

BROMLEY ECONOMIC PARTNERSHIP

Minutes of the meeting held at 4.00 pm on 10 January 2017

Present:

Councillor Peter Morgan (Chairman)
Katy Woolcott, London Biggin Hill Airport (Vice-Chairman)
Carol Arnfield, LBB Head of Service - Education
Frances Forrest, Your Bromley BID Company
Dave Freeborn, Proctors
Robert Goddard, Thackray Williams Solicitors LLP
Alex Henderson, MSE UK
Lesley Holland, LBB Operations Manager, Bromley Education
Business Partnership
Michael Humphries, Handelsbanken
Terri Johnson, South East London Chamber of Commerce
Mike Lewis, Michael Rogers LLP
Colin Maclean, Community Links Bromley
Kate Miller, The Glades
Martin Pinnell, LBB Head of Town Centre Management and
Business Support
Lee Thomas, Fairlight Group
Liz Waghorn, Jobcentre Plus
Steve Wheeler, Federation of Small Businesses

Also Present:

Councillor Vanessa Allen
Duncan Barker, BizTalk360
Levent Kerimol, Greater London Authority
Saravana Kumar, BizTalk360
Mary Manuel, LBB Head of Planning Strategy and Projects
Andy Oliver, Stevenson Heating Limited
Virgil Rappa, LBB Renewal
Melanie Ross, Barclays Bank PLC
Lai Wah Co, Bank of England

1 APOLOGIES FOR ABSENCE

Apologies had been received from Andrew Cox and David Warnes – London South East Colleges and Robert Sargent – Acorn Commercial.

Councillor Vanessa Allen and Kate Miller, The Glades apologised for having to leave the meeting early due to other commitments.

**2 MINUTES OF THE MEETING HELD ON 11TH OCTOBER 2016
AND MATTERS ARISING**

The minutes of the meeting held on 11th October 2016 were agreed, and signed as a correct record. There were no matters arising.

**3 PRESENTATION BY LAI WAH CO, DEPUTY AGENT FOR
GREATER LONDON AGENCY, BANK OF ENGLAND -
REGARDING THE LONDON ECONOMY**

Ms Lai Wah Co, Deputy Agent for Greater London, Bank of England gave a presentation providing an overview of the UK and London economy in terms of recent trends and possible future threats and opportunities for the region.

A copy of the presentation can be found in Appendix 1 attached to the minutes. The areas covered included key economic indicators, prospects for UK GDP growth as forecast in November 2016, and inflation and uncertainty for the UK relating to Brexit.

The attached graph, highlighting economic survey measures of activity, employment and new business, showed that there was not much difference between the London and UK variants. All measures had slowed in the summer of 2016, but had bounced back sharply in the second half of the year. It was felt that this had been largely due to some transactions in the economy not being committed to, both in the run up to and immediately after the EU referendum, including house buying and financial services.

Following the outcome of the Brexit Referendum there had been shock, nervousness and panic which caused survey measures of activity and confidence to plummet. These had contributed to the Bank of England's gloomy economic forecast in August, and its loosening of monetary policy at that time (a cut in the official interest rate, further quantitative easing and a new lending scheme) to reduce the risk of a mild recession.

The ILO unemployment rate showed that London's unemployment rate was at a historic low of 5.5%. The UK level was also at its lowest since 2005, against comparable data since 1992.

Although UK CPI inflation had been below the Government's 2.0% target over the last couple of years, the recent rise had been driven by goods inflation.

The UK's exchange rate had started to depreciate over a year ago and that had accelerated following the Brexit Referendum. Sterling had fallen nearly 20% against the US dollar and by around 10% against the Euro since the vote. This had already started to feed through to inflation and it was anticipated that more prices would start to reflect that it was more expensive to import goods. It was noted, however, that the sterling depreciation would also make the UK more competitive as exports would become cheaper.

Forecasts were uncertain, but it was expected that growth would slow sharply over the next year or so. It was also expected that CPI inflation would rise sharply over the coming year, to just under 3%. There was a marked slowing in the growth of the London and UK economies expected this year, of around just under a percentage point, in part as business investment was likely to be more restrained. It was noted that more was likely to be known about the shape of the UK's future potential trading arrangements and how they might affect economic growth once Article 50 was invoked by the end of March 2017.

