

**Decision Maker:** Renewal and Recreation Portfolio Holder for Pre-decision Scrutiny by the Renewal and Recreation PDS Committee

**Date:** 2<sup>nd</sup> September 2014

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

**Title:** TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE

**Contact Officer:** Kevin Munnely, Head of Renewal  
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**Chief Officer:** Marc Hume, Director, Regeneration and Transformation

**Ward:** All Wards

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**1. Reason for report**

2. To update Members on progress in delivering the Town Centres Development Programme, endorse the submission of project proposals under the New Homes Bonus Top Slice programme and seek the approval of the Portfolio Holder for the use Section 106 funds for Town Centre Management Initiatives proposed.

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**3. RECOMMENDATION(S)**

**Members**

- 2.1 Members are asked to note the progress on the delivery of the Town Centres Development Programme
- 2.2 That the Portfolio Holder agrees that the Town Centre Management Initiatives set out in paras.3.12 to 3.15 be adopted and that the £50,000 of Section 106 funds from the Tesco Croydon Road, Beckenham development be used to fund Town Centre Management Initiatives in Beckenham, West Wickham, Penge and Elmers End.
- 2.3 Members endorse the project proposals submitted as part of the call for bids under the New Homes Bonus Top Slice programme and instruct that a further report is brought back to the Committee for full scrutiny once detailed project plans have been prepared.

### Corporate Policy

1. Policy Status: Existing Policy: Bromley Town Area Action Plan
  2. BBB Priority: Vibrant, Thriving Town Centres:
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### Financial

1. Cost of proposal: £50k and NHB bid of £1.5m capital and £428k revenue
  2. Ongoing costs: N/A
  3. Budget head/performance centre: Town Centre Development Fund, Capital Programme, S106 funds and NHB top slice monies
  4. Total current budget for this head: £131k, £164k, £50k and between £1.7 - £2m
  5. Source of funding: Town Centre Development Fund, TfL funding, S106 funds and NHB top-slice funds
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### Staff

1. Number of staff (current and additional): 3
  2. If from existing staff resources, number of staff hours:
- 

### Legal

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

### Customer Impact

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

1. Have Ward Councillors been asked for N/A
2. Summary of Ward Councillors comments: N/A

## **Development Programme**

- 3.1 As agreed at R&R PDS on 1 April 2014 this report provides updates on only those individual projects where progress has been made.

### **Site C: Town Hall**

- 3.2 Cathedral are required under the agreement for lease to submit their planning application by the end of September 2014. The grant of the long lease is conditional on them obtaining planning permission to convert the Town Hall into a hotel, conference centre and associated restaurants.
- 3.3 Surveys have been carried out and a formal Pre–Application meeting has taken place with the Council’s Development Control section. Work is progressing on the development of the scheme in the light of the advice received from the Council and English Heritage. The applicant has also agreed to the Council’s request to undergo a CABE design review as part of the application process. Cathedral aim to open the hotel and conference centre in the Spring of 2016.

### **Bromley North Village**

- 3.4 Works in East Street, White Hart Slip, Naval Walk and the pedestrianised area of Market Square are now complete aside from minor finishing works. The Thames Water main replacement works are now also complete. Works are well underway and are progressing on schedule in the carriageway area of Market Square and in the High Street. During the summer, on site working hours are being extended to ensure the scheme is completed on 30 November 2014 in time for the important Christmas trading period.

### **Orpington Town Centre**

- 3.5 Planning Sub–Committee on 5 June 2014 approved a revised scheme by Miller Development for Walnut Shopping Centre for a part 4 / part 5 storey building. The revised scheme is under construction and will provide 7 screen cinema (950 seats); 3 retail units; 3 restaurants/ café units; a gym; and creation of a new square with associated landscaping. The build is schedule to be completed in Spring 2015. It is understood that B&M, one of the leading variety retailers in the UK, has secured space in the development in line with its strategy to grow its store base in southern England. Pure Gym, the national gym chain, will be making a substantial investment in the scheme, creating a new 24 hour gym. No details on the proposed restaurants are available. Also under construction is the Orpington College hospitality facility. Berkeley Homes are also preparing to submit a planning application for a new Wellness Centre and a residential scheme on the Old Police Station site
- 3.6 The Council are keen to maximise the opportunity offered by these new developments to implement a comprehensive public realm improvements to the Walnut Centre. Designers have been commissioned to develop a RIBA Stage A concept plan for the public areas of Walnut Centre. They have been tasked to working with Key Stakeholders:
- Millers Developments: the developers of the new Cinema complex
  - Bromley Further Education College
  - Berkeley Homes, new owners of the former police station site
  - Walnut Market Operator

