the seven-day waiting period that some claimants have at the start of their Universal Credit claim. In addition, for claimants already receiving support towards their housing costs, we are providing an additional payment of two weeks of their Housing Benefit to support them as they transition onto Universal Credit.

From April 2018, we will also change how claimants in temporary accommodation receive support for their housing costs. This will ensure local authorities can recover more costs and can therefore continue to offer

this valuable support to the most vulnerable. In addition, from December 2017, there will be new guidance for our staff to ensure we offer managed payments to landlords for claimants in the Private Rented Sector, who already receive this for their Housing Benefit.

It is also important to mention that the Department's research shows that the majority of people claiming Universal Credit are comfortable managing their budget and Jobcentre work coaches discuss budgeting support with all claimants in their very first work search interview.

Finally, we recognise that there are areas for improvement in the service, but with every release of new software and every new office that goes live with the Universal Credit full digital service, enhancements are made that improve the experience for claimants.

If I can be of further assistance please do not hesitate to contact me.

Sincerely
Damian Hinds

Damian Hinds MP
Minister for Employment

EXECUTIVE

10th January 2018

QUESTIONS FROM MEMBERS OF THE PUBLIC

(B) Questions for Written Reply

(1) From Colin Willetts to the Environment Portfolio Holder

With regard to the Priory, Could you tell us when (i) the broken bridge railings & warning tape will be removed from the pond itself? (ii) does this require additional/better warning precautions for the public to cross in safety? & (iii) when will the bridge be repaired?

Reply:

I can confirm that the broken rails and barrier tape have been removed from the site and that the site is monitored routinely to replace and repair damage to temporary barriers that have been installed. The bridge is currently closed as it is deemed unsafe until it has been surveyed to ensure it is structurally sound. Arrangements have been made to have the structure surveyed next week and the results will inform the subsequent repairs required, including the further use of the bridge and the time it will take to undertake repairs.

(2) From Colin Willetts to the Care Services Portfolio Holder

Having forwarded complaints regarding levels of care given to an Alzheimer's resident (including staff shortages!) by Caremark, the lack of quality here (elsewhere?) is serious indeed, (i) could you investigate our concerns case wise? (ii) given additional ASC Precept funding can the Council source a 'worthy' provider in this case and Borough wide if necessary?

Reply:

The case in question has been raised as a concern and is being followed up by the Care Manager working with the family and the provider to resolve their concerns.

The most recent CQC rating for Caremark is Good; the provider is regularly monitored by the Contracts Compliance Team, including staffing levels, complaints and concerns raised by service users. The Contracts Compliance Team considers the provider to be responsive to all such input and appear committed to continuous improvement.

(3) From Colin Willetts to the Environment Portfolio Holder

With regard to our question 11/12/17, your reply of improvement design of bus stop facility outside 297 Chipperfield Road is welcome news indeed, could you send us asap a hard copy of consultation/diagram for our comments to 2 Longbury Close, Orpington BR5 2LB?

Reply:

Please find attached a pdf of the plan for the proposed bus stop improvements outside property No. 297 Chipperfield Road. We will be consulting with local residents this week.

CHIPPERFIELD ROAD

297

Shorten bus cage by 4m approx at northern end

Proposed extension to bus stop 'S' hardstanding areas. 2m x 1.2m approx. blacktop or similar approved type surfacing. Similarly 2m x 2.5m extension to hardstanding on southern end.

Proposed taper (dropper) type kerbs

Raised kerb to 150mm over whole length of hardstanding


Proposed extension to bus stop cage & clearway marking

Proposed taper (dropper) type kerbs

Relocate bus stop post to 2m from end of new hardstanding area. Also relocate existing waste bin to a suitable nearby location

Page 21

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Job Title: O/S 297 CHIPPERFIELD ROAD ORPINGTON	Drawing Title: PROPOSED BUS STOP IMPROVEMENTS	Scale @ A4 1:200	 Environmental Services Civic Centre, Stockwell Close, Bromley, BR1 3UH Tel : 020 8464 - 3333 Fax : 020 8313 - 4555 Email : www.bromley.gov.uk	Rev	Date	Description	By
		Date: 06/11/17		Drawn by: J.J.	Drawing Number 12597-02		
		Checked by: D.B.	Nigel Davies Executive Director of Environment & Community Services				-

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EXECUTIVE

10th January 2018

10. UPDATE ON SERVICE PROPOSALS AND PROCUREMENT STRATEGY FOR MODULAR HOMES – WARD COUNCILLOR COMMENTS TO CARE SERVICES PDS COMMITTEE ON 9TH JANUARY 2018

(a) From Cllr Charles Joel (7th January 2018)

My fellow Ward Councillor Bob Evans passed onto me a copy of the above that you will be considering at the forthcoming meeting. Unfortunately I will not be able to attend to make a presentation to the committee but I would esteem it a favour if a copy of my email could be distributed with your agreement to each member on that committee.

I have the following observations to make on this project.

RECOMMENDATIONS (Page 183 - Executive Agenda; Page 105 - Care Services Agenda)

Item 2.1:

(1) Why only fifteen years?

(iv) Surely Capital funding will be required, not may.

FINANCIAL (Page 185 - Executive Agenda; Page 107 - Care Services Agenda)

Item 4

(4) A breakdown of the budget of £3,783.370 should be given to justify this amount.

CUSTOMER IMPACT (Page 185 - Executive Agenda; Page 107 - Care Services Agenda)

Page 185

Can it be explained and justified the initial assessment of the site where it suggests that between 30 and 36 units could be provided.

WARD COUNCILLORS VIEWS (Page 185 - Executive Agenda; Page 107 - Care Services Agenda)

Item 1: Comments not applicable, why not?

Item 2: I have made a few comments regarding my views at this stage but has any preliminary consultations taken place with the planning, highways and environmental departments at the Council?

COMMENTARY (Page 186 - Executive Agenda; Page 108 - Care Services Agenda)

Item 3.4

It states that in a previous report to the Executive Meeting held on 24th May 2017 that the executive agreed for officers to proceed with a further analysis. I feel that the report that is before you should have contained more detailed information and not just a two line statement as addressed in Item 3.5.

THE PROPOSAL (Page 186 - Executive Agenda; Page 108 - Care Services Agenda)

I have already queried the period of fifteen years but I will reserve my rights to make further comments as I consider the comments made in Items 3.7 and 3.8 to be again a loose statement.

CUSTOMER PROFILE (Page 187 - Executive Agenda; Page 109 - Care Services Agenda)

What about the provisions for disabled persons units?

OUTLINE STRATEGY AND CONTRACTING PROPOSALS (Page 189 - Executive Agenda; Page 111 - Care Services Agenda)

Item 8.2

From the schedule it would seem the earliest an appointed developer could make a start on the project would be early 2019. Then no provision has been made in the period time needed to prepare and submit formal applications under Town & Country Planning Acts and Building Regulation Acts, see item 11.5

FINANCIAL IMPLICATIONS (Page 190 - Executive Agenda; Page 112 - Care Services Agenda)

Item 11.4

I do not like the statement made contained in the second paragraph

CONCLUSION:

1. Has the Council considered selling off the site to a private developer?
2. It has been mentioned in the past that the area of land in question was an underground operational shelter that was built during the early period of WW2.
3. With the proposal that is before the committee has any consideration been given to the following:-
 - i) Will car parking spaces be needed
 - ii) Refuse/cycle storage areas
 - iii) Awkward site access
 - iv) If residential management should be in place
 - v) Problems for children to attend local schools and if local GPs can take on additional patients
 - vi) With the development this would need to comply with the current Building Regulation Acts. In fifteen years time the structure/elements could be out of date hence some of the fabric could not be reused, also wear and tear of the materials
4. I can conclude that in the past I have made representations regarding this site and that it would be ideal as the land is in the ownership of the Council to enter into a joint venture with a developer and mortgage company to build affordable starter homes for first time buyers.

5. I am still of the opinion that local residents mainly living in York Rise should be consulted that the Council are contemplating building homeless family dwellings on this site.

I ask that copies of this email be circulated to members attending the meeting and a copy attached to the minutes for the record purposes.

(b) From Cllr Tim Stevens (9th January 2018)

Sorry this is late please can my comments below be put to the Committee this evening.

Firstly I agree with pretty much everything that Cllr Joel has said
It is extraordinary that ward members have not been consulted to date this is not acceptable.

I also query why we are agreeing a fifteen year contract this makes this a permeant site and not a temporary one it was agreed at the Executive and resources PDS that the York Rise which is in a prime location next to the station could be sold off and I would agree with this and should be for first time buyers like the rest of the estate which was built in 1985 which I bought my first house in, studio flats or one and two bed houses would be a good use for this site.

As a ward member I would like a full breakdown of the financial position for this project.

I am also concerned at the number of Modular units proposed for this site 30-36 seems excessive especially if they are going to be multi level and I would ask for a full consultation with residents from York rise, Yeovil close whose residents over look this site and Crofton Road as well as local residents associations who will all have huge concerns. No mention is made of parking provision for these modular homes or traffic on what I already a very busy road - please can this be considered?

In conclusion I believe this to be the wrong place for such building and think this site should be used for first time buyers instead there are many unanswered questions at this time both financial and if there will be disable provision provided if this scheme goes ahead.

Please can I ask Committee that this matter is deferred tonight to allow proper consultation and discussion?

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Decision Maker: EXECUTIVE

Date: 7th February 2018

Decision Type: Non-Urgent Executive Non-Key

Title: MATTERS ARISING FROM PREVIOUS MEETINGS

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

1.1 **Appendix A** updates Members on matters arising from previous meetings.

2. **RECOMMENDATION**

2.1 **The Executive is invited to consider progress on matters arising from previous meetings.**

Non-Applicable Sections:	Impact on Vulnerable Adults and Children/Policy/Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	Minutes of previous Executive meetings

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not applicable
-

Corporate Policy

1. Policy Status: Existing Policy: The Executive receives an update on matters arising from previous meetings at each meeting.
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £343,810
 5. Source of funding: 2017/18 Revenue Budget
-

Personnel

1. Number of staff (current and additional): 8 posts (6.87fte)
 2. If from existing staff resources, number of staff hours: Monitoring the Executive's matters arising takes at most a few hours per meeting.
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): This report is intended primarily for the benefit of Executive Members
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

Appendix A

<u>Minute Number/Title</u>	<u>Executive Decision/Request</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
22nd March 2017				
201 Operational Building Maintenance Budgets and Planned Programme 2017/18	Members requested a report on the position with regard to the sale of former public toilet buildings.	This issue will be included in a report on Asset Management.	Head of Strategic Property	March 2018
13th September 2017				
317 Housing Supply	Members requested more detailed information, including comparative data with neighbouring boroughs, in the next report.	Improved information will be incorporated into the next report.	Director of Housing	March 2018
7th November 2017				
344/1 Phase 2 works at Beacon Academy, Orpington	Members requested further investigation and clarification regarding the provision of sprinklers.	Following the award of contract the successful contractor were asked to provide an outline cost for the provision of sprinklers to Beacon Academy Orpington to include (a) the new build elements of the scheme only and (b) the whole school. The outline price is expected at the end of January. Following the receipt of costs the Council will have the option of developing these into fully costed proposals on which a decision would need to be taken by the end of March 2018.	Head of Strategic Place Planning	March 2018

6th December 2017				
362 Bromley Youth Employment Scheme Project Extension	A further report was requested for the 2 nd or 3 rd quarter of 2018 defining outcomes more clearly so that funding can be considered in the 2019/20 budget.	A further report will be prepared in due course	Head of Youth Offending and Youth Services	September 2018
10th January 2018				
389 Update on Service Proposals and Procurement Strategy for Modular Homes	All Members to be invited to a site visit to see modular homes in a neighbouring borough.	Visits are being arranged – further details will be available shortly.	Director of Housing	February 2018

Report No.
FSD18016

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: **Executive**

Date: **7th February 2018**

Decision Type: Non-Urgent Executive Key

TITLE: 2018/19 Council Tax

Contact Officer: Peter Turner, Director of Finance
Tel: 020 8313 4338 E-mail: peter.turner@bromley.gov.uk

Director: Director of Finance

Ward: Borough wide

1. REASON FOR REPORT

1.1 This report identifies the final issues affecting the 2018/19 revenue budget and seeks recommendations to the Council on the level of the Bromley element of the 2018/19 Council Tax and Adult Social Care precept. Confirmation of the final GLA precept will be reported to the Council meeting on 22nd February 2018. The report also seeks final approval of the 'schools budget'. The approach reflected in this report is for the Council to not only achieve a legal and financially balanced budget in 2018/19 but to have measures in place to deal with the medium term financial position (2019/20 to 2021/22).

2. RECOMMENDATIONS

2.1 The Executive is requested to recommend to Council that it:

- (a) Approves the schools budget of £76.696m which matches the estimated level of Dedicated Schools Grant (DSG), after academy recoupment;
- (b) Approves the draft revenue budgets (as in Appendix 2) for 2018/19;
- (c) Agrees that Chief Officers identify alternative savings within their departmental budgets where it is not possible to realise any savings reported to the previous meeting of the Executive held on 10th January 2018;
- (d) Approves a contingency sum of £14,857k (see section 5);

- (e) Approves the following provisions for levies for inclusion in the budget for 2018/19;

	£'000
Local Pension Partnership *	487
London Boroughs Grant Committee	248
Environment Agency (Flood defence etc.) *	250
Lee Valley Regional Park *	380
Total	1,398

* Provisional estimate at this stage

- (f) Notes the latest position on the GLA precept, which will be finalised in the overall Council Tax figure to be reported to full Council (see section 11);
- (g) Considers the “Bromley element” of the Council Tax for 2018/19 to be recommended to the Council, including a general increase and the Adult Social Care Precept, having regard to possible ‘referendum’ issues (see section 15);
- (h) Approves the approach to reserves outlined by the Director of Finance (see Appendix 4);
- (i) Notes that the final Local Government Finance Settlement 2018/19 is still awaited and the late information from the Valuation Office Agency could also have an impact on the final 2018/19 Budget position {see 4.1 (f)};
- (j) Notes that any decision on final council tax level will also require additional “technical” recommendations, to meet statutory requirements, which will be completed once the final outcome of levies are known at the full Council meeting (see 15.9);
- (k) Agrees that the Director of Finance be authorised to report any further changes directly to Council on 26th February 2018.

Corporate Policy

Policy Status: Existing Policy

BBB Priority: Excellent Council

Financial

1. Cost of proposal: N/A
 2. Ongoing Costs: Recurring costs – impact in future years detailed in Appendix 1
 3. Budget head/performance centre: Council wide
 4. Total budget for this head £151m Draft 2018/19 Budget (excluding GLA precept)
 5. Source of funding: See Appendix 2 for overall funding of Council's budget
-

Staff

1. Number of staff (current and additional): total employees – full details will be available with the Council's 2018/19 Financial Control Budget to be published in March 2018
 2. If from existing staff resources, number of staff hours – N/A
-

Legal

1. Statutory requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Local Government Act 2000; the Local Government Act 2002 and the Accounts and Audit Regulations 2015 .
 2. Call-in is applicable
-

Customer Impact

Estimated number of users/beneficiaries (current and projected) - the 2018/19 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services.

Ward Councillors Views

1. Have ward councillors been asked for comments? N/A
2. Summary of Ward Councillor comments: Council wide

3. PREVIOUS REPORTING TO MEMBERS

- 3.1 There was a presentation for the Members Finance Seminar on 10th July 2017 which provided some detailed financial context. There has been a separate seminar on Welfare Reform on 27th November 2017. The presentations are available on 'One Bromley'.
- 3.2 The 'Draft 2018/19 Budget and Update on the Council's Financial Strategy 2019/20 to 2021/22' was reported to the Executive on 10th January 2018. Key matters reflected in the report included:

(Please note appendices and sections shown below refer to the report to the meeting of the Executive on 10th January 2018)

- (a) Approach to Budgeting, Financial Context and Economic Situation which can impact on Public Finances (Section 3 and Appendix 1);
- (b) Autumn Budget 2017 and Provisional Local Government Finance Settlement 2018/19 (Appendix 2);
- (c) Council Tax Levels, Government Funding and Spend Levels (Appendix 3);
- (d) Changes since the 2017/18 Budget that impact on the Financial Forecast (Section 4);
- (e) Joining the London Business Rate Pilot Pool (see Section 4.7 and Appendix 4);
- (f) Latest Financial Forecast including real changes (Section 6 and Appendices 5-6);
- (g) Detailed Draft 2018/19 Budget (Section 7 and Appendix 7);
- (h) Options being undertaken with a "One Council" approach (Section 8);
- (i) Identifying further savings (Section 9);
- (j) Future Local Authority Landscape (Section 10);
- (k) The Schools' Budget (section 12);
- (l) Issues for Future Years (Section 14);
- (m) Consultation (Section 17 and Appendix 10);
- (n) Risk Areas within each Portfolio (Section 18 and Appendix 11)

All of the above should be considered with this report as part of finalising the 2018/19 Budget and council tax levels.

4. 2018/19 DRAFT BUDGET AND CHANGES SINCE LAST MEETING OF THE EXECUTIVE

- 4.1 The last report to the Executive identified a significant 'budget gap' over the four year financial planning period. The main updates are shown below:
- (a) There has been upward pressure on inflation since the 2017/18 Budget was set and the 2018/19 Draft Budget and financial forecast assumes increased costs of 3.5% per annum for 2018/19 and 2019/20 reducing to 2.5% per annum from 2020/21. The inflation mainly relates to contract price increases. The main measure used for contract price increases is RPIX. The Autumn Budget 2017 reported that inflation (RPI) is expected to be 3.1% in 2018/19, 2.8% in 2019/20 and 2.9% in 2020/21 and 2021/22. Since the last meeting of the Executive the latest annual increase in RPIX (Dec.'17) is 4.2% which compares with 4.0% in the previous month. At the previous meeting of the Executive, members agreed that action will need to be taken by Chief Officers to fund increasing costs through alternative savings in the event that inflation exceeds the budget assumptions;

- (b) There was an announcement in the Provisional Local Government Financial Settlement 2018/19 that additional funding would be available for Unaccompanied Asylum Seeker Children. One off funding of £231k in 2018/19 was announced for Bromley on 16th January 2018. The grant conditions are awaited;
- (c) The Resources Portfolio Holder announced at the last meeting of the Executive that the Council is proposing a pay award of 2% for Council staff. Further details are being reported to General Purposes and Licensing Committee on 6th February 2018. The financial impact of this proposal has been included in the Draft 2018/19 Budget;
- (d) The final allocations for Public Health Grant have been announced and, compared with the current funding of £15.1m there will be funding reductions of £388k in 2018/19 with further reductions of £388k in 2019/20 (total of £776k per annum from 2019/20). The funding reduction previously assumed were £410k and £820k respectively;
- (e) The Provisional Local Government Financial Settlement 2018/19 was announced on 19th December 2017 and the final outcome following the consultation period is expected to be announced in February. A verbal update will be provided at the meeting to cover any further changes arising from the awaited final settlement and from any other significant changes;
- (f) After the Provisional Local Government Financial Settlement 2018/19, the Valuation Office Agency published updated revaluation data to change the information used to calculate the Settlement totals. The lateness of these revisions creates a degree of uncertainty on the final Settlement position. It is not clear, at this stage, whether the corrections will impact on the Council's 2018/19 Budget.
- (g) There is also uncertainty around the treatment of Section 31 grants following the introduction of the London Business Rate Pool and the increased level of retained business rates – clarification is awaited. The additional income of £2.9m, included in the 2018/19 Budget, from the Pool is based on London Councils' provisional estimates which are currently being updated.

4.2 A summary analysis of key variations in the Draft 2018/19 Budget, compared with the 2017/18 Budget, are shown in Appendix 1 and summarised below.

Variations Compared with 2017/18 Budget	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Grant Loss	8.5	14.0	18.4	22.2
Cost Pressures				
Inflation (including impact of National Living Wage)	9.1	19.1	27.5	34.4
Welfare Reforms and Impact on Homelessness	2.0	4.3	5.8	7.8
Homelessness Reduction Act	0.7	0.7	0.7	0.7
Environmental Services contract & other key contracts	0.0	2.0	4.0	4.0
Full year effect of adult social care spend not funded by IBCF	0.0	1.0	1.0	1.0
Children's Social Care	1.1	1.1	1.1	1.1
Real Changes (see Appendix 6)	2.0	1.6	2.0	2.5
Total Additional Costs	14.9	29.8	42.1	51.5
Income / Savings				
Savings from Office Accommodation Review	0.0	-0.6	-0.6	-0.6
Acquisition of Residential Properties to Accommodate Homeless (Mears)	-1.0	-1.9	-1.9	-1.9
Additional Income Opportunity (Amey)	-0.5	-0.7	-0.9	-0.9
Additional Income from Business Rate Share	0.0	-0.6	-0.9	-0.9
Impact of London Pilots of Business Rates	-2.9	0.0	0.0	0.0
Interest on balances - additional income	-0.6	-0.2	-0.1	0.0
Release general provision in contingency for significant uncertainty/variables	-2.0	-2.0	-2.0	-2.0
Savings from recommissioning/retendering of various contracts	-1.1	-1.1	-1.2	-1.2
Fall out of Commissioning Programme funding	-0.5	-0.5	-0.5	-0.5
Savings from Childrens Social Care linked to Invest to Save funding	0.0	-0.3	-0.8	-1.0
Total Income / Savings	-8.6	-7.9	-8.9	-9.0
Other Changes (includes use of non-recurring funds)				
New Homes Bonus - Support for Revenue Budget	-1.9	0.8	2.8	3.8
Total Other Changes	-1.9	0.8	2.8	3.8
Council Tax				
Increase in Council Tax Base to reflect additional properties and increased collection rates	-1.6	-2.3	-2.9	-3.6
Impact of 3.99% Increase in Council Tax (including Adult Social Care Precept)	-5.7	-11.6	-17.8	-24.2
Total Council Tax	-7.3	-13.9	-20.7	-27.8
Use of non-recurring Collection Fund surplus to support the revenue budget				
Collection Fund Surplus 2014/15 (set aside to meet funding shortfall in 2018/19)	-4.9	0.0	0.0	0.0
Collection Fund surplus 2015/16 (£6,401k carry forward to 2018/19 and 2019/20)	-0.7	-5.7	0.0	0.0
Collection Fund surplus 2016/17	-7.9			
Collection Fund surplus 2016/17 set aside to support the 2019/20 Budget	7.9	-7.9	0.0	0.0
Projection of future year collection fund surplus	0.0	-4.0	-3.0	-2.0
Total use of non-recurring Collection Fund surplus	-5.6	-17.6	-3.0	-2.0
Remaining "Budget Gap"	0.0	5.2	30.7	38.7

- 4.3 These variations are subject to any final decision on Council Tax levels. Appendix 2 derives an illustrative 'Bromley element' Council Tax of £1,158.48 (1.99% general increase plus 2% adult social care precept) and Appendix 3 includes the Draft 2018/19 Central Contingency Sum. Appendix 2 is based on draft portfolio budgets, the draft contingency provision and the latest assumptions for levies. This sum excludes the GLA precept.
- 4.4 The above table highlights that, although it has been possible to achieve a balanced budget for the next year through a combination of front loading savings in previous years, proactively generating investment income and prudent financial management. There remains a 'budget gap' of £5.2m in 2019/20 rising to £38.7m in 2021/22. The remaining budget gap highlights that the Council, on a roll forward basis, has a 'structural deficit' as the ongoing budget has increasing costs relating to inflation and service pressures as well as the ongoing loss of Government grants. These changes are not being fully funded by a corresponding growth in income from council tax, Adult Social Care Precept or other sources of income. The 'budget gap' may increase or reduce as a result of a number of variables in future years. The projections in later years have to be treated with some caution, particularly as the Government's next spending review is expected to be implemented from 2020/21 which will include the revised levels of funding for individual local authorities following the 'Fair Funding' review. The Government is consulting on the early stages of the 'Fair Funding' review.
- 4.5 The Council has to continue to plan for several years of strong financial restraint. The future year's financial projections shown in Appendix 1 includes the Government's provisional allocations of ongoing reductions in Government funding in 2019/20 with further reductions assumed for 2020/21 and 2021/22. Any projections over the next four years need to be treated with caution as there remains significant uncertainty relating to any future changes arising from new welfare reforms and future new burdens. The Council is participating in the London Business Rate Pool in 2018/19 and the full devolution of business rates by 2020/21 will create new risks as well as opportunities for the Council. It is important to recognise that the downside risks remain as well as limited opportunities for improvement in the overall financial position in future years.
- 4.6 Further changes will be required, prior to the report to full Council on 26th February for the finalisation of the Council Tax, to reflect latest available information on levies, and the GLA precept.
- 4.7 The key net cost pressures consist of inflation, including impact of National Living Wage (£9.1m), impact of grant reductions (£8.5m) and various growth pressures (£5.8m) totalling £23.4m in 2018/19. This sum increases to an estimated £73.7m per annum by 2021/22. If further growth pressure continues in these areas, as well as other areas, the future years 'budget gap' could increase.

5. DRAFT 2018/19 CENTRAL CONTINGENCY SUM

- 5.1 Details of the 2018/19 Draft Contingency Sum of £14,857k have been included in Appendix 3. This sum allows for proper financial planning and ensures the council is prepared for changes in financial circumstances. It is important to recognise that this includes various significant costs not allocated to Portfolio budgets at this stage. Therefore, there may be further changes to the Central Contingency to reflect allocations to individual Portfolio Budgets which will be reflected in the 2018/19 Financial Control Budget. This will ensure that budget holders will have all their individual budgets updated

early in the financial year. Such changes will not impact on the Council's overall 2018/19 Budget.

6. EARMARKED RESERVES

- 6.1 As reported to the Executive previously, the Council has reduced its level of general reserves (general fund reserves in 1997 were £131 million). Part of the reduction reflects the funding towards the Invest to Save Fund, Growth and Investment Fund. These funds will help support the achievement of sustainable savings/income to the Council.
- 6.2 Reserves are one off monies and are utilised to resource investment in schemes that will deliver long terms savings, support economic development, create employment opportunities and enable income opportunities as well as have sufficient resources to manage financial risks during this unprecedented period of austerity. It is not financially sustainable to use Council reserves as part of the revenue budget to fund ongoing service costs.
- 6.3 The position on reserves is reported to Executive as part of the final accounts report in June each year as well as the Council Tax report to Executive in February each year. Bromley's overall reserves are expected to remain at about average for London and have to be considered in the context of an underlying 'budget gap' of £38.7m per annum by 2021/22.
- 6.4 The Council had general reserves remaining of £20m as at 31/3/2017. A full breakdown of reserves including earmarked reserves is detailed in Appendix 4.
- 6.5 If the existing general reserves are released now to fund service initiatives, delay savings or reduce council tax there would be a resultant 'opportunity cost' relating to a corresponding loss in interest earnings/investment opportunities and further acceleration of the anticipated exhaustion of reserves which is not recommended. Any increase in service levels or initial protection would only be very short term. Reserves can only be used as a one-off contribution to revenue spending and would not provide a sustainable solution to maintaining local government services.

7. 2017/18 BUDGET MONITORING

- 7.1 The most recent budget monitoring position was reported to Executive on 6th December 2017. The report identified an overall net underspend of £289k but highlighted full year costs of £3.3m. The majority of these costs related to Care Services (£3.1m) and have been included in the 2018/19 Budget. Funding of £2m from the Improved Better Care Fund has been used towards these costs in 2018/19.

8. THE SCHOOLS BUDGET

- 8.1 Since 2003/04, the Council has received funding for the Schools Budget element of Education services through a ring fenced grant, more recently through the Dedicated Schools Grant (DSG).
- 8.2 The introduction of the National Funding Formula (NFF) will begin in 2018/19. Funding has been split into four blocks; Schools, High Needs, Early Years and Central spend DSG. The funding has now become more rigid with meaning that the scope for transfer between blocks is limited.

- 8.3 Final allocations have been announced and are driven mainly by pupil numbers. The Early Years block has also increased due to the extension of the 15 hours entitlement which added £2m to the block. This will be offset by additional expenditure. The High Needs Block is seeing pressure coming through the system with expenditure rising at a faster rate than the grant allocation.
- 8.4 To this end the Council applied to DfE for a disapplication request to transfer £1m from the Schools Block element of the DSG to the High Needs Block. DfE have approved this request.
- 8.5 The Schools Budget includes the delegated budgets for individual maintained schools and also other pupil led services such as Special Educational Needs, pre-school provision and pupils excluded from schools. The ring fenced Dedicated Schools Grant (DSG) funds this in the main although £1m of Council funds has been allocated to High Needs spend to cover the shortfall in funding arising from the NFF.
- 8.6 The ring fencing of this grant results in a continuation of minimal scope to redirect resources from the Schools Budget to other services.
- 8.7 For the first two financial years of the NFF (2018/19 and 2019/20), the Council is permitted to move towards to the NFF formula of distribution of funds to Schools or continue to use the existing Bromley Funding Formula (BFF).
- 8.8 The use of DSG was subject to consultation with the Schools Forum and also went to the Education, Children and Families Budget and Performance Monitoring Sub-Committee on the 17th January 2018. The Sub-Committee recommended the use of the NFF as the methodology to pass funding to Schools. At the time of writing this report, this is subject to the formal agreement of the Education, Children and Families Portfolio Holder.
- 8.9 Although it is difficult to predict, the 2018/19 Draft Budget assumes ongoing conversion of remaining maintained schools to academies. The grant allocation is recalculated on a quarterly basis, so the grant will reduce in-year as more schools convert.

9. LEVIES

- 9.1 Miscellaneous levies must be charged to the General Fund and shown as part of Bromley's expenditure on the Council Tax bill. The levy figures in Appendix 2 are based on the latest information but many are still provisional. Any changes will be reported at the meeting of the Council on 26th February 2018 and will impact on the final council tax level. The London Boroughs Grants Committee is required to apportion its levy on a population basis but the other levying bodies must use the Council Tax base.

10. COLLECTION FUND

- 10.1 It is a statutory requirement to maintain a Collection Fund at arm's length from the remainder of the Council's accounts.
- 10.2 The Council has a non-recurring collection fund surplus of £9.8m reflected in the '2016/17 Provisional Final Accounts' report to Executive on 20th June 2017. The surplus income is mainly due to good debt recovery levels despite the previous recessionary period, an increase in new properties in the borough and the successful impact of actions following the data matching exercise on single person discounts. The financial impact of the council tax support scheme was also lower than budgeted. A

sum of £2.0m will be allocated to the GLA and £7.8m to the Council. As part of medium term financial planning, the financial forecast assumes that the surplus will be used towards reducing the Council's 'budget gap' in 2019/20.

- 10.3 There have been no changes to the council tax base since the previous meeting of the Executive.

11. THE GREATER LONDON AUTHORITY PRECEPT

- 11.1 The GLA's 2018/19 Draft Budget has been issued for consultation and includes proposals for an increase of 5.1% in existing GLA precept levels for 2018/19. The final GLA precept for 2018/19 is expected to be announced after the Assembly has considered the Mayor's draft consolidated budget on 22nd February 2018.

12. COUNCIL'S CAPITAL PROGRAMME, UTILISATION OF GENERAL RESERVES AND BUILDING MAINTENANCE

- 12.1 The latest estimated general fund (revenue) balance at 31st March 2018, as shown in the 'Budget Monitoring 2017/18' report to the 6th December 2017 meeting of Executive, is provided below:

	2017/18 Projected Outturn £Million
General Fund Balance as at 1 st April 2017	20.0
Impact of net projected underspends reflected in the 2017/18 budget monitoring report	+0.3
Adjustment to Balances: Carry forwards (funded from underspends in 2016/17)	-0.6
Estimated General Fund Balance at 31 st March 2018 (end of year)	19.7

- 12.2 Bromley's Capital programme is mainly funded by external government grants and contributions from TfL. There are, however, a number of schemes funded from capital receipts.
- 12.3 The 'Capital Programme Monitoring 2011/12 and Annual Capital Review 2012 to 2016' report to the February 2012 meeting of the Executive identified the long term financial implications of the capital programme. The report identified that abandoning the previously agreed strategy (fund rolling programmes through capital and reinstating general fund contribution to support the revenue budget of £3.5m) would have resulted in the Council's entire general reserves being utilised in the medium term. This illustrates the benefits of the strategy that Members have adopted since 2006/07. However, given the ongoing financial constraints and limited opportunities to reduce costs in the medium term, this approach was reconsidered to provide capital funding for investment in planned highways maintenance funded by capital receipts (details included in 'Highways Investment' report to Executive on 18th October 2016).

- 12.4 Alongside the introduction of the prudential code for capital spending, the Director of Finance is required to report to the council on the appropriateness of the level of reserves held by the council and the sustainability of any use of reserves to support the revenue budget. The detailed advice is contained in Appendix 4.
- 12.5 Details of the Council's Building Maintenance Programme and associated costs will be reported to the next meeting of the Executive. No significant changes in the overall cost of the programme have been assumed in the 2018/19 Budget, at this stage.

13. CONSULTATION

- 13.1 Executive, at its meeting on 10th January 2018, requested that the 'Draft 2018/19 Budget and Update on Council's Financial Strategy 2019/20 to 2021/22' report proposals are considered by individual PDS Committees. PDS Committees comments relating to the report in January will be circulated separately. Such consideration will enable the Executive to take into account those views as part of agreeing its final recommendations to the Council meeting on 26th February 2018 where the 2018/19 Budget and Council Tax will be agreed.
- 13.2 Two separate resident association meetings were held on 20th November 2017 and 28th November 2017 and a wider public meeting on 1st December 2017 relating to 'Talking About Our Borough' and 'Bromley Council 2018-19 and Beyond'. The outcome was reported to the previous meeting of the Executive.
- 13.3 A meeting has recently taken place with the Schools Forum to consider the Draft DSG 2018/19 Budget. Head Teachers and Governors were consulted on the transfer of funding from the Schools Block to the High Needs Block. Although the Schools Forum refused the request, the Council submitted a disapplication request to DfE which was subsequently approved. There was also consultation with the Schools Forum as to the methodology of funding Schools (detailed in paragraph 8). Following consultation, spending decisions will be taken by the Education, Children and Families Portfolio Holder following on from the recommendation to move towards the NFF at the Sub-Committee meeting on the 17th January 2018.
- 13.4 Consultation papers have been sent to Bromley Business Focus, Federation of Small Businesses (Sevenoaks & Bromley Branch) and the 20 largest business ratepayers in the borough. At the time of writing this report no responses have been received.

14. POSITION BY DEPARTMENT – KEY ISSUES/RISKS

- 14.1 There remain risks arising from the future scale of budget savings required to address the budget gap as well as the cost pressures arising from new burdens, inflation and the impact of Government policy changes including welfare reforms and the new Living Wage. Action will need to be taken to contain, where possible these cost pressures, managing the implementation of savings or seeking alternative savings where required.
- 14.2 Details of the potential risks which will be faced in future years, as part of finalising the 2018/19 Budget, were reported to the previous meeting of the Executive. The level of balances held and provisions set aside in the central contingency provide significant safeguards against any adverse financial pressures.

15. COUNCIL TAX LEVEL 2018/19

- 15.1 The GLA’s 2018/19 Draft Budget was issued for consultation and includes proposals for an increase of 5.1% in existing GLA precept levels for 2018/19. The final GLA P receipt for 2018/19 is expected to be announced after the Assembly has considered the Mayor’s draft consolidated budget on 22nd February 2018.
- 15.2 The current overall Council Tax (Band D equivalent) includes the “Bromley element” relating to the cost of the council’s services and various levies of £1,114.02 in 2017/18 and a further sum of £280.02 for the GLA precept (providing a total Band D equivalent Council Tax of £1,394.04).
- 15.3 For 2018/19 every £1m change in income or expenditure causes a 0.7% variation in the ‘Bromley element’ of the Council Tax. Each 1% council tax increase generates ongoing annual income of £1.4m.
- 15.4 As part of the Localism Act, any council tax increase of 3% or above in 2018/19 will trigger an automatic referendum of all registered electors in the borough. If the registered electors do not, by a majority, support the increase then the Council would be required to meet the cost of rebilling of approximately £100k. The one off cost of a referendum is estimated to be £400k.
- 15.5 The Adult Social Care Precept on council tax was originally set at 2% per annum for 2016/17 to 2019/20. The terms of the precept have changed and local authorities had the option to increase the precept by up to 3% per annum from 2017/18 which must not exceed a total of 6% over a three year period (2017/18 to 2019/20). The Council had an increase of 2% in 2017/18. The Council is able to levy a combined adult social care precept (maximum of 2%) and increase in council tax (maximum of 2.99%) of up to 4.99% without holding a referendum in 2018/19.
- 15.6 If the Council chose to agree a Bromley element 3.99% council tax increase, including the 2% Adult Social Care Precept, and the GLA Precept was increased by 5.1% there would be an overall combined council tax increase of around 4.2%.
- 15.7 The table below identifies the changes required to the draft 2018/19 Budget to achieve different levels of increases in the Bromley element of the council tax. An increase of 3.99%, including 2% for the Adult Social Care Precept, has been assumed in the 2018/19 Draft Budget at this stage.

Increases in Council Tax Levels

Bromley Element % Increase in 2017/18 including Adult Social Care Precept	Additional Income 2018/19 £'m
Freeze	NIL
1.0	1.4
2.0	2.8
3.0	4.2
3.99*	5.6
4.99	7.0
6.0^	8.4

*Assumed in draft 2018/19 Budget. Adult social care precept of 2% equates to additional income of £2.8m per annum. ^ Would be subject to a council tax referendum

- 15.8 Any decision on council tax levels will need to be based on a medium term view and therefore not only consider the financial impact on 2018/19 but also the longer term impact over the four year forecast period.
- 15.9 The Council Tax Referendum Principles are expected to be confirmed, as part of the final Local Government Finance Settlement 2018/19, in February. Any final recommendations on council tax levels will need to take into account any changes to statutory requirements.
- 15.10 Bromley has the second lowest settlement funding per head of population in the whole of London in 2017/18. Despite this Bromley had the third lowest council tax in outer London (other low grant funded authorities tend to have higher council tax levels). This has been achieved by having one of the lowest costs per head of population in outer London. Despite being a low cost authority, Bromley has achieved general savings of over £90m since 2010/11 but it becomes more challenging to achieve further savings with a low cost base. Further details were reported to the previous meeting of the Executive.
- 15.11 As part of the Local Government Finance Settlement 2018/19, the Government provided indicative two year funding which assumed that the Council would raise funding from council tax increases and utilise the Adult Social Care Precept.
- 15.12 Members are asked to consider the impact of the latest draft budget on the level of Council Tax for 2018/19, having regard to all the above factors, including the Director of Finance comments in Appendix 4.

16. FUNDING SETTLEMENT

- 16.1 Details of the Council's representation ahead of the Autumn Budget 2017 was reported to the last meeting of the Executive – Appendix 9 of that report. Details of the Provisional Local Government Finance Settlement 2018/19 were also reported to that meeting and the final settlement is expected by mid- February. The Council previously secured non-recurring transitional grant funding of £4.2m in 2016/17 and 2017/18 in recognition of the funding issues faced by the Council (second highest in London).
- 16.2 The Council continues to seek 'fairer funding' from Government. The Leader, Resources Portfolio Holder, Chief Executive and Director of Finance met with Sajid Javid, Secretary of State, DCLG on 20th December 2017 to seek a fairer funding deal for Bromley and its residents. The Council's consultation response to the Provisional Local Government Finance Settlement 2018/19 and the letter to Sajid Javid are included in Appendix 5.
- 16.3 A significant number of points have been raised including, for example, concerns relating to the higher than average reduction in funding, 'lock in' of previous low funding levels, no transitional protection, no recognition that lower cost authorities such as Bromley have less scope to achieve further savings and no account is taken of London related additional cost pressures (e.g. homelessness and increasing population). The changes also resulted in a reduction in the future allocation of Better Care Fund which the Council previously proposed should continue to be distributed using the national adult social care formula.

17. MEDIUM TERM FINANCIAL PLANNING

- 17.1 The detailed approach of the Council towards budgeting over the medium to longer term was reported to Executive on 10th January 2018 and the draft 2018/19 Budget and future years' forecasts reflect the impact of this approach.
- 17.2 Although the London Business Rate Pilot provides additional income in 2018/19, there is uncertainty on the impact of the full devolution of business rates and the outcome of the Government's 'Fairer Funding' review which may result in new responsibilities for the Council and associated risks. The changes are not expected to be implemented until at least 2020/21 whilst austerity for local government is expected to continue beyond that period and a possible future recession provides significant financial risks. The continuation of long term financial planning as part of the Medium Term Financial Strategy remains essential to ensure that any future service changes are managed effectively.
- 17.3 The Council will continue to seek a fairer financial settlement on behalf of the residents of the Borough and the report has referred to some of the work undertaken in the current financial year. The contribution of local MPs has also assisted in this arrangement.
- 17.4 For financial planning purposes, the financial forecast assumes a council tax increase of 3.99% per annum over the next four years to compensate for the higher proportion of funding reductions, to meet inflationary costs on social care and provide funding to meet increasing social care costs, demographic cost pressures and to meet the ongoing "budget gap". As part of the Provisional Local Government Finance Settlement 2018/19, the Government's funding reductions assume that Councils could raise alternative funding, to partly offset grant reductions, from council tax increases and utilisation of the Adult Social Care precept. The financial forecast reflects that approach.
- 17.5 The Budget Strategy has to be set within the context of a reducing resource base, with Government funding reductions likely to continue beyond 2020 – the on-going need to reduce the size and shape of the organisation to secure priority outcomes within the resources available. There is also a need to build in flexibility in identifying options to bridge the budget gap as the gap could increase further. The overall updated strategy has to be set in the context of the national state of public finances, with austerity continuing given the level of public sector debt, and the high expectation from Government that services should be reformed and redesigned with devolution contributing to the transformation of local government.
- 17.6 The Council has had to take significant action to reduce the cost base while protecting priority front line services and providing sustainable longer term solutions. Council Tax has been kept low compared with other Councils. A combination of front loading of savings in previous years, pro-actively generating investment income and prudent financial management have provided an opportunity to provide a balanced budget for next year with potential opportunity to balance the budget in 2019/20 assuming any further cost pressures are contained and relentless cost control is undertaken. To illustrate the benefit of the investment approach the Council has undertaken, budgeted income totaling £14.2m from a combination of treasury management income and rents from investment properties is expected to be realised. Without this income, equivalent service reductions may be required. Investment in economic growth (Growth Fund) will also be key to generate additional business rate income. The Council will continue to explore using low cost treasury management monies to support future joint venture opportunities with the aim to generate investment returns over a 3 to 5 year period. This could include, for example, funding of joint venture opportunities to support land disposal/key investments. The Council recently undertook secure lending to a developer

which generates interest income of 6% per annum and also supports a homelessness initiative. The Council remains debt free and has resources to encourage and invest in innovation and new types of investment for the future.

- 17.7 There will be significant challenges as the Council is a low cost authority and the position will need to be regularly reviewed particularly as there are risks relating to recent increases in inflation, compared with the previous year's forecast, and further cost pressures/new burdens. Apart from early identification of options to address the future years budget gap (2020/21 and beyond) including any significant transformation and income generating opportunities, it remains essential that Chief Officers identify mitigating action to address any in year cost pressures/new burdens to remain within their 'cash envelope'.
- 17.8 Stewardship and delivering sustainable finances are increasingly important whilst the Government's austerity measures continue. It is important to consider actions now that address the "budget gap" in the medium term.
- 17.9 The council has previously taken a prudent approach to identify and deliver front loading efficiency savings. This, together with being debt free and having healthy reserves places the council in a stronger position to respond to the challenges that will undoubtedly arise. The strategy needs to remain flexible and the Council's reserves resilient to respond to the impact of volatile external events and the structural budget deficit during this austerity period.

18. IMPACT ON VULNERABLE ADULTS WITH CHILDREN

- 18.1 The Draft 2018/19 Budget reflects the Council's key priorities which includes, for example, supporting vulnerable adults with children and being ambitious for all our children and young people.

19. POLICY IMPLICATIONS

- 19.1 The Council launched the updated "Building a Better Bromley 2016-2018" and the budget proposals reflect the Council's priorities. "Building a Better Bromley 2016-2018" identifies key priorities as follows:

- Ensure financial independence and sustainability;
- Invest in our business and our people;
- Ambitious for all our children and young people;
- Enhance our clean and green borough.

- 19.2 Ensure financial independence and sustainability priorities include:

- Strict management of our budgets to ensure we live within our means;
- Working to achieve the benefits of the integration of health and social care;
- Early intervention for our vulnerable residents.

