

Decision Maker: RENEWAL AND RECREATION POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Date: 26th January 2016

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

Title: TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE

Contact Officer: Kevin Munnely, Head of Renewal
Tel: 020 8313 4519 E-mail: kevin.munnely@bromley.gov.uk

Chief Officer: Marc Hume, Director, Regeneration and Transformation

Ward: All Wards

1. Reason for report

1.1 To update Members on progress in delivering the Town Centres Development Programme.

2. RECOMMENDATION(S)

2.1 That Members note the progress on the delivery of the Town Centres Development Programme.

Corporate Policy

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

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A:
 3. Budget head/performance centre: Renewal budget, Capital Programme and S106 Funding
 4. Total current budget for this head: £13.254m
 5. Source of funding: Town Centre Development Fund, Growth Fund, Investment Fund, S106 resources, NHB/GLA High Street funding and TfL funding
-

Staff

1. Number of staff (current and additional): 5
 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
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Details of the comments will be raised at the meeting

3. COMMENTARY

Development Programme

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

Bromley Town Centre Housing Zone

- 3.2 The Greater London Authority (GLA) has provisionally informed the Council that its Expression of Interest bid for Housing Zone status has been approved. If this designation is formally confirmed by the Mayor then this would make Bromley Town Centre the 21st Housing Zone in London. The Council's bid sought funding of £27.1m, consisting of a mixture of direct grant and soft developer loans, to facilitate the delivery of development schemes in Bromley Town Centre, including Opportunity Site G West of the High Street and Former Opportunity Site A Bromley North Station. Further negotiations and consultation will now take place between the Council and the GLA to agree the details of the delivery contract.

Site G: West of the High Street

- 3.3 Feedback from the soft market testing exercise to assess the market appetite for a revised residential led first phase redevelopment of Opportunity Site G has been positive. Officers are now preparing the necessary marketing documentation required to procure a development partner. This suite of documents includes a development and marketing brief and draft Heads of Terms. It is proposed to market the development opportunity in February/ March 2016. It is the intention to conclude the selection of the development partners in Autumn 2016.

Site A: Bromley North Station

- 3.4 A revised planning policy for Opportunity Site A is currently being consulted on via the Local Plan review. In support of this review the Council is currently undertaking a massing and viability assessment of the development site. It is proposed that this assessment will include a development workshop with stakeholders including site owners, transport providers, Ward Councillors, special interest groups and residents. The result of this work will be used to inform the emerging policy review.

Site C: The Old Town Hall

- 3.5 Planning permission was granted for the Old Town Hall and adjacent residential scheme on Nov 6th 2015. Developers are currently considering minor amendments to the proposed layout of the scheme.

Bromley Central Area High Street Improvements

- 3.6 Following the positive feedback received in Stage 1 the design team sought to develop a coherent design that met the emerging design principles. The following design principles have been developed in consultation with stakeholders:

- Introduce a hierarchy of public spaces where people can dwell.
- Green the High Street.
- Create shelter within the High Street for year round enjoyment.

- Create better links to Bromley's greenspace.
 - Encourage street activity & enhance pedestrian experience.
- 3.7 A key feature of the emerging design is the reordering of spaces in the High Street to create a new public square in the southern pedestrianised area, which could contain semi-permanent kiosks which would act as anchors to the new square. It is also proposed that the existing market is reorganised and relocated along the High Street, with a significant proportion occupying space in Market Square. Bromley Town Centre ward councillors have been consulted on the emerging design and they have endorsed the design approach being developed. The need to integrate the public realm design with a future redevelopment of Site G was also highlighted.
- 3.8 The design team have worked with a construction cost consultant to produce a preliminary budget cost plan. The estimated cost of the improvement works to 'ground plain' including lighting options has been estimated at £3m. Preliminary cost estimates for the proposed kiosks are still being assessed and a provisional budget estimate of £800k has been included. It is proposed that the detailed design of the scheme, up to construction and tendering drawings, is undertaken by the Council's term contractor F M Conway, as is proposed with the improvements in Beckenham. SEW would continue to provide design oversight and lead on the detailing of the Kiosk design and special features.
- 3.9 On 2nd December 2015 the Executive endorsed the Stage C Design report of the Bromley Central Area High Street Improvements Scheme and the allocation of further funding for the provision of a detailed design for the scheme. It is estimated that the detailed design phase will last six months and it is proposed that regular reports on the development of the scheme are brought back to the R&R PDS for review and approval including costings, before finally being signed off by the Executive.