- LB Bromley Library Services
- My Time Active –
- Orpington First – BID Management Company

- 3.7 It is proposed that a workshop with key stakeholders will take place in September with the final concept plan being available in October
- 3.8 A report detailing options for the future of the Priory site was considered at the 22 July Executive Committee meeting. At this meeting the Executive decided to withdraw the Priory Revisited Heritage Lottery Fund (HLF) application, ahead of the HLF decision meeting in September. At a time of huge financial pressures Members decided that they could not commit to the revenue requirements of entering into a 25 year contract with the HLF. Officers are now meeting with groups from the local community to reassess the future of the site. The first meeting is scheduled for the 21 August with the Orpington BID.

### **Beckenham Major Scheme**

- 3.9 The Major Scheme’s Design and Development phase is on schedule. Traffic surveys were completed in July. Hyder Consulting are currently completing a base traffic model and future work for the traffic modellers will be to test options for the main junctions along the High Street. All traffic modelling work will need to be audited and verified by TfL
- 3.10 A Design Review Surgery was held with Urban Design for London (UDL) on 25 June. The Council’s Concept Plans submitted as part of our bid to TfL were well received. The Design Panel felt that the plans were a thoughtful strategy for the town centre they also acknowledged the extensive consultation that had taken place. Their advice going forward included developing detailed designs which are more ambitious for the main functions of this High Street, including its vibrant evening economy and cycling provision. Other specific comments related to ensuring that plans are developed for Beckenham Green (an unused open space) and some of the key “alleyways” along the High Street. The Panel also suggested investigations are undertaken for a bolder proportion for the Cinema roundabout as well as investigating the benefits of a introducing a 20mph zone.
- 3.11 In addition to the Beckenham Working Group meetings wider community consultation is on-going. The Market Day event on 12 July was well attended. Approximately 60 members of the public visited the Council van exhibiting plans for key alleyways and Beckenham Green. These outlined plans were well received.

### **Section 106 Funds**

- 3.12 In order to facilitate on going delivery of the Town Centre Management Initiative, approval is sought for the release of the £50K of Section 106 funds related to the Croydon Road Tesco development which stipulated spend in Beckenham, Penge, West Wickham and Elmers End Town Centres. The S.106 did not allocate funding between the centres. The Council’s current Town Centre Management Initiatives in Beckenham aim to complement the Major Scheme. The sum of £47K will be required to initiate some key projects which are complementary to the main TfL funded scheme but which can be implemented in advance of the main scheme. These projects have been identified by Town Centre Management working closely with the Beckenham Town Centre Team and also have approval from the Beckenham Working Group.
- 3.13 It is proposed that this funding is used to deliver improvements to Beckenham Green consisting of new stage cover for the existing stage area and infrastructure to facilitate markets and other more regular community events on the Green. Funding would also

support the naming of the town centre alleyways; a major feature of the High Street. Both these are objectives of the Beckenham Town Centre improvement scheme and are therefore within the scope of the wider TfL scheme.

3.14 Proposals for both will need to be developed via the Working Group and will be delivered ahead of the final approval from TfL, programmed for late winter 2015/ 2016. This S.106 requires all monies to be spend by February 2016.

3.15 The Council's current Town Centre Management Initiatives in Penge and West Wickham Town Centres would benefits from the a contribution (£1K each) to Christmas lights and events organised by local business groups during the seasons 2014/15 and 2015/16. For Elmers End, the allocated £1k will be earmarked and set aside whilst officers explore options for a project which will improve the vibrancy and vitality of that local centre.