20. PERSONNEL IMPLICATIONS

- 20.1 Staff, departmental and trade union representatives will be consulted individually and collectively on any adverse staffing implications arising from the Draft 2018/19 Budget. Managers have also been asked to encourage and facilitate staff involvement in budget and service planning.

21. LEGAL IMPLICATIONS

- 21.1 The Council is required to fix its Council Tax by the 11th March in any year. The Local Authorities (Standing Orders) (England) Regulations 2001 and the Local Authorities (Functions and Responsibilities) Regulations 2000 (as amended) deal, amongst other things, with the process of approving the budget. Under these provisions and the constitution, the adoption of the budget and the setting of the council tax are matters reserved for the Council upon recommendation from the Executive. Sections 31A and 31B to the Local Government Finance Act 1992 (as amended by sections 73-79 of the Localism Act 2011) set out the way in which a billing authority calculates its budget requirement and basic amount of Council Tax. The main change being replacing the need to calculate a budget requirement for a financial year with the obligation to calculate a Council tax requirement. These calculations are required to be presented to and be subject to formal resolution by the Council.
- 21.2 Schedule 5 to the Localism Act 2011 inserted a new section 52ZB in the 1992 Act which sets out the duty on billing authorities, and precepting authorities to each determine whether their relevant basic amount of council tax for a financial year is excessive. If an authority's relevant basic amount of council tax is excessive, the provisions in relation to the duty to hold a referendum will apply (see Section 15 of the Report). This replaced the previous power of the Secretary of State to "cap" local Authority budgets.
- 21.3 The introduction of the Education Act 2005 has changed the procedure for the setting of schools budgets. The Act has introduced the concept of a funding period, which allows for the introduction of multiple year budgets rather than the setting of financial year budgets.
- 21.4 The Schools Finance (England) Regulations 2005 introduced under the provisions of the new Section 45AA of the School Standards and Framework Act 1998, place a requirement on the LEA to determine schools budgets by the 31st March. Notice of a schools determination must be given to maintained schools governing bodies. Contained within the regulations is a designated procedure that allows the LEA to predetermine schools budget and the individual schools budget. There is also a provision allowing amendment to the determination, but any reduction in budget can only be proportionate to any reduction in the dedicated schools grant that has been received.
- 21.5 The making of these budget decisions is a statutory responsibility for all Members. Section 106 of the Finance act 1992 provides that Members who are present and who are 2 months or more in arrears with their Council Tax must declare this to this meeting and the budget meeting and not vote on budget recommendations.
- 21.6 The Local Government Act 2003 included new requirements to be followed by local authorities, which includes the CIPFA Prudential Code. This includes obligations, which includes ensuring the adequacy of future years reserves in making budget decisions.
- 21.7 In setting the proposed budget, due regard has been necessary to relevant considerations including equality, human rights, proportionality, reasonableness, need to maintain our statutory obligations, legitimate expectation and the Council's priorities The Public Sector Equality Duty, at section 149 of the Equality Act 2010, requires public bodies such as the Local Authority to consider all individuals when carrying out their day to day work – in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities. The Act covers discrimination because of a 'protected characteristic' which

includes age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 21.8 In fulfilling our equalities duty, and in particular the specific equalities duty, regard has been had to the impact of budget proposals and savings options on those with ‘protected characteristics’ including the potential for cumulative impact on some groups from separate work streams arising from this budget. As part of the budget setting process where appropriate impact assessments have been performed at service level where service managers and frontline staff will be involved in implementing the changes and fully understand the customer base and likely impact on them. Where any proposals are found to have a disproportionate impact on a particular group, the Council will consider what actions can be taken to avoid or mitigate the impact.
- 21.9 In some instances detailed analysis will be undertaken after the budget has been set but before a policy arising from the budget is implemented. In these instances the council will comply with its legal obligations including those relating to equalities and consultation and if a proposal is deemed to be unsustainable after such detailed work or where a disproportionate impact on a protected group is identified consideration will be given to any necessary mitigation, rephrasing or substitution of the proposed service changes.

<p>Background documents</p>	<p>Treasury Management – Quarter 3 Performance 2017/18, Resources Portfolio Holder and Council, 1st February 2018 and 26th February 2018 Treasury Management – Annual Investment Strategy 2018/19, Resources Portfolio Holder and Council, 1st February 2018 and 26th February 2018 Capital Programme Monitoring Q3 2017/18 and Capital Strategy 2018 to 2022, Executive and Council, 7th February 2018 and 26th February 2018 Contingency Drawdown Homelessness and Temporary Accommodation Pressures, Executive, 10th January 2018 Budget Monitoring 2017/18, Executive, 6th December 2017 Improved Better Care Fund, Executive, 10th October 2017 London Business Rate Pilot, Executive 13th September 2017 Locally Administered Business Rate Relief Scheme, 19th July 2017 2016/17 Provisional Final Accounts. Executive, 20th June 2017 Provision of Temporary Accommodation, 14th March 2017 2017/18 Council Tax, Executive 8th February 2017 Highways Investment, Executive, 18th October 2016 Government’s Four Year Funding Offer, Executive, 14th September 2016</p>
<p>Financial Considerations</p>	<p>Covered within overall report</p>

DRAFT 2018/19 BUDGET AND FINANCIAL FORECAST 2018/19 TO 2021/22

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Bromley's Budget Requirement in 2017/18 (before funding from Formula Grant) @	203,282	203,282	203,282	203,282	203,282
Income from investment properties #	-12,745	-12,745	-12,745	-12,745	-12,745
Formula Grant and Business Rate Share	-47,360	-47,360	-47,360	-47,360	-47,360
	143,177	143,177	143,177	143,177	143,177
Grant loss					
Reduction in Government Funding - core grant		5,400	9,000	12,580	16,400
Fall out of 2017/18 Adult Social Care Grant		1,196	1,196	1,196	1,196
Impact of National Formula Funding resulting in funding reductions for SEN placements		1,000	2,000	2,000	2,000
General reductions in government funding		500	1,000	1,500	1,500
Reductions in Government Funding - Public Health		410	820	1,125	1,125
Total Grant Loss		8,506	14,016	18,401	22,221
Cost Pressures					
Increased costs (3.5% 2018/19 and 2019/20 then 2.7% per annum) plus impact of Living Wage		9,099	19,058	27,493	34,426
Welfare reforms and impact on homelessness		1,500	3,500	5,000	7,000
Universal credit roll out - consequential impact on claimant fault overpayment recoveries		500	750	750	750
Homelessness Reduction Act		750	750	750	750
Potential additional costs following retendering of combined Environmental Services contract and other key contracts		0	2,000	4,000	4,000
Adults Social Care					
- Full year effect of Adult Social Care spend not funded by IBCF below		394	1,394	1,394	1,394
- Efficiency savings to be identified (retendering savings of £250k already identified)		-394	-394	-394	-394
Childrens Social Care					
- High inflationary pressures relating to Pan London Agreement and other children services		400	400	400	400
- Full year effect to reflect existing budget monitoring position		718	718	718	718
		12,967	28,176	40,111	49,044
Real Changes and other Variations (reported to Executive on 10th January 2018)					
Environment		626	1,100	1,631	2,227
Public Protection and Safety		310	149	60	60
Renewal and Recreation		392	289	117	-1
Other (mainly council wide)		637	55	174	174
Sub total - real changes and variations		1,965	1,593	1,982	2,460
Total Additional Costs		14,932	29,769	42,093	51,504
Income/Savings					
Savings from office accommodation review		0	-620	-620	-620
Acquisition of residential properties to accommodate the homeless (Mears)		-958	-1,940	-1,940	-1,940
Additional Income Opportunity (Amey)		-500	-700	-945	-945
Additional income from business rate share to reflect new developments in borough		0	-600	-900	-900
Impact of London pilot of business rates (as approved by Council 25/9/17) - one year only		-2,900	0	0	0
Interest on balances - additional income		-600	-200	-100	0
Release general provision in contingency for significant uncertainty/variables		-2,000	-2,000	-2,000	-2,000
Savings from recommissioning/ retendering of various contracts		-1,059	-1,127	-1,148	-1,172
Fall out of one off commissioning programme funding		-500	-500	-500	-500
- Savings from Children's Social Care linked to invest to save funding		0	-250	-750	-1,000
Total Income/Savings		-8,517	-7,937	-8,903	-9,077
Other Changes					
New Homelessness Support Grant }		-2,360	-2,360	-2,360	-2,360
Reduction in Housing Benefit funding }		2,360	2,360	2,360	2,360
Discretionary rate relief scheme - government funding		-682	-281	-40	0
Discretionary rate relief scheme - support to businesses		682	281	40	0
New Homes Bonus (funding towards revenue budget -£3.84m assumed in 2017/18 Budget)		-1,916	840	2,840	3,840
Total Other Changes		-1,916	840	2,840	3,840
Improved Better Care Fund					
Improved Better Care Fund - recurring funding		-2,000	-4,600	-4,600	-4,600
Improved Better Care Fund - non recurring funding		-3,363	-1,677	0	0
Contribution towards cost of full year effect of Adult Social Care spend in 2017/18		2,000	1,000	1,000	1,000
Additional spend previously approved by Executive 10th October 2017		1,490	1,390	1,390	1,390
Contribution to growth/cost pressures on Adult Social Care		1,000	1,500	2,000	2,500
Uncommitted monies remaining		873	2,387	210	-290
Total Improved Better Care Fund		0	0	0	0
Council Tax					
Assumed increase in council tax base number of properties		-1,650	-2,300	-2,950	-3,600
		154,532	177,565	194,658	208,065
2017/18 Council Tax Income	-143,177	-143,177	-143,177	-143,177	-143,177
Increase in council tax (assume 1.99% per annum) *		-2,849	-5,812	-8,893	-12,096
Impact of Adult Social Care Precept (assume 2% per annum) *		-2,864	-5,827	-8,908	-12,111
Underlying Budget Gap		5,642	22,749	33,680	40,681
Use of Non Recurring Collection Fund Surplus to support revenue budget					
Collection Fund surplus 2014/15 set aside as one off support towards meeting the funding shortfall in 2018/19		-4,912	0	0	0
Collection Fund Surplus 2015/16 (£6,401k carry forward to 2018/19 and 2019/20)		-730	-5,671	0	0
Collection Fund Surplus 2016/17		-7,852	0	0	0
Collection Fund Surplus 2016/17 - set aside to support 2019/20 Budget		7,852	-7,852	0	0
Projection of future year collection fund surplus		0	-4,000	-3,000	-2,000
		-5,642	-17,523	-3,000	-2,000
Revised Budget Gap		0	5,226	30,680	38,681

* Included for illustrative purposes. Any decision on council tax and adult social care precept levels will be part of the annual council tax setting meeting.

Allowing for changes incorporated in the 2018/19 Budget, this sum will increase from £12.7m to £14.2m

SUMMARY OF DRAFT 2018/19 REVENUE BUDGET - PORTFOLIO

2017/18 Final Budget £'000	Portfolio/Item	2018/19 Draft Budget £'000	2018/19 Band "D" Equivalent £
84,995	Education	82,436	634.11
Cr 80,458	Less costs funded through Dedicated Schools Grant	Cr 76,696	Cr 589.95
4,537	Sub total	5,740	44.16
32,822	Childrens Services	34,390	264.53
68,272	Care Services	72,580	558.29
29,179	Environment	30,628	235.59
1,963	Public Protection and Safety	2,290	17.61
7,693	Renewal and Recreation	8,508	65.44
31,579	Resources	32,565	250.49
3,831	Non Distributed Costs & Corporate & Democratic Core	3,907	30.05
179,876	Total Controllable Budgets	190,608	1,466.16
Cr 11,244	Total Non Controllable Budgets	Cr 12,056	Cr 92.74
Cr 729	Total Excluded Recharges	Cr 759	Cr 5.84
190,391	Portfolio Total	201,905	1,553.06
Cr 9,901	Reversal of Net Capital Charges	Cr 10,646	Cr 81.89
Cr 2,891	Interest on General Fund Balances	Cr 3,491	Cr 26.85
2,256	New Homes Bonus - Support for Revenue Budget	Cr 2,222	Cr 17.09
2,552	Contribution to Transition Fund Reserve	-	-
6,401	Utilisation of Prior Year Collection Fund Surplus/Set Aside	2,210	17.00
14,957	Central Contingency Sum	14,857	114.28
	Levies		
461	- Local Pension Partnership*	484	3.72
281	- London Boroughs Grants Committee	248	1.91
241	- Environment Agency *	253	1.95
338	- Lee Valley Regional Park *	355	2.73
205,086	Sub Total	203,953	1,568.82
Cr 47,360	Revenue Support Grant and Business Rate Retention	Cr 41,960	Cr 322.76
Cr 2,052	Transition Grant	-	-
Cr 6,401	Collection Fund Surplus	Cr 7,852	Cr 60.40
Cr 6,096	New Homes Bonus	Cr 3,534	Cr 27.18
143,177	Bromley's Requirement (excluding GLA)	150,607	1,158.48

* Final allocations awaited

** There may be further amendments to reflect any changes to the Portfolio structure for 2018/19

2018/19 CENTRAL CONTINGENCY SUM £'000

Renewal and Recreation

Planning appeals - changes in legislation 60

Grants included within Central Contingency Sum

Tackling Troubled Families Grant Expenditure 845

Tackling Troubled Families Grant Income Cr 845

Improved Better Care Fund - uncommitted monies 873

Unaccompanied Asylum Seeker Grant Expenditure 231

Unaccompanied Asylum Seeker Grant Income Cr 231

General

Provision for Unallocated Inflation 4,888

Increase in Cost of homelessness/impact of welfare reforms 3,396

General provision for risk/uncertainty 2,219

Provision for risk/uncertainty relating to volume and cost pressure 2,182

Impact of Chancellor's Summer Budget 2015 on future costs 1,215

Homelessness Reduction Act - net of government funding 750

Growth for waste services 587

Cost of Local Elections 500

Universal credit roll out - impact on claimant fault overpayment recoveries 500

Further reduction to government funding 500

Retained Welfare Fund 450

Deprivation of Liberty 118

Other variations 19

Additional income opportunity (Amey) Cr 500

London Pilot Business Rate Pool Cr 2,900

14,857

It is important to note that the 2018/19 Central Contingency sum includes significant costs not allocated to Portfolio budgets at this stage. Therefore there will be further changes to the Central Contingency to reflect allocations to individual Portfolio budgets prior to publication of the Financial Control Budget.

LEVEL AND USE OF RESERVES AND ROBUSTNESS OF THE 2018/19 BUDGET

1. Background

With the introduction of the prudential approach to capital investment, Chief Financial Officers in local authorities are required to have full regard to affordability when making recommendations about the local authority's future capital programme. Such consideration includes the level of long-term revenue commitments. In considering the affordability of its capital plans, councils are required to consider all of the resources available to it/estimated for the future, together with the totality of its capital plans and revenue forecasts for the forthcoming year and the following two years. This requires clear and objective attention to the levels and application of the Council's balances and reserves. The level of balances and reserves needs to be adequate to ensure that the longer term stewardship of the Council's finances remains effective and the Council maintains 'sustainable' finances in the medium term. Medium term planning becomes absolutely key in recognition of the ongoing "structural" budget deficit facing the Council.

2. General Reserves

2.1. Bromley has estimated general reserves of £19.7 million as at 31st March 2018 (as reported to Executive on 6th December 2017), as well as earmarked reserves (Section 3). Key to any financial strategy is the retention of sufficient reserves (including earmarked reserves) for the following reasons:

- (a) To provide some contingency reflecting the financial risks facing the Council. The scale of budget reductions and associated impact, the need to manage effectively action to reduce the longer term 'budget gap' and recent government changes which include the transfer of risks from central to local government provides significant new risks for longer term planning purposes;
- (b) To provide alternative one off funding to offset the impact of any overall large overspends facing the Council;
- (c) To provide adequate resources for spend to save initiatives which, following investment, can provide real longer term financial and service benefits;
- (d) To provide support in financing the capital programme, particularly to assist in funding key initiatives;
- (e) To provide financial support (income) to the revenue budget through interest earnings, which will reduce as balances are gradually reduced;
- (f) To utilise short term monies available from any 'front loading' of savings to assist in managing the key risks facing the Council and fund key initiatives preventing the further deterioration in the 'sustainability' of the Council's finances;
- (g) To provide investment to seek a long term alternative to current income streams;
- (h) To provide funding (e.g. severance costs) to enable the release of longer term ongoing savings;
- (i) To set aside income available, that does not provide a permanent income stream, towards one off investment in the community for schemes that meet the Council's priorities;
- (j) To buy time to identify further savings needed whilst avoiding 'knee jerk' actions to deal with future budget deficits;
- (k) To assist the Council to achieve as much stability as possible for both longer term service delivery and planning the moving of resources to areas of agreed priority.

- 2.2 In order to assess the adequacy of unallocated general and earmarked reserves when setting the budget, account must be taken of the strategic, operational and financial risks facing the authority. This is an important aspect of Bromley's approach to risk management. An 'Annual Governance Statement' signed by the Chief Executive and the Leader of the Council covers, for example, the processes to fully underpin the Council's system of internal control.
- 2.3 Setting the level of reserves is just one of several related decisions in the formulation of the medium term financial strategy and the budget for a particular year. Account needs to be taken of the key financial assumptions underpinning the budget alongside a consideration of the authority's financial management arrangements.
- 2.4 Bromley's reserves had reduced from £131m to £54m (general reserves) between 1997 and 2011. The Council had previously agreed to set aside part of these reserves towards an Invest to Save Fund and to fund the Growth Fund and Investment Fund. The latest projected level of general reserves remaining is £19.7m. It was previously estimated that reversing the current strategy of eliminating the ongoing dependency on the use of reserves to support the revenue budget and abandoning the transfer of rolling programmes to revenue would have eliminated the Council's overall general reserves by 2016/17 which is not sustainable. Further details were reported in the Annual Capital Review reports. However, given the ongoing financial constraints and an opportunity to reduce overall costs in the medium term, Executive on 18th October 2016 approved capital funding for investment in planned highways maintenance to be funded from capital receipts.
- 2.5 The most significant gain to balances was following the housing transfer to Broomleigh in 1992 (now part of Clarion). Opportunities to generate additional capital resources and reserves through disposal of surplus assets should continue to be vigorously pursued, however, there are unlikely to be opportunities to again generate the very substantial level of reserves held in the past.
- 2.6 Latest projections in the capital programme indicate that there will be no requirement to fund capital expenditure from revenue balances over the next year which should enable the current level of balances to be retained. This position is expected to significantly change from 2019/20 and will be dependent on the Council's ability to realise future sales/disposals to generate capital receipts to avoid seeking funding from the Council's revenue budget or reserves.
- 2.7 If the existing general reserves are released now to fund continuing service initiatives and/or significantly reduce council tax then there would be a resultant 'opportunity cost' relating to the corresponding loss in interest earnings and depletion of reserves which is not recommended by the Director of Finance, particularly at this time of financial uncertainty. Funding for any increases in service levels would only be in the short term. If the reserves were used to just balance the budget they would be fully spent in the next few years resulting in greater budget cuts in the future. Using this money to fund services is not a sustainable approach as these reserves are not budgets that are renewed every year. Similar to a savings account – once it is spent, it is gone. Retaining a significant level of reserves provides a major opportunity to fund any transformation/spend to save programmes in future years, as well as provide an ongoing source of significant revenue income to the Council. It becomes increasingly more critical with the future devolution of business rates and associated risks (e.g. future recession) and the organisation moving to become 'self-sufficient'.
- 2.8 Executive previously agreed that the following principles be applied to determining the use of reserves:

- (a) As a prudent working balance, the Director of Finance continues to recommend subsequently reviewed the minimum level of general reserves and recommended a minimum sum of £20m to reflect the significant financial uncertainty facing the Council and the need to address the significant ongoing 'budget gap' with higher amounts being retained for specific purposes;
- (b) Any support for the capital programme to be focused on areas that can generate business efficiencies and maintain and enhance the Council's core infrastructure. The programme should be driven by the Council's asset management plan, which in turn should be derived from the key priorities of the Council;
- (c) Any support for the revenue budget will need to be modest and sustainable in the medium term and the impact of any withdrawal built into future financial plans. From 2008/09, Members agreed to eliminate the continuing use of reserves to support the revenue budget;
- (d) The Council has limited scope to utilise general fund reserves for capital spending in excess of the current capital programme and will need to continue to progress a programme of asset disposals. Given the substantial pressures on the revenue position of the council it would be sensible to focus the spending of general reserves in excess of the basic level on investments to increase the efficiency of the Council, provide income and reduce the cost base.

2.9 Balancing the annual budget by drawing on general reserves is a legitimate short-term option. However, where reserves are to be deployed to finance recurrent expenditure this needs to be explicitly considered including the sustainability of this measure over the lifetime of the medium term financial plan.

2.10 In the context of Bromley's current financial position options need to be explored to ensure that the recommended minimum sum of general reserves are retained to provide adequate flexibility during the financial forecast period. However, the important issue to consider is planning the future use of reserves in the context of the authority's medium term financial plan and not to focus exclusively on short-term considerations.

3. Earmarked Reserves

3.1 As part of developing a medium term financial plan and preparing the annual budget Members need to consider the appropriate use of reserves for specific purposes and the levels at which these should be set. Further details on the utilisation of earmarked reserves together with general reserves are provided in section 2.1. The current specific (earmarked) reserves and their estimated uses are:

Description	Balance at 31/3/17	Estimated Net Movement	Balance at 31/3/18	Estimated Movement	Estimated Balance at 31/3/19
	£'000	£'000	£'000	£'000	£'000
EARMARKED BALANCES					
LPSA/LAA Reward Grant Investment Fund	231	-22	209	-45	164
Technology Fund	1,731	-79	1,652	-73	1,579
Town Centre Improvement Fund (LABGI)	55	-	55	-55	-
Transformation Fund	1,163	-400	763	-397	366
Investment to Community (Resources)	530	-53	477	-	477
Works to Property	100	-	100	-	100
Building Control Charging Account	182	-4	178	-4	174
Government Grants (c/fwd from previous years)	1,811	1,816	3,627	-2,481	1,146
Invest to Save Fund	14,777	983	15,760	979	16,739
One off Member Initiatives	1,332	-279	1,053	-100	953
Infrastructure Investment Fund	2,000	-132	1,868	-257	1,611
Commissioning Authority Programme	55	304	359	-255	104
Health & Social Care Initiatives – Promise Programme	3,953	-3,953	-	-	-
Housing Strategy Trading Account	25	-	25	-	25
Community Right to Bid & Challenge	46	-	46	-	46
Investment Fund	4,621	-2,757	1,864	-1,864	-
Winter Pressures Reserve	2,010	-	2,010	-	2,010
Refurbishment of War Memorials	13	-3	10	-	10
Key Health & Social Care Initiatives	1,700	-1,047	653	-	653
Integration of Health & Social Care Initiatives	1,614	-800	814	-700	114
Collection Fund Surplus Set Aside	4,912	6,401	11,313	-5,642	5,671
Healthy Bromley Fund	3,815	-	3,815	-	3,815
Glaxo Wellcome Endowment	154	-13	141	-7	134
Cheyne woods & Cyphers Gate	163	-10	153	-	153
Public Halls Fund	7	-	7	-	7
Future Repairs of High Street Properties	31	12	43	12	55
Parallel Fund	2,700	181	2,881	-	2,881
Growth Fund	22,425	-1,089	21,336	-2,900	18,436
Health & Social Care Integrated Commissioning Fund	4,550	-	4,550	-	4,550
Financial Planning & Risk Reserve	5,000	-	5,000	-	5,000
Bromley Welfare Fund	970	-110	860	-110	750
Payment in Lieu Reserve for Temporary Accommodation	85	26	111	26	137
Business Rate Risk Reserve	4,200	-	4,200	-	4,200
One Off Expenditure 2016/17 (inc. TFM contract)	152	-55	97	-	97
Crystal Palace Park Improvements	145	-91	54	-25	29
Various Joint Schemes and Pump Priming Investments	5,006	-1,500	3,506	-1,000	2,506
Transition Fund	568	2,052	2,620	-	2,620
Children's Social Care Transition Fund	1,500	-750	750	-750	-
Environmental Initiatives	500	-110	390	-100	290
Planning/Planning Enforcement	250	-75	175	-175	-
Apprenticeship Scheme	200	-32	168	-121	47
Civic Centre Development Strategy	257	-	257	-100	157
CSC Recruitment & Retention	855	-400	455	-455	-
Future Professional Advice for Commissioning	147	-	147	-50	97
New Homes Bonus Support for Revenue Budget	-	2,256	2,256	-2,256	-
Sub Total	96,541	-267	96,808	18,905	77,903

PROVISIONS					
Insurance Fund	3,373	100	3,473	200	3,673
OTHER					
School Budget Share Funds	2,621	-699	1,922	-1,922	-
Total Reserves	102,535	-332	102,203	-20,627	81,576
New Reserves Subject to Final Approval					
Set Aside of Prior Year Collection Fund Surplus	-	-	-	7,852	7,852
Total Estimated Reserves	102,535	-332	102,203	-12,775	89,428

3.2 The report highlights the ongoing ‘budget gap’ (see 4.4 of main report) which results in the Council, on an ongoing basis, having a “structural deficit”. To respond to this, Members have agreed over the last six years to create new earmarked reserves to support longer term investment and provide a more sustainable longer term financial position. This includes setting aside resources to support the Council’s future transformation programmes (invest to save), support acquisition of investment properties to generate sustainable income and the growth fund to support economic development and employment within the borough whilst generating income opportunities. These measures are important to provide sustainable solutions in the longer term.

3.3 A summary of other significant areas are:

- School Balances - these are unspent balances of budgets delegated to individual schools and these are legally only available to schools.
- Insurance Reserves – self-insurance is a mechanism used by a number of local authorities including Bromley. In the absence of any other statutory basis, sums held to meet potential and contingent liabilities are reported as earmarked reserves or provisions.
- Technology Fund - this represents IT budgets that have been put into a reserve in previous years to allow projects to be carried out across the boundaries of financial years and the utilisation of this will become increasingly important over the next few years.
- Health and Social Care (various) – there are monies set aside as part of a Section 256 agreement with Bromley Clinical Commissioning Group for the funding of future transformation/integration of health and social care and to contribute towards the financial sustainability of Bromley CCG.

3.4 In addition there is the pensions reserve – this is a specific accounting mechanism used to reconcile the payments made for the year to various statutory pension schemes in accordance with those schemes’ requirements and the net change in the authority’s recognised liability under IAS19 – employee benefits, for the same period. An appropriation is made to or from the pensions reserve to ensure that the bottom line in the income and expenditure account reflects the amount required to be raised in taxation. This effectively prevents any deficit on the pension fund needing to be made good from taxation in one year.

3.5 The outcome of the actuarial valuation as at 31/3/16 was reported to Pensions Investment Sub Committee on 31st January 2017 and General Purposes and Licensing Committee on 6th February 2017. The Council’s pension fund was 91% funded with a total deficit of £71m (including other non-council employees) – this figure reduces to £40m if non-council employees are excluded. The triennial actuarial valuation impacted on the budget from 2017/18 to 2019/20 and the next valuation will impact on the period 2020/21 to 2022/23.

4. Budget Assumptions

4.1 Treatment of Inflation and Interest Rates

4.1.1 Despite the recent increase in the Bank of England base rate from 0.25% to 0.50%, there has been very little impact on interest income from lending to banks. This is partly due to banks continuing to have access to lending from central government at very low rates as well as the strengthening of 'balance sheets' reducing the need to borrow. In addition, the utilisation of the investment and growth fund as well as the Highways Investment Fund, have reduced the resources available for treasury management investment. However, the treasury management strategy has been revised to enable alternative investments of £100m which will generate additional income of around £2m compared with lending to banks. The net impact is additional income of £800k in 2018/19, compared with the 2017/18 Budget. Without the alternative investment strategy, the income would have fallen in the draft 2018/19 Budget to reflect a reduction in treasury management resources available. The contribution of higher risk and longer term investments within Treasury Management have contributed towards the Council being in the top decile performance (top 10%) against the local authority benchmark group. Further details are included in the 'Treasury Management – Quarter 3 Performance 2017/18' and 'Treasury Management – Annual Investment Strategy 2018/19' reports to Executive and Resources PDS Committee on 1st February 2018.

4.1.2 A general allowance of 3.5% has been built into the forecast for 2018/19 reducing to 2.7% per annum from 2020/21 for contractual running expenses. This compares with current general RPIX increase of 4.2% (Dec. '17).

4.1.3 The 2018/19 Budget includes the proposed pay award of 2% for Council staff announced by the Resources Portfolio Holder at the last meeting of the Executive. Further details are being reported to General Purposes and Licensing Committee on 6th February 2018.

4.2 Level and Timing of Capital Receipts

4.2.1 Details of the level and timing of capital receipts are included in the 'Capital Programme Monitoring Q3 2017/18 and Capital Strategy 2018 to 2022' report elsewhere on the agenda.

4.3 'Demand Led' Budgets

4.3.1 The major demand led services that currently affect Bromley's budget are homelessness, the impact of welfare reforms, adults and children's social care. The draft 2018/19 Budget includes reasonable estimates of likely changes in activity in the next financial year.

4.4 Financial Standing of the Authority

4.4.1 Long-term Council Tax collection rates have been consistently high at around 98/99%. Other external debt collection is also high. There are plans to continue to improve the recovery of income across service areas. Any improvement will serve to improve the Council's overall financial position. As a debt free authority, Bromley has relatively limited exposure to interest rate movements and changes in interest earnings on external investments have been reflected in the budget based upon likely use of reserves and current interest rates.

4.5 Budget and Financial Management

4.5.1 Bromley has for many years operated multiyear budget planning. The need to meet budget savings has reduced the frequency of budget monitoring. The previous introduction of cash targets for service departments led to greater realism in the projection and management of the volume of service activity. Service overspends against the budget had been generally contained in overall terms in previous years although projected service overspends were identified in 2016/17 and the future years position needs to be closely monitored and reviewed, with early corrective action being taken where possible. Balancing the budget will require very positive action if the council is not to overspend in future years.

4.6 Financial Information and Reporting

4.6.1 The arrangements for finance staff to report to the Director of Finance, in place since April 2002, have produced far greater clarity of roles and responsibilities. The Council will need to continue with a rolling service review process to be able to generate savings as part of future years' budgets. The main issue remaining is to ensure that service managers continue to develop even greater ownership of their budgets and have more sophisticated activity and performance information on the service which they are providing. Any overspending should require compensating savings to be identified.

4.6.2 The Council will need to continue to adopt a corporate 'One Council' approach in addressing budget pressures and identifying saving options (details reported to last meeting of the Executive).

4.7 Virement Procedures

4.7.1 Currently Bromley does not routinely allow the carry forward of under-spending (and overspending) by service departments as part of its year-end procedures. The Director of Finance remains satisfied however, that the current virement rules allow sufficient flexibility within the year for officers/Members to manage the budget to enable them to contain overspending within overall budgets.

4.8 Risk areas

4.8.1 Details were reported to the previous meeting of the Executive.

4.9 Link with other plans/strategies

4.9.1 A budget is a service plan/strategy expressed in financial terms and there will be linkages with other strategies and plans across the Council. The proposed budget also takes into account the outcomes of the Public Sector Equality Duty on the Council's proposals (see legal considerations of main report).

4.10 Insurance Fund

4.10.1 The insurance fund is protected by the existence of external catastrophe insurance, which meets large claims. There is a stop loss of £2.5 million that prevents the council from having to meet losses in excess of this amount on liability claims in any one year. The 'Insurance Fund – Annual Report 2016/17', considered by the Resources Portfolio Holder at the meeting of the Executive and Resources PDS Committee on 11th October 2017, gives more background information.

4.11 Funds and the adequacy of provisions

4.11.1 As is discussed above, the Council has both general and earmarked reserves and continues to take a prudent approach to limiting the scope of future year's capital expenditure and other commitments. It is essential that an adequate level of reserves is maintained to reflect the impact of the future years budget gap of £5.2m in 2019/20 rising to £38.7m per annum in 2021/22, 'balance sheet' liabilities combined with the significant funding reductions facing the Council in this austerity period. The "budget gap" may increase or reduce as a result of a number of variables in future years. Bad debt provisions are reviewed each year as part of the closure of accounts and are subject to audit by the council's external auditors.

4.11.2 The scale of the medium term "budget gap", coupled with the significant financial uncertainty in the ongoing austerity period makes it important to maintain an adequate level of reserves to ensure the Council has sufficient resilience, flexibility and stability for longer term service delivery. Apart from the need to retain reserves to address risks and uncertainty there are specific reserves to fund invest to save as well as investment in the future towards economic development within the borough (Growth Fund) whilst generating sustainable income and savings to help reduce the future years budget gap. This helps ensure that key measures of sustainable finances and stewardship in the medium term can be realised. The funds retained are adequate to meet the needs of the Council in the medium term. The level of reserves will continue to be kept under review during the Medium Term Financial Planning period.

4.12 Council's Investment Income contributing to supporting key services

4.12.1 The Council's investment income of £14.2m, assumed in the 2018/19 Budget, is shown below:

	£'m
Investment properties including Glades, Walnuts, shopping parades etc.	4.2
Other rental income	0.8
Investment properties funded from the Council's growth fund/investment fund	5.7
Treasury Management Income	3.5
Total investment income	14.2

4.12.2 Historically the Council has acquired investment properties. More recently, since 2011/12 the Council created an investment and growth fund. Background on the use of these funds were reported to the previous meeting of the Executive. At its meeting on 19th July 2017, Executive approved a new property investment criteria:

- Provides a net investment return of 5%;
- Provides a suitable mix of portfolio to mitigate against risks of "all eggs in one basket" i.e. variation in investment portfolio to cover void risk;
- Ability to sell the asset at a future date within a reasonable turnaround period of less than one year;
- Mitigates against problematic tenancy risks e.g. secured tenancy etc ;
- Mitigates against significant repair liabilities which have a downward impact on the investment return i.e. seek full repairing leases from tenants;

- Mitigate against capital value risk – purchase in places where capital values are unlikely to fall in the longer term;
- That opportunities should be explored in economic growth areas as well as the South East. This would be the cities of Manchester and Leeds together with other areas such as Cardiff, Bristol and the Midlands;
- That the lot size should be in excess of £5m;
- That multi-let investment opportunities which provide suitable income protection and covenant should be considered taking into account management costs.

4.12.3 The Council has used existing resources in acquiring investment properties and has not utilised the option of borrowing. A combination of ensuring the criteria above is met, decisions by Executive taking into account the professional advice Cushman and Wakefield and not utilising borrowing to fund the acquisitions helps ensure that the primary driver of sustainable income is met which is critical to support key services. The Council being prepared to retain the investment assets through any future recession period significantly reduces the longer term capital risk of the investment.

4.12.4 Details of the approach to treasury management is being reported to Executive and Resources PDS meeting on 1st February 2018. The treasury management strategy has been revised to enable alternative investments of £100m which will generate additional income of around £2m compared with lending to banks. Without the alternative investment strategy, the income would have fallen in the draft 2018/19 Budget to reflect a reduction in treasury management resources available. The contribution of higher risk and longer term investments within Treasury Management have contributed towards the Council being in the top decile performance (top 10%) against the local authority benchmark group. The approach to addressing Security, Liquidity and Yield is addressed in that report. The strategy of continuing to generate additional investment income will provide estimated income of £14.2m which provides funding for key services thus enabling a corresponding reduction in the Council's budget gap.



Councillor Colin Smith
LEADER OF THE COUNCIL
LONDON BOROUGH OF BROMLEY

The Rt Hon Sajid Javid
Secretary of State Communities &
Local Government
Fry Building
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8th January 2018

LB OF BROMLEY – FAIRER SETTLEMENT FOR OUR RESIDENTS

Thank you for allowing myself, my Resources Portfolio Holder, Chief Executive and the Director of Finance to meet with you on 20th December 2017. The recent changes you have announced as part of the Provisional Local Government Finance Settlement 2018/19 give some positive recognition of the challenges facing local government which includes, for example, added flexibility in considering council tax levels and the planned consultation on 'fair and affordable' options for authorities facing negative revenue support grant funding – Bromley is facing a negative revenue support grant allocation of £2.3m in 2019/20.

Your comments about the Improved Better Care Fund being resources available for local authorities to support social care is reassuring. You mentioned opportunities around the Housing Infrastructure Fund and the Council has submitted a bid for a key housing scheme.

I would like to provide some further context and in particular cover some key issues that we would wish to be addressed.

In 2017/18 Bromley had the 5th lowest level of settlement funding in the whole of London despite having the 7th highest population (excluding City of London). We are the largest London Borough in terms of geographical size, have one of the highest proportions of older people and the largest road network. The associated cost implications are not reflected in our settlement funding which is the 2nd lowest per head of population in the whole of London.

Bromley has managed its finances extremely efficiently despite having a low level of government funding and has managed to maintain a low council tax. Bromley has created a low cost base through many pioneering measures taken including outsourcing on a large scale, transfer of housing stock, creation of leisure trust and relentless cost control. However this provides a further

challenge as our scope to achieve savings through efficiencies is significantly reduced compared with other high cost authorities.

Bromley has supported Government policy towards meeting austerity, seeking to generate economic growth through investing (contribution to UK PLC) and keeping public sector costs low whilst driving out more efficiency. We also have the highest proportion of schools converted to academies.

Despite being low cost Bromley has experienced one of the highest proportions of funding reductions since 2011/12. Although in cash terms it may be lower than various other authorities the Council is immediately disadvantaged by having a low level of funding available in the first place. There was a formula to allocate monies up to 2013/14 which has effectively been “fixed” to reflect the current funding regime. Our concern is that the low level of funding was not addressed at the time of this change. The Council has generated savings of over £90m since 2010/11. However, given that Bromley has taken the “low and middle hanging fruit”, we have minimal scope to find further significant efficiencies but are not being incentivized for keeping costs low – in fact starting from a low cost base has made it more difficult to find savings.

Bromley’s core funding has been cut higher than the London and England average since 2010/11. It will have reduced by 75% compared with 63% (London and England) in real terms over the course of the decade. If the Council received the average level of grant funding for London boroughs, our income would increase by £65m.

We are seeking a fair level of funding for Bromley which provides recognition that we keep our costs low, reflects fairly the impact of a high proportion of elderly population and recognises the true financial impact of essential highways maintenance and repair in a borough with a large road network.

Key asks for a Fair Funding deal are:

- Fair Funding should have a mechanism to reward more efficient authorities e.g. financial incentive in system;
- Fair Funding needs to recognise higher London costs which impacts on service costs and the financial impact of need;
- Resource element of any funding baseline should not reflect a notional council tax which may be higher than current council tax level for Bromley;
- Some form of “damping” protection would be needed to assist in forward planning;
- Authorities with a low cost baseline should not face a higher proportion of cuts to funding as part of ongoing austerity;
- Need to avoid situation where low council tax authorities do not need to increase council tax as they have more generous settlement than other comparable authorities;
- Fair Funding should recognise London cost pressures relating to homelessness (for Bromley a further £7m per annum by 2021/22) – pressures mainly relating to London and a few other areas;
- Social Care responsibilities (Improved Better Care Fund) should be determined by adult social care formula e.g. Bromley stands to lose up to £3m of additional funding from 2019/20;

- Bromley's population is expected to increase by more than the national average by 2030 – funding is currently not reallocated based on population growth and also Bromley has a higher increase in over 65 years (18.9%) compared with rest of London (12.1%). Using GLA central estimates, between 2017 and 2037 over 65's are expected to increase by 44.4% and over 90's by 123.8% with an overall population increase of 18.8% during that period;
- Benefits data which is used in determining needs assessment does not reflect low level of take up (can it be adjusted to reflect lower take up compared with rest of country?) or the impact of higher housing costs in London. Measuring deprivation levels after housing costs gives a more realistic assessment of disposable income;
- The relative size of the Needs and Resource amounts are ultimately set by DCLG on the basis of judgement – can some of the unique factors for Bromley be reflected in this to ensure low cost efficient authorities are not penalised?

In the meantime the Council is left with inequities of funding and this was partly recognised in the Transitional Grant payable for 2016/17 and 2017/18 which was welcomed. This funding recognised some of the issues that Bromley is facing. Whilst recognising that you will review the funding for authorities that face negative revenue support grant, the delay in the full devolution of business rates until 2020/21 and subsequent impact on "Fairer Funding" implementation, the Council is seeking a continuation of this transitional funding for at least 2018/19 and 2019/20, particularly as the Council moves towards negative Revenue Support Grant.

It is important to ensure that any new burdens are fully assessed and funded on an ongoing basis. Some examples of new burdens not fully funded include the impact of the national living wage, increase in national insurance contributions following end of contracted out contributions, no recourse to public funds, auto enrolment and lifting of the public sector pay cap.

A combination of core grant reductions combined with new burdens not fully funded and increasing demand for services, immense pressure on adult and children's social care costs, rising population levels, the significant impact of homelessness pressures and increasing inflation levels means it is becoming increasingly difficult to sustain the scale of funding reductions imposed on us. Apart from the need for a fairer level of funding, the Council requests the removal of the referendum limit for council tax increases and the continuation of the Adult Social Care precept beyond 2019/20 to provide greater recognition of local accountability. There should be further flexibility to extend the precept to fund other key pressure areas such as Children's Social Care. It is essential that we are given local flexibility to determine how services are funded particularly as we need to balance service priorities and council tax levels.

We would request that the ring fencing of grant funding is changed to enable greater flexibility to ensure resources are allocated to reflect local needs and still meet national requirements. This includes education funding and various other grant funding. The national formula funding for education will reduce flexibility of funding for special educational need placements and results in potential education costs being met by the council taxpayer rather than through schools funding. The Council stands to lose up to £2m per annum funding within three years. This is coupled with the anomaly where the council tax payer is required to fund special educational need transport costs of £4.6m per annum which should logically be funded through education funding as it is part of the overall SEN package of costs.

The Council welcomes the Government's commitment to devolution and, as a Community Leader, is well placed to enable more effective use of public monies. With the right governance framework enabled by the Government we could contribute towards ensuring that health monies are better spent at a local level given the close links with social care services which would ultimately contribute towards an effective national solution for health and social care. We have met with Rt

Hon. Steve Brine, Parliamentary Under Secretary (Department of Health) on 6th December 2017 as a step towards finding a better joint solution which also assists a national issue.

In summary, we are seeking the opportunity to have our funding addressed in the Fair Funding review, continuation of the Transitional Grant in 2018/19 and beyond, funding for new burdens, greater flexibility in use of grant funding, greater local flexibility in considering council tax levels with a continuation of the option of the Adult Social Care Precept and opportunities to be empowered to manage more effectively health resources.

Both Members and Officers would be keen to work with the Government to help find positive solutions that work for our residents and taxpayers to meet the necessary austerity measures and future service priorities.

Yours sincerely

Cllr Colin Smith

cc: Bromley MPs



Financial Services

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Roger Palmer,
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2nd floor, Fry Building,
2 Marsham Street,
London, SW1P 4DF.

16th January 2018

LGFsettlement@communities.gsi.gov.uk

Dear Mr. Palmer

Provisional 2018/19 Local Government Finance Settlement

This letter sets out the London Borough of Bromley's formal response to the provisional settlement consultation.

We would ask that this letter be considered in conjunction with our response to the 2018/19 Local Government Finance Settlement: Technical Consultation Paper which, as well as responding to the specific consultation questions, provides some context and detailed background about matters specific to Bromley. Rather than repeat these points, I have attached a copy of the response for reference.

Local government continues to face a disproportionate level of cuts in direct funding compared to other parts of the public sector. We are disappointed that the provisional settlement provides no new funding for local government, particularly in light of the significant and increasing pressures on our services. The huge funding pressures on adult social care, children's services and homelessness cannot be under-estimated and both immediate and longer term funding solutions are required.

It is also notable that, despite repeated representations on this point, no funding has been made available to meet the cost of new burdens including the impact of the national living wage, no recourse to public funds, automatic enrolment, lifting of the public sector pay cap, the ending of contracting out and the indexation and equalisation of guaranteed minimum pensions. In addition, the full financial implications of the Homelessness Reduction Act 2017 have not been addressed and remains only partly funded.

In Bromley, despite having made savings of over £90m per annum since 2010/11, we find ourselves having to identify further savings estimated to be around £40m per annum over the next four years. This is due to a combination of severe funding cuts, increasing cost pressures (including inflation and new burdens) and rising demand for our services. This is clearly not sustainable in the longer term.

Given the fact that we face further significant cuts in government funding, we are disappointed that the transition grant payable for 2016/17 and 2017/18 has not been extended. This funding recognised some of the issues we are facing and we would urge for it to be re-instated as part of the final settlement.

