

Decision Maker: RENEWAL, RECREATION AND HOUSING PDS COMMITTEE

Date: 18 September 2018

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

Title: TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE

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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 Members note the findings of the Orpington Town Centre Stage 1 Report and endorse the recommendations arising from this report to form the initial work programme for the emerging Framework Plan.

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: 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: £34.847m
 5. Source of funding: Town Centre Development Fund, Growth Fund, Investment Fund, S106 resources, NHB/GLA High Street funding, Capital Financing and TfL funding
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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:
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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? 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 allocation to the capital programme for the purpose of acquiring properties within the red line area. The Council development team continue to liaise directly with property owners within the development site to exercise the Council's Duty of Care to residents directly impacted by the proposed redevelopment. Progress continues to be made on site acquisitions and relocations.
- 3.3 In accordance with the terms of the development agreement Countryside Properties have submitted the planning application for their scheme in May 2018. This application has been subject to public consultation and is currently under consideration by the Council's Development Management team.
- 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 produced a Masterplan for Opportunity Site G/Site 10. This has been published and was subject to an eight week public consultation which concluded on the 14th of September. The results of this consultation are currently being reviewed and the formal responses and recommendations will be reported back to the relevant committees in the autumn cycle for consideration.

Bromley Town Centre High Street Public Realm Improvements

- 3.5 Phase 1 of the scheme, from Market Square to Marks and Spencer, is substantially completed and the new wooden benches will be installed by the end of September 2018. Funding for the remedial works to the Churchill Theatre has been agreed by the Executive and work has commenced on selecting a building contractor to carry out this work. The temporary scaffolding on the High Street frontage will not be removed until the remedial works are undertaken in the New Year, after which the ground plain works underneath the scaffolding will be completed.
- 3.6 As reported in the June 2018 update work on Phase 2 of the improvement works have been delayed due to supply chain issues with material delivery from China. The contractor has secured materials to complete the improvement works to the southern pedestrian area and work on this section is due to commence the week commencing 10th September 2018, with the removal of the stone planters and trees. As a consequence of this the remaining elements of the market will be relocated from this date into the northern section of the High Street. The design team are finalising the integration of Hostile Vehicle Mitigation measures into the current design. It is proposed that the installation of the new planters and granites setts will be substantially completed by 30th November 2018. Materials to complete the Elmfield Road junction will not be available from the supplier to fully complete the works by 30th November 2018. As a result the Engineering team have advised that work will now take place in early 2019 after the seasonal Highway works embargo has finished.

Beckenham Town Centre Public Realm Improvements

- 3.7 The Council's former Highway term contractor FM Conway is currently completing the final phases of the improvement plan in the area around the War Memorial roundabout. This is

one of the more difficult elements to build as it will involve rebuilding all four pedestrian islands on the approaches to the roundabout and involve introducing complicated temporary traffic management to achieve this. Following the road resurfacing it is proposed that the whole of the High Street will be reopened to two-way traffic on the 24th September 2018. Transport for London has confirmed that diverted bus services will also revert back to normal routes on this date.

- 3.8 There are a number of additional works that will be completed after 24th September such as the Odeon and Sainsbury forecourts works. Additional design features such as street furniture and snagging work will also be completed by the Council's Highway term contractor By November.

Orpington Town Centre

- 3.9 There have been further delays to the implementation of the Walnuts public realm scheme due to issues regarding staffing and quality of finish. The former Term contractors FM Conway (FMC) have now addressed these issues and will have fully completed the improvement works by 3rd December 2018. As part of the stakeholder communication strategy, Council officers and FMC contractors continue to hold monthly progress meeting with stakeholders and regular newsletters will continue to be disseminated until the end of the scheme.

Framework Plan

- 3.10 As part of the New Homes Bonus allocation, funding was set aside to produce a Framework Plan for Orpington town centre to inform decisions about future investment and development. As part of this work consultants Cushman & Wakefield have been appointed to produce a series of technical papers and evidence base to inform the development of the Framework Plan. An Executive Summary of this work (attached as Appendix 1) focuses on providing the foundations for the Council and its partners to consider the future direction and delivery strategy for development in the centre. This includes an initial review of potential town centre development opportunities and contains an:

- a) Overview of the key market trends affecting town centres and the implications for Orpington
- b) Evidence on the current health and performance of Orpington
- c) Benchmarking analysis to compare Orpington with other centres in London and across the UK

The key findings and conclusions are presented in the form of a SWOT analysis, and identify 8 potential development opportunities in the town centre.

