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DATE: 26 January 2021

To: Members of the
**RENEWAL, RECREATION AND HOUSING POLICY DEVELOPMENT AND
SCRUTINY COMMITTEE**

Councillor Michael Rutherford (Chairman)
Councillor Suraj Sharma (Vice-Chairman)
Councillors Gareth Allatt, Julian Benington, Kim Botting FRSA, Josh King,
Alexa Michael and Gary Stevens

Non-Voting Co-opted Members
Tajana Reeves, Bromley Youth Council

A meeting of the Renewal, Recreation and Housing Policy Development and Scrutiny
Committee will be held on **TUESDAY 2 FEBRUARY 2021 AT 6.30 PM**

**PLEASE NOTE: This is a 'virtual meeting' and members of the press and public
can see and hear the Committee by visiting the following page on the Council's
website: –**

<https://www.bromley.gov.uk/councilmeetingslive>

Live streaming will commence shortly before the meeting starts.

MARK BOWEN
Director of Corporate Services

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

PART 1 AGENDA

Note for Members: Members are reminded that Officer contact details are shown on each
report and Members are welcome to raise questions in advance of the meeting.

STANDARD ITEMS

- 1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**
- 2 DECLARATIONS OF INTEREST**

3 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

In accordance with the Council's Constitution, questions that are not specific to reports on the agenda must have been received in writing 10 working days before the date of the meeting.

Questions specifically relating to reports on the agenda should be received within two working days of the normal publication date of the agenda. Please ensure that questions specifically relating to reports on the agenda are received by the Democratic Services Team by **5 pm on Thursday 28 January 2021**. Written replies will be provided.

3a QUESTIONS FOR THE RENEWAL, RECREATION AND HOUSING PORTFOLIO HOLDER

3b QUESTIONS FOR THE CHAIRMAN OF RENEWAL, RECREATION AND HOUSING PDS COMMITTEE

4 MINUTES OF THE RENEWAL, RECREATION AND HOUSING PDS COMMITTEE MEETING HELD ON 9 NOVEMBER 2020 AND THE SPECIAL MEETING HELD ON 16 DECEMBER 2020 (Pages 5 - 36)

5 MATTERS OUTSTANDING FROM PREVIOUS MINUTES (Pages 37 - 42)

HOLDING THE RENEWAL, RECREATION AND HOUSING PORTFOLIO HOLDER TO ACCOUNT

6 PRE-DECISION SCRUTINY OF RENEWAL, RECREATION AND HOUSING PORTFOLIO REPORTS

Portfolio Holder decisions for pre-decision scrutiny.

6a CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2020/21 (Pages 43 - 52)

6b PROPOSED NON-IMMEDIATE ARTICLE 4 DIRECTION TO REMOVE PART 1, CLASS B AND C PERMITTED DEVELOPMENT RIGHTS IN PETTS WOOD ASRC (Pages 53 - 64)

6c CONFIRMATION OF NON-IMMEDIATE ARTICLE 4 DIRECTIONS TO REMOVE PERMITTED DEVELOPMENT RIGHTS FOR OFFICE TO RESIDENTIAL CONVERSIONS IN BROMLEY'S OFFICE CLUSTERS (Pages 65 - 84)

6d PROPOSED NON-IMMEDIATE ARTICLE 4 DIRECTION TO REMOVE PERMITTED DEVELOPMENT RIGHTS FOR UPWARDS EXTENSIONS IN AN AREA WITHIN THE RAVENSBOURNE VALLEY LOCAL VIEW (Pages 85 - 98)

7 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

- 7a PROPERTY ACQUISITION SCHEME PROPOSAL (Pages 99 - 116)**
- 7b CONTRACT AWARD FOR ESSENTIAL HOUSEHOLD GOODS (Pages 117 - 126)**
- 7c ADDITIONAL RESTRICTIONS GRANT (ARG) PHASE 2 (Pages 127 - 146)**
- 7d ORPINGTON TOWN CENTRE REGENERATION (Pages 147 - 154)**
- 7e DIGITAL INFRASTRUCTURE WORK PLAN (Pages 155 - 164)**

POLICY DEVELOPMENT AND OTHER ITEMS

- 8 TRANSFORMING BROMLEY: APPROACH TO BUILDING HOMES IN BROMLEY UPDATE (Pages 165 - 170)**
- 9 RENEWAL, RECREATION AND HOUSING PORTFOLIO DRAFT BUDGET 2021/22 (Pages 171 - 190)**
- 10 HOUSING, PLANNING AND REGENERATION RISK REGISTER - QUARTER 3 2020/21 (Pages 191 - 206)**
- 11 RENEWAL, RECREATION AND HOUSING PDS COMMITTEE WORK PROGRAMME - MARCH 2021 (Pages 207 - 212)**

PART 2 (CLOSED) AGENDA

- 12 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.

Items of Business

Schedule 12A Description

- 13 EXEMPT MINUTES OF THE RENEWAL, RECREATION AND HOUSING PDS COMMITTEE HELD ON 16 DECEMBER 2020 (Pages 213 - 216)**

14 PRE-DECISION SCRUTINY OF PART 2 (EXEMPT) RENEWAL, RECREATION AND HOUSING PORTFOLIO REPORTS

14a TRANSFORMING BROMLEY: APPROACH TO BUILDING HOMES IN BROMLEY UPDATE (Pages 217 - 226) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

15 PRE-DECISION SCRUTINY OF PART 2 (EXEMPT) EXECUTIVE REPORTS

15a PROPERTY ACQUISITION SCHEME PROPOSAL (Pages 227 - 228) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

15b CONTRACT AWARD FOR ESSENTIAL HOUSEHOLD GOODS (Pages 229 - 234) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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RENEWAL, RECREATION AND HOUSING POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Minutes of the meeting held at 6.30 pm on 9 November 2020

Present:

Councillor Michael Rutherford (Chairman)
Councillor Suraj Sharma (Vice-Chairman)
Councillors Gareth Allatt, Julian Benington,
Kim Botting FRSA, Josh King, Alexa Michael and
Gary Stevens

Also Present:

Councillor Yvonne Bear, Councillor Aisha Cuthbert and
Councillor Peter Morgan

27 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

There were no apologies for absence.

28 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

29 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

A copy of the questions received, together with the responses can be viewed as Annex A to these Minutes.

30 MINUTES OF THE RENEWAL, RECREATION AND HOUSING PDS COMMITTEE MEETING HELD ON 2 SEPTEMBER 2020 AND THE SPECIAL MEETINGS HELD ON 6 OCTOBER 2020 AND 14 OCTOBER 2020

The minutes of the Renewal, Recreation and Housing PDS Committee meeting held on 2 September 2020 and the special meetings held on 6 October 2020 and 14 October 2020, were agreed and signed as a correct record.

31 MATTERS OUTSTANDING FROM PREVIOUS MINUTES Report CSD20107

The report set out progress against actions outstanding from previous meetings. Officers were thanked for the action taken to address matters outstanding from previous meetings.

9 November 2020

RESOLVED: That the report be noted.

HOLDING THE RENEWAL, RECREATION AND HOUSING PORTFOLIO HOLDER TO ACCOUNT

32 PRE-DECISION SCRUTINY OF RENEWAL, RECREATION AND HOUSING PORTFOLIO REPORTS

The Committee considered the following reports where the Renewal, Recreation and Housing Portfolio Holder was recommended to take a decision:

**A BROMLEY BUSINESS IMPROVEMENT DISTRICT (BID)
PROPOSAL – RENEWAL FOR 2021-2026
Report HPR2020/035**

The report updated Members on the progress to date on the development of a proposed second term for the existing Business Improvement District (BID) in Bromley Town Centre and its potential implications for the Council. The report also introduced the outline Bromley BID Proposal 2021 – 2026 which had been presented to the Council by the Bromley BID Ltd (the Bromley BID company) and requested delegated authority for the Director of Housing, Planning and Regeneration to review the final version of the BID Proposal in order to authorise a ballot to be held on the renewal of the Bromley BID in February 2021.

RESOLVED: that the Portfolio Holder be recommended to

- 1. Note the draft Bromley BID Proposal 2021 – 2026 (summarised in 3.9 below but provided in full as part of a report on Part 2 of this agenda) which details the progress to date on the development of the BID, including the level of consultation with businesses, and outlines the BID levy rules and emerging key priorities of the BID for its second term.**
- 2. Agree in principle, on the basis of the outline BID Proposal that the Council’s Ballot Holder may be instructed to hold a ballot in February 2021, according to the Business Improvement District Regulations (England) 2004, being satisfied that the BID Proposal does not conflict with any of the Council’s priorities and plans, and that its geographic scope is within the boundaries of the London Borough of Bromley (see map of draft BID boundary in Appendix 1).**
- 3. Agree delegated authority to the Director for Housing, Planning and Regeneration to review the FINAL version of the BID Proposal which is expected to be delivered to the Authority by 12th January 2021 and provided that this still meets the criteria outlined in 2.2 above, instructs the Ballot Holder to run the BID ballot, on behalf of the Portfolio Holder.**

- 1. Agree to nominate an officer to vote 'Yes' on behalf of the Council for eligible Council-occupied hereditaments which fall within the proposed BID area (these are listed in paragraph 5.2 of the report).**
- 2. Subject to a BID 'yes' vote, authorise the Director of Corporate Services to enter into all legal agreements necessary to renew and operate the BID, and that the agreements ensure that the BID company acts at all times in the best interests of the town centre. The draft agreements, which are still to be finalised, are included as part of Appendix 2.**
- 3. Note the potential for additional costs to the Council in the event of a 'no' vote and that a further report setting out options be submitted for Members' consideration in that event.**

B BUDGET MONITORING 2020/21 Report FSD20083

The report provided an update on the latest revenue budget monitoring position for 2020/21 for the Renewal, Recreation and Housing Portfolio based on activity up to the end of September 2020.

The Committee noted that the projected impact of Covid-19 would be reflected in the full Budget Monitoring presented to the Leader later in the month. As yet the full impact on the budget was difficult to quantify but it was clear that there were a number of ongoing pressures.

The Director of Housing, Planning and Regeneration confirmed that, in light of Covid-19, Officers were currently projecting an increase of 15 temporary accommodation clients each month for the next 12-18 months although the situation was being kept under review.

The Committee noted that a number of departments across the Council were experiencing financial pressures arising from the Covid-19 pandemic, including Strategic Property, Land Charges, Building Control, and Culture (including Regeneration).

RESOLVED: That the Portfolio Holder be recommended to endorse the latest 2020/21 budget monitoring for the Renewal, Recreation & Housing Portfolio.

C PROVISION OF HOUSING IN YORK RISE, ORPINGTON Report HPR2020/037

The report recommended using the LHC, NH2 procurement framework to proceed with residential development proposals of circa 35 homes at York

9 November 2020

Rise, Orpington, BR6 8PR. The site had been subject to previous development proposals outlined in the report. In May 2020, the Council appointed multi-disciplinary consultants Pellings to undertake further detailed feasibility of the site. Executive previously agreed to fund and develop proposals for this site, however, the proposals have substantially moved on since that time. The report outlined the work undertaken as part of the feasibility study and what was required as part of the tender to proceed with the next stages of development.

The Committee noted the comments (attached at Annex B) which had been circulated by local ward councillor, Councillor Charles Joel.

In response to a question, the Interim Head of Regeneration confirmed that the contract would specify that where there were specialist contractors required for specific pieces of work these would have to be sub-contracted out where necessary.

The Committee further noted that the geographical challenges of the site were had been given due consideration.

RESOLVED: That the Portfolio Holder be recommended to

- 1. Note the progress of the project as set out within this report.**
- 2. Note the commissioning strategy set out in this report including the use of the LHC, NH2 procurement framework for the appointment of consultants funded from the Capital Scheme approved in July 2019.**
- 3. Note the decision to proceed to procurement for the Pre-Contract Service Agreement works contract for up to £350k, which includes all the work required to develop a residential design and a fully costed scheme.**
- 4. Note that a report will be presented at a later date to the Executive once the design proposals are at a more advanced stage prior to proceeding to any further stages (ie., design and build) which will provide an update on the estimated costs of the scheme with a recommended approach to ensure development viability.**

33 PRE-DECISION SCRUTINY OF REPORTS DUE FOR DECISION BY THE LEADER

The Committee considered the following reports on the Part 1 agenda due for decision by the Leader in November 2020:

**A MORE HOMES BROMLEY - DISCHARGING DUTY
Report HPR2020/038**

The report provided an update on the More Homes Bromley scheme for the acquisition and management of up to 400 properties for the Council's homeless families. The report also requested agreement to change the scheme from temporary accommodation to permit the Council to discharge its homelessness duties by offering tenancies on an assured shorthold basis and to change the rent levels for those properties. Rents charged on these properties will be in line with the applicable local housing allowance level.

The Committee noted that the main areas which had impacted on the running costs were the actual repairs and service charge costs which had originally been estimates. Service charges had increased and there were some areas where the ongoing repairs were higher than predicted.

The Director of Housing, Planning and Regeneration confirmed that with the More Homes Bromley portfolio there was the flexibility to let either as temporary accommodation, in discharge of duties at an affordable rent, or through to private rented to ensure that the rental income financed the scheme. Temporary accommodation levels were frozen at considerably lower than market rents or Local Housing Allowance levels. The proposal was to move to a discharge of duties where the tenancies were similar to those held by a private tenant with an assured shorthold tenancy which would mean that tenants could settle in their homes. Members noted that a suitability assessment would be undertaken to ensure that, where the property remained suitable, all existing tenants could remain in the property.

The Committee noted that, in the interests of flexibility, a small number of units would be retained as temporary accommodation. The transfer of the remaining units would be phased, starting in the new financial year. It was expected that the majority of the units would transfer within the next 6 months.

RESOLVED: That the Leader be recommended to agree the proposal from the Board of More Homes Bromley for the Council to allow properties held under the More Homes Bromley scheme to be provided in discharge of the Councils statutory homelessness duties to provide suitable settled accommodation for these households, and to increase the rent levels.

**B FINANCING OF HOUSING SCHEMES (PART 1 REPORT)
Report HPR2020/038**

The report provided an update on the finances for 3 housing schemes the Council was currently developing, Burnt Ash Lane, Bushell Way and Anerley Town Hall overflow car park. The report also included a review of utilising GLA grants for developing Affordable Housing, which will have an impact on the rent levels charged.

In response to a question, the Interim Head of Regeneration confirmed that the Council would be submitting a bid for funding in the current funding round and that through discussions with the GLA it was clear that £100k was available for each affordable housing unit.

The Chairman noted that the GLA rents were higher than the temporary accommodation levels but lower than the Council could let at Local Housing Allowance. The Director of Housing, Planning and Regeneration explained that this was also possibly the last year that it would be possible to secure funding at the £100k level and it was therefore beneficial to maximise grant finding on some of the early schemes.

RESOLVED: That the Leader be recommended to

- 1. Approve the utilisation of £1,256k Section 106 contributions for the three housing schemes.**
- 2. Recommend that Executive approve the rent levels of the three housing schemes at London Affordable Rent (LAR) levels to support the GLA Building Homes for Londoners Grant.**
- 3. Delegate authority to the Director of Housing, Planning and Regeneration in consultation with the Director of Corporate Services and the Director of Finance at the relevant time to appropriate each site from planning purposes to housing purposes to be accounted for within the Council's Housing Revenue Account.**
- 4. Recommend that Council approves a supplementary estimate of £1,764k to the Capital Programme for these three schemes.**
- 5. Recommend that Council approves the revised financing of the schemes as set out in paragraph 10.7 of the report, including an internal loan from the General Fund to the Housing Revenue Account of £7,453k.**
- 6. Delegate authority to the Director of Housing, Planning and Regeneration in consultation with the Director of Finance to apply for GLA grant funding under the Building Council Homes for**

**Londoners Programme and to enter into grant agreement with the
Greater London Authority.**

POLICY DEVELOPMENT AND OTHER ITEMS

**34 EXPENDITURE ON CONSULTANTS 2019/20 AND 2020/21
Report CSD20108**

At its meeting on 8th October 2020, the Executive, Resources and Contracts PDS Committee considered a report on expenditure on consultants across all Council departments for both revenue and capital budgets. The Committee requested that the report be considered by all PDS Committees.

In response to a question concerning the reference to EU procurement regulations in Appendix 1 to the report, the Head of Finance confirmed that from 1st January 2021, these regulations would no longer apply, and would be replaced by equivalent UK legislation establishing competition requirements.

RESOLVED: That the report be noted.

**35 HOUSING, PLANNING AND REGENERATION PORTFOLIO PLAN
UPDATE -2020/21 REFRESH AND Q2 UPDATE
Report ACH20-044**

The report presented the refresh of the Portfolio Plan for 2020-21 and the update for Quarter 2.

Noting that there had recently been a number of planning applications in respect of felling trees protected by Tree Preservation Orders (TPOs) where the trees had had an adverse effect on the foundations of houses, a Member stressed the need to ensure that trees, which had often been in situ far longer than the properties, were protected through interventions such as root barriers.

With reference to Site G, the Director of Housing, Planning and Regeneration confirmed that an update would be presented to the Committee as soon as possible. The Portfolio Holder suggested that, if necessary, a special meeting could be arranged for consideration of options in respect of Site G.

In response to a question from the Chairman, the Director of Housing, Planning and Regeneration confirmed that the department would work towards quantifying objectives where possible.

In respect of the 'amber' rating for the Building Control service, the Director of Housing, Planning and Regeneration confirmed that a number of key personnel appointments remained outstanding. Once these appointments had been made it was likely that the target would move to 'green'.

9 November 2020

The Committee noted that the Bromley Community Infrastructure Levy (CIL) was likely to be implemented from Summer 2021 following independent examination. Members noted however that affordable housing contributions would not be covered by CIL and would remain as Section 106 agreements.

RESOLVED: That the report be noted.

**36 PLANNING APPEALS - COSTS 2019-2020
Report HPR2020/32**

The report provided an update on the award of costs from planning appeals made in the financial year 2019/2020. 13 applications claiming for costs were made in the period April 2019 to March 2020 of which 5 had been allowed and 8 refused. The report also provided an update on cost claims that were paid in 2019/2020. The total of planning appeal cost claims paid in 2019/2020 was £36,236.15. The Council had actively been applying for an award of costs against the appellant where the Council believe they had acted unreasonably. Three cases had been applied for within this financial year, two had been refused and one was awaiting a decision.

In response to a question concerning how the figures could be skewed by the very small number of cases, the Assistant Director for Planning explained that whilst the small number of cases was not formally recognised, if the Council found itself in a position where it was threatened with designation again it would have an opportunity to put its case back and the small number of cases would be a relevant factor.

RESOLVED: that the report be noted.

**37 PLANNING APPEALS MONITORING REPORT - FINANCIAL YEAR
2019-2020 (including year to date 2020/2021)
Report HPR2020/33**

This report provided an update on the planning appeals received and decided in the financial year 2019/2020 and included the first six months of 2020/2021 to capture the decisions of the majority of appeals made in the financial year 2019/2020. Some charts showed a comparison of Bromley's statistics with those nationally, however the national figures for the last quarter would not be available until November 2020. Due to the Covid19 pandemic rules for conducting site visits, hearings and inquiries have changed.¹ Physical events were not being undertaken for the foreseeable future. Wherever reasonable to do so, site visits were being arranged rather than events. Some virtual hearings were taking place and it was hoped that the vast majority of all postponed hearings would take place as soon as possible in the following

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/889299/COVID-19_Guidance_for_site_visits_hearings_and_inquiries_28_May_2020v2.odt

months. In relation to planning inquiries, the inspectorate had been holding numerous case conferences with a view to turn a few into virtually held inquiries, the remaining ones would be re-arranged at the earliest opportunity. Therefore, as a result of the difficulties in conducting site visits, hearings and inquiries there had been a delay in appeal decisions being made.

RESOLVED: That the report be noted.

**38 RENEWAL, RECREATION AND HOUSING PDS COMMITTEE
WORK PROGRAMME (DECEMBER 2020-MARCH 2021)
Report CSD20106**

The report updated the Committee's work programme. Members noted that, if necessary, a special meeting would be held to enable an update on Site G to be provided.

RESOLVED: That the Work Programme be noted.

PART 2 (CLOSED) AGENDA

**39 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**

**40 EXEMPT MINUTES OF THE RENEWAL, RECREATION AND
HOUSING PDS COMMITTEE HELD ON 2 SEPTEMBER 2020 AND
THE SPECIAL MEETINGS HELD ON 6 OCTOBER 2020 AND 14
OCTOBER 2020**

The exempt minutes of the Renewal, Recreation and Housing PDS Committee held on 2 September 2020 and the special meetings held on 6th October 2020 and 14 October 2020, were agreed and signed as a correct record.

9 November 2020

41 PRE-DECISION SCRUTINY OF PART 2 (EXEMPT) RENEWAL, RECREATION AND HOUSING PORTFOLIO HOLDER REPORTS

A BROMLEY BUSINESS IMPROVEMENT DISTRICT (BID) PROPOSAL – RENEWAL FOR 2021-2026

The Committee noted the report and supported the recommendations.

42 PRE-DECISION SCRUTINY OF PART 2 (EXEMPT) REPORTS DUE FOR DECISION BY THE LEADER

The Committee considered the following reports on the Part 2 agenda due for decision by the Leader in November 2020:

43 PART 2 FINANCING OF HOUSING SCHEMES

The Committee noted the report and supported the recommendations.

The Meeting ended at 7.35 pm

Chairman

QUESTIONS FROM MEMBERS FOR ORAL RESPONSE BY THE PORTFOLIO HOLDER FOR RENEWAL, RECREATION AND HOUSING

Question 1: From Cllr Nicholas Bennett

If he will make a statement on the progress towards replacing the West Wickham Leisure Centre in 2022?

Portfolio Holder's Response

Officers are investigating feasibility options for this site to overcome viability issues facing the site. In light of the Covid-19 pandemic, there is some uncertainty in the leisure industry and officers are looking for long term solutions to bring a feasible option forward to improve the current leisure offer provided at West Wickham.

Question 2: From Cllr Nicholas Bennett

If he will make a statement on the mooted development of the Station Road West Wickham Car Park with housing and whether he will confirm the previous commitment that the West Wickham Library will not close until its permanent replacement as part of the new Leisure Centre is ready to open?

Portfolio Holder's Response

I confirm that the old library will not close until the new library is ready. There is, however, always an interval of a few days whilst the book stock is moved and arranged in the new premises.

QUESTIONS FROM MEMBERS OF THE PUBLIC FOR WRITTEN RESPONSE BY THE PORTFOLIO HOLDER FOR RENEWAL, RECREATION AND HOUSING

Question 1: From Alisa Igoe

What essential improvements to Chislehurst's local infrastructure will the CIL/S106 levy on the developer be directed to, in light of 2 years with a smaller temporary library, loss of car parking for retail footfall and heavy and noisy construction work directly beside a nursery and 680 pupil primary school?

Portfolio Holder's Response

S106 contributions would be sought for any planning permission at the Chislehurst Library site in accordance with the Council's SPD on Planning Obligations.

These would be expected to include:

- *Affordable housing - (Dependant on policy compliance);*
- *Carbon off-set – (Dependant on policy compliance);*
- *Education;*
- *Health;*
- *Highways (relevant highway improvement works);*

The temporary smaller library would not be a matter that could be subject of financial mitigation via a s106 agreement, and the loss of parking would be something assessed as part of the planning application and a contribution only sought if the scheme were not policy compliant and thus mitigation was required. The noise and disruption from building works is not something we can mitigate against via s106 but there are standards set out in the Code of Construction Conduct published by the Council that the Public Protection team are able to enforce against.

Question 2: From Alisa Igoe

The redevelopment will include loss of the library's 36 public car parking spaces and at least a third or more of the spaces at the temporary library site in the High St car park. Could you kindly give me the figure you have estimated for this loss of car parking revenue per annum and tell me if this was factored into the financial feasibility study?

Portfolio Holder's Response

The decision to originally dispose of the library was made by the Executive in 2014 as a Part 2 Decision and this included the Car Park. Consequently, the evaluation of offers received was based on the disposal of the site. The temporary library if it goes to the Car Park, as it may go locally elsewhere, will depend on size (previously estimated at 12 spaces) – but it is highly unlikely to be more than 26 spaces as that is the worst case scenario. There are circa 140 spaces in total this therefore represents a loss of 19% not one third (as stated in the question).

Annex B

From: Joel, Charles, Cllr
Sent: 06 November 2020 11:54
To: Gibbs, Philippa; Walton, Graham
Cc: Evans, Robert, Cllr; Marlow, Christopher, Cllr; Morgan, Peter, Cllr; Rutherford, Michael, CLLR
Subject: Re: R.R. Committee Meeting Monday 9th November 2020 - York Rise Report No HPR2020/037

Dear Philippa & Graham,

Having just received a copy of the agenda relating to the above I wish to pass on my observations and if it is in order can copies please be forwarded onto the members of the committee to assist them when debating the above item. I am more than happy to have a copy of this email included in the minutes and be duly recorded.

Reason for Report

The original proposal was for the provision of a larger number of dwellings and it was felt at that time to be an over-development and did not comply with Bromley's Local Plan.

The Councillors for Farnborough & Crofton in principle support the proposals to build no more than 35 homes to be made available for temporary accommodation for the homeless.

Ward Councillors Views

Throughout the process in considering the potential to re-develop the site to provide homeless family units the three Ward Councillors asked to be kept updated to enable us to give a feedback to local residents in the area.

Background

There are two points that need to be qualified and that is to what significant remedial works are deemed necessary to the existing site boundary wall. The other is the possibility of the number of underground air raid shelters. It has been mentioned in the past that these were constructed to assist the safety of the staff then from the office of the Orpington District Council and used as an operations base. I did ask at one time as to whether the Council's record office had any documents or information. This raises the question as to whether the air raid shelters have been filled in or left open.

There is a mention of using raft or strip foundations for the proposed development and this has to be accepted as a design matter. It may be found necessary to undertake drilled trial boreholes because of the uncertainty of the location of the underground air raid shelters as it may be that concrete piling may have to be provided.

It is noted that there are Covenants relating to the site and this should be resolved before the next stage is implemented. Also there is a mention of existing conduits in the last paragraph and this can this please be qualified.

Summary of Business Care

In clause 4.6 there is a mention of houses hopefully no more than two stories in height but it is then mentioned that the layout can be planned around the shelters so that nothing is directly above them.

The project will be a 'Design and Build' contract and is it intended to send out an enquiry to a number of specialist contractors to be invited to tender for the project? If that is the case then surely they will have their own professional consultants to deal with the design all in accordance with the Council's brief and submit the formal applications to the relevant authorities and monitor the construction. It may be found necessary for the Council to appoint an Independent Co-Ordinator under the requirements of the C.D.M. regulations for domestic contracts.

There are a few other points that need to be borne in mind and can be covered in the next phase if this agenda item before you is approved. These are:-

1. Improve the consultations with the three Ward Councillors
2. Access to the site to overcome the steep incline i.e. for vehicles, pedestrians, disabled persons, families with buggies and the elderly.
3. To undertake a survey of the trees that are to be retained
4. Any support that may be needed along the high bank at the back edge of the site
5. There is a mention in 4.13 i.e, houses or apartments although there will be a mixed development of types and sizes of accommodation this will need to be qualified

Chairman, members it is not my intention to go into more detail at this stage but felt the need to record my views.

Regards,

Cllr Charles Joel
Member for Farnborough & Crofton Ward

**RENEWAL, RECREATION AND HOUSING POLICY DEVELOPMENT
AND SCRUTINY COMMITTEE**

Minutes of the meeting held at 6.30 pm on 16 December 2020

Present:

Councillor Michael Rutherford (Chairman)
Councillor Suraj Sharma (Vice-Chairman)
Councillors Gareth Allatt, Julian Benington, Kim Botting FRSA,
Josh King, Alexa Michael and Gary Stevens

Also Present:

Councillors Yvonne Bear, Aisha Cuthbert, Peter Morgan and
Angela Wilkins

**44 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE
MEMBERS**

There were no apologies for absence.

45 DECLARATIONS OF INTEREST

There were no declarations of interest.

**46 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE
PUBLIC ATTENDING THE MEETING**

**46a QUESTIONS FOR THE RENEWAL, RECREATION AND HOUSING
PORTFOLIO HOLDER**

A copy of questions received, together with the responses can be viewed as
Annex A to these Minutes.

**46b QUESTIONS FOR THE CHAIRMAN OF RENEWAL, RECREATION
AND HOUSING PDS COMMITTEE**

No questions were received.

HOLDING THE RENEWAL, RECREATION AND HOUSING PORTFOLIO HOLDER TO ACCOUNT

47 PRE-DECISION SCRUTINY OF RENEWAL, RECREATION AND HOUSING PORTFOLIO REPORTS

47a CONSIDERATION TO VARY CONTRACT FOR HYDROLOGICAL STUDY AND STRATEGY

Report HPR2020/049

Members considered a request for an exemption to vary the value of a contract awarded to Stirling Maynard to undertake a Hydrological Study and Strategy at Crystal Palace Park.

Stirling Maynard had identified a number of knowledge gaps and made numerous recommendations for further work. An additional £60,000 may be available from Historic England to fund the high priority items.

An exemption was requested to vary this below threshold contract by £90,000, increasing the value from £57,250 to a potential £147,250 (which included Historic England's original £30,000 additional surveys budget).

The Chairman was pleased to note that the proposed variation involved no further cost to the Council.

RESOLVED that the Portfolio Holder be recommended to authorise an exemption to vary the contract value by £90,000.

47b PROPOSED NON-IMMEDIATE ARTICLE 4 DIRECTIONS TO REMOVE PERMITTED DEVELOPMENT RIGHTS FOR UPWARDS EXTENSIONS IN SPECIFIED AREAS

Report HPR2020/040

Members considered whether 15 non-immediate Article 4 Directions should be made to withdraw permitted development rights (PDRs) which allowed blocks of flats to be extended upwards by up to two storeys to provide new residential units. The Directions would apply to the 13 Areas of Special Residential Character shown in the Bromley Local Plan (January 2019) and to two discrete areas which fell within local views. The Directions would come into force 12 months from the date the Directions were made, subject to confirmation by the Renewal, Recreation and Housing Portfolio Holder.

Councillor Michael, Chairman of the Development Control Committee (DCC), confirmed that this report had been considered at the DCC meeting held on 19 November 2020. At that meeting, Members recommended one immediate Direction be put in place to remove PD rights in the Petts Wood ASRC for

single dwelling houses and one non-immediate Direction for flats in the ASRC. As Conservation Areas were automatically protected from upward extensions but ASRCs were not, it was only right, that the proposed Article 4 Directions be made.

The Head of Planning Policy and Strategy confirmed that while the Secretary of State could cancel a Direction at any point, this was very rarely done. However, the Government currently envisaged a large housing supply coming forward through PD rights.

The Chairman referred to the tall buildings located towards the top of Ravensbourne Valley which, if extended, would interfere with the skyline. He moved (and Members agreed) that in order to protect the current view, a report be submitted to the next meeting of the DCC recommending that an Article 4 Direction for that particular area of Ravensbourne Valley be included on the list of Article 4 Directions.

RESOLVED that a report be submitted to the next meeting of the DCC recommending that an Article 4 Direction for the top end of Ravensbourne Valley be included on the list of Article 4 Directions.

It was further RESOLVED that the Portfolio Holder be recommended to authorise the making of:-

- 1) One immediate Article 4 Direction to remove Part 1, Class AA PD rights in the Petts Wood ASRC;**
- 2) One non-immediate Article 4 Direction to remove Part 20, Class A; Class AA; Part 20, Class AB; Part 20, Class AC; and Part 20, Class AD PD rights in the Petts Wood ASRC; and**
- 3) 14 non-immediate Article Directions to remove the following PD rights in all ASRCs (except Petts Wood) and the two local views specified in paragraphs 3.31 and 3.32 of the report:-**
 - Part 1, Class AA**
 - Part 20, Class A**
 - Part 20, Class AA**
 - Part 20, Class AB**
 - Part 20, Class AC**
 - Part 20, Class AD**

47c PROPOSED NON-IMMEDIATE ARTICLE 4 DIRECTIONS TO REMOVE PERMITTED DEVELOPMENT RIGHTS FOR OFFICE TO RESIDENTIAL DEMOLITION IN BROMLEY'S DESIGNATED OFFICE AND INDUSTRIAL AREAS

REPORT HPR2020/041

Members considered the making of 20 non-immediate Article 4 Directions to withdraw the permitted development (PD) right for demolition of purpose-built detached buildings used for offices (B1a office, B1b research and B1c light industrial) together with their replacement with a single detached block of flats or a single dwelling house. The Directions would apply to the three Business Improvement Areas (BIA) in Bromley Town Centre; the majority of Strategic Industrial Locations (SIL) and Locally Significant Industrial Sites (LSIS); and all three Office Clusters, all as shown in the Bromley Local Plan (January 2019). The Directions would come into force at least 12 months after being made, subject to confirmation by the Renewal, Recreation and Housing Portfolio Holder after taking account of representations received.

Councillor Michael reported it was the Council's duty to protect light industrial spaces from conversion. More people were now working from home but space was still required in order for businesses to thrive and earn money. While Article 4 Directions would not stop conversions from going ahead, developers would need to submit planning applications prior to doing so. The requirement to submit planning applications would lead to higher quality developments being proposed.

The Head of Planning Policy and Strategy agreed to check whether the business park in Biggin Hill and related developments on the land adjacent to it were subject to Article 4 Directions.

Councillor Morgan reported that Article 4 Directions would only cover the conversion of buildings; the change of use for land and/or business would require the submission of a planning application.

RESOLVED that the Portfolio Holder be recommended to authorise the making of 20 non-immediate Article 4 Directions subsequent to a public consultation period of 6 weeks, to withdraw the permitted development right granted by the Town and Country Planning General Permitted Development) (England) Order 2015 (as amended) ("the GPDO"), Schedule 2, Part 20, Class ZA, which permits a single detached building comprising uses falling within Class B1(a) (office), Class B1b (research) or Class B1c (light industrial) to be demolished and replaced with a residential (Use Class C3) use.

48 PRE-DECISION SCRUTINY OF REPORTS DUE FOR DECISION BY THE LEADER

The Committee considered the following reports on the Part 1 agenda due for decision by the Leader in January 2021:-:

48a HOUSING SCHEME UPDATE

Members were requested to consider a direct award for Stage 2 works - the Design and Build of 25 homes on Burnt Ash Lane, off of Brindley Way, Bromley, to ZEDPods (as originally tendered for). The report outlined how the project would be delivered in the timescales developed and within the existing budget.

The report also outlined the approach to appropriating the site into the Housing Revenue Account.

Further information of a confidential nature, was considered in the Part 2 section of the agenda (Item 10a).

The Chairman confirmed that this was a simple transfer from contractor to sub-contractor and would have no financial impact on the Council. The contract itself would not change.

RESOLVED that the Leader be recommended to:-

- 1. approve a compliant award of contract to ZEDPods using the London Housing Consortium New Homes 2 (LHC NH2) Framework for a design and build of housing at the site, at an estimated value of c. £3,583k, as set out in the report; and**
- 2. note that the valuation of the site for appropriation to the Housing Revenue Account is £900k.**

48b LAND APPROPRIATION - BUSHELL WAY AND ANERLEY

Report HPR2020/051

The report concerned the appropriation of land at Anerley Town Hall Overflow car park and Bushell Way following the planning permission granted for the sites in December 2020. The projects were now moving from the planning phase into the delivery phase including dealing with overriding of easements and rights in land.

This matter was considered in conjunction with the Part 2 – Exempt report on the agenda which contained confidential information relating to an individual.

The Chairman noted that the project was moving on to the next stage of delivery.

Referring to paragraph 6.3 on page 8 of the report, Councillor Sharma indicated that gardens did not enjoy the right to light; it was therefore not necessary to consider this aspect.

RESOLVED that the Leader be recommended to:-

- 1) exercise the Council's powers of appropriation pursuant to section 226 of the Town & Country Planning Act 1990;**
- 2) endorse the Council's intention to appropriate the relevant land for planning purposes in order to engage section 203 of the Housing and Planning Act 2016 to override any easements and other rights to enable the Council to carry out the developments at Anerley Town Hall Overflow car park and Bushell Way;**
- 3) give delegated authority to the Director of Renewal, Recreation and Housing in consultation with the Portfolio Holder for Renewal, Recreation and Housing and the Director of Corporate Services to approach any affected parties to agree statutory compensation and ensure that all appropriate legal documents are completed; and**
- 4) notes that the valuations of the sites for appropriation to the Housing Revenue Account are £470k for Anerley Town Hall car park and £1,350k for Bushell Way.**

48c FUTURE OF THE CRYSTAL PALACE CONCERT PLATFORM

Report HPR2020/048

Members were requested to consider the award of a lease in principle for one of the bids received following a marketing exercise for proposals for the future use of the Concert Platform in Crystal Palace Park.

This report was considered in conjunction with the Part 2 – Exempt report on the agenda which contained confidential information in relation to the bidder.

Visiting Ward Member Councillor Wilkins supported the recommendations as recorded in Minute 49a of these Minutes.

Following concerns around risk in terms of the upgrade should the events proposals fall through, the Programme Manager, Regeneration reported that this would be minimal. The Platform currently served no function so anything the operator brought to fruition would be a bonus.

Councillor Michael asked why the Platform did not prove viable as a commercial venue back in 1996. The Programme Manager explained that the

Council did not have sufficiently trained staff with the necessary skills to run the operation and seasonal concerts proved difficult due to ever changing weather conditions. Outdoor events had evolved significantly over the last 20 years and the current proposals were now deemed viable.

The contract would aim to hold a family event summer month music festival for five years. Events at the Platform may also include cinema and sports screening, health and wellbeing forums and plays would also take place on the Platform. The new operator would be responsible for controlling access to/egress from these events which would need to conform with health and safety standards.

RESOLVED that the Leader be recommended to award a lease in principle to one of the bids received.

48d AUTHORITY TO CREATE GRANT MECHANISM IN EVENT PERMITS FOR CRYSTAL PALACE PARK TRUST

Report HPR2020/047

The report provided an update on the development of the Crystal Palace Park Trust, setting out how the Trust would obtain seed funding through events in Crystal Palace Park. It also requested Members to consider waiving the hire fee for the use of the park for events by the allocation of a grant.

Visiting Ward Member Councillor Wilkins supported the recommendations as recorded in Minute 49a of these Minutes.

The Programme Manager, Regeneration confirmed that the length of the events contracts was a maximum of six years, during which time the hire fee of £50,000 and £20,000 would be paid back to the Trust per annum.

Members were assured that robust management plans were in place to ensure public safety and protection of the park during events. Discussions had taken place with both Public Protection and Environment departments. The Trust also had a good relationship with Network Rail in matters relating to public transport.

RESOLVED that the Leader be recommended to:-

- 1) authorise a grant mechanism within the Festival Republic event permit that allows the hire fee of £50,000 to be paid to the Trust per annum for up to six years in accordance with the grant terms set out in paras. 4.4;**
- 2) authorise a grant mechanism within the Winterstow Ltd. event permit that allows the hire fee of £20,000 to be paid to the Trust per annum for five years in accordance with the grant terms set out in paras. 4.4; and**

- 3) delegate authority to the Chief Officer (Director of Housing, Planning and Regeneration) in consultation with the Director of Environment and Public Protection, and the Portfolio Holder of Renewal, Recreation and Housing, to make decisions on the inclusion of grant mechanisms in further event permits between the Council and the Crystal Palace Park Trust or associated bodies, including its trading subsidiary, Crystal Palace Park Events Limited (CPPEL).**

49 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

49a UPDATE ON THE TRANSFER OF CRYSTAL PALACE PARK

Report HPR2020/046

Officers were currently preparing for a phased handover of responsibility for Crystal Palace Park. It was anticipated that this would begin with a transfer of management, maintenance and events from April 2022 (for which a separate report would be brought forward in Summer 2021).

Members were therefore requested to consider the drawdown of £40,000 from the Central Contingency for specialist legal resources to establish the trust governance model for Crystal Palace Park.

Visiting Ward Member Councillor Wilkins emphasised the uniqueness of the park and how well-loved it was by the local community. The park should be acknowledged as a 'jewel in Bromley's crown'. The Crystal Palace Park Trust was remarkable as were the individuals involved with it. Councillor Wilkins paid tribute to all officers for the valiant work they had undertaken to bring this project to fruition and thanked the Trust for securing the entertainment contracts for the park. She was confident that a great future for the park would be delivered.

Councillor Wilkins assured Members that members of the Trust were professional people with backgrounds in heritage, finance and local government. She was confident that current members and replacement members would continue to deliver at a very high standard.

The Programme Manager reported that no other boroughs contributed to the funding of the scheme. The café rental was ringfenced by the Council for the park. It was intended that the overriding lease would belong to the Trust so they would be responsible for deciding how the funds were spent.

Proper controls would be put in place to ensure the Trust carried out the expected responsibilities. Should they fail to perform, the Council would re-inherit the park.

While contracts could not be set in advance to deal with such unique situations such as the Covid-19 crisis, caveats could be included. These proposals were only part of the regeneration plan for the park so was not wholly reliant upon the proposed events element.

RESOLVED that the Executive be recommended to approve the drawdown of £40,000 from the Central Contingency for specialist legal resources to establish the trust governance model for Crystal Palace Park.

POLICY DEVELOPMENT AND OTHER ITEMS

50 HOUSING COVID RESPONSE UPDATE

Report HPR2020/052

This report provided an overview of the work undertaken by the Housing Department in response to the COVID-19 Pandemic.

The Assistant Director, Housing reported that during the recent rough sleeper headcount, only one person was found to be sleeping rough on Bromley's streets. This person was known to the Council and many attempts had been made to engage with the person and provide accommodation. The work undertaken had allowed officers to reach entrenched rough sleepers and provide emergency accommodation for over 90 households that were at risk of rough sleeping. Far more work had been carried out in conjunction with local faith groups and charities. Referral mechanisms had improved, networks had been established with hotels and support packages improved. A number of grants had been accessed to assist people into long-term housing.

Councillor Sharma congratulated officers for their tireless efforts and for doing such an amazing job.

Members were informed by the Assistant Director that there was a greater demand for single people. Further accommodation was being secured via housing association properties which would provide around 50 units for people on the housing register. New schemes were also coming to fruition via private sector landlords. Clarion Housing had been very forthcoming and had ceased transfers for a short time during the crisis and diverted those properties to the Council to allocate to households in need.

In response to a question from Councillor Cuthbert, the Assistant Director stated that due diligence had been undertaken on each of the 50 properties being acquired from the housing association. This included checks on safety certificates, room sizes, legal implications and fire safety. These were good quality homes originally intended for sale on the open market.

Councillor Botting thanked the Director of Housing and the Assistant Director for the work undertaken on the Orpington project.

The Assistant Director reported that a number of people brought in were as a result of relationship breakdowns or having to leave their homes. She confirmed that everyone brought in had to have an association with the borough which led to some people being reconnected with other boroughs.

Virtual visits were made via telephone calls and emails to check on the progress of individuals. While some personal visits had been undertaken, these had been sparing. Clients had been given essential goods. Officers had been very proactive with everyone who needed support.

In relation to the 1740 households in temporary accommodation, Councillor Bennington asked how many individuals this incorporated and of that number how many were children of school age. The Assistant Director, Housing agreed to follow this up and refer back to Members.

RESOLVED that the report be noted.

51 POST-COVID 19 LIBRARY SERVICE RECOVERY

Report HPR2020/045

The report set out the direction for post-COVID recovery outlined in the GLL recovery strategy. This was underpinned by the continued commitment to the modernisation of the Library Service including the provision of increased resources and online services and renewed library buildings.

Following two periods of mandated closure due to COVID-19, GLL now wanted to restore opening hours to the pre-COVID total of 528.5 hours per week. GLL had put forward a proposal for a temporary variation of opening hours to the total of 528.5 hours which was deemed to better fit local need as part of recovery.

In regard to operational hours at Orpington Library, Councillor Botting reported that the Priory Reading Group met on Monday evenings from 18:30-19:30. The Group was concerned at the proposed closure time of 19:00 on which they had not been consulted. Half of the members were still in employment with a membership age ranging between 30-80 years. The Principal Client, Libraries reported that all reading groups had been able to meet on line since March 2020. The proposed closing time was for a temporary period and would be reviewed after six months.

Biggin Hill library was the only one open on Sunday mornings due to the fact that it was a shared facility. Sunday morning opening was trialled in Central Library a few years ago but footfall proved very low so it did not continue..