Beckenham Town Centre Improvements

- 3.10 The Council received notification on 16 December 2013 that Transport for London(TfL) had approved the Beckenham Initial Scheme Design (Step 1) bid and funding of £310k was allocated to cover Design and Development costs. This funding was to be used to cover the costs of undertaking survey work and producing and consulting on an outline scheme design. This initial funding allocation also included the costs of working up a detailed design to contract stage drawings. The original estimated cost of the concept scheme was £3.257m and in support of the bid the Executive on 16th October 2013 approved the allocation of £912k (£762k Capital Receipts & £150k Members Initiative earmarked reserves) to match fund the TfL allocation of £2.345m towards the improvements.
- 3.11 Since the approval of funding for the design phase of the project, the Council has been working with the design team and external stakeholders to refine the scope, design and costings of the scheme and detailed design is now being carried out by East Architects and the Council's Highway Term Contractor F M Conway. It is anticipated that this work will take approximately 4 months to complete. Further reports will be brought back to the R&R PDS and Executive Committees to update on design. Design work has been consulted with the Beckenham Town Centre Working Group on the 15th October and 10th December 2015. At these meetings the design of street lamp heads and a selection of materials and colours were agreed to be tested in situ, and design principles for Beckenham Green.

Scheme Assurance and Delivery

- 3.12 The design team are continuing to work closely with a number of other internal teams to ensure that the scheme is buildable, that the impacts (particularly on traffic) are understood

and that the scheme meets local expectations. The Borough's Highway Engineering team are continuing to scrutinise the designs to ensure that they meet all the necessary engineering design standards and detailing. The team has advised on issues such as drainage, vehicle turning requirements at junctions, car parking and loading and bus stops and potential construction methodologies.

Revised Cost Plan

- 3.13 As reported at the Town Centre Development Programme Update of the 27th October 2015 the estimated cost of the revised scheme is now £4.697m, which represents an increase in costs of 44% on the estimated cost of the original concept scheme. Transport for London have agreed to review their funding support as part of the detailed design stage within an additional £950k funding envelope, making their maximum contribution to the improvement project £3.295m. After a series of meetings with Transport for London a business case application is being produced to secure this funding.
- 3.14 At the Executive of the 2nd December 2015 an allocation of £240k was approved from Capital Receipts for the enhanced Beckenham Town Centre Improvement Project from Capital funding being subject to formal approval by Transport for London of additional funding of up to £950k and the capital estimate of the scheme be increased by £1.44m to £4.697m, subject to Full Council approval. In the event that other funds including S106 monies become available, the contribution from capital receipts will be reduced.
- 3.15 Discussion is on-going with Network Rail about proposed improvements with Network Rail on integrating their proposed improvements with proposed improvements to the forecourt and pedestrian linkages to the High Street. Network Rail has not yet notified the Council of any funding decision. Funding from the Borough's LIP Road Resurfacing allocation will contribute to the resurfacing of the High Street.

Associated Improvements

- 3.16 The issue with Virgin Media concerning new cables in the installing in the footway has now been resolved. There will be a cost implication for the LBB covered by contingency funds not affecting the overall budget. Programme of works will be appropriate to the implementation of the overall scheme.