3.16 Details of this section 106 and its proposed use are provided below:

Planning Ref	Development	S106 Agreement Clause	Amount and how the money will be allocated	Justification
187	Tesco Stores Ltd Croydon Road Beckenham	Town Centre contribution of £50,000 to be expended by the Council towards the Town Centres Management Initiatives. The contribution must be used to promote the vitality and viability of the following town centres: Beckenham, Elmers End, Penge and West Wickham. If any part of the Town Centre Contribution has not been expended by the Council within 5 years from the date on which it is paid (Feb 2011), it will be repaid to the Developer forthwith together with any accrued interest thereon.	Beckenham Town Centre £47K. Use of this funding will provide the following: <ul style="list-style-type: none"> <li>▪ Provide a stage cover at the Beckenham Green (£40k).</li> <li>▪ Provide market infrastructure, water and storage unit at the Beckenham Green (£5k);</li> <li>▪ Facilitate the naming of key alleyways along the High Street (£2k).</li> </ul> <p>West Wickham, Penge and Elmers End £3k in total. Use of this funding will contribute to Christmas lights/ activities during 2014 and 2015.</p>	This S.106 requires spend on the Council's Town Centre Management Initiatives and requires all monies to be spent by Feb 2016.  Justification for delivery ahead of the main TfL scheme initiated by Beckenham Working Group and Beckenham Town Team. Proposals meet specific objectives of the Council's scheme and are therefore within the original scope of the TfL scheme.

## **Proposed Beckenham Town Centre Conservation Area**

- 3.17 Consultation process for the proposed Beckenham Town Centre Conservation Area is due to commence in September, (programmed to start after the holiday period) and will run for 6 week. A 'red line' was agreed at Development Control Committee on 21 November 2013 with further amendments agreed with the Portfolio Holder earlier this year.
- 3.18 Consultation will consist of letters sent to all properties within the proposed 'red line' boundary. Further letters will be sent to properties directly adjoining the boundary as well as interest and community groups in the area. All letters sent will include a map of the proposed conservation area, as well as questionnaire. Site notices will be placed around the area. Documents related to this designation will be available on the Council website. Relevant information will also be available at Beckenham Library.
- 3.19 It is expected that the results of this consultation will be presented to Committee along with implications for the Local Planning Authority.

## **Crystal Palace and Penge Renewal Strategy**

- 3.20 The GLA in consultation with the 5 Boroughs that adjoin Crystal Palace Park have agreed to fund the production of a Regeneration Strategy for the Crystal Palace area. This Strategy will set a framework for future funding bids to the Mayor's evolving High Street fund. The regeneration strategy will cover both Penge and Anerly centres. Interviews with potential consultants took place on 12<sup>th</sup> June 2014 and the strategy should be completed by January 2015.
- 3.21 The lease of the property in Green Lane identified for the new library has been completed. The Executive on 2<sup>nd</sup> April 2014 agreed the appointment of the building contractors. Work commenced on site on 6 May 2014. Opening is scheduled for 26th August 2014.
- 3.22 Negotiations are on-going with Zhong Rong Group regarding their proposals for the rebuilding of Crystal Palace on the original site and for the refurbishment of the park. Negotiations are currently focussed on the lease agreement, including the length of the lease, area of demise and arrangements for the land deal.

## **New Homes Bonus Topslice – Project Proposals**

- 3.23 In 2015-16 £70 million of London boroughs' New Homes Bonus (NHB) allocation will be top sliced and pooled for use on a programme of projects across London to be agreed by the London Enterprise Panel (LEP). The funding that each borough contributes to the top slice is expected to be returned to that community through this process. The funding will be allocated to projects in line with seven LEP priorities. These are: Apprenticeships, Skills & Training; High Streets; Places of Work; Unlocking Development; Business Support; Digital, Creative, Science & Technology; and Resilience and Low Carbon. Boroughs will submit proposals to the LEP for agreement. Bid proposal needed to be submitted to London Councils by Friday 29<sup>th</sup> August 2014, following which proposals will be evaluated by the GLA and borough representatives, to be sure that they are in conformity with the Strategic objectives for the LEP; represent good value; and can be delivered.
- 3.24 Bromley has been asked to prepare bids up to the value of £1.753m + 10% contingency. Bids proposals have been designed to reflect the Council's current development priorities.

However, given the tight timetable set by London Councils for the submission of bids this item could not be scrutinised by the PDS Committee before submission. The following bid proposals are currently being finalised/ consulted on and a verbal update will be given at Committee on the final bid submission.

