

**Decision Maker:** RENEWAL, RECREATION AND HOUSING PDS COMMITTEE

**Date:** 6 March 2019

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

**Title:** TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE

**Contact Officer:** Virgil Rappa, Senior Regeneration Officer  
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**Chief Officer:** Colin Brand, Director of Regeneration

**Ward:** All Wards

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**1. Reason for report**

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

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**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 Council's intention to submit an Expression of Interest Bid for the Ministry of Housing, Communities and Local Government's Future High Streets Fund to secure funding for a new Orpington Masterplan.

### 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: £35.343m
  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): 3
  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 On 17<sup>th</sup> July 2017, the Executive approved the detailed terms of the development agreement and lease for the development and on 11<sup>th</sup> December 2017, Full Council approved an allocation to the capital programme for the purpose of acquiring properties within the red line area. On 13<sup>th</sup> February 2019 the Executive further approved the “in principle” use of the Council’s Compulsory Purchase Order (CPO) powers to secure vacant possession of the development site to provide certainty and allow the preliminary processes required for the making of a CPO to be carried out at the same time as ongoing negotiations with landowners both saving time and supporting the negotiating process. The Council’s 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. Officers are also currently preparing an Equalities Impact Assessment to support the acquisition process. Progress continues to be made on site acquisitions and relocations, including the ongoing discussion with the Bromley Town Church on temporary relocation options.
- 3.3 In accordance with the terms of the development agreement Countryside Properties’ planning application for their scheme is currently still under consideration by the Council’s Development Control team with a targeted consideration by the Development Control Committee in March 2019.

#### **Bromley Town Centre High Street Public Realm Improvements**

- 3.4 Phase 2 works have continued south towards the Elmfield Road junction. All the new lighting and the emergency vehicle path has been completed. Five new corten steel planters have been installed and planted with trees and shrubs. Feedback from the public has been very positive. It is anticipated that the paving works in the pedestrian areas works will be completed by Easter 2019. The timescale for the remaining Hostile Vehicle Measures at the southern end is still to be finalised with the manufacturers. Delivery of the rising bollards will take 12 – 14 weeks.
- 3.5 The carriageway works at High Street / Elmfield Road junction will require a full road closure for 6 – 8 weeks and a diversion of bus routes with London buses agreeing to provide temporary bus stops in Kentish way during this period.
- 3.6 Architectural feature lighting will be installed on Primark, the adjoining HG Wells building, 145-155 High Street, the adjoining Offspring Shoes building and Marks and Spencer. It is anticipated that the works will be completed by Easter 2019.
- 3.7 Following the Executive approval on 17<sup>th</sup> October 2018 officers are progressing the procurement of the two Commercial units/shops and the two pairs of market kiosks on Market Square. Members agreed additional funded of £415k. The planning applications for both were submitted in January 2019. The design team are also examining design and delivery options for the mirrored canopies given the revised overall scheme budget of £3.875m, agreed by the Executive. Details of any revisions will be brought back to the R, R & H PDS for consideration.

## **Beckenham Town Centre Public Realm Improvements**

- 3.8 The final improvement works to Beckenham High Street are due for completion in March 2019. Any outstanding snagging works will be agreed with the Term Contractor after the last design elements are completed

## **Orpington Public Realm Improvements**

- 3.9 The final improvement works in Orpington have been completed and snagging works have commenced. The suppliers of the damaged three prong granite bench will be replacing it and this is anticipated to be the last snagging element for the scheme. The replacement bench is anticipated to be installed in March 2019.