A discussion took place regarding confidence in the UK's ability to negotiate successful terms in the Brexit process. Ms Co said that the Bank of England had a vested interest in anything that would affect financial services, given its responsibility for financial stability, and they would recommend that the Government puts transitional arrangements in place to ensure the process is as smooth as possible. It was noted that the uncertainty of what was to come had left many companies in limbo, which was the most damaging aspect of the Brexit Referendum, and not the outcome of the vote itself.

4 PRESENTATION BY LEVENT KERIMOL, GREATER LONDON AUTHORITY - REGARDING WORKSPACE

Mr Levent Kerimol, Principal Regeneration Officer, Greater London Authority gave a presentation relating to workspace and the Greater London Authority's (GLA) approach to developing more appropriate workspace across London.

A copy of the presentation can be found in Appendix 2 attached to the minutes. The GLA were concerned as there had historically been a surplus of industrial land across London, but this was now dwindling. Developers of mixed use developments were finding that the non-residential elements were not working, and felt that planning needed to be more specific.

The GLA were working with the London Enterprise Panel to provide incubator and artist workspace, both of which had seen growth over the last few years. Work had been carried out to map available workspace online which was live and updatable. They had worked to get space providers together and advertise borough owned space; funded fit outs and attempted to buy buildings if they did not have planning protections.

Research had been carried out on the value of workspace where they had attempted to pinpoint the economic and social value of setting up and working in a flexible workspace, including monitoring the additional benefits they could provide and measuring their outcomes.

A discussion took place regarding the designation of industrial land within the Local Plan. The London Borough of Bromley was trying to protect its industrial land and felt that a 'one size fits all' policy was not appropriate. Mr Kerimol noted that some boroughs should be designating more industrial areas, and that local pride was needed to communicate that they were something to be

proud of. A project had taken place in Tottenham to emphasis this, with storytelling by businesses of how they served London.

The Chairman thanked Ms Co and Mr Kerimol for their interesting presentations.

5 UPDATES ON MAIN PARTNERSHIP THEMES AND OTHER RELEVANT COUNCIL INITIATIVES:

Members of the Partnership gave an update around progress across the main themes of the Partnership.

a TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE (VERBAL UPDATE)

Mr Virgil Rappa, LBB Town Centre Development Project Planner attended to provide an update on Town Centre Development across the Borough. Progress was continuing across the sites that made up the Bromley Town Centre Area Action Plan.

The Council had undertaken a procurement exercise to select a preferred development partner to deliver a residential-led scheme as part of the next phase of development on Opportunity Site G: West of the High Street. Bids were received on 21st October 2016, with final submissions being made in November 2016. An award of tender report would be submitted to the meeting of the Council's Executive on 8th February 2017, providing an officer recommendation for the preferred development partner.

The Draft Local Plan had included a revised policy for former Opportunity Site A: Bromley North Station. The Council was continuing to engage with the Greater London Authority (GLA), residents and businesses, other site owners, Network Rail and developers Prime Place to generate an appropriate development on the site. It was expected that a planning application would be submitted in spring 2017 for the first phase of the project on Sherman Road.

Further public realm improvements were proposed for Bromley Town Centre and plans to take these forward would be presented to the Council's Executive on 8th February 2017. *(Subsequent to this meeting, this report was deferred to the March meeting of the Council's Executive.)* The ground plane designs had been completed and included new paving, lighting, seating, raised planters and the installation of two free flowing canopy structures. There would be three phases of implementation, the first of which would take place between March and December 2017, to obtain planning permission for the relocation of the market. The second phase would take place between January and August 2018 and see the installation of the new market. The third and final phase would take place between September and November 2018, during which the scheme would reach completion.

At the meeting of the Council's Executive on 18th November 2016 the overall scheme design and budget for the Beckenham Town Centre Public Realm Improvements had been agreed. Options for the programme of works were presented to the Beckenham Town Centre Working Group at their meeting on 27th October 2016, and work was due to start in February 2017. A two day consultation event would take place on the 20th and 21st January 2017 for the community to view the final scheme designs, with a separate event for the business community to discuss the scheme being held on 25th January 2017.