We welcome the decision that proposed further changes to New Homes Bonus (NHB) did not go ahead but remain concerned about the continued reduction in this important income stream. As we have previously stated, we do not support the reforms to NHB which significantly reduce the incentive for growth and fail to recognise the additional ongoing costs associated with increased housing development.

Whilst the option to increase council tax levels by a further 1% does provide some additional flexibility, this is insufficient to meet the ongoing financial pressures we are facing. Bromley does not support the principle of capping council tax increases and we maintain the view that referendum principles should be removed completely. The restriction on utilising the precept for Adult Social Care should also be removed so that we are given local flexibility to determine how our services are funded.

For 2018/19 we are participating in the London Business Rates pilot. We are, however, concerned about reference to a 75% Business Rates Retention from 2020-21 as opposed to the previously committed 100%. Some early clarification is required about how this will affect those authorities, like Bromley, who are already piloting 100% retention.

We look forward to contributing to the Fair Funding Review: A Review of Relative Needs and Resources which was published alongside the provisional settlement. It is imperative that the review is comprehensive, involving full consultation with local government, but also that there is clarity and transparency in setting out the full impact of any proposals. It is also critical that the final funding baselines are published early to support financial planning beyond 2019/20. We appreciated the opportunity for the Leader of the Council, Resources Portfolio Holder, Chief Executive and myself to meet with the Secretary of State for Communities and Local Government in December 2017 and have provided further background information on the issues we are facing and our 'key asks' for a Fair Funding deal.

Bromley's response to the specific consultation questions is appended.

Yours sincerely



Peter Turner
Director of Finance.

Consultation Questions

Question 1: Do you agree with the methodology of Revenue Support Grant in 2018-19?

Whilst we agree that this provides consistency with the information provided for the 2016-17 and 2017-18 SFA, we do not agree with the methodology and refer to concerns about overall funding levels.

Allocating changes to the level of Revenue Support Grant on the basis of Settlement Core Funding unfairly penalises authorities like Bromley who, whilst having a larger tax base, have worked tirelessly to keep our council tax low. The ability to raise council tax must not be a factor in the allocation of funding to individual authorities. We strongly argue that there needs to be an adjustment to the baseline position of historic underfunding that Bromley has received.

Question 2: Do you agree with the Government's proposal to fund the New Homes Bonus in 2018-19 with £900 million from Revenue Support Grant and any additional funding being secured from departmental budgets?

We do not agree with the proposed methodology for funding New Homes Bonus in 2018-19. Additional funding is being top-sliced from RSG to meet the reduction in Government's contribution. It is also unclear which departmental budgets are used to fund NHB and how the savings from reduced contributions are reconciled.

We are also disappointed that previously announced plans to reduce the number of years for which NHB is awarded have been implemented.

Question 3: Do you agree with the Government's proposed approach of paying £65 million in 2018-19 to the upper quartile of local authorities based on the super-sparsity indicator?

We do not agree with additional funding provided through the Rural Services Delivery Grant which benefits rural areas only.

If the financial pressures faced by rural authorities are recognised, it is not unreasonable to expect the same considerations for the unique and significant pressures faced by London authorities. Historic funding levels have failed to reflect the pressures in London (and Bromley) including its underestimated population and the failure to recognise the impact of daytime visitors.

Bromley is the largest London Borough in terms of geographical size and this does have a negative impact on costs, not only relating to the maintenance of our large road network but also with regard to 'sparsity' issues including the higher cost of delivering services than in smaller, more condensed areas.

Question 4: Do you agree with the Government's proposal to hold back £35 million to fund the business rates safety net in 2018-19, on the basis of the methodology described in paragraph 2.6.2?

We do not agree that increases in the safety net holdback should be funded from a cut to Revenue Support Grant. Authorities should not be financially penalised for an increase in the safety net holdback because of lower than expected business rate growth and the effect of outstanding and estimated future rating appeals.

Question 5: What are your views on the council tax referendum principles proposed by the Government for 2018-19?

Bromley does not support the principle of capping council tax increases. Council tax levels should be determined locally and referendum principles should be removed.

Expenditure priorities, income generation and council tax levels are a matter for local decision making, not central control. In setting our annual budget, we face increasingly difficult decisions on service priorities and council tax levels and the balance between the two is a key consideration every year. It is important that we are given local flexibility to determine how our services are funded.

This view extends to the ASC Precept which, again, should be determined locally and should not be ring-fenced to fund adult social care. There are a number of services that are not sufficiently funded and this flexibility should be extended to fund other key pressure areas, for example children's social care and homelessness.

Question 6: Do you agree with the methodology for calculating the revaluation adjustment to business rates tariff and top-up payments as outlined in paragraphs 3.5.1 to 3.5.6?

We agree that the methodology appears reasonable and agree with the amendment to remove the one-off impact of changes in appeals provision.

Question 7: Do you have any comments on the impact of the 2018-19 local government finance settlement on those who share a protected characteristic, and on the draft equality statement published alongside this consultation document? Please provide supporting evidence.

Bromley has no comment on question 7.



Resources Department

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2 Marsham Street,
London SW1P 4DF.

25th October 2017

LGFConsultation@communities.gsi.gov.uk

Dear Mr. Palmer

2018/19 Local Government Finance Settlement Technical Consultation Paper

The London Borough of Bromley welcomes the opportunity to comment on the proposed technical changes to the Local Government Finance Settlement 2018/19.

It is important that the proposed changes are considered in the wider context of local government funding cuts and increasing demand for our services. We acknowledge that the reform of business rates and fair funding review will provide opportunities to fundamentally review how local government is funded in the long term but it is clear that the current system for funding local government is unsustainable.

We continue to express concern about the complexity and lack of transparency within the current local government finance system as well as the continued ring-fencing of some funding streams (including schools) which reduces flexibility to re-divert resources according to local priorities. We believe it is absolutely critical that these points are addressed as part of the Fair Funding Review.

Local government has received a disproportionate share of funding reductions. Bromley accepted the four-year funding offer on the basis that it provides a minimum funding level and therefore more certainty about future resources. However, this still represents a significant cut in settlement funding of over 50% in real terms over the four-year funding period. This is one of the highest reductions in London and significantly above the England average.

Whilst the Council supports the London business rate pilot in principle, it highlights the inequity that many of the high grant funded authorities will also receive the higher share of business rate growth income without the funding inequalities being addressed. Bromley's continued support for the London business rate pilot is strictly conditional on "Fair Funding" not being delayed.

In 2017/18 Bromley has the 5th lowest level of settlement funding in the whole of London despite having the 7th highest population (excluding City of London). We are the largest London Borough in terms of geographical size, have the highest proportion of older people (in both the over 65 and over 85 age groups) and the largest road network. The associated cost implications are not reflected in our settlement funding which is the 2nd lowest per head of population in the whole of London.

If we received the average level of grant funding, our income would increase by £65.2m in 2017/18. It is essential that DCLG reflect an adjustment to the Council's baseline funding position to address historic low funding levels. The Council appreciated the opportunity to meet with representatives from the Treasury on 29th July 2016 and provided more background information on the key issues we are facing as well as our contribution to the Autumn Statement.

The funding methodology should not include assumptions about the council tax raising ability of individual authorities. The introduction of this approach created perverse distortions into the system and resulted in a higher proportion of cuts for Bromley compared to the average.

The settlement funding does not recognise or reward efficient, low cost authorities like Bromley - something we have repeatedly raised. We have kept council tax low despite continued low levels of funding. We have done this by keeping our costs low. The funding mechanism should include a factor that recognises below average cost authorities having a lesser reduction in SFA or some degree of "protection" to lessen the impact on that basis.

London's population is growing at twice the rate of the rest of the country. This brings with it increasing demand for housing as well as other key services including schools, health, social care and transport. Bromley has one of the highest populations in the whole of London and the highest proportion of older people (in both the over 65 and over 85 age groups) leading to increased demand for services at a time of significantly reduced resources.

Inflation is slowly but continuously rising. As an authority that has been proactive in exploring alternative service delivery models, including outsourcing on a large scale, the impact of inflationary pressures is significant and, despite negotiation with our providers, largely outside of our control due to contractual obligations.

There are well publicised and very real pressures in both adult and children social care services. As these services represent a significant proportion of the Council's overall budget, increasing demand in these areas places a huge cost burden that is unable to be met from within the existing resource base.

Whilst we welcome the introduction of the Adult Social Care Precept and the additional funding announced as part of the 2017/18 budget, this does not go far enough to meeting the ongoing and increasing demand for these services. The additional £240m provided from the reallocation of NHB provides one-off funding in 2017/18 only and the additional £2bn announced in March 2017 for adult social care provides funding for a period of 3 years. This funding is substantially less than the amount needed to meet rising demand and cost pressures and does not address how pressures in adult social care will be funded on a sustainable and ongoing basis.

We, like many others, are facing increased pressures on our children's social care budgets from rising demand and increasing costs. Recruitment and retention has, for some time, been a challenge resulting in expenditure on high cost agency staff. We have been working hard to address this and been relatively successful in recruitment drives to appoint permanent children's social workers. The high cost of children's placements (LAC) is also causing increasing cost pressures.

We are experiencing increased pressures on our temporary accommodation budgets through rising demand and higher costs. The impact of the benefit cap and LHA levels being frozen means that private rented accommodation is unaffordable for low-income households. Although we have been successful in developing innovative opportunities with external partners to deliver temporary accommodation to help meet increasing demand, this is still not enough. Government must consider how this serious and increasing pressure is managed and funded in the long term.

We are in agreement with the principles of Welfare Reform but do have concerns about the financial risk that the rollout of Universal Credit will have for both the Council and our residents which we are raising separately through DWP. It is also critical that the financial implications of the Homelessness Reduction Act 2017 are reviewed to recognise that it is only partly funded at present.

We welcome the announcement by the Secretary of State for Education that the core schools budget will increase by £1.3bn in 2018/19 and 2019/20 and the commitment to ensuring that no school will lose out in cash terms as a result of the introduction of the National Funding Formula. SEN funding via the high needs block of the DSG is insufficient to meet current demand as SEN pupil numbers are expected to increase further. This will only add to these ongoing cost pressures.

It is important to ensure that any new burdens are fully assessed and funded on an ongoing basis. Some examples include the impact of the national living wage, no recourse to public funds, automatic enrolment, lifting of the public sector pay cap, the ending of contracting out and the indexation and equalisation of guaranteed minimum pensions.

Whilst we welcome the transition grant awarded following our response to the 2016/17 provisional settlement, this represents non-recurring income for two years only. This funding recognised some of the issues that Bromley is facing. Given the fact that we will face further significant cuts in government funding over the next two years, despite the pressures set out in this letter, we are seeking a commitment that this grant will be extended in the 2018/19 and 2019/20 settlements. The methodology for applying reductions in SFA is subjective in reflecting the council tax base within the calculation. Given the higher proportion of cuts applied to Bromley compared with the average we would wish for some form of 'damping' protection to be applied.

Whilst we agree with the proposed methodology to adjust tariffs and top ups for the 2017 revaluation, we remain concerned about the impact of future appeals. The accuracy of the adjustment at individual local authority level could have a significant impact. Authorities whose appeals exceed this level over the life of the list will lose out resulting in a lower level of retained business rates income. There needs to be a mechanism in place to ensure that this is addressed. It is also critical that authorities continue to be compensated for the cost of any measures which provide or extend small business rate relief or discounts including any further cap on the multiplier.

With increasing demand for services, immense pressure on adult and children's social care costs, rising population levels, the significant impact of homelessness pressures and increasing inflation levels it is becoming increasingly difficult to sustain the scale of funding reductions imposed upon us. We are also facing funding reductions in other funding sources, such as TfL, which adds yet further pressure to our financial planning. We welcome Government's commitment to devolution but it is unlikely that retained business rate growth will meet ongoing increases in cost and demand pressures.

The current council tax system means that there is no flexibility for local authorities to ensure that the services important to our residents are adequately funded. To move towards becoming more self-sufficient, which is the right approach, we need to have complete flexibility in the use of our resources. As well as council tax levels, this also includes the removal of ring-fencing of government grants as well as freedom to generate income which can range from greater control of fees and charges to generating investment income to support key services.

We have previously responded to the Fair Funding Review: Call for evidence on Needs and Redistribution and look forward to contributing further towards the fair funding review which is a critical part of ensuring a long term and sustainable solution for local government funding.

It is critical that Government recognise the underfunding of existing services, provide additional resources and remove restrictions that prevent local authorities from raising or spending their own resources. Rising demand, increasing costs and reduced funding cannot be sustained and we would urge government to use the opportunity afforded by the fair funding review and 100% business rate retention to fundamentally review the long term funding of local government and ensure we have the flexibility in place to make the best use of our resources for our residents.

Bromley's response to the specific consultation questions is appended.

Yours sincerely



Peter Turner
Director of Finance



Consultation Questions

Question 1: Do you agree that the government should continue to maintain the certainty provided by the 4-year offer as set out in 2016-17 and accepted by more than 97% of local authorities?

Bromley welcomed the government's commitment to a multi-year settlement. The four-year offer supports the Council's medium term financial strategy and was accepted on the basis that it provided a minimum funding level and therefore more certainty about future resources. However, the benefit of the multi-year settlement reduces over time and we need some degree of certainty to support our financial strategy beyond 2019/20 on the basis of some form of minimum funding guarantee.

We are also unclear about how the four-year funding offer will be affected by the Fair Funding Review and the 100% localisation of business rates and await further clarification on these points.

There is some uncertainty around other grants outside of the system that may still be subject to further cuts over the funding period. It is crucial that grant allocations for 2018/19 are published alongside or before publication of the provisional settlement in December. We would like to see the multi-year settlement expanded to include additional funding streams and the removal of current ring-fencing which would offer much needed flexibility. However, the ability to raise council tax must not be a factor in the allocation of these grants to individual authorities. This approach penalises authorities like Bromley who, whilst having a large council tax base, have worked tirelessly to keep our council tax low.

There is also an ongoing need to ensure that any new burdens, or new responsibilities that pass to local authorities to support of the phasing out of some grants, are fully funded on an ongoing basis.

Question 2: Do you agree with the New Homes Bonus allocation mechanism set out above?

Bromley does not support the reforms to New Homes Bonus (NHB). The proposals implemented in 2017/18 and further proposed reforms from 2018/19 will reduce the period of payment from six years to four and set a threshold to reduce the number of eligible properties. We are disappointed that NHB funding is being cut a time of significant reductions in government funding and growing demand for services. Any reduction in this important funding stream, by whichever method it is achieved, provides lower rewards for housing development at a time of extreme pressure on housing supply. These reforms significantly reduce the incentive for growth and fail to recognise the additional ongoing costs associated with increased housing development.

We do not support the policy of reducing NHB payments based on successful appeals given the complexity of planning decisions.

This NHB reforms have the potential to unfairly disadvantage authorities such as Bromley with over 50% of our area being Green Belt or Metropolitan Open Land where development is inappropriate as set out in the NPPF, London Plan and the Council's local policies. In addition part of an Area of Outstanding Natural Beauty lies within the area, 44 conservation areas and Areas of Special Residential Character which constrains the density and scale on many cases of development.

Question 3: Do you agree that the approach should be based on data collected by the Planning Inspectorate? If you disagree, what other data could be used?

The technical consultation document does not provide sufficient information about how this will work and we would like further detail about the proposed methodology.

Question 4: Do you agree with the proposed appeal/challenge procedure for the dataset collated by Planning Inspectorate? If you disagree, what alternative procedure should be put in place?

This would appear to be a reasonable approach.

Question 5: Are there any alternative mechanisms that could be employed to reflect the quality of decision making on planning applications which should be put in place?

We do not agree with the principle of reducing NHB allocations based on appeals. Planning permission is not solely in the hands of local authorities and may involve statutory consultees or national agencies. The proposal, as it stands, would penalise all authorities and fails to recognise that not all local authorities have the same potential for continued housing growth (as set out in question 2 above). Although we are not in agreement with any reduction based on appeals, should this progress, an alternative approach would be to apply a reduction to those authorities with the highest proportion of allowed appeals.

Question 6: Which of the two mechanisms referenced above do you think would be more effective at ensuring the Bonus was focussed on those development that the local authority has approved?

The consultation document does not provide sufficient information to enable a response.

Question 7: Do you think that the same adjustment as elsewhere should apply in areas covered by National Park Authorities, the Broads Authority and development corporations?

Question 8: Do you think that county councils should be included in the calculation of any adjustments to the New Homes Bonus Calculations?

Bromley has no comment on questions 7 and 8.

Question 9: Do you have views on council tax referendum principles for 2018-19 for principal local authorities?

Bromley does not support the principle of capping council tax increases. Council tax levels should be determined locally and referendum principles should be removed.

Expenditure priorities, income generation and council tax levels are a matter for local decision making, not central control. In setting our annual budget, we face increasingly difficult decisions on service priorities and council tax levels and the balance between the two is a key consideration every year. It is important that we are given local flexibility to determine how our services are funded.

This view extends to the ASC Precept which, again, should be determined locally and should not be ring-fenced to fund adult social care. There are a number of services that are not sufficiently funded and this flexibility should be extended to fund other key pressure areas, for example children's social care. Whilst we welcome the introduction of the Precept, and the additional flexibility for a variable increase, the overall increase remains subject to a 6% cap between 2017/18 and 2019/20 whilst current inflation levels are 3% per annum (CPI).

Paragraph 4.1.1 of the consultation document states that Government aims to balance the need to keep council tax low with ensuring that councils and others such as fire and rescue authorities, police and crime commissioners and combined authority mayors can raise sufficient funds. Bromley has the 3rd lowest council tax in Outer London and we have achieved this, despite having a low level of government funding, by keeping costs low. Rather than restricting local decisions on council tax levels, financial incentives should be built into the system to reward efficient, low cost authorities like Bromley.

Question 10: Do you have views on whether additional flexibilities are required for particular categories of authority? What evidence is available to support this specific flexibility?

Question 11: What factors should be taken into account in determining an Alternative Notional Amount for Combined Authority mayors?

Question 12: Do you agree with the proposed approach to correcting the reduction in relevant county councils' income from the Adult Social Care precept?

Question 13: Do you have any comments on the impact of the proposals for the 2018-19 settlement outlined in this consultation document on persons who share a protected characteristic? Please provide evidence to support your comments.

Bromley has no comment on questions 10 to 13.

Report No.
FSD18014

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Executive Council

Date: Executive 7th February 2018
Council 26th February 2018

Decision Type: Non-Urgent Executive Key

Title: CAPITAL PROGRAMME MONITORING Q3 2017/18 & CAPITAL STRATEGY 2018 TO 2022

Contact Officer: James Mullender, Principal Accountant
Tel: 020 8313 4292 E-mail: James.mullender@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

This report summarises the current position on capital expenditure and receipts following the third quarter of 2017/18 and presents for approval the new capital schemes in the annual capital review process. With regard to the annual bidding process, the main focus has again been on the continuation of existing essential programmes and on externally funded schemes. The Executive is asked to approve a revised Capital Programme.

2. **RECOMMENDATION(S)**

2.1 **The Executive is requested to:**

- (a) **Note the report, including a total rephasing of £22.8m from 2017/18 into future years, and agree a revised Capital Programme;**
- (b) **Approve the following amendments to the Capital Programme:**
 - (i) **Reduction of £5,424k to Transport for London (TfL) funded Traffic and Highways schemes as detailed in para 3.3.1;**
 - (ii) **Deletion of the £45k residual balance on the Depot – standby generators scheme which has reached completion as detailed in para 3.3.2;**
 - (iii) **The increase of £4.1m to the Property Investment Fund scheme to reflect the funding from a recent disposal of property as detailed in para 3.3.3;**

- (iv) A total reduction of £222k to reflect the revised grant funding for the Formula Devolved Capital Grant relating to the Council's remaining maintained schools as detailed in para 3.3.4;
 - (v) A total reduction of £87k to reflect the lower associated cost on completed property purchases as detailed in 3.3.5;
 - (vi) Section 106 receipts from developers – increase of £15k in 2018/19 to reflect the funding received as detailed in para 3.3.6;
 - (vii) Note that the Market Reorganisation report elsewhere on the agenda will result in a decrease of £116k as detailed in para 3.3.7;
 - (viii) Note that the Scadbury Park report elsewhere on the agenda requests the addition of £155k to the Capital Programme as detailed in para 3.3.8; and
 - (ix) Note that potential capital bids totalling around £9.8m may be separately submitted during 2018/19 as detailed in para 3.5.8.
- (c) Recommend to Council:
- (i) The inclusion of the new scheme proposals listed in Appendix C in the Capital Programme (see section 3.5); and
 - (ii) The increase of £4.1m to the Property Investment Fund scheme to reflect the funding from a recent disposal of property as detailed in para 3.3.3.

2.2 Council is requested to:

- (d) Agree the inclusion of the new scheme proposals listed in Appendix C in the Capital Programme (see section 3.5); and
- (e) Agree the increase of £4.1m on Property Investment Fund scheme to reflect the funding from a recent disposal of property as detailed in para 3.3.3.

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. For each of our portfolios and service priorities, the Council reviews its main aims and outcomes through the AMP process and identify those that require the use of capital assets. The primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in "Building a Better Bromley".
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Estimated Cost: Total net increase of 616k over the 5 years 2017/18 to 2020/21, mainly due to the decrease in TfL funded schemes (Cr £5,424k), increase in the Property Investment Fund (£4,100k), and the schemes proposed in the 2017 annual review (£2,240k)
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: Total £166.8m over 4 years 2017/18 to 2020/21
 5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
-

Staff

1. Number of staff (current and additional): 1fte
 2. If from existing staff resources, number of staff hours: 36 hours per week
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 Capital Expenditure

3.1.1 This report sets out proposed changes to the Capital Programme following a detailed monitoring exercise carried out after the 3rd quarter of 2017/18 and also seeks approval to the new capital schemes in the 2017 annual capital review process. The report is divided into two distinct parts; the first (sections 3.3 and 3.4) looks at the Q3 monitoring exercise and the second (section 3.5) includes details of the proposed new schemes.

3.1.2 Appendix A sets out proposed changes to the Capital Programme. The base position is the revised programme approved by the Executive on 6th December 2017, as amended by variations approved at subsequent Executive meetings. If all the changes proposed in this report are approved, the total Capital Programme 2017/18 to 2021/22 would increase by £616k, mainly due to new capital bids for 2021/22 offset against reductions in the current capital programme. Estimated expenditure in 2017/18 will reduce by £23.0m due to the re-phasing of expenditure from 2017/18 into future years. Details of the monitoring variations are included in Appendices A and B, and the proposed revised programme, including the proposed new schemes, is summarised in the table below.

	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL 2017/18 to 2021/22
	£000	£000	£000	£000	£000	£000
Programme approved by Executive 06/12/17	74,666	50,221	20,527	20,819	0	166,233
Variation approved at subsequent Executive meetings (Appendix A)	Cr 37	646	0	0	0	609
Approved Programme prior to 3rd Quarter's Monitoring	74,629	50,867	20,527	20,819	0	166,842
Variations requiring the approval of the Executive (Appendix A)	Cr 223	2,389	Cr 1,990	Cr 1,800	0	Cr 1,624
Variations not requiring approval of Executive:						
Net rephasing from 2017/18 into future years	Cr 22,819	23,347	332	Cr 860	0	0
Total Qtr 3 Monitoring variations	Cr 23,042	25,736	Cr 1,658	Cr 2,660	0	Cr 1,624
New schemes (Appendix C)	0	0	0	0	2,240	2,240
Total Revised Capital Programme	51,587	76,603	18,869	18,159	2,240	167,458
Assumed Further Slippage (for financing purposes)	Cr 3,500	Cr 15,000	10,000	5,000	3,500	0
Assumed New Schemes (to be agreed)	0	0	9,000	3,500	3,500	16,000
	Cr 3,500	Cr 15,000	19,000	8,500	7,000	16,000
Total revised expenditure to be financed	48,087	61,603	37,869	26,659	9,240	183,458

3.2 Variation approved at subsequent Executive meetings

3.2.1 As detailed in Appendix A, a new scheme totalling £443k has been added to the Capital Programme for the upgrade of Microsoft Dynamics CRM system, as approved by the Executive on 10th January 2018.

3.2.2 At the same meeting, the Executive approved the addition of £166k to the Capital Programme for the addition of a scheme for the demolition of Banbury House and subsequent site preparation.

3.3 Variations requiring the approval of the Executive (£1,624k total net reduction)

3.3.1 Transport for London (TfL) – Revised support for Highways and Traffic Schemes (£5,424k net reduction)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2017/18 to 2020/21 on the basis of the bid in the Borough Spending Plan (BSP). Notification of an overall increase of £338k in the 2017/18 grant has been received from TfL. £362k was added in the second quarter monitoring, so a reduction of £24k in 2017/18 has been included for the third quarter.

In November 2017, TfL published their five-year business plan where TfL stated they are not in a position to offer as much LIPs corridor funding as was indicated in the 2018/19 Annual spending Submission Guidance. The reduction in funding has been applied to each borough based on the current LIP formula. At this current stage, the TfL funding for 2018/19 (excluding Major schemes) is expected to be approximately £2.2m, a reduction of £1.8m compared to the £4m budget in capital programme. This reduction will also impact on the TfL capital budget for 2019/20 and 2020/21. Members are requested agree the total reduction of £5,424k to the capital programme. Grant allocations from TfL change frequently and any further variations will be reported in subsequent capital monitoring reports.

3.3.2 Deletion of £45k residual balance – Depot Standby generators (£45k reduction in 2017/18)

The Depot Standby generators scheme has now completed. Following the completion of the two heavy duty mobile generators units which enables prompt reaction to electrical power loss with ease of connect to suitably modified power infrastructure points at Central Depot, final accounts have been taken. It is recommended that the residual budget of £45k on the Depot Standby generators scheme be deleted. A post completion report for this scheme was submitted to Environment PDS on 5th October 2017.

3.3.3 Property Investment Fund scheme to reflect the funding from a recent property disposal (£4,100k increase in 2018/19)

On 7th November 2017, Members agreed a report relating to the disposal of 72-76 High Street Bromley (Metro Bank), and agreed that the sale proceeds of £4.1m to be added the Investment Fund. The property disposal has now been completed and Members are asked to approve the increase of £4.1m to the Property Investment Fund capital scheme.

3.3.4 Formula Devolved Capital (£222k reduction)

The Formula Devolved Capital scheme is funded by a grant from the Department for Education, which is passed straight on to Council maintained schools. The overall grant has reduced as schools have converted to academy status, and Members are asked to agree a total reduction of £222k to reflect the level of revised funding.

3.3.5 Property Investment Fund scheme to reflect lower associated cost with completed acquisitions (£87k reduction in 2017/18)

Members are asked to approve a reduction of £87k in 2017/18 on the Property Investment Fund scheme due to lower than expected costs (mainly legal) associated with the completed acquisitions, of which £30k relates to 63 The Walnuts, and £57k Units C2 and C3, Southwood Summit, Farnborough.

3.3.6 Section 106 receipts from developers - increase of £15k in 2018/19 to reflect the funding received

In July 2015, the Executive agreed that the Capital Programme budget should reflect the total of Section 106 receipts available to fund expenditure. Members are asked to agree an increase of £15k in the Capital Programme budget for Section 106 in respect of additional receipts since the last report to match the total funding available.

3.3.7 Bromley High Street Improvements (£116k reduction in 2019/20)

As detailed in the Bromley Market Reorganisation Update report elsewhere on the agenda, Members are asked to note that there will be a reduction of £116k to the High Street Improvements scheme as a result of proposed changes to the arrangement of kiosks and pop-up stalls.

3.3.8 Scadbury Park Moated Manor (£155k addition to the capital programme)

Members are requested to note that the Scadbury Park Moated Manor report elsewhere on the agenda requests the addition of a £155k scheme to the Capital Programme for urgent repairs and stabilisation of brickwork at the Medieval Moated Manor within Scadbury Park Local Nature Reserve.

3.4 **Scheme Rephasings**

3.4.1 As part of the 3rd quarter monitoring exercise, a total of £22.8m has been re-phased from 2017/18 into 2018/19 to reflect revised estimates of when expenditure is likely to be incurred. The largest element of this is £8.9m relating to the Property Investment Fund Scheme. Other than the £2.5m land transaction element of a recently approved property acquisition (the remaining balance of which will take place in 2018/19), there are no further purchases currently expected for 2017/18.

3.4.2 In July 2015, the Executive agreed that the Capital Programme budget should reflect the total of Section 106 receipts available to fund expenditure Section 106. The unallocated balance totals £3,664k, of which, £773k relates to Education and £2,891k relates to Housing, and has been rephased into following financial year

3.4.3 Other schemes rephased into next financial year include Beckenham Town Centre Improvements (£1,602k), Social Care Grant (£1,450k), Site G (£1,305k), PCT LD Reprovision programme (£874k) and Early Education for Two Year Olds (£707k). This has no overall impact on the total approved estimate for the capital programme. Further details and comments are provided in Appendix B.

3.4.4 In view of the variations that have arisen in recent years, further slippage of £3.5m has been assumed for the remainder of 2017/18 for financing purposes to cover unforeseen delays to capital schemes.

3.5 **Capital Strategy and Annual Capital Review – new scheme proposals**

3.5.1 The Council's Capital Programme is intended to maintain and improve the quality of life in the borough and help meet its overall priorities as set out in "Building a Better Bromley", and with a four year plan, assists the longer-term planning for capital expenditure and the use of resources to finance it.

3.5.2 In recent years, the Council has steadily scaled down new capital expenditure plans and has transferred all of the rolling maintenance programmes to the revenue budget. General (un-earmarked) reserves, established from the disposal of housing stock and the Glades Site, have been gradually spent and have fallen from £131m in 1997 to £44.1m (including unapplied capital receipts) as at 31st March 2017. The Council's asset disposal programme has diminished, and as set out in section 3.7, it is currently projected that these balances will reduce to around £21m by 2025.

3.5.3 It is therefore likely that any significant future capital schemes not funded by grants/contributions, future disposals or from revenue, may have to be funded from external borrowing. Prior to any consideration of external borrowing, the Council will review its assets

to ensure all opportunities to generate capital receipts as alternative funding has been fully explored.

3.5.4 The Council's policy for borrowing and the investment of balances are set out in the Treasury Management Strategy Statement which will be considered by Executive and Resources PDS Committee on 1st February 2018, prior to submission for Council approval on 26th February 2018.

3.5.5 In addition to Treasury Management investments, the Council also has an alternative investment strategy for the acquisition of investment properties, and a revised set of criteria for these investments was approved by the Executive on 19th July 2017. To ensure that these investments are made prudently, and that the income generated remains sustainable, the Council has to date funded the property from its own resources rather than utilise any external borrowing.

3.5.6 This combination of lower risk Treasury Management investments and a separate longer-term investment strategy in the form of property acquisitions (generating higher yields and risks) provides a balanced investment strategy.

3.5.7 As part of the normal annual review of the Capital Programme, Chief Officers were invited to present bids for new capital investment. Other than the regular annual capital bids (TfL-funded Highway and Traffic schemes and Feasibility Studies) summarised in Appendix C, no additional bids were submitted. Other than the budget for feasibility studies (£40k) the bids in this report will not require funding from Council resources. Invest to Save bids were particularly encouraged, but none were received, and it is assumed that any such bids will be submitted in due course through the earmarked reserve that was created in 2011.

3.5.8 In addition to the bids above, Members are requested to note that there may be bids submitted during the year for the following potential schemes:

- Replacement IT system for Adult Social Care (circa £2.5m)
- Extension to the Upgrade of Core Network Hardware scheme (circa £0.5m)
- Depot Improvements (circa £5.8m)

3.5.9 The first two schemes listed above will be dependent upon the IT Strategy that is currently in development, and the depots scheme is linked to the Environmental Services commissioning programme that was reported to Executive on 6th December 2017, and could result in potentially significant capital receipts. All schemes will be subject to separate reports to the Executive and, where relevant (if over £1m), to full Council. These reports will include detailed costings, as well as the business case for the proposals.

3.6 Capital Receipts

3.6.1 Details of the receipts forecast in the years 2017/18 to 2020/21 are included in Appendix F to this report to be considered under part 2 proceedings of the meeting. The latest estimate for 2017/18 has increased to £8.6m from £8.0m reported in December (excluding "other" capital receipts). The estimate for 2018/19 is £16.2m, a £0.3m increase compared to that reported in December. The estimate for 2019/20 is unchanged at £5.7m, and the estimate for 2020/21 is £27.1m, compared to the £18.1m from reported in December. A total of £1m per annum is assumed for receipts yet to be identified in later years, and £10m in 2020/21, linked to the potential Depot Improvements scheme referred to in para 3.5.8 above. These projections, as detailed in Appendix F, reflect prudent assumptions for capital receipts, and do not include estimated disposal receipts from the review being undertaken by Cushman and Wakefield.

3.7 Financing of the Capital Programme

3.7.1 A capital financing statement is attached at Appendix D and the following table summarises the estimated impact on balances of the revised programme and revised capital receipt projections which, as noted above, reflect prudent assumptions on the level and timing of disposals. Total balances would reduce from £44.1m (General Fund £20.0m and capital receipts £24.1m) at the end of 2016/17 to £10.4m by the end of 2019/20 and increase back to £21.4m by the end of 2024/25.

	Balance 01/04/17	Estimated Balance 31/03/20	Estimated Balance 31/03/25
	£m	£m	£m
General Fund	20.0	10.4	8.8
Capital Receipts	24.1	0.0	12.6
	44.1	10.4	21.4

3.7.2 A summary of how the capital programme will be financed is shown in the table below with further detail provided in Appendix D.

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	Total £'000
Total Capital Expenditure	52,990	48,087	61,603	37,869	26,659	227,208
Financed by:						
Usable Receipts	9,880	15,634	18,179	23,463	23,402	90,558
Revenue Contributions	26,598	3,044	4,382	1,432	100	35,556
Government Grants	9,913	18,721	27,009	961	865	57,469
Other Contributions	6,599	10,688	12,033	2,700	2,292	34,312
General Fund	0	0	0	9,313	0	9,313
Total	52,990	48,087	61,603	37,869	26,659	227,208

3.8 Section 106 Receipts

3.8.1 In addition to capital receipts from asset disposals, the Council is holding a number of Section 106 contributions received from developers. These are made to the Council as a result of the granting of planning permission and are restricted to being spent on capital works in accordance with the terms of agreements reached between the Council and the developers. These receipts are held as a receipt in advance on the Council's Balance Sheet, the balance of which stands at £5,714k as at 31st December 2017 as shown in the table below, and will be used to finance capital expenditure from 2017/18 onwards:

Specified capital works	Balance 31/03/2017	Receipts 2017/18	Expenditure 2017/18	Balance 31/12/2017
	£'000	£'000	£'000	£'000
Housing	4,911	40	1,854	3,097
Education	2,890	788	1,143	2,535
Local Economy	97	239	336	0
Community Facilities	-	86	86	0
Highways	82	-	-	82
Total	7,980	1,153	3,419	5,714

3.8.2 The Council's budgets are limited and, where a developer contribution (S106) can be secured, this will be required as a contribution towards projects, notwithstanding any other allocation of resources contained in the Council's spending plans.

3.9 Investment Fund and Growth Fund

3.9.1 To help support the achievement of sustainable savings and income, the Council has set aside funding in the Investment Fund and Growth Fund earmarked reserves to contribute towards the Council's economic development and investment opportunities. To date, total funding of £139.1m has been placed in the Investment Fund and Growth Fund earmarked reserves to contribute towards the Council's economic development and investment opportunities.

3.9.2 Appendix E provides a detailed analysis of the Funds dating back to their inception in September 2011. To date schemes totalling £122.8m have been approved (£94.1m on the Investment Fund, and £28.6m on the Growth Fund), and the uncommitted balances as at end of December 2017 stand at £8.1m for the Investment Fund and £8.3m for the Growth Fund.

3.10 Feasibility Works – Property Disposals

3.10.1 At its meeting on 24th May 2017, Executive agreed to the creation of a new Earmarked Reserve with an initial allocation of £250k to be funded from the Growth Fund to allow feasibility works to be commissioned against specific sites so as to inform the Executive of sites' viability for disposal or re-development and potential scheme optimisation together with an appraisal as to worth.

3.10.2 Members requested that an update from Strategic Property be included in quarterly capital monitoring report, this is provided in Appendix G.

3.11 Post-Completion Reports

3.11.1 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. Post-completion reports on the following schemes are due to be submitted to the relevant PDS Committees:

- Office Accommodation Strategy (North Block and St Blaise)
- Digital Print Strategy
- SEELS street lighting project

4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring and review is part of the planning and review process for all services.

5. FINANCIAL IMPLICATIONS

5.1 These are contained in the main body of the report and in the appendices. Attached as Appendix D is a capital financing statement, which gives a long-term indication of how the revised Programme would be financed if all the proposed changes were approved and if all the planned receipts were achieved. The financing projections assume approval of the revised capital programme recommended in this report, together with an estimated £3.5m per annum for new capital schemes and service developments from 2020/21 onwards.

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	<p>Approved Capital Programme (Executive 06/12/17)</p> <p>Treasury Management – Annual Investment Strategy 2018/19 (Executive and Resources PDS Committee 01/02/18)</p> <p>New Property Investment Criteria (Executive 19/07/17)</p> <p>Environment Services Commissioning Programme Update (Executive 06/12/17).</p> <p>List of potential capital receipts from Strategic Property as at 22/01/18.</p> <p>List of feasibility works for property disposal from Strategic Property as at 24/01/18.</p>

APPENDIX A - VARIATION SUMMARY

CAPITAL PROGRAMME MONITORING - FEB 2018 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME

Variations on individual schemes	Date of Portfolio meeting	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL	Comments/reason for variation
		£'000	£'000	£'000	£'000	£'000	2017/18 to 2021/22 £'000	
Current Approved Capital Programme								
Programme approved in Qtr2 monitoring	Exec 06/12/17	74,666	50,221	20,527	20,819	0	166,233	
Review of Corporate Customer Service IT systems	Exec 10/01/18	Cr 37	480	0	0	0	443	£37k funded from reduction to existing scheme
Banbury House demolition/site preparation	Exec 10/01/18	0	166	0	0	0	166	
Approved Programme prior to 3rd Quarter's Monitoring		74,629	50,867	20,527	20,819	0	166,842	
Variations in the estimated cost of approved schemes								
<i>(i) Variations requiring the approval of the Executive/Council</i>								
Decrease in TFL funding for Highways & Traffic schemes		Cr 24	Cr 1,800	Cr 1,800	Cr 1,800	0	Cr 5,424	See paragraph 3.3.1
Depot Standby generators		Cr 45	0	0	0	0	Cr 45	See paragraph 3.3.2
Increase in Property Investment Fund from a recent property disposal		0	4,100	0	0	0	4,100	See paragraph 3.3.3
Reduction in Formula Devolved Capital		Cr 74	Cr 74	74	0	0	Cr 222	See paragraph 3.3.4
Reduction in Property Investment Fund due to lower associated cost		Cr 87	0	0	0	0	Cr 87	See paragraph 3.3.5
Section 106 receipts from developers		0	15	0	0	0	15	See paragraph 3.3.6
Bromley High Street Improvements - reduction re Markets		0	0	Cr 116	0	0	Cr 116	See paragraph 3.3.7
Scadbury Park Moated Manor		7	148	0	0	0	155	See paragraph 3.3.8
(ii) Variations not requiring approval		Cr 223	2,389	Cr 1,990	Cr 1,800	0	Cr 1,624	
Net rephasing from 2017/18 into future years		Cr 22,819	23,347	332	Cr 860	0	0	See section 3.4 and Appendix B
		Cr 22,819	23,347	332	Cr 860	0	0	
TOTAL AMENDMENT TO CAPITAL PROGRAMME		Cr 23,042	25,736	Cr 1,658	Cr 2,660	0	Cr 1,624	
Add: Proposed new schemes (see Appendix C)		0	0	0	0	2,240	2,240	See section 3.5
TOTAL REVISED CAPITAL PROGRAMME		51,587	76,603	18,869	18,159	2,240	167,458	
Less: Further slippage projection		Cr 3,500	Cr 15,000	10,000	5,000	3,500	0	
Add: Estimate for further new schemes				9,000	3,500	3,500	16,000	
TOTAL TO BE FINANCED		48,087	61,603	37,869	26,659	9,240	183,458	

CAPITAL PROGRAMME MONITORING - FEB 2018 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME - SCHEME REPHASING

Variations on individual schemes	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	TOTAL £'000	Comments/reason for variation
Rephasing of schemes						
Star Lane Traveller Site	Cr 192	192	0	0	0	The work is to replace much of the water supply to meet minimum regulatory standards. The project was assigned to Amey to implement and project manage. The final specification for works was completed during quarter 2 FY17/18. Work has now commenced for the trenching on site and this is due to be completed early in the new year. Internal pipework is currently being tendered with an anticipated on-site start for March 2018. The completion date is anticipated at end of quarter 1 2018/19. £192k has been rephased into FY18/19.
Civic Centre Development Strategy	Cr 360	360	0	0	0	The feasibility review of whether the Old Town Hall could be utilised as part of the Civic Centre Development Strategy was reported to Executive in December 2017 and indicated that the site would be unsuitable. As a result, further work for the Development Strategy of the Civic Centre has been identified which will require further appraisal (estimated to cost £40-45k). The remainder of the budget £360k has been rephased into next financial year as further expenditure is unlikely to take place in 17/18.
S106 - Education (unallocated)	Cr 773	773	0	0	0	Total unallocated S106 funding for Education. £773k has been rephased into FY18/19
Payment in Lieu Fund (unallocated)	Cr 2,891	2,891	0	0	0	Total unallocated S106 funding for Housing. £2,891k has been rephased into FY18/19.
Upgrade of Core Network Hardware	Cr 50	50	0	0	0	The additional hardware has been purchased and is being configured to meet the needs of London Public Service Network. Direct access, Citrix and reverse proxy application servers. No further orders are expected in FY17/18. £50k has been rephased into FY18/19.
Replacement of Storage Area Networks	Cr 500	500	0	0	0	The major SAN replacement project is almost complete. The project is at final decommissioning stage where disks are destroyed and data are transferred to new ones. Works are still continuing, however it is likely to fall into next financial year. £500k has been rephased into FY18/19.
Rollout of Windows 7 and Office 2000	Cr 75	75	0	0	0	The project is almost complete apart from some of the XP machines that Officers are struggling to replace due to the software installed on those machines. The issue is with the Service to resolve with their 3rd party due to the specific nature of the software. Microsoft audit recently undertaken to ensure compliance. Work is still ongoing around licensing issues. £75k has been rephased to FY 18/19.
Replacement of MD110 telephone switch	Cr 188	188	0	0	0	The bulk of the works (including MD110, Lync and call recording) are completed. The move to the new provider (Virgin) are completed. Awaiting for final confirmation that the project is completed and can be closed. Final costings to be finalised but residual balance will need to cover final invoices which is expected late Spring. £188k has been rephased into FY18/19.
SharePoint Productivity Platform upgrade/replacement	Cr 150	150	0	0	0	Officers are now taking a tactical solution where the project will move to SharePoint 2010 from 2007 version, before finally moving to the new platform of Office 365. This is an ongoing project which is gaining momentum. £150k has been rephased to FY 18/19.
Windows Server 2003 replacement program	Cr 150	150	0	0	0	Approved by Executive 11/02/15. This scheme is linked with various other schemes including Replacement of Storage Area Networks and Upgrade of Core Network Hardware. There were some delays due to compatibility of systems to be upgraded. The project is in the process of updating / replacing around 230 servers with approximately less than 10 remaining. These servers support CRM and SharePoint systems which is in the process of being migrated. There is possibly a few more items of hardware to purchase until the project is completed. The project is still ongoing and anticipated to be completed by late Spring/early Summer. £150k has been rephased to FY 18/19.
Seed Challenge Fund	Cr 400	400	0	0	0	£100k additional from DfE as reported in Executive 18/05/16. Works are managed by Schools. £400k has been rephased into FY18/19. Officers are looking at expanding number of places of hygiene room in schools. Works at Charles Darwin and Valley schools have completed. Works at Balgowan, and Crofton are expected to be completed by Spring'18. Works at Tubbenden is about to commence. As part of the savings required to balance the 16/17 Schools Budget (DSG), the Direct Revenue Financing for Schools Access Initiative has been ceased. (Executive 20/07/16). £200k has been rephased into FY18/19 for costs including sound field systems which is anticipated to be installed next financial year.
Schools Access Initiative	Cr 200	200	0	0	0	Ad hoc security works for schools. Works at Beacon Academy (Fencing & Maglock), Oakland, Worsley Bridge, Churchfield, and Redhill are completed. £125k has been rephased into FY18/19 for potential future works.
Security Works	Cr 125	125	0	0	0	£458k additional allocation from DfE as report in Executive 18/05/16. Works are managed by Operational Property (Amey). There have been delays with work and discussions are still ongoing. £500k has been rephased into FY18/19.
Capital maintenance in schools	Cr 500	500	0	0	0	Works are managed by Operational Property. Officers anticipate that the works will be completed soon. Retention cost are expected. £50k has been rephased into FY18/19 for any unforeseen premises issues and planned improvements
Children and Family Centres	Cr 50	50	0	0	0	The new nursery facility at Poverest will be located in the upper part of much larger works being built on the school site. Although work has commenced on site, the upper site containing the nursery cannot be developed until the lower works have been completed, which will not be until March 2018. The nursery unit will form part of the costs for the upper site and this is expected to take place in the 2018/19 financial year. Project expected completion date remains December 2018.
Early Education for Two Year Olds	Cr 707	707	0	0	0	The Development Agreement with the preferred development partner and the Compulsory Purchase Strategy for the site was agreed in December 2017. No further purchases are expected to take place during 2017/18 so the balance of £1,305k has been rephased into 2018/19.
Site G	Cr 1,305	1,305	0	0	0	Final design and implementation costs funded by TfL. The first two phases of works are almost complete (Eastern side of the High Street, between Albermarle Road and Manor Road) and the expected completion of the programme of improvements is November 2018.
Beckenham Town Centre improvements	Cr 1,602	1,602	0	0	0	

