

Decision Maker: RENEWAL, RECREATION AND HOUSING PORTOFOLIO HOLDER

For Pre-decision Scrutiny by the Renewal, Recreation and Housing PDS

Date: 26 June 2018

Decision Type: Non-Urgent 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: Nigel Davies, Executive Director of Environment & Community Services

Ward: All Wards

1. Reason for report

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

2. RECOMMENDATION(S)

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

2.2 That the Portfolio Holder approves the allocation of Section 106 monies of £25k relating to land at the South Side of Ringers Road and £20k in relation to land at the Multi-storey car park Simpson's Road to fund a programme of street furniture refurbishments in Market Square and Bromley South as part of town centre improvements.

2.3 The decision to submit a Good Growth Fund Stage 1 bid is delegated to the Director for Regeneration and the Portfolio Holder for Renewal, Recreation and Housing to meet the 13th July 2018 deadline.

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: £34.797m
 5. Source of funding: Town Centre Development Fund, Growth Fund, Investment Fund, S106 resources, NHB/GLA High Street funding, Capital Financing and TfL funding
-

Staff

1. Number of staff (current and additional): 4
 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? Yes
2. Summary of Ward Councillor's comments: Officers hold regular update meetings with Ward Councillors.

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.

Site G: West of the High Street

- 3.2 The Executive on 17th July 2017 approved the detailed terms of the development agreement and lease for the development and on 11th December 2017, Full Council approved an increase to the capital programme for the purpose of acquiring properties within the red line area.
- 3.3 In accordance with the terms of the development agreement Countryside Properties have submitted the planning application for their scheme in May 2018.
- 3.4 Following a review of the policy of Opportunity of Site G during the Local Plan examination and as required by the AAP Inspector, the Council has produced a Masterplan for Opportunity Site G. This is currently being consulted on internally before being published and subject to a six week public consultation. The results of this consultation will be reported back to the Executive in September for consideration and adoption.
- 3.5 The following is the updated development programme based on Countryside's submission of the planning application for the scheme in the beginning of May 2018. The resulting milestones have been drafted based on this submission date and illustrate the estimated length of each stage in the process.

- Exchanged Development Agreement – Sept 17
- Public Planning Consultation on Countryside Scheme – Nov 17
- Consultation on Wider Site G Masterplan July 2018
- Executive Approval of Scheme March 2018
- Submit Planning Application May 2018
- Prepare Compulsory Purchase Order documentation July 2018
- Secure Planning Consent Sept/Oct 2018
- Make Compulsory Purchase Order Winter 2018
- Compulsory Purchase Inquiry Autumn 2019
- Commence Development Spring 2020
- Completion Spring 2025

3.6 Future updates on the progress of the development programme for Site G will be regularly reported to the R&R PDS committee and reported on a quarterly basis to the Executive.

Bromley Town Centre High Street Public Realm Improvements

3.7 The Executive of the 7th November 2017 approved the detailed design and implementation costs of £580k for market kiosks and pop up stalls to be located north from the Churchill Theatre and at Market Square and the authority to submit a planning application for the relocated market. In addition £152k of Section 106 funding was approved for a programme of architectural lighting improvements. A planning application for the relocated market including 46 pop-up market stalls was approved by the Plans Sub-Committee on the 22nd February 2018. The Councils fixed term contractors FM Conway had an original construction programme in two phases.

- 3.8 Phase 1 of the scheme, from Market Square to Marks and Spencer, is nearing completion and the final section, adjacent the Churchill Theatre, will be completed with the resin bound petal feature being laid in the week commencing 25th June 2018. There have been supply chain delays concerning the benches for the first phase, but these are now on order and will be installed within six weeks.
- 3.9 Work on Phase 2 of the improvement works has been delayed due to a supply chain issue with the quarries in China. This has taken the term contractor a number of months to resolve but this has been achieved. The Term Contractor has issued a revised Phase 2 programme which maintains the scheme completion date as 30th November 2018. In order to achieve this date the term contractor has allocated additional resources to the project.
- 3.10 Delays by UKPN in connecting up the feeder pillars have resulted in a partial relocation of the market. However the term contractor has now been advised that that the power connections will be fully completed by the beginning of July 2018 to allow the full relocation of the market by mid-July 2018,
- 3.11 Detailed foundation designs for the Market Kiosks have now been completed and the design team will shortly be submitting a planning application for these, with an installation date planned for May 2019. Stage 3 design and costings for the two new commercial units and the mirrored canopies are due to be completed by July 2018. It is proposed that these designs and costing will be considered by the Project Board and that local Ward Councillors are consulted before they are reported back to the September Committee cycle for consideration. The key milestones for the revised programme for these elements is set out below :

