

**Decision Maker:** Executive

**Date:** 24 March 2015

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

**Title:** **NEW HOMES BONUS AND HIGH STREET FUND ALLOCATIONS**

**Contact Officer:** Kevin Munnely, Head of Renewal  
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**Chief Officer:** Director of Regeneration & Transformation

**Ward:** (All Wards);

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**1. Reason for report**

- 1.1 To update Members on the outcome of the successful submission of project proposals under the New Homes Bonus top-slice and GLA's High Street Fund programmes. Approval is sought to add the projects to the Capital Programme and to formally request release of the top-slice funding reflected in the 2015/16 Budget to support the delivery of the project.

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**2. RECOMMENDATIONS**

**Members are asked**

- 2.1 To note the successful outcome of the Council's submitted project proposals under the New Homes Bonus (NHB) Top-slice and High Street programme.
- 2.2 To add the Orpington and Penge projects, totalling £1,271k to the capital programme being fully funded by monies from the NHB Top Slice (£1,146k) and High Street Fund (£125k).
- 2.3 To agree the release of the £600k for revenue spend from NHB top-slice funding for the two year period to meet the cost of two development planners, development consultancy and to provide business support for these projects.

### Corporate Policy

1. Policy Status: Existing Policy: Growth and Delivery Plans
  2. BBB Priority: Excellent Council Vibrant, Thriving Town Centres:
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### Financial

1. Cost of proposal: £1.871m (£1.271m capital and £600k revenue)
  2. Ongoing costs: Non-Recurring Cost:
  3. Budget head/performance centre: Capital Programme and Renewal
  4. Total current budget for this head: £1.871m
  5. Source of funding: New Homes Bonus Top-slice & High Street Allocations
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### Staff

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

### Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
  2. Call-in: Applicable:
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### 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 comments? NA
2. Summary of Ward Councillors comments: NA

### 3. COMMENTARY

#### New Homes Bonus Topslice

- 3.1 In 2015-16 £70 million of London boroughs' New Homes Bonus allocation was 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 was 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.
- 3.2 Project proposals were considered and endorsed by the Renewal & Recreation PDS Committee on 2 September and submitted to the LEP for their consideration. These proposals were evaluated by the GLA to ensure conformity with the Strategic objectives for the LEP. The Council was advised on 21st of February 2015 that the submitted proposals had been approved by the LEP Board in accordance with the agreed funding split.
- 3.3 The table below shows the four projects and the agreed capital and revenue funding: -

Project	Capital £'000	Revenue £'000	Total £'000
Penge Town Centre/Crystal Palace	746	200	<b>946</b>
Orpington Town Centre	400	100	<b>500</b>
Biggin Hill Aviation Technology & Enterprise Centre	0	150	<b>150</b>
Lagoon Road industrial Estate Refurbishment	0	150	<b>150</b>
<b>Total Approved Funding from NHB</b>	<b>1,146</b>	<b>600</b>	<b>1,746</b>

#### Penge Town Centre

- 3.4 The £746k capital project comprises a package of predominately capital schemes that relate directly to priorities that have been identified from Penge Renewal Strategy. The projects proposed will complement existing programmes and bring forward projects that previously lacked identified funding. The main focus of funding will be on: Public realm improvements; Shopfront improvements; Business Support; and Wayfinding. There is also £50k of funding allocated for business support initiatives. These initiatives 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

- 3.5 The focus of this predominantly capital project with approved funding of £400k, is on place making and enhancing the pedestrian experience of this section of the prime shopping areas to increase footfall. Improvements to cover 5,125sqm of the main Walnut Centre public areas including: Paving; Lighting; Treatment for trees/ new trees; New street furniture; Way finding; and new Market infrastructure.
- 3.6 It is recognised that in developing improvement plans for Orpington and Penge public realm projects, officers will need to ensure that any improvements will result in no net increase in revenue costs for the Council.

- 3.7 In addition to the capital funding, an amount of £300k of revenue NHB funding has been secured to provide business support to both the Penge and Orpington areas. This would involve shop front improvements and support to businesses, building on the scheme delivered in Bromley through the OLF funding. It would also include working with the Orpington First, who will offer a programme of targeted support and mentoring.

### **Growth Work Resources for Biggin Hill and Cray Corridor**

- 3.8 Revenue funding of £300k has been secured to finance the appointment of two development planners whose principal responsibilities will be to take forward the project work streams for both the Biggin Hill Aviation Technology and Enterprise Centre and Cray Corridor Estate renewal projects. It would also provide funds to enable development consultants to be appointed.