- 3.11 The report recommends that for the next stage in the development of the Framework Plan the Council will need to work with its partners to develop a comprehensive forward strategy for the town centre, comprising a shared vision, SMART objectives and a prioritised and costed action plan to achieve the objectives, with responsibilities allocated to parties to deliver.

Penge Town Centre Improvements

- 3.12 The improvements to Arpley and Empire Squares and the Penge Triangle area are completed and the contractors will be undertaking snagging work for the squares and the High Street after the improvements to the Croydon Road/Green Lane junction have been completed in October 2018.

- 3.13 Officers from the Council along with architects You & Me Architecture have selected 7 businesses on Penge high street for the shopfront improvement project. The next stage of the programme would involve working with these selected businesses to determine the most appropriate proposals for improvements and the signing off of the designs prior to the submission of any required planning applications and any of the improvement works progressed. The businesses will be required to pay at least 10% of the total cost of the improvements before any of the work is undertaken. It is anticipated that the construction programme will likely begin in November 2018 subject to planning consents and take approximately 3 months to complete.

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 £22.823m.
- 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 £988k.
- 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.
- 5.5 It should be noted that there is £45k of S106 funding for street furniture refurbishments within Bromley Town Centre, (From the Ringers Rd and St Marks Square Developments), comprising of £20k from Agreement 284 which has to be spent by 15 October 2018 and £25k from Agreement 331 which has to be committed by 24 December 2018.
- 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	Spend	Com'tmts	Total	Balance
	£'000	£'000	£'000	£'000	£'000
<u>Site G</u>					
Properties w ithin 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	78.8	34.1	112.9	987.1
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	1,434.3	34.1	1,468.4	22,823.2
<u>Beckenham Improvement Scheme *</u>					
TfL Funding	2,896.0	2,614.0	15.6	2,629.6	266.4
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
	4,441.0	2,814.0	15.6	2,829.6	1,611.4
<u>New Homes Bonus and High Street Funded Projects</u>					
Penge Tow n Centre Improvements	746.0	135.1	0.0	135.1	610.9
Orpington Tow n Centre	525.0	422.8	0.0	422.8	102.2
	1,271.0	557.9	0.0	557.9	713.1
<u>Orpington Tow n Centre</u>					
S106 funding tow ards Walnuts Shopping Centre area	269.0	189.9	0.0	189.9	79.1
	269.0	189.9	0.0	189.9	79.1
<u>Bromley Tow n Centre Public Realm Scheme</u>					
S106 funding - Tow n Centre contributions*	152.0	0.0	0.0	0.0	152.0
Grow th Fund (may be replaced by S106 from Langley Court funding w hen available)	3,308.0	777.5	50.2	827.7	2,480.3
	3,460.0	777.5	50.2	827.7	2,632.3
Total Capital	33,732.6	5,773.6	99.9	5,873.5	27,859.1
Revenue					
<u>New Homes Bonus and High Street Funded Projects</u>					
Penge Tow n Centre Improvements	200.0	104.2	19.3	123.5	76.5
Orpington Tow n Centre	100.0	81.4	14.5	95.9	4.1
Biggin Hill Aviation Technology & Enterprise Centre	150.0	128.6	12.2	140.8	9.2
Cray Business Corridor	150.0	111.8	12.9	124.7	25.3
	600.0	426.0	58.9	484.9	115.1
<u>Bromley Tow n Centre High Street redevelopment programme</u>					
Investment Fund - Initial feasibilty cost of development program	118.0	80.8	0.0	80.8	37.2
Investment Fund - Detailed design cost & survey w ork	287.0	204.7	33.7	238.4	48.6
Broadband Infrastructure Investment project	64.7	64.7	0.0	64.7	0.0
S106 Funding for street furniture refurbishments	45.0	0.0	45.0	45.0	0.0
Sub-total High Street Redevelopment	514.7	350.2	78.7	428.9	85.8
Total Revenue	1,114.7	776.2	137.6	913.8	200.9
Total Funding - Capital and Revenue	34,847.3	6,549.8	237.5	6,787.3	28,060.0

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