Market kiosks	Planning application submission	July 2018
	Tender for manufacturer	September 2018
	Installation	May 2019
Commercial units	Stage 3 design and costings completed	July 2018
	Report to R&R PDS Executive on design and costings.	September 2018
Canopies	Stage 3 design and costings completed	July 2018
	Report to R&R PDS Executive on design and costings.	September 2018

- 3.12 Design work has continued for the architectural lighting improvements. A series of lighting mock-ups has facilitated detailed design for Primark and 162 High Street, 145 to 155 High Street and the Marks and Spencer building.

Bromley Town Centre Seating Improvements

- 3.13 Responding to requests for additional seating in the town centre officers have examined options to provide additional seating options in Market Square and Bromley South. This work has focused on enhancing the seating around the 9 black granite benches/planters installed on the upper plaza in Market Square. In Bromley South work will focus on refurbishing the benches installed alongside the Mall which have warped with age and weathering. It is estimated that the cost for these upgrades will be £45k.
- 3.14 Officers will procure the design, manufacture and installation of these upgrades using the balance of Section 106 monies of £25k relating to the development on the South Side of Ringers Road and £20k from the development on the land at the Multi-storey car park Simpson's Road. This report is seeking Portfolio Holder approval to allocate these Section 106 monies to fund the proposed upgrades.
- 3.15 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
284	In relation to land at the Multi-storey car park Simpson's Road, Bromley	Town Centre contribution of £20,000 to be used for improvements within the area covered by the Bromley Town Centre Area Action Plan including towards pedestrian wayfinding and signage and If any part of it is unexpended at the end of October 2018, it shall be repaid to the Developer upon written request and on production of evidence of payment	Bromley Town Centre Improvements £20k. Use of this funding will focus on refurbishing benches that have incorporated signage and wayfinding alongside the Mall and providing additional pedestrian seating in Market Square and Bromley South. It is estimated that the cost for these upgrades will be £20k.	This S.106 requires spend on the Council's Town Centre Development Projects and requires all monies to be spent by October 2018.
331	Relating to land at the South Side of Ringers Road, Bromley	Town Centre Contribution of £25k paid on 23 December 2013 shall be used solely for works set out in the Town Centre Improvement Fund. Contributions or sums paid that have not been expended or committed to be spent for the defined purpose within 5 years from the date of payment that sum shall be refunded to the contributor together with accrued interest thereon from the date of payment until the date of refund.	Bromley Town Centre Improvements £25k. Use of this funding will be for work to enhance the seating around the 9 black granite benches/planters installed on the upper plaza in Market Square and additional seating options in Market Square and Bromley South. It is estimated that the cost for these work and upgrades will be £25k.	This S.106 requires spend on the Council's Town Centre Development Projects and requires all monies to be committed by 23 December 2018.

Beckenham Town Centre Public Realm Improvements

- 3.16 The Council's Highway term contractor FM Conway have completed the initial phase of works at the High Street junction with Albemarle, Rectory and Southend Road and the new kerb alignments and paving have been completed for the High Street between Beckenham Junction and Thornton's Corner (phases 1 and 2 of the improvements). Phase 3, the substantial redesign of Thornton's Corner and new paving on the south side of the High Street was also completed on programme. The rebuilding of the planters on Beckenham Green and associated other improvements were completed by the 2nd December to enable a community Christmas event on the Green. Two-directional traffic has been reintroduced between Southend Road and Fairfield Road. Phase 4 works are now underway on the north side of the High Street between Thornton's Corner and The Drive, whilst works are also underway on the corners of the war memorial roundabout. Due to adverse weather the programme has been revised and the majority of works are due for completion in mid-September.
- 3.17 There has been a review of the planters following completion in conjunction with the Beckenham Town Centre Working Party. The term contractor has been asked to provide an alternative design treatments for the Beckenham Green sign on the planter. They are also undertaking a comprehensive snagging of the planters to address the quality control issues that have been raised, which is due to start on 9th July and is due to last 3 weeks.