## **Future High Streets Fund Bid – Orpington Masterplan**

- 3.10 Following on from the report produced by Cushman and Wakefield, the Council is intending to bid for the Ministry of Housing, Communities and Local Government's Future High Streets Fund to fund the production of a new masterplan for Orpington Town Centre. The Future High Streets Fund is a £675m fund set up by the Government with the objective of renewing and reshaping town centres and high streets to improve experience, drive growth and ensure future sustainability. To secure funding, local authorities will be required to define the specific challenges faced by their high streets, setting out their overarching strategic ambition for what the high street or town centre should become and undertake what needs to be done to make this possible.
- 3.11 There will be two rounds of the Fund, both with a two-phase application process. Phase 1 is an Expression of Interest stage where places will be assessed on the need for funding, the nature of the challenge and the vision for the future of the town centre. For bids that pass on to Phase 2, there will be an amount of revenue funding available to work up project proposals to develop full business cases. Funding decisions will be based on project plans and business cases. In the first round of the Fund, projects which are 'shovel ready' may be fast-tracked for funding. The announcement on the second round of the Fund will be made in due course and assessment criteria will be published, but it will not open before 2020.
- 3.12 The timescales for the Fund are as follows:
- December 2018: Phase 1 opens and Expressions of Interest invited
  - 22 March 2019: Deadline for Expressions of Interest
  - Summer 2019: Announcement on places moving to Phase 2
  - Late 2019: First round of final business cases to be submitted
  - Spring 2020: All remaining final business cases to be submitted
  - Not before 2020: Second round of applications opens

It is expected that any identified need for investment will fall under the following themes:

- Investment in physical infrastructure
  - Acquisition and assembly of land including making improvements to the public realm
  - Improvements to transport access, traffic flow and circulation in the area
  - Supporting change of use including (where appropriate) housing delivery and densification
  - Supporting adaptation of the high street in response to changing technology
- 3.13 In keeping with these themes, the Council will be putting forward a submission identifying Orpington town centre as the place in its Phase 1 Expression of Interest bid, with the aim of securing revenue funding in Phase 2 for the production of a masterplan as part of the development of a full business case. This work will build upon the technical studies

previously produced by Cushman and Wakefield, preliminary feasibility work undertaken by Holder Matthias and the Local Plan policies for Orpington Town Centre. The masterplan will serve to provide a coherent vision for the future transformation of Orpington Town Centre through an analysis of the town centre and current and predictive trends in retail, leisure and housing opportunities. One of the key outputs from the masterplan will be to determine the location, mix and amount of development and provide sufficient detail and robust overall guidance for viable and achievable schemes to come forward, whilst ensuring developers, land owners, residents and stakeholders are fully aware of what is proposed and how it could be implemented.

### **Penge Town Centre Improvements**

- 3.14 You & Me architecture and their sub-contractors are currently implementing the construction phase of improvements to the selected shops under the Shop Front Improvement Scheme with a view to completing the project by the end of March 2019. To date, 5 shops, the equivalent of 7 units, have been completed and improvements have been well received by the local community.

## **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 11<sup>th</sup> 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 £2.220m has been spent/committed on the acquisition of properties in Ethelbert Close leaving a balance of £22.072m.
- 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 £164k has been spent/committed, leaving a balance of £935k.
- 5.3 On 17<sup>th</sup> October 2018, the Executive approved an addition of £415k to the Bromley High Street Improvement Capital Scheme, thereby increasing the overall budget for the scheme to £3.875m.
- 5.4 On the 13<sup>th</sup> February the Executive approval the addition of £81k to the Orpington scheme in the Capital Programme. It should be noted that the revenue maintenance costs of the Orpington Public Realm Scheme will be borne by the Head Leaseholder.
- 5.5 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: -