The Chairman was pleased to note that the use of libraries and the number of book borrowing had increased. Councillor Michael raised a concern around the proposed loss of 2½ operational hours per week at Beckenham Library as

it was one of the largest libraries in the Borough. Ms Gediking (GLL) explained that the aim was to standardise the operating hours of all libraries. Extra hours had been added to Penge Library to enable residents to pay their Council Tax. It therefore made sense to share operational hours between Penge and Beckenham.

Ms Gediking confirmed to Councillor King that the maintenance suggestions sent to the Portfolio Holder were feasible and welcomed.

It was also confirmed that now the Borough had entered into Tier 3 of lockdown, there would be no change to the service currently provided which included browsing, pc usage; book borrowing and issuing.

The Portfolio Holder congratulated GLL on the work undertaken to keep services operational. He also reported that Bromley had been named the second best borough in London in regard to the number of books issued.

Ms Gediking reported that the temporary reduction in operational hours was introduced to enable management of staff and to provide cover during the Covid-19 crisis.

Councillor Stevens commended GLL for their creativity in handling the present situation. He asked what assistance was being given to people who were currently unemployed. Mrs Edmonds (GLL) stated there was likely to be an increase in unemployed people post-Covid so the aim was to establish how libraries could provide support for those who were seeking work or wanting to enrol on training courses or upskill. Talks were being held with the British Library in relation to course availability and GLL were seeking partnership opportunities and making good use of the buildings available to them.

RESOLVED that:-

- 1) the recovery strategy setting the direction for the provision of Library Services post COVID-19 including new library buildings be agreed; and**
- 2) the temporary opening hours proposal for all the 14 Libraries be agreed.**

52 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 moved that the Press and public be excluded during consideration of the items of business listed below as it was 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.

53 PRE-DECISION SCRUTINY OF PART 2 (EXEMPT) REPORTS DUE FOR DECISION BY THE LEADER

53a HOUSING SCHEME UPDATE

Members considered further information of a confidential nature in relation to the Part 1 report (Item 5a) which sought approval for a direct award for Stage 2 works - the Design and Build of 25 homes on Burnt Ash Lane, off of Brindley Way, Bromley, to ZEDPods (as originally tendered for). The report outlined how the project would be delivered in the timescales developed and within the existing budget.

The report also outlined the approach to appropriating the site into the Housing Revenue Account.

There were no further comments from Members.

Members supported the recommendations made to the Leader.

53b FUTURE OF THE CRYSTAL PALACE CONCERT PLATFORM

Report HPR2020/048

Members were requested to consider the award of a lease in principle for one of the bids received following a marketing exercise for proposals for the future use of the Concert Platform in Crystal Palace Park.

This report was considered in conjunction with the Part 1 report on the agenda.

There were no further comments from Members.

RESOLVED to support the recommendations made to the Leader.

53c LAND APPROPRIATION - BUSHELL WAY AND ANERLEY

Report HPR2020/051

The report concerned the appropriation of land at Anerley Town Hall Overflow car park and Bushell Way following the planning permission granted for the sites in December 2020. The projects were now moving from the planning phase into the delivery phase including dealing with overriding of easements and rights in land.

This matter was considered in conjunction with the Part 1 report on the agenda (Item 5b).

There were no further comments from Members.

RESOLVED to support the recommendations made to the Leader.

The meeting ended at 8.05 pm

Chairman

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QUESTIONS FROM MEMBERS OF THE PUBLIC FOR WRITTEN RESPONSE BY THE PORTFOLIO HOLDER FOR RENEWAL, RECREATION AND HOUSING

Question 1: From Dermot Mckibbin

How many private tenants' households are the Council likely to rehouse as homeless due to the economic implications of the COVID-19 virus emergency over the next 12 months, how much does it cost the Council to rehouse a homeless household, what reduction in homelessness would there be in the borough if the government were to implement their manifesto commitment to end no-fault evictions and how much money would the Council save?

Portfolio Holder's Response

Unfortunately there is no precedent set to enable us to accurately determine the number of households that may be effected by the economic implications of the COVID-19 virus to such an extent that they would be likely to lose their home. However we continue to work proactively with anyone experiencing difficulties and there are a number of services in place to support tenants who have been impacted financially as a result of COVID-19 to maintain their rental payments. In Bromley we have stepped up support to ensure we are able to provide money advice including loan and debt restructuring, advice on and access to claim benefits and where required financial support through the homeless prevention fund, discretionary housing payments and credit union - the key is for households to engage at an early stage to avoid debt spiralling.

Aside from the work done via the 'Everyone In Initiative' which has seen an increase in the number of rough sleepers assisted the number of households coming into the service has been broadly in line with the expected projections for the year. However, with the ban on evictions during the pandemic there are growing concerns that tenants are increasingly not engaging with money advice services and landlords to maintain rental payments or indeed maintain their responsibilities as a tenant which is simply storing up increased debt and more problems for the future. The initial ban on evictions has meant that they stopped for everyone not just those who have been impacted by Covid, but also those who will simply not engage to pay their rent or even those causing anti-social behaviour and distress to their neighbours and whilst the support previously outlined is offered to all that approach for assistance there is no way of knowing what the volume of approaches will be once evictions begin again in earnest.

In 2019/20 the average cost to secure private rented accommodation for a period of 12 months was £3720. For the same period the cost to house a family in nightly paid temporary accommodation was £6500.

With regards to no fault evictions our experience is that, in reality, the vast majority of landlords evict with established grounds for possession whether due to tenants behaviour or rent arrears or because they genuinely need to sell or even move into the property themselves – evictions cost time and money and so landlords do not usually progress without a real reason to do so. Whilst this may proceed, in order not to negatively disrupt the market there also needs to be further clarification for landlords to get possession through the courts where they have a legitimate reason to do so. Failure to address this could lead to hesitancy from existing or potential landlords to bring properties onto the market. This in turn could lead to increased difficulties in securing accommodation and

would mean that Council costs could actually increase as, with a diminished supply of private rented accommodation, we would be reliant on more expensive forms of accommodation; such as nightly paid temporary accommodation in order to meet our statutory duties.

Question 2: From Dermot Mckibbin

What are the implications for street homeless people in Bromley of the Council signing up to the pan-London Severe Weather Emergency protocol as announced by the London Mayor on 7 December, what extra resources is the Council devoting to help street homeless people in Bromley under this protocol, have local charities been informed and is there information about this protocol on the Council's website?

Portfolio Holder's Response

As with all Local Authorities, Bromley has been providing assistance under the Severe Weather Emergency Protocol for a number of years. This not a new initiative and Bromley has procedures embedded so that street homeless people in Bromley can receive additional support and assistance during periods of severe weather. This support is provided irrespective of the point of approach and the Council works closely with partners in the voluntary sector and faith groups in order to assist those in need.

It goes without saying that, in light of the pandemic, there have been additional challenges faced by those experiencing homelessness. The Council has secured extra funding from central government to assist with the increased demand and has worked closely with the MHCLG, Public Health and numerous other partners to ensure that this funding has been used to directly assist those who have experienced street homelessness or who were at risk of ending up on the streets.

The Bromley Homeless Shelter will not be opening in its traditional form this year as the Government has advised against dormitory style accommodation as part of its Covid related advice. Instead the general approach will be that the Council provides accommodation and support which can be further enhanced by the services provided by voluntary sector and faith groups. The Government is providing the Council with circa £46,000 to assist with winter pressures in particular, and £391,000 to assist with providing assistance to rough sleepers we have accommodated since the beginning of the "Everyone In" initiative earlier in the year. We have already assisted 4 rough sleepers since SWEP was triggered earlier this week, and 93 households that were identified as rough sleeping or at risk of rough sleeping in total since the start of the first lockdown. Each household was provided with self-contained accommodation and those that needed it were provided with essential items such as bedding and food. All have been supported by Council officers and individual personal housing plans and support plans are in place. In addition to this there have been several positive discussions with voluntary sector/faith groups and a clear referral pathway is in place that allows placements to be made 24 hours a day. The website gives information on services for rough sleepers and contact details for the public to notify when they have seen someone sleeping rough so that they can quickly be offered outreach support by our key partner Streetlink. Our approach this year, due to the COVID-19 pandemic and the changes implemented in the Code of Guidance, is to seek to assist those sleeping rough whether or not SWEP has been activated due to severe weather.

Question 1: From Chloe Ross

How many of the properties covered by the proposed categories for Article 4 Directions were built between 1948 and 2018 so that they would otherwise benefit from PDR?”

Portfolio Holder’s Response

The number of properties within the proposed Directions that were built between 1948 and 2018 is unknown. Definitive records on property construction dates are unavailable. When undertaking assessments to determine the extent of the proposed Directions, officers did refer to historic maps as a sense check, although these are not definitive and we do not have full Borough coverage.

Question 2: From Chloe Ross

Will the Council consider new requests for Special Areas?

Portfolio Holder’s Response

Ad hoc requests for Directions would not generally be considered. Officers will monitor the impacts of PD rights in the Borough and may suggest further Directions were actual or potential adverse impacts arise.

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Report No.
CSD21018

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Renewal, Recreation and Housing PDS Committee

Date: 2 February 2021

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

Title: **MATTERS OUTSTANDING FROM PREVIOUS MINUTES**

Contact Officer: Lisa Thornley, Democratic Services Officer
Tel: 020 8461 7566 E-mail: lisa.thornley@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 For Members to monitor progress against actions outstanding from previous meetings.
-

2. **RECOMMENDATION**

- 2.1 **That Members note the report.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: None
-

Corporate Policy

1. Policy Status: Existing policy. The Committee is regularly updated on matters outstanding from previous meetings.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: No cost
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £359k
 5. Source of funding: 2020/21 revenue budget
-

Personnel

1. Number of staff (current and additional): There are 7 posts (6.67 fte) in the Democratic Services Team.
 2. If from existing staff resources, number of staff hours: Monitoring the Committee's matters outstanding can take up to two hours per meeting.
-

Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is not applicable. The report does not involve an executive decision
-

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The report is intended primarily for Members of this Committee.
-

Ward Councillor Views

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

3. COMMENTARY

This report provides updates on progress achieved in regard to requests made by the Committee at previous meetings. Following each meeting, required actions are listed and monitored to ensure that any outstanding issues are addressed in a timely fashion.

As outlined in Appendix A, one matter remains outstanding from previous meetings.

Non-Applicable Sections:	Impact on Vulnerable Adults and Children, Policy, Financial, Personnel, Legal and Procurement Implications.
Background Documents: (Access via Contact Officer)	-

PROGRESS ON MATTERS OUTSTANDING FROM PREVIOUS MEETINGS

APPENDIX A

<u>Minute Number/Title</u>	<u>Updates/Feedback Requested</u>	<u>Action By</u>	<u>Current Status</u>															
<p>Special meeting held on 14 October 2020</p> <p>Minute 24 – Property Acquisition Scheme Proposal</p> <p>Paragraph 7</p>	<p>In response to questions from Councillor King, the Director reported that Beehive was a private company and would take a fee from the financing element. Approximately 40% of the properties were situated in Bromley however, the Director would check this and refer back to Members.</p>	<p>Sara Bowrey</p>	<p>Response circulated to Members on 13 November 2020. Action completed</p>															
<p><u>Response</u></p> <p>50 properties in total of which 26% are in borough. The remainder are in neighbouring / local boroughs.</p> <table border="1" data-bbox="147 778 1395 979"> <thead> <tr> <th>Tranche</th> <th>Units</th> <th>In Bromley</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>18</td> <td>5</td> </tr> <tr> <td>2</td> <td>20</td> <td>5</td> </tr> <tr> <td>3</td> <td>12</td> <td>3</td> </tr> <tr> <td>Total</td> <td>50</td> <td>13</td> </tr> </tbody> </table>				Tranche	Units	In Bromley	1	18	5	2	20	5	3	12	3	Total	50	13
Tranche	Units	In Bromley																
1	18	5																
2	20	5																
3	12	3																
Total	50	13																
<p>Meeting held on 16 December 2020</p> <p>Minute 47c - Proposed non-immediate Article 4 Directions to Remove Permitted Development Rights for Office to Residential Demolition in Bromley’s Designated Office and Industrial Areas</p> <p>Paragraph 3</p>	<p>The Head of Planning Policy and Strategy agreed to check whether the business park in Biggin Hill and related developments on the land adjacent to it were subject to Article 4 Directions.</p>	<p>Ben Johnson</p>	<p>Response circulated to Members on 21 January 2021. Action completed.</p>															

<u>Minute Number/Title</u>	<u>Updates/Feedback Requested</u>	<u>Action By</u>	<u>Current Status</u>
<p><u>Response</u></p> <p>PD rights do not apply within 3km of the airport, which would preclude their use in all of the locations noted. Notwithstanding this, we still assessed employment locations for Article 4 Directions irrespective of this exemption, purely looking at whether the possible loss of any office space in designated employment areas would be significant enough to warrant an Article 4 Direction:-</p> <ul style="list-style-type: none"> • Formula One Management in Churchill Way, Biggin Hill, which is the large office building close to the Roundabout at the junction with Main Road – this location is within the Biggin Hill Locally Significant Industrial Site (LSIS). This particular LSIS was assessed and found to not include any B1a,b,c floorspace, hence the new PD rights would not apply to any buildings within the area. The planning history of this specific site shows it is in industrial use, so would not be eligible to use PD rights. • Concorde Business Centre, Wireless Road, Biggin Hill and the Biggin Hill Airport Business Park also in Wireless Road - this location is also within the Biggin Hill LSIS, which as noted above isn't considered to warrant a Direction due to there being no B1a,b,c floorspace. The specific sites mentioned are in B8 industrial use, so would not be eligible to use PD rights. • The area of undeveloped land behind all of these premises and bounded by Main Road close to Squires, Hardware and Timber Store, Main Road - the area to the rear of Dowding Road had permission for new commercial buildings in 2007; however these were not constructed and the area of land remains within the LSIS designation following the lapsed permission. The area of housing fronting Dowding Road was been removed from the LSIS designation in the Local Plan. 			
<p>Meeting held on 16 December 2020</p> <p>Minute 50 – Housing Covid Response Update</p> <p>Final paragraph</p>	<p>In relation to the 1740 households in temporary accommodation, Councillor Bennington asked how many individuals this incorporated and of that number how many were children of school age.</p>	<p>Lynette Chamielec</p>	<p>Information Awaited</p>

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Report No.
FSD20094

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION & HOUSING PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Renewal, Recreation & Housing PDS Committee on 2nd February 2021

Decision Type: Non-Urgent Leader Non-Key

Title: CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2020/21

Contact Officer: Katherine Ball, Principal Accountant
Tel: 020 8313 4792 E-mail: Katherine.ball@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

On 18th November 2020, the Leader received a report summarising the current position on capital expenditure and receipts following the 2nd quarter of 2020/21 and agreed a revised Capital Programme for the four year period 2020/21 to 2023/24. This report highlights changes agreed by the Leader in respect of the Capital Programme for the Renewal, Recreation & Housing Portfolio. The revised programme for this portfolio is set out in Appendix A and detailed comments on individual schemes are shown in Appendix B.

2. **RECOMMENDATION(S)**

The Portfolio Holder is asked to note and acknowledge the changes agreed by the Leader on 18th November 2020.

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring 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, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley".
 2. BBB Priority: Excellent Council
-

Financial

1. Ongoing costs: Not Applicable
 2. Budget head/performance centre: Capital Programme
 3. Total current budget for this head: £55.9m for the Renewal, Recreation & Housing Portfolio over the four years 2020/21 to 2023/24
 4. Source of funding: Capital grants, capital receipts, S106 and earmarked revenue contributions
-

Staff

1. Number of staff (current and additional): 1 fte
 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: 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? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Capital Monitoring – variations agreed by the Leader on 18th November 2020

- 3.1 A revised Capital Programme was approved by the Leader on 18th November 2020, following a detailed monitoring exercise carried out after the 2nd quarter of 2020/21. The base position is the programme approved by the Leader on 8th July 2020, as amended by variations approved at subsequent meetings. All changes to schemes in the Renewal, Recreation & Housing Portfolio Programme are itemised in the table below and further details are included in paragraph 3.2. The revised Programme for the Renewal, Recreation & Housing Portfolio is attached as Appendix A whilst Appendix B shows actual spend against budget in the second quarter of 2020/21, together with detailed comments on individual scheme progress.

	2020/21	2021/22	2022/23	2023/24	TOTAL 2020/21 to 2023/24
	£'000	£'000	£'000	£'000	£'000
Programme approved by Leader 08/07/20	20,731	22,145	12,010	10	54,896
Approved Programme prior to 2nd Quarter monitoring	20,731	22,145	12,010	10	54,896
<u>Variations approved by Leader 18/11/20</u>					
Chislehurst Library Redevelopment (See para 3.2)	1,000	0	0	0	1,000
Total amendments to the Capital Programme	1,000	0	0	0	1,000
Total Revised Renewal, Recreation & Housing Programme	21,731	22,145	12,010	10	55,896

3.2 Chislehurst Library Redevelopment (£1,000k increase to budget in 2020/21)

A capital estimate of £1,000k has been approved since the July meeting. This addition is for the redevelopment of Chislehurst Library, to be funded from the disposal capital receipt, which was agreed on September 2nd at the Renewal, Recreation and Housing Policy Development and Scrutiny Committee meeting.

Post-Completion Reports

- 3.3 Under approved Capital Programme procedures, capital schemes are subject to a post-completion review within one year of completion. After major slippage of expenditure in prior years, Members confirmed the importance of these as part of the overall capital monitoring framework. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. There are no post-completion reports currently due for the Renewal, Recreation & Housing Portfolio.

4. POLICY IMPLICATIONS

- 4.1 Capital Programme monitoring and review is part of the planning and review process for all services. The capital review process requires Chief Officers to ensure that bids for capital investment provide value for money and match Council plans and priorities.

5. FINANCIAL IMPLICATIONS

- 5.1 These were reported in full to the Leader on 18th November 2020. Changes agreed by the Leader for the Renewal, Recreation & Housing Portfolio Capital Programme are set out in the table in paragraph 3.1.

Non-Applicable Sections:	Legal, Personnel and Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Capital Programme Monitoring Qtr 2 2020/21 (Leader 18/11/20) Capital Programme Monitoring Qtr 1 2020/21 (Leader 08/07/20);

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME 18TH NOVEMBER 2020							
Capital Scheme/Project	Total Approved Estimate	Actual to 31.3.20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Remarks
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	
LIBRARIES & MUSEUMS							
Relocation of Exhibitions - Bromley Museum	395	393	2	0	0	0	Approved by Executive 10/06/15
Biggin Hill Memorial Museum	3,202	3,121	81	0	0	0	Approved by Executive 02/12/15. £106k funding from Treasury Grant, Executive 15/06/16 £157.4k Treasury Grant, £3.2k BHMM Trust
Chislehurst Library Redevelopment	1,000	0	1,000	0	0	0	Funded from Capital Receipts
TOTAL LIBRARIES & MUSEUMS	4,597	3,515	1,082	0	0	0	
LEISURE TRUST CLIENT - RECREATION							
Bromley MyTime Investment Fund	4,443	4,443	0	0	0	0	Revenue contribution to capital works
Replacement of District Heating System Boilers & Works to Walnut Leisure Centre	1,500	36	1,000	464	0	0	Approved by Executive 10th July 2019
Norman Park Athletics Track	300	299	1	0	0	0	
West Wickham Leisure Centre	993	369	624	0	0	0	
TOTAL LEISURE TRUST CLIENT - RECREATION	7,236	5,147	1,625	464	0	0	

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME 18TH NOVEMBER 2020							
Capital Scheme/Project	Total Approved Estimate	Actual to 31.3.20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Remarks
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	
HOUSING							
Gateway Review of Housing I.T System	679	1,149	-470	0	0	0	Approved by Executive 11/02/15
Payment in Lieu Fund - Properties Acquisitions	1,326	1,224	102	0	0	0	Funded from PIL (S106) receipts
Payment in Lieu Fund - Site K	672	672	0	0	0	0	Funded from PIL (S106) receipts
Affordable Housing - Bromley Town Centre	2,726	0	2,726	0	0	0	Funded from PIL (S106) receipts
Housing Feasibility Studies	100	0	100	0	0	0	Funded from Growth Fund
Payment in Lieu Fund - unallocated		0	0	0	0	0	Funded from PIL (S106) receipts
Provision of Housing supply in Anerley & Chislehurst	8,400	12	3,388	1,000	4,000	0	Approved by Executive 21/05/19.
Provision of Housing - Burnt Ash Lane	3,786	30	3,220	536	0	0	Approved by Council 14/10/19
Modular Build - York Rise	6,000	0	5,500	500	0	0	Approved Council 15/07/19. No spend on this site to date. This scheme is currently under review, and a further update will be provided in Q1 of 2020-21.
London private sector renewal schemes	3,742	3,278	258	206	0	0	100% external funding
Empty Homes Programme	620	476	98	45	0	0	100% external funding
Renovation Grants - Disabled Facilities	16,418	11,083	1,600	3,735	0	0	Govt grant £1,681k in 2016/17; Gov't grant £1,838k in 2017/18 (additional £178k received); Govt grant £1,995k in 2018/19
TOTAL HOUSING	44,470	17,925	16,523	6,022	4,000	0	

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME 18TH NOVEMBER 2020							
Capital Scheme/Project	Total Approved Estimate	Actual to 31.3.20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24	Remarks
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	
OTHER							
Feasibility Studies	60	11	19	10	10	10	
				0			
Bromley North Village Public Realm Improvements	6,652	6,582	70	0	0	0	Renewal and improvement of Bromley North; £3,298k TfL; £1,829k GLA Outer London Fund; £25k private sector; £1,500k Capital receipts.
Penge Town Centre	746	572	174	0	0	0	Approved Executive 24/03/15 - funded by New Homes bonus
Orpington Town Centre - Walnut Centre & New Market infrastructure	875	843	32	0	0	0	Approved Executive 24/03/15 - funded by £400k New Homes bonus and £125k High Street Fund, Exec 30/11/16 £106k from S106 fund, Exec 06/12/17 £163k from S106 Fund
Bromley High Street Improvements	4,599	2,676	1,123	800	0	0	
Site G	24,292	3,798	0	12,494	8,000	0	Funded from PIL (S106) receipts, Growth Fund , Capital Financing, Contribution. Approved Executive 07/11/17 Council 11/12/17
Crystal Palace Park Improvements	2,583	2,565	18	0	0	0	£160k LBB £2m GLA funded (Executive 22/07/14) £116k Historic England grant
Crystal Palace Park - Alternative Management Opti	1,120	1,038	82	0	0	0	
Crystal Palace Park Subway	3,141	0	785	2,356	0	0	Approved by Executive 12/02/20. Potentially to be funded from £2.340m Strategic Investment Pot, £0.5m Historic England grant, £0.296m TfL Highway works, £0.005m Friends of Crystal Palace Subway
Chipperfield Road Development - St Paul's Cray	105	39	66	0	0	0	Approved by Executive 18/10/16
Star Lane Traveller Site	250	119	131	0	0	0	Urgent water and drainage works (statutory duty)
TOTAL OTHER	44,423	18,243	2,500	15,659	8,010	10	
TOTAL RENEWAL, RECREATION & HOUSING PORTFOLIO	100,725	44,829	21,731	22,145	12,010	10	

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME 2020/21 - 2nd QUARTER MONITORING				
2ND QUARTER 2020/21				
Capital Scheme/Project	Revised Estimate July 2020 £'000	Actuals to 18/11/20 £'000	Revised Estimate Nov 20 £'000	Responsible Officer Comments
LIBRARIES & MUSEUMS				
Relocation of Exhibitions - Bromley Museum	2	0	2	Scheme complete.
Biggin Hill Memorial Museum	81	Cr 110	81	Scheme completed. Final account agreed. Defect rectification delayed due to Covid-19.
Chislehurst Library Redevelopment	0	0	1,000	
TOTAL LIBRARIES & MUSEUMS	82	Cr 110	1,082	
LEISURE TRUST CLIENT - RECREATION				
Bromley MyTime Investment Fund	0	Cr 3	0	A report was submitted to the Executive on 28 November 2018 setting out a range of proposals for a 40 year lease between London Borough of Bromley and My Time. All existing contractual and financial agreements between both parties came to an end as at 1st April 2019. Allocation of £671k added to budget at year end. Last balance payment now made.
Replacement of District Heating System Boilers & Works to Walnut Leisure Centre	1,000	62	1,000	Works to Walnuts Leisure centre have been completed. Consultant appointed for district heating plant . Programme has been delayed by Covid 19 restrictions. Main contract now anticipated to start in Q1 2021.
Norman Park Athletics Track	1	6	1	Scheme completed and now in defects period.
West Wickham Leisure Centre	624	1	624	
TOTAL LEISURE TRUST CLIENT - RECREATION	1,625	66	1,625	

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME 2020/21 - 2nd QUARTER MONITORING				
2ND QUARTER 2020/21				
Capital Scheme/Project	Revised Estimate July 2020	Actuals to 18/11/20	Revised Estimate Nov 20	Responsible Officer Comments
	£'000	£'000	£'000	
HOUSING				
Gateway Review of Housing I.T System	Cr 470	121	Cr 470	We are still completing phase 2 of the project at which point we will be able to reconcile the final costs and apportionment between implementation and revenue costs.
Payment in Lieu Fund - Properties Acquisitions	102	0	102	This funding is had for essential capital repairs on the purchase properties - will need to be carried deferred for when these works become due
Payment in Lieu Fund - Site K	0	0	0	Scheme is complete with final payments made.
Affordable Housing - Bromley Town Centre	2,726	0	2,726	
Housing Feasibility Studies	100	0	100	Feasibility work commenced (see Report: Transforming Bromley: Approach to Housing Update)
Payment in Lieu Fund - unallocated	0	0	0	
Provision of Housing supply in Anerley & Chislehurst	3,388	524	3,388	Soon to enter into construction contracts.
Provision of Housing - Burnt Ash Lane	3,220	157	3,220	In contract, construction commencing March 2021.
Modular Build - York Rise	5,500	0	5,500	Tender for offsite modular housing contractor for PCSA finish (22/01/2021), appointment to follow.
London private sector renewal schemes	258	42	258	Works linked to vulnerable residents. Many have been shielding and work reduced due to Covid. Funding is external and only available for this and empty property work. To be rolled forward to 20/21. Anticipated year end spend 55k
Empty Homes Programme	98	88	98	Expected to be fully spent budget should be linked to London Private Sector renewal scheme
Renovation Grants - Disabled Facilities	1,600	739	1,600	Covid has massively impacted on work and access to client group as all disabled and vulnerable and work stopped for 5 months. Based on approved work for the last 3 months anticipated total year end spend will be 1.05-1.1M. Roll over of funding to next year with huge unmet demand for works and waiting list of 70 clients with an anticipated cost of £700k
TOTAL HOUSING	16,523	1,671	16,523	

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME 2020/21 - 2nd QUARTER MONITORING				
2ND QUARTER 2020/21				
Capital Scheme/Project	Revised		Revised	Responsible Officer Comments
	Estimate July 2020	Actuals to 18/11/20	Estimate Nov 20	
	£'000	£'000	£'000	
OTHER				
Feasibility Studies	19	1	19	
Bromley North Village Public Realm Improvements	70	0	70	
Penge Town Centre	174	7	174	
Orpington Town Centre - Walnut Centre & New Market infrastructure	32	6	32	
Bromley High Street Improvements	1,123	198	1,123	The Bromley High Street improvement project intends to install covered seating, a stage and 2 sculptural pieces. The overall project value is £1.2 million which includes £150k in design fees. The project today is at RIBA stage 3 of 7 stages and is due to be completed by August. The main cost of the scheme will be the construction element which will likely be around £1 million depending on tender responses. It is anticipated that the construction contract will be awarded in the 21/22 FY.
Site G	0	3	0	
Crystal Palace Park Improvements	18	32	18	
Crystal Palace Park - Alternative Management Options	82	68	82	
Crystal Palace Park Subway	785	56	785	
Chipperfield Road Development - St Paul's Cray	66	7	66	This sum needs to be held as part of the C&W dispute - yet to be invoiced. Needs to be moved into 2021-22
Star Lane Traveller Site	131	0	131	Work was initially delay due to Covid. Work has therefore had to be retendered and is unlikely to be able to commence until early in 21/22 as such will need to be rephased to q1 and 2 21/22
TOTAL OTHER	2,500	378	2,500	
TOTAL RENEWAL, RECREATION & HOUSING PORTFOLIO	20,731	2,005	21,731	

Report No.
HPR2021/006

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION AND HOUSING PORTFOLIO
HOLDER

**FOR PRE-DECISION SCRUTINY AT THE RENEWAL,
RECREATION AND HOUSING POLICY DEVELOPMENT AND
SCRUTINY COMMITTEE AND DEVELOPMENT CONTROL
COMMITTEE**

Date: DCC: 28 January 2021
RR&H PDS: 2 February 2021

Decision Type: Non-Urgent Non-Executive Key

Title: PROPOSED NON-IMMEDIATE ARTICLE 4 DIRECTION TO
REMOVE PART 1, CLASS B AND C PERMITTED
DEVELOPMENT RIGHTS IN PETTS WOOD ASRC

Contact Officer: Ben Johnson, Head of Planning Policy and Strategy
E-mail: ben.johnson@bromley.gov.uk

Chief Officer: Tim Horsman, Assistant Director (Planning)

Ward: Petts Wood and Knoll; Cray Valley West

1. Reason for report

- 1.1 This report proposes making an Article 4 Direction to remove Part 1, Class B and C Permitted Development (PD) rights in the Petts Wood Area of Special Residential Character (ASRC). These PD rights allow various alterations to the roof of a dwellinghouse without planning permission.
- 1.2 The Direction would replace an existing Direction which removes these PD rights on front roofslopes only.

2. **RECOMMENDATION(S)**

- 2.1 That Members, if they agree with the justification put forward for the proposed Article 4 Direction, endorse the making of a 'non-immediate' Article 4 Direction (covering the Petts Wood ASRC shown on the plan in Appendix 1) to withdraw Part 1, Class B and C permitted development rights granted by the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended) ("the GPDO"), Schedule 2.

- 2.2 That Members note, pending agreement to 'make' the Article 4 Direction, that the Portfolio Holder for Renewal, Recreation and Housing will be asked to authorise the making of a non-immediate Direction, which will come into force 12 months from the day on which it is made, if the Direction is subsequently confirmed following public consultation as required by the GPDO (where practicable).**
- 2.3 That Members note that any such decision to confirm a non-immediate Direction will be accompanied by a concurrent decision to cancel the existing Article 4 Direction which relates solely to the removal of Part 1, Class B and C permitted development rights on front roofslopes.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: None

Corporate Policy

1. Policy Status: N/A
2. BBB Priority: Regeneration

Financial

1. Cost of proposal: Limited cost associated with 'making' and publicising any Article 4 Direction
2. Ongoing costs: No Cost
3. Budget head/performance centre: Planning Policy and Strategy
4. Total current budget for this head: £0.568m
5. Source of funding: Existing Revenue Budget for 2020/21

Personnel

1. Number of staff (current and additional): 10fte
2. If from existing staff resources, number of staff hours: N/A

Legal

1. Legal Requirement: Article 4 and Schedule 3 of the Town and Country Planning (General Permitted Development) (England) Order 2015
2. Call-in: Applicable: Further Details – Portfolio Decision

Procurement

1. Summary of Procurement Implications: None

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: There has been significant levels of correspondence with Petts Wood and Knoll Ward Councillors on this issue. Petts Wood Councillors consider that the Direction should cover the front and side roof slope but exclude the rear roof slope.

3. COMMENTARY

Article 4 Directions

- 3.1 Article 4 Directions allow authorities to withdraw the PD rights that would otherwise apply by virtue of the GPDO. An Article 4 Direction does not prevent the development to which it applies, but instead requires that planning permission be first obtained from the local planning authority for that development. This gives a local planning authority the opportunity to consider a proposal in more detail, i.e. assessing against policies in the Development Plan.
- 3.2 As set out in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), the use of Article 4 Directions should be limited to situations where they are necessary to protect local amenity and / or the wellbeing of the area. These criteria are not further defined in the NPPF or the PPG. The PPG notes that the potential harm that a Direction is intended to address should be clearly identified.
- 3.3 Provided that the local authority considers it expedient, an Article 4 Direction can cover an area of any geographic size, from a specific site to a local authority-wide area.
- 3.4 Article 4 Directions relating to certain specified PD rights (including Part 1 PD rights) can be made with immediate effect; or they can be made to take effect following a period of notice (non-immediate); this is usually done in order to remove compensation liability. This report recommends that the Council makes a non-immediate Article 4 Direction to come into force on 12 months from the day on which it is made, which would mean the Council has no liability to compensate landowners affected by the removal of PD rights. This is discussed further in the legal implications of this report.
- 3.5 Prior to coming into force, the Council must confirm whether it intends to proceed with the Directions based on consideration of representations received during public consultation. The decision on whether to confirm will be taken by the Portfolio Holder for Renewal, Recreation and Housing.
- 3.6 During the 12-month notice period, the PD rights would continue to apply (except on front roofslopes which are subject to an extant Direction). If the Direction is confirmed, following this notice period any alterations to any part of a roof within the Petts Wood ASRC would require full planning permission.
- 3.7 The Secretary of State for Housing, Communities and Local Government has the power to revoke or modify Article 4 Directions at any time.

Planning policy context

- 3.8 There is a range of national, London and local planning policies that are considered material to any decision of whether it is expedient to make an Article 4 Direction.
- 3.9 The NPPF is underpinned by three overarching objectives, relating to the economic, social and environmental pillars of sustainable development; the social objective refers to the need to foster a well-designed and safe built environment. Paragraph 9 of the NPPF states that: “Planning policies and decisions should play an active role in guiding development towards sustainable solutions, but in doing so should take local circumstances into account, to reflect the character, needs and opportunities of each area.”
- 3.10 Section 12 of the NPPF sets out national planning policy for achieving well-designed places. Paragraph 124 sums up the importance of good design: “The creation of high quality buildings and places is fundamental to what the planning and development process should achieve.”

Good design is a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities.”

- 3.11 Paragraph 127 sets out criteria that should be addressed in planning policies and decisions to ensure development is well designed. This criteria includes ensuring that developments:
- a) *will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;*
 - b) *are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;*
 - c) *are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);*
 - d) *establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;*
 - e) *optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and*
 - f) *create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.*
- 3.12 Further guidance is set out in the PPG. The PPG highlights the importance of effective and early engagement with local communities and the local planning authority, to ensure good design is achieved. It states that “planning policies can set out the design outcomes that development should pursue as well as the tools and processes that are expected to be used to embed good design.”¹
- 3.13 The PPG is also clear that “[a] plan’s vision and objectives can be used to set out the types of place(s) which the plan aims to achieve, how this will contribute to the sustainable development of the area and how this translates into the expectations for development and investment, including design.”²
- 3.14 The PPG should be read alongside the National Design Guide³. Good design is set out in the National Design Guide under 10 characteristics, including:
- Context - the location of the development and the attributes of its immediate, local and regional surroundings. Well-designed places are based on a sound understanding of the features of the site and the surrounding context, using baseline studies as a starting point for design; integrated into their surroundings so they relate well to them; influenced by and influence their context positively; and responsive to local history, culture and heritage.
 - Identity – The identity or character of a place comes from the way that buildings, streets and spaces, landscape and infrastructure combine together and how people experience them. It is not just about the buildings or how a place looks, but how it engages with all of the senses. Local character makes places distinctive. Well-designed, sustainable places with a strong identity give their users, occupiers and owners a sense of pride, helping to create and sustain communities and neighbourhoods.

¹ Paragraph: 002 Reference ID: 26-002-20191001, available here: <https://www.gov.uk/guidance/design>

² Paragraph: 003 Reference ID: 26-003-20191001, available here: <https://www.gov.uk/guidance/design>

³ Available here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/843468/National_Design_Guide.pdf

- Built form – the three-dimensional pattern or arrangement of development blocks, streets, buildings and open spaces. It is the interrelationship between all these elements that creates an attractive place to live, work and visit, rather than their individual characteristics. Together they create the built environment and contribute to its character and sense of place.
- Homes and buildings - well-designed homes and buildings are functional, accessible and sustainable. They provide internal environments and associated external spaces that support the health and wellbeing of their users and all who experience them. Successful buildings also provide attractive, stimulating and positive places for all, whether for activity, interaction, retreat, or simply passing by.

3.15 Looking forward, the ‘Planning for the Future’ white paper⁴ sets out potential reforms of the planning system to streamline and modernise the planning process, including a strong focus on design. While the white paper is not yet relevant material consideration relating to the justification of an Article 4 Direction, it is useful context to understand the Governments likely approach to design issues in the planning system. Pillar two of the white paper - Planning for beautiful and sustainable places – states that: “planning should be a powerful tool for creating visions of how places can be, engaging communities in that process and fostering high quality development: not just beautiful buildings, but the gardens, parks and other green spaces in between, as well as the facilities which are essential for building a real sense of community.”

3.16 The white paper also cites the Building Better, Building Beautiful Commission report, noting that it found that “[t]oo many places built during recent decades fail to reflect what is special about their local area or create a high quality environment of which local people can be proud.”

3.17 At the London level, the new draft London Plan policy D3 sets out a design-led approach which requires consideration of design options to determine the most appropriate form of development that responds to a site’s context and capacity for growth. Development proposals should, inter alia:

- enhance local context by delivering buildings and spaces that positively respond to local distinctiveness through their layout, orientation, scale, appearance and shape, with due regard to existing and emerging street hierarchy, building types, forms and proportions; and
- respond to the existing character of a place by identifying the special and valued features and characteristics that are unique to the locality and respect, enhance and utilise the heritage assets and architectural features that contribute towards the local character.

3.18 Local planning policy set out in the Bromley Local Plan. One of the Local Plan’s key objectives relates to design and the public realm; it aims to ensure that new development of all kinds is well designed, safe, energy efficient and complements its surroundings, respecting the existing scale and layout.

3.19 Policy 44 relates to ASRCs, which are important local designations where new development is required to respect, enhance and strengthen their special and distinctive qualities. Appendix 10.6 of the Local Plan gives detailed descriptions of designated ASRCs including Petts Wood, detailing what makes them special and distinctive.

3.20 All ASRCs have been assessed against the following criteria and found to warrant designation:

- There should be a sufficient number of properties to form an area of distinctive character. The areas should be well established, readily identifiable and coherent,

⁴ Available here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907956/Planning_for_the_Future_web_accessible_version.pdf

- The majority of properties should have the same readily identifiable characteristics (e.g. spatial standards, similar materials, well landscaped frontages),
- The boundary should be easily defined and defensible; and
- The areas defined should be primarily residential in character.

3.21 The ASRCs provide significant benefits in terms of local amenity by ensuring that the distinctive character and high-quality environments of the areas are maintained. Alterations to roofs in the ASRC through Part 1, Class B and C PD rights have the potential to significantly affect the ASRC, undermining their distinctive characteristics and adversely impacting local amenity.

Justification for Article 4 Direction to remove Part 1, Class B and C PD rights

- 3.22 Part 1, Class B and C PD rights allow the enlargement of a dwellinghouse consisting of an addition or alteration to its roof; and any other alteration to the roof of a dwellinghouse. The PD rights are subject to a number of restrictions and conditions on their use.
- 3.23 An Article 4 Direction to remove Part 1, Class B and C PD rights in the Petts Wood ASRC has been in force since 16 January 2018 (see Appendix 1). This Direction only removes the PD rights from the front roofslope, primarily because the potential installation of front rooflights which are visible and prominent from the street could have adverse impacts on the character of the ASRC.
- 3.24 Subsequently, there have been instances of side roof extensions which are also prominent. As a result, officers have been asked to consider an amended Direction to remove PD rights which allow side roof extensions.
- 3.25 Having considered the potential impacts of the PD rights, officers consider that a new Direction should be made to entirely remove the Part 1, Class B and C PD rights in the Petts Wood ASRC. A further Direction to remove the PD rights from specific sections of roofs risks further unforeseen circumstances arising, which could lead to further extensions which impact on the character of the ASRC and affect local amenity. While front and side alterations are likely to have the most prominent impacts, rear extensions also have some potential to cause adverse impacts on character, and when considered alongside other alterations, there is a risk of a cumulative deleterious effect on the wider ASRC.
- 3.26 Removal of the PD rights from the entire roof means there is no ambiguity in terms of how the PD rights apply. An Article 4 Direction is a blunt tool – anything which partially removes PD rights introduces the need for a subjective assessment. Part 1, Class B and C PD rights were not drafted to accommodate such an assessment (unlike other PD rights which require prior approval). It is considered that the planning policy context noted above (an important material consideration) and the potential impacts on local amenity that may arise from further roof extensions, justify removal of the Part 1, Class B and C PD rights in the Petts Wood ASRC.

4. POLICY IMPLICATIONS

4.1 As set out above, there could be significant adverse impacts on local amenity resulting from roof alterations. This could have a particular impact on the Petts Wood ASRC Local Plan designation.

5. FINANCIAL IMPLICATIONS

5.1 This report recommends the making of one non-immediate Article 4 Direction which will ensure that compensation liability is removed. This requires a 12-month notice period to be given, before the Directions come into effect. During this period, the PD rights would continue to apply, and landowners might take advantage of these rights. However, if the Council were to remove these rights with immediate effect, any refusal of planning permission could result in

compensation liability. Compensation can be claimed based on abortive expenditure or other loss or damage directly attributable to the withdrawal of PD rights; this could include differences in land value between an existing and altered property, which could be substantial.

- 5.2 Costs associated with publishing and consulting on the Article 4 Directions will be met by Planning Policy and Strategy and the Council's legal services department.

6. LEGAL IMPLICATIONS

- 6.1 Article 4 (1) of the GPDO allows local Planning authorities to withdraw certain PD Rights. The procedure for putting in place an Article 4 Direction is set out in Schedule 3 of the GPDO. The Council's legal services department will be responsible for making and publicising the Directions, in line with the statutory requirements set out in the GPDO.
- 6.2 This includes serving notice on owners and occupiers of every part of land within the areas to which the Direction relates, unless the local planning authority considers that the number of owners or occupiers within the area to which the direction relates makes individual service impracticable. The proposed Direction encompasses over 1,500 properties (which includes instances where there are numerous properties within a single building). This level of notification is considered to be impracticable, hence individual notice will not be given. Notice will be given by local advertisement and site notice, as per the other requirements of the GPDO.
- 6.3 The GPDO requires notice of the proposed Direction to be given as soon as practicable. Due to the current COVID-19 restrictions, it may not be practicable to give notice as per the GPDO requirements. In such instances, the Council will seek to issue notice following the lifting of the COVID-19 restrictions. This is considered to be a practical and pragmatic approach as advocated in the Chief Planners Letter of 20 March 2020⁵.
- 6.4 Cancellation of the existing Direction (at Appendix 1) relating to the front roofslope should be aligned with any new Direction coming into force. For a non-immediate Direction, a decision to cancel the existing Direction will be brought forward alongside any future decision to confirm. Where an immediate Direction is put in place, a decision to cancel the existing Direction should be made at the same time as any decision to pursue an immediate Direction.

Non-Applicable Sections:	<p>IMPACT ON VULNERABLE ADULTS AND CHILDREN</p> <p>PERSONNEL IMPLICATIONS</p> <p>PROCUREMENT IMPLICATIONS</p>
Background Documents: (Access via Contact Officer)	<p>The Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended)</p> <p>Bromley Local Plan</p> <p>National Planning Policy Framework</p> <p>Publication London Plan (December 2020)</p>

⁵https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875045/Chief_Planners_Newsletter_-_March_2020.pdf

TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT)(ENGLAND) ORDER 2015

DIRECTION MADE UNDER ARTICLE 4 (1) TO WHICH ARTICLE 5 APPLIES

WHEREAS The London Borough of Bromley, being the appropriate local planning authority within the meaning of article 4 (4) of the GDPO, are satisfied that it is expedient that development of the description set out in the Schedule below should not be carried out on the land edged red on the attached plan, unless planning permission is granted on an application made under part III of the Town and Country Planning Act 1990 as amended,

NOW THEREFORE the said Council in pursuance of the power conferred on them by article 4(1) of the Town Country Planning (General Permitted Development)(England) Order 2015 hereby direct that the permission granted by article 3 of the said Order shall not apply to development on the said land of the description set out in the Schedule below:

SCHEDULE

The effect of the Direction will be to require that any alteration or addition to any front roofslope (that facing the public highway) that is currently permitted by Class B or Class C of Schedule 2, Part 1 of the Town and Country Planning (General Permitted Development)(England) Order 2015 (as amended) would require planning permission.