APPENDIX B - REPHASING

Penge Town Centre	Cr 269	269	0	0	0	<p>The New Homes Bonus funded project consisting of public realm improvements, Shopfront improvements, Business Support, and Wayfinding. The scheme is to be implemented alongside planned TIL bus route and carriageway improvements. The scheme commenced implementation in November 2017 and is expected to be completed by September 2018.</p>
Orpington Town Centre - Walnut Centre & New Market infrastructure	Cr 308	308	0	0	0	<p>High Street Fund and New Homes Bonus funded project to enhance the pedestrian experience of the prime shopping areas to increase footfall. This includes paving, lighting, treatment for trees, new street furniture, and new market infrastructure. Berkeley Homes have made a further payment of £163k of Section 106 contributions towards the Walnuts Public Realm Improvement project. This constitutes two of the three remaining stages of payment, leaving a final outstanding balance of £81k which will be paid on the occupation of the 42nd unit of the development which is expected in May 2018.</p>
Bromley High Street Improvements	Cr 424	952	332 Cr	860	0	<p>A total of £3.564m funded from Growth Fund was approved by Executive 22/03/17. The programme of improvements to the public realm of Bromley High Street is a continuation of the Bromley North Village scheme which aims to enhance the pedestrian experience of the prime shopping areas to increase footfall in the town centre. Works commenced in August 2017 with an expected completion of Phase 1 by end November 2017.</p>
PCT Learning Disability re-provision programme - Walpole Road	Cr 874	874	0	0	0	<p>The Department for Health capital is for uses associated with the re-provision of NHS Campus clients to the community, and projects relating to the closure of the Bassetts site. Approximately £850k has been identified for alternative day service provision following the closure of the Bassetts Day Centre. LD Day activities have been market tested and have now been transferred to an external provider tasked with the running and modernisation of services. The new provider is now progressing service modernisation which may require an element of capital investment. Proposals are now being drawn up with any resulting capital expenditure now expected to start in 18/19. It should be noted that the NHS are entitled to request the return of any remaining capital sum.</p>
Social Care Grant	Cr 1,450	1,450	0	0	0	<p>This funding is made available to support reform of adult social care services. To date, these have been funded by the Council. As the new legislation for adult social care becomes clearer it is likely that this funding will be used to support the changes required. For example previously the funding has been used for works to Council owned learning disability properties and for investment in older people day opportunity services. It is unlikely that much further spend will occur during 17/18, so the majority of the balance has been rephased to 18/19.</p>
Mental Health Grant	Cr 326	326	0	0	0	
Property Investment Fund	Cr 8,938	8,938	0	0	0	<p>Other than the £2.5m land transaction element of a recently approved property acquisition (the remaining balance of which will take place in 2018/19), there are no further purchases expected for 2017/18, so the balance of £8.9m has been rephased into 2018/19.</p>
30 hours Funded Childcare IT solutions	Cr 12	12	0	0	0	<p>Some initial development work is expected to have been carried out by March 2018, but the majority of the work will be during 2018/19.</p>
TOTAL REPHASING ADJUSTMENTS	Cr 22,819	23,347	332 Cr	860	0	

APPENDIX C - NEW SCHEMES

CAPITAL PROGRAMME REVIEW 2017 - RECOMMENDED TO EXECUTIVE 07/02/18

Capital Scheme/Project	Priority	TOTAL £'000	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	Revenue effect		Financing £'000	Comments
							Running £'000	0		
Transport for London (Highways and Traffic Schemes)	HIGH	2,200				2,200	0	0	0	Further Highways and Traffic schemes to be fully funded by TfL on the basis of the bid in the Borough Spending Plan (BSP). The Capital Programme currently includes estimates for 2017/18 to 2020/21 and these will all be adjusted to reflect any subsequent changes in approvals/allocations.
Feasibility studies - block provisions	HIGH	40				40	0	0	0	Provision for 17/18 - 20/21 already in Capital Programme to fund feasibility works in respect of potential new schemes.
GRAND TOTAL NEW CAPITAL BIDS		2,240	0	0	0	2,240	0	0	0	

COST TO THE COUNCIL (LBB RESOURCES)	18/19		19/20		20/21		21/22		TOTAL	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Grand total new bids above	0	0	0	0	0	0	2,240	2,240	0	2,240
External funding for new bids										
Transport for London (Highway Schemes)	0	0	0	0	0	0	Cr 2,200	Cr 2,200	0	40
Funding from Council's resources	0	0	0	0	0	0	40	40	40	40

100% TFL funding

APPENDIX D - FINANCING

CAPITAL FINANCING STATEMENT - EXECUTIVE 07/02/18 - ALL RECEIPTS

(NB. Assumes all capital receipts - see below)

	2016-17		2017-18		2018-19		2019-20		2020-21		2021-22		2022-23		2023-24		2024-25		
	Estimate	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Summary Financing Statement																			
Capital Grants	8,935	9,913	18,721	27,009	961	865	0	0	0	0	0	0	0	0	0	0	0	0	0
Other external contributions	12,515	6,599	10,688	12,033	2,700	2,292	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Usable Capital Receipts	7,502	9,880	15,634	18,179	23,463	23,402	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291
Revenue Contributions	27,452	26,598	3,044	4,382	1,432	100	100	100	100	100	100	100	100	100	100	100	100	100	100
General Fund	0	0	0	0	9,313	0	0	0	0	0	1,649	0	0	0	0	0	0	0	0
Borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total expenditure	56,404	52,990	48,087	61,603	37,869	26,659	9,240	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Usable Capital Receipts																			
Balance brought forward	29,582	29,582	24,108	17,117	15,183	0	3,684	0	0	0	3,684	0	0	0	0	0	0	0	0
New usable receipts	8,198	4,406	8,643	16,245	8,280	27,086	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607
Capital Financing	37,780	33,988	32,751	33,362	23,463	27,086	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,291
	Cr 7,502	Cr 9,880	Cr 15,634	Cr 18,179	Cr 23,463	Cr 23,402	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291	Cr 5,291
Balance carried forward	30,278	24,108	17,117	15,183	0	3,684	0	5,598	8,387	12,593	8,387	8,387	8,387	8,387	8,387	8,387	8,387	8,387	8,387
General Fund																			
Balance brought forward	20,000	20,000	20,000	19,729	19,729	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416
Less: Capital Financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Use for Revenue Budget	Cr 5,369	0	Cr 271	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance carried forward	14,631	20,000	19,729	19,729	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416
TOTAL AVAILABLE RESERVES	44,909	44,108	36,846	34,912	10,416	14,100	8,767	14,365	17,154	21,360	17,154	17,154	17,154	17,154	17,154	17,154	17,154	17,154	17,154

Assumptions:

New capital schemes - £3.5m p.a. from 2020/21 for future new schemes.

Capital receipts - includes figures reported by Property Division as at 22/01/18 (including Tweedy Road & Town Hall) and £1m pa from 2018/19.

Current approved programme - as recommended to Executive 07/02/18

APPENDIX E - INVESTMENT FUND GROWTH FUND

INVESTMENT FUND & GROWTH FUND - 31st December 2017

<u>Investment Fund</u>	£'000
Revenue Funding:	
Approved by Executive 7th September 2011	10,000
Approved by Council 27th February 2013	16,320
Approved by Council 1st July 2013	20,978
Approved by Executive 10th June 2014	13,792
Approved by Executive 15th October 2014	90
Approved by Executive 26th November 2014 (Transfer to Growth Fund)	Cr 10,000
New Home Bonus (2014/15)	5,040
Approved by Executive 11th February 2015 (New Homes Bonus)	4,400
Approved by Executive 10th June 2015	10,165
Approved by Executive 2nd December 2015 (New Homes Bonus)	141
Approved by Executive 10th Feb 2016 (New Homes Bonus)	7,482
Approved by Executive 6th December 2017	3,500
	81,908
Capital Funding*:	
Approved by Executive 11th February 2015 (general capital receipts)	15,000
Approved by Executive 10th February 2016 (sale of Egerton Lodge)	1,216
Approved by Executive 7th November 2017 (Disposal of 72-76 High Street)	4,100
	20,316
Total Funding Approved:	102,224
Property Purchase	
Approved by Executive 7th September 2011 (95 High St)	Cr 1,620
Approved by Executive 6th December 2012 (98 High St)	Cr 2,167
Approved by Executive 5th June 2013 (72-76 High St)	Cr 2,888
Approved by Executive 12th June 2013 (104 - 108 High St)	Cr 3,150
Approved by Executive 12th February 2014 (147 - 153 High St)	Cr 18,755
Approved by Executive 19th December 2014 (27 Homesdale)	Cr 3,938
Approved by Executive 24th March 2015 (Morrisons)	Cr 8,672
Approved by Executive 15th July 2015 (Old Christchurch)	Cr 5,362
Approved by Executive 15th July 2015 (Tilgate)	Cr 6,746
Approved by Executive 15th December 2015 (Newbury House)	Cr 3,307
Approved by Executive 15th December 2015 (Unit G - Hubert Road)	Cr 6,038
Approved by Executive 23th March 2016 (British Gas Training Centre, Thatcham)	Cr 3,666
Approved by Executive 15th June 2016 (C2 and C3)	Cr 6,394
Approved by Executive 14th March 2017 (Trinity House)	Cr 6,236
Approved by Executive 1st December 2017 (54 Bridge Street, Peterborough)	Cr 3,930
Approved by Executive 6th December 2017 (Sicame London Medway)	Cr 8,614
	Cr 91,483
Other Schemes	
Approved by Executive 20th November 2013 (Queens's Garden)	Cr 990
Approved by Executive 15th January 2014 (Bromley BID Project)	Cr 110
Approved by Executive 26th November 2014 (BCT Development Strategy)	Cr 135
Approved by Executive 2nd December 2015 (Bromley Centre Town)	Cr 270
Approved by Executive 15th June 2016 (Glades Shopping Centre)	Cr 400
Approved by Executive 11th January 2017 (Disposal of Small Halls site, York Rise)	Cr 46
Valuation for 1 Westmoreland Rd	Cr 5
Valuation for Biggin Hill - West Camp	Cr 10
Growth Fund Study	Cr 170
Crystal Park Development work	Cr 200
Civic Centre for the future	Cr 50
Strategic Property cost	Cr 258
Total further spending approvals	Cr 2,644
Uncommitted Balance on Investment Fund	8,097
*Executive have approved the use of specific and general capital receipts to supplement the Investment Fund	
Growth Fund:	
£'000	
Funding:	
Approved by Executive 26th November 2014 (Transfer from Investment Fund)	10,000
Approved by Executive 2nd December 2015	6,500
Approved by Executive 23rd March 2016	6,000
Approved by Executive 15th June 2016	7,024
Approved by Executive 22nd March 2017	4,000
Approved by Executive 14th June 2017	3,311
Total funding approved	36,835
Schemes Approved and Committed	
Approved by Executive 24th March 2015 (Housing Zone Bid (Site G))	Cr 2,700
Approved by Executive 24th March 2015 ((Site G) - Specialist)	Cr 200
Approved by Executive 18th May 2016 (Feasibility Studies and Strategic Employment Review)	Cr 180
Approved by Executive 18th May 2016 (Broadband Infrastructure Investment)	Cr 50
Approved by Executive 20th Jul 2016 (BID - Penge & Beckenham)	Cr 110
Approved by Executive 1st Nov 2016 (19-25 Market Square)	Cr 10,705
Approved by Executive 1st Nov 2016 (63 Walnuts)	Cr 3,804
Approved by Executive 22nd March 2017 (Bromley Town Centre Public Realm Improvement Scheme)	Cr 2,844
Approved by Executive 7th November 2017 (Bromley Town Centre and Public Realm)	Cr 580
Approved by Executive 22nd March 2017 (Project Officer cost Bromley Town Centre Public Realm improv	Cr 40
Approved by Executive 22nd March 2017 (Community Initiative)	Cr 15
Approved by Executive 24th May 2017 (Feasibility Works/Property Disposal)	Cr 250
Renewal Team Cost	Cr 310
Total further spending approvals	Cr 21,788
Schemes Approved, but not committed	
Approved by Executive 26th November 2014 (for Biggin Hill and Cray Valley)	Cr 6,790
Uncommitted Balance on Growth Fund	8,257

APPENDIX G - FEASIBILITY WORKS

CAPITAL PROGRAMME MONITORING - FEB 2018

Location	Estimated Feasibility / Viability Cost (£'000)	Description	January 2018 Status
West Wickham Leisure Centre	35	To fund study to deliver optimal new leisure facilities based on market evidence as to rents from third party operators' together with residential development to generate a capital receipt to fund the cost of re-provision of facilities.	Initial works commenced. Architects instructed. Report to RR PDS due 27 March and Executive in April.
The Glades Department Store	49	To fund work to progress the business case for the development of a new Department Store at the Glades Shopping Centre utilising the Council's interests at Market Square so as to improve footfall and therefore improve the asset value and return on income derived from the Council's ownership of The Glades.	C&W undertaking discussions with Glades Managing Agents - all parties continuing discussions.
The Walnuts Centre	33	To fund work to progress the business case for the development at the Walnuts utilising the Council's interests at and around the Walnut's Centre including the Leisure Centre so as to provide larger retail opportunities and improve footfall and therefore improve the asset value and return on income derived from the Council's ownership of The Walnuts.	Works to clarify a clear brief continue. Intention to market test for a Property Advisor - anticipated in Autumn 2018.
Old Town Hall/Civic Centre	44	To fund a review of the Council's accommodation strategy at the Civic Centre based on the addition of the former Town Hall becoming available as part of the Council's property portfolio and how that asset could be utilised as a Democratic Centre and associated offices/meeting space.	C&W undertaken review and provided advice - to be invoiced in January.
Depots Review - Disposal Options	45	To fund disposal viability studies as to density and permitted development together with initial planning briefs so as to be in a position to take to market as an outcome of the Depot review.	C&W undertaken review and provided advice - to be invoiced in January.
Biggin Hill Aviation College - Alternative	20	To fund potential alternative site viability studies for Biggin Hill should the Council decide not to pursue Area 1 purchase for an Aviation College/Enterprise Zone.	C&W undertaken valuation advice in respect of potential land acquisition/ provided advice - to be invoiced in January.
Libraries (Chislehurst model roll out)	18	To fund the investigation of viability of renewing other library facilities by redeveloping their sites and using the capital receipt proceeds to develop replacement facilities within said schemes.	Not actioned as yet - due to Dev Agreement not yet entered into.
Lease standardisation	6	To fund legal work to create standard T&C's to Portfolio	Under review.
TOTAL	250		

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Report No.
FSD18015

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: Wednesday 7 February 2018

Decision Type: Non-Urgent Executive Non-Key

Title: **LOCALLY ADMINISTERED BUSINESS RATES RELIEF SCHEME**

Contact Officer: John Nightingale, Head of Revenues and Benefits
Tel: 020 8313 4858 E-mail: john.nightingale@bromley.gov.uk

Chief Officer: Director of Finance

Ward: (All Wards);

1. Reason for report

- 1.1 This report advises of the potential government grant not yet utilised and requests an enhancement be made to the scheme. Following which that the Director of Finance be provided with delegated authority to authorise further changes to ensure that the government funding is fully utilised to support local businesses.

2. **RECOMMENDATION(S)**

- 2.1 **The previously adopted scheme for 2017/18 be enhanced to provide eligible businesses with 50% of their net business rates increase.**
- 2.2 **The scheme in respect of future years to be enhanced to ensure full utilisation of Government funding. Decision on the level of support to be made once accurate levels of projected expenditure can be determined.**
- 2.3 **Further to 2.1 and 2.2 , that the Director of Finance be granted delegated authority in consultation with the Director of Corporate Services and Resources Portfolio holder, to vary the scheme further in order to maximise the use of Government funding.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not applicable
-

Corporate Policy

1. Policy Status: New Policy:
 2. BBB Priority: Vibrant, Thriving Town Centres:
-

Financial

1. Cost of proposal: £52k
 2. Ongoing costs: £16.6k in 2017/18 and £11.8k for the three years from 2018/19
 3. Budget head/performance centre: Exchequer - Revenues
 4. Total current budget for this head: £3.956m
 5. Source of funding: 2017/18
-

Personnel

1. Number of staff (current and additional): 2 plus Liberata staff
 2. If from existing staff resources, number of staff hours: Not applicable
-

Legal

1. Legal Requirement: Statutory Requirement:

Local Government Act 1988
Local Government Act 2003

2. Call-in: Applicable:
-

Procurement

1. Summary of Procurement Implications: Not applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 2,600 businesses
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not applicable

3. COMMENTARY

Background

- 3.1 At the 19 July 2017 meeting of the Executive it was agreed to adopt a scheme designed to mirror the criteria used by the DCLG when allocating the overall budget between Local Authorities. The main elements of the scheme being:
- Relief limited to properties having a Rateable Value of under £200k
 - Business/ Property has suffered a loss (pre Transitional Relief) of more than 12.5%
 - There has been an increase in Business Rates liability after all other reliefs applied
 - Business was barred from receiving assistance as a result of State Aid regulations
 - Assistance would not be given to LBB properties, properties held by the Official Receiver and properties whilst empty.
- 3.2 For 2017/18 Bromley was allocated funding of £1.4m (amount retained by Bromley is £422k). Based on the figures it was calculated that relief at 25% of the net increase for 2017/18 could be granted.
- 3.3 It was estimated that 2,600 businesses could receive assistance.
- 3.4 Initial legal advice was that conformation should be obtained from businesses that they qualified under State Aid rules before any assistance was given.

Current Position

- 3.5 The response to Council letters seeking confirmation as to a business's State Aid position was very poor and reminder letters were issued. Whilst this provoked further replies the response rate remained disappointing.
- 3.6 The DCLG issued a letter on the 17 November 2018 indicating that other LA's were experiencing difficulty in allocating funds and suggested that authorities consider auto awarding where applications/confirmation had previously been sought.
- 3.7 Following further legal advice it was decided to auto award those with a potential entitlement of less than £2k. This is currently being undertaken, with a letter being sent to the businesses asking that they contact the Council should they not qualify under State Aid Rules. For those businesses with a potential entitlement of over £2k attempts will be made to contact them by phone or email.
- 3.8 After auto awarding entitlement is complete, just over half of the Government funding will remain unallocated. It has been reported that many authorities are experiencing significantly lower expenditure from their initial adopted schemes. The scheme was drafted to ensure expenditure remained within the Government funding provided in the knowledge that revision might be required later in the year. However, expenditure has been lower than expected mainly as a result of the following:

- Empty properties, therefore relief not payable
- Lack of Applications for the Discretionary fund
- Other reliefs being granted
- Businesses not qualifying under State Aid rules
- Subsequent RV reduction

The other authorities that have experienced lower than expected expenditure are in the process of enhancing their schemes.

4. POLICY IMPLICATIONS

- 4.1 The DCLG has been requested to consider carrying forward any unused grant which would provide a better distribution of support over 2017/18 to 2020/2. To date, the DCLG has not allowed any carry forward of funding on that basis the unused grant would need to be returned to the Government.
- 4.2 As Members have previously endorsed a commitment to fully utilise the grant. The Executive are requested to approve the enhancement of the scheme by increasing the level of assistance provided to those eligible under the adopted scheme. For 2017/18 it is proposed to increase the grant from 25% to 50% of the net increase.
- 4.3. In respect of future years, the Executive also requested to approve the enhancement of the scheme by increasing the level of assistance available to eligible businesses. The level of increase to be determined once an accurate estimate can be made of expenditure.
- 4.4 Further to paragraphs 4.2 and 4.3, it is requested that the Director of Finance be granted delegated authority, in consultation with the Director of Corporate Services and the Resources Portfolio holder, to vary the scheme further to ensure that the Government funding is fully utilised.

5. FINANCIAL IMPLICATIONS

- 5.1 Bromley will receive Government funding towards the Locally Administered Business rates relief scheme. The maximum amount that Bromley will receive in 2017/18 and subsequent years are tabled below:

Year	Grant Funding £'000
2017/18	422
2018/19	205
2019/20	84
2020/21	12

- 5.2 The administration cost of running the scheme is estimated to be £52k over 4 years. In 2017/18 these costs are £16.6k as it includes one-off setup costs of £4.8k. For 2018/19 on wards the annual cost will be £11.8k. These costs will be absorbed with the overall departmental budget.
- 5.3 Approximately half of the 2017/18 grant of £422k has been spent, following the auto awarding entitlement exercise.

- 5.4 It should be noted that any unspent grant at the end of each financial year will need to be returned to the Government. It is therefore essential that the scheme is enhanced in order to maximise the use of the grant funding.

6. LEGAL IMPLICATIONS

These have been set out in previous reports. However as is outlined in the body of the report the scheme is subject to the rules on State Aid. The de minimis threshold is £200,000 Euros over 3 years. The approach set out in paragraph 3.7 gives flexibility to provide relief to local business whilst minimising a risk of non-compliance with the State Aid Rules.

Non-Applicable Sections:	Impact on vulnerable adults and children, Personnel and Procurement
Background Documents: (Access via Contact Officer)	

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Report No.
DRR18/006

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

7 February 2018

Date: For Pre-Decision Scrutiny by the Renewal and Recreation Policy Development and Scrutiny Committee on 24 January 2018

Decision Type: Non-Urgent Executive Key

Title: Bromley Market Reorganisation Update

Contact Officer: Jonathan Richards, Business Support Team & Markets Manager
Tel: 020 8313 4317 E-mail: jonathan.richards@bromley.gov.uk

Chief Officer: Executive Director of Environment & Community Services

Ward: Bromley Town

1. Reason for report

- 1.1 The Executive on 22 March 2017 approved the designs and costings for the next phase of the Bromley Town Centre improvement and plans to re-organise, rebrand and relocate the existing market as part of those improvement works. The Executive on 7 November 2017 agreed funding for capital costs in regard to the original kiosk and pop-up stall design.
 - 1.2 The Renewal & Recreation PDS Committee on 1 November 2017 agreed that the Bromley Market Consultative Panel should be further engaged to feed into the market re-design. This report provides an update on progress following feedback from the markets traders, considers alternative costed options and a recommendation on the revised number of stalls and semi permanent kiosks.
-

2. RECOMMENDATIONS

- 2.1 **Members of the PDS Committee note the report and make comments available to the Executive Committee on 7 February 2018.**

That the Executive:-

- 2.2 **Note the consultation input from the Market Traders and Bromley Market Consultative Panel.**
- 2.3 **Agree the recommendation for the Option Model C design as outlined in paragraph 3.33.**
- 2.4 **Agree the £116k reduction in the allocation from the Growth Fund to meet the lower capital cost for Option C.**
- 2.5 **Note there will be an overall decrease of £116k for the Bromley High Street Improvement Scheme within the Capital Programme, resulting in a total scheme cost of £3.46m.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: The scheme design will take into account measures for the mobility and visually impaired
-

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Quality Environment Vibrant, Thriving Town Centres Regeneration
-

Financial

1. Cost of proposal: Reduction in capital costs of £116k should Option C be agreed.
 2. Ongoing costs: Potential net additional income of Cr £4k, excluding loss of interest
 3. Budget head/performance centre: Capital Programme and Bromley Market
 4. Total current budget for this head: £3.576m and Cr £54k
 5. Source of funding: Growth Fund, S106 funding and existing 2017/18 revenue budget
-

Personnel

1. Number of staff (current and additional):
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: It is proposed that the all the civil engineering and public realm improvement works, including all lighting will be completed by FM Conway under the current Highway Engineering Term Contract. It is proposed that Council's TFM term contractor AMEY will deliver the procurement of the Market Kiosks.
There remains the future option remains for the Market to be run by an external third party.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough-wide
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Local Ward Councillors have not been consulted in detail on the scheme redesign.

3. COMMENTARY

Background

- 3.1 The Executive Committee on the 22 March 2017 and Full Council on 10 April 2017 approved the detailed design, funding and programme for the next phase of the Bromley town centre improvements.
- 3.2 The Council's Highway Engineering term contractor FM Conway are due to recommence Phase 2 improvements works in January 2018.
- 3.3 Planning consent is being sought for both the market relocation and the new market kiosks.
- 3.4 The Executive Committee of the 7 November 2017 agreed the capital costs of £580k for the proposed design of 8 kiosks and 21 pop-up stalls and officers noted the minuted agreement of the R&R PDS on the 1 November 2017 that through the Bromley Market Consultative Panel the market trader's priorities should continue to feed into the detailed market re-design and an update report received in January 2018.
- 3.5 Following stakeholder engagement it is proposed that the market layout be revised to accommodate the existing traders. As a result the current programme will require the phased relocation of the market to commence from 19 March 2018 given the need to install additional infrastructure to service additional pitches and the space restriction caused by the temporary scaffolding outside of the Churchill Theatre.

Stakeholder Engagement

- 3.5 During the consultation carried out prior to the PDS meeting on the 1 November 2017, a key concern from the Market Traders was the reduction in the number of stalls proposed in the re-design. In response, a review of the design sought to increase the number of stalls to 46, ensuring the key principles of the design were adhered to; a single line of stalls, breaks in the line to ensure shop access and line of sight to shop fronts.
- 3.6 A consultation meeting with the Market Traders was held on 21 November 2017 and the newly configured design was presented to the traders. The response from the traders was largely positive, particularly that their concerns regarding the number of stall locations had been listened to and these had increased.
- 3.7 Other comments made included ensuring there is adequate infrastructure for the relocated market; minimise disruption and potential conflict with existing street traders operating in the area; maintain the principles of not putting directly competing stalls too near each other. There was also concern at the lack of sheltered seating around the kiosks for trading in inclement weather.
- 3.8 Ahead of the submission of the Planning Application a meeting of the Bromley Market Consultative Panel was held on 11 December 2017 with representatives from the Market Traders, Street Traders and Bromley BID.
- 3.9 The Panel were shown a proposed layout design with a maximum number of 46 potential trading locations. The number sought to enable adequate provision to allow both existing Market and Street Traders to operate in the new area. The Panel responded positively to the design, the traders to the number of potential trading locations and the BID to the continued adherence to the underlying design principles to consider the shop units.

- 3.10 One concern raised is whether future traffic flow could be considered to allow traffic on the pedestrian area to exit by Primark and hence reduce congestion at the Elmfield Road entrance when entering and exiting vehicles meet.

Planning Application

- 3.11 To secure planning consent in time to allow the phased relocation of the Market to commence by 19 March 2018, a Planning Application (reference 17/05817/REG3) has been submitted for the change of use to allow the section of the pedestrianised area, Market Square to Central Library to host a market.
- 3.12 This application does not include the proposed permanent kiosks, the detailed design of which is currently being finalised including foundation design. It is proposed that the detailed design for the Market kiosks will be submitted in February 2018. It is anticipated that the market relocation will now be a phased move given the need to install additional infrastructure and the ongoing issues with the scaffolding outside of Churchill Theatre.
- 3.13 Appendix 1 shows the submitted design for the Planning Application. The design identifies a maximum number of 46 potential trading locations, while continuing to adhere to the core design principles: single row of stalls, spacing to ensure access to shops and lines of sight to shop fronts and encourage pedestrian flow around and between the shops and stalls.
- 3.14 Given the timeframes of the market move to accommodate the Bromley Town Centre improvement works schedule the application design includes pop-up locations outside Primark, where the proposed kiosks will be sited, as the area will need to be used to host pop-up stalls in the first instance.
- 3.15 The application also includes the option for seven additional markets to be held over the course of the year during the remaining 4 days of the week.

Kiosk Interest

- 3.16 As outlined in the update presented to the Executive 7 November 2017 the kiosks would be fitted out to allow for hot food catering as well as retail. The precise layout of food and non-food pitches will be subject to negotiation with the market management.
- 3.17 Whilst expressions of interest in the permanent kiosks have come from a range of traders; fishmonger, fruit and veg, haberdashery, the interest has predominately been from hot food traders, which could create a problem due to the smells created outside of shop fronts.

Market Infrastructure

- 3.18 The identification of further stall locations will require the additional provision of supporting infrastructure in the form of electrics to ensure the positions are suitable for traders. This will incur a further cost of £81k to the Improvement Works. In addition the estimated costs of an individual stall has increased from £1k to £1.45k. These increases in costs for each option are highlighted in Table 1 below.
- 3.19 Consideration will also need to be given to pop-up stall storage and associated equipment (tables and weights). Storage is currently a container unit located off the High Street down Foxes Passage. The container is already at full capacity with temporary storage utilised to house equipment. A further container will be needed to be purchased at a one-off cost of £3k to house the new stalls and equipment.

Market Layout

- 3.20 As part of the market re-design, market specialist Quarterbridge is working on an indicative trader position layout as part of their commissioned workstream. The layout seeks to establish areas and trader type positions to best encourage pedestrian footfall through and around the market. A draft of this layout is included as Appendix 2

Market Branding

- 3.21 As part of the market relocation and redesign it is proposed that it is accompanied by relaunched branding. The branding would seek to create a Bromley Market website which would hold information on the market, the traders, and Bromley Town Centre. It would be supported by social media accounts used by the Market Supervisor to increase awareness and promote the market, Traders and Bromley Town Centre and send out key communications regarding which Traders are attending and whether the market is operating.
- 3.22 Market specialist Quarterbridge have been commissioned to support this re-branding and an example of existing market branding they have completed for other clients is included as Appendix 3.
- 3.23 A strong brand, promoted on a variety of platforms, from website, to social media to produces such as bags-for-life would build Bromley identity of the market and town centre itself.

Market Future

- 3.24 In addition to the branding, the market could further be improved through an assessment to identify trades/products not currently represented on the Market and seek to encourage them in. This would further improve the mix of traders and products available and improve Bromley as a destination for the public.
- 3.25 The hosting of additional markets and market events in the periods between the Bromley Market (i.e. Sunday to Wednesday) would be an opportunity to both boost income and footfall. Specialist markets such as:
- Farmers Markets; Antiques and Collectables Markets , Continental Markets, Food and Drinks Festivals, Christmas Markets and other themed markets.
- 3.26 Such markets and events would complement the work of the Bromley BID and could be held in conjunction and support of their promotional activities. Given that the Town Centre Improvements and market relocation remove and occupy the principle locations where the Bromley BID have undertaken their promotional activities for Wimbledon, Halloween and Christmas this would allow these events to continue and further promote Bromley Town Centre.
- 3.27 Furthermore, as outlined in the reports to Executive on 22 March 2017 and 7 November 2017 it is proposed that the relocated market be licenced under the Food Act 1984, as opposed to the London Local Authorities Act 1990 (LLAA).
- 3.28 Once the market relocation has been completed and the market operation settled, the option of commissioning the market management to a third party will need to be examined in detail with a report on the options being presenting back to this committee.

Options Modelling

- 3.29 Given the changes following the feedback from the consultation with the Traders the original proposal for 8 kiosks and 21 pop-ups needs to be reconsidered.

3.30 The initial relocation of the market will utilise only pop-up stalls (46) in the first instance to accommodate the traders, whilst the phased relocation takes place. However, following the consultation with the market and street traders and the desire to accommodate the existing number of traders in the reconfigured layout, some further modelling has been undertaken to compare the financial projections of operating with different combinations of pop-ups and kiosks following the completion of the high street improvements as well as the capital costs:

Option A - 46 pop-up stalls:

3.31 This option was considered as it retained the temporary layout on a permanent basis to provide an adequate number of stalls for the existing traders and negates the need for capital investment in the building of the kiosks. However, whilst there is a significant capital saving of £429k, the income received from pop-ups only does not generate enough income to meet costs.

Option B - 8 kiosks with 36 pop-up stalls:

3.32 Retaining the original 8 kiosks and increasing the number of pop up stalls was modelled and the net financial effect is positive with an additional £20k revenue per annum surplus generated, but at an additional capital cost of £116k. There is some concern that with interest predominately from hot food outlets and the concern about smells generated by hot food directly outside the entrance to retail outlets then there may be a high percentage of voids in the kiosks, given that interest has only been received for some of the kiosks. The financial modelling has allowed for this.

Option C - 4 kiosks with 41 pop-ups:

3.33 The option of installing 4 kiosks and increasing the number of pop-up stalls was modelled. This option enables the existing traders to be accommodating and for half of the original kiosks to be installed. The demand for the kiosks can therefore be tested in the market and allows for additional kiosks to be installed at a later date if successful. This model generated a slightly higher net surplus (£4k) than the currently agreed model but reduces the capital outlay by £116k.

Table 1: Capital cost implications compared to existing budget

Capital	Budget as at Nov 17 £'000	Option A - 46	Option B - 8	Option C - 4
		Pop-Up Stalls only £'000	Kiosks & 36 Pop-Up Stalls £'000	Kiosks & 41 Pop-Up Stalls £'000
<u>Kiosks</u>				
Delivery & installation of kiosks	296	0	296	148
Utility services & kiosk infrastructure	64	0	64	32
Main contractor costs incl contingency	135	0	135	108
Fit-out costs	64	0	64	32
Total Kiosk costs	559	0	559	320
<u>Pop-Up Stalls</u>				
Purchase of pop-up stalls	21	67	53	60
Infrastructure costs - extra pop-up stalls incl contingency	0	81	81	81
Storage container	0	3	3	3
Total Pop-Up Stalls	21	151	137	144
Total Capital Costs	580	151	696	464
Varitation in Capital Costs		-429	116	-116

3.34 The table below shows the projected net surplus/cost compared to budget for the different options:

Table 2: Net surplus/costs compared to budget

Overview of Option Modeling

Model	Description	Net surplus/cost compared to budget
Original	<i>8 Kiosks and 21 Pop Up Stalls</i>	Nil
Option A	<i>46 Pop Up Stalls with Additional Markets</i>	£10k
Option B	<i>8 Kiosks and 36 Pop Up Stalls with Additional Markets</i>	£-3k
Option C	<i>4 Kiosks and 41 Pop Up Stalls with Additional Markets</i>	£-4k

For each option an estimated occupancy void % has been assumed. Option A = 15%; Option B = Kiosks 50% & Pop Ups 15%; Option C = Pop Ups 18%

3.35 As presented in previous reports to this committee the inclusion of Kiosks in the High Street will enhance the aesthetics of the Town Centre and help to attract retail and food outlets, creating an enhanced physical environment and complementing the vision for the High Street to become a place of choice for shopping and retail.

3.36 The revised modelling shows that including additional pop-up kiosks does generate an additional net surplus if combined with a number of kiosks. Whilst Option B could generate the highest net surplus per annum if a higher occupation rate was achieved this is not guaranteed and there are additional £116k in capital costs. Option C generates a potential surplus of £4k per annum and reduces capital costs by £116k.

3.36 It is therefore recommended that the agreed layout is revised to **Option C**; with 4 semi-permanent kiosks and 41 stalls and holds additional markets. This option does not preclude the introduction of further kiosks at a later date should there be demand and supporting

business case, but would minimise the investment risk while allowing Bromley to test the underlying business case of 7-day trading at that location; seeing how seasonal variations factor into the model and interested traders are able to scale up to the operation.

4. POLICY IMPLICATIONS

4.1 Proposals are in support of developing and maintaining the vibrancy of Bromley Town Centre, and as such contributes to the Building a Better Bromley key priority of Vibrant, Thriving Town Centres.

5. FINANCIAL IMPLICATIONS

5.1 Executive on 7 November 2017 allocated £580k from the growth fund to meet the cost of installing 8 semi-permanent kiosks and 21 pop-up stalls. This sum forms part of the overall capital scheme of £3.576m for the Bromley Town Centre Public Realm project.

5.2 Following further consultation, officers have outlined three new options for the market. All three options increase the number of stalls required which has a significant impact on the capital cost of the scheme, both in the cost of stall procurement and in the provision of electrical infrastructure to facilitate the additional trading locations. The detailed capital costs for each option are shown in Table 1 above and summarised below: -

Table 3: Summary of Capital Costs for the Three Options

	Option A £'000	Option B £'000	Option C £'000
Cost of purchase, installation and fit-out costs of the kiosks	0	559	320
Cost of purchase and installation of the pop-up stalls	151	137	144
Total capital costs	151	696	464
Existing scheme estimate within Capital Programme	580	580	580
Net additional/reduction in capital costs	-429	116	-116

5.3 For 2017/18, the Bromley market has a net controllable budget of Cr £54k. The following table provides the potential financial implications of the three options for the market as outlined in 3.31 to 3.33, although Option C is being recommended: -

Table 4: Revenue Costs

	Option A 46 Pop-Ups £'000	Option B 8 kiosks & 36 Pop-ups £'000	Option C 4 kiosks & 41 Pop-ups £'000
Current 2017/18 controllable budget for market	-54	-54	-54
Current street trading & Promotion income budget (Bromley High St)	-32	-32	-32
Total 2017/18 budget	-86	-86	-86
Net controllable cost/surplus for options	-56	-69	-70
Street trading & Promotion income	-20	-20	-20
Total Net controllable cost/surplus for options	-76	-89	-90
Net additional /Loss of income	10	-3	-4
Potential loss of income from interest earned on capital (1.5%)	2	10	7
Revenue impact of each option	12	7	3

- 5.4 Business rates of the kiosks should be recovered from the kiosk occupants or paid directly by the occupiers. Tenants would also be responsible for meeting any utility costs. The Council would only become liable for these costs when the stalls/kiosks were not occupied.
- 5.5 Should Option C be agreed as recommended, only £464k is required from the growth fund rather than the previously agreed sum of £580k. The overall capital scheme will reduce by £116k and therefore the revised total cost of the High Street improvement scheme will be £3.46m.
- 5.6 As shown in the table 4 above, Option C may produce additional net income of £4k, excluding the potential loss of interest earned on capital. However, this is dependent on the level of occupancy of both the kiosks and pop-up stalls.
- 5.7 It should be noted that income from street trading and promotions on the high street will reduce and be replaced by net additional income from the extra markets.

6. LEGAL IMPLICATIONS

- 6.1 The Council implemented the London Local Authorities Act 1990 (LLAA) in 1991 to regulate street trading in the Borough. This legislation also covers the Friday and Saturday market and the individual street traders. The Thursday Charter Market is exempt from street trading legislation.
- 6.2 The Council is not permitted to make a profit from a market registered under this legislation; it can only recover its costs. There is however no such statutory limitation on the costs chargeable for the Charter Market. Consequently as explained in paragraph 3.28 above, it is proposed that the market (other than the Charter Market) should in future be licensed under the Food Act 1984 to enable the Council to maximise income.
- 6.3 Market Trader licences are created on a six-monthly basis and will next expire on 31 March 2018, however some of the permanent Street Traders are licenced under longer terms and it could take up to 18 months to re-license, however traders can remain under the LLAA legislation in the meantime.
- 6.4 Counsel's advice was sought on the complexities surrounding the five existing permanent street traders and the process of relocating and terminating their current licences before issuing new ones as there is a right of appeal to the Magistrates Court. It is Counsel's opinion that the process could be very fraught for Bromley requiring a significant burden of evidence that there was no alternative for the Council and demonstration the trading constitutes a significant disruption. Further, that to avoid the risk of challenge and to minimise disruption to trader's business, Counsel suggested the Council could consider temporarily varying the street trading licence and designate a different licenced street while in the meantime taking steps to establish a new market under the Food Act 1984. It is also advised that any such re-location is kept as near as possible to the current location and with similar benefits as the current High Street.
- 6.5 The proposals within this report are consistent with Counsel's advice and a phased relocation is likely to achieve the Council's aims with the least likelihood of challenge
- 6.6 Members should also note that if the Council stops holding the charter market then the charter right to hold the market will lapse. However, there would be nothing to prevent the Council from using its powers under either the LLAA or the FA to restart a market at some point in the future.

7. PROCUREMENT IMPLICATIONS

- 7.1 With regard to the kiosks the procurement process would be managed by the Total Facilities Management Term Contractor, AMEY. It is proposed that the kiosks will be installed only when there is a pre-contractual agreement with tenants.

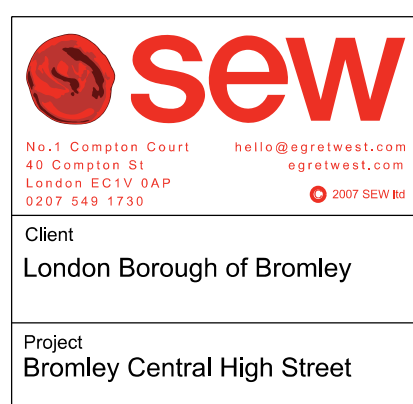
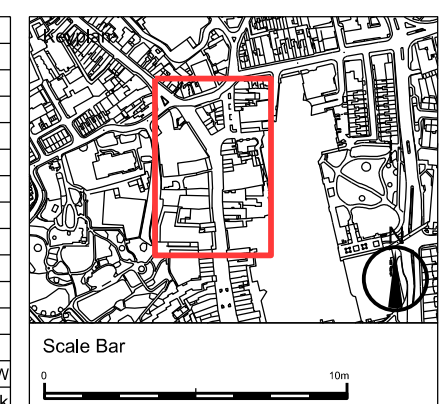
Non-Applicable Sections:	Impact on Vulnerable Adults and Children; Personnel Implications
Background Documents: (Access via Contact Officer)	



General Notes
 No further survey work. This drawing is for information only and should not be used for construction purposes. It is the responsibility of the client to ensure that all necessary permissions and conditions are in place before any work is carried out. The client is responsible for any and all costs associated with the project. The client is responsible for any and all costs associated with the project. The client is responsible for any and all costs associated with the project.

Notes
 Proposed pop-up market stalls

Rev	Date	Description	By	Chk
01	12.12.17	Market area removed	SEW	CW



Drawing Title	
High Street North Market Layout	
Project Number	Status
0220	Info
Scale #/A0	Date
1:250	30.11.17
Drawn by	Checked by
CW	SEW
Drawing Number	Revision
0220_SEW_HS_7102	01

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- Clothing Stores
- Banks
- Food Retail & Catering
- General & Assessories
- Non-Food Retailing



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A market comprises a mix of tenants with individual trading names, but there is always a collective name by which the market is known. The market is often the single largest retailer within the town centre but it usually has the least retail identity.

An identity is important to create brand recognition among consumers, even for a market. Location, trading days, events and offers should all be promoted with a consistency of style across all platforms.

Quarterbridge creates innovative and memorable retail identities specifically tailored for market operators.

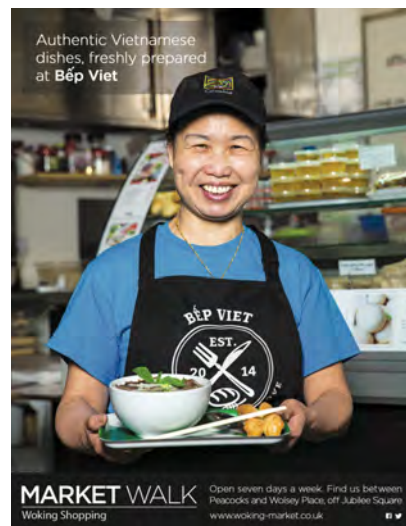
Good signage is essential to make the market visible and accessible, whether it's directional signage or external banners to promote an event.

Each of these logos has been designed to reflect the market it represents, whether a traditional Victorian indoor market, a contemporary food hall, a market within a modern retail complex or a street market.



Perhaps the best example and most comprehensive branding Quarterbridge has undertaken would be at Woking Market. The market was previously without an identity. The Market Walk brand was created and since evolved from a simple market brand into the The Woking Market Company, which is the market operator and lease holder for the site.

The Market Walk is established across all social media tangents, printed on bags and present on all market and promotional events.