| <b>Capital</b>  | <b>Budget<br/>£'000</b> | <b>Spend Com'tmts<br/>£'000</b> | <b>Total<br/>£'000</b> | <b>Balance<br/>£'000</b> |
|---|-------------------------|---------------------------------|------------------------|--------------------------|
| <u>Site G</u>   |                         |                                 |                        |                          |
| Properties within red line development site - capital financing                 | 20,932.0                | 0.0                             | 0.0                    | 20,932.0                 |
| Growth Fund - Specialist legal & development advice                             | 1,100.0                 | 111.9                           | 164.6                  | 935.4                    |
| Growth Fund   | 1,800.0                 | 1,695.6                         | 1,695.6                | 104.4                    |
| Private Developer contribution  | 100.0                   | 0.0                             | 0.0                    | 100.0                    |
| S106 PIL  | 359.6                   | 359.6                           | 359.6                  | 0.0                      |
|   | <b>24,291.6</b>         | <b>2,167.1</b>                  | <b>2,219.8</b>         | <b>22,071.8</b>          |
| <u>Beckenham Improvement Scheme</u>   |                         |                                 |                        |                          |
| TfL Funding   | 2,896.0                 | 2,896.0                         | 2,896.0                | 0.0                      |
| TfL Funding - LIP allocation re Southend Rd/Rectory Rd                          | 200.0                   | 200.0                           | 200.0                  | 0.0                      |
| Capital receipts  | 995.0                   | 609.8                           | 617.7                  | 377.3                    |
| Earmarked Reserve balance for Beckenham Improvements                            | 150.0                   | 150.0                           | 150.0                  | 0.0                      |
| Principal Road Maintenance TFL allocation (Subject to approval)                 | 200.0                   | 0.0                             | 0.0                    | 200.0                    |
|   | <b>4,441.0</b>          | <b>3,855.8</b>                  | <b>3,863.7</b>         | <b>577.3</b>             |
| <u>New Homes Bonus and High Street Funded Projects</u>                          |                         |                                 |                        |                          |
| Penge Town Centre Improvements  | 746.0                   | 150.1                           | 163.4                  | 582.6                    |
| Orpington Town Centre   | 525.0                   | 498.8                           | 498.8                  | 26.2                     |
|   | <b>1,271.0</b>          | <b>648.9</b>                    | <b>662.2</b>           | <b>608.8</b>             |
| <u>Orpington Town Centre</u>  |                         |                                 |                        |                          |
| S106 funding towards Walnuts Shopping Centre area                               | 350.0                   | 299.9                           | 299.9                  | 50.1                     |
|   | <b>350.0</b>            | <b>299.9</b>                    | <b>299.9</b>           | <b>50.1</b>              |
| <u>Bromley Town Centre Public Realm Scheme</u>                                  |                         |                                 |                        |                          |
| S106 funding - Town Centre contributions  | 152.0                   | 0.0                             | 0.0                    | 152.0                    |
| Growth Fund (may be replaced by S106 from Langley Court funding when available) | 3,723.0                 | 1,455.5                         | 1,565.9                | 2,157.1                  |
|   | <b>3,875.0</b>          | <b>1,455.5</b>                  | <b>1,565.9</b>         | <b>2,309.1</b>           |
| <b>Total Capital</b>  | <b>34,228.6</b>         | <b>8,427.2</b>                  | <b>8,611.5</b>         | <b>25,617.1</b>          |
| <b>Revenue</b>  |                         |                                 |                        |                          |
| <u>New Homes Bonus and High Street Funded Projects</u>                          |                         |                                 |                        |                          |
| Penge Town Centre Improvements  | 200.0                   | 129.4                           | 158.0                  | 42.0                     |
| Orpington Town Centre   | 100.0                   | 81.4                            | 95.9                   | 4.1                      |
| Biggin Hill Aviation Technology & Enterprise Centre                             | 150.0                   | 137.4                           | 140.9                  | 9.1                      |
| Cray Business Corridor  | 150.0                   | 120.6                           | 124.7                  | 25.3                     |
|   | <b>600.0</b>            | <b>468.8</b>                    | <b>519.5</b>           | <b>80.5</b>              |
| <u>Bromley Town Centre High Street redevelopment programme</u>                  |                         |                                 |                        |                          |
| Investment Fund - Initial feasibility cost of development programme             | 118.0                   | 80.8                            | 80.8                   | 37.2                     |
| Investment Fund - Detailed design cost & survey work                            | 287.0                   | 204.7                           | 238.4                  | 48.6                     |
| Broadband Infrastructure Investment project                                     | 64.7                    | 64.7                            | 64.7                   | 0.0                      |
| S106 Funding for street furniture refurbishments                                | 45.0                    | 21.8                            | 45.0                   | 0.0                      |
| Sub-total High Street Redevelopment   | 514.7                   | 372.0                           | 428.9                  | 85.8                     |
| <b>Total Revenue</b>  | <b>1,114.7</b>          | <b>840.8</b>                    | <b>948.4</b>           | <b>166.3</b>             |
| <b>Total Funding - Capital and Revenue</b>                                      | <b>35,343.3</b>         | <b>9,268.0</b>                  | <b>9,559.9</b>         | <b>25,783.4</b>          |

|   |                                  |
|---|----------------------------------|
| <b>Non-Applicable Sections:</b>                       | Legal and Personnel Implications |
| Background Documents:<br>(Access via Contact Officer) | NA                               |