Made under the Common Seal of The Mayor and Burgesses of the London Borough of Bromley this 5th day of January 2017

The Common Seal of the Council was affixed to this Direction
In the presence of


Mayor/Councillor
~~Director of Corporate Services~~
Senior Solicitor





This Order was confirmed by The Mayor
and Burgesses of the London Borough of
Bromley on 16th January 2018



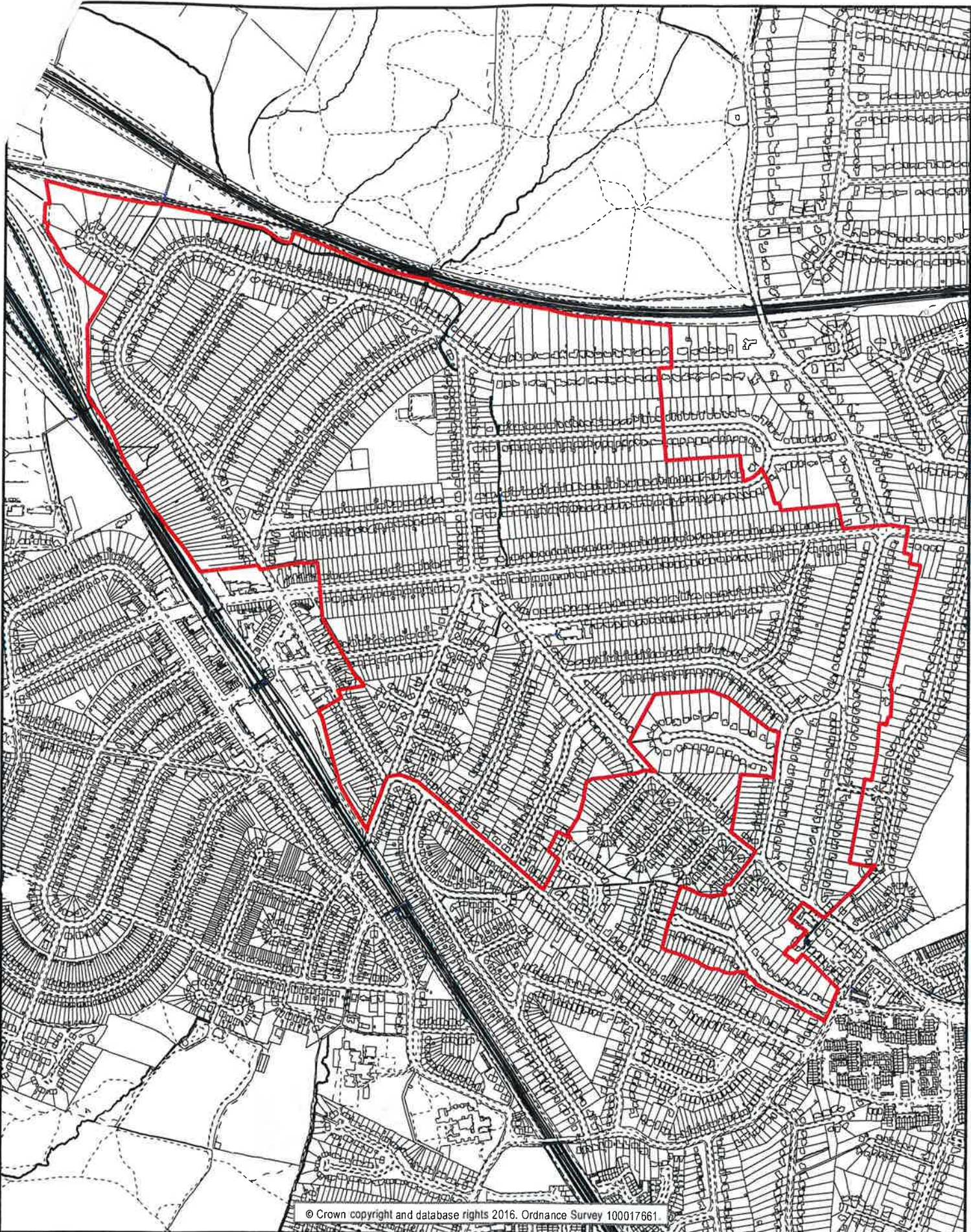
Executed as a DEED by affixing
THE COMMON SEAL OF THE MAYOR AND
BURGESSES OF THE LONDON BOROUGH OF
BROMLEY in the presence of:

K. Bance

Mayor/~~Councillor~~

S. Seal

~~Director of Corporate Services~~/Senior Solicitor



TOWN PLANNING

**ARTICLE 4 DIRECTION
CONCERNING
PETTS WOOD,
ORPINGTON.**



JIM KEHOE
CHIEF PLANNER,
CIVIC CENTRE, STOCKWELL CLOSE,
BROMLEY, KENT,
BR1 3UH.

THE LONDON BOROUGH

Tel: 020 8464 3333

Scale 1:9,000

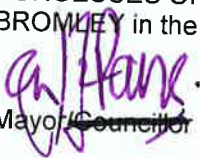


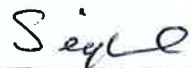
20/09/16

Page 63

Plan No. 6717

Executed as a DEED by affixing
THE COMMON SEAL OF THE MAYOR AND
BURGESSES OF THE LONDON BOROUGH OF
BROMLEY in the presence of:

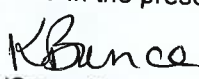

Mayor/Councillor



~~Director of Corporate Services~~/Senior Solicitor



This Order was confirmed by The Mayor
and Burgesses of the London Borough of
Bromley on 16th January 2018

Executed as a DEED by affixing
THE COMMON SEAL OF THE MAYOR AND
BURGESSES OF THE LONDON BOROUGH OF
BROMLEY in the presence of:


Mayor/Councillor


~~Director of Corporate Services~~/Senior Solicitor



Report No.
HPR2021/004

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION AND HOUSING
PORTFOLIO HOLDER

**FOR PRE-DECISION SCRUTINY AT THE RENEWAL,
RECREATION AND HOUSING POLICY DEVELOPMENT
AND SCRUTINY COMMITTEE AND DEVELOPMENT
CONTROL COMMITTEE**

Date: DCC: 28 January 2021
RR&H PDS: 2 February 2021

Decision Type: Non-Urgent Non-Executive Key

Title: CONFIRMATION OF NON-IMMEDIATE ARTICLE 4 DIRECTIONS
TO REMOVE PERMITTED DEVELOPMENT RIGHTS FOR
OFFICE TO RESIDENTIAL CONVERSIONS IN BROMLEY'S
OFFICE CLUSTERS

Contact Officer: Ben Johnson, Head of Planning Policy and Strategy
E-mail: ben.johnson@bromley.gov.uk

Paul Mellor, Planner
E-mail: paul.mellor@bromley.gov.uk

Chief Officer: Tim Horsman, Assistant Director (Planning)

Ward: Bromley Town; Cray Valley West; Orpington;

1. Reason for report

1.1 This report recommends that the Council confirms three non-immediate Article 4 Directions to withdraw the permitted development right for change of use from office to residential. These Directions would apply to the three Office Clusters, as shown in the Bromley Local Plan (January 2019) – Crayfield Business Park (Cray Valley West), Knoll Rise (Orpington) and Masons Hill (Bromley Town). If confirmed, the Directions will come into force on 10 July 2021, in order to remove potential liability to pay compensation.

1.2 The areas selected for the Directions are key areas for the retention and promotion of offices, alongside Business Improvement Areas (which are already subject to an Article 4 Direction). This is reflected in their designation as Office Clusters under the Bromley Local Plan. It is expedient to restrict the change of use of offices in these areas by permitted development rights

to avoid harmful impacts upon economic development and to ensure any development within the areas is properly planned in line with the policies of the adopted Local Plan.

- 1.3 In line with the requirements of legislation, representations on the proposed Directions were sought. The Council must take into account any representations made before it confirms the Article 4 Directions. A consultation statement is provided at Appendix 1, which details the single representation received during the consultation; and the Council's response. The representation does not raise any issues that justify non-confirmation of the Directions.
-

2. RECOMMENDATION(S)

- 2.1 That Members of the Development Control Committee recommend the confirmation of three 'non-immediate' Article 4 Directions to withdraw the permitted development right granted by the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended), Schedule 2 Part 3 Class O, which permits uses falling within Class B1(a) (office) to change use to Class C3 (dwellinghouses). The areas in which the Article 4 Directions will apply are shown in the plans attached at Appendix 2.**
- 2.2 That Members refer the matter to the Renewal, Recreation and Housing Policy Development and Scrutiny Committee for pre-decision scrutiny.**
- 2.3 That Members note that the Portfolio Holder for Renewal, Recreation and Housing will be asked to authorise the confirmation of the three non-immediate Directions, which will come into force on 10 July 2021 (12 months from the day on which they were made).**

Impact on Vulnerable Adults and Children

1. Summary of Impact: None
-

Corporate Policy

1. Policy Status: N/A
 2. BBB Priority: Vibrant, Thriving Town Centres Regeneration:
-

Financial

1. Cost of proposal: Limited cost associated with 'making' and publicising any Article 4 Direction
 2. Ongoing costs: No Cost
 3. Budget head/performance centre: Planning Policy and Strategy
 4. Total current budget for this head: £0.568m
 5. Source of funding: Existing Revenue Budget for 2020/21
-

Personnel

1. Number of staff (current and additional): 10fte
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Article 4 and Schedule 3 of the Town and Country Planning (General Permitted Development) (England) Order 2015
 2. Call-in: Applicable: Further Details – Portfolio Decision
-

Procurement

1. Summary of Procurement Implications: None
-

Customer Impact

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

Ward Councillor Views

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

3. COMMENTARY

Background and planning policy context

- 3.1 In 2013, the Government amended the Town and Country Planning (General Permitted Development) Order (the 'GPDO') to grant new permitted development (PD) rights to change from office use to residential use, subject to a prior approval process. The amended GPDO initially came into force for a 3 year period, but was later made permanent.
- 3.2 In response to these changes, the Council made an Article 4 Direction covering parts of Bromley Town Centre, which came into effect on 1 August 2015. The Direction was, and remains, essential to support economic development in Bromley Town Centre's primary office locations and Business Improvement Areas, as designated in the Bromley Local Plan.
- 3.3 Article 4 Directions allow authorities to withdraw the PD rights that would otherwise apply by virtue of the GPDO. An Article 4 Direction does not prevent the development to which it applies, but instead requires that planning permission be first obtained from the local planning authority for that development. This gives a local planning authority the opportunity to consider a proposal in more detail, i.e. assessing against policies in the Development Plan. The PD right in question requires prior approval of certain issues, but this determination is limited and does not allow for full consideration against adopted Development Plan policies.
- 3.4 As set out in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), the use of Article 4 Directions should be limited to situations where they are necessary to protect local amenity and / or the wellbeing of the area. These criteria are not further defined in the NPPF or the PPG. The PPG notes that the potential harm that a Direction is intended to address should be clearly identified. For the Directions proposed in this report, justification is set out in the following sections of this report. The draft London Plan explicitly supports boroughs introducing Article 4 Directions to protect significant areas, including office clusters, against losses from PD rights. This supports Bromley's existing Direction in BIAs and the introduction of further Directions in newly designated office clusters.
- 3.5 Provided that the local authority considers it expedient, an Article 4 Direction can cover an area of any geographic size, from a specific site to a local authority-wide area. PPG advises that any Direction removing PD rights where prior approval powers are available to control PD should have particularly strong justification.
- 3.6 Article 4 Directions relating to certain specified PD rights (including Part 3 PD rights) can be made with immediate effect; or they can be made to take effect following a period of notice (non-immediate); this is usually done in order to remove compensation liability. This report recommends that the Council confirms three non-immediate Article 4 Directions to come into force on 10 July 2021; this is 12 months from the day on which the Directions were made, which would mean the Council has no liability to compensate landowners affected by the removal of PD rights. This is discussed further in the legal implications of this report.
- 3.7 If the Directions are confirmed, any change of use from office to residential would require full planning permission.
- 3.8 The Secretary of State for Housing, Communities and Local Government has the power to revoke or modify Article 4 Directions at any time.
- 3.9 There is a range of national, London and local planning policies that are considered material to any decision of whether it is expedient to make and confirm an Article 4 Direction.
- 3.10 At a national level, paragraph 80 of the NPPF sets out that planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. It states

that significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development

- 3.11 Paragraph 81 sets out a number of requirements which apply to the development of planning policies, including a need to set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth; and to set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period. The policies set out in the Bromley Local Plan, including the policies identifying office clusters, are consistent with these aspects of the NPPF.
- 3.12 Paragraph 81 also states that policies should be flexible enough to accommodate needs not anticipated in the plan, and to enable a rapid response to changes in economic circumstances. The policies set out in the Local Plan are considered sufficiently flexible to respond in such instances.
- 3.13 The PPG requires local planning authorities to prepare a robust evidence base to understand existing business needs, which will need to be kept under review to reflect local circumstances and market conditions. Bromley's Development Plan is underpinned by robust evidence of need (discussed below).
- 3.14 At the London level, the draft new London Plan expects that Outer London will see growth in office employment and notes the importance of ensuring sufficient space to support the growth of new start-up companies and to accommodate SMEs. Development Plans and development proposals should support the provision of space suitable for SMEs in light of strategic and local assessments of demand and supply.
- 3.15 Policy E1 outlines that improvements to the quality, flexibility and adaptability of office space should be supported by new office space, refurbishments and mixed-use developments.
- 3.16 Policy E1 Part E states that existing viable office floorspace capacity outside specific identified locations should be retained. The policy supports borough Article 4 Directions in locally identified office clusters, to ensure that office functions are not undermined by office to residential PDR and to protect local amenity or the wellbeing of an area.
- 3.17 Policy E2 encourages the provision and protection of Class B uses at a range of sizes and rents to meet the needs of a range of enterprises and start-ups.
- 3.18 Local planning policy set out in the Bromley Local Plan identifies the Office Clusters designation and sets out applicable policy which will apply to proposals which come forward in these areas (Local Plan Policy 85). Office Clusters are one of two Local Plan designations which seek the retention and promotion of office premises and floorspace, the other being Business Improvement Areas (which are already subject to an Article 4 Direction as noted above).
- 3.19 Policy 85 explains that the Council will work to retain and manage an adequate stock of good quality office floorspace by safeguarding three areas – Crayfield Business Park, Knoll Rise and Masons Hill – as Office Clusters. Redevelopment proposals in these areas will be expected to re-provide at least the same quantum of office floorspace.
- 3.20 All three office clusters fall within an identified renewal area; Masons Hill falls within the Bromley Common renewal area, and Crayfield Business Park and Knoll Rise both fall within the Cray Valley renewal area. The Local Plan (policies 13 and 14) seeks to maximise opportunities for enhancement and improvement of the renewal areas and requires developments in renewal areas to maximise their contribution to economic, social and environmental improvements.

3.21 Policies 16 and 17 relate specifically to the Bromley Common and Cray Valley renewal areas respectively.

Proposed Article 4 Directions – justification and evidence

3.21 The three proposed Directions will cover the following areas which correlate with the designated Local Plan office clusters:

- Crayfield Business Park - this area is sited to the north of New Mill Road and comprises a group of two storey buildings and associated car parking. The Office Cluster comprises approximately 7,500sqm of office floorspace.
- Knoll Rise - this area is located to the north and south sides of Knoll Rise in close proximity to the junction with Orpington High Street. It comprises over 6,000sqm of office floorspace.
- Masons Hill - this area comprises office buildings on Masons Hill, Homesdale Road and Wimpole Close. The combined office floorspace in the area totals over 6,000sqm.

3.22 Maps of the proposed Article 4 Direction areas can be found at Appendix 2.

3.23 The Directions are considered necessary as the PD right has the potential to cause significant harm to local amenity and wellbeing. The areas identified above contribute significantly to the borough's commercial function. The PD rights compromise the ability of the Council to plan properly, and to ensure uses which contribute significantly to economic growth are protected, and local wellbeing is maintained. In practical terms, without the Directions, there is a very real potential for the loss of jobs and the loss of employment capacity to accommodate future jobs. This is not just due to the loss of individual premises but also the cumulative impacts from loss of multiple premises, which would undermine the core business function of the office clusters.

3.24 The designation of the Office Clusters was evidenced within the 'Local Plan Background Paper – Key Office Clusters' and this document formed part of the evidence base for the examination of the Local Plan. This review paper identified the changes in office stock and identified a gradual decline in office floorspace in the borough between 2005 and 2012.

3.25 Criteria based on accessibility, total floorspace, vacancy level, and age were used to assess prospective sites and the three Office Clusters were identified as areas to be safeguarded for continued office use to meet projected employment demand in the borough.

3.26 The office clusters all fall within renewal areas and consideration was given to their contribution to these areas, particularly economic contributions. Further, the Knoll Rise cluster is in Orpington town centre, which bolsters the multi-functional commercial role of this area. Crayfield Business Park forms part of the strategically important Cray Business Corridor, identified as an economic growth area in the Local Plan.

3.27 Knoll Rise and Masons Hill have PTAL ratings of 4/5, meaning they have easy access via sustainable transport modes. Crayfield Business Park has a low PTAL rating but is located in close proximity to London Distributor Roads and Strategic Routes. In general, the proximity of the office clusters to key transport links provides expansive reach to these locations, via various transport modes, from across the borough.

3.28 The designations and policy preparation were supported by an evidence base including several economic and employment land studies. These studies included the following employment-based requirements for additional floorspace for the borough:

- Bromley Retail, Office Industry and Leisure Study (DTZ 2012): 121,000 sqm, between 2006 and 2031

- Stimulating the Economy Study (GL Hearn 2013): potentially over 250,000 sqm, between 2011 and 2031
- Planning for Growth in Bromley – Cray Business Corridor Study (URS 2014): 28,800 sqm, between 2013 and 2031

3.29 In addition to this local evidence base, studies are routinely prepared at a strategic level to inform the Greater London Authority's planning work including the draft new London Plan. Recent studies have included the following employment-based floorspace requirements specific to Bromley borough:

- London Office Floorspace Projections (Peter Brett Associates 2014): range of 78,000-103,000 sqm, between 2011 and 2036
- London Office Policy Review 2017 (CAG and Ramidus 2017): 122,009 sqm GIA, between 2016 and 2041. This is a significant increase on the previous London Office Policy Review (published in 2012) which projected around 80,000sqm between 2011 and 2036. The projected quantum is not disaggregated within the borough but it is considered that a significant proportion would be delivered in designated areas where office use is prioritised.
- The latest GLA London's Economic Outlook Forecast (Autumn 2020) forecasts that although the growth in workforce jobs will be subdued in the medium-term, London will see a rebound in the number of workforce jobs in 2022, reflecting the projected GVA rebound following the impact of COVID-19 crisis
- The GLA has also released the final Evidence Base report for London's Local Industrial Strategy. This presents clear, robust and comprehensive evidence on London's economy with a view to supporting the overall objective of achieving inclusive growth in London.

3.30 Despite the variety of projections, these studies have shown a consistently strong employment-based demand for additional office floorspace for the life of Bromley's Local Plan. The latest strategic study, the London Office Policy Review 2017¹ highlights that vacancy rates in Bromley have been consistently low (under 5%) and availabilities have remained low up to 2015. The LOPR outlines that small office units in particular should be protected in Bromley (figure 6.4).

3.31 Figure 9.14 of the LOPR 2017 compares the trend-based and employment-based projections at borough level. For many boroughs, the employment-based method generates a higher projection than past trends. In boroughs such as Bromley, Ealing, Harrow and Westminster, the employment-based method shows positive growth in stock, whereas past trends show office floorspace has declined significantly. The trend-based method has undoubtedly been affected by substantial office losses through PD, as noted in paragraph 6.2.18 of the LOPR. Much of these losses involved the loss of occupied premises; figure 7.13 shows that PD approvals in Bromley (as of the end of the 2015 FY) involved the loss of over 10,000sqm of occupied space which disrupts over 1,000 jobs. PD rights have, or have the potential to, cause significant adverse impacts on the office function of identified office clusters. Therefore, the Directions are considered essential to prevent such impacts occurring and thereby causing significant adverse impacts on the amenity of local businesses and the local economy.

3.32 Since the introduction of the PD rights in 2013, 120 prior approvals have been granted in the borough (excluding lapsed and duplicate applications)², which involves the loss of around 50,000sqm of office space. 77% of these prior approvals (approximately 39,000sqm) have

¹ https://www.london.gov.uk/sites/default/files/london_office_policy_review_2017_final_17_06_07.pdf

² As of May 2020.

completed to date; no completions have taken place within the office clusters as designated in the adopted Local Plan. There are extant approvals totaling over 1,000sqm of office losses within the office clusters (all at Masons Hill).

- 3.33 Overall, the Office Clusters contain around 23,000 sqm of office floorspace. The extant approvals in the Masons Hill cluster are not considered to undermine the function of the office clusters. The Council has considered whether the boundaries of the proposed Masons Hill Direction should cover a smaller area than the designated clusters because of the extant approvals, but considers that the Directions should cover the clusters as designated in the Local Plan. It is noted that extant prior approvals are not affected by subsequent Directions, as noted in the GPDO. However, if the extant prior approvals are not completed in line with the conditions set out in the GPDO, they will lapse and the Directions would then preclude any further PD for as long as they remained in force.
- 3.34 Further loss of space in the clusters could reduce opportunities for fledgling businesses to secure space, and could also mean that existing businesses looking to grow are not retained as they may be forced to look outside the borough for additional space.
- 3.35 The introduction of residential premises could also pose a threat as it increases the risk of noise and disturbance complaints due to locating incompatible uses next to one another, and hence causing negative impacts on the amenity of these businesses.

Consultation on the Article 4 Directions

- 3.36 The Council consulted on the A4D from 10 July to 4 September 2020, a period of 8 weeks. This is significantly more than the minimum period specified in Schedule 3 of the Town and Country Planning (General Permitted Development) (England) Order (the GPDO); the Council considered that as the consultation period overlapped with the typical summer holiday period, it was important to allow for extra time for receipt of representations. In deciding whether to confirm the A4D, the local planning authority must take into account any representations received during the period.
- 3.37 Consultation was undertaken in line with the requirements set out in the GPDO. As part of the consultation, the Council sent letters to around 100 owners/occupiers of properties within the Office Clusters.
- 3.38 One representation was received. The representation relates specifically to the Mason's Hill Direction and considers that the Direction is not justified and is inconsistent with the aims of national planning policy. The full representation is provided in Appendix 1. Officers consider that the representation does not raise any issues which would justify not confirming the Mason's Hill (or other) Directions, as explained in response to the representation in Appendix 1.

4. POLICY IMPLICATIONS

- 4.1 As set out in the main body of this report, there could be significant adverse impacts on local amenity and wellbeing resulting from the loss of office floorspace, if the proposed Article 4 Directions are not put in place. This could undermine elements of the Development Plan, particularly economic policies set out in the Local Plan and draft new London Plan.
- 4.2 The proposed Directions will restrict housing supply to a degree, but this is likely to be of limited impact in terms of restricting the amount of new residential units created, and hence the effect on the Council's ability to meet housing targets is limited. The clusters cover 0.026% of the total area of the borough, which is an incredibly small proportion and leaves a significant amount of land where PD rights would continue to apply. The potentially significant economic impacts on designated office areas, identified in this report, would outweigh this potentially limited impact

on housing supply, in terms of the deciding whether it is expedient to pursue Article 4 Directions for the office clusters.

- 4.3 The quality of the housing created must also be considered alongside any impact on housing supply. The creation of new housing is not just a numbers game; it is essential that new housing is fit for purpose in order to ensure sustainable development, for example ensuring appropriate sustainable design measures to mitigate climate change. PD rights have become synonymous with poor quality, small homes. As an Article 4 Direction would require planning permission to be secured for such developments in the future, this will ensure delivery of higher quality residential units and assist with the delivery of sustainable development in the borough. It is noted that the Government have amended the GPDO to introduce a requirement for new housing created through PD rights to meet minimum space standards; while this is a positive step in terms of ensuring better quality homes, there are other design requirements in the Development Plan that would not be required through the GPDO.
- 4.4 The clusters themselves have a distinct commercial function and are not considered to be the most suitable areas for delivery of housing. Regardless of this, while the Directions would remove PD rights, they would not remove the potential for housing in the office clusters entirely, for example as part of a mixed-use redevelopment, as policy 85 does not preclude housing in principle. Requiring housing to come through the full planning permission route is more likely to deliver sustainable development which has economic, social and environmental benefits, in line with the objectives of the Development Plan.
- 4.5 The impacts of the COVID-19 pandemic, particularly in the medium and long-term, are still uncertain, but it is noted that it could have significant impacts on the local economy and housing supply in particular. However, such impacts are not yet evident, for example through higher office vacancies. If impacts do materialise, this does not necessarily have implications for the Directions, as these impacts could be a material consideration in a future planning application. However, the PPG notes that it is important for local planning authorities to monitor any Article 4 Directions regularly to make certain that the original reasons the Directions were made remain valid. Therefore, the impact of the COVID-19 pandemic, as well as other positive and negative impacts, will be an ongoing consideration to help determine whether the Directions should remain in place.

5. FINANCIAL IMPLICATIONS

- 5.1 This report recommends three non-immediate Article 4 Directions are confirmed to come into force on 10 July 2021, which will ensure that compensation liability is removed. Where compensation can be claimed based on abortive expenditure or other loss or damage directly attributable to the withdrawal of PD rights; this could include differences in land value between office and residential, which could be substantial.
- 5.2 Costs associated with confirming the Article 4 Directions will be met by the Council's legal services department.

6. LEGAL IMPLICATIONS

- 6.1 Article 4 (1) of the GPDO allows local Planning Authorities to withdraw certain PD Rights. The procedure for putting in place an Article 4 Direction is set out in Schedule 3 of the GPDO. The Council's legal services department will be responsible for confirming the Directions, in line with the statutory requirements set out in the GPDO.
- 6.2 The GPDO requires notice of confirmation of the proposed Directions to be given as soon as practicable. Due to the current COVID-19 restrictions, it may not be practicable to give notice as per the GPDO requirements. In such instances, the Council will seek to issue notice following

the lifting of the COVID-19 restrictions. This is considered to be a practical and pragmatic approach as advocated in the Chief Planners Letter of 20 March 2020³.

Non-Applicable Sections:	<p>IMPACT ON VULNERABLE ADULTS AND CHILDREN</p> <p>PERSONNEL IMPLICATIONS</p> <p>PROCUREMENT IMPLICATIONS</p>
Background Documents: (Access via Contact Officer)	<p>Bromley Local Plan 2019</p> <p>The Publication London Plan, December 2020</p> <p>National Planning Policy Framework</p>

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875045/Chief_Planners_Newsletter_-_March_2020.pdf

Schedule of Representations to the Office Clusters Article 4 Direction consultation; and LB Bromley responses.

ID	Organisation	Summary of Representation	Council's Response
001	Clarion Housing Group	<p>Clarion Housing occupy office accommodation at 157-159 Masons Hill.</p> <p>They are the largest housing association in the country, owning and managing 125,000 homes across 170 Local Authorities. Clarion Housing is part of Clarion Housing Group, which is made up of not for profit and commercial subsidiaries. This generates revenues to support social housing residents and provide affordable homes.</p> <p>Paragraph 1 (9) of Schedule 3 of the Town and Country Planning (General Permitted Development) Order 2015 (as amended) stipulates that in deciding whether to confirm a direction made under Article 4 (1), the local planning authority must take into account any representations received during the representation period specified in accordance with sub-paragraph (4)(d) of the same. In this respect, please see an OBJECTION to the proposed Article 4 Direction.</p> <p>The National Planning Policy Framework (NPPF) 2019 states at paragraph 53 that:</p> <p><i>The use of Article 4 directions to remove national permitted development rights should be limited to situations where this is necessary to protect local amenity or the wellbeing of the area (this could include the use of Article 4 directions to require planning permission for the demolition of local facilities).</i></p> <p>This is reiterated in the National Planning Practice Guidance (NPPG entitled "When is permission required?") which further states at Paragraph: 038 Reference ID: 13-038-20190722 that:</p> <p><i>The potential harm that the direction is intended to address will need to be clearly identified, and there will need to be a particularly strong justification for the withdrawal of permitted development rights relating to:...</i></p> <ul style="list-style-type: none"> • <i>cases where prior approval powers are available to control permitted development.</i> <p>The NPPF centres on sustainable development consisting of an economic, social and environmental role. This includes providing the supply of housing to meet the needs of current and future generations, but also providing sufficient land in the right places to support economic growth.</p> <p>The NPPF 2019 at Section 11 sets out the government's expectations with regard to making efficient and effective use of land. Particularly, how planning policies and decisions need to reflect changes in demand for land (paragraph 120), informed by regular reviews of land allocated for development in plans and land availability.</p> <p>Such flexibilities are persistent throughout national policy, in taking account of need for different types of development, promoting regeneration and change and the importance of securing well-designed, healthy places. In particular, the government through national policy consistently reiterate the importance of making use of brownfield land within settlements that are no longer required for its current use or fit for purpose in order to ensure housing and other development needs are met.</p> <p>In line with these national policy positions, the government has made clear their intention to remove planning barriers on</p>	<p>The relevant legislation, policy and guidance was all considered when the decision to make the Direction was made. The Council considered at that time that the Direction was justified, and this is still the case in January 2021. The evidence and justification for the Direction is reiterated in the January 2021 DCC report.</p> <p>The cluster is part of the adopted, up-to-date Local Plan; the Direction will give additional protection to over 6,000sqm of office floorspace, which is a significant amount both in the immediate locality and as part of the overall Borough office supply.</p> <p>The respondent considers that the Direction would frustrate the intent of Government policy, but it is noted that A4Ds are a mechanism in current national legislation which local planning authorities can legitimately use; the SoS is the arbiter of whether an individual Direction frustrates the intent of national policy, as he has the ability to</p>

	<p>sites which are no longer required for their original purpose. This has been brought forward through Part 2, Schedule 2 of the Town and Country Planning (General Permitted Development) Order 2015 (as amended), and more recently under Class ZA within the Town and Country Planning (General Permitted Development) (England) (Amendments) (No.3) Order 2020, which allows for the demolition and replacement of specific buildings subject to certain criteria.</p> <p>These permitted development rights are a core part of the government's ambition to drive sustainable, flexible and vibrant communities and places, ensuring the efficient and effective use of brownfield land, and thereby reducing pressure on more constrained areas of the borough to deliver those needs.</p> <p>Such flexibilities are particularly critical in Bromley given the constrained nature of the borough outside the settlement limits. It is paramount that all sites within the settlements and in sustainable locations retain the planning flexibilities afforded by the government to respond to the market and changing patterns of working. In particular, at this time where a greater proportion of the workforce are working from home part, if not full, time, it is necessary that sites such as Masons Hill can be flexible to respond quickly to changing demands at a local level, in order to ensure the future sustainable use of the site.</p> <p>This is a core part of the government's proposed planning reforms under the Planning for the Future White Paper, which proposes a simpler framework that supports a more competitive market and therefore more resilient places. Key to this, as set out in Pillar 2, is offering greater flexibility in the use of land to meet changing economic and social needs – thereby delivering homes and workplaces where they are needed to provide a flexible labour market and opportunity for economic growth, where the market needs it. Given the government intention to enable the market to respond to needs of the area, any proposal to restrict such flexibilities will undermine the ability for local areas to respond effectively, as necessary, to the changing demands.</p> <p>With regard to the local amenity test set out in the NPPF, the surrounding area is mixed use by nature, with local shopping frontages on Masons Hill and Homesdale Road including offices, retail, café/pub/take away, together with care and residential. There are a notable number of 'commercial' units along these roads which, in the event Masons Hill was converted, would retain the mixed-use character of the area and continue to provide the necessary amenity facilities to support the local residents and workforce. Therefore it cannot be justified that the retention of planning flexibilities for conversion of Masons Hill Office Cluster would harm the local amenity or well-being of the area. Rather, the ability to change of use at Masons Hill Officer Cluster, if necessary, would support these local facilities through footfall and custom that may otherwise be lost were the building to fall out of use. In the long term, the change to the Use Classes that have come into force on 1 September 2020 will enable the remaining units to respond to provide for the needs of the community, which aligns with the flexibilities proposed by government and will enable units to change to meet local needs.</p> <p>Further, matters of flood risk, noise, contamination and highways impact form part of the Prior Approval process and therefore would remain to be fully considered. Therefore, the retention of permitted development rights on this site will enable flexibility to ensure that in the event buildings are no longer required for their current purpose, they can be brought into further use without delay to support the local community and economy.</p> <p>Overall, for the reasons set out above, whilst the site is allocated within the Local Plan for office use, it has not been demonstrated to be necessary to protect the Masons Hill Office Cluster through an Article 4 Direction and there is not any particularly strong justification for the withdrawal of permitted development rights. This is therefore contrary to national planning policy and guidance. The proposal will directly contradict the government's objective to remove unnecessary planning applications from the system, and could frustrate the market from actively</p>	<p>modify or cancel Directions. To date, the SoS has not signalled any intent to intervene with this Direction.</p> <p>The Direction does not prevent a planning application coming forward, but would ensure that up-to-date Local Plan policy is applied to ensure that the loss of office is fully justified.</p> <p>With regard to local amenity, this is not defined in the PPG but the Council consider that it is not limited to the immediate area; the concept of amenity in this regard can potentially be Borough-wide. In terms of the Direction in question, it is covered by an employment designation which has wider significance, which will help ensure key employment growth within the local economy.</p>
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	<p>responding to changing demands and needs, to the detriment of the local economy.</p> <p>I trust this is informative in the council's decision-making and we request that the Masons Hill Office Cluster is not subject to the proposed Article 4 Direction.</p>	
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DRAFT NON IMMEDIATE ORDER: Crayfield Business Park Office Cluster 7/1/2020

TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 2015
AS AMENDED

DIRECTION MADE UNDER ARTICLE 4 (1)

WHEREAS The London Borough of Bromley, being the appropriate local planning authority within the meaning of article 4 (5) of the GDPO, are satisfied that it is expedient that development of the description set out in the Schedule below should not be carried out on properties on the land edged red on the attached plan, and known as Crayfield Business Park Office Cluster unless planning permission is granted on an application made under part III of the Town and Country Planning Act 1990 as amended,

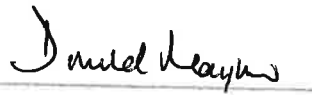
NOW THEREFORE the said Council in pursuance of the power conferred on them by article 4(1) of the Town Country Planning (General Permitted Development) Order 2015 hereby direct that the permission granted by article 3 of the said Order shall not apply to development on the said land of the description set out in the Schedule below:

SCHEDULE

Development consisting of a change of use of a building and any land within its curtilage from a use falling within Class B1(a) (offices) of the Schedule to the Use Classes Order, to a use falling within Class C3 (dwellinghouses) of that Schedule.

Made under the Common Seal of The Mayor and Burgesses of the
London Borough of Bromley this 10th day of July 2020

The Common Seal of the Council was affixed to this Direction
In the presence of



Authorized Officer

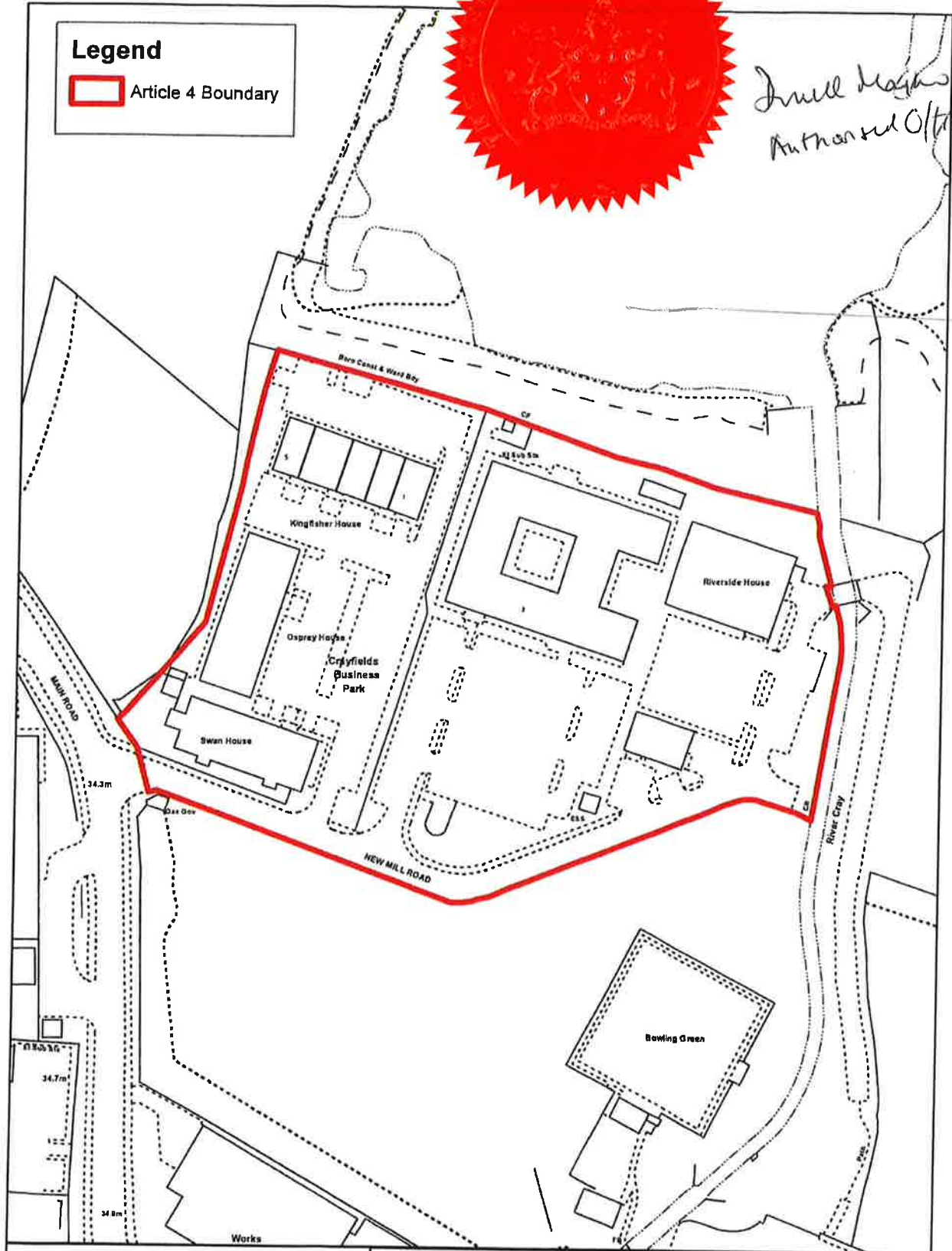


Legend

 Article 4 Boundary



Dr Neil Hayes
Authorized Officer



Planning Division
Housing, Planning &
Regeneration



Article 4 Direction
Crayfield Business Park
Office Cluster



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Ordnance Survey 100017661.

May 2020

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TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 2015
AS AMENDED

DIRECTION MADE UNDER ARTICLE 4 (1)

WHEREAS The London Borough of Bromley, being the appropriate local planning authority within the meaning of article 4 (5) of the GDPO, are satisfied that it is expedient that development of the description set out in the Schedule below should not be carried out on properties on the land edged red on the attached plan, and known as Knoll Rise Office Cluster unless planning permission is granted on an application made under part III of the Town and Country Planning Act 1990 as amended,

NOW THEREFORE the said Council in pursuance of the power conferred on them by article 4(1) of the Town Country Planning (General Permitted Development) Order 2015 hereby direct that the permission granted by article 3 of the said Order shall not apply to development on the said land of the description set out in the Schedule below:

SCHEDULE

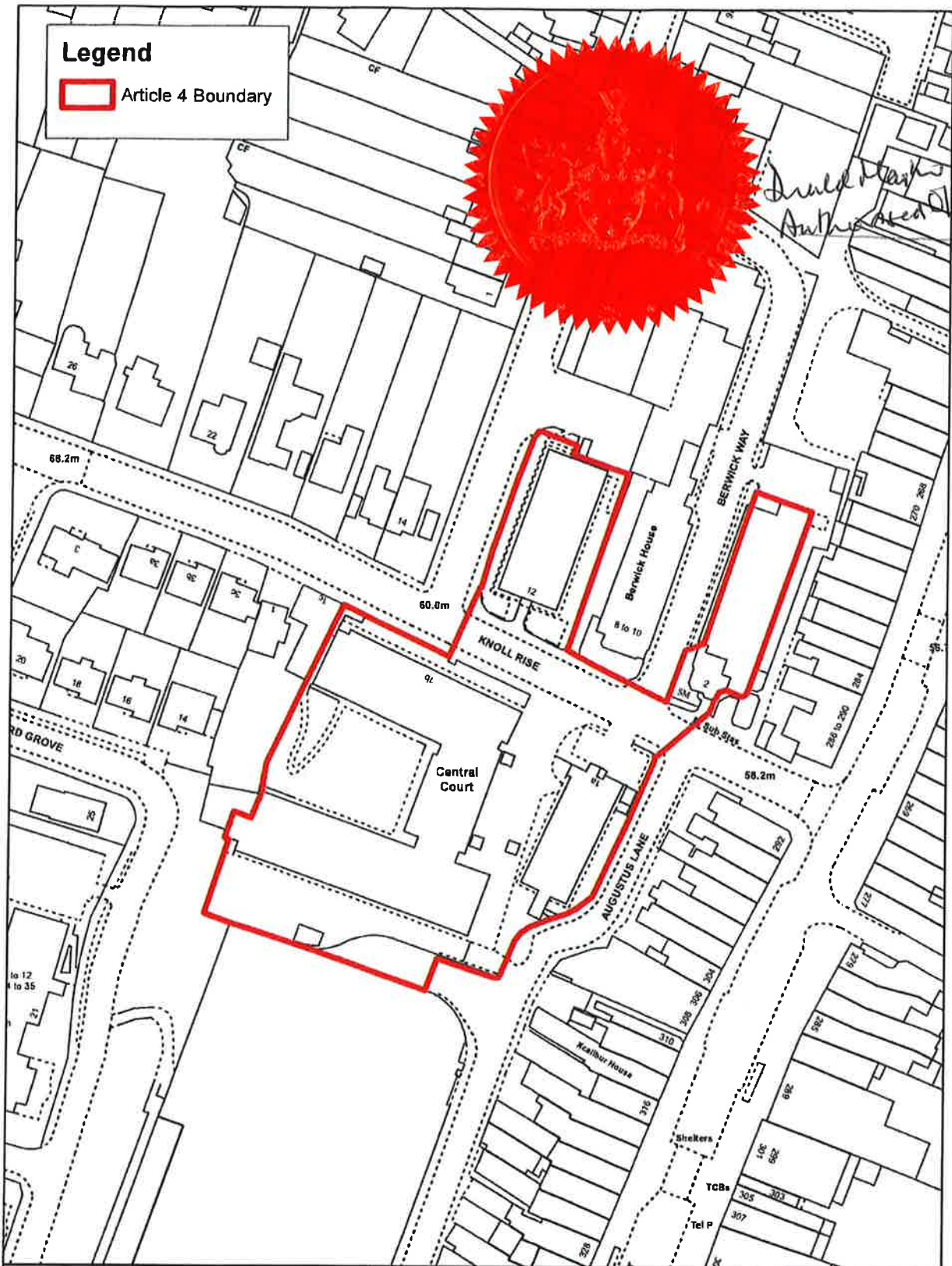
Development consisting of a change of use of a building and any land within its curtilage from a use falling within Class B1(a) (offices) of the Schedule to the Use Classes Order, to a use falling within Class C3 (dwellinghouses) of that Schedule.

Made under the Common Seal of The Mayor and Burgesses of the
London Borough of Bromley this 10th day of July 2020

The Common Seal of the Council was affixed to this Direction
In the presence of

Donald Mayne
Authorized Officer





Legend

 Article 4 Boundary

**Planning Division
Housing, Planning &
Regeneration**



**Article 4 Direction
Knoll Rise, Office Cluster**



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Ordnance Survey 100017661.