The draft detailed design had been issued for the Orpington Walnuts Shopping Centre Public Realm Scheme. The programme for delivery was being finalised by contractors FM Conway, and would take into consideration the launch of the initial phases of the Berkeley Homes development. It was expected that the final designs and costs would be agreed by the end of January 2017, with preliminary work starting in February 2017. Improvement works were planned to commence in March 2017 and last for approximately four months.

With regards to an update on the Orpington Regeneration Strategy, members were advised that on 5th December 2016, Sharon Baldwin, of Orpington 1st BID Company had met with the Portfolio Holder and the Council's Strategic Property advisors Cushman & Wakefield. The future development of Orpington Town Centre was discussed and it was agreed that Cushman & Wakefield would provide the Council with a quote to update an old masterplan for Orpington. As part of the New Homes Bonus, LBB officers were working with Orpington 1st BID Company to deliver business support. A pop up shop had been launched, and functioned as a low cost trading platform. The pop up shop was located on the High Street and currently had two businesses operating out of it.

In Penge, the public realm improvement scheme had commenced on 8th January 2017, with the initial works taking place at the junction of Maple Road and the High Street. Businesses had been advised of the works by post and would be kept up to date with the schemes progress. LBB officers had also been working on a conditional assessment for a shop front improvement scheme on Penge High Street, and working with Legible London to improve wayfinding in the Town Centre and improve links with local rail stations and Crystal Palace Park.

RESOLVED that the update on the town centres development programme be noted.

b LOCAL PLAN DEVELOPMENT UPDATE (VERBAL UPDATE)

Ms Mary Manuel, LBB Head of Planning Strategy and Projects attended to provide an update on the draft Local Plan. The Partnership was advised that the fourth stage of the consultation process had now been undertaken. This had allowed people to comment on legal compliance, soundness of the process and whether they felt that the Council had met its duty to co-operate.

This stage of the consultation had closed on 31st December 2016, and officers were currently working through the responses before putting them to Members. If Members considered that changes were required to be made, there could be the need for further consultation. It was currently planned for the draft Local Plan to be submitted to the Secretary of State in spring 2017.

RESOLVED that the update on the Local Plan be noted.

c BUSINESS IMPROVEMENT DISTRICTS AND BUSINESS SUPPORT UPDATE (VERBAL UPDATE)

Mr Martin Pinnell, LBB Head of Town Centre Management and Business Support, gave an update on Business Improvement Districts and Business Support in Quarter 3, 2016/17.

Two further BIDs were planned for Beckenham and Penge town centres following a feasibility study which had indicated that they could be successful. Specialist BID consultants, Central Management Solutions were now in place and revisiting the feasibility study in order to strengthen the baseline data. Full consultation with businesses would take place in spring 2017, with the proposals going to ballot in October or November 2017.

The Council continues to maintain the relationships with the two BIDs already established in Orpington and Bromley. The Orpington 1st BID Company intended to apply for a renewal which was due in March 2018. A postal ballot of businesses paying the levy would take place in the month leading up to 2nd November 2016 for approval to continue. They were currently talking to a consultant to organise the logistics of the work to be undertaken.

It is proposed that Bromley Market would be relocated to Market Square, and would allow a refocus of the market to be high quality and provide a higher level of food retail and service. It was planned that some semi-permanent kiosks would be installed and these could potentially open during the evenings. These proposals would be put to the meeting of the Council's Executive on 8th February 2017. *(Subsequent to this meeting, this report was deferred to the March meeting of the Council's Executive.)*

As part of the New Homes Bonus, LBB's contractors were providing ongoing one to one support for retail and catering businesses in Penge. Subject to final agreement on the lease, a pop up shop was due to open by February 2017. Work had also taken place with Penge traders to establish a town centre website to showcase their businesses, www.PengeSE20.co.uk.

With regards to other business support, the Bromley Business Guide 2017 had now been published and copies were distributed to the members of the Partnership. Members were advised that if they required further copies, they could be obtained by contacting Martin Pinnell or visiting www.itslocalbromley.co.uk which listed approximately 3,500 businesses based within the borough.