Beckenham Green Canopy

- 3.18 Following the detailed review of 14 entries for the Beckenham Green architectural completion, the entry submitted by Katie Fisher and Daniel Duffield was the winning entry (Appendix 1). The selection was informed by feedback given during the 18th January 2018 BTCWG meeting and from the jury involved, which included community group representatives and Council Members and officers.
- 3.19 Officers are having ongoing discussions with the Beckenham Business Improvement District (BID), Amey and IDVerde regarding the long term maintenance of the canopy. Once a designated party is appointed and there is an agreement to maintain the structure, officers will tender for the detailed design, manufacture and installation of the canopy with a £35,000 budget.

Orpington Walnut Shopping Centre Public Realm Scheme

- 3.20 Term contractors FM Conway (FMC) will be completing all works associated with the fire escape by July 2018. To date its wooden cladding has been secured and all emergency lights have been certified to conform to code.
- 3.21 To date Brunswick Square's frontage and most of area D (See Appendix 2) have been completed and the granite tree curbs in the Walnuts Square are in situ.

3.22 The following revisions to the programme have been due to plant and transport restrictions:

Task Name	Duration	Start	Finish
Phase 2	145.94 days	Mon 19/03/18	Fri 07/09/18
Finishing Phase 1 in Walnuts Square on Brunswick Square's frontage	4 wks	Mon 19/03/18	Wed 11/04/18
Area D	9 wks	Fri 13/04/18	Wed 06/06/18
Area C	7 wks	Thu 07/06/18	Wed 18/07/18
Area E	3.33 wks	Thu 19/07/18	Wed 08/08/18
Area B	5 wks	Thu 09/08/18	Fri 07/09/18

Paving works are currently being delayed due to a supply chain issue between the term contractor and the block manufacturer. The term contractor has advised that additional resources will be provided to meet the revised timetable.

Penge Town Centre Improvements

3.23 It is anticipated that the improvements to Arpley and Empire Squares are expected to be completed at the end of July 2018 after which the contractors will then proceed to commence work in the Penge Triangle area. This phase of works should take an approximately 2 months and this will be followed by the resumption of the Highways scheme which will consist of snagging works on the High Street and improvements to the Croydon Road/Green Lane junction.

3.24 The architects for the shopfront improvement project, You & Me Architecture, along with officers, have been visiting businesses on the High Street to explain the scheme and encourage uptake by local independent shop keepers. To date 18 businesses have expressed an interest and of these, 12 will be selected for the scheme. The next stage of the programme would involve working with these selected businesses to determine the most appropriate proposals for improvements. This will be followed by the signing of agreements between the Council and the shopkeepers prior to the submission of any required planning applications and any of the improvement works progressed. It is anticipated that the construction programme will likely begin in September 2018 subject to planning consents and take approximately 4 months to complete.

Good Growth Fund, Round Two

3.25 The Good Growth Fund is currently accepting round 2 applications with a total of £20m being available for successful bids. Funding options include capital grants of up to £2m to deliver place shaping and development projects with a minimum of 50% match funding needing to be secured; repayable capital grant funding between £50k and £2m with a minimum of 50% match funding needing to be secured; and Employment Skill Fund revenue grants of between £500k and £2m to deliver employability and skills projects and 50% match funding must be provided.

3.26 Officers are currently assessing multiple projects to submit a stage 1 application by 13 July 2018. These projects include:

- An extension of Penge Shopfront scheme.
- Shortlands and Clockhouse's public realm improvements.
- Mottingham Parade Improvements.
- Cray Valley digital infrastructure improvements.

- St Mary Cray Station Parade/ St Mary Cray High Street.
- West Wickham High Street/Shopfront scheme.
- Beckenham Green Community market.
- Elmers End public realm scheme.

Key Dates	
Prospectus Launched	4 June 2018
Stage 1 application deadline	13 July 2018
Stage 1 decision made	September 2018
Stage 2 application deadline	October 2018
Successful projects announced	December 2018
Grant agreement signed	Indicative – January 2019
Project delivery starts	Indicative – March 2019

3.27 Following feedback from the RRH PDS Committee it is proposed that a decision to submit a Stage 1 bid is delegated to the Director for Regeneration and the Portfolio Holder for Renewal & Recreation to meet the 13th July 2018 deadline.