May 2020

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TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 2015
AS AMENDED

DIRECTION MADE UNDER ARTICLE 4 (1)

WHEREAS The London Borough of Bromley, being the appropriate local planning authority within the meaning of article 4 (5) of the GDPO, are satisfied that it is expedient that development of the description set out in the Schedule below should not be carried out on properties on the land edged red on the attached plan, and known as Masons Hill Office Cluster unless planning permission is granted on an application made under part III of the Town and Country Planning Act 1990 as amended,

NOW THEREFORE the said Council in pursuance of the power conferred on them by article 4(1) of the Town Country Planning (General Permitted Development) Order 2015 hereby direct that the permission granted by article 3 of the said Order shall not apply to development on the said land of the description set out in the Schedule below:

SCHEDULE

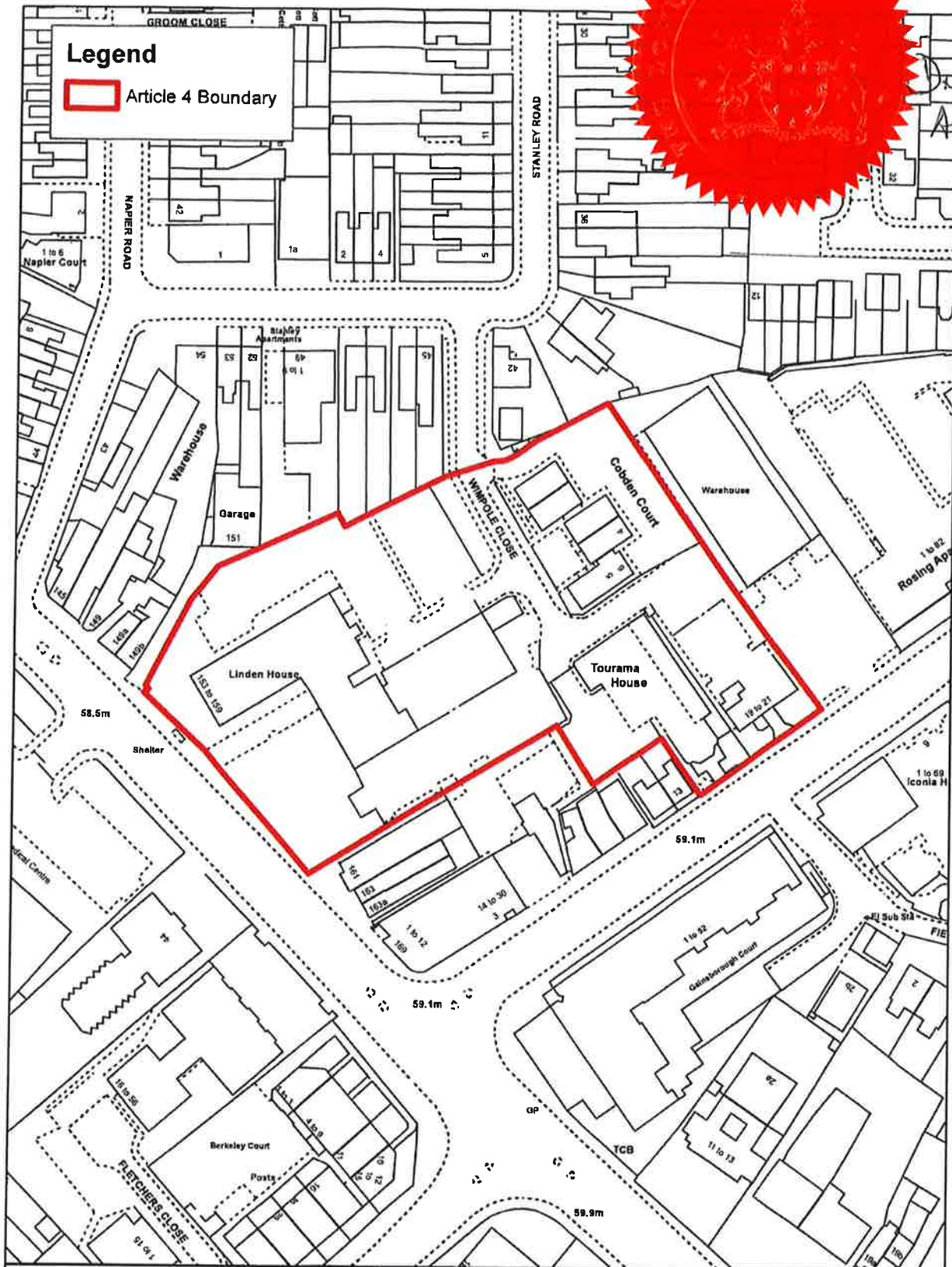
Development consisting of a change of use of a building and any land within its curtilage from a use falling within Class B1(a) (offices) of the Schedule to the Use Classes Order, to a use falling within Class C3 (dwellinghouses) of that Schedule.

Made under the Common Seal of The Mayor and Burgesses of the
London Borough of Bromley this 16th day of July 2020

The Common Seal of the Council was affixed to this Direction
In the presence of


David Daykin

Authorised Officer



*David Mayhew
Authorized
Officer*

Legend

 Article 4 Boundary

**Planning Division
Housing, Planning &
Regeneration**



**Article 4 Direction
Masons Hill, Office Cluster**



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Ordnance Survey 100017661.

May 2020

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Report No.
HPR2021/005

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION AND HOUSING PORTFOLIO
HOLDER

**FOR PRE-DECISION SCRUTINY AT THE RENEWAL,
RECREATION AND HOUSING POLICY DEVELOPMENT AND
SCRUTINY COMMITTEE AND DEVELOPMENT CONTROL
COMMITTEE**

Date: DCC: 28 January 2021
RR&H PDS: 2 February 2021

Decision Type: Non-Urgent Non-Executive Key

Title: PROPOSED NON-IMMEDIATE ARTICLE 4 DIRECTION TO
REMOVE PERMITTED DEVELOPMENT RIGHTS FOR
UPWARDS EXTENSIONS IN AN AREA WITHIN THE
RAVENSBOURNE VALLEY LOCAL VIEW

Contact Officer: Ben Johnson, Head of Planning Policy and Strategy
E-mail: ben.johnson@bromley.gov.uk

Chief Officer: Tim Horsman, Assistant Director (Planning)

Ward: Bromley Town

1. Reason for report

- 1.1 A report to Development Control Committee on 19 November 2020 recommended a number of Article 4 Directions to withdraw permitted development (PD) rights which allow blocks of flats to extend upwards by up to two storeys to provide new residential units. The report was subsequently considered by the Renewal, Recreation and Housing Policy Development and Scrutiny Committee (RRHPDS) on 16 December 2020. RRHPDS asked Development Control Committee to consider a further Direction covering a discrete area which falls within the local view of the eastern skyline of the Ravensbourne Valley.
- 1.2 This report discusses whether there is justification for the Direction; and sets out the approach for making the Direction if Members consider that there is justification.
-

2. **RECOMMENDATION(S)**

- 2.1 **That Members note the discussion in the report.**

2.2 That Members, if they agree with the justification put forward by RRHPDS for the proposed Article 4 Direction, endorse the making of a ‘non-immediate’ Article 4 Direction (covering the area shown in the plan attached at Appendix 1) to withdraw the following permitted development rights granted by the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended) (“the GPDO”), Schedule 2:

- **Part 20, Class A**
- **Part 20, Class AA**
- **Part 20, Class AD**

2.2 That Members note, pending agreement to ‘make’ the Article 4 Direction, that the Portfolio Holder for Renewal, Recreation and Housing will be asked to authorise the making of a non-immediate Direction, which will come into force 12 months from the day on which it is made, if the Direction is subsequently confirmed following public consultation.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None

Corporate Policy

1. Policy Status: N/A
2. BBB Priority: Regeneration:

Financial

1. Cost of proposal: Limited cost associated with 'making' and publicising any Article 4 Direction
2. Ongoing costs: No Cost
3. Budget head/performance centre: Planning Policy and Strategy
4. Total current budget for this head: £0.568m
5. Source of funding: Existing Revenue Budget for 2020/21

Personnel

1. Number of staff (current and additional): 10fte
2. If from existing staff resources, number of staff hours: N/A

Legal

1. Legal Requirement: Article 4 and Schedule 3 of the Town and Country Planning (General Permitted Development) (England) Order 2015
2. Call-in: Applicable: Further Details – Portfolio Decision

Procurement

1. Summary of Procurement Implications: None

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Bromley Town Ward Councillors have expressed support for an Article 4 Direction to remove upwards extension PD rights from the area outlined on the map at Appendix 1.

3. COMMENTARY

Background

3.1 Six PD rights which allow the upwards extension of residential and mixed-use buildings have been recently introduced through amendments to the GPDO. These are:

- Part 1, Class AA - permits the enlargement of a dwellinghouse by the construction of new storeys on top of the highest existing storey of the dwellinghouse. Two storeys may be added if the existing dwellinghouse is two or more storeys tall, or one additional storey where the dwellinghouse consists of one storey.
- Part 20, Class A – permits the construction of up to two additional storeys of new dwellinghouses immediately above the existing topmost residential storey on a building which is a purpose-built, detached block of flats.
- Part 20, Class AA – permits construction of up to two new storeys of flats on top of detached buildings in commercial or mixed use, including where there is an element of residential use.
- Part 20, Class AB - permits the construction of new flats on top of terrace buildings (including semi-detached buildings) in commercial or mixed (including residential) use; two storeys may be added if the existing building is two or more storeys tall, or one additional storey where the building consists of one storey.
- Part 20, Class AC - permits the construction of new flats on top of terrace dwellinghouses (including semi-detached houses); two storeys may be added if the existing building is two or more storeys tall, or one additional storey where the building consists of one storey.
- Part 20, Class AD - permits the construction of new flats on top of detached dwellinghouses; two storeys may be added if the existing building is two or more storeys tall, or one additional storey where the building consists of one storey.

3.2 There are a number of restrictions imposed on these new PD rights, as well as further considerations relating to how Development Plan policy applies to the assessment of prior approval assessments. Further information on the details of the PD rights are set out in two recent reports to Development Control Committee, the Upwards Extension Permitted Development Rights report¹ which was noted at the meeting held on 14 July 2020; and the Planning Legislation Update report² which was noted at the meeting held on 24 September 2020. At both of these meetings, members asked officers to investigate the potential for Article 4 Directions to remove the new PD rights in certain areas across the Borough.

3.3 Officers subsequently presented a report to the 19 November 2020 Development Control Committee meeting³ recommending Article 4 Directions covering 15 areas; 13 Areas of Special Residential Character as shown in the Bromley Local Plan (January 2019), and two discrete areas which fall within local views. These proposed Directions were informed by a detailed assessment of a number of locations relating to Local Plan policy areas which could be adversely affected by the PD rights. One of these policy areas was local views and landmarks protected by Local Plan policy 48. Officers assessed all 10 views of local importance to determine whether any of them merited protection; only one was considered to justify an Article 4 Direction, the view of Croydon town centre from Village Way, Beckenham.

¹ Available here:

<https://cds.bromley.gov.uk/documents/s50082500/UPWARDS%20EXTENSION%20PERMITTED%20DEVELOPMENT%20RIGHTSPART%201%20REPORT%20TEMPLATE.pdf>

² Available here: <https://cds.bromley.gov.uk/documents/s50083418/PLANNING%20LEGISLATION%20UPDATE%20-%20PERMITTED%20DEVELOPMENT%20RIGHTS%20AND%20CHANGES%20TO%20THE%20USE%20CLASSES%20ORDERP.pdf>

³ Available here: <http://cdslbb/documents/s50084647/PROPOSED%20NON-IMMEDIATE%20ARTICLE%204%20DIRECTIONS%20TO%20REMOVE%20PERMITTED%20DEVELOPMENT%20RIGHTS%20FOR%20UPWARDS%20EXTEN.pdf>

3.4 The report was the subject to pre-decision scrutiny by RRHPDS ahead of consideration by the Renewal, Recreation and Housing Portfolio Holder. As set out in the minutes of the 16 December 2020 meeting⁴, RRHPDS recommended that the Portfolio Holder authorise the making of the Directions as detailed in the report, and also asked for a report be submitted to the next meeting of the DCC recommending that an Article 4 Direction is put in place to remove PD rights for tall buildings located towards the top of Ravensbourne Valley which would in the opinion of RRHPDS, interfere with the skyline if further extended.

Article 4 Directions

3.5 Article 4 Directions allow authorities to withdraw the PD rights that would otherwise apply by virtue of the GPDO. An Article 4 Direction does not prevent the development to which it applies, but instead requires that planning permission be first obtained from the local planning authority for that development. This gives a local planning authority the opportunity to consider a proposal in more detail, i.e. assessing against policies in the Development Plan. The PD rights in question all require prior approval of certain issues, but this determination is limited and does not allow for full consideration against adopted Development Plan policies.

3.6 As set out in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), the use of Article 4 Directions should be limited to situations where they are necessary to protect local amenity and / or the wellbeing of the area. These criteria are not further defined in the NPPF or the PPG. The PPG notes that the potential harm that a Direction is intended to address should be clearly identified. For the Directions proposed in this report, justification is set out in the following sections.

3.7 Provided that the local authority considers it expedient, an Article 4 Direction can cover an area of any geographic size, from a specific site to a local authority-wide area. PPG advises that any Direction removing PD rights where prior approval powers are available to control PD should have particularly strong justification.

3.8 Article 4 Directions relating to Part 20 PD rights can only be made to take effect following a period of notice (non-immediate); giving 12 months' notice would mean the Council has no liability to compensate landowners affected by the removal of PD rights. This is discussed further in the legal implications of this report.

3.9 Prior to coming into force, the Council must confirm whether it intends to proceed with the Directions, based on consideration of representations received. The decision on whether to confirm will be taken by the Portfolio Holder for Renewal, Recreation and Housing.

3.10 During the 12-month notice period, the PD rights would continue to apply. If the Directions are confirmed, following this notice period any upwards extensions within the areas covered by the Directions would require full planning permission.

3.11 The Secretary of State for Housing, Communities and Local Government has the power to revoke or modify Article 4 Directions at any time.

Planning policy context

3.12 There is a range of national, London and local planning policies that are considered material to any decision of whether it is expedient to make an Article 4 Direction.

3.13 The NPPF is underpinned by three overarching objectives, relating to the economic, social and environmental pillars of sustainable development; the social objective refers to the need to

⁴ <http://cdslbb/documents/g7035/Public%20minutes%20Wednesday%2016-Dec-2020%2018.30%20Renewal%20Recreation%20and%20Housing%20Policy%20Development%20and%20.pdf?T=11>

foster a well-designed and safe built environment. Paragraph 9 of the NPPF states that: “Planning policies and decisions should play an active role in guiding development towards sustainable solutions, but in doing so should take local circumstances into account, to reflect the character, needs and opportunities of each area.”

- 3.14 Paragraph 118(e) sets out a policy approach to encourage upwards extensions, which predates the introduction of the upwards extension PD rights. It is notable, however, that the policy approach set out in the NPPF refers explicitly to compliance with local design policies and standards, reflecting the importance that such policies have in terms of guiding suitable development in keeping with local character.
- 3.15 Section 12 of the NPPF sets out national planning policy for achieving well-designed places. Paragraph 124 sums up the importance of good design: “The creation of high quality buildings and places is fundamental to what the planning and development process should achieve. Good design is a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities.”
- 3.16 Paragraph 127 sets out criteria that should be addressed in planning policies and decisions to ensure development is well designed. This criteria includes ensuring that developments:
- a) *will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;*
 - b) *are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;*
 - c) *are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);*
 - d) *establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;*
 - e) *optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and*
 - f) *create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.*
- 3.17 Further guidance is set out in the PPG. The PPG highlights the importance of effective and early engagement with local communities and the local planning authority, to ensure good design is achieved. It states that “planning policies can set out the design outcomes that development should pursue as well as the tools and processes that are expected to be used to embed good design.”⁵
- 3.18 The PPG is also clear that “[a] plan’s vision and objectives can be used to set out the types of place(s) which the plan aims to achieve, how this will contribute to the sustainable development of the area and how this translates into the expectations for development and investment, including design.”⁶

⁵ Paragraph: 002 Reference ID: 26-002-20191001, available here: <https://www.gov.uk/guidance/design>

⁶ Paragraph: 003 Reference ID: 26-003-20191001, available here: <https://www.gov.uk/guidance/design>

3.19 The PPG should be read alongside the National Design Guide⁷. Good design is set out in the National Design Guide under 10 characteristics, including:

- Context - the location of the development and the attributes of its immediate, local and regional surroundings. Well-designed places are based on a sound understanding of the features of the site and the surrounding context, using baseline studies as a starting point for design; integrated into their surroundings so they relate well to them; influenced by and influence their context positively; and responsive to local history, culture and heritage.
- Identity – The identity or character of a place comes from the way that buildings, streets and spaces, landscape and infrastructure combine together and how people experience them. It is not just about the buildings or how a place looks, but how it engages with all of the senses. Local character makes places distinctive. Well-designed, sustainable places with a strong identity give their users, occupiers and owners a sense of pride, helping to create and sustain communities and neighbourhoods.
- Built form – the three-dimensional pattern or arrangement of development blocks, streets, buildings and open spaces. It is the interrelationship between all these elements that creates an attractive place to live, work and visit, rather than their individual characteristics. Together they create the built environment and contribute to its character and sense of place.
- Homes and buildings - well-designed homes and buildings are functional, accessible and sustainable. They provide internal environments and associated external spaces that support the health and wellbeing of their users and all who experience them. Successful buildings also provide attractive, stimulating and positive places for all, whether for activity, interaction, retreat, or simply passing by.

3.20 Looking forward, the ‘Planning for the Future’ white paper⁸ sets out potential reforms of the planning system to streamline and modernise the planning process, including a strong focus on design. While the white paper is not yet relevant material consideration relating to the justification of an Article 4 Direction, it is useful context to understand the Governments likely approach to design issues in the planning system. Pillar two of the white paper - Planning for beautiful and sustainable places – states that: “planning should be a powerful tool for creating visions of how places can be, engaging communities in that process and fostering high quality development: not just beautiful buildings, but the gardens, parks and other green spaces in between, as well as the facilities which are essential for building a real sense of community.”

3.21 The white paper also cites the Building Better, Building Beautiful Commission report, noting that it found that “[t]oo many places built during recent decades fail to reflect what is special about their local area or create a high quality environment of which local people can be proud.”

3.22 At the London level, the new draft London Plan policy D3 sets out a design-led approach which requires consideration of design options to determine the most appropriate form of development that responds to a site’s context and capacity for growth. Development proposals should, inter alia:

- enhance local context by delivering buildings and spaces that positively respond to local distinctiveness through their layout, orientation, scale, appearance and shape, with due regard to existing and emerging street hierarchy, building types, forms and proportions; and
- respond to the existing character of a place by identifying the special and valued features and characteristics that are unique to the locality and respect, enhance and utilise the heritage assets and architectural features that contribute towards the local character.

⁷ Available here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/843468/National_Design_Guide.pdf

⁸ Available here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907956/Planning_for_the_Future_web_accessible_version.pdf

- 3.23 Local planning policy set out in the Bromley Local Plan. One of the Local Plan's key objectives relates to design and the public realm; it aims to ensure that new development of all kinds is well designed, safe, energy efficient and complements its surroundings, respecting the existing scale and layout.
- 3.24 Policy 48 of the Local Plan requires developments which may impact on the skyline to demonstrate how they will protect or enhance the quality of the views, vistas, gaps and skyline. This includes 10 views of local importance, five landmarks and two major skyline ridges.

Potential Article 4 Direction within the Ravensbourne Valley Local View

- 3.25 The area under consideration for a potential Article 4 Direction is identified in Appendix 1. It is made up of three separate blocks of flats - Cameron House on Highland Road; and Treversh Court and Townend Court on Grasmere Road.
- 3.26 As noted above in paragraph 3.1, six upwards extension PD rights have been recently introduced. Any Direction covering the above buildings would only need to remove Part 20, Class A, Class AA and Class AD PD rights, as these are the only ones that could be utilised by these buildings (Part 1, Class AA only applies to houses, and Part 20, Class AB and AC only apply to terraced buildings).
- 3.27 Local Plan policy 48 identifies views of local importance. Development which may impact on these views must demonstrate how it will protect or enhance the view quality. In principle an increase in height through PD rights could impact on designated views; the views reinforce a sense of place and add significant amenity value in their localities, and therefore an increase in height through PD rights have potential to harm this local amenity. The addition of extra storeys can block or obscure views; or introduce an obtrusive element which detracts from the overall quality of the view; this is particularly the case where PD rights may be utilised in the foreground of a view. The key question in terms of whether an Article 4 Direction is justified is whether the potential adverse impacts on local amenity are of enough significance to justify a Direction.
- 3.28 Paragraph 3.3 refers to the previous officer assessment of potential Directions in local views. Officers consider that this assessment still stands and that there is not sufficient justification, in line with the PPG, to justify an Article 4 Direction. While the impact on local views can in principle justify a Direction as noted above, in this case officers consider that the existing prominence of Townend Court and the visibility of the other buildings, means that the additional potential impacts would not likely be of such significance that would justify an Article 4 Direction.
- 3.29 The justification put forward by RRHPDS is that any further increase in height on the three buildings in question would seriously diminish the value of the skyline. The tallest of the three buildings – Townend Court - already intrudes on the skyline within the local view, with the other two buildings being visible just above the treeline. Further height increase would increase the prominence of Townend Court and potentially increase visibility of the other two buildings above the tree line.
- 3.30 Photos 1 and 2 below show Google Streetviews from Farnaby Road and from further afield at a point in the playing field off Warren Avenue (taken in August 2020 and June 2019 respectively).

Photo 1



Photo 2



4. POLICY IMPLICATIONS

- 4.2 Any Article 4 Direction will restrict housing supply to a degree; this is a relevant consideration in determining whether the making of a Direction is expedient. However, the impacts on housing supply are likely to be of limited impact (individually and cumulatively alongside other Directions) in terms of restricting the amount of new residential units created, and hence the effect on the Council's ability to meet housing targets is limited.
- 4.3 The quality of the housing created must also be considered alongside any impact on housing supply. The creation of new housing is not just a numbers game; it is essential that new housing is fit for purpose in order to ensure sustainable development, for example ensuring appropriate sustainable design measures to mitigate climate change. PD rights have become synonymous with poor quality, small homes. As an Article 4 Direction would require planning permission to be secured for such developments in the future, this will ensure delivery of higher quality residential units and assist with the delivery of sustainable development in the borough. It is noted that the Government have amended the GPDO to introduce a requirement for new housing created through PD rights to meet minimum space standards; while this is a positive step in terms of ensuring better quality homes, there are other design requirements in the Development Plan that would not be required through the GPDO.
- 4.4 Prior approval permissions have often been used as a 'fallback' position, whereby developers secure prior approval permission and then subsequently apply for full planning permission for a more comprehensive development on the same site, noting that if this permission was not

granted then there is an extant prior approval that can be delivered. Fallback positions can be material considerations in the determination of planning applications although the weight given would depend on whether the applicant has secured the prior approval permission; it is not enough to just highlight that prior approval permission could be sought, as there is no guarantee prior approval will be granted. Where prior approval permission has been granted, an applicant would also need to demonstrate that there is a realistic intention to implement the prior approval, for the fallback to be given weight. It is noted that development granted through the upwards extension PD rights must be completed within three years of the date of grant of prior approval, which will factor into any consideration of the weight given to a fallback position.

- 4.5 The impacts of the COVID-19 pandemic are currently uncertain, but it is noted that it could have significant impacts on housing supply in particular. However, such impacts are not yet evident, for example through higher commercial vacancies or impacts on housing delivery statistics. If impacts do materialise, this does not necessarily have implications for any Directions, as these impacts could be a material consideration in a future planning application. However, the PPG notes that it is important for local planning authorities to monitor any Article 4 Directions regularly to make certain that the original reasons the Directions were made remain valid. Therefore, the impact of the COVID-19 pandemic, as well as other positive and negative impacts, will be an ongoing consideration to help determine whether the Directions should remain in place.

5. FINANCIAL IMPLICATIONS

- 5.1 This report discusses whether there is justification for an Article 4 Direction to remove upwards extension PD rights within the local view of the eastern skyline of the Ravensbourne Valley; and sets out the approach for making the Direction if Members consider that there is justification. Where Members consider that a Direction is justified, only a non-immediate Article 4 Direction can be made. This will ensure that compensation liability is removed, if a 12-month notice period is given before the Direction comes into effect.
- 5.2 Compensation can be claimed based on abortive expenditure or other loss or damage directly attributable to the withdrawal of PD rights; this could include differences in land value between an existing and extended property, which could be substantial.
- 5.2 Where Members consider it is expedient to 'make' an Article 4 Direction, the costs associated with publishing and consulting an Article 4 Directions will be met by Planning Policy and Strategy and the Council's legal services department.

6. LEGAL IMPLICATIONS

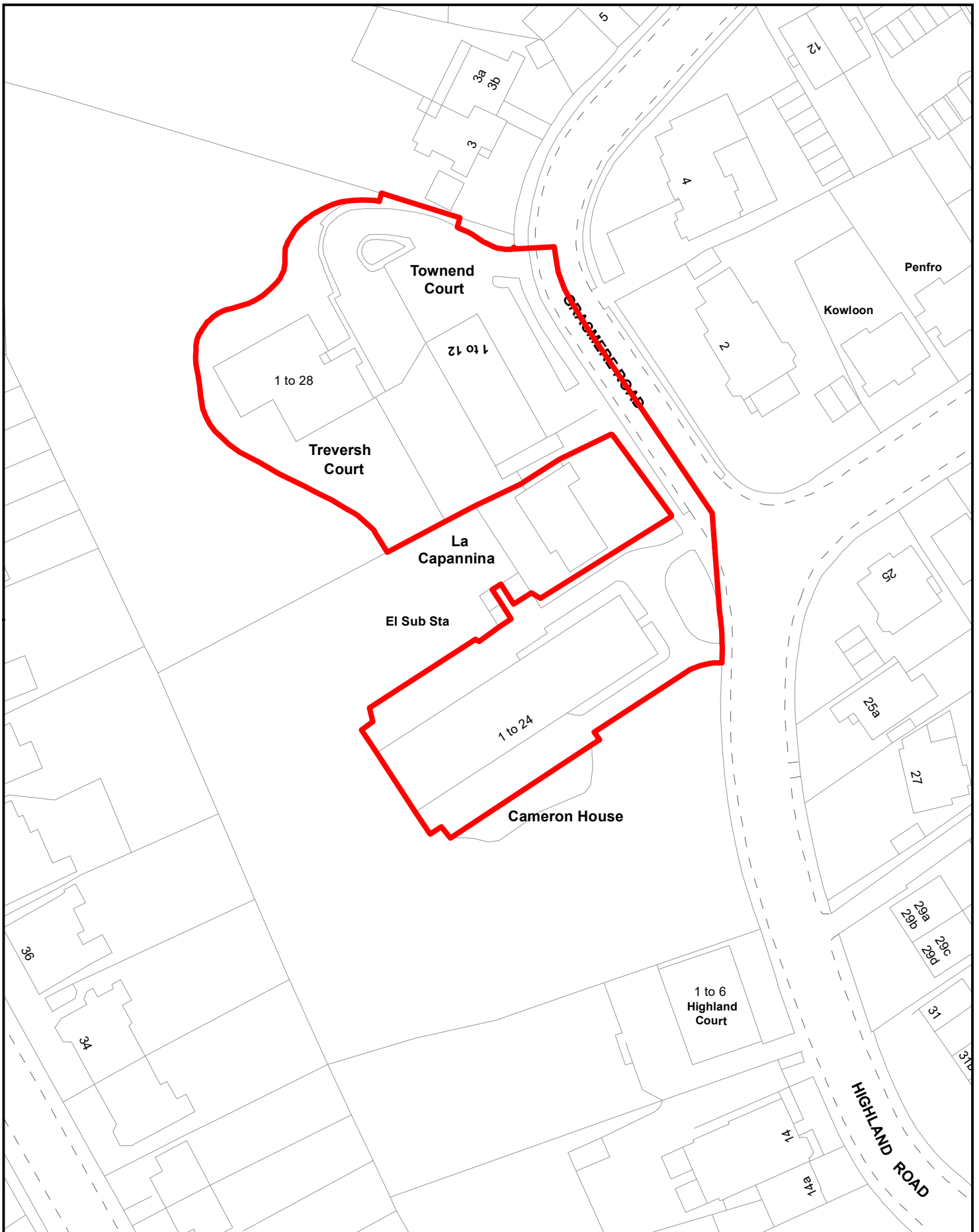
- 6.1 Article 4 (1) of the GPDO allows local planning authorities to withdraw certain PD Rights. The procedure for putting in place an Article 4 Direction is set out in Schedule 3 of the GPDO. The Council's legal services department will be responsible for making and publicising the Directions, in line with the statutory requirements set out in the GPDO.
- 6.2 This includes serving notice on owners and occupiers of every part of land within the areas to which the Directions relate, unless the local planning authority considers that the number of owners or occupiers within the area to which the direction relates makes individual service impracticable. While the number of properties that would be subject to a Direction are fairly limited, the cumulative amount of properties (combined with other Directions) may be considered to be impracticable, hence individual notice may not be given. Practicability will be determined by available resources, at the point of time when any decision is made to 'make' a Direction and the Direction can then be formally made following the procedure set out in the GPDO. Regardless of individual owner/occupier notice, notice will be given by local advertisement and site notice, as per the other requirements of the GPDO.

6.3 The GPDO requires notice of the proposed Directions to be given as soon as practicable. Due to the current COVID-19 restrictions, it may not be practicable to give notice as per the GPDO requirements. In such instances, the Council will seek to issue notice following the lifting of the COVID-19 restrictions. This is considered to be a practical and pragmatic approach as advocated in the Chief Planners Letter of 20 March 2020⁹.

Non-Applicable Sections:	<p>IMPACT ON VULNERABLE ADULTS AND CHILDREN</p> <p>PERSONNEL IMPLICATIONS</p> <p>PROCUREMENT IMPLICATIONS</p>
Background Documents: (Access via Contact Officer)	<p>The Town and Country Planning (Permitted Development and Miscellaneous Amendments) (England) (Coronavirus) Regulations 2020 - https://www.legislation.gov.uk/uksi/2020/632/regulation/22/made</p> <p>The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 2) Order 2020 - https://www.legislation.gov.uk/uksi/2020/755/contents/made</p> <p>The Town and Country Planning (General Permitted Development) (England) (Amendment) (No. 3) Order 2020 - https://www.legislation.gov.uk/uksi/2020/756/contents/made</p> <p>Bromley Local Plan</p> <p>National Planning Policy Framework</p> <p>Publication London Plan (December 2020)</p>

⁹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875045/Chief_Planners_Newsletter_-_March_2020.pdf

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**Planning Division
Housing, Planning &
Regeneration**



**Proposed Article 4 Direction
Townend Court, Treversh Court and Cameron House,
Grasmere Road, Bromley**



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Ordnance Survey 100017661.

November 2020

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Report No.

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: EXECUTIVE
COUNCIL
FOR PRE DECISION SCRUTINY AT THE RENEWAL,
RECREATION AND HOUSING POLICY DEVELOPMENT AND
SCRUTINY COMMITTEE

Date: Tuesday 2nd February 2021
Wednesday 10th February 2021

Decision Type: Non-Urgent Executive/Council Key

Title: PROPERTY ACQUISITION SCHEME PROPOSAL

Contact Officer: Sara Bowrey, Director Housing Planning and Regeneration
E-mail: sara.bowrey@bromley.gov.uk

Chief Officer: Sara Bowrey, Director of Housing, Planning, Property and Regeneration

Ward: (All Wards);

1. Reason for report

This report advises on the option to acquire approximately 242 properties under a funding arrangement with Orchard and Shipman for use as accommodation to help reduce the current pressures in relation to homelessness and temporary accommodation.

2. **RECOMMENDATION(S)**

2.1 That Members of the Renewal, Recreation and Housing Policy Development and Scrutiny Committee, review the content of this report and provide their comments to the Executive.

That Members of the Executive are asked to:

2.2 Agree to enter into the limited liability partnership (LLP) arrangement described in this report with Orchard and Shipman for the acquisition of approximately 242 residential properties (dependent upon final purchase price).

2.3 Agree that the acquired properties will be leased by the LLP to Orchard and Shipman Homes for a 50-year period on an FRI basis.

2.4 Recommend that Council agrees the loan of £20m to the LLP for a period of 50 years with annual repayments starting from year 3 of 1.6% (£320k) per annum and increasing annually

by CPI (collared at 0-4%), funded from the Housing Invest to Save Fund (£14m) and uncommitted Investment Fund (£6m) earmarked reserves.

- 2.5 Agree to enter into (i) the Members' Agreement for the LLP (between the Council, Orchard and Shipman, and the LLP), (ii) a guarantee agreement with the Funder (see part 2 report) to guarantee the loan facility of £60-£65m to the LLP and undertake to meet the liabilities of the LLP in respect of the loan facility in the event of loan repayment default, (iii) a loan facility agreement between the Council and the LLP for the loan made by the Council, and (iv) a Nomination Agreement with Orchard and Shipman Homes to secure nomination rights to the acquired properties (v) and all other ancillary documents in connection with the scheme.
- 2.6 Agree to delegate authority to the Director of Housing, Planning and Regeneration in consultation with the Director of Housing, Director of Corporate Services and the Portfolio Holder Renewal, Recreation and Housing to carry out due diligence in connection with the scheme, agree the details of each agreement and enter into all relevant agreements in connection with this scheme.
- 2.7 Agree to appoint Sara Bowrey, Director of Housing, Planning and Regeneration and James Mullender, Head of Finance, Adults Health & Housing as the Council's nominees to the board of the LLP, with authority to act on behalf of the Council in relation to all matters not reserved to the Council under the Members' Agreement; such nominees to be indemnified by the Council and on the basis that the LLP will arrange suitable insurance for its Board members. To delegate to The Chief Executive, as Head of Paid service, to make a replacement appointment of suitable seniority with the agreement of the person nominated if the final structure requires a different skill set or if a vacancy arises.
- 2.8 Note that subject to the approval of the above the scheme will provide full year savings of £1.5m per annum.
- 2.9 Note that should there be any material change to the scheme from the details set out in this report then a further report will be presented to the Executive to inform members of such change.

Council is requested to:

- 2.10 Agree the loan of £20m to the LLP for a period of 50 years with annual repayments starting from year 3 of 1.6% (£320k) per annum and increasing annually by CPI (collared at 0-4%), funded from the Housing Invest to Save Fund (£14m) and uncommitted Investment Fund (£6m) earmarked reserves.
- 2.11 Agree to enter into a guarantee agreement with the Funder to guarantee the loan facility of £60-£65m to the LLP and undertake to meet the liabilities of the LLP in respect of the loan facility in the event of loan repayment default.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The accommodation provided ensures that the Council is able to meet its statutory responsibilities in respect of housing
-

Corporate Policy

1. Policy Status: Existing Policy: Further Details
 2. BBB Priority: Supporting Independence: Further Details
-

Financial

1. Cost of proposal: Estimated Cost: £20m loan contribution to purchase of the properties
 2. Ongoing costs: Estimated net savings of £1.5m per annum
 3. Budget head/performance centre: Operational Housing
 4. Total current budget for this head: £7.7m
 5. Source of funding: Housing Invest to Save Fund (£14m) and uncommitted Investment Fund (£6m) earmarked reserves
-

Personnel

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

Legal

1. Legal Requirement: Statutory Requirement: Further Details
 2. Call-in: Applicable: Further Details
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): There are approximately 1800 households currently placed in temporary accommodation of which almost 1100 are in forms of insecure costly nightly paid accommodation. This scheme would provide around 242 good quality cost effective affordable housing units to fulfil the Council's statutory rehousing duties and reduce the current reliance on nightly paid accommodation.
-

Ward Councillor Views

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

3. COMMENTARY

- 3.1. For Bromley, like most London boroughs one of the most significant long-term cost pressures is the impact of homelessness and provision of temporary accommodation.
- 3.2. There are currently approximately 1,800 households in Temporary Accommodation (TA), of which approximately 1,100 are in costly forms of nightly paid TA, putting a continued strain on the Council's revenue budget
- 3.3. The Council therefore continues to seek all opportunities to increase the supply of affordable housing and reduce the costs in providing temporary accommodation to meet statutory rehousing duties and in particular the reliance on costly forms of nightly paid accommodation.
- 3.4. Orchard and Shipman are an established (and therefore regulated) registered provider with more than 30 years' experience in successfully acquiring and managing a range of affordable housing schemes on behalf of local authorities, developers, housing associations and government departments. Orchard and Shipman have worked in partnership with the Council for around 11 years sourcing and managing a portfolio of temporary accommodation including private sector leased accommodation and the council owned multi-facility units and a small number of street properties.
- 3.5. Whilst Orchard and Shipman continue to source properties for the Council under the private lease scheme, the supply is not sufficient to meet current levels of housing need, in the main due to fact that the rental and benefit levels applicable to such schemes is insufficient to complete with rental levels that can be commanded in the open market. This situation is being experienced across all private sector leasing providers.
- 3.5. Orchard and Shipman have approached the Council with a proposal for the funding, purchase, refurbishment and management of approximately 242 properties for use as affordable rented accommodation to assist in meeting the Council's statutory rehousing duties and reduce the current reliance on and associated cost of nightly paid accommodation. The final number of properties will be dependent upon the purchase prices secured.
- 3.6. Under the proposal, the Council and Orchard and Shipman will set up a limited liability partnership (LLP) with Orchard and Shipman and raise a funding facility of approximately £60-65m (see paragraph 6.10 below). The Council will provide an additional £20m loan from earmarked reserves. This funding would secure the purchase and refurbishment of the portfolio of units within a 12-14 month period for use as affordable rented accommodation. The structure and operating model are set out in appendix 1 of this report.
- 3.7. The purpose of the LLP is to enable the purchase and management of the affordable housing units.
- 3.8. The members' agreement for the LLP will govern the process for the LLP to identify properties to acquire for affordable housing against certain property standards, locations, types and size mix. Orchard and Shipman will arrange the acquisition of properties into the LLP based on these parameters, and the properties will then be leased by the LLP to Orchard and Shipman Homes which is a registered provider. Orchard and Shipman Homes will then be the landlord for the properties and subject to a nominations agreement with the Council. The locations would be a mix within and outside of the borough but not further than a 60-minute travel time. All properties would be approved by the Council to ensure they meet requirements under the Nominations Agreement before proceeding to purchase.

- 3.9 The total cost of purchase including all associated fees and any required refurbishment will be met from the funds raised by the LLP.
- 3.10 As noted above, once acquired the purchased properties will immediately be leased to Orchard and Shipman Homes Ltd on a 50-year full repairing and insuring lease basis. Orchard and Shipman will enter into a nominations agreement with the Council (on an exclusive basis) enabling the properties to be let to tenants nominated by the Council. The leasing arrangements will set out full requirements in terms of management and maintenance processes and standards.
- 3.11 The members' agreement for the LLP will also set out the arrangements for distribution of surplus rental income materially weighted to the Council. Further details are included in paragraph 6.9.
- 3.12 Orchard & Shipman Homes will pay a fixed rent to the LLP from the day of completion for each property, irrespective of rent receivable from any occupational underlettings.
- 3.13 Repayment of the loan facility will not start until year 3, providing time for all properties to be purchased and let and for funds from the rental stream to build up to ensure the facility payments can be serviced.
- 3.14 Rental levels will be set at the local housing allowance level. The rental income received on the portfolio will then be used to cover the ongoing management and maintenance costs together with the funding facility repayments.
- 3.15 At the end of the 50 year period, the funding facility and security will be released and the Council will have the right to dissolve the LLP for a nominal payment and the assets of the LLP will belong to the Council.
- 3.16 The properties would be used to provide affordable housing in discharge of the Council's statutory rehousing duty. In terms of discharge of duty compared to temporary accommodation, in addition to of course being a better outcome for the tenants, the rental income is significantly higher. The proposed structure will also enable flexible use of the units as settled affordable homes or private rented dependent upon prevailing need during the term. This provides flexibility to deal with any future reduction in homelessness (which appears unlikely) and also provides the ability to generate higher income from private rents, where necessary i.e. this helps provide alternative income in the event of any freezes in local housing allowance which have a detrimental impact on the overall financial model.
- 3.17 Due diligence has been undertaken to ensure that the financial and acquisition model is robust and mitigates against potential risks of delay in the acquisition programme, changes in the market, level of demand for such units. A summary of identified risks and mitigation can be found in appendix 2 of this report.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The recommendations support children and vulnerable people through the provision of good quality cost effective housing supply.

5. POLICY IMPLICATIONS

- 5.1 The Council has a published Homelessness Strategy which sets out the approved strategic policy in terms of homelessness. This includes temporary accommodation provision and reducing the reliance on nightly paid accommodation. The Council already works with a number of providers from the provision and management of temporary accommodation.

- 5.2 Officers will consider the Council's statutory obligations under the Equalities Act 2010 as the scheme progresses and take appropriate action.

6. FINANCIAL IMPLICATIONS

- 6.1 The proposed scheme would produce full year savings to the Council of around £1.5m per annum on temporary accommodation costs based on 242 properties being acquired. After 50 years the leasehold or freehold titles will be transferred to the Council for £1 with no outstanding debt payable.
- 6.2 There is a potential option to subsequently expand this scheme further with a corresponding increase in financial benefits as well as helping address homelessness need – to illustrate this if the number of properties increased by 25% savings would increase by a further £0.38m. which would increase the savings to up to £3m. Any proposal to significantly increase the number of properties to be acquired would be subject to further due diligence and a subsequent report to Members.
- 6.3 The proposal is that the scheme will be financed by a £60m loan from the Funder, repaid at 2.8% per annum (£1,679k) and a £20m loan from the Council, repaid at 1.6% per annum (£320k), both for a term of 50 years. The loan from the Council effectively secures equity in the properties whilst generating an income from the loan. Annual repayments for both loans increase annually by Consumer Price Index (CPI) (collared at 0-4%). It is proposed that the Council loan is funded from the Housing Invest to Save Fund (£14m) and uncommitted Investment Fund (£6m) earmarked reserves.
- 6.4 Details of the lease income from Orchard & Shipman are provided in the part 2 report.. Any shortfall in rent income compared to the loan repayments would be guaranteed by the Council.
- 6.5 The lease to Orchard & Shipman would be on a full repairing and insuring basis, so the risks of future repairs and maintenance costs would be Orchard & Shipman's risk, along with service charges, management, bad debts and void costs (unless the Council fails to nominate within timescales).
- 6.6 As the loan repayment amount includes principal repayments as well as interest, the Effective Interest Rate (EIR) is different to the rates in paragraph 6.3 above. Assuming annual CPI inflation of 1%, the total repayments on the £60m loan over 50 years is £108m, which equates to an EIR of 1.19%. In other words, £60m invested at 1.19% interest (accumulating), would be worth £108m in 50 years. The total loan repayments and EIR for CPI rates of 1, 2, 3 and 4% is set out below:

CPI	£60m funder (2.8%)		£20m Council (1.6%)	
	Total repayment £m	EIR	Total repayment £m	EIR
1%	108	1.19%	21	0.06%
2%	142	1.74%	27	0.61%
3%	189	2.33%	36	1.19%
4%	256	2.95%	49	1.80%

- 6.7 For the Council's loan, the EIR is likely to be less than the rate the Council might achieve through treasury management investments, so there may be a loss of treasury management income. The table below sets out the total net impact on treasury management over 50 years and average per annum for different combinations of CPI and treasury management rates:

Net gain/(loss) over 50 years (£'000)			
		CPI	
		1%	2%
Treasury management	1%	-4,537	2,869
	2%	-9,703	-1,328
Average gain/(loss) per annum (£'000)			
		CPI	
		1%	2%
Treasury management	1%	-91	57
	2%	-194	-27

- 6.8 As part of the funding agreement, there will be no repayments for the first two years which will eliminate the risk of a shortfall in rental income from tenants not being sufficient to cover loan repayments during that period.
- 6.9 This also means that any income from Orchard & Shipman during this period would generate a surplus within the LLP which could be used to purchase additional properties. This would effectively generate a return at the same rate as the lease to Orchard & Shipman. Alternatively, any surplus could be set aside, either in the LLP or transferred to a Council earmarked reserve to mitigate any future shortfalls as a result of LHA rate increases being lower than CPI, or to offset any loss of treasury management income as referred to in paragraph 6.7 above. To illustrate,
- 6.10 It is also worth noting that the rates available on the financial markets have generally reduced since the scheme and financing was originally proposed. It has been indicated that for the same annual repayment amount the loan could increase from £60m to around £65m which would also improve the financial performance of the scheme. However, as this could change again before the scheme is finalised, the figures in this report prudently reflect the original funding proposal.
- 6.11 To illustrate the potential additional benefit, if the final loan amount is £65m then the repayments of the Council loan could be increased from 1.6% (£320k) per annum to 2.2% (£440k). This would change the Effective Interest Rates in paragraph 6.6 to 0.72% for CPI of 1%, 1.27% for CPI of 2%, 1.86% for CPI of 3% or 2.48% for CPI of 4%.
- 6.12 A key part of the financial model is how the various cashflows change over time. The loan repayments increase by CPI (collared at 0-4%), and rent income from Orchard and Shipman will increase in line with Local Housing Allowance (LHA) levels, which are linked to 30th percentile rent level for the area.
- 6.13 Appendix 3 provides a summary of Net Present Value (NPV) scenario modelling carried out on the proposal. This shows the potential impact of LHA rent inflation being lower than CPI (assumed at 2%).
- 6.14 This shows that even if LHA rent inflation was at 1% compared to CPI assumed at 2% for the entire 50 years, the net deficit that the Council be guaranteeing would not exceed the savings on temporary accommodation at any point, with the scheme providing a total NPV benefit to the Council of £31m (£76m including the estimated asset value).
- 6.15 If LHA increased at the same rate as CPI, the NPV benefit would be £44m (£89m including estimated asset value).
- 6.16 A key risk to the Council is therefore if CPI increase on the loan repayments exceed the LHA increase on rent payments from Orchard and Shipman. If the LHA increase is lower than CPI

for a sustained period then the Council would have the option to mitigate this by letting the properties on alternative tenures including up to market rents. This would reduce the savings on temporary accommodation budgets, but would ensure the continued financial viability of the scheme overall.