Quarterbridge have been commissioned to design the Bromley Market brand, this will be issued alongside brand guidelines, which will help steer future branding exercises.

To accompany the brand, Quarterbridge will be engineering and will be launching the Bromley market standalone website.

Report No.
ES18008

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

For Pre-decision scrutiny by Environment PDS Committee on
30th January 2018

Date: 7th February 2018

Decision Type: Non-Urgent Executive Non-Key

Title: SCADBURY PARK MOATED MANOR

Contact Officer: Dan Jones, Director for Environment
Tel: 020 8313 4211 E-mail: dan.jones@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director for Environment

Ward: Chislehurst

1. Reason for report

This report seeks Members approval for the use of cash match-funding in order to secure a Heritage at Risk Grant from Historic England which will help secure some of the most urgent repairs and stabilisation of brickwork at the Medieval Moated Manor within Scadbury Park Local Nature Reserve.

2. **RECOMMENDATIONS**

2.1 The Environment Portfolio Holder is requested to agree to allocate £53k from the Earmarked Reserve set aside for Friends Groups and £7k from the existing parks revenue budget, to be used to part fund the project.

2.2 The Executive is asked to approve:

2.2.1 The submission of a Heritage at Risk Grant application for £95k, to Historic England for the project management and delivery of Urgent works;

2.2.2 The acceptance and delivery of this grant, if successful, with its associated terms and conditions, subject to the costs identified within the maintenance plan being funded within existing budgets and or any additional external funding secured;

2.2.3 The tendering of capital works identified by the Condition Survey as 1A Urgent works estimated to be £120k;

2.2.4 The appointment of a Conservation Accredited Professional to develop, and project manage the scheme, at an estimated cost of c£35k;

2.2.5 To add the scheme to the Capital Programme, at a total cost of £155k, funded from £60k contribution from revenue and a HE grant of £95k, if successful.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None
-

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council Quality Environment
-

Financial

1. Cost of proposal:155k
 2. Ongoing costs: £3.3k, although future costs will be identified in the costed maintenance plan
 3. Budget head/performance centre: Parks & Green Space & the Capital Programme
 4. Total current budget for this head: £3.3k & £247.5k
 5. Source of funding: Historic England grant, existing revenue budget and Earmarked Reserve
-

Personnel

1. Number of staff (current and additional): 0
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Compliance with Terms and Conditions as per the Historic England Grant.
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: The value of these procurements falls below the thresholds set out in Part 2 of the Public Contracts Regulations 2015, so are only subject to Part 4 of the Regulations. As per 8.2.1 of the Council's Contract Procedure Rules, the procurement of capital repair works must make use of public advertisement, and therefore must also be advertised on Contracts Finder. The procurement of a Conservation Accredited Professional, if advertised, must also be advertised on Contracts Finder. Where advertised, the relevant award notices must also be published.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 505 members of the public visited the moated site at the most recent Open Weekend in 2017 with a total of 12,615 people having visited the site during ODAS open weekends to date. ODAS are also present on-site over Bank Holidays to talk to the public about the history of the site and our excavation work, and would engage on average 80 people per afternoon. ODAS also gives lectures about the history of the site to local groups. There is also the potential for the offer to be expanded to increase the number of visitors to the site in the future.

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Awaiting responses. An update will be provided at the meeting.

3. COMMENTARY

Background

- 3.1 Scadbury Park Local Nature Reserve is an impressive site offering 300 acres of countryside which include the remains of a medieval moated manor house with associated fish-ponds. The surviving remains cover a variety of building phases and include 16th Century brickwork, and partially rebuilt remains dating from the 1930s. Three main groups of families have been associated with the manor until its purchase by Bromley in 1983, two of which were significant players on the national stage, moving in circles of the royal court and being directly involved in national politics. First references to the Manor of Scadbury date back to the mid 1200's; with the Tudor manor house the home of the Walsingham family from 1424-1655 (further detail on the historical significance of the site available in Appendix 0, Statement of Significance). The larger site incorporates traces of a Tudor deer park and a series of World War II defences forming a wider heritage landscape which is now managed as a Local Nature Reserve, with approximately half the site leased to a tenant farmer.

Designations

- 3.2 Scadbury Manor moated site and fishponds, was designated by Historic England, (HE) as both a Scheduled Ancient Monument, (SAM) in 2013 (due to its recognition as a site of national importance) (see Appendix 1 Scadbury SAM extent plan) and in 2014 was added to the Heritage at Risk Register.
- 3.3 The site's historical context, coupled with its poor condition, mean that HE are very keen and supportive towards steps taken by LB Bromley towards a long-term plan for its continued management and protection. In addition to the opportunities outlined in the report below, HE have also provided advice through its experts and commissioned an orthophotographic survey of the site for future use by Bromley.

Scheduling as an Ancient Monument – landowner obligations

- 3.4 The Scheduling of the site in 2013 now means that any works to the 'monument' require prior written permission from the Secretary of State for the Department for Digital, Culture, Media and Sport. Whilst Scheduling does not impose a legal obligation to undertake any additional management of the monument, HE encourage owners and occupiers to maintain their scheduled monuments in good condition so that the remains survive for future generations. It is a criminal offence to destroy or damage a scheduled monument either intentionally or through recklessness or to carry out or to permit others to carry out unauthorised works to a scheduled monument.

Heritage at Risk Register

- 3.5 Since 2014 the Manor has been on the Heritage at Risk Register, which is an annual HE publication which identifies the most important heritage assets at risk of damage or loss. The Manor is classified as having "Extensive significant problems with a declining trend and vulnerability for collapse". (<https://historicengland.org.uk/advice/heritage-at-risk/search-register/list-entry/408684>).

Key Community Stakeholders

- 3.6 These include:
- 3.6.1 *Orpington and District Archaeological Society (ODAS)* has held a Licence to operate and conduct archaeological excavations on the site for a number of years and has been a key

driver in the promotion of the manor site and in obtaining preliminary photographic surveys of the existing brickwork.

- 3.6.2 *Friends of Scadbury Park* who champion the improvement of the wider park and who are naturally keen to be involved in any future plans for the site.
- 3.6.3 *Chislehurst Society* who work to ensure that Chislehurst is kept special for residents and visitors alike and has been in existence since 1932. The Society may have some potential funds available for future improvements to the site, including the Moated Manor.

Current condition of the site and existing management

- 3.7 The standing remains of the medieval manor house are in poor condition – unfortunately suffering from a variety of structural problems, with walls increasingly under stress and fragile brickwork in need of attention.
- 3.8 Plant growth also poses a major problem in the decay of the existing brickwork. Managing vegetation is a constant battle, admirably tackled by ODAS in partnership with Bromley and idverde.
- 3.9 ODAS and idverde, have been working in partnership, particularly as part of the Management Agreement outlined below, to carry out some periodic maintenance work to maintain and improve accessibility as well as stabilise and protect some of the remaining brickwork features.
- 3.10 The level of decay and increasing structural instability of the existing remains means that intervention is required both from an architectural perspective, in order to conserve what is left, but also from a public perspective, if the Council wishes to continue enabling the site to be accessed by ODAS and idverde to carry out on-going maintenance and also enable visitors attending ODAS open days etc.
- 3.11 All parties are also collectively working to ensure any landowner liabilities are satisfied e.g. the planned introduction of replacement and new perimeter fencing to prevent trespassers.

Funding from Historic England

- 3.12 To date, Bromley has previously secured from Historic England:
- A three year £20k Management Agreement to provide periodic maintenance and capital works including controlling vegetation, felling trees threatening the moat, soft capping and propping of sensitive walls (Historic England (HE) and LBB each providing up to £10,000) ending in January 2018.
 - In 2016 – a £12.6k Heritage At Risk (HAR) Grant for the production of a Condition Survey (with £3k of match funding from Bromley) (see Appendix 2 for Condition Survey, available on request). This details the key areas of the site at risk from further deterioration and proposes a timescale for works ranging from urgent works to those works that are recommended for completion within two to three years. The estimated total budget to deliver all of these works was outlined in the report as being in excess of £1.3 million for delivery of capital works (taking the highest estimate figure in cases where there are different options for the recommended conservation works required). However, there is now a need to refine indicative costings for the most urgent work, obtaining current up to date prices from the marketplace.
- 3.13 Going forwards, there is the potential for an additional 3 year £20k Management Agreement for the site jointly funded by HE and LBB. Also, as HE are keen for the structure to be removed from the At Risk Register and be reassured that there is a long term plan for its repair, they have expressed that they would welcome another Heritage at Risk Grant application from

Bromley for the first stage of repair works. This application would address the most urgent (Category 1A Urgent) stabilisation works, specifically works to the Large Cellar; the Narrow Passage and the South Moat Wall (see Appendix 3 for a more detailed Scadbury layout plan).

Heritage At Risk grant conditions

3.14 As expected, there are a number of conditions that would apply for ten years from the date of the final grant payment, including the need to:

- carry out maintenance in accordance with a costed maintenance plan, keep records of the maintenance work carried out and certify annually that this has been done
- open the property to the public in line with the requirements set out in the standard conditions.
- have suitable insurance or make good any damage or loss sustained to the property
- repay the grant if Bromley disposed of the property, for example by way of sale, exchange or lease.
- repay the grant if Bromley changed the use of the property.
- recommend that a suitably qualified and experienced professional adviser undertakes a condition survey of the property every five years

3.15 Should indicative costings outlined in the costed maintenance plan exceed the existing available budget of £3.3k for maintenance of the site, alternative funding options will be sought. However, should additional funding not be identified, Officers will not proceed with the project.

3.17 Whilst HE would require a commitment to the above conditions, there would be no obligations stipulated by HE through the awarding of this grant for any on-going commitment to deliver the remaining phases of works identified in the Condition Survey, through future grants or otherwise. Indeed, HE have outlined they would not want to be bound to fund future phases either as they would not have a guarantee of grant funds available for future years at this point (see Appendix 4, available on request, Confirmation email from HE).

3.18 HE usually require 50% match funding for their grants, however, through discussions it is understood that this could be a lower percentage. As HE like to be seen as the 'last funder', options need to be explored around other potential sources of funding including: The Chislehurst Society, ODAS and the Friends. Through initial discussions, it is, however, anticipated that the Council will be the main funder for this current application, with others contributing for any potential subsequent phases.

3.19 In addition to the £35k for the recruitment of the Conservation Accredited Professional, Members are asked to approve the expenditure of a further £25k of match-funding towards the capital costs of Phase 1 repair works to enable a grant application for £95k to be made to the HE. It is proposed that the £60k contribution from the Council be funded by £53k from the earmarked reserve set aside for Friends Groups and the remaining £7k from existing revenue budgets.

Benefits of a HAR grant application

3.20 Whilst the HAR grant application would provide the capital investment needed to carry out the most urgent works to the site there is a need to be mindful of any on-going long-term maintenance commitments as a result of the acceptance of a grant. Through discussions, HE have made it clear, that even if the Council were intending to not invest in the site, then it would need to make the site structurally safe in line with its landowner liabilities, which would involve an investment of money. This will be something that the Conservation Accredited Professional will review the costs of. However, as outlined above, there is no legal obligation to undertake any additional management on a Scheduled Monument.

3.21 If the grant application is successful, the associated works will need to be incorporated into the Council's Capital Programme.

Employment of a Conservation Accredited Professional

3.22 To enable the submission of a second Heritage at Risk Grant application, HE requires the Council to engage a Conservation Accredited Professional. This person's role would be to secure tender prices for the identified capital works for the three identified areas of the Moated Manor as above. As part of the delivery of a successful grant application it is intended that this person would also be used to project manage the delivery of the repair works

3.23 A brief is currently being developed for the Conservation Accredited Professional who would be responsible for carrying out the three phases of work, with independent prices for each Phase, so the work could be awarded as the project progresses as required. The work within each Phase is set out below:-

Phase 1

- Reviewing the scope of work identified in the condition survey
- Developing the project to RIBA stage 4 with cost estimates
- Creating a specification for the agreed scope of work
- Producing a costed maintenance plan
- Identify costs associated with 'making good' on the site but doing no conservation works

Phase 2

- Taking forward the detailed schedules and specifications to tender
- Evaluating the tenders
- Producing a tender report with recommendations

Phase 3

- Overseeing the delivery of agreed selected works, through to final completion and including liaising with all stakeholders.

3.24 The work is estimated at a total cost of £35k (£7k for the first two Phases and £28k for Phase 3). The engagement of the consultant and delivery of Phase 1 objectives is due to be carried out imminently.

3.25 Should indicative costs identified by the Consultant in Phase 1 for on-going maintenance exceed the value that could be covered by the Parks Management budget, then Officers would explore alternative sources of funding. However, should additional funding not be identified, Officers will not proceed with the project. If the indicative costs are considered satisfactory then the consultant will be instructed to continue to Phase 2.

3.26 Once tender prices for the identified works have been secured, it is envisaged that a package of repair works will be created to the value £120k, which will then form the basis for the HAR grant application to HE.

3.27 In the interim, an outline application will be submitted to Historic England, in order to register an expression of interest by the end of their financial year. However, if the on-going maintenance costs associated with the conservation work carried out are too prolific, this may need to be withdrawn.

The Future

- 3.28 HE have outlined that they may consider a third or even fourth Heritage At Risk application for capital repair works, however for the longer-term, the remainder of the investment required may need to come from a larger funder such as the Heritage Lottery Fund. All such grant applications will require match-funding.
- 3.29 Previous discussions with the Heritage Lottery Fund regarding this and other sites, have identified the need for a vision for the park to be in place when applying. This would require working with the variety of stakeholders on site, and would need to look at the future purpose of the wider site and its integration with the Manor, plus issues such as visitor management and access etc.
- 3.30 Any vision would also need to tie in with other site stakeholders such as the current tenant farmer and the TREE centre buildings which are currently occupied by the Shaw Trust (both of which have leases with Bromley).
- 3.31 HE have also encouraged the Council to apply for one of their Capacity Building grants which would provide funding to employ someone who could be a dedicated resource for working up a HLF application. The proposed timing of this would be to follow the second HAR application.
- 3.32 However, any future grant applications will be dependent on the grant conditions that are attached as the Council may not be able to commit to future maintenance requirements given the current financial position as outlined in the forecast.

4 POLICY IMPLICATIONS

- 4.1 The proposals in this report are within existing policy. In the Quality Environment section of the Building a Better Bromley 2016-18 vision one of the issues is “Sustaining a clean, green and tidy environment through value-for-money services provided to a consistently high standard” and “Encourage Residents Associations and the expanding network of ‘Friends’ to contribute to parks, trees and streets management”.

5 FINANCIAL IMPLICATIONS

- 5.1 This report is seeking approval to submit a Heritage at Risk grant application to Historic England for a sum of £95k to carry out urgent works at the Scadbury site. The Council would be required to provide match funding of £60k, resulting in a total project cost of £155k.
- 5.2 It is proposed that the match funding is made up of £53k from the earmarked reserve set aside for Friends Groups and the remaining £7k from existing revenue budgets.
- 5.3 HE insist that any grant application submission cannot include estimated costs for the works and therefore it will be necessary to obtain accurate costs through a tender process prior to submitting the final application.
- 5.4 HE has confirmed that if the Council were to accept the grant for the urgent works, the Council would not be under any obligation to fund further capital works identified by the survey. The Council would however, be required to meet the conditions of the grant which are set out in 3.14 above and include the requirement to carry out maintenance in accordance with a costed maintenance plan.
- 5.5 It will be necessary to appoint a conservation specialist to prepare the work required to support the grant application and to oversee the delivery of the works, as set out in 3.24 above. This would include a costed maintenance plan. In appointing the specialist, officers must be mindful of the IR35 requirements.

5.6 Prices will be obtained for each Phase, giving officers the flexibility to stop the project at the end of each Phase if required.

5.7 Currently there is an annual budget of £3.3k set aside for the maintenance of the site. Should the costed maintenance plan identify that there will be a substantial increase in cost required, then officers will explore options for alternative funding. However, if not successful the project would not be able to go ahead given the financial position of the Council and the grant may have to be turned down.

5.8 Approval is sought to add the scheme to the capital programme at a cost of £155k, subject to confirmation of a successful grant application. The details of the costs and funding are shown in the table below, along with the profile of the expected spend: -

<u>Expenditure</u>	2017/18 £'000	2018/19 £'000	Total £'000
Capital works	0	120	120
Conservation Consultant cost for Phases 1 & 2	7	0	7
Conservation Consultant cost for Phase 3	0	28	28
Total estimated costs	7	148	155
<u>Funding</u>			
Existing revenue budget	7		7
Earmarked Reserve for Friends Groups		53	53
Historic England Grant (subject to successful application)		95	95
Total Funding	7	148	155

6 LEGAL IMPLICATIONS

6.1 As part of the grant award there will be a number of associated terms and conditions that Bromley needs to adhere to, some of which are outlined in 3.14 above and also Appendix 4 (available on request). As per previous grants for green space projects, HE may apply a condition for repayment of grant if the site is sold or transferred within the term of the grant i.e. 10 years.

6.2 The estimated cost of a Conservation Accredited Professional and the cost of capital repair works are below the relevant EU threshold for services and works and as such not subject to the full application of the Public Contracts Regulations 2015. The procurements must be carried out in compliance with the Council's Contract Procedure Rule 8.

7 PROCUREMENT IMPLICATIONS

7.1 Two procurement processes are identified in this report;

- Procurement of a Conservation Accredited Professional to run the tender process and project manage delivery of repair works at a cost of £35,000.
- Procurement of capital repair works at a value of £120,000.

7.2 The value of these procurements falls below the thresholds set out in Part 2 of the Public Contracts Regulations 2015, so are only subject to Part 4 of the Regulations. As per 8.2.1 of the Council's Contract Procedure Rules, the procurement of capital repair works must make use of public advertisement, and therefore must also be advertised on Contracts Finder. The procurement of a Conservation Accredited Professional, if advertised, must also be advertised on Contracts Finder. Where advertised, the relevant award notices must also be published.

- 7.3 Any time limits imposed, such as for responding to adverts and tenders, must be reasonable and proportionate.
- 7.4 With regard to the procurement of a Conservation Accredited Professional, officers must act in accordance with the intermediaries legislation (IR35).
- 7.5 Both of these procurements must be administered using the Council's e-procurement system in line with 3.6.1 of the Council's Contract Procedure Rules.
- 7.6 *idverde* will procure these requirements on the Council's behalf in accordance with the Council's Contract Procedure Rules.

Non-Applicable Sections:	IMPACT ON VULNERABLE ADULTS AND CHILDREN PERSONNEL IMPLICATIONS
Background Documents: (Access via Contact Officer)	Appendix 0 Statement of Significance Appendix 1 Scadbury SAM extent plan Appendix 2 Condition Survey – Available on request Appendix 3 Scadbury layout plan Appendix 4 Email from HE outlining no obligation for future phases – Available on request

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4.0 Statement of Significance

[Draft material provided by Janet Clayton, ODAS, 6 October 2016]

The site of Scadbury Moated Manor in its entirety is a highly significant asset. It has a well documented social history and the surviving remains cover a variety of building phases. A programme of archaeological excavation has been carried out, supporting a fuller understanding of its development.

A range of factors make the site of particular interest. It is a good example of a medieval moated site with associated fish-ponds. The moat still holds water, providing a beautiful setting with native wildlife. Only three main groups of families have been associated with the manor until its purchase by LB Bromley in 1983. This makes it possible to link a wide range of detailed archaeological and historical information covering over 800 years. An extensive archive of documents connected with the final group of families (Bettenson/Selwyn/Townshend/Marsham-Townshend) is held locally by LB Bromley Archives.

All the families associated with Scadbury were major local landowners, and their actions affected the lives of local families. Two of these families – the Walsinghams and the Townshends – were also significant players on the national stage. They moved in the circles of the royal court and were directly involved in national politics, giving their involvement with the site a wider dimension. Thomas Walsingham, who purchased Scadbury in 1424, was one of the wealthiest London merchants of his day, supplying wine (and financial support) to the King. His descendant Sir Edmund Walsingham was Lieutenant of the Tower of London at the time of the imprisonment of Queen Anne Boleyn and Sir Thomas More. Edmund's nephew Sir Francis Walsingham was Secretary of State to Elizabeth I, and his grandson Thomas, knighted by Queen Elizabeth at Scadbury in 1597, was an associate of the Elizabethan playwright Christopher Marlowe. 'Tommy' Townshend, 1st Viscount Sydney, served in Pitt's government and in 1788 despatched the first group of convicts to newly-discovered Australia; the settlement they established there – now the city of Sydney – was named after him.

A context for the scheduled manor site is provided by a number of unscheduled features, including a walled garden (the surviving stretches of wall date to the 16th century and stand to head height), the foundations of a medieval barn and Tudor gatehouse, and a small group of standing farm buildings, mainly 19th century and still in use, which incorporate earlier brickwork. There is also a large bunker used in WWII as the Home Guard HQ for SE London.

In the early 20th century the moat and brick foundations on the island were repaired by the estate's owner, Hugh Marsham - Townsends. The buildings had been pulled down in 1738. He used the setting to construct a medieval hall on the foundations of the Walsingham hall incorporating the medieval timbers rescued from a dismantled manor house in St Mary Cray (these were later removed from the Scadbury site following vandalism). He added a fireplace and chimney stack and a minstrels' gallery accessed by an early example of poured concrete stairs. The surrounding grounds and foundations were restored as garden features. These 1930s elements are now an important part of the site's history.

The site today is in public ownership and is widely known as Scadbury Park. The park, much of which is wooded, is a local public nature reserve and defined as 'Green Belt' and a site of Metropolitan Importance for Nature Conservation. This valuable green area preserves the core of the original Scadbury estate. Scadbury Park is regularly used by local residents but is also accessible to the wider population of South East London and Greater London. The wider park itself incorporates historic features, including traces of a Tudor deer park and a series of World War II defences positioned along a ridge, guarding the Outer London Stop Line in the Cray Valley below. The manor site itself can be seen from the public footpath which runs alongside the moat. The annual open weekend (two afternoons in September) attracted almost 460 visitors in 2016. Visitors have to make the journey on foot, as there is restricted parking at the site. Since the first open weekend was held in 1987 over 12,000 people have visited.

The site is capable of supporting a range of stories about its development which can be made relevant to varied groups of visitors including schools, colleges and academic institutions. There is scope to improve the

presentation of the site, to increase an educational offer, and to increase access, but there is currently little infrastructure available to support wider public access or ongoing involvement. At present public outreach is largely managed by volunteers from the Orpington and District Archaeological Society and is limited by issues such as site safety, lack of appropriate infrastructure and volunteer availability/capability.

WebGIS Map



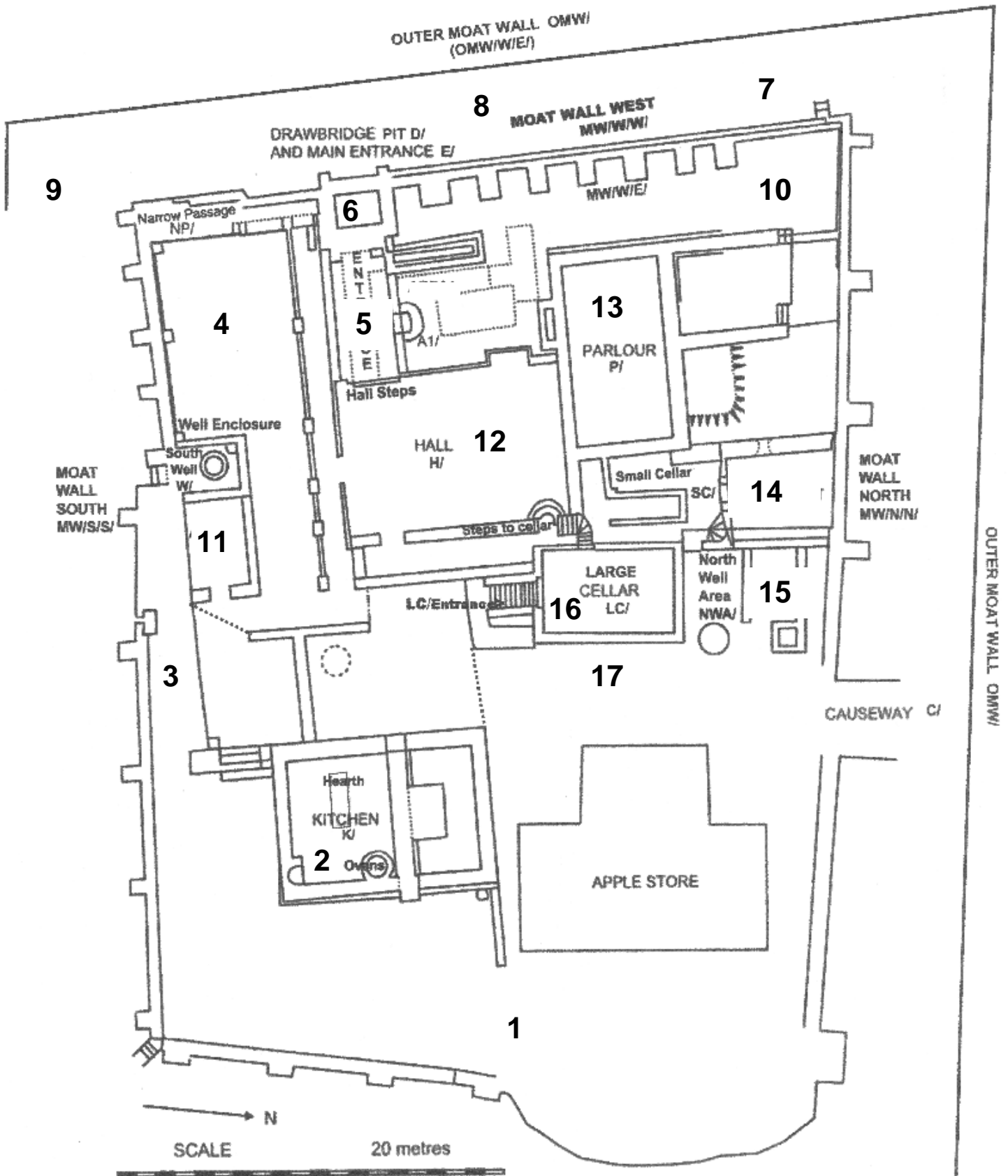
Date 19/02/2014
Scale 1:1,250
Centre 545935,170098


ENGLISH HERITAGE
1 Waterhouse Square, 138 -142 Holborn, EC1N 2ST
Tel: 020 7973 3000 Fax: 020 7973 3001
www.english-heritage.co.uk

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THE MOATED ISLAND AT SCADBURY - AREAS AND CODES



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Report No.
DRR18/001

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **DEVELOPMENT CONTROL COMMITTEE
EXECUTIVE**

Date: **Thursday 25th January 2018**

Decision Type: Non-Urgent Executive Non-Key

Title: **MAYORAL COMMUNITY INFRASTRUCTURE LEVY 2 (MCIL2)
DRAFT CHARGING SCHEDULE CONSULTATION.**

Contact Officer: Terri Holding, Planner
Tel: 020 8313 4344 E-mail: Terri.Holding@bromley.gov.uk

Chief Officer: Chief Planner

Ward: N/A

1. Reason for report

The Mayoral Community Infrastructure Levy (MCIL2) Draft Charging Schedule (DSC) public consultation towards Crossrail runs 18th Dec - 4th Feb 2018. This report alerts Members to the publication of the document whilst containing background detail, with points and concerns from the LB Bromley perspective enabling a formal response suggested at Appendix 1.

It is suggested that the Council objects to the proposed Charging Schedule due to:

- The adverse impact on provision of local infrastructure such as education, health;
 - The limited benefit to Bromley residents of Crossrail 2,
 - The impact on other transport projects.
-

2. **RECOMMENDATIONS**

That Development Control

Endorses the approach to object and the suggested response at Appendix 1 for submission by 4th February.

That Executive

Authorises and ratifies the response suggested at Appendix 1.

Impact on Vulnerable Adults and Children

1. Summary of Impact:
-

Corporate Policy

1. Policy Status: Mayoral Community Infrastructure Levy (MCIL)
 2. BBB Priority: Not Applicable:
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: Potential additional income of between £40k - £50k (4% of the increased rate) to meet costs of the administration of the MCIL
 3. Budget head/performance centre: Community Infrastructure Levy
 4. Total current budget for this head: Net nil
 5. Source of funding: 4% of MCIL collected
-

Personnel

1. Number of staff (current and additional): 1
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Community Infrastructure Levy Regulation 2010 as
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: None
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Background

- 3.1 The Mayoral Community Infrastructure Levy (MCIL2) Draft Charging Schedule (DSC) public consultation towards Crossrail runs 18th Dec - 4th Feb 2018. This report alerts Members to the publication of the document whilst containing background detail, with points and concerns from the LB Bromley perspective that will enable a formal response.
- 3.2 The Mayor is a charging authority for the purposes of Part 11 of the Planning Act 2008, and the Community Infrastructure Levy (CIL) Regulations 2010 (as amended). These powers enable the Mayor to set a CIL charge which is paid by most new development in Greater London.
- 3.3 The Mayor brought in his first CIL (MCIL1) in April 2012) in order to contribute to Crossrail's £600m developer contributions funding target. MCIL 1 applies across all of London and to most land uses, with the exception of education, health, and certain uses exempted by statute, such as affordable housing.
- 3.4 MCIL 1 compliments the specific Crossrail s106 contributions scheme, collected only on office, retail and hotel developments in Central London and the Isle of Dogs. All proceeds from MCIL1 are used for Crossrail funding and it is expected that the Crossrail target will be reached by March 2019.
- 3.15 In 2011, LB Bromley strongly objected to the first proposed Crossrail charge in conjunction with the south London boroughs of Croydon, Kingston, Merton, Richmond, Sutton and Wandsworth. In response to the MCIL1 2011 consultation, the South London Boroughs main objections to the Mayoral CIL were:-
- *the methodology used in devising the charging regime,*
 - *that along with other south London authorities there would be limited benefit whilst there would be as number of local authorities outside of London who will benefit substantially from Crossrail but are not subject to a charge,*
 - *that the proposals could have a significant adverse impact on economic prosperity in South London and may deter private sector investment through development and regeneration, in particular in south London's town centres (e.g. Bromley, Kingston, Sutton, Twickenham and Mortlake), which are the focus of development potential. Many new developments are already subject to viability studies, which indicate that existing requirements cannot be met in full,*
 - *that the focus of the Mayor on Crossrail is at the expense of transport improvements elsewhere in London. In the South London sub-region, there is an acknowledged shortfall in transport infrastructure, with poor connections between major trip generators and overriding need for improvements to orbital public transport.*

Current Consultation

- 3.6 The Mayor proposes that:-
- Mayoral CIL continues to be levied from April 2019 (as MCIL2)
 - MCIL2 supersedes the current Crossrail s106 charge, and that
 - The rates for MCIL2 largely reflect a combination of MCIL1 and Crossrail s106 charge adjusted for current viability.
- 3.7 *"The Mayor proposes to use his MCIL2 to help meet part of the cost of the Crossrail 2 project, which is a strategic priority to support the growth and development of Greater*

London. The Mayor may however choose to apply his MCIL2 to any other strategically important transport project that is listed in the London Plan, as may be altered from time to time” (DSC consultation 2017).

3.8 This is the second round of public consultation, following the Preliminary Draft Charging Schedule of last August. Having considered comments the Mayor is consulting again on the Draft Charging Schedule until 4th Feb 2018. After this stage the Mayor can make changes to the Draft Schedule and if he does, he must allow a further 4 weeks for public consultation on these changes. The Mayor intends to hold an examination in public (EIP) later in 2018.

3.9 The proposed draft rates are:-

Band 1: (currently £50 rising to **£80 per sqm**)

Camden, City of London, Westminster, Hammersmith and Fulham, Islington, Kensington and Chelsea, Richmond-upon-Thames, Wandsworth.

(No changes in this banding).

Band 2: (currently £35 rising to **£60 per sqm**)

Barnet, Brent, **Bromley**, Ealing, *Enfield, Hackney, Haringey, Harrow, Hillingdon, Hounslow, Kingston-upon-Thames, Lambeth, Lewisham, Merton, Redbridge, Southwark, Tower Hamlets, *Waltham Forest, *London Legacy Development Corporation (LLDC), *Old Oak and Park Royal Development Corporation (OPDC).

(Changes are that those marked * join the banding, whilst Greenwich leaves the group).

Band 3: (currently £20 rising to **£25 per sqm**)

Barking and Dagenham, Bexley, Croydon, Greenwich, Havering, Newham, Sutton

(Changes are that Greenwich joins the banding and Waltham Forest and Enfield leave the group).

3.10 CIL Regulation 59 (2) restricts CIL spending by the Mayor to funding roads or other transport facilities, including Crossrail. Unlike the previous consultation on Crossrail funding in 2011, there is no indication on how much exactly will be needed from collection of the MCIL2 towards the next stage of Crossrail, this is because the Government is still considering the project whereas for the previous consultation for MCIL1 it was stated that £300m was required. The supporting information states ‘MCIL2 is expected to meet approximately 15 per cent of project costs’. The Mayor also gives in the evidence base, a clear indication there will be a further MCIL3 from 2024.

3.11 Transport for London has estimated that Crossrail 2 will cost around £30 billion at 2014 prices, but this ‘includes the cost of new trains and Network Rail works, and also includes some costs for national rail improvements which would be required regardless of Crossrail 2’.

3.12 Negotiations on the Crossrail 2 scheme are still underway and there is still no agreed funding package. Should no funding be achievable, the Mayor will be able to apply the MCIL2 to fund other strategic transport projects for which there is a significant funding gap. Until these matters are confirmed the proposed London contribution to costs of Crossrail consists of four funding sources:

- Crossrail 2 net operating surplus – i.e. the net impact of Crossrail 2 on TfL’s rail revenues.
- Over station development – proceeds from development of land and property initially required for consideration (development related with Crossrail 2 will pay Mayoral CIL 2 on the same basis as other developments)
- A Business Rate Supplement (BRS) (once the current BRS repays Crossrail 1 related debt)
- A Mayoral Community Infrastructure Levy (MCIL2).

Local concerns

- 3.14 Under MCIL1 LB Bromley falls in Band 2 (of 3 bandings over Greater London) and therefore currently collects £35 per sqm plus the relevant Building Cost Information Service (BCIS) rate on buildings that are used by people (this excludes buildings for machinery, or structure like pylons), and for a development of 100 square metres or more gross internal floorspace or involves creating one dwelling even where this is below 100 sqm (although any net charge of less than £50 will not be collected).
- 3.15 The Mayor proposes that Borough remains in Band 2 and that from April 2019 LB Bromley would charge £60 per sqm. However by 2019, Bromley will (subject to procedure and adoption), have to collect the MCIL in addition to the local LB Bromley's CIL. The Mayor has, in accordance with CIL Guidance and the Regulations, taken into account when reviewing his rates the borough levies that are in force at the time of evidence gathering. The LB Bromley first consultation stage of Preliminary Draft Charging Schedule is being consulted on in January 2018 and will not be in force until later in 2018 early 2019.
- 3.16 The Mayors evidence does not consider any possible local CIL element for Bromley and that may put the viability of the Bromley CIL (BCIL) at risk. Viability work from our consultants Dixon Searle Partnership has shown a buffer when considering the Bromley local rate, and may accommodate the extra charge, given that local house prices have gone up considerably since 2014, some 28%, but under 4% in the last year. But if over the next few years' house prices fall and construction prices rise the consequence will be to erode any 'buffer' and subsequently LB Bromley may have to review the Local CIL sooner than expected as projects in the local plan will not be deliverable if they become unviable.
- 3.17 LB Greenwich has gone down a banding to band 3, but the reasoning is not clearly stated in the evidence documentation from Jones Lang LaSalle. It could be that Bromley remains at band 2 because Bromley has a significant retail town centre, and therefore attracts higher retail rents than boroughs with similar house prices, when boroughs in band 3 lack a focused retail provision (Viability Evidence Base para 3.4.6). However Greenwich has several significant historic tourist attractions, and leisure/arts facilities to bolster its economy which Bromley does not have. Also Greenwich appears in Table 3 'Comparison of house prices, office rents and disposable incomes (London Boroughs)' to have an average house price of £368k, whilst Bromley is listed as £435k, this may be because of more flatted development in Greenwich at the time of data collection.
- 3.18 The other boroughs in South London sub-regional grouping that objected alongside Bromley in 2011 will this time round benefit directly from Crossrail 2, including Sutton which is placed in Band 3, whilst Bromley still does not.
- 3.19 If the Mayor does not use MCIL2 for Crossrail then a major concern for LB Bromley is with regard to using these funds to invest in future transport projects and the way schemes are prioritised and whilst the criteria seems to be consistent across Greater London, Outer London Boroughs like Bromley will always be at a disadvantage. Whilst acknowledging Bromley has not got the same congestion and air quality issues as Central and Inner London, this part of London is light on Mayoral priority schemes (as listed in the London Plan).

Conclusion

3.20 Despite the earlier objection Bromley remains (in this new consultation) in Band 2. Appendix 1 shows a proposed response based on the last consultation response to the GLA in August. In summary the proposed objections to the Mayor's DSC consultation are:-

- the methodology used in devising the charging regime, has put Bromley in Band 2 despite the impact this could have on the viability and sound development of a Bromley CIL,
- that the proposals could have a significant adverse impact on economic prosperity and viability in Bromley especially the Bromley town centre – already new developments are already subject to viability studies, which indicate that existing requirements may not be met in full,
- there is limited benefit whilst there would be as number of local authorities outside of London who will benefit substantially from Crossrail 2 but are not subject to a charge,
- the focus of the Mayor on Crossrail is at the expense of transport improvements elsewhere in London. In the Bromley, there is an acknowledged shortfall in transport infrastructure from the Mayor, and an overriding need for improvements to orbital public transport in this locality.

3.21 When making a response to the document a request can be made for the right to be heard by the examiner appointed to conduct the public examination of the draft schedule. It must be stated in the response that LB Bromley would wish to be notified.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

No specific impacts.

5. POLICY IMPLICATIONS

The Mayor has powers as a charging authority set out in Part 11 of the Planning Act 2008 to set a CIL charge to be paid by most new development in Greater London. The money raised by the Mayoral CIL is required by law to pay for strategic transport infrastructure needed to support London's development. LB Bromley acts as a collecting authority on behalf of the Mayor.

6. FINANCIAL IMPLICATIONS

6.1 LB Bromley retains 4% of any Mayoral CIL monies collected, to cover the cost of the collection administration on behalf of the Mayor.

6.2 Should the rate be increased to £60, it would generate additional income of between £40k and £50k from the 4% that is retained to meet administration costs of the collection.

6.3 It should be noted that if the Mayors evidence continues to exclude the impact of a local CIL for Bromley, it could put the viability of the Bromley CIL at risk. This would impact on the resources available to invest in the infrastructure in the borough.

7. LEGAL IMPLICATIONS

The Mayor has powers as a charging authority set out in Part 11 of the Planning Act 2008 to set a CIL charge to be paid by most new development in Greater London. The money raised by the Mayoral CIL is required by law to pay for strategic transport infrastructure needed to

support London's development. LB Bromley acts as a collecting authority on behalf of the Mayor. For the purposes of CIL Regulation 123(4)(a), the Mayor intends that the proceeds of MCIL2 will be put toward the funding of Crossrail 2.

Non-Applicable Sections:	Procurement, Personnel
Background Documents: (Access via Contact Officer)	MCIL2 draft Charging Schedule and supporting documents Dec 2017.

MCIL2 Preliminary Draft Charging Schedule
FREEPOST LON15799
GLA City Hall post point 18
The Queen's Walk
London SE1 2BR

MCIL2 Preliminary Draft Charging Schedule

In response to the latest consultation LB Bromley object to the new proposals in the consultation for the MCIL2 Preliminary Draft Charging Schedule. LB Bromley has three main concerns expressed originally last August and wishes to request for the right to be heard by the examiner appointed to conduct the public examination of the draft schedule.

Firstly, the method used in devising the charging regime as set out in the MCIL Viability Evidence base prepared by your consultants JLL. LB Bromley remains in Band 2 despite the impact this may have on development of a local Bromley CIL. This could have a significant adverse impact on the provision of local infrastructure such as education, health and transport and as a result impact on economic prosperity and viability in Bromley. This is especially so in the Bromley Town Centre – already new developments are subject to viability studies, which indicate that existing requirements may not be met in full. In short, resources are proposed to be diverted from local projects to London-wide programmes that may be of limited local benefit.

The Mayors evidence document takes no account of a potential Bromley CIL rate (Table 5, p.21). Further Bromley will be consulting on its own CIL from this January. We note with some surprise that LB Greenwich has gone down a banding, based on evidence of lower house prices, office rents and disposable income whilst Bromley seems penalised because it has a 'significant retail centre'. Similarly Sutton is placed in band 3 and will benefit directly with a station on the boundary. In the light of the above we request that the banding be reviewed.

Secondly, similar to our response to the MCIL1 in 2011, there is limited benefit for residents of LB Bromley for Crossrail 2, whilst there would be as number of local authorities outside of London who will benefit substantially from Crossrail 2 but are not subject to any charge.

Thirdly, it appears to LB Bromley that there is a focus on Crossrail, and this may be at the expense of transport improvements elsewhere in London. If the Mayor does not use MCIL2 for Crossrail then these funds may be used for other future transport projects but with a lack of any certainty that this will benefit Bromley.

Yours faithfully,

Report No
DRR18/002

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **DEVELOPMENT CONTROL COMMITTEE
EXECUTIVE**

Date: **25th January 2018/7th February 2018**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **BROMLEY'S RESPONSE TO THE DRAFT LONDON PLAN
CONSULTATION**

Contact Officer: , Gill Slater, Planner
Tel: 0208 313 4492 E-mail: gill.slater@bromley.gov.uk

Chief Officer: Chief Planner

Ward: (All Wards);

1. Reason for report

The Mayor of London published the New Draft London Plan for public consultation at the beginning of December 2017. When adopted, the new Plan will replace the current London Plan (2016) and, as part of Bromley's Development Plan, will be used in decision making on planning applications along with the UDP/ Local Plan and Bromley Town Centre Area Action Plan. Appendix 1 to this report summarises key aspects of the Consultation Draft and includes officers' comments. Bromley's response, based on these comments, will be prepared for Executive approval on 7th February 2018 and submitted before the deadline of Friday 2nd March.

2. **RECOMMENDATIONS**

Development Control Committee is requested to note the key aspects of the New Draft London Plan set out in Appendix 1 and recommend the suggested comments to the Executive to form the basis of Bromley's formal response

Impact on Vulnerable Adults and Children

1. Summary of Impact: No impact
-

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Quality Environment:
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Planning Division Budget (Excl. Building Control, Land Charges)
 4. Total current budget for this head: £1.525m
 5. Source of funding: Existing revenue budget for 2017/18
-

Personnel

1. Number of staff (current and additional): 64ftes
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: No implications
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All residents in the Borough as well as those making planning applications for development in the Borough.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Background

- 3.1 The Mayor of London published his New Draft London Plan for public consultation at the beginning of December 2017. As with the current London Plan, this is a Spatial Development Strategy which has been produced in accordance with the Greater London Authority Act 1999 (as amended). When adopted, it will replace the current London Plan which was originally published in 2011 and amended through a number of formal alterations up until March 2016. It will be the overall strategic plan for London, setting out an integrated economic, environmental, transport and social framework for the development of the Capital for the next 20 to 25 years (that is 2019 to 2041).
- 3.2 Following this consultation period, which concludes on Friday 2nd March 2018, it is anticipated that an Examination in Public, led by an independent Panel, will take place in autumn 2018. The Panel will produce a report recommending changes to the Plan which the Mayor can decide to accept or reject. Subsequent to that, the Secretary of State can direct changes, the London Assembly can decide to reject the whole plan but otherwise the Mayor intends to publish the New London Plan in autumn 2019.
- 3.3 Bromley's Draft Local Plan, which will replace the Unitary Development Plan (UDP), is currently under Examination, with public Hearing sessions having taken place in December 2017. The Council is currently waiting for further instruction from the Inspector, but it is expected that a period of consultation will be required on Proposed Modifications arising from discussion at the Hearings and other matters as advised. Once the Inspector has considered the response to that consultation she will prepare her final report including recommendations for changes to make the plan sound. The Council can then withdraw the UDP and adopt the Local Plan for use in determining planning applications.
- 3.4 Until the New Draft London Plan is adopted, the current London Plan 2016 is the strategic plan with which the Draft Local Plan should be in conformity and which is to be taken into account when making planning decisions.
- 3.5 The sections below summarise the key aspects of the consultation draft new London plan with further details in Appendix 1 with officer's initial comments which it is proposed that these form the basis of the Council's response to the consultation. The deadline for responses is Friday 2nd March and further analysis of the draft documents (including the evidence base) and the implications for the borough is being undertaken and will be reported to Members of DCC and the Executive to inform their considerations. The concerns highlighted by officers will form the basis of any Council objections to policies or parts of policies if these aren't addressed through discussions with the Mayor and the GLA..
- 3.6 Initial key areas of objection relate to the increase in housing supply and the policies as to how the increase has been calculated and the removal of the flexibility of residential parking standards for outer London secured previously through the minor alterations to the London Plan.