Planned business support events included two Successful Mums taster sessions on 23rd January 2017, a marketing workshop on 23rd February 2017 and a joint event in March with Metro Bank and the Institute of Chartered Accountants.

RESOLVED that the recent work around the Business Improvement Districts and Business Support in the 3rd Quarter of 2016/17 be noted.

6 PARTNER UPDATES AND OPPORTUNITIES FOR JOINT WORKING TO INCLUDE:

Updates are provided in the relevant sub sections.

a BIGGIN HILL AIRPORT (VERBAL UPDATE)

Ms Katy Woolcott, London Biggin Hill Airport provided an update on developments at London Biggin Hill Airport following its identification as a Strategic Outer London Development Centre in the London Plan, and as part of the LoCATE (London Centre for Aviation Technology and Enterprise) project which brought together a cluster of modern aviation-related businesses at and around London Biggin Hill Airport to support continued economic development in the area.

London Biggin Hill Airport was currently ahead of budget and fully occupied and building work was continuing on a new hangar. Noise monitors were in place at both ends of the runway and logging noise levels. It was hoped that the airport's new operating hours would be implemented from the beginning of May 2017.

Talks were currently taking place with a Maintenance, Repair and Overhaul (MRO) operator that were looking to take 400,000 sq. ft. of space at the airport, and potentially increasing this over the next few years. A pre-application would be submitted shortly for the on-site hotel which was desperately needed for crew, pilots and engineers, who currently had to travel ten miles out for accommodation.

The airport's tenants, Bombardier, currently had full order books, and expected to be fully operational by the middle of 2018. Plans for the on-site Academy were currently in discussion with the land owners, and a valuation of the site would be carried out shortly.

b COMMERCIAL PROPERTY (VERBAL UPDATE)

Mr Mike Lewis, Michael Rogers LLP advised members that the level of enquiries received in 2016 had been the same as 2015. There had not been a drop in enquiries following the Brexit Referendum vote in June 2016, there had in fact been a marginal increase. It was noted that there had been a loss of office space, with Bromley only having 5% of their built stock available compared to 10% previously. This reduction was partly due to lack of development and the loss of existing space to residential development.

Rents had increased due to there being greater demand. Commercial rents had only increased over the last five to ten years and rental growth was still needed. Current rates were at £25 per sq. ft., compared to £17-£18 per sq. ft. eighteen months ago.

c COMMUNITY LINKS BROMLEY (VERBAL UPDATE)

Mr Colin Maclean, Community Links Bromley informed the Partnership that a Corporate Social Responsibility Expo had taken place on 10th November 2016. From the initial evaluation it was felt that the previous two events held had been more successful. This event had not received as much response from businesses, although those that had engaged had been very good. A further evaluation of the feedback would be provided at the next meeting of the Partnership.

d GENERAL NEWS ROUND (VERBAL UPDATE)

Ms Kate Miller, The Glades was not present for this agenda item but provided a written update to the Partnership as follows:

- On 15th December 2016, intu Properties had sold the shopping centre to Alaska Permanent Fund with the London Borough of Bromley retaining their 15% stake.
- On 16th December 2016, the centre rebranding had started to switch the name back to The Glades, and this work was continuing.
- 2016 had finished strongly for the centre. After a tougher start to the year footfall ended at +0.6% with the new restaurants performing very strongly. Gift card sales were +5% compared to last year, with Average Transaction Value increasing by +8%.
- Recent new tenants, Molton Brown and Bobbi Brown, had good sales in December. Other new tenants included Watch Lab and Lola's Cupcakes.
- The centre's busiest day was Thursday 22nd December 2016 with over 116,000 customers through the doors.
- The centre had paid for additional police support on the busiest days, but there had been no significant security issues.

Mr David Warnes and Mr Andrew Cox, London South East Colleges were not present at the meeting but provided a written update to the Partnership as follows:

- SHaW Futures Academy
The Bromley Educational Trust was launching a public consultation on the education provision for a proposed new specialist secondary school in Bromley - the first of its kind in London. The Science, Health and Wellbeing (SHaW) Futures Academy would offer 11-19 year olds an innovative blend of academic and technical education in a brand new building with industry-standard facilities.
- The new BR6 Bakehouse
London South East Colleges' new BR6 Bakehouse, based in Orpington, was now in its final stages of construction. It would open its doors for the

very first time in spring 2017. This student-led business would service staff, students and the public with freshly baked cakes, bread and pastries; coffees, teas and a selection of fine wines.