- 6.17 As the Council has learned from the More Homes Bromley scheme, there are two main other risks that could have a significant financial impact; that purchases are not acquired in the expected timeframe, and that purchase prices exceed those in the financial model.
- 6.18 The first risk, of delayed acquisitions is mitigated by the fact that there are no loan repayments in the first two years. If the acquisitions still haven't been completed by this date, then the surplus built up in the first two years as set out in paragraph 6.9 above should further mitigate this risk.
- 6.19 There is no specific mitigation for the risk that purchase prices exceed the financial model; however Orchard & Shipman have carried out an analysis of data from Rightmove and assumed an average cost in the model that is above the lowest price range. A sample of this initial analysis was been reviewed by Housing officers for suitability with no significant concerns noted other than the location of some of the properties being too far away from Bromley. Orchard & Shipman are currently updating this work to reflect this as well as current market data. This will be subject to a further suitability/due diligence review prior to finalising the agreements.
- 6.20 In addition, there is a risk that the Council may have to provide top-ups where households may be affected by the benefit cap. These could potentially be funded from Discretionary Housing Payments, or from the operational housing homeless prevention budget which would reduce the savings on temporary accommodation. Officers will aim to ensure that this is minimised through the acquisition programme taking into consideration the number of bedrooms and relevant LHA levels for the area.
- 6.21 With regard to the scheme being one where the Council discharges its homeless duty compared to having to acquire temporary accommodation, in addition to being a better outcome for the tenants, the rental income can be significantly higher, as indicated by the table below (for Outer South East London, which covers the majority of Bromley):

	Affordable Housing	Temporay Accommodation
	Current LHA	90% 2011 LHA
	£	£
Self contained (1 bed)	10,740	7,310
Self contained (2 bed)	13,200	8,934
Self contained (3 bed)	15,600	10,776
Self contained (4 bed)	19,200	14,079

- 6.22 Without knowing the locations of the properties it is hard to quantify the overall impact, but a rough estimate suggests that if the scheme was temporary accommodation rather than discharge of duty then the rent income that O&S collect would reduce from around £3.4m to around £2.3m, which would have a significant detrimental impact on the financial viability of the scheme.
- 6.23 From an accounting perspective, the Council's Treasury Management advisors, Link Asset Services, have confirmed that the scheme should be accounted for as a Joint Venture. Under

this proposed accounting treatment, if the Council's share of net assets exceeds material levels (roughly over £5m), then the Council would have to prepare group accounts and include an Investment in Joint Ventures line on the Balance Sheet showing its share of the net assets, as well as its share of the profit or loss in the Comprehensive Income and Expenditure Statement. A liability may also have to be recognised for the guarantee. In accordance with Capital Financing Regulations, the loan from the Council will have to be treated as capital expenditure, with the repayment treated as a capital receipt, although interest will be treated as revenue income.

- 6.24 As the proposed structure is an LLP, it is not expected that there will be any Corporation Tax liabilities as may arise with a wholly-owned company structure (as LLP's are transparent for tax purposes); however expert advice is also being commissioned to confirm this along with any other tax implications such as VAT and SDLT.
- 6.25 Reflecting all the arrangements shown above there remain significant potential savings to the Council of around £1.5m per annum on temporary accommodation costs based on 242 properties being acquired. Based on current estimates, the profile of the savings, which have been assumed in the financial forecast, are shown below:

	£'000
2021/22	347
2022/23	1,110
Full year	1,525

- 6.26 There will be a further significant benefit from the broadly self-financing scheme as after 50 years the leasehold or freehold titles will be transferred to the Council for £1 with no outstanding debt payable.

7. LEGAL IMPLICATIONS

- 7.1 The proposal is for the Council and Orchard and Shipman (being for these purposes either its holding company or other current (and substantial) member of its group) to set up a limited liability partnership (LLP). LLPs are corporate bodies established under the Limited Liability Partnerships Act 2000, and have tax transparency (i.e. tax on profits is not applied to the LLP but to its members).
- 7.2 The funder (please see the part 2 report) would enter into a Loan Facility Agreement with the LLP to make £60 to £65 million available to the LLP for the purposes of the LLP acquiring and refurbishing properties. The Council will guarantee the liabilities of the LLP to the Funder under the Loan Facility Agreement, if and to the extent that the LLP is unable to meet the loan repayments. This approach has financial benefits in terms of the cost of the loan. The funder will take a floating charge over the assets of the LLP as security for the loan. Further, the Council will make a separate loan of £20 million to the LLP to acquire and refurbish properties.
- 7.3 Under the LLP arrangement, Orchard and Shipman as a member of the LLP will have responsibility for procuring properties and refurbishing the properties within the agreed budget per property. These obligations would be documented in an agreement between the LLP and Orchard and Shipman and/or via the Members' Agreement. Orchard and Shipman will be responsible for instructing relevant professionals such as surveyors, external lawyers and works contractors (the costs of which will ultimately fall to the LLP). When a property is ready to let the LLP will grant a 50 year lease to Orchard and Shipman Home (OSH) which is a registered provider. OSH will enter into a Nomination Agreement with the Council giving the Council the right to nominate tenants to OSH for the properties leased to it.

- 7.4 A number of legal documents will need to be entered into to set up the LLP and capture the obligations of each party. It is anticipated that the following key legal documents will be required:
- LLP Members' Agreement between the Council, Orchard and Shipman, and the LLP;
 - Nomination Agreement with OSH;
 - Funding Agreement between the Council and LLP;
 - Loan Facility Guarantee Agreement between Council and the Funder.
 - Other documents in support of the arrangement will include:
 - Form of appointment of LLP board nominees;
 - Possible loan security instruments (in favour of the Funder and the Council);
 - Template leases and tenancy agreements;
 - Template forms of property acquisition documentation;
 - Services agreements and contracts with relevant professionals (e.g. surveyors, lawyers and works contractors);
 - Collateral warranties in support of the above-mentioned appointments and contracts (enabling recourse by the Council in particular);
 - Services agreement between the LLP and Orchard and Shipman for the services provided by them to the LLP in relation to property acquisitions either stand-alone or as part of the Members' Agreement;
- 7.5 It is considered that the proposed transaction is not subject to the application of the Public Contracts Regulations 2015 as the dominant element of the transaction is the provision of finance to support acquisition of properties by the LLP which is exempt from public procurement rules. However, care will need to be taken in drafting the legal documentation to ensure the Council is compliant with the rules with regards to obligations Orchard and Shipman undertake in relation to property acquisition and any work carried for the LLP to bring them up to standard. Since 1 January 2021 EU rules on state aid no longer apply. However, state aid rules have been replaced with a subsidy control regime and the Council need to be mindful of these rules when drafting the documentation.
- 7.6 The Council may rely on its general power under the Localism Act 2011 (Section 1) as well as section 9 of the Housing Act 1985 to be a member of the LLP and enter into the proposed arrangements for acquisition of properties for housing. Under the Localism Act, anything done for a commercial purpose must be done via a company (and not an LLP). However, provided the dominant purpose of the arrangement is to meet housing needs, there is no commercial purpose here. This legal position is established by the case of [Peters v London Borough of Haringey](#) [2018] EWHC 192 (Admin) where it was confirmed that a Limited Liability Partnership (LLP) structure can legitimately be used to create joint ventures with the private sector to promote regeneration objectives (being for a non-commercial purpose). In this case the purpose is not regeneration, but (as noted) housing supply. It does not matter for these purposes that the LLP itself may generate profit; it is the dominant purpose of the Council in being a member of the LLP that matters. Under the Limited Liabilities Partnerships Act 2000, a LLP has to be formed for carrying on a business "*with a view to profit*". However, merely

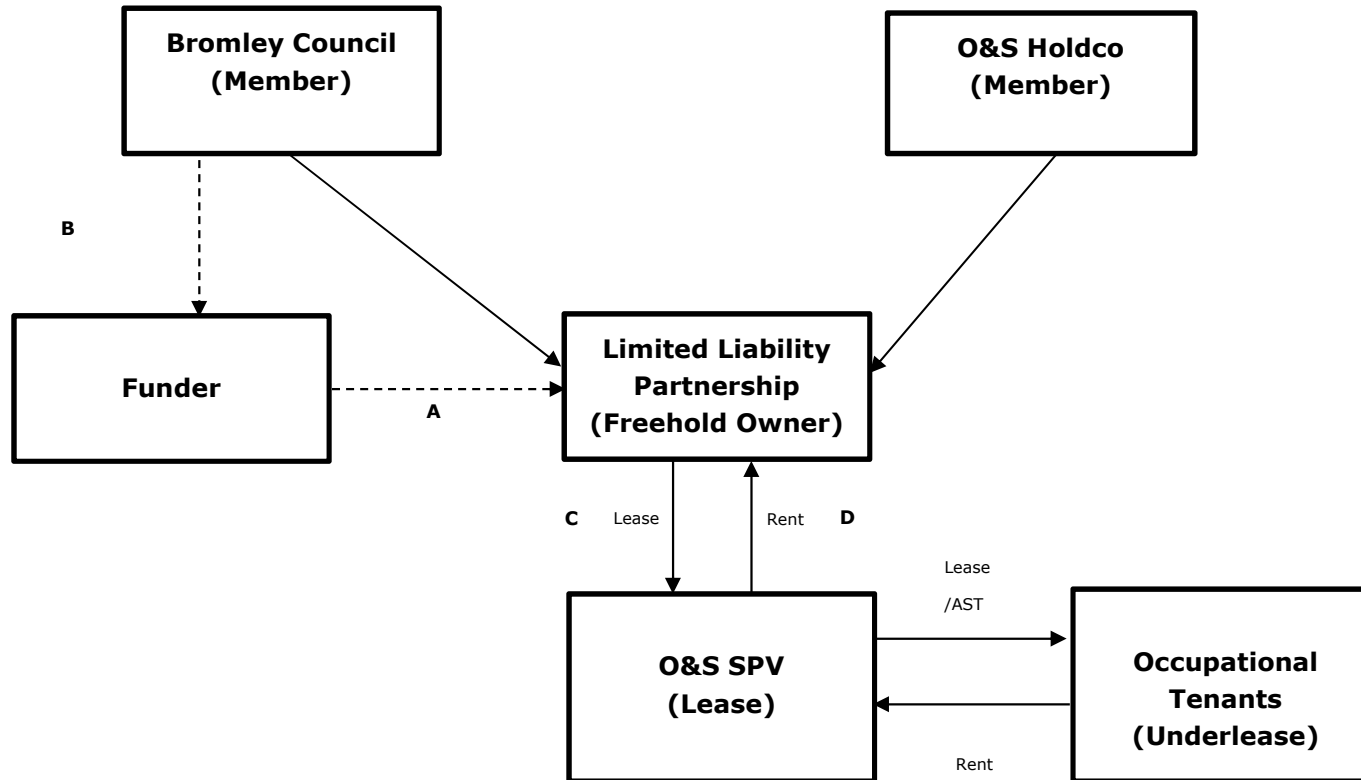
making a profit from activities or maximising return did not, in the Haringey case, mean that those activities were carried out with a commercial purpose.

- 7.7 The recommendations in this report seeks approval from members to delegate authority to the Director of Housing, Planning and Regeneration in consultation with the Director of Housing Director of Corporate Services and Portfolio Holder for Renewal, Recreation and Housing to agree the details of each agreement and enter into all relevant agreements in connection with this scheme. Should there be any significant change to the scheme from the details set out in this report, then a further report will be presented to the Executive to inform members of such change.

Non-Applicable Sections:	Personnel; Procurement
Background Documents: (Access via Contact Officer)	

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STRUCTURE CHART – BROMLEY – REVENUE & CAPITAL ARRANGEMENT



A – Property purchase facility to the LLP for the purposes of acquiring properties.

B – Council will guarantee the liabilities of the LLP under the facility. The Funder can take a floating charge over the assets of the LLP.

C - LLP will benefit from a right to take a surrender of the Lease for a nominal sum.

D – Pursuant to the Lease, O&S will pay a fixed rent to the LLP.

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Appendix 2: Risk Register:

Risk	Comments	Impact	Probability
Regulations change that threaten viability of the programme	Highly unlikely that regulation change will be applied retrospectively. In such event, acting reasonably parties to agree changes to adapt accordingly	None Expected	Low
Significant increase in property prices/reduction in available properties on the market meaning that properties cannot be acquired within the funding available.	Due diligence has been undertaken to ensure a clear evidence base on property availability and property prices. The model allows a level of flexibility on financial numbers. The Council agrees the final acquisition programme, and this will be kept under review and can be adjusted to reflect market changes. The model assumes a relatively speedy acquisition programme to reduce the risk of significant market changes and long-lasting impact on the market.	None Expected or a slight reduction in the overall number of units acquired	Very low.
Changes in local housing allowance/ benefit subsidy arrangements reducing rental income stream during the term of the lease.	Overall, based on market trends it is unlikely that the rental increases built into the model will not be achievable within subsidy arrangements. However, the proposed facility repayment holiday until year 3 will allow for a sinking fund to be established to assist in covering future costs. A proportion of properties could be rented at market rents to cross subsidise lower affordable housing rental levels. A proportion of properties could also be sold if the value has increased significantly. In addition, even if a future decision was made to top up any shortfall this would still be significantly less than the net costs of nightly paid units.	NO impact or a slightly reduced number of properties available to meet statutory rehousing duties	Low
Local housing allowance rates reduced during acquisition programme.	Expectations are that the LHA rates will remain at least at current rates for the next 2-3 years and it is highly unlikely that rates will fall. However, should this occur during procurement then the acquisition strategy can be adjusted to purchase an increased proportion in areas with higher LHA rates or a larger proportion of 3 and 4 bed units which produce a higher rental charge.	No impact or a slightly reduced number of properties purchased	Low
Sales do not complete and legal and or valuation costs incurred.	The model assumes a proportion of sales will not proceed to exchange of contracts. Checks are in place to minimise the rate of fall through. O&S bear the cost unless LBB instruct for a sale not to proceed	No impact – already costed into the model	Very low
Property refurbishment cost higher than anticipated	There is sum built into the model for refurbishment costs and procedures in place through inspection and survey to ensure costs are accurately identified. Any additional costs are an O&S risk	No Impact expected	Very low

Delay in refurbishment work	This is an O&S risk. The target is for occupation within 1 month of completion. The rental commitment from O&S to the Council commences upon completion regardless of refurbishment times and occupation date	No impact expected	Very low
The Council is unable to provide nominations for some of the properties or no longer requires the property in the short or long term	The number of homelessness acceptances and households in TA have consistently exceeded the number of units proposed to be acquired through this and other schemes. All local and national forecasts show numbers increasing in the short, medium and longer term. The property can also be offered to other local authorities or on the open market for rent. Properties can also be sold if the value has increased significantly to offset any debts	Very low	Very low
Lease term of 50 years is a long time and the Council going forward may no longer be responsible for homelessness.	There will very likely always be a need and level of statutory duty for homelessness and housing accommodation in or close to London. Therefore, the demand for good housing accommodation that is affordable means that variations will be possible to scheme entered into, to allow other organisations to take over the leasing arrangement or alternatively cease the scheme, sell the properties and use the capital receipts to pay off any loans outstanding. Should any balance be outstanding on the loan, it will still be significantly lower than the revenue savings that the Council will achieve each year that the arrangement is in place.		
Tenant does not pay the rent	This is an O&S risk. A certain level of bad debt has already been built into the financial model and O&S have a successful track record of rental collection	No impact already costed into the model	Very low
Major repairs required before anticipated in the model or at greater cost	This a risk for O&S and a sinking fund will be accrued to meet such costs. The model provides for a contingency form outset to cover potential works within the first 10-12 years,	No impact – already costed into the model	Very low
O&S fail to provide adequate services	The lease between O&S and the LLP to enable termination under reasonable force majeure clauses and also to provide for early surrender in the event of service or business failure.	Low	Low

Orchard & Shipman Housing Acquisition Proposal**Summary of Net Present Values for various rent inflation scenarios**

Rent inflation assumption	0% for 5 years then				
	2.5%	2.0%	1.5%	1.0%	2%
	£'000	£'000	£'000	£'000	£'000
<u>LLP surplus/deficit(-)</u>					
Year 1	454	454	454	454	454
Year 2 (present value)	1,406	1,404	1,401	1,399	1,395
Year 3 (present value)	19	0	-19	-38	-75
Year 25 (present value)	170	0	-152	-288	-104
Year 50 (present value)	249	0	-197	-352	-70
Total NPV years 1-50 (excl. asset value)	9,656	1,849	-4,881	-10,721	-3,042
Estimated asset value in yr 50 (present value)	44,955	44,955	44,955	44,955	44,955
Total Net Present Value	54,611	46,804	40,074	34,234	41,913
<u>TA savings</u>					
Year 1	347	347	347	347	347
Year 2 (present value)	1,071	1,071	1,071	1,071	1,071
Year 3 (present value)	1,448	1,448	1,448	1,448	1,448
Year 25 (present value)	823	823	823	823	823
Year 50 (present value)	433	433	433	433	433
Total NPV years 1-50	41,892	41,892	41,892	41,892	41,892
<u>Total TA savings + LLP surplus/deficit</u>					
Year 1	801	801	801	801	801
Year 2 (present value)	2,477	2,475	2,472	2,470	2,466
Year 3 (present value)	1,467	1,448	1,429	1,410	1,373
Year 25 (present value)	993	823	671	535	719
Year 50 (present value)	682	433	236	81	363
Total NPV years 1-50 (excl. asset value)	51,548	43,741	37,011	31,171	38,850
Total Net Present Value (incl. asset value)	96,503	88,696	81,966	76,126	83,805

General Assumptions

Consumer Price Index (CPI) inflation	2.0%
House Price Index (HPI) inflation	2.5%
Discount Rate	3.5%
TA savings inflation	1.0%
Average current property value (inc. refurb)	£317k
Properties acquired @ 10/month over first 24 months	

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Report No.
HPR2020/053

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: EXECUTIVE
WITH PRE-DECISION SCRUTINY BY RENEWAL, RECREATION
AND HOUSING POLICY DEVELOPMENT AND SCRUTINY
COMMITTEE

Date: Wednesday 10 February 2021

Decision Type: Non-Urgent Executive Key

Title: CONTRACT AWARD FOR ESSENTIAL HOUSEHOLD GOODS

Contact Officer: Tracey Wilson, Head of Housing Compliance and Strategy
0208 313 4515 E-mail: tracey.wilson@bromley.gov.uk

Chief Officer: Sara Bowrey; Director Housing, Planning and Regeneration

Ward: All

1. Reason for report

- 1.1 This report accompanies a Part 2 Report which recommends that the Council awards contracts to establish a new Framework Agreement for the provision of essential household items needed to meet the basic requirements of homeless people leaving temporary accommodation and move into settled accommodation.

2. **RECOMMENDATION(S)**

- 2.1 **Renewal, Recreation and Housing PDS Committee is asked to note the report and comment on the proposed contract award.**
- 2.2 **Executive is recommended to approve the award of contracts to the Essential Household Goods Framework for the provision of Welfare Fund/Setting Up Home allowance to the providers detailed in the Part Two report, for the purpose of call-off contracts. The Framework will commence on 01 April 2021 for a period of three years with the option to extend for two years.**
- 2.3 **Delegate authority to the Director of Housing, Planning & Regeneration in consultation with the Portfolio Holder for Renewal, Recreation & Housing to apply the extension option, subject to the agreement with the Assistant Director Governance & Contracts, the Director of Corporate Services, the Director of Finance.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Summary of Impact: Recipients of the scheme are some of the most vulnerable members of the community with high representation from particular equality groups; in particular vulnerable due to disability, mental health, pregnancy or young children and people including those leaving care.
-

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Children and Young People Supporting Independence Excellent Council Safe Bromley
-

Financial

1. Cost of proposal: Estimated Cost: £1,295k
 2. Ongoing costs: Recurring cost: £259k
 3. Budget head/performance centre: Bromley Welfare Fund; SUHA budget
 4. Total current budget for this head: £639k (Welfare Fund balance as at 31st March 2020). £70k SUHA
 5. Source of funding: Bromley Welfare Fund earmarked reserve. SUHA budget
-

Personnel

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

Legal

1. Legal Requirement: Statutory Requirement: Care Leavers Setting up Home Allowance is a statutory requirement. The Welfare Fund is not a statutory requirement but assists in fulfilling statutory rehousing duties.
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: This report proposes award of contracts, following a compliant tender process, to multiple providers for a 3+2 framework contract at an estimate value of £175k per annum
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Estimated number of users/beneficiaries (current and projected): Approximately 5,000 – 6,000 enquiries are received each year and 2000 -3000 of these households are at imminent risk of homelessness. There

are currently in excess of 1800 households placed in temporary accommodation to whom the Council has a statutory rehousing duty under the homelessness legislation. This number is currently rising by between 12 and 15 households per month. Around 550 families are assisted to move into settled accommodation each year. Approximately 100 care leavers are assisted through the Setting Up Home Allowance each year.

Ward Councillor Views

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

3. COMMENTARY

- 3.1 The Welfare Reform Act (2012) ended the provision of Community Care Grants and Crisis Loans under the Discretionary Social Fund for living expenses provided by the Department for Work and Pensions. Funding was transferred to Local Authorities from 1 April 2013. Whilst there is no statutory duty requiring Local Authorities to deliver a specific scheme to administer this funding, the Council considers it in the best interests of the community to run such a scheme and in July 2014 the Resources Portfolio Holder approved the adoption of a white goods and furniture welfare scheme from 2015/16.3.2 The scheme was replaced the Bromley Welfare Fund following the government decision to withdraw ongoing funding. The fund has primarily been used to award furniture and white goods to people leaving temporary accommodation or an institution.
- 3.3 It was agreed that the scheme would be restricted both in terms of eligibility criteria and goods available (cookers, fridges, freezers and beds) which have been identified as the minimum items required for the Council to meet its statutory duty to provide suitable settled accommodation for statutory homeless households. A Framework Agreement consisting of three lots was tendered in early 2017.
- 3.4 There are currently 207 Care Leavers and approximately 100 care leavers are assisted through SUHA each year (setting up home allowance). £2,500 funding is available to each Care Leaver and they can use this for items such as: bed, wardrobe, cooker, washing machine, kettle, toaster, sofa, television, curtains, carpet, bedding, towels etc.
- 3.5 It is still the recommendation that the Children's Leaving Care Team are able to access this framework to purchase essential household items for their care leavers.

4. DESCRIPTION OF SERVICE AND SUMMARY OF THE BUSINESS CASE

- i) The Bromley Welfare Fund exists to provide essential furniture and white goods to people leaving temporary accommodation or an institution. In using a framework, this will provide best value for money and prevent households from experiencing unnecessary delays in move on and the associated cost of temporary accommodation placements.
- ii) The initial Framework Agreement was put in place for four years. However, given the limited number of suppliers as mentioned above, Commissioners are of the opinion that the establishment of a new Framework Agreement with an existing framework if suitable would allow a cost effective, flexible, reliable approach to service delivery.

5 CONTRACT AWARD RECOMMENDATION

- 5.1 **Recommended Provider / Framework** – Included with Part 2 report
- 5.2 **Estimated Contract Value (annual and whole life)** – £259k annual and £1,295k whole life value
- 5.2 **Other Associated Costs** – N/A
- 5.3 **Proposed Contract Period** – Total contract period is for a three year contract term with the option to extend for a further two years

- 5.4 The contract specifications detailed the aims of the service and requirements of the providers. They highlighted the proposed client group and the Council's duties for the provision of a safe, sensitive, reliable and efficient provision of essential household goods.

Tender Process

- 5.5 The tender documents were published on 13th November 2020 and closed on 18th December 2020. The tender process was undertaken electronically using ProContract on the London Tenders Portal. Tenderers submitted both quality responses and pricing information. The tender evaluation team comprised of the commissioner and Managers from the Compliance & Strategy Team within Housing.
- 5.6 The quality evaluation was broken down as follows and the successful providers accepted to the framework are detailed in the Part Two report.

Quality Criteria	Weighting
1. Financial Resources and Contract Affordability	5%
2. Information Governance and Security	5%
3. Assessment of Ability	20%
4. Performance Monitoring	15%
5. Service Delivery and Outcomes	15%
6. Staff Training	15%
7. Social Value	10%
8. Sustainability	15%

- 5.7 Providers were required to complete a pricing matrix for the goods to be provided. This matrix calculates the cost for items from Lot 1 and Lot 2 including installation cost and delivery charge.
- 5.8 The operation of the framework will be that the Providers are ranked in order of price based on the combined cost of any goods, installation and delivery charges. The top ranked supplier will be first offered the relevant Goods Order for its consideration. If it wishes to accept the Goods Order, it must communicate the matter to the relevant Permitted Commissioner. Goods volumes are not guaranteed and orders will be called off the framework and offered to the provider offering the lowest price for a specific order requirement.
- 5.9 Subject to Executive approval the indicative timetable for contract mobilisation will be:

10 th February	Executive Report & Decision to Award
	Standstill period, notifications to suppliers, relevant notices
	Contract Signatures and Council Seal
	Contract mobilisation – provider meetings – ordering and reporting process
	Go Live, commence service delivery
July 2021	Contract review report

6 MARKET CONSIDERATIONS

- 6.1 There are a number of suppliers/retailers that could currently provide a very similar cost however this would mean spot purchasing, which is a risk in terms of requirements and we wouldn't have the same assurances for our households, some of which are very vulnerable.

- 6.2 Many retailers do not provide a more enhanced service such as fitting, installation, taking the item to the room of choice, removing any old appliances, arranging a convenient delivery time and providing reminders.
- 6.3 The providers we use are DBS checked and ensure that they operate as environmentally friendly as they can.

7. STAKEHOLDER ENGAGEMENT

- 7.1 Recipients of the scheme are some of the most vulnerable members of the community with high representation from particular equality groups; in particular vulnerable due to disability, mental health, pregnancy or young children and people including those leaving care.
- 7.2 With the removal of the national funding streams set out in paragraph 3.1 of this report and in light of wider welfare reform, such households have reduced access to funds to assist in move on to settled accommodation without access to the welfare fund for the provision of essential; living items these households would not have the financial means to gain essential household goods resulting increased time and cost in the provision of temporary and emergency housing
- 7.3 The number of households requiring assistance is currently increasing, in excess of 1,650 households are currently living in temporary accommodation pending move-on.
- 7.4 Prior to contract award in early 2017, Commissioners consulted with current providers as well as other Local Authorities operating similar schemes to ensure that as many providers as possible were aware of the Council's intentions. Consultation was undertaken with stakeholders including third sector agencies and support providers at the onset of the scheme with regular updates to ensure that the scheme continues to operate effectively to target those most in need. Other Local Authorities continue to operate very similar schemes – providing basic, limited items for households most in need
- 7.5 As this service currently exists there will not be an impact on other projects or IT or Customer Services, the current scheme and the way in which it operates is well established

8. SUSTAINABILITY AND IMPACT ASSESSMENTS

- 8.1 The continuation of this scheme will prevent an increased cost in other service areas. The highest numbers of people assisted are those leaving temporary accommodation and institutions.
- 8.2 Requests will be directed by the Council to a designated team which will prevent client/customer conflict, inequality in decision making and lessen the pressure on individual service budgets.
- 8.3 Applications are made through a referring agent for example: social workers, support workers, housing officer, probation officer etc.
- 8.4 Sufficient contingency has been built into the budget to cover any sudden fluctuations in demand and in addition the policy explains the limitations of the scheme which are discretionary and limited.
- 8.5 Ongoing use of a the scheme ensures that households can be moved on more quickly minimising time spent in costly temporary accommodation and reduces the risk of non-recovery of costs of such accommodation.

- 8.6 By offering the service in this way, there has been an reduction in administration costs as well as the opportunity to coordinate different forms of support to individuals.
- 8.7 Inclusion of the care leavers setting up home allowance items, would ensure the provision of equipment and household items to ensure young care leavers have the appropriate equipmenet and household items to set up a safe, secure and stable home.

9. POLICY CONSIDERATIONS

- 9.1 The Welfare Fund policy supports Bromley Welfare Fund to ensure that it is clear and makes best use of the scheme.

The policy makes it clear that:

- It will not make monetary payments directly to the applicant
 - Specified items will be awarded, for example beds, mattresses, cooker, fridge freezer
 - It is the tenants responsibility or nominated person to ensure they are available at the agreed time to take delivery of items, items will not be re-delivered
 - Items that become lost or damaged will not be replaced
 - In the event of the client moving home, items will not be removed and refitted at the new address
- 9.2 The objective of this service assists in achieving the targets set out in Building a Better Bromley and the Homelessness Strategy to promote independence and reduce homelessness and minimise the use and length of stay in emergency accommodation for vulnerable people and families.
- 9.3 Although the welfare fund is not a statutory service, we are asking for the authority to continue this scheme also helps to ensure that the Council meets its statutory rehousing duties for homeless people. The provision of essential household goods for eligible households can assist in offering suitable long term housing, by assisting clients to move on from costly temporary accommodation. By re-procuring, we aim to deliver a better service and increased efficiencies.
- 9.4 When completing a review of suitability of s188 and s193 accommodation, consideration of appropriate adjustments under PSED (public sector equality duty) must be evidenced for each individual clients needs.

10. IT AND GDPR CONSIDERATIONS

- 10.1 IT and GDPR have been considered and there is an established process and recording mechanisms already in place.

11. PROCUREMENT RULES

- 11.1 This report seeks to award a framework contract for the Essential Household Goods Service.
- 11.2 The tender process used was an open method and was advertised on Contracts Finder.

- 11.3 This is a services contract and the value of this procurement falls below the thresholds set out in Part 2 of the Public Contracts Regulations 2015, so is only subject to Part 4 of the Regulations.
- 11.4 This process has been carried out in line with the requirements of the Public Contracts Regulations 2015. A voluntary standstill period will need to be observed.
- 11.5 As the contract value is over £25k, an award notice will need to be published on Contracts Finder.
- 11.6 The Council's specific requirements for authorising an award of contract are covered in CPR 16 with the need to obtain the Approval of the Executive following agreement from the Portfolio Holder, Director of Corporate Services, Director of Finance, Assistant Director of Governance & Contracts and the Chief Officer. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.
- 11.7 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

12. FINANCIAL CONSIDERATIONS

- 12.1 The estimated value of the proposed contract is £259k per annum, with a whole life value of £1,295k over the maximum 5 year period.
- 12.2 The table below sets out the spend on essential household goods over the last three financial years:

	Housing	Children's	Total
	£'000	£'000	£'000
2017/18	109	90	199
2018/19	111	68	179
2019/20	162	95	257

- 12.3 The provision of these goods for households in temporary accommodation is funded from the Bromley Welfare Fund earmarked reserve. As at 31st March 2020, the balance on the reserve is £639k.
- 12.4 It is currently estimated that housing expenditure will total £175k per annum for 2020/21 onwards, which would exhaust the earmarked reserve during 2023/24. The continued funding for this scheme past this date will therefore need to be considered as part of the housing element of the medium term financial strategy.
- 12.5 The setting up home allowance (SUHA) is funded from Children's Social Care core funding. Spend can fluctuate over the years due to the number of care leavers in the borough. However, over the last three years it has averaged at around £84k per annum. There is budget available in the service to continue with this arrangement.
- 12.6 This £84k figure is the total expenditure on all essential household goods for the Leaving Care Service. It would be the maximum expenditure under this arrangement as the Leaving Care Service does use other procurement methods to obtain essential household goods.

13. PERSONNEL CONSIDERATIONS

- 13.1 No staffing implications

14. LEGAL CONSIDERATIONS

- 14.1 This report demonstrates compliance with procurement requirements.
- 14.2 A suitable framework agreement has been drafted by Legal Services.
- 14.3 All contracts for the supply of goods will be between the relevant supplier and the end user (i.e. the consumer). The Council will not be a party to those contracts. As part of the procurement exercise, Legal Services has reviewed the terms and conditions of supply of the goods that would apply to consumers, and has indicated whether or not they are satisfactory (i.e. include appropriate consumer protections).

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	

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Decision Maker: **EXECUTIVE**
For Pre-Decision Scrutiny by the Recreation, Renewal and Housing PDS
Committee 2 February 2021

Date: RR&H PDS - 2 February 2021
Executive - 10 February 2021

Decision Type: Non Urgent Executive Key

Title: **ADDITIONAL RESTRICTIONS GRANT (ARG) PHASE 2**

Contact Officer: Lorraine McQuillan, Town Centres and BID Development Manager
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Chief Officer: Sara, Bowrey, Director of Housing, Planning, Property and Regeneration

Ward: All Wards

1. Reason for report

The Council has received payment of £6,646,720 from the Ministry of Housing, Communities and Local Government (MHCLG) on behalf of Department for Business, Energy and Industrial Strategy ('BEIS'). This sum is to form the Council's Additional Restrictions Grant (ARG) which will be used to provide financial support to local businesses through grants and business support functions.

This report outlines a Phase 2 proposal for supporting businesses in the borough using the BIDs and Libraries as a vehicle for this support.

2. **RECOMMENDATION(S)**

That Members of the Recreation, Renewal and Housing Policy Development and Scrutiny Committee:

2.1 Review the content of this report and provide their comments to the Executive.

That the Executive:

2.2 Notes the content of this report and supports the approach to provide support to businesses in the borough using the BIDs and libraries as a vehicle for this support.

2.3 Approve the allocation of up to £700k from the ARG to the BIDs in the borough and £217k from the ARG to the library contractor, GLL.

Impact on Vulnerable Adults and Children

1. Summary of Impact: BIDs support the resilience of the local economy and therefore protect local employment for a range of people, including vulnerable adults. Many BIDs provide support to the wider community as well as the business community. Libraries provide support to all members of the community. Online library services were provided for children and vulnerable adults during the closure of libraries due to COVID-19. The ARG is a grant scheme for local businesses and will therefore have direct and indirect impacts on all residents.
-

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Vibrant, Thriving Town Centres Regeneration Excellent Council Supporting Independence
-

Financial

1. Cost of proposal: up to £917k
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: New budget head for discretionary business grants
 4. Total current budget for this head: N/A new budget
 5. Source of funding: Central Government (BEIS) grant funding
-

Personnel

1. Number of staff (current and additional): 0.81 fte Town Centres and BID Development Manager and 2.08 fte Libraries Client Team
 2. If from existing staff resources, number of staff hours: 29 hours per week and 75 hours per week respectively
-

Legal

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

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
Businesses within BID areas - 600 in Bromley, 325 in Orpington, 300 in Beckenham and 240 in Penge.
The library service has a statutory duty to be available and accessible to all those who live, work and study in the borough. A 2017 estimate identified that 330,909 people live in the London Borough of Bromley. 34,962 registered users used their library card to borrow an item in 2019,

representing 10.6% of the population of Bromley. This does not include additional users who used the library solely for other purposes such as studying, attending activities, or using public PCs.

Ward Councillor Views

2. Have Ward Councillors been asked for comments? No
3. Summary of Ward Councillors comments:

3. COMMENTARY

Background

- 3.1** The Additional Restrictions Grant (ARG) is an allocation of £6,646,720 from the Ministry of Housing, Communities and Local Government (MHCLG) on behalf of Department for Business, Energy and Industrial Strategy ('BEIS'). The allocation has been paid to the Council based on a calculation of £20 per head of population within each local authority or business rate billing authority.
- 3.2** The ARG scheme is intended to take the form of discretionary grants to businesses but can also be used to fund wider business support activities. This is a one-off payment with all funds spent by end March 2022.
- 3.3** Following consideration and at the Executive, Resources and Contracts Policy PDS Committee meeting on 6th January 2021, a Leader executive decision approved the allocation of £5.5m from the ARG for Phase 1 to support the five following workstreams - Business Hardship Fund, Innovation Grants, Online Enterprise Hub, Lockdown Top-up Grant and an Independent Public House and Clubs grant. £1.1m of the ARG remains unallocated at this stage.
- 3.4** Guidance on the grants has been provided, including a series of FAQs, to enable each Local Authority to establish their own criteria to respond to the needs in their community in line with the guidance.
- 3.5** The guidance states that the ARG funding can be provided to support wider business support activities. Specifically, the ARG can be provided to Business Improvement Districts (BIDs) to support them with the shortfall in their levy income, provided that the BID body is not the Local Authority, or a company under the control of the Local Authority.
- 3.6** It is proposed that Phase 2 of the ARG funding support two further workstreams – the allocation of up to £700k to the BIDs to support businesses in the BID areas and the allocation of £217k to the library contractor to enable them to provide support to businesses across the borough.

Workstream 1: Supporting Businesses through BIDs

- 3.7** It is recognised that the BIDs play a vital role in the recovery of the local economy and specifically to the town centres within the borough. During the pandemic, the BIDs have provided pivotal support to their businesses. This support has included the dissemination of information regarding financial support for businesses from Central Government, advice and guidance on reopening safely and providing a COVID-secure business, working in partnership with the Council on social distancing measures to enable a safe shopping environment and providing customers with the confidence to return to the town centres, and working in partnership with the Council to contact businesses that were eligible for grants.
- 3.8** The BIDs relationships with the businesses and the knowledge of their town makes them best placed to provide this business support in an efficient and concise manner and in a way that is relevant to businesses.
- 3.9** The Council would like to support businesses within the 4 main town centre BID areas and therefore it is proposed that the ARG provides each BID with funding to administer a business grant scheme. This is in recognition that these businesses in BID areas invest in their local economy and are key to the Council's ambition of Vibrant and Thriving Town Centres.
- 3.10** This grant scheme will provide financial support to small, independent businesses in the BID areas. These businesses will also need to have paid their BID levy or committed to paying their BID levy to be eligible to apply. Businesses that have paid their BID levy demonstrate support

for the BID and also that the business is sustainable. Grants will be banded based on the rateable value of premises.

- 3.11** The precise eligibility criteria will be determined by the BIDs as each BID differs with the number of independent businesses, the rateable value of premises and their grant allocation. The Town Centres and BID Development Manager will review the precise eligibility criteria for each BID prior to the grant scheme launch to ensure the criteria outlined in 3.10 is included, that audit requirements are met and that there is consistency between the BIDs.
- 3.12** The eligibility criteria are in line with the guidance provided by the ARG and this grant scheme will provide support to businesses in town centres that have been significantly and adversely affected by the impact of COVID-19. It is anticipated that this grant scheme, along with the other financial measures of support for businesses provided by Central Government, will put our town centres in a strong position to recover from the impacts of COVID-19.
- 3.13** The BIDs will be required to submit a weekly monitoring report on how many businesses have received grants and the amount of grant funding paid. This data will be submitted as part of the Delta submissions the Council already completes regarding the other business grant schemes. The BIDs will also be required to submit an end of year report in March 2022 for audit purposes.
- 3.14** The grant allocation for each BID will be based on 50% of their total annual billed BID levy for 2021/22. The BIDs will be expected to ring fence this grant allocation separately from their BID levy accounts. This transparent approach enables the ARG funding to be allocated to the BIDs in fair way and in turn provide financial support to the businesses. The total annual billed levy for 2021/22 is not available yet and therefore the requirement from the ARG of up to £700k has been calculated based on the BID levy that was due in 2020/21. Table 1 outlines the BID levy that was due in 2020/21, along with a calculation of the 50% requirement from the ARG.

Table 1: BID levy 2020/21

	BID levy 2020/21	50% BID levy
Bromley BID	£651,682	£325,841.00
Orpington BID	£193,005	£96,502.50
Beckenham BID	£253,641	£126,821.50
Penge BID	£148,619	£74,309.50
Total:	£1,246,947	£623,473.50

- 3.15** The BID levy does vary from year to year. It has been assumed for the 2021/22 BID levy that there will be a 2% increase for the fluctuation in levy year on year due to changes to business profiles and 3% has been factored in for the inflation increase. This would result in the anticipated BID levy for 2021/22 being in the range of £655k to £665k. This will leave a buffer of £45k to £35k to reach the maximum ceiling of £700k. This buffer has been included as Bromley BID is subject to renewal in April 2021 and their BID area has changed slightly which will have an impact on the BID levy.
- 3.16** The BIDs will be expected to distribute as much of the grant allocation as possible to businesses within the BID area. It is anticipated that the BIDs will be able to allocate a minimum of 90% of the grant to businesses. It will be difficult for any BID to allocate 100% of the grant to businesses as the number of independent businesses change throughout the year as does the

rateable value of premises. Therefore, the BIDs will be forecasting their grant allocation in April and will need to introduce a contingency to allow for changes in business profiles throughout the year. Any unallocated funding over and above 90% can be redirected by the BID for business support projects in agreement with the Council. In the unlikely event that a BID that does not distribute 90% of the grant allocation, this unallocated grant funding will be returned to the Council and redirected to support other elements of the ARG. This allocation of the grant funding by the BIDs will be monitored by the weekly reports and any unallocated funding will be reviewed by December 2021.

3.17 Bromley BID are undertaking a renewal ballot on the 25th February 2021 to continue the BID for a further 5 years. If this ballot is unsuccessful the BID will discontinue. In the event of an unsuccessful ballot, the Council will retain the Bromley element of the ARG funding and look at how best to support businesses with this funding going forward. If Bromley BID are unsuccessful at ballot, this will be the subject of a future committee report and will include options for the ARG funding.

Engagement

3.18 The BIDs have been members of the Business Support Task Force since its inception in May 2020, and therefore have played a fundamental role working with the Council to provide business support throughout the pandemic and in shaping how the local economy can start to recover.

3.19 The BIDs participated in the business engagement sessions on the ARG funding held in November 2020 to identify the support and needs of businesses in the borough.

3.20 There has also been a subsequent discussion with the BIDs regarding this specific grant scheme and how best the Council and the BIDs can support businesses in the town centres. Each BID is supportive of the approach for the grant scheme and welcomes the partnership approach to supporting the businesses within the BID areas.

3.21 This grant scheme is also supported by British BIDs, the national body providing advice and guidance to BIDs.

Timescales

3.22 Subject to Executive approval, 50% of the BID levy for the financial year 2021/22 will be issued to each BID by the 1st April 2021.

3.23 It is anticipated that the grant schemes will be launched by the BIDs by May 2021. This will enable time for the BIDs to review any BID levy payments made in April as businesses that have paid their BID levy will be eligible to apply for this grant scheme. Due to the timing of the Bromley BID renewal ballot, the invoices for the BID levy will be issued a month later than the other BIDs and therefore it is anticipated the launch of their grant scheme will be by July 2021.

3.24 It is expected that the BIDs will distribute this funding to businesses in a timely manner and allocate payments to businesses as soon as practically possible following the launch of the grant scheme.

3.25 Once launched the BIDs will submit weekly reports on the number of businesses that have received a grant and the amount of grant funding paid. Any unallocated grant funding will be reviewed by December 2021.

Workstream 2: Supporting Businesses through Libraries

3.26 Public Libraries are ideally placed to act as recovery hubs, providing support for both job seekers and entrepreneurs. The 14 libraries in Bromley are highly accessible and evenly distributed across the borough, enabling them to be able to deliver support to business start ups and entrepreneurs across the whole borough.