Summary of key aspects of the Consultation Draft New London Plan.

- 3.7 A summary of key aspects of each Chapter of the Consultation Draft is set out in Appendix 1. Many policies are similar to those in the current London Plan but significant changes, with implications for Bromley, are set out below. It is important to note that, as part of the Borough's Development Plan, there is no requirement for the policies to be repeated at the local level before they can be implemented, but some policies do allow for a local approach to be taken. Para 0.0.22 states that "*This Plan provides the framework to address the key planning issues*

facing London. This allows boroughs to spend time and resources on those issues that have a distinctly local dimension and on measures that will help deliver the growth London needs. This includes area-based frameworks, action plans and Supplementary Planning Documents, site allocations, brownfield registers and design codes”.

General spatial development patterns

- 3.8 “Growth Corridors”, including Opportunity Areas (such as Bromley Town Centre) and other town centres are the focus for growth. There is less emphasis on the retail elements of town centres and more about seeking opportunities for mixed use and residential development. Out-of-town centres should include residential when redeveloped. See Appendix 1, Chapter 2, comments on Policies SD1 (Opportunity Areas) and SD6 to 9 (Town Centres).

Protection of Green Belt and other open space

- 3.9 The protection of Green Belt and other open space is retained - see Annex 1, Chapter 1 comments on Policy GG2 Making the best use of land, and policies in Chapter 8). However, the clause in current Policy 3.5 which allows boroughs to adopt a presumption against the development of garden land has been removed. See Appendix 1, Chapter 3 comments on Policy D4 (Quality and Design). The London Plan introduces an urban greening formula to inform the provision of green infrastructure.

Housing supply

- 3.10 The current London Plan minimum target of 641 dwellings per annum for the borough is proposed to be raised to 1,424 dwellings per annum. This figure is the result of the Strategic Housing Land Availability Assessment which the GLA carried out in 2017. 72% of the proposed higher figure is assumed to be the delivery of units on small sites. Objections are raised to the significant increase in the Council’s draft annual housing target including the methodology used in the GLA’s 2017 SHLAA to calculate the small sites target. See Appendix 1, comments on Chapter 4, Policies H1 Increasing Housing Supply and H2 Small Sites.
- 3.11 The Sustainable Residential Quality Matrix (Table 3.2) of the current London Plan has been removed. The proposed new policy guiding density focuses instead on “optimising” sites, that is, “more efficient use of land”. See Appendix 1, comments on Chapter 3, Policy D6 Optimising housing density.
- 3.12 Policies on affordable housing are focussing on delivering more affordable housing across London. A need of 43,500 new affordable homes across per annum has been identified within the plan. A minimum threshold of 35% is initially set for relevant sites, a 50% threshold is set for public land and industrial sites deemed appropriate for release for other uses. The tenure for appropriate sites is split between the following; 30% low cost rented homes, 30% intermediate products and 40% to be determined by the borough for genuinely affordable products based on identified need.
- 3.13 A new policy sets out criteria for Large Scale purpose built shared living (Policy H18). This form of accommodation, involving communal space and concierge facilities for tenancies of 3 months plus is not of itself affordable but will be required to contribute either a payment in lieu or an ‘in perpetuity annual payment to the local authority’

Education

- 3.14 The plan moves away from the position of ‘strong support for establishment new schools’ (current London Plan Policy 3.18) and introduces specific criteria in relation to education development. See Appendix 1, Chapter 5 comments on Policy S3 Education and childcare facilities).

Economy

- 3.15 Bromley’s town centre status and office guideline are unchanged. There is strategic level support to implement Article 4 Directions to remove Permitted Development Rights for conversion of Class B uses to residential where viable.
- 3.16 New policies are included to support low-cost workspace, including through planning obligations. The plan also supports use of planning obligations to secure local employment and skills development opportunities.
- 3.17 There is now a broader range of borough-level groupings for industrial land management. Bromley is assigned a category of “Retain capacity”, roughly equivalent to its current grouping of “Restricted”. Industrial Land Release Benchmarks are replaced by a principle of no net loss of capacity in designated areas across London.
- 3.18 Foots Cray and St Mary Cray are retained as Strategic Industrial Locations wholly or partly within Bromley Borough.
- 3.16 The plan includes a new policy and criteria for “intensification, co-location and substitution” of industrial and related uses. This expands upon concepts included in the Mayor’s Land for Industry and Transport SPG.
- 3.17 The current policy for Strategic Outer London Development Centres (SOLDC) has been incorporated into a broader policy E8 Sector growth opportunities and clusters, but is largely unchanged in intent. Biggin Hill is now the only recognised SOLDC in London, whilst Crystal Palace is not referenced Boroughs are encouraged with the Mayor to identify and promote the development of SOLDCs.
- 3.19 The plan features new policies for hot food takeaways, including an exclusionary buffer of 400m between new Class A5 uses and current or proposed schools.

Heritage and Culture

- 3.20 The London Plan Policy HC7 ‘Protecting Public Houses’ requires a longer marketing period than Bromley’s draft Policy 23 Public Houses. This longer marketing period (24 months), may have a negative impact the character of the locality and on the vitality and viability of town centers.

Sustainable Infrastructure

- 3.21 There is a greater emphasis on improving air quality throughout the plan, with an “air quality positive” standard being required in some areas (see Appendix 1, comments on Policy SI1). Carbon Reduction targets for non-residential development are increased to “zero carbon” in line with residential and a minimum contribution from energy efficiency is introduced. Waste management policy remains largely the same with boroughs still being able to collaborate to meet their revised apportionment targets.

Transport

3.22 Reference to the Mayor's ambition for enhanced rail access to Bromley via an extension of the DLR has been removed. The Bakerloo Line extension remains a strategic priority for the Mayor, with a possible extension from Lewisham to Bromley (see Appendix 1, Chapter 10, comments on Policy T1 and T3). Bromley Town and Orpington have been identified as areas where higher cycling minimum parking standards should apply (see Appendix 1, Chapter 10, comments on Policy T5). There have been significant changes to parking standards. This has led to parking standards being more restrictive in nature, and there is less flexibility for outer London boroughs. (see Appendix 1, Chapter 10, comments on policies T6 to T6.5).

Funding

3.23 Chapter 11 'Funding the London Plan' incorporates Policy Delivery of the Plan and Planning Obligation, but chiefly in the text focuses on the London Infrastructure Plan 2050, a 2014 document which outlined investment required between 2016-2050. Featured is the aim of the Mayor for fiscal devolution with new fiscal tools to fund infrastructure that will unlock growth and new homes.

4. POLICY IMPLICATIONS

4.1 When adopted, the New Draft London Plan will replace the current London Plan (2016) and will form part of Bromley's Development Plan. It will therefore be used for decision making on planning applications alongside the Local Plan (when adopted) and the Bromley Town Centre Area Action Plan. The new London Plan will also influence any new planning policy documents produced by Bromley (such as a reviewed Area Action Plan or a revised Local Plan) as these are required to be "in general conformity" with it.

5. FINANCIAL IMPLICATIONS

5.1 Although there are no financial implications at this stage, it should be noted that should a higher housing figure be adopted in the future, this may have implications for the Council, with a greater demand for public services due to an increased population.

5.2 There could be future costs associated with the preparation and submission of the Council's representation and attendance at any subsequent hearing sessions into the new London Plan. Any costs will have to be contained within the existing planning budget.

Non-Applicable Sections:	Impact on vulnerable adults and children Personnel Procurement
Background Documents: (Access via Contact Officer)	The London Plan (2016) https://www.london.gov.uk/what-we-do/planning/london-plan/current-london-plan The London Plan – Draft for Public Consultation (December 2017) https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan

London Borough of Bromley
London Plan Draft for Public Consultation – December 2017

Summary and officer comments
Development Control Committee 18th January 2018

Policy	Title
	Chapter 1 Planning London's Future (Good Growth Policies)
Policy GG1	Building strong and inclusive communities
Policy GG2	Making the best use of land
Policy GG3	Creating a healthy city
Policy GG4	Delivering the homes Londoners need
Policy GG5	Growing a good economy
Policy GG6	Increasing efficiency and resilience
	Chapter 2 Spatial Development Patterns
Policy SD1	Opportunity Areas
Policy SD2	Collaboration in the Wider South East
Policy SD3	Growth locations in the Wider South East and beyond
Policy SD4	The Central Activities Zone (CAZ)
Policy SD5	Offices, other strategic functions and residential development in the CAZ
Policy SD6	Town centres
Policy SD7	Town centre network (and Annex 1)
Policy SD8	Town centres: development principles and Development Plan Documents
Policy SD9	Town centres: Local partnerships and implementation
Policy SD10	Strategic and local regeneration
	Chapter 3 Design
Policy D1	London's form and characteristics
Policy D2	Delivering good design
Policy D3	Inclusive design
Policy D4	Housing quality and standards
Policy D5	Accessible housing
Policy D6	Optimising housing density
Policy D7	Public realm
Policy D8	Tall buildings
Policy D9	Basement development
Policy D10	Safety, security and resilience to emergency
Policy D11	Fire safety
Policy D12	Agent of Change
Policy D13	Noise
	Chapter 4 Housing
Policy H1	Increasing housing supply
Policy H2	Small sites
Policy H3	Monitoring housing targets
Policy H4	Meanwhile use
Policy H5	Delivering affordable housing

Policy H6	Threshold approach to applications
Policy H7	Affordable housing tenure
Policy H8	Monitoring of affordable housing
Policy H9	Vacant building credit
Policy H10	Redevelopment of existing housing and estate regeneration
Policy H11	Ensuring the best use of stock
Policy H12	Housing size mix
Policy H13	Build to Rent
Policy H14	Supported and specialised accommodation
Policy H15	Specialist older persons housing
Policy H16	Gypsy and Traveller accommodation
Policy H17	Purpose-built student accommodation
Policy H18	Large-scale purpose-built shared living
Chapter 5 Social Infrastructure	
Policy S1	Developing London's social infrastructure
Policy S2	Health and social care facilities
Policy S3	Education and childcare facilities
Policy S4	Play and informal recreation
Policy S5	Sports and recreation facilities
Policy S6	Public toilets
Policy S7	Burial space
Chapter 6 Economy	
Policy E1	Offices
Policy E2	Low-cost business space
Policy E3	Affordable workspace
Policy E4	Land for industry, logistics and services to support London's economic function
Policy E5	Strategic Industrial Locations (SIL)
Policy E6	Locally Significant Industrial Sites
Policy E7	Intensification, co-location and substitution of land for industry, logistics and services to support London's economic function
Policy E8	Sector growth opportunities and clusters
Policy E9	Retail, markets and hot food takeaways
Policy E10	Visitor infrastructure
Policy E11	Skills and opportunities for all
Chapter 7 Heritage and Culture	
Policy HC1	Heritage conservation and growth
Policy HC2	World Heritage Sites
Policy HC3	Strategic and Local Views
Policy HC4	London View Management Framework
Policy HC5	Supporting London's culture and creative industries
Policy HC6	Supporting the night-time economy
Policy HC7	Protecting public houses
Chapter 8 Green Infrastructure and Natural Environment	
Policy G1	Green infrastructure
Policy G2	London's Green Belt
Policy G3	Metropolitan Open Land
Policy G4	Local green and open space

Policy G5	Urban greening
Policy G6	Biodiversity and access to nature
Policy G7	Trees and woodlands
Policy G8	Food growing
Policy G9	Geodiversity
Chapter 9 Sustainable Infrastructure	
Policy SI1	Improving air quality
Policy SI2	Minimising greenhouse gas emissions
Policy SI3	Energy infrastructure
Policy SI4	Managing heat risk
Policy SI5	Water infrastructure
Policy SI6	Digital connectivity infrastructure
Policy SI7	Reducing waste and supporting the circular economy
Policy SI8	Waste capacity and net waste self-sufficiency
Policy SI9	Safeguarded waste sites
Policy SI10	Aggregates
Policy SI11	Hydraulic fracturing (Fracking)
Policy SI12	Flood risk management
Policy SI13	Sustainable drainage
Policy SI14	Waterways – strategic role
Policy SI15	Water transport
Policy SI16	Waterways – use and enjoyment
Policy SI17	Protecting London’s waterways
Chapter 10 Transport	
Policy T1	Strategic approach to transport
Policy T2	Healthy Streets
Policy T3	Transport capacity, connectivity and safeguarding
Policy T4	Assessing and mitigating transport impacts
Policy T5	Cycling
Policy T6	Car parking
Policy T6.1	Residential parking
Policy T6.2	Office parking
Policy T6.3	Retail parking
Policy T6.4	Hotel and leisure uses parking
Policy T6.5	Non-residential disabled persons parking
Policy T7	Freight and servicing
Policy T8	Aviation
Policy T9	Funding transport infrastructure through planning
Chapter 11 Funding the London Plan	
Policy DF1	Delivery of the Plan and Planning Obligations
Chapter 12 Monitoring	
Policy M1	Monitoring

Chapter 1 – Planning London’s Future (Good Growth Policies)

Policy GG1 – Building strong and inclusive communities

In summary - Those involved in planning and development must:

- Continue to generate economic opportunities, everyone able to benefit
- Provide access to good quality services, increasing social integration
- Plan streets and public spaces for comfort and safety, foster sense of community
- Promote town centres for social civic cultural and economic benefits, day evening and night
- Design new buildings and spaces for legibility inclusivity resilient adaptable
- Create accessible London for all, welcoming, dignity without segregation

Comment

The policy is noted.

Policy GG2 – Making the best use of land

“To create high-density, mixed-use places that make the best use of land, those involved in planning and development must:

A Prioritise the development of Opportunity Areas, brownfield land, surplus public sector land, sites which are well-connected by existing or planned Tube and rail stations, sites within and on the edge of town centres, and small sites.

B Proactively explore the potential to intensify the use of land, including public land, to support additional homes and workspaces, promoting higher density development, particularly on sites that are well-connected by public transport, walking and cycling, applying a design-led approach.

C Understand what is valued about existing places and use this as a catalyst for growth and place-making, strengthening London’s distinct and varied character.

D Protect London’s open spaces, including the Green Belt, Metropolitan Open Land, designated nature conservation sites and local spaces, and promote the creation of new green infrastructure and urban greening.

E Plan for good local walking, cycling and public transport connections to support a strategic target of 80 per cent of all journeys using sustainable travel, enabling car-free lifestyles that allow an efficient use of land, as well as using new and enhanced public transport links to unlock growth.

F Maximise opportunities to use infrastructure assets for more than one purpose, to make the best use of land and support efficient maintenance.”

Comment

The Council strongly supports the reaffirmation that existing green space designations should remain protected. As a borough with more than 50% open space, Bromley has a key role to play in the achievement of the ambition of 50% green cover across London (para 1.2.6).

Bromley has a rich natural and cultural heritage and its distinctive places and character are highly valued by those who live and do business in the borough. The London Plan should give stronger protection to these valued environments where local people proactively seek to enhance these qualities.

See also comments on draft Policies of Chapters 2, 3 and 4.

Policy GG3 - Creating a healthy city

In summary -

- Ensure coordination to improved mental and physical health
- Promote activity and healthy lifestyles
- Use Healthy Streets approach to priorities health in all planning decisions
- Assess impacts of development on health and wellbeing
- Plan improved access to green spaces and new green infrastructure
- Ensure new buildings are healthy
- Create healthy food environment

Comment

The green and open spaces which give Bromley its special character make an important contribution to the health and wellbeing of all Londoners – a “green lung” vital to carbon sequestration, pollution reduction, tempering the heat island effect and offering opportunities for formal and informal sport and recreation. The London Plan should recognise Bromley’s unique contribution to the Capital in this respect.

See also comments on relevant policies in following Chapters.

Policy GG4 - Delivering Homes Londoners need

In summary - Those involved in planning and development must

- ensure that more homes are delivered.
- support the delivery of the strategic target of 50 per cent of all new homes being genuinely affordable.
- create mixed and inclusive communities
- identify and allocate a range of sites, including small sites, to deliver housing locally,
- establish ambitious and achievable build-out rates at the planning stage,

Para 1.4.3 states that “The 2017 London Strategic Housing Market Assessment has identified a significant overall need for housing, and for affordable housing in

particular. London needs 66,000 new homes each year, for at least twenty years and evidence suggests that 43,000 of them should be genuinely affordable if the needs of Londoners are to be met. This supports the Mayor's strategic target of 50 per cent of all new homes being genuinely affordable."

Comment

See comments on Chapter 4, Housing Policies.

Policy GG5 – Growing a good economy

In summary - To conserve London's competitiveness and ensure success is shared, those involved in planning and development should:

- Promote strength and potential of the wider city region
- Diversify and share benefits
- Plan for sufficient employment space in the right locations
- Ensure housing and infrastructure are provided to support growth
- Ensure leadership and innovation
- Promote and support rich heritage and cultural assets
- Maximise public transport, walking and cycling network, town centres to support agglomeration and economic activity

Comment

The policy is broadly supported. See also comments on Chapter 6, economy.

Policy GG6 Increasing efficiency and resilience

In summary - To help London become a more efficient and resilient city, those involved in planning and development should:

- Seek to improve energy efficiency and move to low carbon circular economy
- Ensure buildings and infrastructure adapt to changing climate
- Create safe and secure environment
- Integrated approach to infrastructure

Comment

See comments on Chapter 9 – Sustainable Infrastructure.

Chapter 2 – Spatial Development Patterns

Chapter 2 sets out the strategic development framework for London over the life of the London Plan.

Strategic Framework

Para 2.0.2 states that *“London’s green and open spaces are a vital part of the capital. Its parks, rivers and green open spaces are some of the places that people most cherish and they bring the benefits of the natural environment within reach of Londoners. London’s Green Belt and Metropolitan Open Land designations (see Chapter 8) serve to protect these strategically-important open spaces, prevent urban sprawl and focus investment and development on previously developed land.”*

However, Para 2.0.3 states that *“If London is to meet the challenges of the future, all parts of London will need to embrace and manage change. Not all change will be transformative – in many places, change will occur incrementally. This is especially the case in outer London, where the suburban pattern of development has significant potential for appropriate intensification over time, particularly for additional housing.”*

Comment

Bromley supports the recognition of the value of open spaces and the focus on previously developed land. However, there is limited capacity for intensification of suburban areas without detrimental effects upon local communities, heritage, character and green infrastructure. It could also lead to a loss of much needed family housing and necessary amenity space for residents, particularly children. Intensification in areas without high levels of public transport would lead to additional pressure on the road network. This strategy does not accord with Para 1.2.7 which recognises the benefits of “distinctive character and heritage”.

Opportunity Areas

Policy SD1 - Opportunity Areas

Updates existing Policy 2.13 – Opportunity Areas and Intensification Areas

The new policy includes more of a focus on the role that Opportunity Areas should have on enabling regeneration and reducing inequality, specifically mentioning affordable housing. Boroughs should set out how they will encourage and deliver the growth potential of Opportunity Areas. They should support development which creates employment opportunities and housing choice for Londoners, plan for the necessary social and other infrastructure, include ambitious transport modal share targets and support wider regeneration in the surrounding areas.

Comment

The current London Plan designates Bromley Town Centre as an Opportunity Area and the Council is committed to taking this forward through the Area Action Plan and the Local Plan. Draft Policy 90 states that the Council will prepare an Opportunity

Area Planning Framework to deliver a minimum of 2,500 homes and an indicative 2,000 jobs. The intention is that this framework will form an early review of the Area Action Plan.

Supporting London's Growth

Para 2.13 states that "The Mayor has concluded that an extension to Lewisham via Old Kent Road and New Cross Gate is the best option for an initial Bakerloo Line Extension. There is also the potential for future extensions of the scheme beyond Lewisham. Planning frameworks should identify the development opportunities which are made possible as a result of the Bakerloo Line Extension, as well as how this would be phased to reflect the connectivity and capacity benefits it unlocks.

Figure 2.4 shows an indicative extension plan including Bromley Town Centre Opportunity Area.

Comment

Whilst the DLR extension to Bromley no longer forms part of TfL's current Business Plan, it remains Bromley's preferred option from Lewisham/Catford to Bromley South via Bromley North. This extension will form part of continuing discussions with TfL regarding the next draft of the Business Plan, and the Council will continue to press TfL to secure funding for this extension.

See also comment on Policy T3, Chapter 10.

The "Wider South East"

Policy SD2 – Collaboration in the Wider South East

Updates existing Policy 2.2 – London and the Wider Metropolitan Area

The Mayor will work with partners across the Wider South East to address "appropriate regional and sub-regional challenges and opportunities through recently developed strategic coordination arrangements"

Policy SD3 – Growth Locations in the Wider South East and Beyond

Updates existing Policy 2.3 - Growth Areas and co-ordination corridors.

Para 2.3.1 states that "This Plan aims to accommodate all of London's growth within its boundaries without intruding on its Green Belt or other protected open spaces. As with any successful urban area this does not mean that in- and out-migration will cease, but that as far as possible sufficient provision will be made to accommodate the projected growth within London."

Para 2.3.4 states that "Given the pressure for growth in both London and the WSE, the barriers to housing delivery that need to be overcome to avoid a further increase of the backlog, and potential changes to projections over time, it is prudent to plan

for longer-term contingencies. Therefore, the Mayor is interested in working with willing partners beyond London to explore if there is potential to accommodate more growth in sustainable locations outside the capital.”

Comment

With the risks to existing communities and the environment of accommodating of an ever-growing population within the bounds of the Capital, Bromley supports collaborative working with the Wider South East area. However, it is questioned how the Mayor, through these policies, can significantly influence authorities outside London without any power to direct changes.

(Policy SD4 and SD5 relate to the Central Activity Zone (CAZ) in central London)

Town Centres

Town Centres are addressed in the current London Plan in Policy 2.15 – Town Centres, Annex 2 and Policy 4.7 – Retail and Town Centre Development. The New London Plan puts a greater emphasis on the role of town centres in helping to deliver its vision – an extension of the “Town Centres First” approach. There is greater emphasis on identifying the potential for additional residential capacity in town centres whilst ensuring the network continues to meet the needs of London and its economy.

Policy SD6 – Town Centres

Town centres should be promoted and enhanced as hubs for a diverse range of uses, including “locations for mixed use or housing-led intensification and higher density renewal, securing a high-quality environment and complementing local character and heritage assets”. Clause “C” states that “The potential for new housing within and on the edges of town centres should be realised through higher-density mixed-use or residential development”. Town centres need to be able to adapt and diversify in light of changes in retail patterns and an increase in surplus retail floorspace.

Comment

The continued focus on town centres for multiple uses is supported however it is important to recognise that not all town centres can accommodate higher density development without irrevocably changing their character. Boroughs should be able to determine which town centres are suitable for higher density development rather than there being a blanket assumption.

Policy SD7 – Town Centre Network

The draft policy sets out the requirement to proactively manage town centres to promote sustainable economic growth and the continued need to monitor changing uses through health checks. Clause E notably mentions District Centres and their “potential for higher density mixed-use residential development” as well as other viable functions.

The existing Town Centre Hierarchy is retained, with Bromley as a Metropolitan centre, Orpington a Major centre and District Centres of Petts Wood, Beckenham, Penge, West Wickham and Crystal Palace.

Annex 1 contains descriptions of the characteristics of the network levels – which remain unchanged - and indicates the growth potential of commercial, residential (informed by the SHLAA) and office uses for each centre. This has changed from the current London Plan which has a general growth potential indicator, office guidelines and does not include residential potential.

Bromley is attributed with “high” potential for commercial and residential growth and level “b” in the office guidelines, that is, having “the capacity, demand and viability to accommodate new office development, generally as part of mixed-use developments including residential use”. The definition of level “b” in the current London Plan suggests that there would likely be an overall loss of office floorspace.

Orpington is given “low” commercial growth potential, and “medium” residential. All District centres are given “low” potential for commercial growth, Beckenham and Penge are given “incremental” potential for residential and Petts Wood and West Wickham “medium”.

Lewisham is identified as a potential Metropolitan centre, which would put it on the same level as Bromley Town Centre.

Comment

The “high” potential for residential and commercial growth in Bromley Town Centre is noted. This reflects the area’s status as an Opportunity Area.

Policy SD8 – Town Centres: development principles and Development Plan Documents

This policy reiterates the “Town Centre First” approach of the current London Plan and continues to require a sequential approach to accommodating town centre uses. Out-of-centre development of town centre uses other than viable office locations in outer London should be resisted. The full potential of out-of-centre retail and leisure parks should be realised to deliver housing intensification without a net increase in retail or leisure floorspace. Boroughs should develop policies for the edge and fringes of town centres, revising shopping frontages where surplus to introduce greater flexibility and identify centres that have particular scope to accommodate new commercial development and higher density housing.

Comment

Whilst the sequential approach to town centre uses is supported, there are concerns about introducing residential development into out-of-centre retail and leisure parks due to the less accessible nature of these areas and their parking pressures.

Policy SD9 – Town centres: Local partnerships and implementation

This policy introduces the requirement for each town centre to have a Town Centre Strategy “produced in partnership at the local level in a way that is inclusive and representative of the local community”. Para 2.9.2 goes on to say that these should cover a broad remit “co-ordinating a tailored approach to planning, environmental health, licensing, Healthy Streets, transport strategy, highways management, logistics and servicing, regeneration, air quality, investment and projects. They should be developed with input from relevant stakeholders, including TfL, commercial landlords and investors, Business Improvement Districts and business associations, social infrastructure providers, Historic England, and community and amenity groups.” Article 4 Directions should be introduced where appropriate to remove permitted development rights for conversion to residential in order to sustain vitality and viability and maintain flexibility.

Comment

With 7 potential town centres (listed in Annex1) which would require Town Centre Strategies, there is concern about the resource implications of this requirement in Bromley. It is suggested that boroughs should be allowed to decide which town centres will benefit from this approach.

Strategic and Local Regeneration

Policy SD10 – Strategic and Local Regeneration

Boroughs should identify Strategic Areas for Regeneration (set out in Figure 2.19) and see to identify Local Areas for Regeneration. Policies and proposals should contribute to regeneration by tackling spatial inequalities and environmental economic and social barriers.

Comment

The policy is noted. Bromley has established its own “Renewal Areas” in the Draft Local Plan in response to the current London Plan Policy 2.14.

Chapter 3 – Design

Policy D1 – London’s form and characteristics

Incorporates elements of several existing policies including Policy 7.1 – Lifetime neighbourhoods, Policy 7.4 – Local character, Policy 7.6 – Architecture.

The policy requires Development Plans and proposals to address a wide range of matters in shaping places and developments, including:

- Using land efficiently by optimising density
- Providing conveniently located open and green spaces
- Preventing or mitigating the impacts of noise and poor air quality
- Responding to local character
- Aiming for high sustainability standards
- Respecting and enhancing heritage assets and architectural features
- Maximising opportunities for urban greening

Comment

The policy is generally supported but see also comments on Policy D6 below.

Policy D2 – Delivering good design

The Policy sets a requirement for Development Plans to identify an area’s capacity for growth which strengthens what is valued in a place. This should be based on an evaluation covering a range of elements including:

- Socio-economic data
- Housing type and tenure
- Urban form and structure
- Transport networks
- Air quality and noise levels
- Open space networks
- Historical evolution and heritage assets
- Topography
- Land availability
- Existing and emerging Development Plan designations
- Existing and future uses and demand for new development

The findings of the evaluation taken together with other policies should inform sustainable options for growth and be used to establish the most appropriate form of development for an area. The outcome must ensure that development on all sites is optimised.

Design analysis and visual modelling should be undertaken where appropriate. Masterplans and design codes should be used. Design review should be used to

assess and inform design options early in the planning process in addition to planning advice.

Comment

The policy largely sets out the normal considerations to be taken into account in preparing a Local Plan. See also Policy H2 – Small Sites for the relevance of preparing “design codes”.

Policy D3 – Inclusive Design

Similar to existing Policy 7.2 – An inclusive environment

The aim of the policy remains the same – to ensure development is designed from the outset to be as inclusive as possible. An “inclusive design statement” is specifically required as part of a design and access statement to demonstrate how the principles have been addressed.

Comment

The policy is broadly supported.

Policy D4 – Housing quality and standards

Incorporates elements of existing Policy 3.5 – Quality and Design of Housing Developments and the Housing SPG.

The current space standards are retained unchanged, with the addition of 6 bed, 8 person properties. The standards apply to all tenures and all residential accommodation that is self-contained. Guidance from the SPG including minimum standards for private outdoor open space has been brought into the actual Policy.

Comment

An important element of Policy 3.5 has been lost – that is the presumption against development on back gardens or other private residential gardens. Gardens have been completely missed from the Consultation Draft Plan and do not even feature in the Green Infrastructure section. These spaces should be recognised and protected for their contribution to amenity, healthy lifestyles, biodiversity and habitat corridors, flood risk management, heritage and character.

The Council supports minimum dwelling size standards in principle but remains concerned that is not possible to apply this policy to conversions made under Prior Approval (particularly office to residential). Some residential units coming forward under the Government’s scheme are well below the London Plan standard.

Policy D5 – Accessible housing

The policy reflects current London Plan Housing choice Policy 3.8c) and d).

The supporting text para 3.5.4 advises that M4(3) wheelchair accessible housing should be applied only '*where the local authority is responsible for allocating or nominating the resident*'.

The supporting text advises that wheelchair user dwellings M4(2) and M4(3), which require 'step free' access, should be provided throughout developments (including floor levels). Guidance is provided regarding the limited circumstances where flexibility with regard to the requirement for lift access to dwellings without ground level entrance may be applied, including the implications of service charges for on-going maintenance.

Comment

The Council supports the policy which reflects draft Policy 4 Housing design, but queries the language in para 3.5.4 which reflects that within the draft Local Plan para 2.1.59 to which the GLA objected to in prompting a proposed modification which has been submitted to examination. The clarification regarding lift provision is noted.

Policy D6 – Optimising Housing Density

Replaces Policy 3.4 – Optimising Housing Potential, and the Sustainable Residential Quality matrix table 3.2

“Development proposals must make the most efficient use of land and be developed at the optimum density. The optimum density of a development should result from a design-led approach to determine the capacity of the site.

Particular consideration should be given to:

- 1) the site context
- 2) its connectivity and accessibility by walking and cycling, and existing and planned public transport (including PTAL)
- 3) the capacity of surrounding infrastructure.

Proposed residential development that does not demonstrably optimise the housing density of the site in accordance with this policy should be refused.”

Para 3.6.1

“For London to accommodate growth in an inclusive and responsible way every new development needs to make the most efficient use of land. *This will mean developing at densities above those of the surrounding area on most sites.* The design of the development must optimise housing density. A design-led approach to optimising density should be based on an evaluation of the site’s attributes, its surrounding context and capacity for growth and the most appropriate development form, which are determined by following the process set out in Policy D2 Delivering good design. Policy H1 Increasing housing supply, Policy H2 Small sites and Policy H3 Monitoring

housing targets set out requirements for increasing housing supply across London and identify locations where increased housing capacity can be achieved.”

Para 3.6.3

“The surrounding infrastructure of all types is a key element in determining the optimum density of a site. The capacity of existing and future public transport services, and the connections they provide, should be taken into consideration, as should the potential to increase this capacity through financial contributions and by joint working with Transport for London. Boroughs and infrastructure providers should also consider the cumulative impact of multiple development proposals in an area. In general, the higher the public transport access and connectivity of the site, and the closer it is to a town centre or station, the higher the density and the lower the car parking provision should be.”

Para 3.6.6

“Masterplans and strategic frameworks should be used when planning large-scale development to create welcoming and inclusive neighbourhoods, promote active travel, enable the successful integration of the built form within its surrounding area, and deliver wider benefits to residents, such as access to shared amenity space and high-quality public realm.”

Comment

The Council supports a design-led approach to development sites but it is concerned that Para 3.6.1 seems to suggest that this approach will necessarily result in higher densities. Taking the local context and character into account, as required by other draft policies, may not lead to higher density development being the optimal solution.

Policy D7 – Public Realm

Similar to existing Policy 7.5 - Public Realm

The policy adds new objectives to the existing policy reflecting the growing demand caused by population growth on London’s public realm to accommodate a greater variety /intensity of uses, particularly in high density development. The definition of the public realm is extended to include shopping malls, sky gardens, viewing platforms, museums and stations concourses particularly important in areas of higher density. The policy seeks to facilitate the balance between the various functions of the public realm.

Additional objectives relate to encouraging active travel and discouraging car travel and on street parking, creating a sense of place based on an understanding of function of public spaces, strengthening the relationship between buildings and the public realm, incorporating green infrastructure (SUDs) and play equipment, providing spaces to be enjoyed by all ages, welcome open street events to improve the public realm, identify opportunities for meanwhile uses on phased development sites, and provide drinking water.

The supporting text references The Mayor's Healthy Streets Approach to the design and management of streets.

Comment

The policy is noted.

Policy D8 – Tall Buildings

Similar to existing Policy 7.7 – Location and Design of Tall Buildings

The policy specifically emphasizes the role of tall buildings in accommodating London's growth and requires local plans to identify specific sites suitable for tall buildings as part of a plan led approach. This focuses on areas of growth, change and good transport connectivity, and where permission in principle would be suitable, rather than identifying general appropriate, sensitive and inappropriate locations as per the existing policy. Local Authorities are required to define what they consider as tall buildings in various locations.

The policy sets criteria to take into consideration in the plan making process and in deciding development proposals with emphasis being added on the various types of impact including:

- The visual impacts of development with added references to long range, mid-range and immediate views, in addition to design and the historic environment. Specific guidance is provided in the supporting text re: the design of the top, middle and base of a tall building.
- The functional impacts of the design of the development on the safety of its occupiers, the surrounding public realm, pedestrian flow, access to services and infrastructure, the economy of the area, sky rights and telecommunications and solar energy generation.
- Environmental impacts of the design of the development on the enjoyment of adjoining open spaces and street level conditions.
- The cumulative visual functional and environmental impacts of tall buildings and integration of adequate mitigation measures.

Clause D of the policy specifically includes the requirement for tall buildings to incorporate publicly accessible areas.

In areas of substantial change such as Opportunity Areas, the definition of tall buildings is stated to depend on the context. Tall Building applications referable to the Mayor are identified as including buildings more than 30 m in height. The Mayor commits to work with Boroughs to provide a strategic overview of tall building locations across London and assisting with consultations.

Comment

The policy is noted.

Policy D9 – Basement development

New Policy

“Boroughs... should establish policies to address the negative impacts of large-scale basement development beneath existing buildings”

Whilst small-scale basement developments can help make more efficient use of land, there have been problems, particularly in inner London, with large subterranean developments. Some boroughs have implemented Article 4 Directions to restrict permitted development rights. The Mayor supports boroughs in restricting large scale basement excavations where it is likely to cause unacceptable harm.

Comment

To date the Council is not aware of negative issues resulting from so called “mega basement” development in the Borough, however it supports the spirit of the policy in protecting people and property and will review the need for local restrictions in the future.

Policy D10 – Safety security and resilience to emergency

The policy is broadly the same as existing Policy 7.13 – Safety, Security and Resilience to Emergency

Boroughs should work with the Metropolitan Police and other agencies to identify community safety needs. Development proposals should maximise building resilience and minimise potential risks, and include proportionate measures to deter terrorism, assist in detection and help mitigate impacts. These measures should be considered at the start of the design process and be aesthetically integrated into the development and wider area.

Comment

The policy is supported.

Policy D11 – Fire safety

New policy.

Development proposals must achieve the highest standards of fire safety and ensure they incorporate appropriate features which reduce risk to life, minimise fire spread, provide escape routes, an evacuation strategy and access for firefighting.

All major development proposals should be submitted with a Fire Statement.

Comment

Whilst Building Regulations set out fire safety requirements, this policy intends to ensure “the highest standards” of fire safety through incorporating it into the design

process in a more holistic way. Whilst improvements in fire safety checks are to be supported, evaluating statements for all major developments would put pressure on resources.

Policy D12 – Agent of change NEW POLICY

The “Agent of Change” principle (included in the NPPF at Para 123) puts the responsibility for mitigating impacts from existing noise-generating activity on the proposed new noise-sensitive development. Development proposals should ensure good acoustic design, explore mitigation early in the design process and separate new noise-sensitive development where possible from existing noise-generating businesses. Development should ensure that existing noise-generating venues can remain viable. New noise-generating development should put in place measures to mitigate and manage any impacts for neighbouring residents and businesses. Boroughs should refuse proposals that have not demonstrated how noise impacts will be mitigated and managed.

Comment

The policy is welcomed and it is noted that the Council will be able to take this policy into account in some permitted development applications, including conversion of office to residential.

Policy D13 - Noise

This policy largely repeats existing Policy 7.15 – Noise. It does not cover aviation related noise which is addressed in draft Policy T8 - Aviation.

- Development proposals should manage noise by:
- avoiding adverse noise impacts on health and quality of life
- reflecting the Agent of Change principle
- mitigating and minimise existing and potential adverse impact without placing unreasonable restrictions on development
- improving and enhancing the acoustic environment
- separating new noise-sensitive development from major noise sources through the use of distance in preference to insulation

Comment

The policy is noted.

Chapter 4 Housing

Policy H1 Increasing housing supply

Policy H1 deals with Increasing Housing Supply. The current London Plan policy is 3.3 Increasing Housing Supply.

Policy H1 presents new ten-year targets for net housing completions (2019/20 – 2028/29) in Table 4.1, page 145. The ten year target for the Borough is 14,240 homes and annualised the net target is 1424 homes.

The large site target (sites > 0.25ha) is 395 homes per annum compared to 289 homes per annum at present.

Table 4.2 of the Draft London Plan sets out 10 year targets (2019/20 – 2028/29) for net housing completions on small sites (below 0.25ha in size). The net target for Bromley is 1029 homes per annum compared to 352 at present for small sites.

Policy H1 Increasing housing supply sets out criteria for boroughs to ensure ten year housing targets are achieved. In summary this includes:

Clause B, 1 a-c

- Boroughs should prepare delivery-focused Development Plans;
- Allocate an appropriate range and number of sites suitable for residential and mixed use development and intensification;
- Encourage development on other appropriate windfall sites not identified within Development Plans;
- Ensure delivery of housing capacity identified in Opportunity Areas working closely with the GLA.

Clause B, 2 a-f

To increase housing supply boroughs should optimise potential for housing delivery on all suitable and available brownfield sites through Development Plans and planning decisions.

Different brownfield sites are listed and include:

- Sites with existing or planned public transport access levels (PTALS) 3-6 or which are located 800m of a Tube station, rail station or town centre boundary;
- Mixed-use redevelopment of car parks and low-density retail parks;
- Housing intensification on other low-density sites in commercial, leisure and infrastructure uses;
- Redevelopment of surplus utilities and public sector owned sites;
- Small housing sites;
- Industrial sites that have been identified through the processes set out in Policy E4 Land for industry, logistics and services to support London's economic function, Policy E5 SIL, Policy E6 LSIS and E7 Intensification, co-location and

substitution of land for industry, logistics and services to support London's economic function.

The policy sets out four additional clauses (C-F):

- Boroughs should proactively use brownfield registers and permission in principle to increase certainty for those wishing to build new homes;
- Boroughs should publish and annually update housing trajectories based on the targets in Table 4.1 which identify the sources of housing capacity (including windfall) expected to contribute towards achieving housing targets and should work with the Mayor to resolve any anticipated shortfalls;
- Where new sustainable transport infrastructure is planned, boroughs should re-evaluate the appropriateness of land use designations and the potential to accommodate higher-density residential and mixed-use development, taking into account future public transport capacity and connectivity levels;
- On sites allocated for residential and mixed-use development there is a general presumption against single use low-density retail and leisure parks. These developments should provide a mix of uses including housing on the same site in order to make the best use of land available for development.

Paragraphs 4.1.1 and 4.1.2 highlight that the Mayor has carried out a London-wide Strategic Housing Market Assessment (SHMA) and a Strategic Housing Land Availability Assessment (SHLAA). For the purposes of the Draft Plan London is considered as a single housing market area. Because of London's ability to plan strategically boroughs are not required to carry out their own needs assessment (although footnote 36 references that if boroughs wish to do so they are encouraged to carry them out sub-regionally).

Paragraph 4.1.2 specifies that the advantage of strategic planning is that it allows London to focus development in the most sustainable locations, allowing all of London's land use needs to be planned for with an understanding of how best to deliver them across the capital.

The SHMA has identified need for 66,000 additional homes per year compared to 49,000 in the current London Plan.

Paragraph 4.1.3 states that to achieve the housing targets set out in Table 4.1 the overall average rate of housing delivery on both large and small sites will need to approximately double compared to current average completion rates. Recognition is given to the fact that development of this scale will require not just an increase in the number of homes approved but also a fundamental transformation in how new homes are delivered. The London Plan, London Housing Strategy and Mayor's Transport Strategy together provide a framework to help achieve this ambition but achieving this step change in delivery will require increased levels of funding to support the delivery of housing and infrastructure.

Paragraph 4.1.4 – the London Housing Strategy sets out Mayor's proposals for working with boroughs and other partners to deliver the step change in housing supply through:

- Proactive intervention in London's land market to unlock and accelerate housing delivery including on public land and through CPO and other forms of land assembly;
- Increased and better-targeted investment to de-risk development and maximise opportunities for new transport infrastructure;
- Diversification of the housebuilding industry through increased Build-to-Rent development, more support for small and medium sized builders and more supply of Council's and housing associations;

Paragraph 4.1.8 states that the allowance for windfall sites is considered appropriate given the policy framework set out in the Plan, the capitals reliance on recycled brownfield sites on other active land uses, number of additional homes expected through increases in density of existing homes through small housing developments. Boroughs are encouraged to identify as many sites as possible (including small sites) in Development Plans and on Registers. Boroughs are supported in using windfall assumptions in their five-year housing trajectories based on the numbers set out in Table 4.2. In contrast with recent annual trends on small sites the figures in Table 4.2 are considered to better reflect the step change in housing delivery through presumption in favour of small housing developments (Policy H2) and the package of measures in London Housing Strategy.

Comment

The Draft Local Plan sets out in Draft Policy 1 that the Council will make provision for a minimum average of 641 additional homes per annum over the ten year plan period and where possible over the fifteen year plan period.

Appendix 10.1 Housing Trajectory sets out a trajectory total of 10,645 units from 2015/16 – 2029/30, the fifteen year plan period.

Over the ten year period 2020/21 – 2029/30 Appendix 10.1 identifies 6959 units which contrasts significantly with the 14,240 units identified for Bromley in Table 4.1 of the 2017 Draft London Plan.

The Council has objections to the 677 unit per annum uplift for small sites. Paragraph 4.1.3 refers to a fundamental transformation that is required to deliver this significant step change in delivery. Of significant concern is the fact that the timescale for commencement of such delivery is April 2019.

Through participation in the London-wide SHLAA officers assessed sites of 0.25 ha or larger. This exercise resulted in realistic assumptions for sites of this size depending on a variety of site characteristics. All sites that are currently designated as Green Belt, Metropolitan Open Land and Urban Open Space were excluded (unless an extant planning permission existed for the site). Paragraph 4.1.7 states that the differences between different borough targets are a reflection of the variations in the constraints and opportunities affecting development on large sites and the capacity for development on small sites. As set out in paragraph 4.1.7 this exercise was undertaken by officers in partnership with the GLA.

The Council has objections to the methodology used by the GLA to generate the small site target for boroughs which differs to that used in the 2013 SHLAA. The methodology uses a combination of trend data for certain types of development and an estimate of potential intensification in existing residential areas (paragraph 4.1.7). As set out above the small site 'target' for the borough has increased three-fold as a result of the revised methodology.

Use of the small site target in boroughs five year supply could result in challenges in appeal situations if previous targets have not been met. This could result in an increase in Public Inquiries and puts at risk sites that are currently designated as open space (previously omitted from the SHLAA methodology for large sites), residential character, amenity and heritage assets.

The phasing of large sites in the 2017 SHLAA (Appendix E) is based on when sites may be completed. It is considered that this does not adequately reflect the phasing submitted to the GLA by officers and is misleading compared to borough documents that include housing trajectories. It would be beneficial for the evidence to include the general phasing of whole sites to give a more detailed account of delivery on large sites.

See also below Council's response to Policy H2.