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 2017/18. 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 On 11th of December 2017, Full Council approved a net increase of £18.4m resulting in a revised capital estimate of £24.292m for the Site G development programme. To date £1.468m has been spent/committed on the acquisition of properties in Ethelbert Close leaving a balance of £22.824m.
- 5.2 Within the £24.292m was a sum of £1.1m allocated for specialist development consultancy for CPO related costs inclusive of all professional fees, legal and development consultancy and internal management costs. This sum includes the £200k previously allocated from the growth fund. To date £112k has been spent/committed, leaving a balance of £987.8k.
- 5.3 On 7th November the Executive approved the further appointment of Montagu Evans to provide development advice on the site acquisition and compulsory purchase order making process.
- 5.4 Approval from the Portfolio Holder is sought for the allocation of £45k Section 106 monies from two agreements relating to the developments on land at the South Side of Ringers Road and on land at the Multi-storey car park Simpson's Road, to fund upgraded seating with wayfinding in Market Square and Bromley South as part of a programme of town centre improvements.
- 5.5 It should be noted that the £20k from Agreement 284 must be spent by 15 October 2018, whilst the remaining £25k from Agreement 331 must be committed by 24 December 2018, otherwise the funding will have to be returned to the developer as set out in the conditions of each of the S106 Agreements.
- 5.6 If approved, the £45k will be added to the Bromley Town Centre Public Realm Scheme in the capital programme.

5.6 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>Site G</u>					
Properties within red line development site - capital financing	20,932.0	0.0	0.0	0.0	20,932.0
Grow th Fund - Specialist legal & development advice	1,100.0	78.1	34.1	112.2	987.8
Grow th Fund	1,800.0	995.9	0.0	995.9	804.1
Private Developer contribution	100.0	0.0	0.0	0.0	100.0
S106 PIL	359.6	359.6	0.0	359.6	0.0
	24,291.6	1,433.6	34.1	1,467.7	22,823.9
<u>Beckenham Improvement Scheme *</u>					
TfL Funding	2,846.0	1,896.0	16.5	1,912.5	933.5
TfL Funding - LIP allocation re Southend Rd/Rectory Rd	200.0	200.0	0.0	200.0	0.0
Capital receipts	995.0	0.0	0.0	0.0	995.0
Earmarked Reserve balance for Beckenham Improvements	150.0	0.0	0.0	0.0	150.0
Principal Road Maintenance TfL allocation (Subject to approval)	200.0	0.0	0.0	0.0	200.0
	4,391.0	2,096.0	16.5	2,112.5	2,278.5
<u>New Homes Bonus and High Street Funded Projects</u>					
Penge Town Centre Improvements	746.0	135.1	0.0	135.1	610.9
Orpington Town Centre	525.0	422.8	0.0	422.8	102.2
	1,271.0	557.9	0.0	557.9	713.1
<u>Orpington Town Centre</u>					
S106 funding towards Walnuts Shopping Centre area	269.0	113.9	76.3	190.2	78.8
	269.0	113.9	76.3	190.2	78.8
<u>Bromley Town Centre Public Realm Scheme</u>					
S106 funding - Town Centre contributions*	197.0	0.0	0.0	0.0	197.0
Grow th Fund (may be replaced by S106 from Langley Court funding when available)	3,308.0	442.3	50.2	492.5	2,815.5
	3,505.0	442.3	50.2	492.5	3,012.5
Total Capital	33,727.6	4,643.7	177.1	4,820.8	28,906.8
Revenue					
<u>New Homes Bonus and High Street Funded Projects</u>					
Penge Town Centre Improvements	200.0	99.1	0.0	99.1	100.9
Orpington Town Centre	100.0	81.4	14.5	95.9	4.1
Biggin Hill Aviation Technology & Enterprise Centre	150.0	123.2	17.5	140.7	9.3
Cray Business Corridor	150.0	106.4	18.1	124.5	25.5
	600.0	410.1	50.1	460.2	139.8
<u>Bromley Town Centre High Street redevelopment programme</u>					
Investment Fund - Initial feasibility cost of development programme	118.0	80.8	0.0	80.8	37.2
Investment Fund - Detailed design cost & survey work	287.0	158.5	72.1	230.6	56.4
Broadband Infrastructure Investment project	64.7	64.7	0.0	64.7	0.0
Sub-total High Street Redevelopment	469.7	304.0	72.1	376.1	93.6
Total Revenue	1,069.7	714.1	122.2	836.3	233.4
Total Funding - Capital and Revenue	34,797.3	5,357.8	299.3	5,657.1	29,140.2

* Includes the extra £45k S106 Funds

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