Mr Lee Thomas, Fairlight Group reported that the serviced offices were currently full. Demand was strong and more space was needed for development, particularly sites in central Bromley for building office space.

Ms Liz Waghorn, Jobcentre Plus advised that the number of people claiming Job Seekers Allowance (JSA), including those claiming Universal Credit, had held steady at 2,606. Claimants in the 18-24 year old category had dropped, but the number of claimants in the 50+ category remained high. It had been announced that there would be a focus on disability and mental health, for which further updates would be provided at future meetings.

Ms Melanie Ross, Barclays Bank PLC informed the Partnership that the Bromley Community Fund would be hosting a quiz night at Bromley Football Club on 9th February 2017. Members were advised that they could contact Ms Ross at melanie.ross@barclays.com for further information.

Ms Frances Forrest, Your Bromley BID Company advised members that their quarterly networking session would be taking place on 24th January 2017 at Texas Jacks, with a 'make your till ring' event. Any enquiries could be made through www.yourbromley.com. Members were informed that the website also had a job portal which allowed businesses to advertise job vacancies free of charge. Currently these job vacancies, a number of which were within the retail sector, were not being filled. It was noted that the website was also a source for special offers and discounts being offered by businesses in the town centre.

Mr Andy Oliver, Stevenson Heating Limited advised members that he had taken over the company a year ago after it had gone into administration. He was looking to progress the business in its second year, but needed new premises.

Ms Terri Johnson, South East London Chamber of Commerce informed members that they were still looking to source new venues with car parking and good transport links for their events. The Chambers' publication, Masthead had recently been published and dispatched to businesses.

Ms Carol Arnfield, LBB Head of Service – Education advised the Partnership that the LBB Adult Education team had seen the same trends as Jobcentre Plus, and offered to link up with them to provide training for the 50+ category.

Mr Steve Wheeler attended the meeting representing the Federation of Small Businesses (FSB). The FSB had been involved with Small Business Saturday, which had taken place on the first Saturday in December 2016. The events 'selfie competition' had been won by a company in Bromley and the FSB would be helping them to promote their business throughout the year. Mr Wheeler advised members that he had been speaking with the agent for the

space above Sainsbury's in Chislehurst. Two gyms had indicated interested in the space, but the infrastructure would not support their equipment. He believed the site had great potential for office space, and any help and support that could be offered to secure the site would be appreciated.

Mr Dave Freeborn, Proctors advised members that following the Brexit Referendum, it had been expected that sales would struggle. He was pleased to report that contrary to this, seven sales had been secured during the first full weekend of 2017. It was noted that more land and opportunities were needed as demand was even stronger than last year.

Mr Michael Humphries, Handelsbanken reported that their position was looking positive and there was a 'can do' and 'want to do' attitude towards conducting business. Many businesses had taken the view to continue as normal as any implications were still two years away.

Mr Alex Henderson, MSE UK reported that the manufacturing industry had found 2016 to be a difficult year. Since the Brexit Referendum the weak pound had helped with exporting goods, and they had noted that German competitors had started to increase their prices. They were quietly confident for 2017 as large tenders were coming up in the UK and abroad and they were currently undertaking a recruitment drive for production.

RESOLVED that the updates be noted.

**7 BROMLEY ECONOMIC PARTNERSHIP WORK PROGRAMME
2016/17 (VERBAL UPDATE)**

Members of the Partnership considered the forward rolling work programme for the Bromley Economic Partnership for 2016/17.

In considering the next meeting of the Partnership, the Chairman asked for members to send any suggestions for future agenda items to Martin Pinnell, LBB Head of Town Centre Management and Business Support.

8 ANY OTHER BUSINESS

No other business was brought to the meeting.

9 DATES OF FUTURE MEETINGS

4.00pm, Tuesday 11th April 2017

The Meeting ended at 6.00 pm

Chairman