<b>Project Title</b>	<b>Amount (£000)</b>
Penge Town Centre/Crystal Palace	1,050
Place – Making Walnut Centre and Orpington Business Enabling and Support	550
Biggin Hill Aviation Technology & Enterprise Centre	164
Lagoon Road Industrial Estate Redevelopment	164
<b>Total</b>	<b>1,928</b>

### **Penge Town Centre/Crystal Palace**

- 3.25 The proposal comprises a package of schemes that relate directly to priorities that have been identified from Penge Renewal Strategy and emerging work commissioned by the GLA. The projects proposed will complement proposed junction improvements and the main focus of funding will be on: Public realm improvements; Shopfront improvements; Business Support; and Wayfinding.
- 3.26 Building on the proposed junction improvements works planned for 15/16, which are estimated at £410k and funded from the Council’s Local Implementation Plan settlement, the NHB project will deliver a design led programme of public realm improvements to the main High Street area. Focusing on improving the pedestrian environment and increasing pedestrian flow, the improvements will include realigned footways and improved lighting and wayfinding.
- 3.27 The Business Support package of £50k over two years will complement what is currently on offer and will build upon the scheme delivered in Bromley as part of the OLF funding. It will include a shopfront improvement scheme and offer a programme of targeted support and mentoring.

### **Orpington Town Centre £550k**

- 3.28 The public areas of the Walnut Centre are of their time (built in the 1960s) and looking tired. This area did not form part of the previous 2010 Major Public Realm improvements scheme as refurbishments and new developments were planned for the Walnut Centre. The new Odeon cinema and shops and restaurants are currently under construction, as is the Orpington College hospitality facility. Berkeley Homes are also preparing to submit a planning application for a new Wellness Centre and residential development on the Old Police Station site. The Council are keen to maximise the opportunity offered by these new developments to implement a comprehensive public realm improvements to the Walnut Centre. The focus of the NHB project is on place making and enhancing the pedestrian experience of this section of the prime shopping areas and increase footfall. Improvements will cover 5,125 sqm of the main Walnut Centre public areas including: Paving; Lighting; Treatment for trees/ new trees; New street furniture; Way finding; and new Market infrastructure

- 3.29 The Business Enabling and Support package of £50k over two years will complement what is currently on offer and will build upon the scheme delivered in Bromley as part of the OLF funding. Working with the Orpington First it will offer a programme of targeted support. This package of works also include the commissioning a feasibility study to consider demand for commercial space and supply side factors in the town centre.

### **Biggin Hill Aviation Technology & Enterprise Centre**

- 3.30 The Growth Study report concluded that the former RAF element of the West Camp estate could be redeveloped through a reuse of exiting Listed Buildings and new build to provide for 8,812 sq. m. additional employment floorspace. This could provide a range of business units for SME's businesses and form the core of the Aviation Technology and Enterprise Centre, including the training academy. The Council is keen to explore options to provide business support as part of the initiative and officers have already held talks with a range of specialist providers.
- 3.31 The next stage in the project development is to build upon the URS work and undertake a detailed feasibility report, with preliminary business plan for the development of the Biggin Hill Centre for Aviation Technology and Enterprise. This would explore different types of operating models and identify an appropriate delivery mechanism through which to develop and implement a preferred scheme. This would include the preparation of an overall masterplan for the site to reduce planning risk, fund necessary infrastructure to improve the opportunities for viable development and disposal of plots (freehold or long leasehold) on a site by site basis. The further assessment work would include:
- Site due diligence
  - Detailed financial appraisal to demonstrate viability
  - Site valuation
  - Site assembly strategy
  - Market testing
  - Identification of an appropriate procurement process
  - Comprehensive risk assessment
- 3.32 It is proposed to use the NHB funding to support the revenue costs of a development planner, the principal responsibilities of which will be to take forward this project work stream, on an initial two year contract. Based on recruiting into this role at BR 13 this would cost £45.5k pa inclusive of on costs. It is also proposed that a development consultancy budget of £73k is included.