### **High Street Fund**

- 3.9 On 2 October the Mayor of London launched the High Street Fund prospectus. Up to £9m of Capital has been made available until March 2016 by the Mayor to support projects that help achieve his ambitions set out in Actions for High Streets. This is the latest in a series of funding rounds, which started in 2011 with Round One of Outer London Fund, aimed at helping London's high streets to growth and become more vibrant.
- 3.10 Project proposals were considered and endorsed by the Renewal & Recreation Committee on 18<sup>th</sup> November 2015. Following further development only one bid for £200k relating to Orpington was submitted in consultation with the Portfolio Member of Renewal & Recreation. This bid sought to extend the scope of the improvements planned under the NHB funding to the public realm in the Walnut Shopping area.
- 3.11 The High Street Fund has been significantly oversubscribed, as a result the GLA have sought to reduce the amounts awarded to successful bids. The Council has been advised that an allocation of £125k of capital funding has been made to the Orpington project.

### **Next Steps**

- 3.12 Officers are now working with officials from the GLA to finalise grant agreements to cover both the NHB and HSF allocations and regular updates report will be brought back to the Executive and Renewal & Recreation PDS Committees.

## **4. POLICY IMPLICATIONS**

- 4.1 Work delivering the New Homes Bonus & High Street Fund Programmes 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 The Council is expected to receive New Homes Bonus of £6,175k in 2015/16, of which there will be a top-slice of £1,746k allocated to the LEP. This report includes proposals to spend this top slice amount in accordance with the requirements of the LEP with proposals of £1,746k from the New Homes Bonus top-slice and High Street Funding of £125k, supported by the GLA.
- 5.2 The NHB top-slice funding has to be spent by the end of March 2017 and the £125k High Street funding needs to be spent by the end of March 2016.

5.3 The table below summarises the project expenditure for the two year period to 31 March 2017, split between capital and revenue: -

<b>Project</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>Total £'000</b>
<b>Capital</b>			
Penge Town Centre/Crystal Palace Public Realm scheme	300	446	<b>746</b>
Orpington Town Centre - improvements to Walnut Centre & new market infrastructure	285	240	<b>525</b>
<b>Total Capital Expenditure</b>	<b>585</b>	<b>686</b>	<b>1,271</b>
<b>Capital Funding</b>			
New Homes Bonus Top Slice Funding	460	686	<b>1,146</b>
High Street Funding	125	0	<b>125</b>
<b>Total Capital Funding</b>	<b>585</b>	<b>686</b>	<b>1,271</b>
<b>Revenue</b>			
Penge - Business Support - shopfront improvements, support & mentoring	100	100	<b>200</b>
Orpington - Business enabling and support	50	50	<b>100</b>
Biggin Hill Aviation Technology & Enterprise Centre			
Preparation of a detailed feasibility report & business plan	30	30	<b>60</b>
Development planner (on fixed term contract)	45	45	<b>90</b>
Lagoon Road Industrial Estate Redevelopment			
Preparation of a development brief	30	30	<b>60</b>
Development planner (on fixed term contract)	45	45	<b>90</b>
<b>Total Revenue Expenditure</b>	<b>300</b>	<b>300</b>	<b>600</b>
<b>Revenue Funding</b>			
New Homes Bonus Top Slice Funding	300	300	
<b>Total Revenue Funding</b>	<b>300</b>	<b>300</b>	<b>0</b>

5.4 The above table highlights total costs of £1,871k.

5.5 Member approval is sought to add the Penge and Orpington schemes to the capital programme with a total value of £1.271m. This comprises of £746k for Penge and £525k for Orpington.

5.6 Member approval is also sought to release £600k from the New Homes Bonus top-slice to support revenue funding over the two financial years. This funding will meet the costs of business support for Orpington and Penge and the appointment of development consultants to prepare the feasibility report and development briefs for the Biggin Hill and Lagoon Road sites. It will also enable the appointment of two fixed term development planners to assist in the delivery of all aspects of the NHB programme and the Biggin Hill Aviation Technology & Enterprise and Lagoon Road project projects.

5.7 As highlighted in 3.6 above, that officers will ensure that any improvements will result in no net increase in revenue costs for the Council for the Orpington and Penge public realm projects.

## 6. LEGAL IMPLICATIONS

6.1 In the coming months, an agreement will be drawn up with London Councils, agreeing the detailed delivery schedules, milestones, outputs and expenditure for all elements of the NHB programme.

## 7. PERSONNEL IMPLICATIONS

- 7.1 Member approval is sought for the appointment of two development planners on fixed term contracts up to April 2017 to facilitate the delivery of the projects. These posts are subject to job evaluation and an indicative grade is estimated to be between BR6 and BR13.
- 7.2 The posts will initially be offered to staff in the redeployment pool, before being advertised Internally to all staff. If we are unable to recruit staff who are sufficiently skilled to undertake these roles, the posts will be advertised externally via the Bromley website.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	NHB and HSF Submissions 2014