3.27 It is proposed that Bromley Libraries offer a 1 year programme of support for business start-ups and entrepreneurs, this would be branded as “Start Up Bromley”. The primary focus of this support will be for business start-ups however support would also be provided to small businesses already in existence but have not yet developed to their full potential. The full proposal is attached see **APPENDIX 1 PROPOSAL FOR START UP BROMLEY**

3.28 The programme of support will include:

- One to one support sessions for businesses – held throughout the year giving entrepreneurs the opportunity to discuss particular challenges they are experiencing, their business model and to receive business advice and guidance
- Small Business Showcase Events – a minimum of 3 events will be held throughout the year and these events will be an opportunity for local businesses to showcase their products. Libraries will be used as the venues for these showcases enabling library customers to buy locally produced goods.
- British Library Seminars for Small Businesses – business start-ups and entrepreneurs will be able to access free workshops and seminars hosted by the British Library on a range of topics aimed at supporting small businesses.
- Start Up Bromley Business Lounge – provision of a dedicated business area in Bromley Central Library and Orpington Library. This business space would provide an area where entrepreneurs could work, meet and access support for their small business.
- Start Up Bromley Small Business Network – provide an opportunity for entrepreneurs to meet other entrepreneurs and build a network of support, sharing of good practice and resources and providing an opportunity to learn from other successful start-ups or established businesses.
- Information Support – Bromley Libraries has a wide range of business information support. Individual sessions will be held to aid understanding of how these resources can be used effectively both in a library and from home.

3.29 To run this programme, a Business Support Officer will be appointed by GLL who will be based at the Central Library in Bromley Town Centre but would also be providing business support sessions and showcase events in other libraries in the borough. This programme of business support will also be accompanied by an extensive marketing campaign.

3.30 The Business Lounge facility will be provided at the Central Library. This will include a dedicated business work space and also the facility to hire smaller rooms for meetings. A smaller Business Lounge facility will also be provided at Orpington Library. It is anticipated that the Business Lounge will be able to accommodate 6 entrepreneurs at any one time. These two key library sites were identified as having sufficient capacity to accommodate the Business Lounge and also were located in areas of the borough that would be accessible.

3.31 The library contractor, GLL, have provided a similar programme of support in their Greenwich Libraries partnership following European funding. The programme in Greenwich, now in its second year, has supported 244 aspiring entrepreneurs to date.

3.32 The costs of this proposal are outlined in Table 2. The library contractor, GLL, have confirmed that they would like to continue to provide elements of this service after this 1 year programme of funding has ceased. Any further extension to this programme will be funded by GLL and there will be no negative implications on the costs of the Council's contract with GLL. There will be no further costs to the Council with any extension to this programme.

Table 2: Costs associated with 1 year programme

Salary costs for Business Support Officer	£40,000
Administrative and Management Support	£25,000
Marketing	£10,000
Bromley Business Lounge	
<ul style="list-style-type: none"> • Central Library redecoration, furniture and carpet 	£63,000
<ul style="list-style-type: none"> • 3 other meeting rooms at Central Library – redecoration, furniture and carpet 	£18,000
<ul style="list-style-type: none"> • Orpington Library – redecoration, furniture and carpet 	£18,000
<ul style="list-style-type: none"> • ICT equipment – Central Library 	£11,290
<ul style="list-style-type: none"> • ICT equipment – Orpington Library 	£11,290
<ul style="list-style-type: none"> • Management fee of 10% (including National Libraries Director and Sector Libraries Manager) 	£19,658
Total	£216,238

Timescales

3.33 Subject to Executive approval, it is anticipated that the Start Here programme and associated Business Lounge will be launched in April 2021. The libraries are currently closed which will enable refurbishment whilst customers are not in the library.

3.34 Quarterly monitoring reports will be provided by the library contractor on how the funding has been spent, along with an end of year report in March 2022. These monitoring reports can be brought to a future committee meeting if Members require and can be included in the two reports on the performance of the Libraries Contract which take place in March and September each year.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 BIDs support the resilience of the local economy and therefore protect local employment for a range of people, including vulnerable adults. Many BIDs provide support to the wider

community as well as the business community. The business support provided by the BIDs is for local businesses in town centres and will therefore have direct and indirect impact on all residents. Libraries provide support to all members of the community. Online library services are provided for children and vulnerable adults during periods of closure of library buildings due to COVID-19.

5. POLICY IMPLICATIONS

- 5.1** The proposals support delivery of the Council's objectives of Vibrant Thriving Town Centres, Regeneration, and Supporting Independence under the Council's vision for Building a Better Bromley. A vibrant local economy is necessary to support these objectives and will directly benefit from this scheme.

6. PROCUREMENT CONSIDERATIONS

- 6.1** If approved, a Contract Change Control Notice will be issued for the contract with GLL the library contractor, and the BIDs.

7. FINANCIAL IMPLICATIONS

- 7.1** The ARG Scheme is funded by Central Government. The Council have received £6,646,720 which will be used to provide financial support to local businesses through grants and business support functions. The allocation of £5.5m from the ARG was authorised by Leader decision following consideration at the Executive, Resources and Contracts Policy PDS Committee meeting on 6th January 2021, with £1.1m remaining. If approved, this proposal will allocate a further £917k, with £183k remaining. This funding is intended to enable local authorities to provide support through to March 2022; therefore, the unallocated element of the grant will need to be carried forward into the next financial year and will be reflected in the final accounts report at year end.
- 7.2** There are no set up or administrative costs associated with either of these proposals.
- 7.3** If approved, the funding will be provided to the BIDs and the library contractor via the usual payment processes already set up with the BIDs and GLL.
- 7.4** The costs of any extension of business support in libraries beyond the grant funding period will be met by GLL at no cost to the Council.

8. PERSONNEL IMPLICATIONS

- 8.1** There are no staffing implications associated with this proposal

9. LEGAL IMPLICATIONS

- 9.1** This report seeks to approve funding up to £700k from the Additional Restrictions Grant (ARG) (which is grant scheme for local businesses that will have a direct and indirect impact on all residents) to the BIDs in the borough and also £217k from ARG to the Library Contractor.
- 9.2** LBB has received a payment of £6,646,720 from the Ministry of Housing Communities and Local Government (MHCLG) on behalf of the Department for Business, Energy and Industrial Strategy (BEIS). The sum will form LBB's ARG to be used to provide financial support local businesses through grants and business support functions.
- 9.2.1** The proposed ARG Scheme will be delivered in phases. The Government requirement is that all monies will be allocated by 21.03.22. At the Committee meeting held on 6th January 2021, the

allocation of £5.5m allocation was approved from the ARG for Phase 1 to support five workstreams. £1.1m of the ARG remains unallocated.

- 9.4 This Report outlines Phase Two of the proposal to support businesses in the borough using the BIDS and libraries as a vehicle for this support. Subsequent phases will be subject to future reports as and when they are developed. The guidance states that Government expect the scheme to take the form of discretionary business grants.
- 9.5 The ARG scheme will therefore take the form of discretionary grants to businesses but may also be used to fund wider business support activities. It's a one-off payment and the Government has published general guidance in relation to the administration of the Local Authority Discretionary Grant Funds. The guidance states that the ARG funding can be provided to support wider business support activities and that the ARG can be provided to Business Improvement Districts (BIDs) to support them with the shortfall in their levy income, as long as the BID body is not the Local Authority, or a company under the control of the Local Authority.
- 9.6 The grant must be administered within the parameters set out in the guidance and at the discretion of the Council. The report also sets out the criteria that the Council will apply to distribute the grant. Officers should ensure grant recipients sign appropriate grant terms and conditions which should deal with claw back provisions in the event of fraud.
- 9.6 The Council must also comply with the grant conditions attached to the grant and ensure that recipients also comply to ensure the proper use and accounting of the grant paid. The Council has the legal power to receive and distribute the grant and to make discretionary grant determinations as permitted within the grant award. The Council must have due regard to all relevant circumstances including government guidance and local need when deciding on discretionary allocations.
- 9.7 The Council must make decisions in accordance with the law and also in accordance with its fiduciary duty to its taxpayers in using Council resources. The report mentions the headline needs and benefits including the social and financial benefits that must be properly weighed up and considered before taking decisions when accepting grant, applying and setting award criteria for allocation and applying resources generally.
- 9.8 The Council has power under Section 1 of the Localism Act 2011 to deliver grant funding to business it deems as eligible.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	ADDITIONAL RESTRICTIONS GRANT SCHEME (ARG SCHEME) 6 th January 2021 (HPR2021/55)

START UP BROMLEY ...

SUPPORT FOR BUSINESS START UPS PROVIDED ACROSS BROMLEY LIBRARIES

2020 has been a year of crisis. We have experienced a pandemic which has disrupted our lives – and which will disrupt the economic life of the country in the years to come. Every day we read of major companies going into liquidation and of the job losses which will result. The pandemic will leave in its wake an economic landscape in which people will be looking for jobs and will need support to do that – and in which entrepreneurs will need support to establish new businesses

Public libraries are ideally placed to act as recovery hubs, providing support both for job seekers and for entrepreneurs. Libraries in Bromley are highly accessible and evenly distributed across the Borough. For people who are struggling to apply for jobs, our libraries can be a game changer, providing free access to books and technology, supporting customers to engage with professional networks, or gain new skills during this time. Libraries in Bromley can in addition, offer free access to a host of learning opportunities through virtual and physical programmes.

In these very different times, entrepreneurs will also grasp the opportunity to create new businesses, GLL, the charitable social enterprise which operates libraries in Bromley on behalf on the Council, already has experience of providing start up support in one of our other library partnerships. Greenwich Libraries, also operated by GLL, was one of 10 London library services to be awarded European funding via the British Library's SILL (Start-Up in London Libraries) programme, to provide support for business start-ups in conjunction with the BL. Funding was provided for the salary of the Project Delivery Coordinator – Business Start Ups, and enabled us to recruit an experienced business advisor to our team. The programme in Greenwich, now in its second year, has supported 244 aspiring entrepreneurs so far.

Participants are offered a support package which includes:

- **Free attendance at British Library seminars for business start ups**
- Membership of the **Start up Greenwich Network** which aims to provide:

Opportunities for aspiring and early stage entrepreneurs to meet and build networks of support

Meetings have focussed on topics such as launching a product/service to market in 90 days; digital marketing; portfolio careers and maintaining positive mental health as an entrepreneur.

A local events programme. These have included Christmas Marketplace which enables local start-ups to showcase products as well as test business ideas, Business Events for Women on International Women's Day, Events for businesses run by entrepreneurs identifying as BAME during Black History Month and so on.

- **121 Support Sessions**, giving entrepreneurs the opportunity to discuss particular challenges they are experiencing, ideas, business model plans and so on,
- **Information Support** We deliver individual sessions to help people understand how to navigate the COBRA (Complete Business Reference Adviser) database and search for the information they need.

Annual funding of £40,000 was provided by SILL primarily to support the recruitment of the Business Support Officer, while and Greenwich Libraries match funded this grant funding to provide an administrative officer, management support and office accommodation.



Business workshops at Greenwich Centre Library



Loretta Awuah, Greenwich SiLL Champion

START UP BROMLEY - SUPPORT FOR BUSINESS START UPS PROVIDED ACROSS BROMLEY LIBRARIES

In Bromley, we should like to use the experience we have gained from the SILL programme, and build additional features into the offer. We have proposed to brand this as **Start Up Bromley** but clearly would be happy to change this, if the Council preferred a different branding. The programme would be subject to extensive marketing, co-ordinated by GLL's Marketing Manager.

Client Base. We would propose focussing on start ups but would also be willing to include small businesses which may have started some time ago but have not developed to their full potential. We have an excellent range of business information in Bromley Libraries, and any size of business may find the material we hold helpful, so we would propose the approach be inclusive of all businesses.

Services to be offered. We would follow the model used in Greenwich by appointing a Business Support Officer who would establish the **Start Up Bromley** model. The Business Support Officer would be based in Bromley Central Library but would run well publicised clinics in libraries across the Borough.

Participants would receive:

- Membership of the **Bromley means Business Network** which would:

Provide opportunities for aspiring and early stage entrepreneurs to meet and build networks of support, sharing updates on their entrepreneurial journeys

Encourage peer to peer sharing of resources, including contacts, skills, space, time and information to support the development of each others' businesses

Enable members to learn from successful local start ups, established businesses and other professionals associated with the start-up ecosystem

- **Regular Meetings for Members.** The Business Support Manager will hold regular meetings for group members, focussing on specific topics of relevance, or featuring special speakers. These meetings could be held remotely using zoom or Teams, or, where possible, face-to-face, although suitably socially distanced. We would aim to run approximately 3 workshops each quarter, a programme which seems to work well for entrepreneurs who are already busy establishing their new business.
- **121 Support Sessions.** These will operate throughout the year giving entrepreneurs the opportunity to discuss particular challenges they are experiencing, ideas, business model plans and so on,
- **Information Support.** Bromley has a good range of business information resources and we will deliver individual sessions to help people understand how to use relevant resources effectively, from the library or in their own homes.
- **Start up Bromley Showcase.** Throughout the year, we will hold events to showcase local small businesses and their products. We will use different libraries as venues, so library customers have an opportunity to buy locally produced goods.
- **British Library Seminars for Small Business** GLL applied for funding from the SILL programme for Bromley Libraries at the same time as applying for Greenwich Libraries, but the funding was limited to areas of significant economic deprivation. The British Library has now agreed to accept start ups from Bromley onto their workshop programme and so we would incorporate these into the Bromley Start Up programme, too. The British Library has recently adjusted the programme to respond to the challenges of managing a business in a society impacted by a pandemic. The schedule has so far only been published up to March 2021, but we understand that it will be extended further into 2021. Topics include:

Reset, Restart your mindset and your customer offer

What next for my business idea?

Get ready for business

Marketing Masterclass Day 1

Marketing Masterclass Day 2

Finance essentials for start-ups

Build a winning sales funnel

- **Start Up Bromley Space.** Many small business owners already work out of our libraries which many prefer to working from home or out of cafes. We should like to be able to offer a more appropriate environment for small businesses – and have already started this process in Bromley Central Library where small “roofed dens”, originally intended for teenagers have been taken over by entrepreneurs. We should like to offer a Business Lounge in Central Library and Orpington Library, with good quality tables and acrylic dividing screens, comfortable and ergonomic chairs, free Wi-Fi and IT support, bookable meeting space and good quality coffee on tap.

We would suggest establishing a central Business Lounge in Bromley Central Library, using a large but little used room on the 1st Floor of the building. We would also propose establishing a smaller Business Lounge facility in Orpington Library. In any situation, we would suggest that the facility should accommodate a minimum of 6 entrepreneurs at any one time: In the Central Library, we would also be able to offer small rooms for hire, for private meetings with clients, professional advisors and so on.

Libraries are closed now but this would give an opportunity to refurbish while customers are not in the buildings allowing an April start date. We would be willing to place orders if we received a letter of intent in advance of the funding period.

Staffing Resources

In order to ensure a rapid start to the programme, we would transfer members of the business support team currently working in Greenwich, including Martin Stone, Sector Libraries Manager, who is a member of the Divisional Libraries

Team and supervises the programme and Loretta Awuah, the SILL Champion. Loretta had a career in accountancy before moving into business support. Additional staff would be recruited more locally.

Costings for a one year programme – Bromley Central, Orpington

Salary Costs – for the Business Support Officer, Inclusive of on-costs, pension contribution and travel expenses 1 x £40,000	£40,000
Administrative Support 1 x £25,000	£25,000
Marketing	£10,000
Start Up Bromley Space	
Bromley Business Lounge - Redecoration, Furniture, Carpet	£63,000
3 other meeting rooms, Bromley – Redecoration, Furniture, Carpet	£18,000
Orpington – Redecoration, Furniture, Carpet	£18,000
ICT equipment - Bromley (details below)*	£11,290
ICT equipment – Orpington*	£11,290
Management Fee @ 10% (includes time of National Libraries Director, and a Sector Libraries Manager)	£19,658
TOTAL	£216,238

Costs are net of VAT

*IT costs:

- 6 x Lenovo Tiny PCs (Similar specification to Public PCs – Microsoft Office Applications, including video conferencing functionality etc.) @ £ 950 per unit - £ 5,700
- Cabling for the above workstations & MFD- £ 1,750
- Enhanced Wi-Fi offering for dedicated area - £ 2,000

Revenue costs:

- Annual software licencing for PCs - £ 720
- Quarterly MFD rental (Suggest separate device to Public) – £ 175 – Annual – £700
- Print Control (Allowing connectivity from laptops and PCs) – Annual - £ 420

BUSINESS RESOURCES AVAILABLE IN BROMLEY LIBRARIES

The following resources available to Bromley Library members provide useful information if you are running a local business. They can be accessed here

<https://capitadiscovery.co.uk/bromley/assets/-/OnlineResources.html>

Career Active

A resource aimed at businesses to help with career development. The resource includes sections on Self Development, Interviewing and Business Skills etc. Resources can be text based, audio or video; includes questionnaires that allow you to identify your personal strengths helping to identify future paths for your business.

Sign up for this service here

<https://bromleycareeractive.careercentre.me/register/bromleycareeractive?AuthToken=9373BC76-9FEE-4077-B6CF-AC235FB94946>

Cisco Courses

Part of the Cisco Networking Academy

Includes free beginner or intermediate courses in

- Digital transformation
- Cybersecurity
- Entrepreneurship

Cobra – the complete business reference advisor

Information on how to start and run a business, write a business plan and find grants etc.

Includes

- Business opportunity profiles which show which types of service are growing and which are in decline
- Business legal library – a guide to business law
- Sources of business information – including statistics, government help, trade associations and places to update your skills
- Weekly news bulletins including updates on Brexit and Covid impact.

Cobra includes many links to valuable third party resources.

<https://bromley.cobwebinfo.com/>

Newsbank

Up to date access to all major UK newspapers including free access to The Times

<http://infoweb.newsbank.com/signin/LondonBoroughofBromley>

Starting & Running a Business – Most recent titles available in Bromley Libraries

AUTHOR	TITLE	YEAR
Barnes, Andrew	The 4 day week	2020
Hall, Richard	Start-ups, pivots and pop-ups	2019
Reuvid, Jonathan	Start Up Wise	2019
Belew, Shannon	Starting an online business	2020
Nelson, Bob	Starting a business all-in-one for dummies	2019
Ries, Eric	The lean start-up	2020
Jones, Emma	The start-up kit	2019
Clarke, Gordon	Business start up and future planning	2020
Bridge, Rachel	How to work for yourself	2020
Pillot de Chenecey,Sean	Influencers and Revolutionaries	2020
Carvill, Michelle	Myths of social media	2020
Wilson, Lee	30 minute website marketing	2019
McCormack, John	The straightforward business plan	2019
Craven, Bruce	Win or Die : Leadership secrets from Game of Thrones	2019
Ackland-Snow, Nicola	30 Second Money	2019
Oppong, Thomas	Working in the Gig economy	2019
Kessler, Sarah	Gigged, the Gig economy	2019
Prassl, Jeremias	Humans as a service	2019
Banerjee, Abhijit	Good economics for hard times	2020
Burnett, William	Designing your work life	2020
Arian, Somi	Career Fear (and how to beat it)	2020

Report No.
HPR2021/009

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

For pre-decision scrutiny at the Renewal, Recreation and Housing Policy Development and Scrutiny Committee 2ND February 2021

Date: 10th February 2021

Decision Type: Non-Urgent Executive Key

Title: ORPINGTON TOWN CENTRE REGENERATION

Contact Officer: Alicia Munday, Interim Assistant Director Culture and Regeneration
Tel: 020 8313 4559 E-mail: Alicia.munday@bromley.gov.uk

Chief Officer: Sara Bowrey, Director of Housing, Planning, Property and Regeneration

Ward: Orpington

1. Reason for report

- 1.1 Over the past 8 months the Regeneration Team have been working with Areli, the developers who acquired the Walnuts shopping centre in Orpington on the concept of a Regeneration plan for the town centre. This reports updates Members on the work and discussions to date.

2. **RECOMMENDATION(S)**

That Members of the Renewal, Recreation and Housing PDS:

- 2.1 Note the contents of the report.

That Members of the Executive:

- 2.2 Note the contents of this report and note that a future report will be presented to the Executive in the next 6 months with an update and any recommendations pursuant to any land transactions.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The Regeneration Strategy's priority areas ensure an inclusive approach to regeneration across the borough for the benefit of all residents.
-

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Excellent Council Quality Environment Vibrant, Thriving Town Centres Regeneration
-

Financial

1. Cost of proposal: £80k for initial feasibility advice
 2. Ongoing costs: n/a
 3. Budget head/performance centre: Regeneration Projects
 4. Total current budget for this head: £80k
 5. Source of funding: Specific earmarked reserve approved in July 2020
-

Personnel

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

Legal

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

Procurement

1. Summary of Procurement Implications: The Regeneration Strategy has no procurement implications in itself.
-

Customer Impact

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

Ward Councillor Views

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

3. COMMENTARY

- 3.1 The Walnuts Shopping Centre sits behind Orpington High Street, and whilst the freehold is owned by the Council, the leasehold of the centre was acquired by Tikehau Capital, and their development partner, Areli Real Estate Ltd in 2019, when the former leaseholders Patrizia relinquished their interest in the site.
- 3.2 The Property team in the Council supported the sale of the leasehold to Tikehau Capital, as it offered the opportunity to regenerate the town centre.
- 3.3 As can be seen from Appendix 1, the Council has significant property interests in the town centre, as well as a wider interest in the economic and regeneration objectives for the area. Appendix 1 also outlines Areli's intentions of redeveloping the shopping centre site, to deliver a major new retail offer combined with residential development. The co-location of the shopping centre with other facilities such as the leisure centre, and the facilities at the Saxon Way centre – the children's centre and day centre- broaden the regeneration opportunities on the site.
- 3.4 Due to the scale of re-development being proposed, the Regeneration team have established a Board to steer the direction of the work, and this report provides an update on the work of that Board to date. The Board consists of senior officers from the Regeneration team, Property and Planning Policy officers as well as representatives from Areli, Areli's PR team, Orpington South East Colleges and Orpington Business Improvement District.
- 3.5 The Council is separately receiving valuation and development advice from consultants, Montagu Evans, to better inform commercial decisions and on the commercially sensitive aspects of the scheme. Officers are working with Areli to ensure that the Council's key objectives for this scheme are met:
- The re-provision of the leisure and community facilities;
 - Service continuity or alternative arrangement for the existing services;
 - Delivery of affordable housing.
- 3.6 The Portfolio Holder is briefed weekly, and engagement continues with Ward Members of Orpington and other surrounding wards.

4. Work Completed to Date:

- 4.1 Areli commenced public engagement in March 2020 to inform their proposals for the site. The outputs of this initial engagement were included in the development principles document which was presented to the Portfolio Holder for Renewal and Recreation in November 2020. Areli commenced their second phase of public consultation in December 2020. This second phase of consultation revealed the full extent of the proposed scheme, including the land outside of the Walnuts Shopping Centre leasehold, to the public (Appendix 1 outlines these proposals). The response from the public has been broadly positive so far.
- 4.2 The public engagement by Areli is in order to proceed with submitting a planning application to LBB Planning.
- 4.3 Officers have appointed consultancy advice from Montagu Evans, through a competitive tender process to support the valuation and development advice of this scheme. The consultants will be supporting officers in determining the best value for any recommendations for sale of land, or land transactional arrangements as well as working with officers to determine the best location for council facilities. This also includes understanding the cost implications of the Council's requirements upon the viability of the Areli's proposal.

- 4.4 Officers on the Project Board on behalf of the Council are working with senior officers in other departments to refine the requirements and needs of the Children's Service and Older person's day service to help shape these services into any future regeneration plans for Orpington town centre. Departments will need to have a detailed need analysis of services, including who will be managing these facilities, whether it is expected to be an outside partner on a commercial or non-commercial lease, or whether the Council will be managing these facilities.
- 4.5 The regeneration team have also specified the requirements of the leisure centre. Given this is one of the largest public leisure facilities in the Borough, the specification is broadly based on the existing leisure centre, with options for new enhanced modern facilities, improving the use of space. The specification of the leisure centre has been presented to Areli and the cost is a key discussion point with them.
- 4.6 In the event the development does proceed, officers are working with the services to ensure there is service continuity or alternative arrangements made well in advance of construction taking place. Regeneration officers have been engaging with Areli on these matters and continue to discuss this.
- 4.7 The Walnuts site is also included within the boundary of the forthcoming Supplementary Planning Document (SPD) for Orpington town centre. An online consultation exercise for the SPD has been undertaken using the online community engagement platform Commonplace. The Council has appointed an urban design firm to advise on the SPD.
- 4.8 If the regeneration plan develops further in the town centre, there is likely to be a significant enhancement to the retail offer, as well as an increased number of residential properties, including affordable housing.
- 4.9 Areli are concurrently undertaking a similar project in Maidenhead, for the Nicholson Shopping Centre. This project is about 12-18 months ahead of Orpington, and so Members may like to see some of the plans for Maidenhead. The planning application is a hybrid one (part-outline, part-full) and it is yet to be determined. The planning application reference is 20/01251/OUT (via the Royal Borough of Windsor and Maidenhead planning web pages).

5. Next steps

- 5.1 Council officers continue to engage with Areli on the matters identified in this report. Officers will present options and further analysis on a recommended approach for a potential sale of land or land transactional arrangements at a more mature stage of proceedings within the next 6 months.
- 5.2 Areli have indicated they are seeking to submit the planning application by Spring 2021. The application will be determined by LBB Planning and assessed against the London Plan and Local Plan policies including amongst others affordable housing, community facilities and retail.

6. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 6.1 The redevelopment of the Walnuts site will provide opportunities in terms of increasing housing supply (inc. affordable and other types), a new leisure centre and other council facilities.

7. POLICY IMPLICATIONS

- 7.1 The redevelopment of the Walnuts site is supported by the Council's Adopted Regeneration Strategy. The principles of the scheme also support Building a Better Bromley Priorities.

8. FINANCIAL IMPLICATIONS

- 8.1 Provision of £80k for the cost of initial valuation and development feasibility advice was approved by Leader decision in July 2020. At this stage no further costs are anticipated to progress the project, other than officers. Any requirement for further costs will be bought back to Members with a full business case appraisal. It is anticipated that Areli will bear development costs and the Council will want to retain long term property interests in significant assets on this site.
- 8.2 Depending on the structure of the deal there could be a potential loss of income from rent. The Council currently receives an average of £120k a year from the Walnuts Shopping Centre head rent. However, the future business case will need to take into consideration any wider benefits that the Council may gain from the regeneration of this part of the town centre should the development go ahead.
- 8.3 The Orpington BID will also be impacted by the vacant possession and development process and the business case will also need to take into consideration the impact on the BID's income.
- 8.4 If the development progresses, the developer has agreed to split future legal costs on a 50:50 basis.
- 8.5 Future approval of capital schemes will be subject to the Council's Capital Strategy process including investment business case appraisal.

9. LEGAL IMPLICATIONS

- 9.1 This report is providing the Executive with an update on this Project and as such there are no immediate legal implications at present. As the Project develops and its shape and content become better understood, there will be considerable legal implications and work flowing as mentioned in paragraph 3.9 and elsewhere in this Report. The Council holds certain property interests in the project and is also concerned in the realisation of public/regeneration of assets and objectives whilst observing its duty to obtain best consideration and complying with its fiduciary duties to its council taxpayers.

Non-Applicable Sections:	Procurement implications; Personnel implications
Background Documents: (Access via Contact Officer)	Appendix 1 – Site map – land interests and indicative plans

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SITE CONTEXT



Nugent Shopping Park

Orpington high street

The Priory Gardens

The Walnuts Shopping Centre

London South East College

Tesco Superstore

Town Hall




Lychgate Road

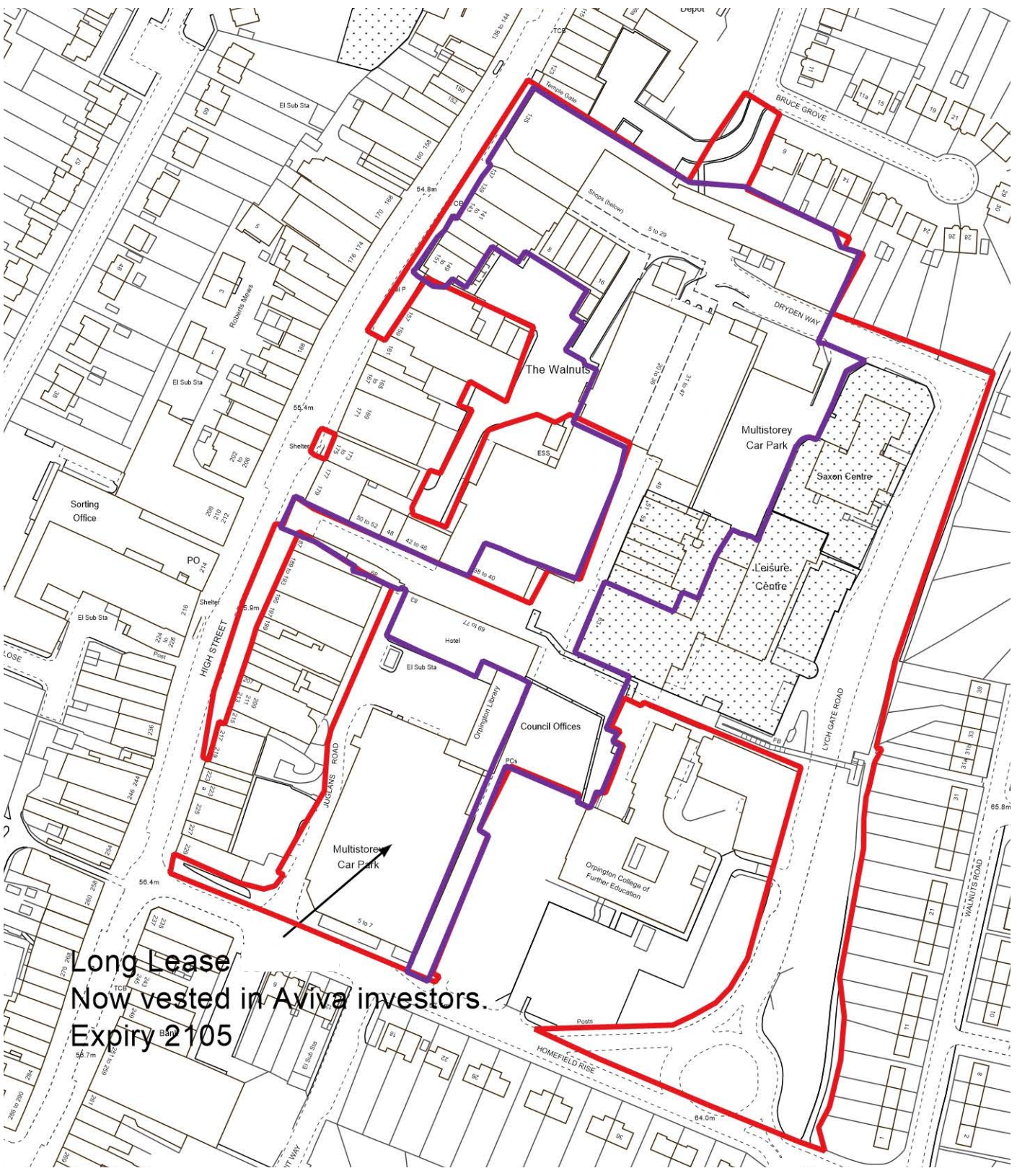
High Street



PROPOSED SCHEME

KEY

-  - Council Freehold Ownership
-  - Walnuts Headlease (Areli interest)
-  - Subject to other leases



Report No.
DRR20/017

London Borough of Bromley
PART ONE - PUBLIC

Decision Maker: EXECUTIVE
WITH PRE-DECISION SCRUTINY BY RENEWAL, RECREATION
AND HOUSING POLICY DEVELOPMENT AND SCRUTINY
COMMITTEE

Date: Tuesday 2 February 2021

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

Title: DIGITAL INFRASTRUCTURE WORK PLAN

Contact Officer: Timothy Mackellar, Renewal Project Officer
E-mail: timothy.mackellar@bromley.gov.uk

Chief Officer: Assistant Director Culture and Regeneration

Ward: All Wards

1. Reason for report

- 1.1 Digital connectivity is critical for the ongoing social and economic prosperity of Bromley. Interventions can be explored to support the roll out of gigabit capable connectivity (internet speeds of over 1 gigabit per second), notably through facilitating the development of:
 - Full-fibre to the premises broadband (FTTP)
 - 4G and 5G mobile networks
- 1.2 This report succeeds a report submitted to this committee in April 2020 titled 'Approach to Digital Infrastructure' that was deferred and has a refined scope and additional detail about the Digital Infrastructure Work Plan.
- 1.3 This report recommends that the Council agrees to a Digital Infrastructure Work Plan as the mechanism to coordinate the interventions that are required to improve digital infrastructure, this is comprised of the Bromley Digital Infrastructure Toolkit and the Memorandum of Understanding with Openreach.

2. **RECOMMENDATION(S)**

Members of the Renewal, Recreation and Housing Policy Development & Scrutiny Committee are asked to note and comment on the content of the report, prior to the Executive being asked to:

- Agree to the Digital Infrastructure Work Plan (DIWP) as the primary document covering the facilitation and development of digital infrastructure in the borough and that the actions within this document are supported.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Improved digital infrastructure will create opportunities with regards to work and education.
-

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council Quality Environment Supporting Independence Vibrant, Thriving Town Centres Healthy Bromley Regeneration
-

Financial

1. Cost of proposal: None at this stage
 2. Ongoing costs: n/a
 3. Budget head/performance centre: Regeneration Team
 4. Total current budget for this head: £162k
 5. Source of funding: Future investment will be sourced from grant funding
-

Personnel

1. Number of staff (current and additional): 1
 2. If from existing staff resources, number of staff hours: 0.4 FTE
-

Legal

1. Legal Requirement: None
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: There are no implications for Procurement associated with any of the work streams discussed in this report.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All persons in Bromley who use internet products and services including in the workplace and at home.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? The report has been circulated to Members of the Environment and Community Services Pre-Decision Scrutiny Committee for their comments given the scope of the work and implications for highways resources

3. COMMENTARY

National and Local Context

- 3.1 Digital connectivity is a growing necessity, with better access to high speed and reliable broadband and mobile connections, residents can access public services more conveniently and purchase goods online at a lower cost. People can work from home, reducing the necessity for travel and commuting; business can grow, become more productive and make goods available online. Improved connectivity is also linked to improved tourism, as people can find out more information about local places, share experiences on social media. Areas identified with improved digital connectivity are also likely to be places identified by new businesses and developers for more investment.
- 3.2 At a national level, the Government has set out its ambitions to build 'a world-class digital infrastructure' and has committed to rolling out nationwide full fibre broadband coverage by 2033 and increase geographic mobile coverage to 95% of the UK by 2022. The government has made clear its commitment to supporting gigabit capability across the UK and its desire that every home and business can access gigabit services as soon as possible, stating that they want 15 million homes to be connected by 2025 with coverage across the whole country by 2033.
- 3.3 In August 2020 government ministers called on local authorities to help ensure people can access better broadband and fast and reliable mobile connectivity and that this is crucial to the UK's recovery from Coronavirus. The expectation from Central Government is that local authorities will work proactively to secure investment in digital infrastructure within their area.
- 3.4 This report sets out the local context, providing a work plan for Bromley's Digital Connectivity.

Bromley's Digital Connectivity

- 3.5 Gigabit capability will increase the efficiency and productivity of businesses, allow new digital services and products and enable residents to work remotely, ultimately strengthening and diversifying Bromley's economy.
- 3.6 In developing Digital Connectivity, Bromley can play a key role as a facilitator, rather than delivering the infrastructure itself. The Council cannot directly commission organisations to install or improve connectivity services, but rather rely on networks and organisations to understand demand in our Borough and identify need. Therefore, how we position ourselves to be opening to this kind of infrastructure is likely to be the primary key to success.
- 3.7 Currently, Bromley underachieves compared to Outer London Boroughs with regards to full fibre broadband connectivity, with just 1% of premises in Bromley connected by full fibre broadband compared to the average of 14% for Outer London Boroughs.
- 3.4 Being digitally inclusive means barriers to digital access are broken down for all social groups and access and use of information and communication technologies are experienced by all.

- 3.5 This includes access to civic participation, education, healthcare, skills, training and generally communicating with others. Greater digital connectivity allows for enhanced communication with potentially vulnerable, isolated and quarantining family and friends.
- 3.6 With services (including the Council's) increasingly moving online, access to fast and reliable internet connections is a social issue as well as an economic one, with insufficient provision of infrastructure having potentially detrimental effects on individuals and households.
- 3.7 Physical separation and isolation created during the COVID-19 pandemic has made access to means of online communication more important than ever.
- 3.8 Exclusion of any of these can cause significant and obvious social disadvantages, known as digital poverty.

Summary

- 3.9 The government has made clear its intentions to improve digital connectivity throughout the UK.
- 3.10 Digital connectivity in Bromley is significantly behind that of other Outer London Boroughs.
- 3.11 High quality digital connections are critical for the economic and social health of Bromley.
- 3.12 Demand has been rapidly growing for quality digital connectivity in both businesses and homes and this has been accelerated further by the COVID-19 pandemic.

Digital aspirations

- 3.13 Given the benefits of an improved digital infrastructure to our residents and importantly attractions for businesses and therefore investment, this report recommends that the Council endorses the following aspirations for Bromley with regards to digital connectivity, and sets out how to achieve:
- Full fibre broadband to every home and business in Bromley
 - 4G and eventually 5G networks covering all of Bromley.

Digital Infrastructure Work Plan (DIWP)

- 3.14 The DIWP is a set of work areas that will support the Council in delivering an aspirational digital infrastructure in Bromley. The DIWP will:
- Ensure a holistic and coordinated approach from Council towards digital infrastructure and prevent silo working.
 - Coordinate associated departments through a DIWP project board and ensure efficiency of working, create strong communication between departments and establish a shared goal of developing digital connectivity.
 - Indicate to the private sector that the Council is taking a proactive and visible approach towards digital infrastructure and that it is a hospitable place to do business.

- Through the Executive endorsing this DIWP, ensure all departments are signposted to supporting the delivery of digital infrastructure across the Borough.

Bromley Council's role as a facilitator

3.15 As the project continues, new opportunities, for example new funding streams or partnerships related to digital infrastructure, will create the potential for new work areas and as such the Digital Infrastructure Work Plan is anticipated to change shape and grow continually. It is proposed that going forward a quarterly update of the DIWP will be submitted to the Renewal, Recreation and Housing PDS Committee, with a biannual briefing submitted to the Executive providing key milestones and achievements.

3.16 Whilst the Council does not own or have any direct control over digital investment the Council can play a key role in facilitating the improvement of digital connectivity. Potential areas identified are:

- Connecting council sites – Creating full fibre connections at council owned sites and other sites to enhance public benefit, this could include council administrative sites, schools and libraries. The Greater London Authority's Strategic Investment Fund (SIF) provides grant funding for this exact purpose, which is expected to go live later in 2021. There is potentially £1m available from this pot and an expression of interest was submitted in 2020 for this funding. It has been advised by the GLA that we will hear back on outcomes in April 2021.
- Further government funding – Look to obtain funding where possible that is intended to help digital infrastructure development for example from the Department for Culture, Media and Sport or the the Greater London Authority.
- Planning – Work with planning departments to ensure planning policies reflect the benefits offered to Bromley from the delivery of digital infrastructure and that planning decisions reflect these benefits. The intention of this would be to increase the success rate of planning applications for telecoms equipment in the borough and thus increase connectivity.
- Housing – Work with broadband providers and registered housing providers to ensure new housing sites are connected by full fibre broadband.
- Asset Use – Explore council owned assets such as buildings, street furniture and CCTV networks that can be used to host electronic communications networks equipment.
- Proactive market engagement - The Council could agree to work to raise Bromley's profile with the major telecom infrastructure providers and alternative network providers to ensure that the Council is considered and included in future investment programmes, and that investment is directed at priority areas. This could include a publishing a portfolio of development and regeneration projects in the borough, or setting up a notification system that highlights developments in the borough at the early planning stages.

3.17 The DIWP will presently be comprised of two main areas of work detailed below:

Bromley Digital Infrastructure Toolkit (4G and 5G infrastructure)

3.18 Mobile network operators are looking to rent space on council assets such as lamp columns and council owned buildings to host 4G and 5G infrastructure such as small cells which increase capacity in a mobile network.

3.19 The Department for Digital, Culture, Media and Sport (DCMS) has published a Digital Infrastructure Toolkit, containing guidance and templates to assist local authorities to best manage the roll out of 4G and 5G infrastructure.

3.20 We propose the adoption of this DCMS Digital Infrastructure toolkit which will be adapted to Bromley's context. This contractually and procedurally standardized arrangement will:

- a. describe the engagement process between operator and the Council
- b. provide guidance to operators seeking to host 4G/5G cells on Bromley Council assets
- c. provide standard financial terms for the use of our assets
- d. set out the technical, legal, commercial requirements from the council.

3.21 Once our toolkit has been developed, market operators submit Expressions of Interest (EOI) to us to deploy their infrastructure in Bromley which will be required to include:

- Project scope
- Infrastructure deployment approach
- Technical information
- Site selection
- Timelines

3.22 The Council will consider EOI's individually and if requirements are met and satisfactory, an agreement will be made between Bromley Council and the mobile operator to deploy their infrastructure.

3.23 The arrangement is non-exclusive and allows multiple mobile operators to develop infrastructure in Bromley, maximising the potential 4G/5G coverage in the borough whilst ensuring all activity is in accordance with requirements set by the Council.

3.24 This arrangement is regulated by the Electronic Communications Code (Digital Economy Act 2017). Amongst other aspects, it regulates how the council can charge for use of its assets, as follows:

- Renting space on council assets will be valued on a "no scheme" basis based on compulsory purchase principles – rights valued on the basis of their value to the landowner rather than on the basis of the value to the operator and tied to future use as a telecoms site (market value is disregarded essentially).
- Price is broken into consideration and compensation. Consideration is dependent on the underlying land value so this needs to be assessed site by site. Compensation is to reimburse whatever the incurred costs are calculated to be e.g. access control approvals, officer time spent on processing EOI's etc.

3.25 This work area will:

- Increase the capacity and coverage of 4G and 5G mobile connectivity within Bromley.

- Incur no cost to Council as all costs will be covered through the pricing structure within the toolkit.
- Create revenues for Council from the renting of space on street assets that could be reinvested in further digital infrastructure work or other areas within Council.

Memorandum of Understanding (MoU) with Openreach (BT).

- 3.26 The Memorandum of Understanding (MoU) will be a document setting out the commitment of council to supporting Openreach's roll out of full fibre (FTTP) broadband in Bromley.
- 3.27 Openreach, the primary wholesale provider of fibre cabling in the UK, have confirmed plans to roll out fibre connections in telephone exchanges Farnborough, Orpington and Biggin Hill and have advised Council they are looking to develop at least two more telephone exchange areas in the borough from March 2021.
- 3.28 This MoU is intended to speed up the delivery of FTTP through Bromley Council committing to reducing barriers to development for Openreach. For example, by allowing an 'up-front' approach to permits, instead of dozens of individual applications, it will save Openreach significant time. The intention is that this increased efficiency will maximise the amount of investment delivered in Bromley, ensuring the most expansive FTTP network possible.
- 3.29 The MoU also contains commitments from Openreach that they will work to minimise disruption when undergoing works in the borough and take measures to ensure residential amenity is maintained as far as possible.
- 3.30 A first draft of this document has been completed and agreed to by the relevant teams within Bromley Council (Highways, Parking, Legal) as well as Openreach's regulatory teams. Discussions regarding next steps are occurring in February 2021.
- 3.31 This work area will:
- Increase the quantity of full fibre connections to premises all over Bromley
 - Show Bromley Council's forward thinking and collaborative approach to digital connectivity and that Bromley is an inviting and hospitable host for digital infrastructure development.
 - Encourage ongoing development from Openreach as well as set an important precedent for prospective investors with the hope to secure further from other providers.

Next steps

- 3.32 The two above mentioned work areas are at stages where they are ready to be actioned and formal engagement with the market and involved stakeholders can get underway early in 2021 pending member approval.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 Improving digital connectivity through the borough will increase the availability to online services to a wider audience including those vulnerable adults and children.
- 4.2 Improving the reliability and speed of broadband connections, particularly in wards where there are indices of deprivation and to public services, will support better access to online services.