New Homes Bonus and High Streets Fund Updates

Orpington

- 3.17 A stakeholder workshop was held on 26 November 2016 where options for the Walnuts Shopping Area Public Realm Improvement Scheme were discussed. To date, the architects, East Architecture, have developed a menu of design briefs (included in the attached Stage 1 Report as Appendix 1) which have been presented to the main stakeholders at the Council facilitated workshop. The next stage will consist of prioritising the briefs, progressing concept proposals and culminating with the production of the detailed final design for implementation. It is anticipated that implementation of the scheme will commence in Spring 2016. The Council and East Architecture are currently engaging with the individual stakeholders that have a distinct edge to the square with the aim of aligning their aspirations, investment and work programmes with the proposals for College Square. Local Members have also been consulted on the scheme.
- 3.18 Under the GLA's High Street Fund Programme, Orpington First Bid Company have successfully delivered a number of enterprise markets over the Christmas period which

have provided trading platforms for new start-up businesses as well as established independent businesses in Orpington Town Centre.

Penge

- 3.19 Consultation of initial design options for physical improvements to Penge High Street took place at Empire Square during the Christmas Event on the 26th of November 2015 and through a series of walkabouts run by the architects, Kinnear Landscape Architecture(KLA). KLA have, as a result, produced outline design options in a Stage 1 Design report (Attached as Appendix 2) based on the outcome of this consultation. Following on from this, KLA are currently in the process of developing the concept designs which will now focus on improvements to Empire and Arpley Squares. The final designs are expected to be produced by Spring 2016 followed by the delivery of the scheme which is expected to be implemented alongside TfL funded carriageway and bus route improvements to the High Street undertaken by the Highways department.
- 3.20 Alongside the physical improvements to the two town squares, the Council will also be seeking to implement shop front improvements and a programme of business support for businesses in Penge Town Centre. Linked to this will be the consideration of options for activation schemes to reinvigorate Maple Road. Ward members have been regularly updated on the progress of these schemes.

Cray business Corridor

- 3.21 Approximately 48ha of the main stretch of Cray Avenue / Sevenoaks Way is identified in both the London Plan and UDP as designated Strategic Industrial Location (SIL). From this total the Council's initial assessments has shown that approximately 20ha is currently in non-industrial uses, with the long standing industrial integrity of the area being eroded by retail warehousing and trade counter uses. As part of the Growth Initiative, the Council's main objective in this area has been to identify industrial areas where economic intensification can be facilitated and supported.
- 3.22 Previous growth studies assessed the potential growth capacity of Small and Medium-sized industrial firms within the SIL and provided recommendations to bring potential development sites forward. These recommendations were agreed by the Council and formed the initial work programme for the Cray Corridor growth initiative. Officers have now had an opportunity to meet with representatives of the key strategic sites, including the Klingers Site (Ruxley Lane), the Lagoon Road Industrial Estate and Allied Bakeries. Initial feedback from these meetings has confirmed that there exists significant development interest in these key sites and the willingness of some site owners to work collaboratively with the Council. Feedback from some of the large commercial agents confirms that there remains significant demand from out of town retailers and trade counters to relocate onto these strategic sites. However, the Council's assessment has also illustrated that where there exists good quality modern industrial premises, such as on the Crayfield's Industrial & Business Parks, there is strong demand from industrial firms and rents are starting to increase. In addition to continuing to work with land owners to realise site potential, the Council will also be undertaking further work on quantifying the demand.
- 3.23 The Council will be working with The Society of London Manufacturers (Soloman Executive) on this demand study, the results of which will be used to inform the Local Plan review and develop a feasible business model to address the potential growth in industrial floor space and to accommodate growth from SMEs. Current investigations are being carried out to assess the viable options for developing the land behind Edgington way

which has recently been advertised as on the market. The Edgington way site is situated adjacent to the Fitzroy Industrial Park and could provide the basis for a potential development proposal. Ward Councillors have been consulted on the progress of this project.