NEW POLICY - Policy H2 Small sites (<0.25ha)

The new policy on small sites emphasises in Clause A the small sites should play a much greater role in housing delivery and boroughs should pro-actively support well-designed new homes on small sites through planning decisions and plan-making. The policy links to Policy H1 Increasing Housing Supply. In the case of Bromley the small site target has increased from 352 units to 1029 units in the 2017 Draft London Plan. The policy refers to the need for boroughs to recognise in their Development Plans and planning decisions that local character evolves over time and will need to change, in appropriate locations, to accommodate additional housing at a higher density.

Clause B states that Boroughs should prepare area-wide design codes to promote good design, encouraging increased housing provision and higher residential densities on small housing developments. Additionally, boroughs should increase planning certainty by identifying and allocating small sites, listing these on brownfield registers and grant permission in principle on specific sites or prepare local development orders.

Clause D states that to assist in delivering small site development boroughs should apply a presumption in favour of small housing development (1-25 homes through residential conversions, extensions, demolition and redevelopment of existing buildings and infill development within the curtilage of a house) on:

- Infill development on vacant or underused sites;
- Proposals to increase density of existing homes in PTAL 3-6 or within 800m of a Tube station, rail station or town centre boundary;
- Redevelopment or upward extension of flats and non-residential buildings.

Clause E highlights that development should be in accordance with a prepared design code, where there is no design code the presumption means approving small housing development unless it can be demonstrated that the development would give rise to an unacceptable level of harm to residential privacy, designated heritage assets, biodiversity or a safeguarded land use that outweighs the benefits of additional housing. The Mayor will set out design principles as part of his review of GLA design guidance which boroughs should draw upon when preparing design codes.

Clause G specifies that on sites providing 10 or less dwellings or have a maximum combined gross floor space of no more than 1,000 sqm should only require affordable housing requirements as a tariff approach to off-site contributions rather than on-site contributions.

Comment

See also above comments for Policy H1 Increasing Housing Supply

The Council has objections in relation to the proposed policy direction for sites of less than 0.25ha (or sites for 1-25 homes) based on the 2017 GLA SHLAA methodology as referred to in paragraph 4.2.4 of the Draft London Plan. The policy approach results in the Borough's small site target increasing from 352 units per annum to 1029 units per annum. The change in methodology used to calculate small site targets was not consulted upon with the boroughs. The previous methodology used in 2013 was based on past trends of completions on sites of less than 0.25ha over an eight year period. During the most recent SHLAA process boroughs were aware that the methodology might be subject to change, possibly relating to the number of trend years used, but were not aware of the significant changes proposed as set out in the 2017 SHLAA evidence that have resulted in a three-fold increase of the figure for Bromley.

Reference is made to the need for design codes but no advice is given in the supporting text on the status of such codes. Where a design code is not in place the presumption is in favour of approving small housing development unless there is an unacceptable level of harm to residential privacy, heritage assets, biodiversity or a safeguarded land use. It is considered that other relevant policies in the Plan (including design policies) should be reflected in Clause E to ensure that future development on small sites respects its surroundings and does not adversely impact upon the residential amenity of existing and future occupiers.

Clause D, 2) d) specifies that one of the types of small housing development could be the infill development within the curtilage of a house. It is considered that this could include the development of backland or garden land. The Council considers that this type of development should be assessed in relation to: the impact on character, appearance and context of an area, no unacceptable loss of landscaping, natural habitats, play space or amenity space and no adverse impact upon the residential amenity of future or existing occupiers. If a design code is not in place the criteria set out in clause E would not cover the latter aspects.

See also comments in relation to Draft Policy D4 and the lack of reference in the consultation Draft Plan to any presumption against backland / private garden development in borough local plans.

Clause H refers to boroughs seeking affordable housing contributions on sites of 10 units or less. It is considered that reference should be made to whether or not this is a viable option for boroughs within the supporting text.

Policy H3 Monitoring housing targets

The current London Plan policy 8.4 Monitoring and Review is a general policy covering the whole of the Plan.

Policy H3 sets out the Mayor's approach to monitoring the housing targets set out in Table 4.1. The policy specifies that the housing targets should be monitored as follows; in net terms taking into account homes lost through demolition or changes of use, delivery on sites of less than 0.25ha should contribute towards achieving the small sites targets in Table 4.2, net non-self-contained accommodation for students and shared living should count on the basis of a 3:1 ratio with 3 bedrooms counting as a single home and net non-self-contained accommodation for older people (C2) should count on a 1:1 ratio with each bedroom counting as a single home.

Paragraph 4.3.1 refers to targets in Table 4.1 as annual averages, providing a benchmark for assessing the direction of travel towards ten-year housing targets both across London and by borough. The Mayor will monitor both housing completions and the net pipeline of approved homes when assessing progress towards delivering targets. Paragraph 4.3.2 refers to the Mayor working closely with boroughs on their housing trajectories and Development Plans to ensure targets are planned for effectively particularly where issues are identified in terms of completions and the pipeline.

Paragraph 4.3.3 refers to the fact that targets have increased significantly to address need. It is the Mayor's view that the Government's proposed housing delivery test should not unfairly penalise boroughs where housing delivery has been constrained for factors outside of their control. Reference is made to small sites delivery increasing over time so this should be taken into account when monitoring housing delivery during the early years of the Plan.

Comment

The Council has objections relating to the uplift in the Borough's housing target as set out above.

A new policy relating to the monitoring of targets and support from the Mayor for boroughs is supported in principle. Of importance though is how the potential significant uplift in the housing target for the borough could impact upon the Council's five year housing land supply position in the early years following adoption of the Draft London Plan.

As drafted the supporting text does not adequately provide enough guidance to boroughs on how a five year housing land supply could be calculated taking into account the significant uplift in small site targets.

It is acknowledged in paragraph 4.3.3 that the increased small site targets will take time to be delivered. It is therefore considered inappropriate and unrealistic for boroughs to be monitored against these targets until there is more certainty over the methodology that has calculated them and if housing delivery will occur along the lines envisaged in the 2017 SHLAA.

NEW POLICY - Policy H4 Meanwhile use

Boroughs are encouraged to identify opportunities (on land in public and private ownership) for the 'meanwhile use' of sites for housing to make efficient use of land while it is awaiting longer-term development.

- Opportunities for the meanwhile use of land for housing on large-scale phased developments should be identified during the planning process;
- The parameters, particularly its longevity (which may vary) and associated obligations, should be established from the outset and agreed by all parties;
- Meanwhile housing can be provided in the form of 'precision-manufactured homes' which can potentially be reused at a later date on another site.

Comment

The Council welcomes this policy which reflects its approach [involving inviting bids from providers to build modular homes on Council land for homes offsite for homeless households of various sizes].

Confirmation should be provided in the supporting text with regards to if the source of "meanwhile use" contributes to the housing targets in Table 4.1.

Policy H5 Delivering affordable housing

Clause A specifies that the strategic target of 50% of all new homes across London should be affordable. Measures to achieve this aim include:

- Residential and mixed-use developments to provide affordable housing through threshold approach (see Policy H6);
- Use grant to increase affordable delivery beyond that which would otherwise be provided;
- Affordable housing providers with agreements with the Mayor to deliver at least 50% affordable across portfolios;
- Public sector land delivering at least 50% affordable across its portfolio;
- Strategic partners with agreements with Mayor to aim to deliver at least 60% affordable across their portfolio.

Clause B sets out that affordable housing should be provided on site except in exceptional circumstances [where provision could be in the form of payment in lieu or off-site provision].

Paragraph 4.5.1 identifies that delivering more affordable housing is a key strategic issue for London with the Strategic Housing Market Assessment identifying the need for 43,500 affordable homes per year. This requires an increase of affordable housing from all sources.

Paragraph 4.5.2 specifies that past approaches have not adequately met levels of housing need. To increase certainty, speed up the planning process and increase delivery the Mayor is adopting a threshold approach to viability. Schemes meeting or exceeding the threshold without public subsidy [and consistent with Policy H6] are not required to submit viability information. Schemes that do not meet this threshold or require public subsidy to do so will be required to submit viability information that will be scrutinised. Review mechanisms will be applied to schemes that do not meet the requirements of Policy H6. Threshold approach has been introduced through the Mayor's Affordable Housing and Viability SPG [August 2017].

Paragraph 4.5.9 states that to avoid incentivising off-site provision or in lieu contributions agreements for this should provide no financial benefit to the applicant relative to on-site provision and should include review mechanisms. Policy target for off-site or cash-in-lieu contributions is 50% affordable housing across the main site and any linked sites when considered as a whole.

Comment

The Council notes the overall approach in aiming to deliver an increased level of affordable housing across London, especially if grant is made available for relevant schemes / providers listed in the policy. This is crucial in light of schemes needing to demonstrate that they have sought to increase the level of affordable housing beyond the level that would otherwise be provided. Reference to the levels of funding likely to be made available or relevant programmes should be included within the supporting text of the policy.

There is some uncertainty though whether the fast-track route will incentivise developers not to enter into the viability tested route which could result in the planning process not being sped up.

Additional guidance is required in relation to off-site and cash-in-lieu circumstances.

Policy H6 Threshold approach to applications

Affordable housing thresholds are dealt with under Policy 3.11 and 3.13 of the current 2016 London Plan.

Clause A specifies that the threshold approach to planning applications applies to proposals capable of delivering more than 10 units or which have a combined floor space greater than 1,000sqm (paragraph 4.6.14 identifies exclusions and 4.6.15 scheme types with bespoke approaches).

Clause B sets out that threshold level of affordable housing is initially set at:

- 1) minimum 35%
- 2) 50% for public sector land
- 3) 50% for SIL, LSIS and other industrial sites deemed appropriate to release for other uses;

35% will be reviewed in 2021 and if appropriate increased through SPG.

Clause C sets out the approach to the Fast Track Route, applications must meet all of the following:

- 1) Meet or exceed relevant threshold level on site without public subsidy;
- 2) Consistent with relevant tenure split;
- 3) Meet other relevant policy requirements / obligations to satisfaction of borough and Mayor;
- 4) Demonstrate taken account of strategic 50% target in Policy H5 and have sought grant where required to increase affordable housing beyond 35%.

A summary of Clause D states that fast tracked applications are not required to provide a viability assessment at application stage. To ensure applicants intend to build out the permission the requirement for an Early Stage Viability Review will be triggered if an agreed level of progress on implementation is not made within 2 years of the permission being granted (or a period agreed by the borough).

Clause E specifies that where an application does not meet the requirements in Clause C it must follow the Viability Tested Route. This requires detailed supporting viability evidence to be submitted in a standardised and accessible format as part of the application. Information should be scrutinised by the borough and Mayor where relevant to ascertain the maximum level of affordable housing. Viability tested schemes should be subject to; an Early Stage Review (relating to progress of implementation within 2 years of planning permission), Late Stage Viability Review (based on when 75% units in a scheme are sold or let or period agreed by borough) and Mid Term Reviews (prior to implementation of phases for larger phased schemes).

Clauses G-J deal with circumstances where amendments are made to schemes and how these will be treated in relation to their assessment of affordable housing provision.

Paragraph 4.6.1 sets out applicants are strongly encouraged to take the Fast Track Route by providing the threshold level of affordable housing and meeting other Development Plan requirements.

Paragraph 4.6.2 highlights that where applicants do not provide the threshold level of affordable housing [or where fixed or minimum affordable housing requirements are not in place] the Viability Tested Route will assess the maximum level of affordable housing that a scheme can deliver. The viability assessment, using the detailed methodology in the Affordable Housing and Viability SPG could find a greater

affordable housing contribution than the threshold level could be viable and thus would be required.

Paragraph 4.6.4 states that the Draft London Plan thresholds have been informed by viability testing. This will help to embed affordable housing requirements into land values and create consistency and certainty across London. The 35% threshold level will be reviewed in 2021 with changes consulted on as part of an update to the SPG.

Paragraph 4.6.5 relates to public sector land. It states the Mayor recognises that public sector land can play a significant role in meeting affordable housing need. Threshold for public sector land is set at 50% to be considered under the Fast Track Route. This is because these sites represent an opportunity to meet a range of objectives including making better use of sites, improving services and delivering more affordable housing. Moreover, as public assets, these landholdings should be used to deliver development and outcomes that are most needed by the public. Where there is agreement with the Mayor to deliver at least 50% across the portfolio of sites, then 35% threshold should apply to individual sites.

Paragraph 4.6.6 states that in light of the difference in land values between industrial and residential development a higher level of affordable housing is expected. Therefore to follow the Fast Track Route industrial sites will need to meet the 50% threshold.

Paragraph 4.6.9 highlights that all schemes are expected to maximise delivery of genuinely affordable housing and make most efficient use of available resources to achieve this. Where grant or public subsidy is available this should be utilised.

Paragraph 4.6.13 states that in Opportunity Areas boroughs may want to consider applying a localised affordable housing threshold for the Fast Track Route or fixed affordable housing requirements. These should increase the affordable housing provision where possible.

Comment

The Council considers that Clause D should make reference to the need for details of the Early Stage Review to be set out in a S106 agreement.

Application of Clause E could increase the need to use of independent consultants to assess viability on relevant schemes depending on the split of schemes between the Fast Track Route and the Viability Tested Route.

Reference should be made in paragraph 4.6.5 that where the 50% affordable housing threshold is not proposed then schemes will be subject to viability assessments. Clarification is need in relation to the last sentence that refers to 35% being an appropriate threshold on public land where 50% is agreed with the Mayor across the whole portfolio of sites. It may be appropriate in this instance to refer to the fact that some sites could be contributing more than 50% [as opposed to at least 50%].

Paragraph 4.6.9 highlights that applications for schemes of 150 units or more must evidence that they have sought to increase levels of affordable housing. Clause C 4) also refers to grant in relation to fast tracked schemes. It is suggested that grant is also referred to within Clause E. Clarification should also be made within paragraph 4.6.9 on whether it is only schemes that are 150 units or more that should seek grant or if this is relevant to all relevant schemes.

Policy H7 Affordable housing tenure

Affordable housing tenure is dealt with under Policy 3.11 Affordable Housing Targets and Policy 3.13 Affordable Housing Thresholds in the current 2016 London Plan (60% affordable and social-rent and 40% intermediate on schemes of 10 units or more).

Clause A of the policy states that the Mayor is committed to delivering genuinely affordable housing. The following tenure split is set out for relevant schemes:

- Minimum 30% low cost rented homes allocating according to need and for Londoners on low incomes (social-rented/London affordable rent);
- Minimum 30% intermediate products which meet the definition of affordable housing including London Living Rent and London Shared ownership;
- 40% to be determined by the borough based on identified need provided they are consistent with the definition of affordable housing.
- Only schemes delivering threshold level of affordable housing with a tenure split that meets the above can follow the Fast Track for viability.

Paragraph 4.7.1 highlights that Table 4.3 of the Draft London Plan shows there is a significant need for low cost rental housing (social-rented/affordable rent). The Table illustrates the overall annual need (2017 London-wide SHMA):

Market	23,037 homes
Intermediate	11,869 homes
Low-cost rent	30,972 homes

The paragraph highlights that the current national funding programme is focused on intermediate products that limits the Mayor's ability to require higher levels of low-cost rented accommodation. The Mayor considers that Policy H7 provides sufficient flexibility to be tailored to meet local needs ensuring a minimum level of affordable homes can be delivered. A review is expected in 2021 and updated through the SPG.

Paragraph 4.7.2 highlights that there is a presumption that the 40% to be decided by the borough will focus on Social Rent/Affordable Rent given the level of need across London. It is recognised that for some boroughs a broader mix may be more appropriate due to viability constraints or because it would deliver a more mixed and inclusive community. Appropriate tenure splits should be determined through the Development Plan process or supplementary planning guidance.

Paragraphs 4.7.3 – 4.7.6 define the Mayor's preferred affordable housing tenures London Affordable Rent, London Living Rent (Intermediate) and London Shared

Ownership (Intermediate). Other affordable housing products may be acceptable if as well as meeting the broad definition of affordable housing they also meet the draft London Housing Strategy definition of genuinely affordable housing and are considered genuinely affordable by boroughs.

Paragraph 4.7.8 highlights that all intermediate rented products (London Living Rent and Discounted Market Rent) should be affordable to households on incomes of up to £60,000. Intermediate ownership products (London Shared Ownership and Discounted Market Sale where they meet the definition of affordable housing) should be affordable to households on incomes of up to £90,000. The GLA Annual Monitoring Report will update thresholds and update information on income thresholds.

Paragraph 4.7.10 specifies that where boroughs set their own eligibility criteria for intermediate units below those stated above these will cascade to London-wide criteria within three months to ensure units are not left vacant. Re-sales and re-lets should be made available to those meeting the London-wide income caps.

Paragraphs 4.7.11 – 4.7.12 elaborate on the tenure mix for schemes including affordable housing. To follow the fast track route schemes must adhere to the tenure split set out in Policy H7. Where a scheme is delivering more affordable than set out in the policy threshold, the additional affordable housing tenure is flexible, and should be agreed by the borough, Registered Provider and applicant. Where a scheme is assessed under the Viability Tested Route and evidence demonstrates the threshold cannot be met the affordable housing split in H7 is the starting point for negotiations. It will be for the borough and the Mayor to decide if there should be a greater number of affordable homes or fewer homes at a deeper discount. S106 agreements should stipulate tenure mix and be consistent with the viability assessment.

Paragraph 4.7.13 highlights that schemes that are largely affordable may be considered under the Fast Track Route but affordable units should be genuinely affordable and the tenure mix supported by the borough and where appropriate the Mayor.

Comment

The Council supports the tenure breakdown and flexibility to determine 40% of affordable provision based on identified need. Flexibility is provided within paragraph 4.7.2 which is also supported.

There is concern that the level of affordable housing needed and specified in Draft Policy H5 may not be able to be delivered with grant if national funding is focussed on intermediate products compared to affordable rent/social rent products.

The Council supports the description of London Affordable Rent that specifies the Mayor expects rents charged for homes let for London Affordable Rent to be set at benchmarks substantially below this level [80% of market rent] based on traditional social rents. Paragraph 4.7.4 specifies that more detail is contained in the Mayor's

Homes for Londoners Affordable Homes Programme 2016-21 funding guidance but it may be useful to elaborate on this in the SPG or update via the Annual Monitoring Report in terms of what is considered to be acceptable rent levels by bedroom size.

Intermediate unit eligibility specified in paragraphs 4.7.8 and 4.7.10 accords with the current London Plan and Annual Monitoring Reports.

Paragraphs 4.7.11 – 4.7.13 noted.

Policy H8 Monitoring of affordable housing

Overall monitoring of the current 2016 London Plan is dealt with under Policy 8.4 Monitoring and Review. Draft Policy H8 is specifically related to affordable housing.

The policy sets out 4 main clauses as follows:

- A. Boroughs are required to have clear monitoring processes to ensure affordable housing secured on or off site is delivered in line with the S106;
- B. Monitoring processes should ensure cash in lieu is used to deliver additional affordable housing;
- C. Boroughs should ensure review mechanisms (where appropriate) are implemented and the number of extra homes delivered or cash in lieu secured is recorded;
- D. Boroughs must publish monitoring information annually to ensure transparency in the planning process so the public know how funds are being spent. This information should be shared with the GLA so it can form part of the monitoring process.

Comment

The Council supports the above policy that will ensure affordable housing delivery will be monitored effectively.

Policy H9 Vacant building credit – NEW POLICY

The London Plan notes that the Vacant Building Credit (VBC), which applies to sites where a vacant building is brought back into any lawful use, or is demolished to be replaced by a new building, and reduces the requirement for affordable housing contributions accordingly has significant implications for delivery of affordable housing in London.

The policy advises that in most circumstances, its application will not be appropriate in London advising that where the VBC could provide an incentive for development

on sites containing vacant buildings that would not otherwise come forward for development, it should only be applied where all of the following criteria are met:

1. the building is not in use at the time the application is submitted
2. the building is not covered by an extant or recently expired permission
3. the site is not protected for alternative land use
4. the building has not been made vacant for the sole purpose of redevelopment. [involving the demonstration of at least five years continuous vacancy, of which at least two years with active marketing]

Comment

The Council notes the policy which assists in ensuring the delivery of affordable housing and welcomes the clarity with regard to the application of VBC.

Policy H10 Redevelopment of existing housing and estate regeneration -

The policy reflects current London Plan Policy 3.14 Existing Stock resisting the loss of housing (including the loss of hostels, staff accommodation, and shared and supported accommodation that meet an identified housing need) unless replaced at existing or higher densities with at least the equivalent level of overall floorspace., unless the existing floorspace.

The policy is expanded with regard to

- the raising from supporting text (para 3.82 London Plan 2016) to policy of the requirement for existing affordable housing loss to be replaced by equivalent or better quality accommodation, providing at least an equivalent level of affordable housing floorspace, (clause B),
- the requirement for existing affordable housing in estate regenerations to be reprovided on an equivalent basis with regard to social rented floorspace, with rental levels based on the replaced provision, (clause C),
- Schemes replacing existing affordable / estate regenerations required to follow the Viability Tested Route (Policy H6)

Comment

The Council notes the policy but considers that the appropriate density will be dependent upon the detail of any scheme and the local environment.

Policy H11 Ensuring the best use of stock

The policy reflects current London Plan Policy 3.14 Existing Stock, clause D in seeking to reduce the number of vacant dwellings. The policy supports mechanisms which seek to ensure stock is occupied in boroughs with identified issues of homes being left empty as 'buy to leave'.

The policy introduces a new clause requiring boroughs to take account of the impact on the housing stock of applications for homes to be used as holiday rentals for more than 90 days a year.

Comment

The Council notes the policy and is itself exploring potential for conversion of vacant properties for use as temporary or settled provision.

Policy H12 Housing Size Mix

The policy significantly expands on current London Plan Policy 3.8 Ba and brings into policy elements of the Mayoral Housing SPG (2016) Standard 7

The policy states that Boroughs should not set prescriptive dwelling size mix requirements (in terms of number of bedrooms) for market and intermediate homes, although it and sets out the criteria to which regard should be had in considering the appropriate mix of unit sizes. These criteria include the potential for custom-build and community-led housing schemes and the role of one and two bed units in freeing up family housing, whilst advising that generally, schemes consisting mainly of one-person units and/or one-bedroom units should be resisted.

It adds further criteria with regard to low cost rent to ensure affordable housing meets identified local needs with regard to local issues of overcrowding, the impact of welfare reform and the cost of delivering larger units and the availability of grant.

Comment

The Council notes the criteria within the policy which local authorities should 'have regard to', and will consider these criteria as appropriate on a site by site basis in the determination of planning applications.

Policy H13 Build to Rent – NEW POLICY

The policy sets the criteria for schemes of at least 50 units to qualify as a Build to Rent schemes, where the affordable housing need not include social rent. Rather it can be secured, in perpetuity, solely as Discounted Market Rent (genuinely affordable, preferably London Living Rent level).

The policy details how schemes which are partly build to rent are to be assessed and allows for Boroughs to set their own thresholds to reflect local housing market circumstances and affordable housing need, subject to stipulations in the guidance.

Note the Mayoral Housing SPG (2016) build to rent section has been previously deleted.

Comment

The Council notes the policy and the advice in para 4.13.1 that the planning system should take a 'positive approach' to the build to rent sector.

Policy H14 Supported and specialised accommodation

The policy expands on current London Plan Housing choice Policy 3.8 c) d) and g) relating to accessible housing and 'other supported housing'. It supports the delivery, retention and refurbishment of supported and specialised housing which meets an identified need and notably provides 8 examples of such accommodation:

1. move-on accommodation for people leaving hostels, refuges and other supported housing, to enable them to live independently
2. accommodation for young people
3. re-ablement accommodation (intensive short-term) for people who are ready to be discharged from hospital but who require additional support to be able to return safely to live independently at home, or to move into appropriate long-term accommodation
4. accommodation for disabled people (including people with physical and sensory impairments and learning difficulties) who require additional support or for whom living independently is not possible.
5. accommodation (short-term or long-term) for people with mental health issues who require intensive support
6. accommodation for rough sleepers
7. accommodation for victims of domestic abuse
8. accommodation for victims of violence against women and girls.

Comment

The policy reflects the Council's support for specialist housing generally (Draft Local Plan Policy 11). The Strategic Housing Market Assessment and the Council's Homelessness and other strategies identify supported and specialised housing needs in Bromley.

Policy H15 Specialist older persons housing

The policy expands on current London Plan Policy 3.8 Housing Choice e) and sets into policy the requirement for Boroughs to '*work positively and collaboratively with providers to identify sites which may be suitable for specialist older persons housing taking account of: 1.local and strategic housing needs information and the indicative benchmarks set out in Table 4.4*'

Table 4.4 sets an annual benchmark of 210 units per annum for Bromley an increase of 5 on the figure currently within Annex 5 (Table A5.1).

Table 4.4 no longer sets out a tenure split but advises that where a split differing from the affordable housing policy is proposed this should be set out in DPD or supplementary planning guidance. However the Mayoral Housing SPG (2016) already acknowledges that most specialist housing for older Londoners is in the social rented sector whilst more than 60% of older people in London are home owners.

Para 4.15.5. advises that boroughs should 'plan proactively to meet the identified need for older persons but that the benchmarks are to inform local level assessments.

The supporting text (para 4.15.3) seeks to clarify the definitions of C2 and C3 to be applied in London. Advising that extra care accommodation providing 24 hr emergency support and range of domiciliary care packages are Use Class C3 and that residential nursing care accommodation which provides non-self contained residential accommodation is Use Class C2. However units of self contained nursing care still appear to fall between the two classes

Note – under draft London Plan Policy H3C each C2 care bed counts towards the housing target as a single home.

Comment

The Council notes that the benchmarks within Table 4.4 are not targets and this should be confirmed within the supporting text para 4.15.5.

The Council considers that the Policy should provide further clarify regarding the Use Class interpretation for self contained nursing care units

Policy H16 Gypsy and Traveller accommodation - NEW POLICY

Previously incorporated within London Plan Policy 3.8 Housing Choice i), traveller accommodation is now a stand-alone policy. The new policy introduces a new and different definition for Gypsies and Travellers than the Governments Planning definition, notably including those whose 'cultural preference not to live in bricks and mortar' makes their current accommodation unsuitable. The draft policy requires that Boroughs, such as Bromley, who have undertaken a needs assessment should update it, as part of the Development Plan review process to take account of the proposed London Plan definition.

Where Boroughs have not undertaken a needs assessment since 2008 they will be required to adopt targets set out in the GLA Gypsy and Traveller Accommodation Topic Paper 2017.

Comment

The Council objects to the London specific definition of Gypsies and Travellers which will artificially increase the need within London compared to neighbouring authorities outside London. By addressing this higher need the effect will be to overprovide traveller pitches within London's boundaries relative to the surrounding area. Given the land intensive nature of traveller pitches relative to other forms of residential development this relative overprovision would be contrary to the sustainable use of land and detrimental to the requirements of the London Plan to deliver housing targets.

The Bromley Traveller Accommodation Assessment (2016) was prepared to support the draft Local Plan (currently at examination), in line with "Gypsy and Traveller

Accommodation Needs Assessments Guidance (2007)” and the Governments Planning definition of Gypsies and Travellers.

Subject to the findings of the Inspector sets targets for Bromley over the next 10 years which can be accommodated from within the proposed Local Plan allocations. The Council objects, as it did in 2009, to the proposed ‘fall back’ targets for Boroughs who have not undertaken an assessment are set within the GLA Gypsy and Traveller Accommodation Topic Paper 2017. The targets based on the 2008 GTANA and are skewed by a formulaic approach to psychological aversion which does not reflect the need experienced through Council waiting lists. The ‘mid point approach’, which was considered, subsequently reduced and ultimately rejected altogether in the development of the London Plan 2010, produces artificially high targets.

Policy H17 Purpose-built student accommodation – NEW POLICY

The policy expands on current London Plan Policy 3.8 Housing Choice j) stating that boroughs should seek to ensure that local and strategic need for purpose-built student accommodation is addressed, subject to a number of criteria. Notably it requires units to be occupied by students and that accommodation is secured for occupation by members of one or more specified higher education institutions (clause A3). Proposals not meeting these criteria will be considered as large-scale purpose-built shared living and assessed against draft Policy H18.

Units of Purpose-built student accommodation (PBSA) are an element of housing need and every three student bedrooms equals a single conventional housing unit for the purposes of housing targets.

Comment

The Council notes the policy and the housing target contribution and welcomes the required link to a specific institution

Policy H18 Large-scale purpose-built shared living – NEW POLICY

The policy advises that Large-scale purpose-built shared living Sui Generis use developments, where of good quality and design, may have a role in meeting housing need if, at the neighbourhood level, the development contributes to a mixed and inclusive neighbourhood. The policy requires a management plan, and that the development meet a numbers detailed criteria, notably:

- it meets an identified need and is well connected to local services and employment
- units are all for rent with minimum tenancy lengths of no less than three months it is under single management
- communal facilities and services are provided that are sufficient to meet the requirements of the intended number of residents and include 7 elements including
- communal facilities (kitchen, lounge, outdoor space, laundry /drying facilities)at least:
- a concierge & community management

- bedding and linen changing and/or room cleaning services.

The private units must provide adequate functional living space and layout but do not themselves contribute to affordable housing (not self contained and fail to meet minimum standards) however, a cash in lieu contribution towards conventional C3 affordable housing will be sought, either as an upfront cash in lieu payment to the local authority for the provision of new C3 off-site affordable housing or, as an in-perpetuity annual payment to the local authority.

Comment

The Council notes the policy. The supporting text should clarify the contribution of Large-scale purpose-built shared living to the housing target figures in line with the draft London Plan Policy H3C.

Chapter 5 Social Infrastructure

Policy S1 Developing London's Social Infrastructure

The policy includes requirements similar to current London Plan Policy 3.16 expanded with respect to

- An emphasis on area-based planning to deliver Social Infrastructure, including Opportunity Area Planning Frameworks, Area Action Plans, Development Infrastructure Funding Studies, Neighbourhood plans or masterplans. (clause B)
- The encouragement of the best use of public sector estate, including co-location (Clause D)

Comment

The Council proposes to review the Bromley Town Centre AAP which will address the social infrastructure to support the increase in residents and employees of the town centre. Similarly the Draft Local Plan Development Briefs may be produced in Renewal Areas (draft Policy 14)

The Council supports the co-location of services with draft Local Plan Policy 21c specifically encouraging 'hubs'.

Policy S2 Health and Social Care

The policy includes requirements similar to current London Plan Policy 3.17 expanded with respect to

- Greater emphasis on working with CCG's and other NHS / community groups to deliver
- The need to support 'new models of care'
- Opportunities for co-location / reconfiguration

Comment

*The Council engages with health stakeholders and Bromley Adult Social Care
The Council supports the co-location of services with draft Local Plan Policy 21c specifically encouraging 'hubs'.*

Policy S3 Education and Childcare Facilities

The policy moves away from the position of 'strong support for establishment new schools' the current London Plan Policy 3.18. The supporting text no longer acknowledges the extant August 2011 joint policy statement by the Secretary of State for Communities and Local Government and the Secretary of State for Education and Policy 3.18 clause D is proposed to be deleted. 3.18D currently advises that 'free schools should only be refused where there are demonstrable negative local impacts which substantially outweigh the desirability of establishing a

new school which cannot be addressed through the appropriate use of planning conditions or obligations’.

The draft policy adds a series of requirements for site selection, notably, entrances away from busy roads, suitable accessible outdoor space.

Comment

The Council is concerned that the policy fails to acknowledge the difficulty of finding sites for schools, particularly in a legislative environment where the Local Authority is no longer the provider of schools. The Council notes the site requirements in section B of the policy, but considers that these site specific requirements are most appropriately assessed by the Local Council who ultimately retain the duty to ensure the provision of places.

Policy S4 Play and Informal Recreation

The policy expands on the requirements of the current London Plan Policy 3.6 ‘Children and Young People’s Play and Informal Recreation Facilities’ by raising to policy a number of features from the Mayoral SPG ‘Shaping Neighbourhoods : Play and Informal Recreation’, notably the requirement for at least 10 square metres of play provision per child. The supporting text allows for the play needs of predominantly older children to be addressed through the enhancement existing provision (within 400m of the development) by appropriate financial contribution. Additionally the policy resists the net loss of play provision unless it can be demonstrated that there is no ongoing or future demand.

Comment

The Council supports the provision of appropriate amenity space for new residential development.

Note – Improved open space and leisure provision are listed as within the emerging scope of Bromley’s Regulation 123 list, and ‘Upgrading of park playground facilities’ set out within the Infrastructure Delivery Plan Schedule (draft Local Plan Appendix 10.13)

Policy S5 Sports and Recreation Facilities

The policy includes requirements similar to current London Plan Policy 3.19 Sports Facilities and Policy 6.10 Walking (split between policy S5 and draft Policy T2 Healthy Streets in Chapter 10 Transport). The requirement to regularly assess the need for sports and recreational facilities is retained and the supporting text highlights recent Sport England data with regard to swimming pools, artificial grass pitches and sports halls. [Note : The Council’s ‘Open Space, Sport and Recreation Assessment’ 2017 is published and available on the Council’s website.] Clause C omits reference to the Green Belt and relevant chapter (only references the new Metropolitan Open Land policy) and reference to the 2009 Mayoral Sports Legacy Plan is also deleted.

Comment

There are numerous facilities in Bromley which are within the Green Belt. The Council is therefore concerned that the policy no longer cross references Green Belt policies.

Policy S6 Public Toilets – NEW POLICY

The policy requires large scale commercial developments that are open to the public to provide and secure the future management of free publically-accessible toilets during opening hours, or 24 hours a day in areas of public realm.

The policy also expects 'Changing Places' toilets (BS 8300 for people with profound / multiple impairments) in larger developments where users are expected to spend a long time or where there is no other local provision.

Comment

The Council welcomes the approach to accessible toilets. This reflects Bromley's Community toilet scheme, which is a joint venture with local businesses.

Policy S7 Burial Space

The policy replaces Policy 7.23 Burial Spaces. It supports proposals for new cemetery provision and it takes a clearer position with regard to protecting cemeteries and re-using burial spaces. The policy continues to require that boroughs ensure provision is made for burial needs of the different communities but the previous emphasis on proximity to communities has been replaced by the encouragement of cross borough / sub regional working to address sub-regional shortages.

Comment

The Council supports the protection of cemeteries and the reuse of burial space but has concerns regarding the implications of a sub-regional approach and the pressure that might place on Bromley's open spaces, particularly with regard to built development (chapels and crematoria)

Chapter 6 – Economy

Office uses

Policy E1 Offices

Policy E1 Offices combines and updates current London Plan Policies 4.2 Offices and 4.3 Mixed Use Development and Offices.

The new policy retains a number of priorities for office development, including retention and expansion of office floorspace in town centres and other sustainable locations (including, where appropriate, through mixed use developments) and diversification of the offer to accommodate a wider range of businesses. This range now includes “micro enterprises”, in addition to small, medium and larger business.

Bromley Town Centre retains its existing town centre status of Metropolitan Centre and office guideline of B (found in Annex One Town Centre Network). However, the new policy also solely assigns Croydon Town Centre the status of “strategic outer London office location”. The current London Plan advises boroughs to monitor the impacts of changes to Permitted Development Rights for conversion of offices to residential use. Under the new London Plan, there is now strategic level support to implement Article 4 Directions removing these Permitted Development Rights in viable locations with clear geographic boundaries. There is also greater support for affordable workspace in an office context.

Comments

The policy framework as it relates to office provision in Bromley remains largely unchanged in new London Plan, although it is noted that there is now greater emphasis on the role of Croydon Town Centre, a competitor with Bromley Town Centre in the South London office market. Strategic level support for boroughs to implement new Article 4 Directions where viable is supported in principle, allowing the Council greater management over the development outcomes of proposals on office sites.

Low-cost workspace

Policy E2 Low-cost business space

This is a new policy including requirements for proposals which would result in the loss of Class B1 space in an area identified as having a shortage of “lower cost space”. The new policy also encourages proposals for “large scale” B1 uses to consider scope for providing smaller units for small and medium-sized enterprises. It defines “large scale” uses as containing floorspace greater than 2,500 sqm Gross External Area (GEA).

Policy E3 Affordable workspace

Policy E3 is a new policy that expands upon provisions covered in a limited capacity under current London Plan Policy 4.9 Small Shops.

It contains explicit support for the use of planning obligations to provide “affordable workspace” at sub-market rates, for a specific social, cultural or economic development purpose. The current London Plan Policy 4.9 includes a similar provision but only to provide or support affordable retail units.

Comments

The increased focus in the new London Plan on supporting low-cost workspace for small and medium-sized enterprises through various planning mechanisms is noted.

Industrial and related uses

Policy E4 Land for industry, logistics and services to support London's economic function

Policy E4 updates current London Plan Policy 4.4 Managing Industrial Land and Premises.

Under Policy E4, the borough-level groupings for release of industrial land (now referred to as categorisations) have been reimagined, demonstrating a shift away from release/protect groupings under the current London Plan, to a broader release-retain-provide spectrum. This reflects an improved outlook for the industrial land market identified in the new London Plan's evidence base, as well as a rate of release for non-industrial uses above what was projected at the commencement of the current London Plan. Bromley is placed in the “Retain capacity” category, which is roughly equivalent to the “Restricted” grouping currently assigned, and should seek to intensify industrial floorspace capacity and follow a principle of no net loss across designated industrial areas. This is no longer the strongest category for protection of industrial land; six boroughs have been placed in a “Provide capacity” category, which calls for intensified capacity in existing and/or new locations.

The new policy omits the industrial land release benchmarks outlined in the current London Plan (and specified in the Mayor's Land for Industry and Transport SPG), focusing instead on a general principle of no net loss of floorspace across designated Strategic Industrial Locations and Locally Significant Industrial Sites in London.

There is an acknowledgement of recent changes to Permitted Development Rights for conversion of light industrial and warehouse units to residential use and strategic level support to implement Article 4 Directions where viable. Similar to Policy E2, there is also a new provision encouraging proposals for “large scale” industrial uses to consider scope for providing smaller units catering to small and medium-sized enterprises. It defines “large scale” uses as containing floorspace greater than 2,500 sqm Gross Internal Area (GIA).

The new policy also elaborates upon the wording of the current London Plan through the following changes:

- Emphasis on “intensification, co-location and substitution” concepts which were discussed to a lesser extent in the Land for Industry and Transport SPG. These concepts are covered in greater detail in their own policy (Policy E7).
- Policy direction for industrial areas to make provision for waste management is expanded to now include “secondary materials”
- Whereas Policy 4.4 makes allowance for “hybrid” space including industrial and office space, the new policy interprets “hybrid” space as mixes of industrial and related uses only.

Comments

The new borough wide categorisation is consistent with Draft Local Plan policy, which seeks to retain and intensify floorspace in SIL and LSIS. Strategic level support for boroughs to implement new Article 4 Directions where viable is supported in principle, allowing the Council greater management over the development outcomes of proposals on industrial and warehouse sites.

It is noted that the new policy contains a similar provision to Policy E2, with regard to large scale business unit proposals. However, this provision measures these units as greater than 2,500 sqm GIA, whereas the similar provision in Policy E2 measures a large-scale unit as greater than 2,500 sqm GEA. The Council should seek clarification from the Greater London Authority as to whether a consistent measurement should be used in both policies.

Policy E5 Strategic Industrial Locations

Policy E5 updates current London Plan Policy 2.17 Strategic Industrial Locations.

The new policy carries over a requirement for Local Plans to define a SIL boundary and include local policies, but now makes reference to the new policy direction for “intensification, co-location and substitution”. As in the current London Plan, Foots Cray and St Mary Cray are recognised as SILs wholly or partly located in the Borough.

Comments

The new policy now includes more detailed mapping for these SILs, which includes designated land at the Foots Cray-Ruxley Corner and St Mary Cray ends of the Cray Business Corridor, but excludes land at Crayfields designated under the Draft Local Plan. The Council’s proposal to define the Cray Business Corridor SIL (with Foots Cray-Ruxley Corner and St Mary Cray as bookends of a larger employment area) is not inconsistent with current or proposed London Plan policies for boroughs to define their own SIL boundary through a Local Plan.

Policy E6 Locally Significant Industrial Sites

Policy E6 is a new policy which elevates guidance for defining and preparing local policies for LSIS contained in the Land for Industry and Transport SPG but not the current London Plan.

Intensification, co-location and substitution of industrial and related uses

Policy E7 Intensification, co-location and substitution of land for industry, logistics and services to support London's economic function

Policy E7 is a new policy outlining a key direction for facilitating changes in industrial land stock to meet forecast need.

The concepts of intensifying, co-locating and substituting industrial or related land uses are outlined to a lesser extent in the Land for Industry and Transport SPG (under SPG 3 and 11), but the planning processes and desired development outcomes are elaborated upon in the new London Plan. There are new criteria for considering potential for mixed use industrial and residential (or other non-individual uses) as part of a Local Plan-led process in designated areas or for individual proposals on non-designated sites. The SPG outlines similar guidance but the new policy provides clarifications on how uses could successfully co-locate. The new policy also elaborates on the process for considering, with neighbouring authorities, the scope for substitution of uses where it results in mutual advantage. This could only occur through a Local Plan-led process and not through ad hoc planning applications.

Comments

The Draft Local Plan has been prepared in response to the current London Plan and the SPG, including designation of employment areas and identification of appropriate mixes of uses in these areas. This new policy elevates and elaborates upon concepts already outlined in the SPG and is broadly consistent with the Draft Local Plan.

Sector growth opportunities and clusters

Policy E8 Sector growth opportunities and clusters

Policy E8 updates current London Plan Policy 4.10 New and Emerging Economic Sectors is carried over into this new policy. Additionally, provisions relating to Strategic Outer London Development Centres (SOLDCs), currently included in London Plan Policy 2.16 Strategic Outer London Development Centres, are now incorporated entirely into this new policy.

Provisions relating to SOLDCs are largely carried over from the current London Plan, although a new paragraph is included to ensure that development complements the growth of town centres and other business locations and supports environmental and transport objectives of the plan. This elevates guidance previously included only in the Mayor's Town Centres SPG.

Comments

It is noted that Biggin Hill is retained as the only recognised SOLDC under the new London Plan. The Council supports the continued recognition of Biggin Hill SOLDC, the retention of provisions from the current London Plan relating to SOLDCs and the

elevation of guidance only outlined in the Town Centres SPG. The new policy is broadly consistent with the Council's balanced approach to planning for Biggin Hill SOLDC contained in the Draft Local Plan.

The Council seeks clarification on the status of the Crystal Palace SOLD as identified in the current London Plan, which has been omitted from the new London Plan.

Retail uses

Policy E9 Retail, markets and hot food takeaways

Policy E9 combines and updates current London Plan Policies 4.7 Retail and Town Centre Development, 4.8 Supporting a successful and diverse retail sector and related facilities and services and 4.9 Small Shops.

The new policy generally carries over provisions from Policies 4.7 and 4.8 relating to retail development and clusters. It also introduces new detailed buffer requirements relating to hot food takeaways and their proximity to schools. It imposes an exclusionary buffer of 400m between new hot food takeaways and existing or proposed schools, but allows boroughs to set a locally-determined boundary if sufficiently justified. It also encourages boroughs to manage over-concentrations of hot food takeaways in town centres. The policy also carries over provisions in current London Plan Policy 4.9 for large-scale commercial proposals to support the provision of small retail and other commercial units.

Comments

This policy mostly carries over provisions from the current London Plan and is broadly consistent with the Draft Local Plan. One exception is the imposition of an exclusionary buffer between new hot food takeaways and existing and proposed schools, which adds a level of restriction above and beyond Draft Local Plan Policy 98.

Visitor Infrastructure

Policy E10 Visitor Infrastructure

Policy E10 updates current London Plan Policy 4.5 London's visitor infrastructure.

The current London Plan Policy 4.5 includes an aspiration to achieve 40,000 additional hotel bedrooms across London by 2036. This aspiration has been omitted from the new London Plan policy. The new policy also contains a series of detailed requirements for considering the adequacy of design of serviced accommodation for visitors with disabilities. This differs from the current Policy 4.5 which contained a general requirement for visitor accommodation to ensure a certain percentage of bedrooms are wheelchair accessible.

Comment

The policy is noted. Further clarification should be provided to differentiate between Visitor Infrastructure and 'Purpose Built Shared Living' (Draft London Plan Policy H18)

Skills and opportunities

Policy E11 Skills and opportunities for all

Policy E11 updates current London Plan 4.12 Improving opportunities for all.

The new policy acknowledges the use of planning obligations as an option for boroughs to secure skills development opportunities in both construction and end-use phases of a proposal and elaborates on what outcomes should be achieved through this. The current London Plan policy relates specifically to “strategic development proposals”, whilst the supporting text encourages boroughs and developers to investigate local employment opportunities through individual developments. However, it does not explicitly encourage investigating the use of planning obligations for the purpose of improving skills development and training.