This will be supported by ICT training for residents at the Council's libraries and resource shops.

5. POLICY IMPLICATIONS

- 5.1 The DIWP either forms part of, or is intrinsic to several Bromley Council documents. Specifically, the DIWP:
- 5.2 Is a key part of the Council's future Digital Strategy that is currently being drafted and underpins the achievement of goals within this document.
- 5.3 Supports Building a Better Bromley's aims for the regeneration of the borough, specifically in relation to promoting economic development and investment in the borough and supporting local infrastructure development.
- 5.4 Supports the Transforming Bromley priorities around promoting economic growth, and flexibility independence and choice in service delivery which sees investment in digital technology to improve service delivery and engagement.
- 5.5 Supports the Bromley Regeneration Strategy, specifically its targets of modernising Bromley's digital infrastructure that refers specifically to reviewing existing digital infrastructure and identifying priority areas for full fibre and 5G.
- 5.6 Supports the objective of the Bromley Local Plan to support the digital economy and develop the infrastructure required for modern businesses, such as full fibre connections.

6. FINANCIAL IMPLICATIONS

- 6.1 The recommendation to agree to the Digital Infrastructure Work Plan has no immediate financial implications for the Council as the actions set out in the Plan and the facilitation and development of digital infrastructure in the Borough will be progressed by existing staffing resources in Regeneration with support from other departments including Highways. In the event that additional resource requirements are subsequently identified, a further report would be presented to members.
- 6.2 A key role for the Council and officers will be to facilitate digital infrastructure development within the Borough by identifying and leveraging in grant and other investment funding sources for third parties to access. No direct investment costs for the Council are therefore anticipated.
- 6.3 The proposal for a Digital Infrastructure Toolkit in the Borough to assist and manage the roll out of 4G and 5G infrastructure will introduce the ability for the Council to charge a rental for use of its assets. This would be a new income stream but with charges are regulated on a cost recovery basis. Therefore, future fee levels will need to be considered in that context but also ensuring that the Council optimises its financial position to support this ambition for the Borough while fully covering its costs. At this stage, significant sums are not projected but this will need to be kept under review as the programme progresses and potentially reflected in future budget considerations.

7. LEGAL IMPLICATIONS

- 7.1 The Digital Infrastructure Work Plan (DIWP) comprises of the Bromley Digital Infrastructure Toolkit and the Memorandum of Understanding with Openreach which detail the policies and processes to facilitate deployment of digital infrastructure in the borough.

- 7.2 The property agreements that the Council enter into with communications network operators which give them rights to access its land and buildings for network installation and maintenance are regulated by the Electronic Communications Code (the Code).
- 7.3 The Council will not offer exclusivity over an entire estate of assets but will enter into access agreements with operators on an open access basis. These agreements involve the conferring of a right and not the procurement of services.
- 7.4 The DIWP should comply with the Code as set out in Schedule 3A of the Communications Act 2003 and any relevant highways, planning and other legislation.

Non-Applicable Sections:	Personal Implications
Background Documents: (Access via Contact Officer)	Approach to Digital Infrastructure' (Report No. DRR20/017) April 2020

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Agenda Item 8

Report No.
HPR2021/008

London Borough of Bromley

PART ONE – PUBLIC

Decision Maker: RENEWAL, RECREATION AND HOUSING POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Date: 2nd February 2021

Decision Type: Non Urgent Non-Executive Non-Key

Title: TRANSFORMING BROMLEY: APPROACH TO BUILDING HOMES IN BROMLEY UPDATE

Contact Officer: Isabelle Haddow, Interim Head of Regeneration
020 8461 7476 E-mail: Isabelle.haddow@bromley.gov.uk

Chief Officer: Sara Bowrey, Director of Housing, Planning and Regeneration

Ward: Plaistow and Sundridge; Crystal Palace; Chislehurst; Orpington

1. **Reason for report**

- 1.1 This report provides an update on the Council's housing delivery plans and existing live schemes, following on from the previous report (HPR2020/024).

2. **RECOMMENDATION(S)**

That Members note the report.

Corporate Policy

1. Policy Status: Existing Policy: Further Details
 2. BBB Priority: Excellent Council Supporting Independence:
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Financial

1. Cost of proposal: Estimated Cost: Not applicable
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Regeneration
 4. Total current budget for this head; £560k
 5. Source of funding: Housing Investment Fund earmarked reserves
-

Staff

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

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable:
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments?

3. BACKGROUND

- 3.1. The Council continues to face numerous housing pressures – the Council places approximately 10-15 households into temporary accommodation every month; the new London Plan sets a higher annual housing target and all sites are expected to deliver 50% affordable housing. As part of the Transformation Agenda, the Executive agreed to reopen to Housing Revenue Account (HRA) and has commenced developing it's housing stock
- 3.2. In the Transforming Bromley: Approach To Building Homes In Bromley report HPR2020/024, a list of sites were outlined. This report will give an update on the Phase 1 sites and their progress. The previous report also outlined the approach in order to take development sites forward. The Phase 1 sites are at the most mature stages in terms of development, Phase 2 are being assessed for their development potential and will be brought forward and into the public domain, at an appropriate time, when the feasibility and viability has been assessed. Phase 3 sites are at earlier stage and are sought to be agreed to assess their development potential.

4. PHASE 1 PROGRESS UPDATE

- 4.1. The Phase 1 sites are at a mature stage in development, the table outlines the current status and key next steps:

Site	Status	Key Dates	No. of Units
Burnt Ash Lane Car Park	<p>Planning approved. In contract, some delays due to change in main contractor. Off-site manufacturing has commenced; materials have been procured, reducing impact of EU exit and cost increases.</p> <p>January 2021 - GLA Affordable Housing grant application submitted, awaiting confirmation.</p> <p>Regeneration liaising with Housing to outline progress in order to understand how and when people will be housed. Housing have identified that people can be allocated housing quickly. Setting up of the management contract is in discussion.</p>	<p>Site works to commence 1st March.</p> <p>April - May 2021 – liaise with Housing to set up management contract for the site, including procurement.</p> <p>Completion September 2021.</p>	25
Bushell Way (former care home)	<p>Planning approved.</p> <p>Design and built contract mobilisation underway; pre-commencement conditions need to be discharged.</p> <p>Other rights and agreements underway with neighbouring property owners.</p> <p>Housing management contract to be established for all schemes.</p>	<p>Contract mobilisation underway.</p> <p>February – March 2021 commence ground works to commence subject to agreements and pre-commencement conditions.</p>	25

Site	Status	Key Dates	No. of Units
		Feb 2021 - GLA Affordable Housing grant application submission, confirmation to follow. April - May 2021 – liaise with Housing to set up management contract for the site, including procurement. To complete Sept 2021.	
Anerley Town Hall Overflow Car Park, all with planning approval.	Planning approved. Design and built contract mobilisation underway; pre-commencement conditions need to be discharged. Other rights and agreements underway with neighbouring property owners. The contractor, M-AR, are the same for the above scheme. Manufacturing of the schemes are being coordinated together. Housing management contract to be established for all schemes.	Feb 2021 - GLA Affordable Housing grant application submission, confirmation to follow. April - May 2021 – liaise with Housing to set up management contract for the site, including procurement. Ground works due to commence April 2021. Completion September 2021.	10
York Rise, Orpington	Report HPR2020/037 outlined the approach and timeline. Procurement for PCSA concluding January 2021. Housing management contract to be established for all schemes.	Feb 2021- Enter into contract for PCSA. Feb- March – development of design and scheme & stakeholder engagement. April – present a design and fully costed scheme to Executive, subject to Planning permission, in order to award the Design and Build contract. May – submit Planning Application to LBB Planning.	35
Total no. of units =			95

5. RECOMMENDATION(S)

- 5.1. The recommendation requests that Members note progress on the sites to date identified as Phase 1.

6. STAKEHOLDER ENGAGEMENT

- 6.1 All proposals have or will be subject to public engagement and formal public consultation as part of the formal Planning process. Public engagement will inform any proposals; it will include letters, visuals, web pages and other forms of engagement material for residents to be made aware of proposals and Ward Members will also be briefed.

7. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

- 7.1 Each housing scheme is already in progress with their own procurement strategies already in place. No further procurement is required.

8. IMPACT ON VULNERABLE CHILDREN AND ADULTS

- 8.1 The proposed recommendations support children and vulnerable people through the provision of affordable housing supply.

9. POLICY CONSIDERATIONS

- 9.1 The Council has a published a Homelessness Strategy which sets out the approved strategic policy in terms of homelessness. This includes the increased provision of temporary accommodation and reducing the reliance on nightly paid accommodation.

10. PROCUREMENT RULES

- 10.1 There are no procurement implications.

11. FINANCIAL CONSIDERATIONS

- 11.1 There are no financial implications relating to the schemes listed in paragraph 4.1 above i.e. Burnt Ash Lane, Bushell Way, Anerley and York Rise, which are all included in the Council's Capital Programme.
- 11.2 In September 2020 the Leader approved the allocation of £560k for feasibility works for the sites detailed in the Part 2 report. It is currently anticipated that around £200-260k of this will be spent during 2020/21 financial year.
- 11.3 Subject to the outcome of the feasibility work, reports will be brought back to Members in due course detailing any proposed schemes which will include full financial implications and capital financing requirements. No further funding for feasibility is currently being requested; officers may request funding for further feasibility work in the future.

12. PERSONNEL CONSIDERATIONS

- 12.1 There are no LBB staff implications for the recommendations.

13. LEGAL CONSIDERATIONS

13.1 No specific Legal implications arising from this report.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	

Report No.
FSD21007

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION AND HOUSING POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Tuesday 2nd February 2021

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

Title: RENEWAL, RECREATION AND HOUSING PORTFOLIO DRAFT
BUDGET 2021/22

Contact Officer: James Mullender, Head of Finance, Adults, Health & Housing
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Keith Lazarus, Head of Finance (ECS & Corporate)
Tel: 020 8313 4312 E-mail: Keith.Lazarus@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

- 1.1. The prime purpose of this report is to consider the Portfolio Holder's Draft 2021/22 Budget which incorporates future cost pressures, planned mitigation measures and savings from transformation and other budget options which were reported to Executive on 13th January 2021. Members are requested to consider the initial draft budget being proposed and also identify any further action that might be taken to reduce cost pressures facing the Council over the next four years.
- 1.2. Executive are requesting that each PDS Committee consider the proposed initial draft budget savings and cost pressures for their Portfolio and the views of each PDS Committee be reported back to the next meeting of the Executive, prior to the Executive making recommendations to Council on 2021/22 Council Tax levels.
- 1.3. There are still outstanding issues and areas of uncertainty remaining. Any further updates will be included in the 2021/22 Council Tax report to the next meeting of the Executive.
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2. **RECOMMENDATIONS**

2.1 **The Renewal, Recreation and Housing PDS Committee is requested to:**

- i) Consider the update on the financial forecast for 2021/22 to 2024/25;**
- ii) Consider the initial draft 2021/22 budget as a basis for setting the 2021/22 budget; and**
- iii) Provide comments on the initial draft 2021/22 budget for the February meeting of the Council's Executive.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: None arising directly from this report
-

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Recurring Cost
 3. Budget head/performance centre: Renewal, Recreation and Housing portfolio budgets
 4. Total current budget for this head: £19.7m (draft 2021/22 budget)
 5. Source of funding: Draft revenue budget for 2021/22
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Personnel

1. Number of staff (current and additional): Full details will be available with the Council's 2021/22 Financial Control Budget to be published in March 2021
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: 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: Not Applicable
-

Procurement

1. Summary of Procurement Implications: Not Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2021/22 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.
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Ward Councillor Views

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

3. COMMENTARY

3.1. APPROACH TO BUDGETING, FINANCIAL CONTEXT AND ECONOMIC SITUATION WHICH CAN IMPACT ON PUBLIC FINANCES

- 3.1.1. Details of the Provisional Local Government Finance Settlement 2021/22, Council-wide Draft 2021/22 Budget and Financial Forecast 2022/23 to 2024/25, and an update on the Council's financial strategy were reported to Executive on 13th January 2021. Members should consider that report in conjunction with this report for the Renewal, Recreation and Housing Portfolio.
- 3.1.2. The Council continues to deliver key services and 'live within its means'. Forward financial planning and financial management is a key strength at Bromley. This report continues to forecast the financial prospects for the next 4 years and includes the outcome of the Provisional Local Government Finance Settlement 2021/22. It is important to note that some caution is required in considering any projections for 2022/23 to 2024/25 as this depends on the outcome of the Government's next Spending Review as well as the awaited impact of the Fair Funding Review and Devolution of Business Rates.
- 3.1.3. A strong economy with growth increases revenues which supports the Government's ability to reduce public sector debt as the gap between finances raised and spend on public services is reduced. It is important to consider the key national issues that could impact on public finances over the next four years, and this year the impact of Covid situation has had a dramatic impact on public finances. An "Update on Economic Situation which can impact on Public Finances" is provided in Appendix 1 of the report to the Executive.
- 3.1.4. Local Government has borne the brunt of austerity and savings compared with other areas of Government expenditure. The 2021/22 settlement does provide additional funding, but this needs to be considered in the context of the 'new normal' and the considerable cost pressures facing local government. Austerity measures for future years will be a consideration but this is particularly problematic for the Government at the current time given the recessionary impact of the Covid situation and the need for a sustainable economic recovery. Therefore 'flat' real terms funding for councils may be the best-case scenario.
- 3.1.5. Austerity measures remain a real possibility from say 2023/24 as the Government will need to address the impact of the public finances from the Covid situation. Local government funding remains 'unprotected' and the impact of additional funding for NHS and other 'protected' services results could lead to future real term funding reductions remaining for local government. Even if funding levels are maintained, the ongoing demographic and other costs pressures are unlikely to be matched by corresponding increases in government funding.
- 3.1.6. The financial forecast detailed in this report assumes that Government funding for local government will be broadly flat in 2022/23 and future years, despite local government cost pressures. The Provisional Local Government Finance Settlement 2021/22 provides funding proposals for one year only and the financial forecast assumes that various elements of the additional funding will continue in future years. The Social Care Green Paper (originally planned to be published in Summer of 2018) remains outstanding and the Spending Review 2020 refers to 'the Government is committed to sustainable improvement of the adult social care system and will bring forward proposals next year'.
- 3.1.7. The Budget Strategy has to be set within the context of ongoing cost and demographic pressures not being matched by Government or other external funding with potential Government funding reductions in the medium and longer term. There is an on-going need to transform 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 medium-term budget gap as the gap could increase further.

- 3.1.8. Bromley has the second lowest settlement funding per head of population in 2021/22 for the whole of London, giving us £111 per head of population compared with the average in London of £297 – the highest is £498. Despite this, Bromley has retained the third lowest council tax in outer London (other low grant funded authorities tend to have higher council tax levels). If the council tax was the average of the five other low grant funded boroughs, our income would increase by £25.8m. The lower council tax level has been achieved by having a below average cost per head of population in outer London. The Council continues to express concerns with the current and previous governments about the fairness of the funding system and to lobby for a fairer deal for our residents. Despite being a low-cost authority, Bromley has achieved general savings of around £100m since 2011/12 but it becomes more challenging to achieve further savings with a low-cost base.

3.2. SUMMARY OF FINANCIAL FORECAST

- 3.2.1. Details of the financial forecast are provided in the Draft 2021/22 Budget and Update on the Council's Financial Strategy 2021/22 to 2024/25 report to the Executive on 13th January 2021.
- 3.2.2. Even though the draft budget would be broadly balanced next year, the future year's budget gap is projected to increase to £14.1m per annum by 2024/25. This assumes that there will not be Government funding reductions over the next four years and that the planned mitigation of growth pressures is realised. Without any action to address the budget gap in future years, reserves will need to be used with the risk of the budget gap increasing in future years and becoming unsustainable.
- 3.2.3. In the financial forecast, after allowing for inflation, council tax income and other changes, there is an unfunded budget gap from 2023/24 due to net service growth/cost pressures and the fall out of one-off funding. This highlights the importance of scrutinising growth and recognition that corresponding savings will need to be found to achieve a statutory balanced budget. It is timely as we all have to consider what level of growth the Council can afford and the need for significant mitigation or alternative transformation options.

3.3. CHANGES SINCE THE 2020/21 BUDGET THAT IMPACT ON THE DRAFT 2021/22 BUDGET AND FINANCIAL FORECAST

- 3.3.1. The 2020/21 Council Tax report reported to Executive in February 2020 identified a significant "budget gap" over the four-year financial planning period. Some key changes are summarised below.
- 3.3.2. Last year's Local Government Finance Settlement, which covered 2020/21 only, provided a significant improvement in funding for local government and represented the most positive funding proposal for local government since austerity began 10 years ago. The provisional settlement for 2021/22 provides a continuation of real increases in funding although this is mainly reliant on the utilisation of the ASC precept to support cost pressures in social care. It has also provided funding towards the cost of the Covid situation in 2021/22. Uncertainty remains for future years.
- 3.3.3. The main measure of inflation for annual price increases for the Council's contracted out services is Retail Price Index (excluding mortgage interest rates) i.e. RPIX. This measure is normally up to 1% above the Consumer Price Index (CPI) level. The Draft 2021/22 Budget assumes contract price increases of 2.0%, per annum from 2021/22, which compares with the existing RPIX of 1.1%. Inflation is expected to increase, compared with current levels, which has been assumed in the Draft 2021/22 Budget. 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.

- 3.3.4. Given the scale of savings identified and any inherent risks, the need for longer term financial planning, the uncertainty on future year cost pressures, significant changes that may follow relating to future new burdens, effect of ongoing population increases and the potential impact of other public agencies identifying savings which impact on the Council's costs, a prudent approach has been adopted in considering the Central Contingency Sum required to mitigate against these risks. It will also assist in dealing with the uncertainty relating to the Covid situation. If the monies remaining are not required during the year the policy of using these resources, in general, for investment, generate income/savings and provide a more sustainable financial position should continue.
- 3.3.5. The Government has provided additional funding in 2021/22 of £340k towards children's social care and adults social care and £271k towards homelessness prevention. The additional funding should be considered to partly offset the growth/cost pressures identified in the report to the Executive.
- 3.3.6. The Government has provided funding of £7,795k towards Covid related costs in 2021/22. Given the uncertainty of the continuing Covid situation the Draft 2021/22 assumes that these monies will need to be set aside to meet further Covid related costs not specifically reflected in the budget for next year.
- 3.3.7. With a remaining uncertainty on Government funding available in the future and the ongoing requirement for local authorities to be more self-sufficient, there is a need to consider what significant changes are required to manage within this new environment. The required changes relate to opportunities for partnership working, collaboration, reviewing the approach to managing risks, using technology to enable transformation of our services, helping people help themselves (friends groups) and exploring opportunities around community based place shaping led by the Council as a community leader. Even with the additional income identified in this report the Council will need to plan for significant changes including the impact of a recession and the 'new normal'. As pressures in statutory services such as adult social care, children's social care and high needs as well as homelessness are growing, the scope to invest in local priorities and services that benefit the widest range of people is reducing. The Council has delivered savings of around £100m per annum since 2009/10 and the ability to make savings in lower priority areas becomes more problematic. The need for savings in areas that support the Council's key priorities becomes more critical to meet the legal requirements for a balanced budget. The Council will continue to look for ways to operate more efficiently and generate more income, but this alone will not be enough to meet the future years' budget gap. The key consideration is how the Council can balance the budget over the next four years. Considering the core statutory minimum service requirements, Chief Officers are undertaking a transformational review across all services, focussing on higher spend services first with options being presented to future meetings. The ongoing transformation review will be a key consideration in addressing the budget gap over the next four years.
- 3.3.8. The current Renewal, Recreation and Housing Portfolio budget includes Phase 1 Transformation Savings, agreed as part of the 2020/21 Budget, totalling £1.3m per annum.
- 3.3.9. The Draft 2021/22 Budget now includes Phase 2 Transformation Savings totalling £202k relating to Disabled Facilities Grants and Council-wide training savings.
- 3.3.10. This key work continues, and further proposals will be reported to Members in the future as part of addressing the four-year financial forecast and meeting the 'budget gap' whilst ensuring key priorities are met.

3.3.11. There remain significant cost/growth pressures impacting on Renewal, Recreation and Housing budgets as well as opportunities for the mitigation of costs which have been reflected in the Draft 2021/22 Budget and financial forecast which are summarised below with more details in Appendix 1:

	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Growth/cost pressures	2,535	2,936	3,105	3,807
Mitigation	Cr 801	Cr 2,683	Cr 4,350	Cr 5,508
Net additional costs/savings(-)	1,734	253	Cr 1,245	Cr 1,701

3.3.12. It remains essential that there is the ongoing scrutiny and review of growth/cost pressures, which are mainly unfunded beyond 2023/24 with options to help achieve a balanced budget, including any mitigation over the financial forecast period.

3.4. FINANCIAL IMPACT OF COVID-19

3.4.1. A key financial challenge is the cost of the impact of Covid-19 and the extent to which the Government funds the net cost to the Council. Further details can be found in the report to the Executive.

3.4.2. The longer-term impact is expected to result in additional cost pressures, in part, to reflect the impact of a global recession. There will be a global recovery, but realistically that may not materialise until at least 2022/23. Apart from the additional costs arising from a recession which can range from council tax support and additional services for vulnerable residents etc, there is likely to be a significant impact on the Council's income. The Council has sought funding support on the 'new normal' impact for future years as part of the Spending Review submission to Government. The financial impact in 2021/22 (as well as future years) remains unclear at this stage. This will need to be monitored closely.

3.5. DETAILED DRAFT 2021/22 BUDGET

3.5.1. Detailed Draft 2021/22 Budgets are attached in Appendix 1 and will form the basis for the overall final Portfolio/Departmental budgets after any further adjustments to deal with service pressures and any other additional spending. Under the budget process previously agreed, these initial detailed budgets are forwarded to PDS committees for scrutiny and comment prior to the next Executive meeting in February.

3.5.2. Appendix 1 sets out:

- A summary of the Draft 2021/22 Revenue Budget for the Portfolio showing actual 2019/20 expenditure, 2020/21 budget, 2021/22 budget and overall variations in planned spending between 2020/21 and 2021/22;
- A summary of the main reasons for variations for the Portfolio in planned spending between 2020/21 and 2021/22 together with supporting notes;
- A high-level subjective summary for the Portfolio showing expenditure on employees, premises etc.

3.6. HOUSING INVESTMENT

3.6.1. The Council continues to face increased pressure from those presenting as homeless and, without a sufficient supply of accommodation, the Council faces no alternative but to utilise costly nightly rate accommodation. Despite all efforts to increase the supply of accommodation coming through housing association partners and private sector options this supply continues to be insufficient to meet the level of need and is likely to slow further as a

result of COVID-19. Demand is also forecast to increase following financial pressures on households and evictions restarting.

3.6.2. Whilst the focus on preventative measures has assisted in slowing the rate of growth in temporary accommodation (TA) use, options are extremely limited and increasing pressure is being seen from households faced with homelessness. This means that there are in excess of 1,700 households in TA of which around 1,000 are in costly forms of nightly rate accommodation.

3.6.3. Projecting forward, this pressure looks set to continue meaning that without new affordable housing supply, numbers and the length of stay in TA will continue to rise. The housing transformation plan sets out the need for approximately 1,000 affordable units in addition to anticipated new supply to mitigate against the costs of temporary accommodation. To date, four schemes have been approved, and funding allocated for the provision of around 95 modular housing units at the following sites:

	York Rise	Burnt Ash	Anerley	Bus hell Way	Total
Number of units	35	25	10	25	95
	£'000	£'000	£'000	£'000	£'000
Estimated scheme cost (incl. land value)	6,000	6,012	2,648	6,049	20,709
Financed by:					
Earmarked reserves	6,000				6,000
GLA grant		2,500	1,000	2,500	6,000
Section 106 contributions		523	210	523	1,256
Internal borrowing		2,989	1,438	3,026	7,453
	6,000	6,012	2,648	6,049	20,709

3.6.4. To meet the Housing Transformation target for the provision of 250 units, a further 155 units will be required. Based on the average costs above, this is likely to require further funding of around £34m.

3.6.5. Funding will also be required for the development or acquisition and refurbishment of 600 affordable homes also included in the Transformation work. This will be considered as part of the delivery vehicle options appraisal that is currently in progress, including through the Housing Revenue Account (see section on HRA below).

3.6.6. The Council has recently agreed the acquisition of 50 properties with Beehive. This scheme is funded by Beehive borrowing the funds for acquisition of the properties, which are then leased to the Council for use as affordable housing. Officers are exploring the option to expand this scheme and are considering the potential for other 'self-financing' development and acquisition schemes. Any such schemes will reduce future funding requirements to meet the target number of affordable homes detailed above.

3.7. REGENERATION INVESTMENT

3.7.1. The Covid situation has had a real impact on the local economy affecting employment, housing, local businesses and other factors. Regeneration can be a key component in rebuilding the economic base of a community and providing an infrastructure that will sustain it into the future. A Regeneration Strategy has been developed to ensure that moving forward the Council's Growth Fund is utilised for maximum positive impact for the benefit of residents and local businesses across the borough. This includes maximising funding opportunities through securing S106 and CIL monies, creating opportunities for income generation, and leverage in of grant funding whilst aligning the existing Growth Fund with the Regeneration

Strategy's Action Plan which will set out the Council's regeneration priorities over the next ten years.

3.7.2. As a long term ambition, the Strategy will inevitably involve significant capital investment over a number of years, and therefore there will be the risks to the Council that are associated with large capital projects, including construction industry inflation, cost overruns, unforeseen delays, and the long term security of funding resources, potentially including financing costs. Where schemes are reliant on capital receipts and housing sales, then there would also be the volatility of the property market impact on land and property prices that could affect schemes' viability and affordability. A key component of progressing regeneration as well as mitigating risk to the Council, will be to support inwards investment from developers, which will enhance opportunities, particularly in town centres as we support them to change and adapt over the next few years. Building new homes for Bromley residents, is a key focus for regeneration, and identifying opportunities to do this, jointly with developers is likely to advance schemes.

3.7.3. The Council will also disseminate Additional Restrictions Grant through 2021/22 in line with government advice to support businesses in their recovery.

3.7.4. The Covid situation has placed serious financial pressures on our culture and leisure sectors, as it has nationally. The recovery of the local economy will in part be reliant on the Borough's cultural offer and what attracts people to live, work and visit Bromley. From ensuring town centres are not just places to shop, but places that offer experiential opportunities, whether that is through theatres, cinemas, museums or other cultural offers. Bromley is well placed to respond and should continue to support our cultural offer and maximise use of our important heritage assets. A key priority will be working with stakeholders to leverage in funding where possible as well as reviewing other assets that could support our cultural and leisure offer including underutilised park buildings. Priorities in 2021/22 will include, the development in key areas, such as Crystal Place Park, which will support the long term future viability of this historic location, as well as undertaking a leisure strategy, which will help shape leisure services of the future, identify where investment is needed and how assets can be maximised to offer develop new facilities fit for the future.

3.7.5. Investment in our infrastructure is essential for:

- A thriving local economy
- Business sustainability
- A place where businesses want to be established
- An area that people want to live, work and visit
- A Borough that is open to develop, but continues to protect the unique character, green spaces and heritage.
- Improved digital connectivity, support residents and businesses to be better connected.

3.7.6. Regeneration investment can achieve additional (or help maintain) income from the Council's business rate share. It will also enable economic growth and create employment in the borough.

3.8. UPDATE ON THE HOUSING REVENUE ACCOUNT (HRA)

3.8.1. In July 2020 Council approved the setting up of a Housing Revenue Account (HRA) for the provision of affordable housing. Although there is no longer a requirement to submit an HRA business plan to the government, it is not only good practice for authorities to prepare HRA business plans but under self-financing there is a need for the HRA to have a detailed

business plan for service and financial planning, and to sustain the assets and ensure that debts can be serviced.

- 3.8.2. Although three sites have been identified that could be appropriated to the HRA for the development of affordable housing, these haven't yet been appropriated to date as they must first be appropriated for planning purposes. As a result, the Council cannot yet set a budget for the HRA for 2021/22.
- 3.8.3. Officers are currently working to develop the 30-year business plan, which will include indicative budgets and financing requirements for potential sites that have been identified. Future reports will be presented for the consideration of business cases for individual sites and the development of the HRA business plan.
- 3.8.4. By appropriating the land into the HRA, the market value of the land is charged to the HRA. Although this is not an actual capital receipt, it does mean that the General Fund can incur more capital expenditure without needing to borrow through an adjustment to the Capital Financing Requirement. Further details of the impact on capital financing will be covered in the HRA 30-year business plan and annual treasury management strategy reports.

3.9. REVIEW OF FEES AND CHARGES

- 3.9.1. There will need to be an ongoing review identifying opportunities as the medium term 'budget gap' remains significant. Chief Officers will continue to review fees and charges during 2021/22 to identify opportunities to reduce the future years 'budget gap'.

3.10. IDENTIFYING FURTHER SAVINGS/MITIGATION

- 3.10.1. The scale of savings required in future years cannot be met by efficiency alone – there may need to be a reduction in the scope and level of services. The Council will need to continue to review its core priorities and how it works with partners and key stakeholders and the overall provision of services. A significant challenge is to consider discretionary services which, if reduced, could result in higher cost statutory obligations. Therefore, it is important to consider the risk of 'unintended consequence' of reducing discretionary services adversely impacting on the cost of statutory services. The Draft 2021/22 Budget represents the second year of savings from the Transformation Programme. This key work continues, and further proposals will be reported to Members as part of addressing the four-year financial forecast and meeting the 'budget gap' whilst ensuring key priorities are met.

3.11. POSITION BY DEPARTMENT – KEY ISSUES/RISKS

Housing

- 3.11.1. Housing costs continue to escalate for those qualifying for temporary accommodation. The key challenges continue to centre on:
- The overall lack of access to accommodation that is affordable as a result of reduced lettings and drying up of leased properties and increasing competition for limited housing supply across London as the number in housing need increases.
 - Reduced social housing stock turnover silting up temporary accommodation.
 - The combined impact of the welfare reform changes – resulting in a greater number of approaches, increased rent arrears and shortfall in rent which requires LBB top up.
 - The extended statutory duties arising from the implementation of the Homelessness Reduction Act 2017 since April 2018.

- Complexity of some households approaching requiring intensive support and intervention to access and sustain accommodation.
- Identification of suitable sites through acquisition or land supply and the time taken to develop them to provide sufficient alternative affordable accommodation.
- Increased homelessness as the economic impact of COVID is felt with an increasing number of people struggling to afford housing and basic living costs

3.11.2. Overall, these pressures are likely to rise by a further £3.7m by 2024/25.

3.11.3. There are a range of activities being undertaken to slow down the rate of increase and seek to mitigate the overall costs pressures. However, it must be noted that pressures continue to rise and capital schemes regarding housing supply will take several years lead in to design, gain planning consent and complete:

- Costs can best be contained by continuing to focus on early intervention and advice. The service has been redesigned to proactively identify those at risk of homelessness to offer early intervention services prior to crisis and thus reduce the need for temporary accommodation – this includes continued investment in related housing support and money advice services.
- Increasing access to private rented sector accommodation. A new offer has been put in place for landlords to increase the level of access. To date this has achieved 119 letting during the current year.
- Pan London arrangements to share details on TA costs and set benchmark rates to reduce the level of price increases.
- It is clear however that in order to start to mitigate the cost of temporary accommodation increased housing supply is required. A transformation board is now in operation to pursue the range of options to increase accommodation supply including the use of vacant dwelling, modular units, property purchase and the development of Bromley owned or acquired sites. Cumulatively the schemes identified to date would offer full-year mitigation actions in the region of £9.6m.

Planning Services

3.11.4. A substantial part of Planning Services' work attracts income for the Council, mainly from planning application fees. The fee income and volume of work reflects the wider economic circumstances affecting development pressures in the Borough and there is a risk of income variation beyond the Council's immediate control. This has been complicated and exacerbated in 2020/21 by the impact of Covid-19 which has seen a significant reduction in income from planning fees, building control and land charges. The Portfolio's draft budget for 2021/22 assumes that these impacts will not remain beyond the current financial year. While trends are regularly monitored in order that appropriate action can be taken, there remains the risk that ongoing national and local economic factors could adversely affect these budgets in 2021/22 and beyond.

3.11.5. There is a risk that Section 106 developer contributions are not spent in accordance with the legal agreements, for example in the right location or timescale. Regular monitoring is undertaken and reported periodically to the ER&C PDS. The process is being reviewed as to align with the emerging requirements of the Community Infrastructure Levy Regulations 2010 to produce an annual Infrastructure Funding Statement

- 3.11.6. Action is ongoing to reduce risk of Government Designation for Special Measures due to Planning performance.

Culture and Regeneration

- 3.11.7. As a long term ambition, the Regeneration Strategy will inevitably involve significant capital investment over a number of years, and therefore there will be the risks to the Council that are associated with large capital projects, including construction industry inflation, cost overruns, unforeseen delays, and the long term security of funding resources, potentially including financing costs. Where schemes are reliant on capital receipts and housing sales, then there would also be the volatility of the property market impact on land and property prices that could affect schemes' viability and affordability.
- 3.11.8. The public health pandemic has placed serious financial pressures on our culture and leisure sectors, as it has nationally. The recovery of the local economy will in part be reliant on the Borough's cultural offer and what attracts people to live, work and visit Bromley.

COVID impacts

- 3.11.9. Leisure Services/MyTime: The financial impact upon the leisure industry is significant and it will take time for the industry to recover and start to regain financial viability. During the current year an interim rental deferment was agreed. There is also increasing risk that rental deferments at least during 2020/21 may not be recovered and future viability is uncertain.
- 3.11.10. Churchill Theatre: Covid restrictions continues to prevent the theatre from opening. Work has been undertaken to secure grant funding to assist in the financial losses with an approved financial support package of £132K from the Council. Whilst it is hoped that this will assist in securing the sustainability of the theatre as it starts to recover there is still a risk that prolonged closure and extended restrictions will further impact upon the potential for recovery.

Transformation

- 3.11.11. Housing Supply: The largest strand of the transformation programme relates to the increase in pace and supply of affordable housing as set out above. There are currently 3 sites underway with a further 9 sites undergoing feasibility studies for potential development. Work is also underway as part of the overall assets review to identify further sites for development and to assess the need for the complementation acquisition and leasing schemes to achieve the overall quantum target on additional affordable homes. Overall this programme seeks to achieve savings against temporary accommodation costs of approximately £11m.
- 3.11.12. Borough CIL: The borough CIL has been approved through DC and Executive and is now being progressed through examination in public. All being well this will mean that we are able to implement the borough CIL from the middle of 2021. An officer group is in place to develop a clear list of priorities for use of the CIL in line with the priorities identified in the infrastructure delivery plan.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The Draft 2021/22 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.

5. POLICY IMPLICATIONS

- 5.1 The Draft 2021/22 Budget enables the Council to continue to deliver on its key priorities and the financial forecast enables medium term financial planning allowing for early decisions to

be made which impact on the medium-term financial plan. The Council continues to deliver key services and lives within its means.

6. FINANCIAL IMPLICATIONS

6.1 Financial implications are contained within the overall body of the report.

7. PERSONNEL IMPLICATIONS

7.1 Staff, departmental and trade union representatives will be consulted individually and collectively on any adverse staffing implications arising from the Draft 2021/22 Budget. Managers have also been asked to encourage and facilitate staff involvement in budget and service planning.

8. LEGAL IMPLICATIONS

8.1 The adoption of the budget and the setting of the council tax are matters reserved for the Council upon recommendation from the Executive. The Local Government Finance Act 1992 (as amended) requires the Council to set an amount of council tax for each financial year and provides that it must be set before 11th March in the financial year preceding that for which it is set. Sections 73-79 of the Localism Act 2011 amended the calculations billing and precepting authorities need to make in determining the basic amount of council tax. The changes included new sections 31 A and 31 B to the Local Government Finance Act 1992 which has modified the way in which a billing authority calculates its budget requirement and basic amount of council tax.

8.2 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.

8.3 The making of these budget decisions at full Council is a statutory responsibility for all Members. Members should also have regard to the changes from the Localism Act relating to council tax increases and the recent introduction of the Adult Social Care precept. The Council has a number of statutory duties which it must fulfil by law – although there can be an element of discretion on level of service provision. The Council also discharges a range of discretionary services. The Council is not bound to carry out such activities in the same way as it is for statutory duties – although it may be bound contractually to do so. A decision to cease or reduce provision of a discretionary service must be taken in accordance with sound public /administrative law decision making principles. The Council must also comply with the Public Sector Equality Duties in section 149 of the Equality Act 2010. In doing so, the Council must have due regard to elimination of discrimination, harassment and victimisation, advance equality of opportunity and foster good relations with persons who share a protected characteristic.

8.4 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 adequacy of future years reserves in making budget decisions and section 25 of that Act requires the Director of Finance to report on the robustness of the estimates made for the purposes of calculating the Council Tax and the adequacy of the reserves. Further details to support these obligations will be reflected in the 2021/22 Council Tax report to be reported to the February meeting of the Executive.

Non-Applicable Sections:	Procurement Implications
Background Documents: (Access via Contact Officer)	Draft 2021/22 Budget and Update on the Council's Financial Strategy 2022/23 to 2024/25, Executive 13 th January 2021. Finance monitoring, Estimate Documents, etc all held in Finance Section

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RENEWAL RECREATION & HOUSING PORTFOLIO**DRAFT REVENUE BUDGET 2021/22 - SUMMARY**

2019/20 Actual	Service Area	2020/21 Budget	Increased costs	Other Changes	2021/22 Draft Budget
£		£	£	£	£
	Culture & Regeneration				
865,573	Culture	762,810	10,420	50,870	824,100
4,852,977	Libraries	4,794,250	46,740	Cr 170,000	4,670,990
110,437	Town Centre Management & Business Support	77,970	920	Cr 220	78,670
5,828,987		5,635,030	58,080	Cr 119,350	5,573,760
	Planning				
Cr 19,485	Building Control	75,180	3,430	Cr 400	78,210
Cr 135,128	Local Land Charges	Cr 128,780	180	0	Cr 128,600
1,231,244	Planning	1,658,370	31,460	16,040	1,705,870
1,076,631		1,604,770	35,070	15,640	1,655,480
	Operational Housing				
0	Enabling Activities	Cr 900	0	900	0
Cr 1,980,935	Housing Benefits	Cr 1,941,290	Cr 19,410	0	Cr 1,960,700
8,868,533	Housing Needs	8,365,500	91,340	328,410	8,785,250
887,923	Supporting People	1,018,720	10,180	Cr 520	1,028,380
179,039	Housing Improvement	207,100	4,940	Cr 200,000	12,040
7,954,560		7,649,130	87,050	128,790	7,864,970
14,860,179	TOTAL CONTROLLABLE	14,888,930	180,200	25,080	15,094,210
12,732,028	TOTAL NON CONTROLLABLE	Cr 1,212,480	Cr 4,330	351,650	Cr 865,160
6,242,400	TOTAL EXCLUDED RECHARGES	5,904,430		Cr 410,100	5,494,330
33,834,606	PORTFOLIO TOTAL	19,580,880	175,870	Cr 33,370	19,723,380

RENEWAL RECREATION AND HOUSING PORTFOLIO

SUMMARY OF BUDGET VARIATIONS 2021/22

Ref	VARIATION IN 2021/22		ORIGINAL
	£'000	£'000	BUDGET 2020/21 £'000
1 2020/21 BUDGET		19,581	
2 Increased Costs		176	
Movements Between Portfolios / Departments			
3 TFM Energy Management	Cr	5	125
Real Changes			
<i>Savings identified for 2021/22 as part of the 2020/21 Budget process</i>			
4 250 Additional Modular Units for TA on Bromley Sites	Cr	800	14,877
5 Property purchase phase 2	Cr	786	14,877
6 Reduction in bad debt provision	Cr	250	175
7 Additional Prevention Work	Cr	85	14,877
8 Additional PRS Lettings	Cr	15	
		Cr 1,936	
<i>Other Real Changes</i>			
9 Homelessness Prevention Grant increase	Cr	271	Cr 2,983
10 Libraries Contract Savings	Cr	155	4,190
11 Absorption of Inflation for Statutory Planning Fees		17	Cr 1,730
12 Churchill Theatre Community Arts Programme		41	0
		Cr 368	
<i>Growth</i>			
13 developments		82	0
14 2020/21 transformation savings rephased (reduction in bad debts)		250	175
15 2020/21 transformation savings rephased (250 modular homes)		800	14,877
16 Housing Growth		1,403	14,877
		2,535	
<i>Transformation Programme Savings</i>			
17 Housing Improvement - Disabled Facilities Grant (DFG) Funding	Cr	200	207
18 Training	Cr	2	
		Cr 202	
19 Variations in Capital Charges		374	
20 Variations in Recharges	Cr	410	
21 Variations in Insurances	Cr	22	
22 2021/22 DRAFT BUDGET		19,723	

RENEWAL RECREATION & HOUSING PORTFOLIO

Notes on Budget Variations in 2021/22

Ref Comments

2 Increased Costs (Dr £176k)

Inflation of £176k has been allocated to budgets for 2021/22. An estimated rate of 1.5% has been applied to pay budgets and 1% to non-pay budgets.

Movements Between Portfolios / Departments

3 TFM Energy Management (Cr £5k)

Full year effect of reallocation of energy budget from Place Department to Chief Executives Department in 2020/21 identified as a saving outlined in the energy contract award reported to the Executive in October 2020.

Real Changes

Savings identified for 2021/22 as part of the 2020/21 Budget process

4 250 Additional Modular Housing Units on Bromley sites (Cr £800k)

This is part of the estimated savings in the cost of placing Homeless clients in newly built modular homes compared with the current cost of placing them in nightly paid temporary accommodation and is in addition to the £800k saving included in the 2020/21 budget.

5 Property purchase phase 2 (Cr £786k)

Savings on temporary accommodation scheme budgets as a result of property acquisition schemes such as the Beehive scheme.

6 Reduction in Bad Debt Provision (Cr £250k)

There is expected to be a reduction to the annual increase in the Housing Bad Debt Provision, following the introduction of the new Housing Rent Accounts system that contains better credit control processes. This is in addition to the £250k reduction included in the 2020/21 budget.

7 Additional prevention work (Cr £85k)

Further increasing level of homelessness prevention and access to private rented accommodation to prevent/relieve housing pressures.

8 Additional PRS Lettings (Cr £15k)

The estimated savings in the cost of placing Homeless clients in current temporary accommodation properties compared with the cost in placing them in newly found properties in the Private Rented Sector.

Other Real Changes

9 Homelessness Prevention Grant increase (Cr £271k)

The Homelessness Prevention Grant replaces the previous Flexible Homelessness Support Grant and Homelessness Reduction Grant, with an increase in Bromley's allocation for 2021/22 of £271k.

10 Library contract savings (Cr £155k)

On 19 July 2017, Executive approved the award for the provision of library services to Greenwich Leisure Limited for 10 years from November 2017. This adjustment reflects the net additional savings for 2021/22, built into the forecast reported to Members in February 2018.

11 Absorption of inflation for statutory planning fees (Dr £17k)
Estimates are prepared on the basis that inflation is added to both income and expenditure. As planning fees are statutory and not set by the Council, inflation has been absorbed as part of the budget setting process.

12 Churchill Theatre Community Projects Contribution (Dr £41k)
The operators of the Churchill Theatre have been providing a community arts and outreach programme within the Borough at no cost to the Council. However, the impact of COVID-19 on income generation has meant that they are no longer able to continue this arrangement and consequently the Executive agreed to provide of £41k per annum for 3 years to fund this project.

Growth

13 Recurring funding for Finance post/IT systems for HRA and housing developments (Dr £82k)
Following the decision to reopen the Housing Revenue Account (HRA) and the increase in housing development work/acquisition schemes, there is a need for an additional finance post and an HRA financial model/IT system.

14 2020/21 transformation savings rephased (reduction in bad debts) (Dr £250k)
As a result of the impact of the COVID-19 pandemic, the further reduction in bad debts in reference 6 is not expected to be achieved during 2021/22 and has been rephased to 2022/23.

15 2020/21 transformation savings rephased (250 modular homes) (Dr £800k)
Due to delays in the development of housing sites, the additional saving in reference 4 is unlikely to be achieved during 2021/22 and has been rephased to 2022/23.