Biggin Hill

- 3.24 A project officer to manage the Biggin Hill NHB project was appointed in August 2015. The stakeholder Project Board has subsequently met to discuss and agree the initial work programme. Consultations have been undertaken with individual stakeholders including Biggin Hill Airport Limited, Bromley College, Historic England and the GLA. Work is also underway to assess and market test potential demand for managed workspace with local providers. Council officers attended a presentation with other project stakeholders by Aviation Skills Partnership a private company that promote aviation skills and training.
- 3.25 Regular update reports on the progress of the NHB and HSF projects will be brought back to the relevant Executive and Renewal & Recreation PDS Committees.

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 and the Renewal & Recreation Portfolio Business Plan 2014/15. 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 table below summarises the financial position for each Town Centre Development project. It shows individual budgets, funding streams, spend and commitments and the remaining balances, including the split between capital and revenue expenditure: -

Capital	Budget £'000	Spend £'000	Com'tmts £'000	Total £'000	Balance £'000
<u>Housing Zone Bid</u>					
Growth Fund - Properties within red line development site	2,700.0	0.0	0.0	0.0	2,700.0
Growth Fund - Specialist legal & development advice	200.0	0.0	0.0	0.0	200.0
Growth Fund - Staffing cost (recharge)	100.0	0.0	0.0	0.0	100.0
S106 PIL	3,000.0	0.0	0.0	0.0	3,000.0
	6,000.0	0.0	0.0	0.0	6,000.0
<u>Beckenham Improvement Scheme</u>					
TfL Funding (subject to approval)	3,295.0	108.7	220.7	329.4	2,965.6
Capital receipts	1,002.0	0.0	0.0	0.0	1,002.0
Earmarked Reserve balance for Beckenham Improvements	150.0	0.0	0.0	0.0	150.0
Principal Road maintenance 2016/17 allocation fro TfL	250.0	0.0	0.0	0.0	250.0
	4,697.0	108.7	220.7	329.4	4,367.6
<u>New Homes Bonus and High Streest Funded Projects</u>					
Penge Town Centre/Crystal Palace Publici Realm Scheme	746.0	12.1	29.7	41.8	704.2
Orpington Town Centre	525.0	8.2	0.0	8.2	516.8
	1,271.0	20.3	29.7	50.0	1,221.0
Total Capital	11,968.0	129.0	250.4	379.4	11,588.6
Revenue					
<u>New Homes Bonus and High Streest Funded Projects</u>					
Penge Town Centre/Crystal Palace Publici Realm Scheme	200.0	0.0	0.0	0.0	200.0
Orpington Town Centre	100.0	5.9	0.0	5.9	94.1
Biggin Hill Aviation Technology & Enterprise Centre	150.0	12.6	0.0	12.6	137.4
Lagoon Road Industrial Estate Redevelopment	150.0	12.6	0.0	12.6	137.4
	600.0	31.1	0.0	31.1	568.9
<u>Town Centre Development Programme - Site G</u>					
Earmarked Reserve - Site G specialist advice	233.0	179.2	29.0	208.2	24.8
<u>Beckenham Market Infrastructure</u>					
S106 funding for market infrastructure	48	0	10	48	0
<u>Bromley Town Centre High Street redevelopment programme</u>					
Investment Fund - Initial feasibilty cost of development programme	118.0	14.0	19.2	33.2	84.8
Investment Fund - Detailed design cost & survey work	287.0	5.0	0.0	5.0	282.0
	405.0	19.0	19.2	38.2	366.8
Total Revenue	1,286.0	229.3	58.2	325.5	960.5
Total Funding - Capital and Revenue	13,254.0	358.3	308.6	704.9	12,549.1

- 5.2 The Concept Design for the Bromley Town Centre Central High Street Scheme is estimated to cost £3.8m and highlights that there will be both revenue and capital costs associated with the scheme. These will be reported back to Members for consideration along with the funding options once the detailed design work has been completed.
- 5.3 Members should note that the New Homes Bonus top-slice funding has to be spent by the end of March 2017 and High Street Funding of £125k, supported by the GLA needs to be spent by 31 March 2016.
- 5.4 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.

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	NA