Comments

The increased focus in the new London Plan on supporting local employment and skills development through various planning mechanisms is noted.

Chapter 7 Heritage and Culture

Policy HC1 Heritage Conservation and Growth

This new policy integrates some of the objectives identified in the adopted 2016 London Plan policies 7.8 Heritage Assets and Archeology and 7.9 Heritage Led Regeneration. It goes a step further by stressing the importance of the historic environment to the regeneration of London, and of incorporating heritage assets to the planning and design processes from the outset, explicitly building on and referencing the principles of the National Planning Policy Framework (NPPF) around heritage and design.

- The policy includes the requirement to not only identify heritage assets as per the 2016 London Plan policy 7.8 but for Local Authorities to develop evidence in their local plans demonstrating a clear understanding of the historic environment including sites and areas and their relationship to their surroundings to inform planning decisions, improve access to the historic environment and inform the integration of London's heritage in regenerative change. This includes the requirement in line with the NPPF to set out a clear vision for the role of the heritage in place making, including through bringing heritage at risk assets back into use.
- The policy references the requirement to mitigate harm to heritage assets areas of archeological significance and landscapes in line with the tests in the NPPF.
- Following the continued requirement for development proposals to conserve the significance of heritage assets, Clause C adds the requirement to manage the cumulative impact of incremental change from development on heritage assets and their settings.

Comment

The introduction of this new policy which builds more explicitly on the aims and principles of the National Planning Policy Framework around heritage and design than existing policies 7.8 and 7.9 of the adopted 2016 London Plan, is welcomed.

Policy HC2 World Heritage Sites

This policy is a continuation of the London Plan policy 7.10 World Heritage Sites and carries forward its key principles with reference being added to development proposals being supported through the appropriate heritage assessment. Bromley's Darwin's Landscape Laboratory is no longer referenced in the policy although it remains on the UNESCO's tentative list of World Heritage Sites.

Comment

The policy is noted.

Policy HC3 Strategic and Local Views

This policy was covered by the 2016 London Plan policy 7.11 and elements of 7.4 Local Character in the 2016 London Plan. Strategic Views include significant buildings or urban landscapes identified by the Mayor that help to define London at a strategic level and are managed through the London View Management Framework. The London Borough of Bromley does not include any of the strategic views identified by the Mayor and clauses A to F of policy HC3 are therefore not relevant to Bromley in that respect.

Clause G of this policy however introduces the requirement for Borough to identify important local views in their Local Plans and Strategies in partnership with other relevant boroughs whenever these cross boundaries. Boroughs are advised to use the principles of policy HC4 *London View Management Framework* for the designation and management of Local Views.

Comment

The introduction of clause G of the policy is welcomed as it provides clarification regarding the principles which should be used to designate and manage local views and supports the approach taken by the Council in its Draft Local Plan Skyline Policy 48 which makes references to these principles for the management of local views vistas gaps and skyline having regards to the impact of development in the foreground, middle ground and background of these views.

Some of Bromley's Views of Local Importance reach out to include parts of Lewisham and Bexley Councils. Similarly, a local view starting in Croydon from Addington Hill goes through a wide stretch of the London Borough of Bromley. The Council will continue to work with these Boroughs with regards to the continued management and identifications of local views across boundaries where appropriate.

Policy HC4 London View Management Framework

This policy's equivalent is policy 7.12 Implementing the Views Management Framework in the 2016 London Plan. The LVMF includes the views and panoramas which reach out from viewing place in Central London towards buildings and urban landscapes significant to London at a strategic level and identified in policy HC3 Strategic and Local Views. Bromley does not include any of these views which are strategic to London as a whole. Policy HC4 however includes the principles for the management of views which clause G of policy HC3 advises Local Authorities to have regards to manage development within local views.

Comment

Policy noted although Bromley does not include any of the views within the London Views Management Framework.

Policy HC5 Supporting London's Culture and Creative Industries

The policy reflects London Plan policy 4.6 *Support for and Enhancement of Arts Culture Sport and Entertainment* supporting the continued growth and evolution of London's diverse cultural facilities and creative however is more explicitly focused on the promotion of cultural venues and of the creative industries in creative enterprise zones and clusters.

The measures which can be taken by Local Plans to support that growth and evolution, are expanded with additional reference made to:

- Supporting the development of new cultural venues in places with good public transport connectivity, in addition to town centers,
- Identifying protecting and enhancing strategic clusters of cultural attractions,
- Considering the use of vacant properties and land for creative/cultural pop-ups or meanwhile uses in various locations,
- Ensuring that Opportunity Areas and large-scale mixed-use developments include new cultural venues and/or facilities and spaces for outdoor cultural events,

The policy in Clause B encourages Local Authorities to identify Creative Enterprise Zones (rather than designating cultural quarters as in the adopted 2016 London Plan) in their Local Plans to strengthen existing or enhance emerging clusters in area of deprivation.

Clause C introduces policy principles for the management of Creative Enterprise Zones where they are identified in Local Plans to provide innovative and flexible workspace, the right type of infrastructure and mix of uses and support the wider objectives of the business location.

Comment

The introduction of this policy which provides more specific guidance in relation to the promotion and management of cultural venues, clusters and enterprise zones is noted.

Policy HC6 Supporting the Night-Time Economy

The policy expands on 2016 London Plan policy 4.6 *Support for and Enhancement of Arts Culture Sport and Entertainment* with added emphasis on Local Authorities being proactive in developing and promoting the night time economy in town centres and areas of high transport connectivity.

- Bromley Town Centre continues to be identified as an Area of National and International Significance and Beckenham Town Centre as an area of more than local significance for the night time economy in London.
- Clause A introduces the requirement for Boroughs to develop a vision for the night time economy and support growth and diversification in areas of strategic night time activity building on the Mayors vision for a 24 hour city. The supporting text recognises that 24 hour activities are not recognised everywhere in London and that this should be balanced against the needs of

local residents and that appropriate management strategies/mitigation measures should be considered to reduce any negative impacts.

- Clause B requires Local Plans, Town Centre Strategies and Planning Decisions to promote the night time economy in town centres and areas well served by public transport at night. Measures which can be taken to ensure a successful and balanced nightlife economy are listed, including improving access and safety across all users, diversifying the range, opening hours and sources of night time activities, and addressing the cumulative impact and concentration of licenced premises.
- Clause C promotes the integrated management of all aspects of the night time economy.
- The supporting text encourages Boroughs, particularly in Outer London, to work with TFL to identify areas of significance for the night time economy particularly in town centres well connected to the Areas of Regeneration identified by the Mayor. They should work with businesses, landowners and investors to address barriers to access to the night time economy.

Comment

The Council notes the thrust of this new policy on supporting the night time economy and welcomes the recognition in the policy that 24 hour activities are not suitable everywhere in London and should be balanced against the needs of local residents.

The Council notes that the Crystal Palace District Centre previously identified as a an area of more than local significance for the night-life economy in Map 4.3 of the adopted 2016 London Plan is no longer featured in the London Plan 2018 for consultation.

NEW POLICY: Policy HC7 Protecting Public Houses

This new policy responds to the report produced by the GLA in April 2017 London's public houses, GLA Economics, April 2017 which points out the decline in the number and range of uses of Pubs in London as well as their cultural, economic and social importance by introducing a range of new measures for their protection and enhancement:.

- New requirement in Clause A for Boroughs to protect public houses where they have particular significance to local communities and contribute to wider policy objectives related to town centers/ the night time economy& enterprise zones, and to support proposals for new pubs where they stimulate these areas, particularly as part of mixed use development.
- Clause B sets out that loss of pubs should be refused unless authoritative marketing evidence demonstrates long term redundancy with supporting text setting out the stringent evidence required including demonstrating that the pub has been marketed for 24 months in a functional condition both locally and London wide.

- Clause C seeks to resist redevelopment of facilities associated to pub use or of space within its curtilage (for example to residential) where it could compromise its operation or viability.

In the supporting text:

- Requirement for Boroughs to take a positive approach to designating pubs as Assets of community value and to consider the individual character/functions/activities and potential for flexible working of pubs in developing strategies and policies: criteria for assessing the significance of pubs are included.
- When considering proposals for new pubs Boroughs are required to take account of potential negative and cumulative impacts.

Comment

Bromley is concerned that the policy requires a longer marketing period than Bromley's draft Policy 23 Public Houses and the impact this longer period may have in respect of vacancies, the character of the locality and on the vitality and viability of town centers.

Chapter 8 Green Infrastructure and the Natural Environment

Policy G1: Green infrastructure

The policy generally reflects the 2016 London Plan Policy 2.18 Green Infrastructure: The Multi-functional Network of Green and Open Spaces, and the term is used other in numerous places in the plan within both policies and supporting text.

- This sets the broad strategic approach to ‘green aspects’ of development in London and the network of open and green spaces it contains;
- It requires Boroughs to prepare green infrastructure; and
- to identify green infrastructure assets
-

The overall tenor of the policy is not at variance with that of the current London Plan, although it is more specific in regard to the need to produce strategies.

Comment

Whilst The Council supports the principle of this policy which protects open green space, it is concerned that it does not address the particular contribution of private gardens to the aim of making London 50% green.

Policy G2: London’s Green Belt

The policy reflects Policy 7.16 in the current London Plan, stating that:

- The Green Belt should be protected from inappropriate development
- Development proposals that would harm the Green Belt should be refused
- The enhancement of the Green Belt to provide appropriate multi-functional uses for Londoners should be supported.
- The extension of the Green Belt will be supported, where appropriate. Its de-designation will not.

Comment

The Council supports this policy which continues the GLAs approach of protecting London’s Green Belt, in accordance with the NPPF.

Policy G3 Metropolitan Open Land

This policy broadly reflects Policy 7.17 of the current Local Plan, extending the principles of national Green Belt policy to MOL and making reference to exceptional

circumstances having to apply in order to change the boundaries. The policy states that:

- Metropolitan Open Land (MOL) should be protected from inappropriate development;
- The extension of MOL designations should be supported where appropriate;
- Any alterations to the boundary of MOL should be undertaken through the Local Plan process, in consultation with the Mayor and adjoining boroughs; and
- That Boroughs should designate MOL by establishing that the land meets at least one of a set of criteria.

However the supporting text states in paragraph 8.3.2 that 'The principle of land swaps could be applied to MOL where the resulting MOL meets at least one of the criteria set out in the policy' (the criteria for defining land as MOL).

Comment

The Council supports the continued protection of Metropolitan Open Land, however has concerns regarding the operation of the land swap arrangements where proposed through planning applications for the development, given the requirement in Policy G3 C that any alterations to the MOL boundary should be undertaken through the Local Plan process.

Policy G4: Local Green and Open Space

This policy is broadly a continuation of Policy 7.12 Protecting Open Space and Addressing Deficiency of the 2016 Draft Local Plan with some significant variations:

- The policy continues to support the creation of new areas of publicly accessible open space in areas of Open Space Deficiency although there is no longer a requirement for this provision to be of a "local" open space category as in the 2016 London Plan (as in the context of Bromley, this would have been Urban Open Space or smaller urban open spaces).
- Loss of open space is no longer resisted where there is no demonstrated deficiency in the category of open space being considered for development, with re-provision only being required where need is being demonstrated through the local needs assessment. Loss of open space continues to be resisted in areas where there is a demonstrated deficiency in the relevant category of open space.
- There is no continued reference to the London Parks and Green Spaces Forum to facilitate the cross borough planning and management of green and open spaces in the policy.

Comment

The Council supports the principle of G4 and clause A and welcomes the protection of non-strategic open space, which would include Urban Open Space, open spaces and private gardens. However this appears to conflict with other policies in the draft London Plan that no longer presume to protect private residential gardens which make a valuable contribution to London's open spaces.

There is concern around the wording of the consultation London Plan policy in Clause D which opens up the possibility of designated Open Space to be built upon in areas where there is no deficiency in spaces in that category.

The title of the Policy may be ambiguous as it may seem to be making reference to the Local Green Space designation as introduced in the National planning Policy Framework and included in Bromley's Draft Local Plan which clearly is not the intention of this policy.

Policy G5 - Urban Greening

Urban Greening Policy 5.10 in the 2016 London Plan which together with other policies of Chapters 5 and 7 helped deliver aspects of urban greening as set out in this policy.

- Clause A of the policy introduces the requirement for all Major Development Proposals to contribute to the greening of London as fundamental to site and building design through high quality landscaping.
- Part B of the policy introduces the requirement for Boroughs to develop their own 'Urban Greening Factor' based on the current GLA model provided in Table 8.2 for assessing the type and amount of greening required to offset the impact of development, tailored to local circumstances. The greening factor may be applied to small developments as well and it is recognised that residential development will require a higher standard related to its impact than commercial development. The range of greening measures referred in the supporting text has been increased to include rain gardens and nature based SUDs to tackle environmental challenges and provide amenity space.

Comment

The introduction of this policy is cautiously welcomed. However, urban greening should not be relied on to offset the loss of open space, including private gardens. The Policy introduces a requirement for Local Authorities to apply the generic Mayoral Urban Greening Factor to major applications. The Council welcomes the opportunity to consider developing its own local urban greening factor which may be applied to applications below the threshold, responding to local circumstances.

Policy G6- Biodiversity and Access to Nature

The 2016 London Plan included Policy 7.19 of the same name. The policy includes minor variations and increases the focus on development providing biodiversity gains and addressing deficiencies in areas of access to wildlife.

- Reference is added in Clause B to using the relevant procedures not only to identify SINCs but green corridors as well.
- Added emphasis is being placed on enabling developments create or improve biodiversity value through creating habitats of value in an urban context (Clause B), positively considering developments which provide habitats which result in positive gains for biodiversity and reduce areas of deficiency to wildlife (Clause E), with any biodiversity enhancements to be considered from the start of the design process (Clause D).
- Reference is no longer made to including policies and proposals in the Local Plan for “protected species” defined through national and European legislation but to “*priority species and habitats*” identified at the local level only. Reference is no longer made to London Biodiversity Action Plan (BAP) targets for increasing species populations or as a tool to assist with planning decisions however the supporting text clarifies that the Mayor will be producing a London Environment Strategy to which the Biodiversity Strategy will be appended. This will identify procedures for the identification of SINCs as well as priority habitats.

Comment

The Council supports the policy and welcomes the Mayor’s intention to produce a London Environment Strategy identifying procedures to identify SINCs, Green Corridors and Priority Habitats.

It would be useful for the policy to make reference to the desirability for Local Plans to have policies for the protection of the protected species identified in national and European legislation in order to be comprehensive.

Policy G7 Trees and woodlands

This is a continuation of the 2016 London Plan Policy: 7.21 of the same name with added emphasis on tree planting. Clause A of the policy adds the requirement for “*new trees and woodlands*” to be planted,” in *appropriate locations to increase the extent of London’s Urban Forest*” whilst clause B introduces the requirement for Local Authorities in their Development Plans to “*identify opportunities for tree planting in strategic locations.*” The supporting text makes reference to the Mayor’s new target of increasing London’s tree cover by 10% by 2015.

Comment

The Council welcomes the policy and the continued protection of trees and woodlands.

Policy G8 Food Growing

The equivalent policy in the 2016 London Plan was 7.22 Land for Food. The policy relates to the development plans. The focus of the policy, apart for a renewed commitment to protecting allotments, has shifted from supporting food growing in the Greenbelt and creating new spaces through the Capital Growth scheme to identifying food growing opportunities on specific sites through innovative mechanisms, including on development and school sites:

- Clause A of the policy requires Local Authorities to “*encourage provision of space for community gardening, including for food growing, within new developments*”.
- There no longer is a specific requirement to encourage and support farming and land based sectors in the Greenbelt specifically as in the former London Plan policy 7.22. In the supporting text para.8.8.2 it is recognised that as small scale food growing becomes harder to deliver innovative solutions should be considered, such as green roofs and walls, re-utilising existing under-used spaces and incorporating spaces for food growing in new schools.

Comment

The general thrust of the policy is welcomed reflecting Bromley’s approach in its emerging Local Plan, notably draft policy 24 on allotments and leisure gardens and the supporting text to draft Policy 123 ‘Sustainable Design & Construction which references food growing (proposed minor modification).

Policy G9: Geodiversity

The policy is virtually unchanged from Policy 7.20 London Plan 2016.

This policy expresses the GLAs continued approach of protecting London’s Geologically important sites, whilst unlike the current London Plan, no reference is made to their guidance ‘London’s Foundations (2012)’, the policy itself is virtually unchanged. The Draft Local Plan covers the points and the same sites identified on the accompanying map (Figure 8.1 - Geodiversity sites) are shown on the Draft Local Plan maps.

Comment

The policy and the 6 recommended RIGS and 2 potential RIGS within Bromley (as previously identified in the London Plan 2016 are noted.

Chapter 9 – Sustainable Infrastructure

Air quality

Policy SI1 – Improving Air Quality

Updates existing Policy 7.14 – Improving Air Quality

Reflecting the Mayor’s priority, the new London Plan strategy for improving air quality is more challenging than in the current plan. Where the current London Plan Policy 7.14 references Air Quality Management Areas (a national requirement), the new London Plan Policy SI1 focuses on “Air Quality Focus Areas” – locations which not only exceed the EU annual mean limit value for nitrogen dioxide, but are also locations with high human exposure. Figure 9.1 shows two Air Quality Focus Areas in Bromley borough – one in Bromley Town Centre and one at Elmers End. Whilst all other development should be at least “Air Quality Neutral”, development in Opportunity Areas, and those subject to an EIA, should propose methods to achieve “Air Quality Positive”.

Comment

Bromley has a designated Air Quality Management Area and monitors air pollution in accordance with regulatory requirements. Whilst there may be opportunities in Bromley Town Centre, with its planned development sites, to make improvements to air quality, development around Elmers End would appear to be limited at this point.

Climate change and energy

Policy SI2 - Minimising greenhouse gas emissions

Combines elements of existing Policies 5.2 – Carbon reduction, 5.6 – Decentralised energy in development proposals and 5.7 – Renewable energy

Currently Policy 5.2 of the London Plan requires all major residential developments to be “zero carbon” and non-residential developments to reduce emissions by 35% above Building Regulation standards, in accordance with the energy hierarchy. The Draft London Plan policy newly proposes a minimum reduction contribution from energy efficiency measures (10% for residential, 15% for non-residential), and extends the “zero carbon” target to all development, not just residential.

Comment

A minimum contribution from energy efficiency is cautiously supported although flexibility is still needed where unusual development constraints and costs occur. The step up to “zero carbon” for non-residential proposals may cause viability concerns and it should be clear that this should not compromise the delivery of development.

Policy SI3 – Energy Infrastructure

Combines elements of existing Policies 5.4A – Electricity and gas supply, 5.5 – Decentralised energy network and 5.6 - Decentralised energy

In Opportunity Areas, town centres and other growth areas, boroughs and developers should engage at an early stage with energy companies to establish future energy requirements and infrastructure needs. Energy masterplans should be developed for large scale development schemes.

In Heat Network Priority Areas (areas of Bromley are identified in Figure 9.3) major development proposals should have a communal heating system. Development should be designed to connect to an existing network or designed for connection at a later date.

Para 9.3.11 mentions that land will be required for energy supply infrastructure, including energy centres.

Comment

The Area Action Plan for Bromley Town Centre already includes a policy on energy networks. The first energy centre is to be included in the Site K (former Westmoreland Road car park) development at Bromley South. It is not clear how the “land for energy centres” in the supporting text will be identified and whether this to be within developments or additional land.

Policy SI4 – Managing heat risk

Very similar to existing Policy 5.9 – Overheating and cooling

Development proposals should minimise internal heat gain, major development proposals should demonstrate how they will reduce the potential for overheating on accordance with the cooling hierarchy.

Comment

The policy is broadly supported however it should be noted that this policy would not be able to be applied to residential conversions allowed by Prior Approval. Office conversions – often with large windows – are of particular concern.

Policy SI5 – Water Infrastructure

Combines existing Policies 5.14 – Water Quality and Wastewater Infrastructure and 5.15 – Water Use and Supplies

Water supplies should be protected and conserved in a sustainable manner. Development proposals should minimise the use of mains water in line with the Optional Requirement of the Building Regulations, achieving mains water consumption of 105 litres or less per head per day. This continues the benchmark from the existing London Plan policy. Development Plans should promote the

protection and improvement of the water environment in line with the Thames River Basin Management Plan. Development proposals should seek to improve the water environment and ensure that adequate wastewater infrastructure capacity is provided.

Comment

The water use standard is already applied and the Draft Local Plan, in response to Thames Water advice, contains a new policy on managing wastewater.

Policy SI6 – Digital connectivity infrastructure

Updates existing Policy 4.11

Development proposals should achieve greater digital connectivity than set out in Part R1 of the Building Regulations (at least 30mbps), ensure sufficient ducting space, meet requirements for mobile connectivity without reducing that in the surrounding areas and support the effective use of the public realm to accommodate well-designed and located mobile infrastructure.

Comment

The policy is broadly supported.

Waste management

Policy SI7 - Reducing Waste and supporting the circular economy

Updates existing Policy 5.16 – Waste self-sufficiency, introducing the concept of the Circular Economy – where materials are retained in use at their highest value for as long as possible then re-used or recycled, leaving a minimum of residual waste.

Waste reduction, increases in material re-use and recycling and reductions in waste going for disposal will be achieved by promoting a more circular economy, encouraging waste minimisation, ensuring zero biodegradable or recyclable waste goes to landfill by 2026 and meeting or exceeding the recycling targets:

- Municipal waste – 65% recycling /composting by 2030 (this is currently 60% by 2031)
- Construction, demolition and excavation waste – 95% recycling by 2020

Referable applications should promote circular economy outcomes and aim to be net zero waste. A “circular economy” statement should be submitted.

Policy SI8 – Waste capacity and net waste self-sufficiency

Updates existing Policy 5.17 – Waste capacity and net waste self-sufficiency. The policy is broadly the same but the forecasts and apportionment targets have been updated.

In order to manage London's waste sustainably

- The equivalent of 100% of London's waste should be managed in London by 2026
- Existing sites should be safeguarded
- Capacity of existing sites should be optimised
- New sites should be provided where required

Development Plans should

- identify how waste will be reduced
- allocate sufficient land to manage apportionment tonnages (boroughs can collaborate to achieve this)
- identify the following as suitable locations
 - existing facilities
 - SILs and LSIS

Criteria for evaluating proposals for new sites, or expansions, are provided.

<u>Consultation draft apportionment targets for Bromley</u>	<u>Current London Plan targets</u>
2021 – 192,000 tonnes	2021 – 199,000 tonnes
2041 – 204,000 tonnes	2036 – 247,000 tonnes

Comment

The Council notes the changes to the apportionment targets for the Borough and supports the continued strategy to allow boroughs to collaborate in meeting their apportionment requirements.

Policy SI9 – Safeguarded waste sites

This is currently a clause within Policy 5.17 - Waste capacity and net waste self-sufficiency

- Existing waste sites should be safeguarded and retained in waste management use
- Waste facilities located in areas identified for non-waste related development should be integrated with other uses as a first principle
- Waste plans should be adopted before considering the loss of waste sites. The proposed loss of an existing waste site will only be supported where appropriate compensatory capacity is made within London

Comment

There is some concern about the blanket retention of all existing permitted sites without caveat, particularly small privately managed sites and those in the Green Belt which include inappropriate but established uses. Should a site cease operation, re-providing that capacity in a more suitable location may not be possible within the Borough boundary and it is unclear how “appropriate compensatory capacity” could realistically be achieved.

Minerals

Policy SI10 – Aggregates

The policy is very similar to existing Policy 5.20 – Aggregates

Relevant boroughs (not including Bromley) are apportioned a land bank figure of aggregates for the life of the Plan. Boroughs should identify and safeguard aggregate resources including recycling facilities and consider extraction opportunities. Policies should ensure that appropriate use is made of planning conditions for aftercare.

Comment

The policy is broadly supported.

Policy SI11 – Hydraulic Fracturing – NEW POLICY

Development proposals for fracking should be refused

Comment

The policy is supported.

Flood risk and drainage

Policy SI12 – Flood Risk Management

Similar to existing Policy 5.12 – Flood Risk Management

Boroughs should manage flood risk in a sustainable and cost effective way in collaboration with the Environment Agency, developers, infrastructure providers and each other. Development Plans should be informed by Strategic Flood Risk Assessments and development proposals by site specific assessments as appropriate. Boroughs should identify flood risk issues and ensure development proposals minimise flood risk and mitigate potential problems.

Policy SI13 – Sustainable drainage

Similar to existing Policy 5.13 - Sustainable Drainage, with the addition of proposals to restrict impermeable paving.

Boroughs should identify areas where there are particular surface water flooding issues. Development proposals should aim to achieve greenfield run-off rates and use the drainage hierarchy. Proposals for impermeable paving should be refused where appropriate, including on small surfaces such as front gardens and driveways.

Comment

The policies are broadly supported. The borough's Strategic Flood Risk assessment supports the Draft Local Plan policy in reducing problems of surface water flooding by requiring development in contributing areas to reduce its impact. It is unclear how useful the encouragement to refuse small impermeable areas would be given permitted development rights, but it is agreed that the cumulative effect of paving small areas is a concern that should be addressed and this could complement the Council's own policy.

Waterways

Policy SI14 - Waterways – strategic role

Contains elements of existing Policy 7.24 – Blue Ribbon Network and 7.29 -

Relevant Development Plans should designate Thames Policy Areas.

Policy SI15 – Water transport

Combines existing Policies 7.25 – Increasing the use of the Blue Ribbon network for passengers and tourism, and 7.26 – Increasing the use of the Blue Ribbon network for freight transport

Development proposals should protect and enhance passenger transport piers. The viability of safeguarded wharves will be kept under review. Proposals should not conflict with freight handling capacity.

Policy SI16 – Waterways – use and enjoyment

Similar to existing Policy 7.27 – Blue Ribbon network: supporting infrastructure and recreational use

Development Plans should protect and enhance waterway infrastructure to enable water-dependent uses and protect and enhance existing access to, and alongside, waterways.

Policy SI17 – Protecting London's waterways

Similar to existing Policy 7.28 – Restoration of the Blue Ribbon network

Development proposals to facilitate river restoration, including opportunities to open culverts, naturalise river channels, protect the foreshore and increase the heritage and habitats value should be supported.

Development proposals should support and improve the protection of the distinct open character and heritage of waterways

Comment

The policies are broadly supported. The Council have committed, in the Draft Local Plan, to take opportunities for improving the river channels in the borough, particularly the River Cray, through any development that may occur.

Chapter 10 - Transport

Strategic Approach to Transport

Policy T1 - Strategic Approach to Transport

(and Table 10.1 Indicative Transport Schemes)

Similar to existing Policy 6.1 and Table 6.1

Policy T1 provides an overarching approach to ensure the delivery of the Mayor's strategic transport priorities. There is a particular focus on better integration of land use and transport, to ensure the provision of a robust and resilient transport network which is essential in maximising growth.

Significantly, the proposed DLR Extension to Bromley has been removed in Table 10.1.

The Policy also requires development plans and proposals to support:

- A shift from car use provides the only long-term solution to road congestion challenges, and 80% of all trips should be made by foot, cycling, or public transport by 2041.
- All the proposed transport schemes set out in Table 10.1.
- All development should make the most effective use of land to ensure that any impacts on London's transport networks and supporting infrastructure are mitigated.
- Rebalancing the transport system towards walking, cycling and public transport, including ensuring high quality interchanges, will require sustained investment.

Comments

The Council is concerned that reference to the Mayor's ambition for enhanced rail access to Bromley via an Extension of the DLR has been removed in Table 10.1 and is not included in TfL's current Business Plan up to 2021. The Council will continue to press TfL to secure funding for this extension.

Policy T2 - Healthy Streets

This is a new policy.

Development proposals should deliver patterns of land use that facilitate residents making shorter, regular trips by walking or cycling. Opportunities should also be identified to improve the balance of space given to people to dwell, cycle, walk, and travel on public transport, so space is used more efficiently and streets are greener and more pleasant.

In Opportunity Areas, new and improved walking, cycling, and public transport networks should be planned at an early stage. Proposals should:

- Demonstrate how they deliver improvements that support the ten HS indicators in line with TfL guidance;
- Reduce the dominance of vehicles; and
- Be permeable by foot and cycle and connect to local networks as well as public transport.

Comment

The policy is noted.

Policy T3 - Transport Capacity Connectivity & Safeguarding

Combines and updates existing policies 6.2 and 6.4

Development Plans should ensure the provision of sufficient and suitably located land for the development of the current and expanded public and active transport system to serve London's needs, including by:

- Safeguarding existing land and buildings used for transport or support functions; and
- Identifying and safeguarding new sites and route alignments, as well as supporting infrastructure, in order to provide transport functions and planned changes to capacity (including proposals in Table 10.1).

Priority should be given to delivering upgrades to Underground lines, and securing the Bakerloo Line Extension.

Comment

The Council is concerned that reference to the Mayor's ambition for enhanced rail access to Bromley via an Extension of the DLR has been removed in Table 10.1 and is not included in TfL's current Business Plan up to 2021. The Council is intending to safeguard land and route alignments for the DLR from Catford to Bromley South via Bromley North as per Draft Local Plan Policy 36 and will continue to press TfL to secure funding for this extension.

Bakerloo Line Extension - Supporting London's Growth (page 34)

Transport for London submitted a representation on Bromley's Draft Local Plan in December 2016. TfL confirmed it was currently developing plans for a Bakerloo Line Extension, and whilst noted that the phase one extension from Elephant and Castle to Lewisham is included in TfL's business plan for delivery by 2028/9, the Council

should reference the extension in Draft Local Plan Policies 35 and 36 to assist the onward delivery of the extension to the town centre and to Hayes alongside the safeguarding of land for the extension where new track is needed. This was reaffirmed in TfL's Hearing Statement in November 2017, which acknowledged that although the timescale for a potential extension beyond Lewisham is beyond the Local Plan period (2030), it would be appropriate to safeguard land and the route alignment where required.

Bromley responded by stating that TfL's current focus is an extension of the Bakerloo line to Lewisham. Beyond 2030 a future phase may be considered but this is outside the life of the Draft Local Plan. However, Metroisation of services may influence any future phase.

The Council also acknowledged it has been working closely with TfL to identify parts of the network which will benefit from improvements which will reduce bus journey times. However, no projects have been identified in the Infrastructure Delivery Schedule (appendix 10.3) to be delivered over the life of the draft Local Plan.

Whilst the DLR extension to Bromley no longer forms part of TfL's current Business Plan, it remains Bromley's preferred option from Lewisham/Catford to Bromley South via Bromley North. This extension will form part of continuing discussions with TfL regarding the next draft of the Business Plan, and the Council will continue to press TfL to secure funding for this extension.

Policy T4 Assessing and Mitigating Transport Impacts

Similar to existing policy 6.3

- Transport assessments should be submitted with development proposals to ensure that any impacts on the capacity of the transport network are fully assessed.
- Travel plans, parking design and management plans, construction logistics plans and delivery and servicing plans will be required in accordance with relevant Transport for London guidance.
- Mitigation, either through direct provision of facilities and improvements, or through financial contributions, will be required to address any adverse impacts that are identified.
- Cumulative impacts of development on public transport and the road network capacity including walking and cycling, as well as associated impacts on public health should be taken into account and mitigated.

Comment

The policy is noted.

Parking

Policy T5 Cycling and Table 10.2 Minimum Cycling Parking Standards

Updates existing Policy 6.9 and Table 6.3

Cycling Parking Standards remain consistent with existing London Plan policy except for:

- Bromley Town and Orpington have been identified as areas where higher minimum cycle parking standards apply (Fig. 10.2).
- Long-stay spaces for Use Class C3-C4 1 bed dwellings increased from 1 space per unit to 1.5 spaces per unit.

DPDs should support the delivery of a London-wide network of cycle routes, with new roles and improved infrastructure and should provide cycle parking in accordance with the minimum standards set out in Table 10.2 and Figure 10.2.

Comment

The policy is noted. Local Plan Draft Policy 30 states that minimum cycle parking standards must be met as per London Plan requirements. Bromley Town and Orpington have been identified as areas where higher minimum cycle parking standards apply (Fig. 10.2).

Policy T6 Parking

Policy T6.1 Residential Parking

Table 10.3 Maximum Residential Parking Standards

Updates existing Policy 6.13 and Table 6.2

- Car parking should be restricted in line with levels of existing and future public transport accessibility and connectivity.
- Car-free development should be the starting point for all development proposals in places that are (or plan to be) well connected by public transport.
- The Maximum car parking standards set out in Policy T6.1 and T6.5 should be applied to development proposals and used to set local standards within Development Plans.
- Outer London boroughs wishing to adopt minimum residential parking standards must only do so for parts of London that are PTAL 0-1.
- Where sites are redeveloped, existing parking provision should be reduced to reflect the current approach and not be re-provided at previous levels that exceed the standards set out in this policy.

Appendix 1

- Differences in car use and ownership between inner and outer London are recognised, with trip distances and trip patterns sometimes making walking and cycling difficult in outer London.
- New residential development should not exceed the maximum parking standards set out in table 10.3. These standards are in a hierarchy with the more restrictive standard applying when a site falls into more than one category.
- All residential car parking spaces must provide infrastructure for electric or ultra-low emission vehicles. At least 20 percent of spaces should have active charging facilities.
- In a development with 10 or more units, at least one designated disabled persons parking bay per dwelling for three percent of dwellings is available from the offset (3:10).

Notable Changes/Potential Issues with Draft Local Plan

Comparison of Previous and Proposed Maximum Residential Car Parking Provision

Outer London PTAL	London Plan 2016	Draft London Plan 2017
0-1	2	1.5
2	1.5	1
3	1.5	0.75
4 (and Opportunity Areas)	1.5	0.5
5-6	1	Car Free

- Flexibility for minimum residential parking standards has been constrained to PTAL 0-1, now not applicable for parts of PTAL 2*.

Comment

Policy T6 Point A - “car parking should be restricted in line with levels of existing and future public transport accessibility and connectivity.”

- *This is a concern for the Council as there is potential for significant under-provision of car parking. If car parking provision for new residential development were to be based on potential transport investment, then should that provision fail to materialise, developments will be built with abysmal levels of parking. As a result, residents will be forced to park in surrounding roads and will exacerbate parking misery.*

Policy T6 Point H - “Outer London boroughs wishing to adopt minimum residential parking standards through a Development Plan Document (within the maximum standards set out in Policy T6.1 Residential parking) must only do so for parts of London that are PTAL 0-1.”

- *This should go beyond PTAL 0-1 and be extended to PTALs 2 and 3. Minimum levels of parking for residential development are required in order to ensure new developments do not generate additional intrusive or obstructive on-street parking as a result of inadequate provision.*

Table 10.3 Maximum Residential Parking Standards -

- *The proposed Table 10.3 is a particular concern for the Council. Bromley has a higher car ownership per household than the Outer London average. Bromley exceeds the average of households owning 2 or more cars by 5%, and 3 or more cars by 1%. Compared to the Greater London average, there are 10% more households in Bromley with two or more cars. The Council therefore maintains its position that boroughs are best placed to decide the appropriate parking standards for their areas given their detailed knowledge and understanding of the issues, and the nature of the localities.*
- *Bromley's parking survey also found that car ownership across the developments surveyed was 1.18 cars per household (higher than the 1.15 Borough average from the 2011 census). There is a higher car ownership in wards with lower average levels of public transport accessibility. Wards in the south of the borough, including Biggin Hill, Darwin, and Chelsfield & Pratts Bottom, have the highest levels of car ownership at above 1.5 cars per household. When considering PTAL zones, previous surveys have found that the average range of vehicle ownership in the Borough falls between 0.7 (6a) and 1.1 (2). With no underground stations within the Borough, and PTALs failing to reflect the accessibility for the journeys that the local residents need to undertake to local facilities and services, they are a poor indicator of public transport accessibility for residents in these areas.*

Policy T6.2 Office Parking

Table 10.4 Maximum Office Parking Standards

Updates existing Policy 6.13 and Table 6.2

- Maximum parking standards set out in Table 10.4 should be applied to all new office development.
- Standards for B2 and B8 employment uses should also have regard to these standards.
- Outer London Boroughs wishing to adopt more generous standards are required to do so through an evidence-based policy in their DP that identifies parts of the borough in which higher standards will be applied, along with justification.
- Boroughs should not seek to adopt more generous standards borough wide.

Appendix 1

- Non-residential disabled persons parking should be provided as set out in Policy T6.5.
- Maximum parking provision more restricted to encourage non-car use modes of travel.

Comparison of Previous and Proposed Maximum Office Car Parking Provision (GIA)

Location	London Plan 2016	Draft London Plan 2017
Outer London	1 space per 100-600sqm	1 space per 100sqm
Outer London Generous Standards	1 space per 50-100sqm	1 space per 50sqm
Outer London Opportunity Areas		1 space per 600sqm

- Maximum parking provision more restricted to encourage non-car use modes of travel.

Comment

The Council is concerned about the proposed parking provision applied to Outer London Opportunity Areas.

Policy T6.3 Retail Parking and Table 10.5 Maximum Retail Parking Standards

Updates existing Policy 6.13 and Table 6.2

- The maximum parking standards set out in Table 10.5 should be applied to new retail development.
- Opportunities should be taken to make the most of all existing parking.
- If on-site parking is justified it should be publicly-available.
- Disabled persons parking should be provided as set out in Policy T6.5.
- PTAL 5 and 6 now has a blanket provision irrespective of retail use.
- Outer London retail either in an Opportunity Area or that is less than 500sqm in PTAL 0-4 provides up to 1 space per 75sqm (*prev. 30-50sqm*).
- All other retail in PTAL 0-4 provides up to 1 space per 50sqm (*prev. 15-50sqm*).

Comparison of Previous and Proposed Maximum Retail Car Parking Provision (GIA)

Location	London Plan 2016	Draft London Plan 2017
All Areas of PTAL 5-6	1 space per 25-75sqm (depending on use)	Car Free
Outer London retail below 500sqm		1 space per 75sqm
Outer London Opportunity Areas		1 space per 75sqm
Rest of Outer London		1 space per 50sqm
	PTAL 1-4 Only	
Food: up to 500sqm	1 space per 30-50sqm	
Food: up to 2500sqm	1 space per 18-30sqm	
Food: over 2500sqm	1 space per 15-25sqm	
Non-Food	1 space per 30-50sqm	

Garden Centre	1 space per 25-45sqm	
Town Centre/Shopping Mall/Department Store	1 space per 30-50sqm	

Comment

The policy is noted. Local Plan Draft Policy 30 states that, with the exception of residential parking standards, all other parking standards must be met as per London Plan requirements.

Policy T6.4 Hotel and Leisure Uses Parking

Updates existing Policy 6.13 and Table 6.2

- In locations with a PTAL 4-6, any on-site provision should be limited to operational needs, disabled persons parking and parking required for taxis, coaches and deliveries or servicing.
- In locations with a PTAL 0-3, schemes should be assessed on a case by case basis and provision should be consistent with in the Healthy Streets Approach.
- All operational parking must provide infrastructure for electric or other Ultra-Low Emissions vehicles, including active charging points.
- Disabled persons parking should be provided as set out in Policy T6.5.

Comment

The policy is noted. Local Plan Draft Policy 30 states that, with the exception of residential parking standards, all other parking standards must be met as per London Plan requirements.

Policy T6.5 Non-Residential Disabled Persons Parking

Table 10.6 Non-Residential Disabled Persons Parking Standards

Updates existing Policy 6.13 and Table 6.2

- All non-residential elements of a development should provide at least one on or off-street disabled persons parking bay.
- Disabled persons parking should be provided in accordance with the levels set out in Table 10.6.
- **Inclusion of non-residential disabled persons parking standards to Education Use Class.**
- No other change to parking standards.

Comment

The policy is noted. Local Plan Draft Policy 30 states that, with the exception of residential parking standards, all other parking standards must be met as per London Plan requirements.

Policy T7 Freight and Servicing

Updates existing Policy 6.14

Area based plans, such as OAPFs and AAPs should include freight and servicing strategies, and proposals should facilitate sustainable freight and servicing, including through the provision of adequate space for servicing and delivery off-street. To support carbon-free travel from 2050, the provision of hydrogen refuelling stations and rapid electric vehicle charging points at logistics and industrial locations is supported.

Comment

The policy is noted.

Policy T8 Aviation

Similar to existing Policy 6.6

The Mayor supports the role of London's airports in enhancing London's spatial growth, particularly within Opportunity Areas. Proposals that would lead to changes in airport operations or air traffic movements must take full account of their environmental impacts and the views of affected communities. Development of business and general aviation activity should generally be supported providing this would not lead to additional environment harm.

Comments

The Council cautiously supports this policy in line with the retention of Biggin Hill as a recognised SOLDC in the Draft London Plan.

Policy T9 Funding Transport Infrastructure through Planning

Updates existing Policy 6.5

- The Mayor will charge MCIL to secure funding towards transport infrastructure of strategic importance such as Crossrail 2.
- Planning obligations, including financial contributions, will be sought to mitigate impacts from development, which may be cumulative.
- In the absence of an agreement on Crossrail 2, the Mayor will still collect the charge and fund other strategic transport projects for which there is a significant funding gap.

Comments

Appendix 1

Currently there is a second round of public consultation on proposals to increase the developer contribution through Mayoral CIL collection in Bromley to £60 from £35 per square metre to which (last summer) the Council has objected.

Chapter 11 – Funding the London Plan

Existing Policies 8.1, 8.2 and 8.3

Chapter 11 sets out the policy framework for viability and planning obligations and broader issues of investment and the importance of a major part of that investment coming forward from the public and private sector. It also sets out the need for a more supportive regulatory environment where private sector investment is involved, requiring new fiscal tools for the Mayor. “The most critical areas for investment to achieve the step change in housing delivery that London needs are increased investment in transport infrastructure and fundamental changes to the housing market. There is also a need to invest in enabling infrastructure, such as green infrastructure, water, energy, digital connectivity and social infrastructure.” The supporting develops aims of ‘London Infrastructure Plan 2050’ (GLA) on fiscal devolution and the supporting text states the London Finance Commission recommended the full devolution of property taxes, including council tax, business rates and stamp duty, as well as permissive powers to develop new mechanisms, subject to consultation. This would allow for the development of a consistent approach with Section 106 payments and the Mayoral and borough Community Infrastructure Levy (CIL).

Policy DF1 - Delivery of the Plan and Planning Obligations

New Policy DF1 Delivery of the Plan and Planning Obligations replaces existing Policy 8.2 Planning Obligations. Where obligations are proven unviable in a development the policy advises applicants and decision-makers prioritise affordable housing and necessary public transport improvements then health and education infrastructure, and after those affordable workspace, culture and leisure facilities. Previously focus was given to climate change and air quality, social infrastructure (as a grouping) and provision of small shops. Encourages boroughs to take account the impact on health, education, affordable workspace and culture and leisure facilities, when developing a local CIL Charging Schedule and Regulation 123 list.

Comment

Existing policy 8.1 ‘Implementation’ is a higher strategic level policy with consideration given to creation of Mayoral Development Corporations and Housing Zones, and encouraging the Boroughs in developing their own Community Infrastructure Levy’s to ensure provision of infrastructure; the thrust of these aims has been fulfilled. Again the specific previous policy 8.3 ‘Community Infrastructure Levy’ is now subsumed into DF1 whereby boroughs are encouraged to consider the Mayors priorities when setting out their Regulation 123 lists. This Borough is developing a local CIL and authorisation has been given by Executive for the first public consultation to begin in January 2018. Whilst the Borough has an emerging scope for the local Regulation 123 list developed directly from the Infrastructure Delivery Schedule list of topic areas for projects, the specific list will not be confirmed until the next consultation phase later in 2018.

In response to the ‘2050’ consultation in 2014 the Leader Cllr Carr stated the importance ‘to make long term plans for the Capital to ensure infrastructure in Outer South East London is provided in full so as to realise opportunities for growth’.

Chapter 12 Monitoring

Policy M1 – Monitoring and Appendix 10.12 Proposed Monitoring Framework

Existing Policy 8.4

Monitoring is now included as its own chapter within the London Plan and is no longer integrated with funding and implementation. The policy ensures that the implementation of the London Plan will be kept under review using the Key Performance Indicators (KPIs) set out in Table 12.1. The measure for each indicator shows the direction and scale of change that the London Plan policies are seeking to achieve. They do not themselves represent additional policy. Performance against the KPIs will be reported in the GLA's Authority Monitoring Report (AMR).

There are only 12 proposed KPIs compared with the current London Plan's 24 KPIs - streamlined and easier to monitor.

Comment

The policy is noted.

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