16 Housing Growth (Dr £1,403k)
The growth pressure on the temporary accommodation budgets is due to the increase in homelessness in the borough.

Transformation Programme Savings

17 Housing Improvement - Disabled Facilities Grant (DFG) Funding (Cr £200k)
Use of additional DFG Funding to support vulnerable home owners and tenants to help them remain safely in their own homes for longer, reduce the need for care assistance, reduce accidents in the home and hospital admissions and to facilitate hospital discharge.

18 Training (Cr £2k)
A saving will be made across training budgets through central monitoring of collective spend and improvements in procurement efficiency.

Variations in Capital Charges, Recharges & Rent Income

19 Variations in Capital Charges (Dr £374k)

The variation in capital charges is due to a combination of the following:

- (i) Depreciation – the impact of revaluations or asset disposals in 2019/20 (after the 2020/21 budget was agreed) and in the first half of 2020/21;
- (ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to variations in the value of schemes in the 2021/22 Capital Programme that do not add value to the Council's fixed asset base.
- (iii) Government Grants – mainly due to variations in credits for capital grants receivable in respect of 2021/22 Capital Programme schemes, which are used to finance expenditure that is treated as REFCUS.

These charges are required to be made to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.

20 Variations in Recharges (Cr £410k)

Variations in cross-departmental recharges are offset by corresponding variations elsewhere and therefore have no impact on the overall position.

21 Variations in Insurance (Cr £22k)

Insurance recharges to individual portfolios have changed between years, partly because an extra year of claims experience since the 2020/21 budget was finalised has been factored in. The overall variation across the Council is Dr £5k.

RENEWAL, RECREATION & HOUSING
DRAFT REVENUE BUDGET 2021/22 - SUBJECTIVE SUMMARY

Service area	Employees £	Premises £	Transport £	Supplies and Services £	Third Party Payments £	Transfer Payments £	Income £	Controllable Recharges	Capital Charges/Financing	Total Controllable £
Culture & Regeneration										
Culture	791,400	62,560	5,970	91,410	97,130	0	Cr 56,200	Cr 168,170	0	824,100
Libraries	116,560	282,410	0	196,400	4,075,620	0	0	0	0	4,670,990
Town Centre Management & Business Support	41,450	19,550	930	20,950	36,870	0	Cr 41,080	0	0	78,670
	949,410	364,520	6,900	308,760	4,209,620	0	Cr 97,280	Cr 168,170	0	5,573,760
Planning										
Building Control	778,950	0	6,040	85,000	0	0	Cr 791,780	0	0	78,210
Local Land Charges	165,010	0	100	11,940	0	0	Cr 305,650	0	0	Cr 128,600
Planning	3,221,450	3,120	20,720	271,870	16,490	0	Cr 1,827,780	0	0	1,705,870
	4,165,410	3,120	26,860	368,810	16,490	0	Cr 2,925,210	0	0	1,655,480
Operational Housing										
Enabling Activities	0	0	0	0	0	0	0	0	0	0
Housing Benefits	0	0	0	537,280	0	103,396,960	Cr 105,894,940	0	0	Cr 1,960,700
Housing Needs	3,502,670	101,820	14,100	1,127,900	19,093,580	0	Cr 15,170,990	116,170	0	8,785,250
Supporting People	0	0	0	0	1,028,380	0	0	0	0	1,028,380
Housing Improvement	429,730	0	4,130	4,070	0	0	Cr 139,960	Cr 285,930	0	12,040
	3,932,400	101,820	18,230	1,669,250	20,121,960	103,396,960	Cr 121,205,890	Cr 169,760	0	7,864,970
	9,047,220	469,460	51,990	2,346,820	24,348,070	103,396,960	Cr 124,228,380	Cr 337,930	0	15,094,210

Service area	Capital Charges/Financing £	Repairs, Maintenance & Insurance	Property Rental Income	Not Directly Controllable	Recharges In £	Total Cost of Service £	Recharges Out £	Total Net Budget £
Recreation								
Culture	3,108,000	193,470	Cr 871,410	2,430,060	402,360	3,656,520	Cr 262,600	3,393,920
Libraries	356,000	142,740	0	498,740	108,420	5,278,150	Cr 61,680	5,216,470
Town Centre Management & Business Support	0	70	0	70	235,920	314,660	0	314,660
	3,464,000	336,280	Cr 871,410	2,928,870	746,700	9,249,330	Cr 324,280	8,925,050
Planning								
Building Control	0	1,430	0	1,430	291,170	370,810	Cr 112,440	258,370
Local Land Charges	0	460	0	460	186,100	57,960	0	57,960
Planning	0	7,570	0	7,570	2,157,390	3,870,830	Cr 1,331,780	2,539,050
	0	9,460	0	9,460	2,634,660	4,299,600	Cr 1,444,220	2,855,380
Operational Housing								
Enabling Activities	0	0	0	0	180,460	180,460	0	180,460
Housing Benefits	0	0	0	0	1,824,190	Cr 136,510	0	Cr 136,510
Housing Needs	102,000	76,830	0	178,830	1,757,290	10,721,370	Cr 147,930	10,573,440
Supporting People	0	0	0	0	0	1,028,380	0	1,028,380
Housing Improvement	Cr 3,986,000	3,680	0	Cr 3,982,320	267,460	Cr 3,702,820	0	Cr 3,702,820
	Cr 3,884,000	80,510	0	Cr 3,803,490	4,029,400	8,090,880	Cr 147,930	7,942,950
	Cr 420,000	426,250	Cr 871,410	Cr 865,160	7,410,760	21,639,810	Cr 1,916,430	19,723,380

Report No.
DRR20/010

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION AND HOUSING POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Tuesday 2 February 2021

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

Title: HOUSING, PLANNING AND REGENERATION RISK REGISTER
– Quarter 3 2020/21

Contact Officer: Denise Mantell, Strategy Officer
Tel: 020 8313 4113 Email: denise.mantell@bromley.gov.uk

Chief Officer: Sara Bowrey, Director, Housing, Planning and Regeneration

Ward: N/A

1. Reason for report

- 1.1 Risk Management is the identification, analysis and overall control of those risks which can impact on the Council's ability to deliver its priorities and objectives. Housing, Planning and Regeneration Services' Risk Register covers those risks which impact on its ability to deliver its priorities and objectives. This report enables Renewal, Recreation and Housing Policy Development and Scrutiny Committee to scrutinise those risks and the actions taken to control them in line with Audit Sub-Committee recommendations.
-

2. **RECOMMENDATION(S)**

- 2.1 Members of the Renewal, Recreation and Housing Policy Development and Scrutiny Committee are asked to note:
- the current Housing, Planning and Regeneration Risk Register and the existing controls in place to mitigate the risks.

Impact on Vulnerable Adults and Children

1. Summary of Impact: There is no direct impact, however many of the risks set out in the Risk Register impact on the provision of and access to suitable accommodation to meet the housing needs of, and safeguard, vulnerable adults and children. Additionally, services such as Libraries and the Resource Shops are community focussed and support this group.
-

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Children and Young People Excellent Council Quality Environment Safe Bromley Supporting Independence Vibrant, Thriving Town Centres Healthy Bromley Regeneration
-

Financial

1. Cost of proposal: No cost
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Renewal, Recreation and Housing Portfolio 2020/21 approved revenue budget and capital programme
 4. Source of funding:
-

Personnel

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

Legal

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

Procurement

1. Summary of Procurement Implications:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All vulnerable adults and older people within Bromley
-

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 Risk Management is the identification, analysis and overall control of those risks which can impact on the Council's ability to deliver its priorities and objectives. The Housing, Planning and Regeneration Risk Register feeds into the Corporate Risk Register, via the Corporate Risk Management Group, and comprises the high level departmental risks which are underpinned by more detailed registers contained within the divisional business plans.
- 3.2 Audit Sub-Committee agreed that the Corporate and Departmental Risk Registers would be reviewed at their meetings twice a year and then subsequently scrutinised by the relevant PDS Committee. Internal processes require that the departmental risk registers be updated and agreed by the Departmental Leadership Team (DLT) on a quarterly basis and be reviewed by the Corporate Risk Management Group.
- 3.3 The Housing, Planning and Regeneration Risk Register has been agreed by Housing, Planning and Regeneration Leadership Team in January 2021.
- 3.4 The Housing, Planning and Regeneration Services Risk Register is attached as Appendix 1. The risks included in the Risk Register are outlined below.

Risk Reference	Risk
1	Failure to deliver Housing Financial Strategy
2	Failure to deliver effective Housing Needs services
3	Temporary Accommodation
4	Capital Grant
5	Recruitment and Retention
6	Welfare Reform
7	Business Interruption / Emergency Planning
8	Data Collections
9	Financial Performance
10	Health and Safety Regulations
11	Contractor Performance
12	Outreach Service
13	Vitality and Prosperity of Town Centres
14	Capital Schemes
15	Library Service
16	Planning Service
17	Community Infrastructure Levy
18	Section 106 Agreements
19	London Plan

- 3.5 Changes have been made to the Risk Register since January 2020. These are due to the impact of COVID-19 and the impact on community services and on town centres. Work to make further reductions to existing high risks has also been impacted.

The following risks have increased:

- Risk 12 – Outreach Service – change of gross risk from 12 to 16 and current/net risk from 9 to 16
- Risk 13 - Vitality and Prosperity of Town Centres– change of gross risk from 9 to 16 and current/net risk from 4 to 12

- Risk 15 - Library Service – change of gross risk from 8 to 16 and current/net risk from 3 to 12

The following risk has decreased:

- Risk 8 – Data Collection – change of gross risk from 9 to 6

3.6 Mitigating actions have seen seven high risks reduced to significant risk, three high risks reduced to medium risk, two significant risks reduced to medium risk and one medium risk reduced to low risk.

Level of Risk	Gross Risk		Net Risk	
	No.	%	No.	%
High	14	74%	4	21%
Significant	2	11%	7	37%
Medium	3	16%	7	37%
Low	0	0%	1	5%
Total	19	100	19	100

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

5. The controls already in place and the further actions outlined in the Risk Register mitigate against adverse impacts on vulnerable adults and children.

6. POLICY IMPLICATIONS

There are no policy implications arising directly from this report. Any policy implications arising from the existing controls and the further action required to mitigate against the risks are reported to the PDS Committee separately.

7. FINANCIAL IMPLICATIONS

There are no financial implications arising directly from this report. Any financial implications arising from the existing controls and the further action required to mitigate against the risks are reported to the PDS Committee separately.

8. PERSONNEL IMPLICATIONS

There are no personnel implications arising directly from this report. Any personal implications arising from the existing controls and further action to mitigate against the risks are reported to the PDS Committee separately.

9. LEGAL IMPLICATIONS

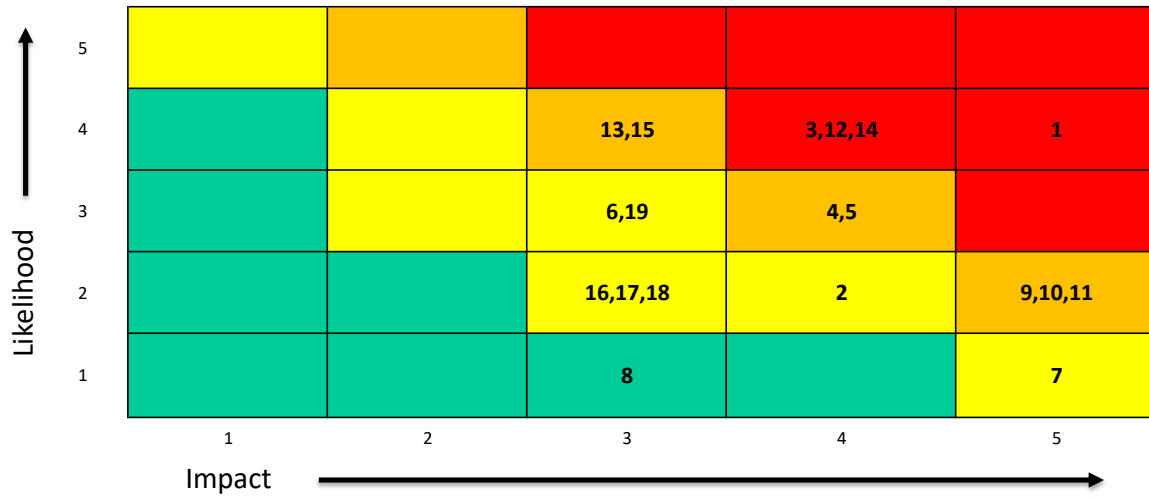
There are no legal implications arising directly from this report. Any legal implications arising from the existing controls and further action to mitigate against the risks are reported to the PDS Committee separately.

10. PROCUREMENT IMPLICATIONS

There are no procurement implications arising directly from this report. Any procurement implications arising from the existing controls and further action to mitigate against the risks are reported to the PDS Committee separately.

Non-Applicable Sections:	[List non-applicable sections here]
Background Documents: (Access via Contact Officer)	[Title of document and date]

Housing, Planning and Regeneration Risk Register



Risk Ref	Risk Description	Gross Risk Rating	Net Risk Rating
1	Failure to deliver Housing Financial Strategy	25	20
2	Failure to deliver effective Housing Needs services	16	8
3	Temporary Accommodation	20	16
4	Capital Grant	16	12
5	Recruitment and Retention	20	12
6	Welfare Reform	16	9
7	Business Interruption / Emergency Planning	10	5
8	Data Collections	9	3
9	Financial Performance	15	10
10	Health and Safety Regulations	15	10
11	Contractor Performance	15	10
12	Outreach Service	16	16
13	Vitality and Prosperity of Town Centres	16	12
14	Capital Schemes	25	16
15	Library Service	16	12
16	Planning Service	12	6
17	Community Infrastructure Levy	6	6
18	Section 106 Agreements	9	6
19	London Plan	15	9

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Housing, Planning and Regeneration Risk Register

Q3 2020/21

REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press shift & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)					EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)					FURTHER ACTION REQUIRED	RISK OWNER
					LIKE LIHO OD	IMPA CT	RISK RATI NG	LIKE LIHO OD	IMPA CT		RISK RATI NG						
1	All	Failure to deliver Housing Financial Strategy	<p>Cause(s):</p> <ul style="list-style-type: none"> - Demand led statutory services which can be difficult to predict - High number of households meeting criteria for temporary accommodation - Lack of suitable housing - Impact of COVID-19 on tenancies including changes to government directives (such as Everyone In), increased placements and their cost, reduced rental income for properties and progressing building works - Increased costs at 2 Traveller Sites due to unexpected police operation. Lack of income as a result of un-tenanted pitches. <p>Effect(s):</p> <ul style="list-style-type: none"> - Failure to achieve a balanced budget 	Financial	5	5	25	<ul style="list-style-type: none"> - Match financial planning to Council priorities - Plans to deliver £11m of identified savings in Housing through work of Housing Transformation Board - Budget monitoring and forecasting - Regular reporting to CLT and Members via the Committee reporting process - Internal audit framework - Regular review of strategies to prevent homelessness and identify/develop temporary accommodation housing - Determination at planning stage to ensure collection of obligations due (S106) - Conditions attached to S106 funding received to ensure it is spent on preventing homelessness - Constantly reviewing service operations for potential efficiencies - Housing Strategy agreed by Council Executive - February 2020 	4	5	20	<ul style="list-style-type: none"> - Housing Transformation Board to increase rate and pace of affordable housing supply. Six schemes approved by Members for progression. - Options appraisal on future housing delivery models completed and passed to Members for consideration. This includes seeking to maximise grants for future delivery. - Adjustments being made to sites. New traveller site manager in post; focus on site standards and rental collection. 	Director, Housing (Sara Bowrey)				
2	Housing Needs	Failure to deliver effective Housing Needs services The Council is unable to deliver an effective Housing Needs service to fulfil its statutory obligations	<p>Cause(s):</p> <ul style="list-style-type: none"> - very demand led - lack of experienced staff - homelessness is increasing in number and complexity of cases needing maximisation of early intervention - Lack of awareness of where households need to approach services - Managing households approaching Council for help <p>Effect(s):</p> <ul style="list-style-type: none"> - Failure to fulfil statutory obligations - Impact on life chances and outcomes for individuals and families in need of Housing Services - Reputational damage - Legal challenge 	Legal	4	4	16	<ul style="list-style-type: none"> - Focus on preventing homelessness and diversion to alternative housing options through:- - Landlord and Tenancy advice support and sustainment - Assistance (including financial aid) to access the private rented sector - Access to employment and training - Debt, money, budgeting and welfare benefits advice, including assistance to resolve rent and mortgage arrears - Sanctuary scheme for the protection of victims of domestic violence - Implementing the Homelessness Strategy - setting up the multi-agency Homelessness Forum and taking forward the priorities of the Strategy - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Housing Transformation Board programme being implemented - Implementation of the More Homes Bromley initiative to ensure the supply reduces the reliance on nightly paid accommodation - New incentive campaign for private sector landlords embedded and benefits being realised. - Housing Strategy agreed by Council Executive - February 2020 - Ensuring grant funding is pursued and properly utilised. 	2	4	8	<ul style="list-style-type: none"> - Housing Transformation Board programme being implemented. Six schemes approved by Members for progression. Options appraisal on future housing delivery models completed and passed to Members for consideration. This includes seeking to maximise grants for future delivery. - Work continues with a range of housing providers to explore all options for increased supply and the revised offer to private landlords to increase access has been fully embedded. - Review of impact of Homelessness Reduction Act completed and level of early intervention increased for main cause of homelessness including enhanced debt and money advice. - Work required to address under-occupation and the generation of move on options within the social housing sector. - The new housing IT system offers a new more interactive on line housing advice model 	Assistant Director, Housing (Lynnette Chamielec)				
3	Housing Needs	Temporary Accommodation Inability to effectively manage the volume of people presenting themselves as homeless and the additional pressures placed on the homelessness budgets	<p>Causes:</p> <ul style="list-style-type: none"> - Changes in government funding - Rising number of placements (approx. 20 per month) - Lack of local, affordable sustainable options - Increased homelessness and lack of access to accommodation <p>Effect(s):</p> <ul style="list-style-type: none"> - Failure to fulfil statutory obligations - Impact on life chances and outcomes for individuals and families in temporary accommodation - Increased risk of legal challenge due to provision of unsuitable accommodation (including shared accommodation) - Pressure on other services - Increase in the number of out of borough placements 	Social	5	4	20	<ul style="list-style-type: none"> - Focus on preventing homelessness and diversion to alternative housing options through:- - Landlord and Tenancy advice support and sustainment - Assistance (including financial aid) to access the private rented sector - Access to employment and training - Debt, money, budgeting and welfare benefits advice, including assistance to resolve rent and mortgage arrears - Sanctuary scheme for the protection of victims of domestic violence - Implementing the Homelessness Strategy - setting up the multi-agency Homelessness Forum and taking forward the priorities of the Strategy - Working with local churches through the Transforming Bromley Borough Group to increase opportunities for outreach work. - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Housing Transformation Board programme being implemented - Implementation of the More Homes Bromley initiative to ensure the supply reduces the reliance on nightly paid accommodation - New incentive campaign for private sector landlords embedded and benefits being realised. 	4	4	16	<ul style="list-style-type: none"> - Housing Transformation Board progressing projects to increase cost-effective temporary accommodation and affordable housing supply. Six schemes approved by Members for progression. Options appraisal on future housing delivery models completed and passed to Members for consideration. - Transformation Board action plan in place for next 3-4 years. - Continue to develop partnership working with private sector landlords to assist households to remain in private sector accommodation and establish longer term tenancies. - Work innovatively with a range of providers to increase access to a supply of affordable accommodation. Housing Association Development Group established to progress developments in borough and share good practice. - Regeneration options on Housing Association estates under discussion to increase affordable housing supply. - Intake and Early Intervention service to meet Homelessness Reduction Act. Review effectiveness to address causes of homelessness. - Design work now underway for the modular schemes with planning submissions being progressed; the first of which has been approved. 	Assistant Director, Housing (Lynnette Chamielec)				

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4	Housing Needs (Housing Strategy)	Capital Grant Failure to deliver the Council's affordable housing strategy in support of statutory obligations Lack of infrastructure in place where growth is occurring (Section 106 monies)	Cause(s): - Lack of availability of external capital grant (Housing Associations) to deliver key housing schemes - Lack of available suitable sites within the borough on which to develop new affordable housing schemes over the short to medium term together with delays in completing developments - Potential fluctuations in house prices and supply chains - Schemes not granted planning permission to develop identified sites Effect(s): - Failure to fulfil statutory obligations - An inadequate supply of housing will lead to an inability to meet housing needs of a range of client groups in support of statutory housing and homelessness duties.	Social	4	4	16	- Lead negotiations on the affordable housing provision on section 106 applications, ensuring that the affordable housing obligation reflects local adopted planning policy and local statutory and high priority housing need - Work underway to streamline the S106 process to ensure that the Council maximises the use of available funding to meet housing needs - Determination at planning stage to ensure collection of obligations due - Conditions attached to funding received to ensure it is spent on preventing homelessness - Development group with Housing Associations established to improve relationships with planners and developers to increase supply of affordable housing	3	4	12	- Additional measures to be explored in accordance with the Housing Strategy. - Seeking to increase capacity for housing development support to ensure Housing Associations are supported and encouraged to develop affordable homes and that planning is aligned to the Local Plan. Review following publication of London Plan. - Using Development Group to work with Housing Associations to encourage increased affordable housing development through sharing good practice and supporting smaller associations. - Working group established to review and maximise s106 spend for new affordable housing supply.	Assistant Director, Housing (Lynette Chamielec)				
5	Housing, Planning and Regeneration	Recruitment and Retention Failure to recruit and retain key skilled staff with suitable experience/qualifications	Cause(s): - Failure to compete with other organisations to recruit the highest quality candidates to build an agile workforce - Small pool of experienced workers Effect(s): - Failure to identify and meet service user needs - Provision of service to ineligible clients - Provision of service prior to/without appropriate authorisation - Lack of skill sets result in an inability to deliver effective housing services and planning services as well as progressing housing and regeneration schemes. - Impact on life chances and outcomes of families and young people.	Personnel	5	4	20	- Recruitment drive to convert locums to permanent staff - Council's recruitment web site includes a video virtual tour of the Council in housing - Support in effectively managing staff performance - Bespoke training for first line managers - Training and quality assurance of practice - Role on Recruitment and Retention Board - Review the recruitment/retention of housing staff including packages for retaining staff - Developing apprenticeship and trainee roles in Planning Services - Grading and role responsibilities for key posts benchmarked - Recruitment and retention package developed - Promotion of employment prospects and career progression in Bromley enhanced - Working with specialist recruiters.	3	4	12	- Continue to benchmark grades and packages to remain competitive. - Rolling programme to convert agency staff to permanent positions. - Grow your own apprenticeship in building control established.	Director, Housing (Sara Bowrey) Director, Human Resources (Charles Obazuaye)				
6	Housing Needs	Welfare Reform Impact of Welfare Reform legislation (including Universal Credit).	Cause(s): - Ongoing concerns about delays with Universal Credit and the impact of the benefit cap on families Effect(s): - Increased Rent Arrears - Lack of affordable/sustainable local options - Subsequent evictions and landlords reluctant to rent properties to claimants.	Social	4	4	16	- Notification, advice and support provided through:- - Housing Association transfers - Negotiations with landlords - Budgeting/debt advice - Moves to cheaper areas - Prevention grants/welfare fund/Credit union loans and savings - Access to child care and employment - Awareness raising campaign for Universal Credit Digital rollout and monitor impact from July 2018. Structures to support changes reviewed and money advice support extended. - New IT system and rent arrears procedure in place to improve arrears collection and support tenants with financial advice. - Protocol established with housing associations including single point of contact to identify those with financial issues due to welfare reform in order to prevent homelessness.	3	3	9	- Work in partnership with Housing Benefit, the DWP, partner landlords and Social Care to minimise the impact of the Welfare Reform Act - Setting up working group with Housing Associations to explore additional measures to support residents with the rollout of Universal Credit - CAB Universal Credit advice service went live in April 2019. Close working with CAB to ensure identification and support to those at risk. - Review rent arrears procedures and support for debt advice in temporary accommodation. - Monitor the impact of financial difficulties due to COVID-19 and offer advice to those where eviction action halted under current regulations. - DHP moved across to operational housing / Liberata to manage.	Assistant Director, Housing (Lynette Chamielec)				

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7	Housing, Planning and Regeneration	Business Interruption / Emergency Planning Failure to provide Council services or statutory requirements of mass illness/fatalities scenario following a business interruption or emergency planning event	Cause(s): - Business Interruption could be caused by Loss of Facility (fire, flood etc.), Staff (illness, strike) or IT (cyber attack). - Mass fatalities or illness has a range of causes and this risk to the council could be caused by council staff being impacted resulting in failure to manage statutory requirements of mass illness/fatalities scenario (e.g. registering of deaths within timescales) Effect(s): - Business interruption - failure to deliver services, loss of customer / resident satisfaction. - Emergency planning - failure to deliver statutory duties.	Personnel		2		5		10	Business Interruption - Civil protection and emergency planning policies in place at corporate level overseen by the Corporate Risk Management Group - Business Continuity Plans in place at service level. Reviewed and updated. - Contracts contain business continuity provision - Communication to all staff prior to all impending industrial action, informing of any possible service disruption as well as explaining implications of strike action for individual staff members Emergency Planning - Robust plans in place, including Outbreak Plan, Flu Plan and Pandemic Flu Plan - Alert system via the South East London Health Protection Unit (SEL HPU) - Annual Flu vaccination programme in place		1		5		5	- Business Continuity Plans reviewed annually.	Director, Housing (Sara Bowrey)
8	Strategy, Performance and Corporate Transformation	Data Collections Failure to undertake statutory statistical data collections; including key housing and planning information, thereby adversely affecting government grant allocations and performance assessments	Cause(s): - Business Interruption Effect(s): - Failure to commission effectively - Adverse impact on the timing and quality of decision making	Data and Information		3		3		9	- Schedule of statutory returns has been incorporated into the Performance and Information team's work programme - Specialist members of the team for each area - Other staff trained to provide 'back up' for specialist members of the team - Good project planning in place to co-ordinate all data collections including contributions from other services		1		3		3		Assistant Director, Strategy, Performance & Corporate Transformation (Naheed Chaudhry)
9	Strategic Property	Financial Performance Failure to reach expected income through rental income and property disposal	Cause(s): - Failure to lease all properties - Failure to eliminate rent arrears - Downturn in property market - Impact of COVID-19 on retail and property markets - Non-payment of rent on properties Effect(s): - Reduced rental income - Reduced capital income - Impact on overall Council budget	Financial		3		5		15	- A programme of rent reviews, lease renewals, new lettings, lease renegotiations, cost recharges and cost refunds is being carried out by Custman and Wakefield to realise the target of £1m. - Rental deferrals monitored and repayment plans arranged from property portfolio.		2		5		10	- Work with Liberata to pursue rental arrears	Assistant Director, Strategic Property (Michael Watkins)
10	Strategic Property	Health and Safety Regulations Failure to comply with statutory regulations in Council occupied and leased properties	Cause(s): - Inadequate risk assessments - Lack of capacity to discharge the Council's H&S responsibilities - Ineffective monitoring of risks Effect(s): - Potential prosecution of Council and/or civil claims for compensation - Insurance claims - Potential accidents/fatalities - Corporate manslaughter	Physical/ Legal/ Financial		3		5		15	- Corporate Safety Adviser employed - Safety Policies reviewed and updated - Health and Safety works provided through Amey - Contractors held to account for managing Council premises to required legal standards		2		5		10		Assistant Director, Strategic Property (Michael Watkins)
11	Strategic Property	Contractor Performance Failure to deliver facilities management service	Cause(s): - Inadequate qualified staffing resources - Lack of capacity to deliver outcomes Effect(s): - Failure to deliver statutory obligations - Poor performance impacts on work of Council officers	Contractual and Partnership - Operational		3		5		15	- Regular monitoring of performance and key performance indicators - Contractors make regular reports to Members on delivery of contract - Contract reviewed and escalation for change available subject to Contract Change Notification - Business continuity plans in place and draft Exit Plan received		2		5		10	- Benchmarking of contract in progress to inform the future of the contract - A series of recommendations regarding the future direction of the contract to be submitted to Executive in 2020	Assistant Director, Strategic Property (Michael Watkins)

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12	Culture and Regeneration	Outreach Service Failure to provide service in Cotmandene and Mottingham	Cause(s): - Buildings vulnerable to water and sewerage issues - Small staff base vulnerable to stress and sickness - Reduced service - recovering after COVID-19 closure Effect(s): - Failure to deliver full service - Closure of outreach centres - Impact on vulnerable adults	Social		4		4		16	- Staff experienced in successfully averting aggressive behaviour. - Regular weekly Team Meetings to discuss issues and address staff wellbeing as well as participation in training opportunities to help wellbeing - Facilities managed and repairs arranged with contractors (Amey and Clarion Housing)		4		4		16	- Daily, weekly and monthly Health & Safety checks to be continued - Lone working policy, CCTV and panic buttons, risk assessments in place and regularly reviewed - Allocating time for joint team meetings and staff training whilst maintaining delivery of service - Recruitment to vacant post to enable full complement of staff	Assistant Director, Culture and Regeneration (Lydia Lee)
13	Culture and Regeneration	Vitality and Prosperity of Town Centres Failure of town centres to attract footfall and spend for retail and leisure opportunities	Cause(s): - Failure to redevelop High Streets and diversify the offer - National trend for decline in the traditional retail sector in town centres and competition from out of town developments and online shopping - Risk that established Business Improvement Districts do not succeed at renewal or that planned Business Improvement Districts do not get established resulting in reduced revenue spend to support businesses in town centre locations. - Poor development in town centres - Lack of investment in town centre facilities and public realm. - Impact of COVID-19 on local economy Effect(s): - Reduction in town centre business occupancy and increase in vacancies - Loss of income from business rates and market charges, and reduction in income from parking charges - Poor public perception and negative publicity. - Lack of private sector or inward investment. - Reduction in property value. - Reduction in footfall and spend per head resulting in loss of business.	Economic		4		4		16	- Support to Business Improvement Districts through renewal or ballot processes. - Work in partnership with Business Improvement Districts to drive town centre activity that support business success and include programming and events in town centres. - Secure funding for and deliver public realm improvements in town centres - Work with developers to bring forward suitable development that supports the vitality of town centres - Secure developer contributions for the benefit of town centres. - Investigate options for Renewal opportunities in all town centres. - Prioritise investment in town centre leisure facilities. - Implementation of the Business Support Task Force and support to plan for recovery		4		3		12	- Work with businesses to investigate the viability of a Business Improvement District in West Wickham. - Create and implement a terms of reference document to redefine the relationship between Business Improvement Districts and the Council to better support the local economy. - Work with developers including Areli to bring forward sensitive town centre development that also secures improved facilities for community services. - Finalise town centre public realm improvement schemes.	Assistant Director, Culture and Regeneration (Lydia Lee)
14	Culture and Regeneration	Capital Schemes Failure to deliver housing schemes for temporary accommodation	Cause(s): - Failure to gain approval from Members for business cases - Failure to secure funding for schemes - Failure to deliver temporary accommodation schemes on time and in budget - Issues with land ownership and usage - Planning permission not granted or granted with conditions which impact adversely on costs - Issues with type of housing and construction - Lack of interest from market in developing sites - Impact of COVID-19 on construction industry and production of modular homes Effect(s): - Failure to provide number of temporary accommodation units identified - Failure to produced identified savings as part of Housing Transformation Board programme - Impact on vulnerable families and children	Financial/ Social		5		5		25	- York Rise contract being mobilised, feasibility work being undertaken to identify a suitable course of action - Planning application for Burnt Ash Lane granted and work due to commence September 2020; impact of potential lock downs being monitored by working group - Tenders reviewed and re-issued - Housing applications at Bushell Way and Anerley (35 homes in total) in contract and applications submitted to planning July 2020, a decision due by Development Committee decision due November/December 2020. - Feasibility analysis underway on Beckenham Public Halls. Leasehold disposal option being developed in line with recommendations made in Sept 2020 Executive report. - Additional resources in Regeneration and Renewals teams dedicated to assess and bring forward a range of housing sites across the borough. Approach to Housing report for additional pipeline of housing sites identified and funding agreed by Executive 18th September. Design, feasibility and pre-planning advice underway on modular schemes. - Crystal Palace Regeneration strategy subject to decision by GLA via the outline planning application.		4		4		16	- Further conversations required to be developed with services to understand short and longer term requirements of particular sites. - Legal advice sought on ownership and usage issues and actions identified. - Coordination across disposals programme to ensure revenue and housing targets can be met jointly. - Leadership team working with GLA on Crystal Palace. - Further upskilling and knowledge sharing across teams to bring forward development effectively.	Assistant Director, Culture and Regeneration (Lydia Lee)

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15	Culture and Regeneration	Library Service Failure to provide statutory library service	Cause(s): - Service provider ceases to trade due to financial difficulties - Service provider chooses to terminate contract - Council terminates contract because service provider fails to consistently meet KPIs - Service does not meet contracted levels because of industrial action - Impact of COVID-19 on usage and closure of libraries Effect(s): - Temporary cessation of library service in borough - Adverse public response - Possible impact on partners in shared use buildings - Social impact on vulnerable adults and families using library facilities and activities	Legal Reputational Social		4			4					16				4			3				12			Assistant Director, Culture and Regeneration (Lydia Lee)
16	Planning	Planning Service Failure to deliver statutory requirements related to planning	Cause(s): - Failure of Planning IT service - Lack of suitably qualified staff to provide expertise within the service Effect(s): - Council enters 'designation' status resulting in major planning decisions being removed from Council decision-making process leading to income loss to Council and lack of local control - Failure to prevent unauthorised development - Failure to respond to planning applications within statutory timescales - Planning decisions overturned on appeal - Failure to enforce Tree Protection Orders, protect listed buildings and conservation areas - Adverse public response	Legal Financial Reputational		3			4					12				2			3			6			Assistant Director, Planning (Tim Horsman)	
17	Planning	Community Infrastructure Levy Failure to adopt local CIL and use for local infrastructure	Cause(s): - Failure to have local CIL schedule agreed and adopted - Failure to implement and collect the local CIL - Failure to use local CIL appropriately - Income impacted by COVID-19 Effect(s): - Lack of funding for infrastructure to support new developments - Lack of funding to provide Infrastructure Delivery Team	Legal Financial		2			3					6				2			3			6	' Updated action plan being developed and will be consulted on and introduced at end of 2020/21	Assistant Director, Planning (Tim Horsman)		
18	Planning	Section 106 Agreements Failure to complete S106 agreements for affordable housing	Cause(s): - Lack of appropriately qualified staff to ensure S106 agreements are implemented as appropriate - Lack of S106 Monitoring Officer in post Effect(s): - Impact on level of supporting infrastructure in borough - S106 monies not being spent on appropriate infrastructure and housing schemes	Financial Social		3			3					9				2			3			6	- Ensure function of S106 Monitoring Officer included in proposed Infrastructure Delivery Team	Assistant Director, Planning (Tim Horsman)		

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19	Planning	London Plan Failure to deliver level of housing in Bromley contained in Mayor of London's plan	Cause(s): - Mayor of London's Plan requires greater levels of housing to be built in Bromley than in Local Plan -Planning permission for sufficient level of development not granted - Landbanking by developers resulting in targets of new houses not being met in a timely fashion Effect(s): - Bromley penalised at planning appeal stage	Reputational Financial		5		3	15	- Local Plan policies being reviewed to identify suitable sites - Contribution to consultation stage of London Plan emphasising issues around small sites		3		3	9	- Review of Local Plan in line with London Plan once published in 2020	Assistant Director, Planning (Tim Horsman)

Risk Assessment Guidance

Likelihood	Almost Certain (5)	5	10	15	20	25	<table border="1" style="display: inline-table; vertical-align: middle;"> <tr><td style="background-color: red;">15+</td></tr> <tr><td style="background-color: orange;">10 - 12</td></tr> <tr><td style="background-color: yellow;">5 - 9</td></tr> <tr><td style="background-color: cyan;">1 - 4</td></tr> </table>	15+	10 - 12	5 - 9	1 - 4	<p>High Risk - review controls and actions every month</p> <p>Significant Risk - review controls and actions every 3 months</p> <p>Medium Risk - review controls and actions every 6 months</p> <p>Low Risk - review controls and actions at least annually</p>
	15+											
	10 - 12											
	5 - 9											
	1 - 4											
Highly likely (4)	4	8	12	16	20							
Likely (3)	3	6	9	12	15							
Unlikely (2)	2	4	6	8	10							
Remote (1)	1	2	3	4	5							
		Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)						
		Impact										

Risk Likelihood Key					
	Score - 1	Score - 2	Score - 3	Score - 4	Score - 5
	Remote	Unlikely	Possible	Likely	Definite
Expected frequency	10 - yearly	3 - yearly	Annually	Quarterly	Monthly

Risk Impact Key					
Risk Impact	Score - 1	Score - 2	Score - 3	Score - 4	Score - 5
	Insignificant	Minor	Moderate	Major	Catastrophic
Compliance & Regulation	Minor breach of internal regulations, not reportable	Minor breach of external regulations, not reportable	Breach of internal regulations leading to disciplinary action Breach of external regulations, reportable	Significant breach of external regulations leading to intervention or sanctions	Major breach leading to suspension or discontinuation of business and services
Financial	Less than £50,000	Between £50,000 and £100,000	Between £100,000 and £1,000,000	Between £1,000,000 and £5,000,000	More than £5,000,000
Service Delivery	Disruption to one service for a period of 1 week or less	Disruption to one service for a period of 2 weeks	Loss of one service for between 2-4 weeks	Loss of one or more services for a period of 1 month or more	Permanent cessation of service(s)
Reputation	Complaints from individuals / small groups of residents Low local coverage	Complaints from local stakeholders Adverse local media coverage	Broader based general dissatisfaction with the running of the council Adverse national media coverage	Significant adverse national media coverage Resignation of Director(s)	Persistent adverse national media coverage Resignation / removal of CEX / elected Member
Health & Safety	Minor incident resulting in little harm	Minor Injury to Council employee or someone in the Council's care	Serious Injury to Council employee or someone in the Council's care	Fatality to Council employee or someone in the Council's care	Multiple fatalities to Council employees or individuals in the Council's care

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INSTANT GUIDE TO RISK MANAGEMENT

The Process	Identify your risks	Assess your risks	Control your risks	Monitor and Review your risks
<p>Risk Management is an important element of the system of internal control. It is based on a process designed to identify and prioritise risks to achieving Bromley's policies, aims and objectives.</p> <p>The Risk Management process is a continuous cycle:</p> <p>Using your objectives Identify your risks> Assess your risks > Control your risks> Monitor and Review your risks.</p> <p>Useful definitions:</p> <p>Risk Management is the identification, analysis and overall control of those risks which can impact on the Council's ability to deliver its priorities and objectives.</p> <p>Risk is the chance of something happening which will have an impact on objectives.</p> <p>The message is that if you don't manage your risks then you are unlikely to achieve your objectives</p>	<p>Brainstorming session using IE&E plans and departmental objectives, to identify threats and opportunities.</p> <p>Useful analytical tools:</p> <p>Political Economic Social Technological Legal Environmental</p> <p>PESTLE provides a simple and useful framework for identifying and analysing external factors which may have an impact on your service.</p> <p>Strengths Weaknesses Opportunities Threats</p> <p>Using the PESTLE output SWOT is a technique that can help a service to focus on areas for improvement and opportunities that could be pursued.</p> <p>Remember if it can go wrong it will go wrong.</p>	<p>We use a 5 x 5 matrix to assess risks (see Risk Assessment Guidance tab).</p> <p>Risk is scored using a traffic light system:</p> <p>Red = High Amber = Significant Yellow = Medium Green = Low</p> <p>There are two risk variables that make up the overall risk rating:</p> <p>Impact – how minor / severe is it when it happens? Likelihood – how likely is it / how often does it happen?</p> <p>The Risk Management Toolkit provides detailed guidance on how to score these.</p> <p>Some of these assessments can be based on past experience. In other cases you will need to take a view.</p> <p>We measure both gross risk (before any controls are taken into account) and net or residual risk.</p>	<p>Consider the controls you have in place to mitigate or reduce the risk.</p> <p>What further controls are required? Record these as actions until they are completed.</p> <p>Consider the cost of any controls against the potential benefit gained.</p> <p>What is our Risk Appetite? An element of risk is unavoidable or we would never do anything!</p> <p>AVOID a risk – stop doing the activity</p> <p>REDUCE a risk – put additional controls in place</p> <p>TRANSFER a risk – by insuring or passing the risk to a third party</p> <p>TAKE a risk – monitor to ensure the impact and likelihood do not change</p> <p>Risk of service failure can be minimised by ensuring effective Business Continuity Plans are in place. For guidance contact Laurie Grasty x4764..</p>	<p>Risks should be reviewed at least annually and whenever your business plans change.</p> <p>Remember risks evolve and change over time. Are the controls still effective?</p> <p>Your aim should be to:</p> <p>Manage threats that may hinder delivery of priorities and maximise opportunities that will help to deliver them.</p> <p>The Bromley Risk Register is maintained centrally by Audit and includes details of the risks, risk owners, controls and actions. Contact James Newell x4842.</p> <p>Further guidance on Risk Management can be found in the Managers' Toolkit on onebromley. This also provides links to the Risk Management Strategy, Risk Management Toolkit and Risk Register.</p> <p>The site also provides a link to the Health and Safety Unit who carry out H&S risk assessments. For guidance contact the Corporate Safety Advisor Charlotte Faint x7584.</p>

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Report No.
CSD21017

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Renewal, Recreation and Housing PDS Committee

Date: 2 February 2021

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

Title: **RENEWAL, RECREATION AND HOUSING PDS COMMITTEE
WORK PROGRAMME: MARCH 2021**

Contact Officer: Lisa Thornley, Democratic Services Officer
Tel: 020 8461 7566 E-mail: lisa.thornley@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

1.1 This report updates the Committee's work programme.

2. RECOMMENDATION

2.1 The Committee is invited to review the RR&H PDS work programme for the final meeting of the Municipal Year (March 2021).

Corporate Policy

1. Policy Status: Existing policy. PDS Committees are encouraged to review their work programmes.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: No cost
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £359k
 5. Source of funding: Existing 2020/21 revenue budget
-

Staff

1. Number of staff (current and additional): There are 7 posts (6.67 fte) in the Democratic Services Team.
 2. If from existing staff resources, number of staff hours: Preparation of the Work Programme report can normally be expected to take 2-3 hours
-

Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Not applicable. PDS Report.
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 Each PDS Committee has a responsibility to develop and review its work programme balancing the key roles of:
- Holding the Executive to account;
 - Policy development and review; and
 - External scrutiny.
- 3.2 The Committee is invited to consider its work programme having regard to guidance at Section 8 of the Scrutiny Toolkit and in consultation with the Renewal, Recreation and Housing Portfolio Holder and Chief/Senior Officers.
- 3.3 The Committee's Work Programme for the final meeting of the Municipal Year (March 2021) is attached at **Appendix A**.

Non-Applicable Sections:	Policy/Financial/Legal/Personnel
Background Documents: (Access via Contact Officer)	Previous Work Programme reports.

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Report Title	Report Author	PH Decision (Yes/No)
Renewal, Recreation and Housing Policy Development and Scrutiny Committee – 30 March 2021		
Matters Outstanding from Previous Meetings	Lisa Thornley	No
Budget Monitoring	Keith Lazarus	Yes
Housing, Regeneration and Planning Portfolio Plan (report every 4 months)	Charlotte Ryan?	No
Contracts Register – Part 1	Charlotte Ryan	No
Mears Ltd Contract Performance Report (annually?)	Sara Bowrey	No
Orchard and Shipman – Provision of Housing Services (annually?)	Lynette Chamielec	No
Housing Performance Report (report to all meetings as requested by Members in Minute 36 – 03/09/19)	Lynette Chamielec	No
Expenditure on Consultants (annually)	Philippa Gibbs	No
Provision of Library Services – Contract Performance Report (bi-annually)	Paula Young	No
Contract Monitoring Report: Library Service (bi-annually)	Paula Young	No
Adoption of CIL	Ben Johnson	Exec
Chairman's Annual Report (annually)	Chairman	No
Work Programme	Lisa Thornley	No
<u>Exempt Reports</u>		
Contracts Register – Part 2	Charlotte Ryan	No

To be Scheduled

Bromley Town Supplementary Guidance – Ben Johnson

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