### **Lagoon Road Industrial Estate Redevelopment**

- 3.33 The Council will achieve its wider regeneration and growth objectives by tackling the infrastructure and site assembly constraints that are contributing towards the failure to bring forward the redevelopment of key employment areas such as Lagoon Road. The aim is the provision of suitable and affordable industrial workspace for a range of industrial focused SME's.
- 3.34 The next stage in the redevelopment of Lagoon Road is the preparation of a development brief for the area, which will now include the Allied Bakery which is due for closure. This work would determine which interests need to be acquired to deliver a viable scheme as assessed via a detailed financial appraisal. This work would also build upon the infrastructure and transport assessments carried out to date to identify these enabling costs so they can be included in the Borough's Infrastructure Delivery Plan and future Transport for London Local Implementation Plan submissions. This work will also examine



the potential for alternative management of the area in the future such as the establishment of a Business Improvement District, which could in time, be rolled out to the whole of the Cray Business Corridor. It is proposed to use the NHB funding to support the revenue costs of a development planner, the principal responsibilities of which will be to take forward this project work stream, on an initial two year contract. Based on recruiting into this role at BR 13 this would cost £45.5k pa inclusive of on costs. It is also proposed that a development consultancy budget of £73k is included.

#### 4. POLICY IMPLICATIONS

4.1 Work delivering the Town Centres Development Programme is entirely consistent with Policy Objectives set out in Building A Better Bromley 2011-2012 and the Renewal & Recreation Portfolio Business Plan 2013/14. The work of the Renewal team links to the Building a Better Bromley priorities by working towards the provision of Vibrant and Thriving Town Centres.

#### 5. FINANCIAL IMPLICATIONS

5.1 A sum of £233k was set aside by Members to fund the Town Centre Development Programme. To date £102k has been spent leaving a balance of £131k available to fund specialist advice for the remaining part of the process.

5.2 TfL have provided £164k funding during 2014/15 to enable the design and development phase of the Beckenham Project to be undertaken.

5.3 This report is requesting approval to spend the £50k Section 106 funds from the Tesco, Croydon Road development on the following Town Centre Management Initiatives within the Beckenham, West Wickham, Penge and Elmers End Town Centres: -

<b>Town Centre Management Initiatives (S106 funds)</b>	<b>£'000</b>
Beckenham Town Centre	
Provision of stage cover at Beckenham Green	40
Provision of market infrastructure (water & storage)	5
Naming of alleyways	2
West Wickham & Penge Town Centres	
Contribution towards Christmas lights & activities for 2014 & 2015	2
Elmers End Town Centre	
Improvements of local centre	1
<b>Total</b>	<b><u>50</u></b>

5.4 As set out in the agreement, the S106 contribution must be spent before February 2016, otherwise any unspent monies must be returned to the developer along with any interest that has accrued.

5.5 Officers will be enter into discussions with TfL to ensure that the £47k S106 funding is counted as part of the Council's 28% match funding contribution towards the overall Beckenham project costs as these works were part of the original scheme.

5.6 The GLA will be top slicing the National Home Bonus allocation from each Local Authority in London. The GLA will expect Authorities to submit project bids to spend this top slice

amount. The actual allocation will not be known until January 2015, however for Bromley it is likely to be between £1.7m and £2m.

5.7 The table below summarises the NHB bid proposals from Bromley for the two year period from April 2015, split between capital and revenue: -

<b>Project</b>	<b>Capital £'000</b>	<b>Revenue £'000</b>	<b>Total £'000</b>
Penge Town Centre/Crystal Palace			
Junction and public realm improvements	1,000		<b>1,000</b>
Business Support - shopfront improvements, support & mentoring		50	<b>50</b>
Orpington Town Centre			
Improvements to Walnut Centre & new market infrastructure	500		<b>500</b>
Business Enabling and Support		50	<b>50</b>
Biggin Hill Aviation Technology & Enterprise Centre			
Preparation of a detailed feasibility report & business plan -			
Use of development consultants		73	<b>73</b>
Appointment of a development planner ( on fixed term contract)		91	<b>91</b>
Lagoon Road Industrial Estate Redevelopment			
Preparation of a development brief -			
Use of development consultants		73	<b>73</b>
Appointment of a development planner ( on fixed term contract)		91	<b>91</b>
<b>Total Bid</b>	<b>1,500</b>	<b>428</b>	<b>1,928</b>

5.8 Officers will seek the necessary Member approvals to add the schemes to the capital programme and revenue budgets should the project bids be successful.

## 6. LEGAL IMPLICATIONS

6.1 These are addressed in the report. S.106 monies are required to be spent in accordance with the terms of the particular agreement.

<b>Non-Applicable Sections:</b>	Personnel Implications
Background Documents: (Access via Contact Officer)	NA